Rude lessons

India should learn from Canada and be wary of deals with the U.S.

The U.S.-Canada trade dispute has a few sharp lessons for India. The two economies have been deeply economically integrated since at least 1965, when they established free trade in automobiles and their parts. This then widened into a full-fledged free trade agreement in 1989, which was expanded into the North American Free Trade Agreement (NAFTA) about five years later. The economic integration between the U.S. and Canada has steadily continued and, by all accounts, has worked well for both economies. The target for the much smaller Canadian economy was to achieve economies of scale by producing vast amounts of a few products. According to Nobel laureate Paul Krugman, Canada accounts for 70% of the oil refined in the American Midwest, and supplies 60% of the nation's aluminium. It also supplies nearly all the types of lumber used in U.S. residential construction. Yet, despite this long and fruitful trade partnership, their economic relationship has fallen to a new low. Canada pulled out of negotiations over a new tariff deal citing last-minute insertions by the U.S. side. The U.S. has made a similar allegation against Canada. Canada recently levied reciprocal tariffs on the U.S. of up to 50% as a reaction to the 50% tariffs that the U.S. has imposed on imports from Canada. From September 29, the U.S. will outright ban certain Canadian alcoholic spirits, some dairy goods, and motorcycles. Statements by U.S. President Donald Trump are hardly conciliatory in nature.

The first lesson for India lies here: if this is how the U.S. treats a next-door neighbour, alliance member, and long-standing trade partner, India should not take for granted any favourable treatment that it might receive from the U.S. The second lesson is that barrelling ahead with trade deals might not always be the best plan. Before Canada, Malaysia also backed out of a deal it had signed with the U.S. It argued that once the U.S.'s reciprocal tariff system was deemed illegal, the benefit from a trade deal no longer outweighed the costs of opening up to the U.S. Despite the success of its recent trade pacts, India should weigh the same pros and cons when it comes to the U.S., especially since a deal might not be the end of the tariff pressure. India has faced this before. Despite the February 2026 agreement of 18% tariffs on imports from India, the U.S. has forged ahead with its forced labour and excess capacity investigations that could see tariff levels exceed that limit. India has done well to insist that a deal will not be struck until its advantage over its competitors is clear. The third lesson is that this advantage can vanish even after a deal is struck.

Growth spurt

Alternative powertrains are now mainstream in automobiles

According to data released by the Federation of Automobile Dealers' Associations (FADA), total vehicle registrations in August have increased 17.5% year on year, recording the all-time highest volume for the month, and with alternative powertrains, i.e., CNG, electric, and hybrids, leading passenger vehicle sales for the first time. But upon a closer look, some confounding factors emerge that also warrant caution about the figures. First, July 2026 itself was a strong month, with the August numbers 6.4% lower, possibly due to the monsoon. Second, the number of vehicles retailed in rural areas grew 19.7% year on year over 15.1% in urban areas; passenger vehicles sales likewise increased 24.9% in rural areas versus 10.9% in urban areas. This could be due to rising disposable incomes and consistent state capital expenditure on semi-urban infrastructure. However, tractor sales have in the past indicated monsoon-related rural stress, and while their sales are virtually unchanged year on year, they declined 25% month on month. Together with two-wheelers and passenger vehicles selling well, the trend suggests that non-farm rural incomes and mobility could be strengthening more than capital spending linked to agriculture. Third, last year, the GST Council reduced taxes on small cars, motorcycles (up to 350 cc), three-wheelers, buses, and goods vehicles, so August 2025 sales growth dropped as buyers waited for the new rates from September. Fourth, while CNG, hybrid, and electric powertrains beat petrol/ethanol vehicle sales by 1.1 percentage points, most hybrid vehicles still burn petrol while CNG itself is a fossil fuel. So the lead taken by alternative powertrains is not synonymous with a lead of non-fossil-fuel vehicles.

That said, petrol vehicles falling behind is still notable; the data also show that between August 2024 and August 2026, CNG and electric powertrains contributed most of the surge, implying that Indians are switching to alternatives that are cheaper to run, in light of the West Asia conflict and, to a lesser degree, concerns over ethanol blending. Next, the move away from petrol is uneven: three-wheelers are predominantly electric while two-wheelers catch up, and passenger cars' powertrains continue to diversify. And electrification continues to reflect rising consumer demand as much as industrial policy. Finally, FADA also reported that, despite record sales, dealers are holding 38-40 days of inventory against the recommended 21. So while the petrol era is far from over, the Indian automotive industry has commenced the mass-market integration of alternative powertrains. But that said, only if September-November preserves the gains in alternative powertrains after the base effect disappears, and dealer inventories return to normal levels, can August 2026 be considered a historic moment.

A unilateral America in a post-unipolar world

Stanly Johny

When the September 11, 2001 terrorist attacks took place, the United States was at the pinnacle of its power. A decade earlier, its Cold War rival, the Soviet Union, had disintegrated. Russia was still struggling to emerge from the post-Soviet chaos while China remained a close economic partner of the U.S. In eastern Europe, Washington had successfully undertaken military interventions, while the North Atlantic Treaty Organization (NATO) had completed its first round of expansion into Russia's neighbourhood. The U.S. also maintained a formidable military presence in West Asia. Then came 9/11.

The U.S., then the world's sole superpower, was understandably angry and anguished. It launched "a global war on terrorism", with Taliban-run Afghanistan, which had hosted al-Qaeda, the perpetrators of the 9/11 attacks, as its first target. But the war that then U.S. President George W. Bush launched went far beyond the remit of a fight against terrorism. Twenty-five years later, the U.S. remains bogged down in West Asia, its rivals are more assertive elsewhere, while the threat of terrorism has become more dispersed across West and South Asia and Africa.

Even though it was conceived as a transborder fight against terrorist organisations, primarily al-Qaeda, the war eventually evolved into a series of regime-change wars, driven by the goal of reshaping Afghanistan, West Asia and North Africa in accordance with American interests and worldview. Mr. Bush and his neoconservative allies believed that a "deficit of democracy" bred terrorism, and hence, the spread of democracy became a theoretical imperative of the war on terror. In Afghanistan, U.S. forces toppled the Taliban regime and established a new state – the Islamic Republic. The war forced al-Qaeda to disperse into autonomous cells and retreat, but it did not defeat the organisation.

Three consequences

In less than two years, the U.S. invaded Iraq. Besides the disastrous humanitarian cost of the war, the invasion had three lasting consequences. First, it diverted U.S. attention from Afghanistan and al-Qaeda, giving the Taliban space to regroup and lay the foundations for an insurgency that would eventually defeat the U.S. – 20 years after the 9/11 attacks.

Second, the destruction of the state of Iraq and the chaos that followed offered a new haven for al-Qaeda, which was also seeking to regroup. Before 9/11, Afghanistan had hosted Osama bin Laden's al-Qaeda. After the Iraq war, Abu Musab al-Zarqawi built the deadliest branch of the jihadist organisation in Iraq. The al-Qaeda in Iraq (AQI) would outlive Zarqawi, who was killed in a U.S. airstrike in 2006, and transform itself into the deadly Islamic State of Iraq and Syria (ISIS) in the early 2010s, after Syria, too, plunged into civil war.

Third, the collapse of the Saddam regime in Iraq removed a historical buffer between Iran and the U.S.-backed Persian Gulf monarchies. Saddam had fought Iran for eight years in the 1980s. True, he had later become an outcast in the U.S.-Sunni axis, but he remained a staunch enemy of Tehran. After Saddam fell, Iraq's Shia movements, which had deep historical ties with Tehran but had been suppressed under Saddam, emerged as the new centres of power in Baghdad. Iran steadily expanded its influence in Iraq, strengthening its regional position while also trapping the U.S. in the morass of Iraq.

The regime-change wars did not end with Iraq. In 2011, amid the Arab Spring protests, NATO launched an extensive bombing campaign in Libya aimed at "protecting the Libyan people" from Muammar Qaddafi's forces. The war, which then U.S. President Barack Obama later said he had "led from behind", brought down the Qaddafi regime but effectively destabilised Libya, once one of the most stable states in Africa. The collapse of the Libyan state opened the floodgates to terrorism across Africa, as weapons were smuggled across borders and fell into the hands of various militias and terrorist groups. Over the past 15 years, jihadist groups have spread their influence across the Sahel, while western influence has continued to diminish on the continent.

9/11 25 YEARS LATER

Cutting the losses, geopolitical chain effects

By the time Mr. Obama had left the White House, war weariness had set in across Washington. Iraq remained unstable, with growing Iranian influence. In Afghanistan, the Taliban were gaining strength with each passing day, putting American troops under enormous pressure. Libya was divided between rival governments and armed militias. In Syria, a Russian military intervention seemed to have turned the tide, though briefly, in favour of the Assad regime. While the U.S. was struggling to manage its wars in Afghanistan, West Asia and North Africa, China, America's key systemic rival, continued to rise economically and militarily. Having become bogged down in a strategic maze, the U.S. started cutting its losses and repositioning itself across the wider region.

The first move was to accept the fact that the U.S. had lost the war in Afghanistan, the first of its post-9/11 regime-change wars. Donald Trump's first administration began direct talks with the Taliban, and in February 2020, the U.S. signed an agreement with the Islamist insurgency, committing to withdraw American troops from Afghanistan. On August 15, 2021, two weeks ahead of the deadline, the Taliban entered Kabul.

The paradox of the post-9/11 era is that America emerged from the Cold War as the world's unrivalled power, but its attempts to consolidate that primacy through military interventions gradually eroded the very strategic freedom that unipolarity had given it. Take the case of the U.S. withdrawal from Afghanistan. The U.S. saw the withdrawal as the swallowing of an inevitable bitter pill: Washington needed to trim its strategic overreach and prepare for the looming contest with China. But two developments since the withdrawal have erected obstacles to America's strategic repositioning.

First, the U.S. pullback from Afghanistan was interpreted as a sign of weakness by its rivals, particularly Russia, which had long sought to alter the post-Soviet security architecture in its rimland. Call it a geopolitical butterfly effect: in February 2022, less than a year after America's withdrawal from Afghanistan, Russia invaded Ukraine, testing the U.S. commitment to Europe.

Second, the October 7, 2023 Hamas attack on Israel shook the whole of West Asia. A furious Israel announced its own "war on terror", launching a full-scale attack on Palestinians in Gaza and extending it into a mini-regional war in West Asia, setting off a chain of developments that led to the February 2026 U.S.-Israeli bombing of Iran. America's failure to learn the lessons of its failed regime-change wars, its inability to strategically decouple itself from Israel, and its hubris, coupled with a refusal to accept the reality that the world has changed, have all contributed to this folly. The American-Israel axis sought to topple the Islamic Republic and reshape the region. But the war has trapped the U.S. in another quicksand in West Asia.

The changing global order

So, 25 years after the 9/11 attacks, terrorist groups have not only survived the war on terror but have also evolved into localised tentacles of a transnational jihadist project spanning multiple geographies. Despite America's commitment to Europe through NATO, there is a widening chasm in the transatlantic alliance. As traditional U.S. allies grow increasingly frustrated with Washington's newfound transactionalism, Israel, America's closest ally in West Asia, is dragging Washington deeper into a regional vortex. While the U.S. remains bogged down in West Asia, China has risen as the second pole of an increasingly fluid multipolar order, while Russia is violently challenging the U.S.-led security architecture in Europe. The U.S., as its ill-conceived Iran war would suggest, continues to act like a unilateral hegemon. But its unilateralism is increasingly at odds with the emerging realities of the post-unipolar world.

Twenty-five years after 9/11, America's war on terror has also altered its strategic position worldwide

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The global war on terror, an empowered Iran

Shashank Ranjan

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

As West Asia remains mired in conflict, it is worth examining how the United States-led global war on terror inadvertently emboldened Iran, elevating it to a regional power that is now capable of confronting the U.S. in the ongoing conflict.

Prior to 2001, Iran faced strategic containment from two hostile regimes: the Taliban in Afghanistan and Saddam Hussein's Iraq. U.S. invasions toppled both governments, eliminating Iran's most dangerous neighbours. The new governments in both countries proved friendlier to Tehran. In Iraq, the fall of the Sunni regime led to a Shia-led government with deep ties to Iran, transforming an enemy into a strategic partner. According to analysts, Iran had surpassed the U.S. as the most influential power in Iraq, significantly improving its strategic position.

Sectarianism was the fuel

The invasions of Afghanistan and Iraq created a chaotic environment in the region that fuelled sectarian conflicts centred on the Shia-Sunni divide. These developments provided fertile ground for the emergence of terrorist groups such as al-Qaeda in Iraq, which later evolved into the Islamic State of Iraq and Syria (ISIS). Regional powers took sides – Iran bolstered Shia militias in Iraq, while Saudi Arabia supported Sunni extremists. This sub-conventional proxy warfare entrenched Iran as a regional power broker, contrary to the overarching U.S. objective of isolating Iran.

ISIS, being ideologically anti-Shia, posed an unprecedented threat to Iran. This pushed Iran to become a central actor in the anti-ISIS coalition, deploying military advisers and mobilising allies across the region.

Iran consolidated its influence by becoming a key counter-terrorism player, exploiting power vacuums and using the crisis to strengthen its diplomatic position. Though the emergence of a shared enemy opened a narrow window for dialogue with the U.S., no synchronisation materialised, as President George W. Bush had famously labelled Iran part of the 'Axis of Evil' in his 2002 State of the Union address, alongside Iraq and North Korea, citing their pursuit of weapons of mass destruction and support for terrorism.

The role of the 'Axis of Resistance'

However, from Iran's point of view, what mattered was the "Axis of Resistance" (the Axis) – a political, military, and social network linking Iran, Iraq, Syria, Lebanon, and Palestine. It was designed as a "ring of fire" around Israel, serving as a form of forward defence for Iran. In addition, Iran gained several buffer zones in Iraq, Lebanon, Syria, and Yemen through key Axis members such as Hezbollah, Hamas, the Houthis, and Shia militias in Iraq. The Axis contributed to the emergence of the "Shia Crescent", an arc of Iranian influence extending through Iraq, Syria, and Lebanon.

Iran gained international legitimacy for its military activities in Iraq and Syria. Groups such as Hezbollah became battle-hardened and politically entrenched. The Houthis in Yemen graduated from a local insurgent movement into a political insurgent group. In terms of military capabilities, Iran's primary focus was on the Islamic Revolutionary Guard Corps (IRGC), which controls the country's strategic assets and specialises in sub-conventional warfare, including the control of proxies. By comparison, Iran's conventional military received far less attention.

The U.S. withdrawal from Iraq and the Arab Spring in 2011 created vacuums that Iran was uniquely positioned to fill. Iran invested significantly in the Axis to gain an asymmetric advantage over the U.S. and Israel, as matching them on conventional military metrics was a difficult proposition for Tehran.

The "Forever Wars" in West Asia drained American resources and attention, allowing Iran to expand its influence unimpeded while reinforcing its hardline posture. The rise of ISIS paradoxically benefited Iran, which became one of the first and most critical military supporters of the Iraqi government in its fight against the group. Iran deployed its elite Quds Force to coordinate Baghdad's defence, cementing its influence over Iraq's security apparatus. In Syria, defending the Assad regime protected Iran's only major state ally and helped consolidate its supply routes to Hezbollah in Lebanon.

9/11 25 YEARS LATER

The transformation of Iran

The global war on terror fundamentally transformed Iran from a contained state into a dominant regional power. By removing hostile regimes, creating power vacuums, and unintentionally strengthening Iran's alliance network, U.S. actions produced outcomes diametrically opposed to their stated objectives.

The global war on terror enabled Tehran to project power in Afghanistan, Lebanon, Syria, and Yemen. As a result, Iran's role as a pivotal broker was cemented, with lasting consequences for West Asian geopolitics.

Having benefited from these developments, Iran increasingly invested in the Axis while rallying domestic support around nationalism rather than religion. Iran's current resilience against the U.S.-Israeli offensive in West Asia could be viewed as a manifestation of the strategic advantages flowing from the global war on terror.

America's post-9/11 wars created strategic openings that Iran exploited

LETTERS TO THE EDITOR

Cash transfers, welfare

Unconditional cash transfers (September 7) can provide valuable support to women, particularly where household incomes are uncertain and unpaid care work remains largely unrecognised. However, welfare schemes should not become a source of political uncertainty for their beneficiaries. Governments should publish clear eligibility criteria, provide simple grievance-redress mechanisms, and regularly review exclusion errors. Payments should also be accompanied by opportunities for employment, skill development, and access to essential services. This would make welfare less dependent on recurring cash assistance. At the same time, fiscal costs must be assessed honestly, since resources are limited. The objective should be to combine immediate support with measures that improve household security and economic independence. Welfare is most effective when it strengthens citizens' choices rather than merely fostering dependence.

Abbharna Barathi,
Chennai

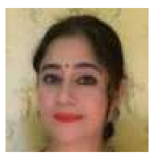
Seeking Gen Z online

Following the Cockroach Janta Party and Gen Z protests, the Prime Minister reportedly urged Ministers to engage more frequently with Gen Z through social media platforms. Soon, MPs — and increasingly, Ministers — began adopting Gen Z terminology and digital idioms. A more recent trend is even more revealing: AI-generated "retro" images portraying political leaders as their younger selves in the 1980s. There is nothing wrong with politicians having a little fun on social media. But the trend raises a larger question: are they mistaking the medium for the message? The Election Commission of India cautioned political parties and candidates in October 2025 about the use of AI-generated and synthetic content. That caution deserves attention as political communication embraces AI. Gen Z is unlikely to be won over merely because politicians adopt its language, platforms or nostalgia.

N. Nagarajan,
Secunderabad

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

Should the use of Gen AI be banned among younger students in schools?



Lavina Jaswani

Founder of the Sprouts International School in Jaipur

Deepa Jacob

Class 5 teacher at the American International School in Chennai

PARLEY

Recently, New York City Mayor Zohran Mamdani announced a one-year moratorium on most generative AI tools for public school students until Class 8 for the 2026-27 academic year. Officials argued that young children require human connection and independent problem-solving skills instead of relying on algorithms. India's policies on this issue are still evolving. So, should the use of Gen AI be banned among younger students in schools? Lavina Jaswani and Deepa Jacob discuss this question in a conversation moderated by **Priscilla Jebaraj**.

What kind of AI tools do you use and how do they benefit primary school children?

Lavina Jaswani: We have been using a number of AI-enabled tools to explain concepts to children; to offer personalised learning; and to help teachers create resources, from stories and worksheets to different types of assessments and quizzes. There are different apps we use, such as Kahoot! and Quizlets, to offer a gamified, interactive, and sensorial learning experience that keeps children engaged, rather than the traditional rote learning method.

However, the teacher still has to ask herself: what is my learning objective? What does a child need to understand? Where can the technology add value and is it truly beneficial and essential for the child? Keeping such questions in mind, AI tools can be effectively used in the classroom.

Deepa Jacob: In our school, technology is integrated seamlessly into our teaching and learning experience. Every child from kindergarten onwards has access to an iPad, which is kept at the school; they don't take them home. They have apps that might be able to assist them with learning such as Seesaw, which is a journal of their learning through which they can keep a record of things that they do, like published writing pieces, videos of science experiments, their reflection on their learning etc. You can even assign tasks on them.

Very recently, I discovered that Seesaw itself has an AI component. So, for example, we do a lot of work with reading fluency. The kids are given a grade-level passage. They do a cold read of it on day one and through the week they reread the passage along with the teacher, and learn to pronounce the words, the meaning of the words, and then finally on day five they record their reading again and they find that they've improved in their fluency and their accuracy. Recently, one of my colleagues found out that the recording feature has an AI component which transcribes what you've said and scores you based on your accuracy. This is really great because rather than the teacher having to listen to every child read, if an app can score your reading and tell you which words you are reading incorrectly, then you can practise those words alone. But it's AI, not a person, so it comes with its own flaws. For example, one of my students was reading a word with an Indian accent, and the app marked it wrong. The same thing happened to students using several other Asian accents. So, that's where I feel the human component is important. We need to be careful that we don't let AI take over our lives.

New frontier: India's first AI teacher 'Iris' interacts with students at a school, in Attingal, in Thiruvananthapuram, in 2024. PTI

I also do not allow generative AI in my classroom. When I ask my children a question, or if they have a question, I will never ask them to Google it. Because the easiest way to kill a love for learning is to find a ready-made answer.

Educationists and philosophers in the field of education have talked about existing in the liminal space, which is that space where you struggle with a concept, that threshold between not knowing something and struggling with something and then finally learning it. I think that is a beautiful space to be in mentally and we need these as human beings. We need this time and space to reconfigure ourselves; time for ideas to incubate and grow. Relying on technology in that phase would be terrible. While technology should be used as a tool, it is easy to over-rely on technology and use it as a crutch. If you want to create human beings that make their own contribution in the world, I think there should be serious restrictions on the amount of AI used among kids.

One fear is that AI could harm a student's ability to think and learn for themselves – for instance, if they just enter their homework as a ChatGPT prompt, the AI does their homework for them. Is this a valid fear?

LJ: Yes, this is where we need to take a balanced position. AI can affect children's thinking abilities, but it depends on how we use it. There are two possibilities: one is when the child uses the AI, the AI gives the answer, the child copies it, submits it and moves on. Then we have a problem, as the child is not using his brain.

> Children are much more tech savvy and even AI-savvy than they were a few years ago. So I don't think bans and restrictions are the solution. It is better to understand artificial intelligence and make our children aware of the pros and cons
>
> LAVINA JASWANI

Instead, we need to guide the child on how to use it and that is where we need to put the restriction.

Suppose you are trying to teach fractions or some kind of problem-solving lesson. If the AI gives the answer, the child misses the struggle, the trial and error, the logical thinking, and the satisfaction of finally getting the answer.

So the rule in my classroom is that first, the child needs to think it, then write it and then lastly, ask the AI to verify the answer. They must try to solve it themselves, but if they can't, just as they may ask their parents or their teacher for help, they can ask AI too to provide assistance in the same way.

DJ: The problem is over-reliance. If you've been driving a manual car and then you shift to an automatic car, you're going to find it really hard to go back to driving manual, right? Similarly, I think you can become over-reliant on someone else doing the thinking for you or even synthesising ideas by just feeding them into an AI tool such as the Notebook LLM. The capacity of the human brain is immeasurable. There's so much study that has gone into how brains function, and their neuroplasticity. It would be a shame if we let it die. Especially in the primary and elementary years, where so much of growth is happening.

So while AI is a great tool, I think we should be very cautious in how it is used.

At the same time, I don't think a complete ban is the answer and a one-year moratorium may not be enough to think through, to plan, and to set up some guardrails around how AI should be used in education.

AI is now an integral part of basic search, of Google, of emails, and even in games. So students are using AI whenever they use the Internet at home. So why keep it out of class?

DJ: As educators, we don't really have control over what kids are exposed to at home, but the one place where we can still teach critical thinking skills is in the classroom. I think we have to preserve that as far as we can. Also, I think children these days are really good at spotting something that's AI-generated versus the real thing, and for many of them it is not cool anymore.

I feel like we, the older generation, are more easily fooled when it comes to AI.

LJ: Children are much more tech savvy and even AI-savvy than they were a few years ago. So I don't think bans and restrictions are the solution. It is better to understand AI and make our children aware of the pros and cons.

Central and State governments are starting to commission pilot projects using AI tools in government schools and in rural areas where there is a shortage of quality teachers, in the hope that AI can bridge that gap. Could AI supplement or even replace teachers in some of these schools?

LJ: AI should not replace a teacher; it should extend the teacher. Especially in primary education, where children learn best through stories, activities, and conversations – moments that are very important to human relationships. That bond with the teacher is very important. So I would never want AI to become the teacher sitting in front of the children. I see AI as a learning assistant.

DJ: My first job was in a village school and there were times I wished I had more resources and more tools, especially to translate more content and make it accessible. But I agree that you cannot completely do away with teachers just because knowledge can be found anywhere. But if you think of schools as not just knowledge centres, but wisdom centres where you learn from other human beings about how to become a good human, then you need teachers to be present, curating resources for the child.

How have you found AI helpful for teacher preparation and training?

DJ: Prep time is very limited so AI tools really help. If I input what I need to teach into Gemini, it helps me create slide decks that I can then present to the class, but again, we need to be careful because we have learnt through experience that AI can hallucinate and put out wrong information, so teachers do need to double check.

LJ: It can help teachers use different techniques in their classroom. Suppose I am teaching fractions in class and one child understands the concept immediately, but another child is still confused; traditionally, the second child may simply hear the same explanation again, but an AI tool can guide the teacher to teach fractions in a more visual and fun way by using a chocolate and dividing it up.

To listen to the full interview
Scan the code or go to the link
www.thehindu.com

NOTEBOOK

Up close with Chinna Thambi: a privilege and a curse

The best part about being a journalist is getting access to places we will not be able to visit otherwise. But that access can, at times, leave us uneasy

Akila Kannadasan

I had heard so much about him and his boyish charm that when it was time for me to finally meet him, I felt jittery. During the jeep ride to his temporary home, my mind kept replaying things people had said about him: his little quirks, his love for food, and his intelligence.

I am talking about Chinna Thambi, the wild elephant that was tranquillised, captured, and then tamed to become a camp elephant in Tamil Nadu's Anamalai Tiger Reserve (ATR) in 2019.

Chinna Thambi was a crop raider during his carefree days in the Thadagam valley in the outskirts of Coimbatore. He would enter human habitation with the innocence and curiosity expected of a young elephant bull – he was 25 when he was caught – and eventually got used to the villages on the fringes of the forest.

I had followed the elephant's story with interest. After he was caught and sent to the Varagaliyar camp in ATR, I travelled there to meet him. I was writing a piece on the taming of Chinna Thambi.

To me, the best part about being a journalist is gaining access to places that I cannot even dream of visiting otherwise. The Varagaliyar elephant camp for instance, is not open to the public. Once I got the nod from Mr. V. Ganesan, the then Field Director of ATR, I joined him during an official visit to the camp one evening, an hour before dusk set in.

I will never forget the journey. The sturdy Forest Department jeep trundled along narrow trails that barely existed. Those mud roads were so untouched that I felt we were clearing foliage that had bent into our path much like how elephants move around forests.

For another feature on abandoned elephant calves, I got to observe the little ones and their antics from up close. They were taken to the Theppakadu camp in Mudumalai Tiger Reserve after their rescue, kept far from the public eye in an open enclosure. I was allowed to go a little closer to see them with their mahouts take them for walks and feed them milk through tubes.

The skies opened up when I visited the same camp one afternoon for a story on mahouts and their bond with elephants. It was mealtime and the men were mixing cooked ragi, rice, horse gram, and salt into mammoth balls to be fed to the elephants. From where I stood, I could almost taste those chocolate-coloured balls. Had I been a regular tourist, I would have been standing far away, beyond a long wooden fence.

A journalist's access to fascinating people and places is a privilege like none other. This access allows us to approach a story with all our five senses.

Sometimes though, this can also lead to discomfort. For, not all of these experiences are those that we would look back on with fondness.

When I neared the camp where Chinna Thambi was kept, my enthusiasm was replaced by a sense of trepidation. I hopped off the jeep to notice the gigantic wooden enclosure in which he stood. I could see his tail from afar – the *kraal* (enclosed pen) was composed of wooden beams.

In that moment, I wanted nothing but to run away. I didn't want to meet Chinna Thambi. I was not ready to see him that way. When the Field Director glanced back at me, I knew I had to snap out of it. I didn't have a choice.

Chinna Thambi's mahout offered him large balls of ragi from outside. I took a step closer to the enclosure for a better look. It was the first time I was seeing a wild elephant from such close quarters. Then, he put out his trunk for food. I jerked back. The mahout said jokingly, "All he wants is food," adding, "He's almost broken; it's just a matter of a few days."

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PICTURE OF THE WEEK

Saline surplus

Workers load bags of salt onto a truck from the salt pans near Beeramgunta, Ongole, on September 9. Work on the salt pans usually ends with the coming of the rains in June, but with almost no rainfall due to El Niño, salt continues to be harvested. The price of salt has fallen from ₹400–₹500 per tonne last year to ₹100–₹120 this year. KOMMURI SRINIVAS

FROM THE ARCHIVES

The Hindu.

FIFTY YEARS AGO SEPTEMBER 11, 1976

Eradication of smallpox

New Delhi, September 10: The Union Minister for Health and Family Planning, Dr. Karan Singh said on Thursday in a country like India with its vast magnitude of problems, public health programmes should be given equal weightage as the family planning programmes.

Inaugurating the two-day All-India review meeting on smallpox programmes here, Dr. Karan Singh said: "In our zeal to popularise family planning programme, which is no doubt necessary, we should not neglect the public health programmes." All such programmes have to be tackled simultaneously with equal zest, he added.

The review meeting on smallpox is being attended by all Directors of Health Services and Medical Officers in charge of smallpox eradication programmes in all States of the country. Regarding smallpox eradication, he said by next Independence Day, India should attain zero level in the disease.

A HUNDRED YEARS AGO SEPTEMBER 11, 1926

Germany's entry into league

As there was no issue dated September 11, 1926, from the issue dated September 10, 1926 –
Geneva, September 9: The meeting of the British and Dominion delegates in Sir. A. Chamberlain's room at his hotel this morning discussed the question of the probable applicants for the 9 vacant non-permanent seats on the Council. It is understood that the Dominion representatives declared they were not prepared to press their claims for seats.

Text&Context

THE HINDU

NEWS IN NUMBERS

Emergency World Bank funds to be received by Kenya

400 in $ million. Kenya is expected to receive about $400 million in emergency financing from the World Bank within six weeks to help address risks including an Ebola outbreak in the region and El Niño-related disruptions, a source familiar with the matter said. REUTERS

Percentage increase in Equity MF inflows in August

19 in per cent. Equity mutual fund schemes attracted ₹29,329 crore in August, registering a highest net inflow in four months, as investors continued to favour mid- and small-cap funds. This inflow was nearly 19% higher than the ₹24,697 crore recorded in July. PTI

Persons killed after cargo ship catches fire in China's port

20 A cargo ship docked for repairs in a Chinese port caught fire, killing at least 20 people and leaving five others missing, Chinese state media reported Thursday. The ship was being repaired in the Beihai Shipbuilding Co. at the port of Qingdao, a major shipping hub. AP

Amount transferred to beneficiaries under 26 schemes in Haryana

1,890 in ₹ crore. Haryana Chief Minister Nayab Singh Saini on Thursday transferred ₹1,890.16 crore directly into the bank accounts of more than 50 lakh eligible beneficiaries under 26 different schemes through Direct Benefit Transfer (DBT). PTI

People affected in 14 districts as floods wreak havoc in Bihar

43 in lakh. More than 43 lakh people have been affected by floods in 14 districts of Bihar, with several rivers flowing above the danger mark, officials said. Incessant rain in several parts has caused rivers and streams to overflow, they said. PTI

COMPILED BY THE HINDU DATA TEAM

How should RUPPs be regulated?

Why do some RUPPs remain active despite poor compliance? How can their misuse be curbed? What can be done to improve transparency? Should RUPPs face a vote threshold for tax breaks? How can the EC act against non-serious parties?

EXPLAINER

Rangarajan R.

The story so far:
A 'BBC News Hindi' investigation has revealed that six Registered Unrecognised Political Parties (RUPP), all based in Gujarat, had received donations of around ₹1,700 crores for the year 2023-24. This is higher than the total received by five nationally recognised political parties, except the BJP, for the same period, which stood at ₹1,480 crores.

What are registered parties?
Political parties are an association or body of individuals that can be formed by citizens. Section 29A of the Representation of the People Act, 1951 (RP Act) lays down the requirements for registration of a political party with the Election Commission (EC). After satisfactory scrutiny of the documents submitted, the EC registers a political party as a RUPP. The RUPPs enjoy the following benefits – (a) tax exemption for donations received under Section 12 of the Income Tax Act, 2025, (b) common symbol for contesting general elections to the Lok Sabha/State Assemblies, and (c) 20 'star campaigners' during election campaign. The RUPPs are required to maintain the details of individual donors above twenty thousand rupees in a financial year and submit them to the poll body every year. As per section 29C of the Representation of the People Act, failure to furnish these details will result in losing income tax exemption.

The RUPPs, under the Income Tax Act, 2025, are required to accept donations in excess of two thousand rupees only through cheque or bank transfers.

What are the issues?
As per the EC notification, India had more than 2,800 RUPPs as of July, but only around 750 contested the 2024 general elections. This has resulted in the moniker – 'letter pad parties' – for the rest of the RUPPs. The RP Act does not confer explicit powers on the EC to de-register a political party if it fails to contest elections, conduct inner-party elections, or lodge requisite returns. In the *Indian National Congress vs Institute of Social Welfare & Ors* (2002), the Supreme Court held that the EC does not have the power to de-register any political party under the RP Act. It may de-register only under exceptional circumstances, such as registration obtained by fraud, the political party ceasing to have allegiance to the Constitution, or being declared unlawful by the government. The EC periodically publishes the list of de-listed RUPPs. The October 2025 notification contains over 800 such parties.

However, the six RUPPs – Aam Janmat Party, Bharatiya National Janata Dal, Garib Kalyan Party, New India United Party, Satyawadi Rakshak Party and the Swatantrata Abhivyakti Party – remain on the list of active RUPPs as per the EC notification in October 2025. This is because they managed to field a total of 15 candidates during the 2024 Lok Sabha elections. The Association for Democratic Reforms periodically publishes reports on the status of submission of annual reports of RUPPs. In its July 2025 report, in which the annual reports of 2022-23 are analysed, it is stated that reports of only 26% of RUPPs are available in the public domain. Poor compliance with statutory requirements, coupled with a lack of transparency, results in these 'letter pad' parties being used as an opaque channel for tax evasion and money laundering.

What needs to be done?
The Law Commission, in its 255th report, had recommended amendments for de-registration of a political party if it fails to contest elections for ten consecutive years. The EC, in its memorandum for electoral reforms (2016), also suggested an amendment to the RP Act that would empower it to de-register a party. These are long-pending reforms that need to be carried out to empower the EC to act against non-serious parties, some of which are merely a façade for illegal financial transactions.

However, if parties contest elections merely to fulfil a statutory requirement, they could continue to misuse their tax exemptions and be used for money laundering and other nefarious activities. In the present digital world, it is not difficult for the Income Tax Department and other enforcement agencies to monitor the transactions of such parties and take strict action against any wrongdoing. This would act as a deterrent against the misuse of the benefits and exemptions available to political parties. The EC had also suggested that tax exemptions be provided only for political parties that win seats in Lok Sabha or Legislative Assembly elections. This can be viewed as an undemocratic and extreme measure, as there are parties that consistently contest elections without electoral success. Instead, similar to the 1% vote threshold for allotting common symbols to RUPPs, a suitable vote percentage threshold may be stipulated by law for RUPPs to avail of tax exemptions on donations received.

(Rangarajan R. is a former IAS officer Views expressed are personal)

GETTY IMAGES

THE GIST

Six Gujarat-based RUPPs received about ₹1,700 crore in donations in 2023-24, raising concerns over opaque political funding

Weak statutory provisions and poor compliance allow many non-serious RUPPs to remain active and potentially misuse tax exemptions

The EC needs stronger powers to de-register such parties, while a suitable vote threshold could determine eligibility for tax exemptions

Why are Volkswagen and JLR trimming their workforce?

European carmakers are falling behind their Chinese counterparts in the race to corner the EV market

G. R. Rajeev

The story so far:
The German carmaker Volkswagen and the British marquee brand Jaguar Land Rover (JLR) are shedding jobs – the former deciding to axe 50,000 positions and the Tata-owned brand 4,000. The latest cut will reduce Volkswagen's employee count by a lakh by the end of the decade, as the company had already reached agreements with employees since the end of 2024 to cut 50,000 jobs.

European carmakers have fallen behind Chinese manufacturers in the race to transition to electric vehicles and want to be shipshape in navigating the challenging terrain.

In July, BMW revealed its decision to cut its workforce by 8,000. Nifty homegrown brands are blocking Volkswagen's traffic in the lucrative Chinese market, and the company, under its chief executive, Oliver Blume, is taking a hard look at its worldwide operations, especially in the German market.

How have the two carmakers reached a settlement to cut jobs?
By no means has it been a smooth drive for the two giants who thrived in the heyday of internal combustion engines. Volkswagen had to contend with its powerful union to get approval for what many say is the most eventful restructuring in its 89-year history.

Workers hold 10 seats in the decision-making supervisory Board of the company and shareholders, including the State of Lower Saxany, another 10. The job cuts were announced after a tense meeting of the Board.

"Volkswagen is simply not a corporation that operates solely according to capitalist rules. Because of its history, Volkswagen also belongs to us, the employees," Daniela Cavallo, top union representative, said, as quoted by the *Wall Street Journal*.

Much of the money spent on building a plant at its Wolfsburg headquarters in the 1930s came from the earnings of the company's workers seized during Adolf Hitler's reign, and that gives a sense of ownership even to the present-day workforce.

The agreement stopped short of an announcement on closing down four factories at Emden, Hanover, Zwickau and Neckarsulm in Germany, deemed to have no future after 2030, when electrification is expected to stub out production of cars powered by internal combustion engines in Europe. The company has reset its targeted production to nine million vehicles a year, from 12 million before the COVID-19 pandemic and 10 million recently.

On the other hand, JLR, the cash cow of Tata Motors, is targeting £1.7 billion (around ₹28,000 crore) in savings through the job cuts, reports said. The cuts will largely target the white-collar workforce, while direct manufacturing jobs will be protected.

The company will scale down its breakeven point to 3 lakh vehicles from 3.5 lakh, reducing annual sales by 14% to cover its cost base. This will make it fitter in a rapidly evolving global market due to rapid technological change, intense competition, and geopolitical uncertainty, JLR chief executive P.B. Balaji said.

Why are the two carmakers on the skids?
Volkswagen ruled Chinese roads for four decades till its growth engines started sputtering. The world's largest carmaker after Toyota was late to the EV race with fleet-footed Chinese carmakers, after dominating the market through a string of joint ventures. Even in Latin America and Africa, dominant markets of the German giant, Chinese carmakers are giving Volkswagen nightmares. In China, its sales skid by one-third of the 2019 figures, reports said.

There is no model blitz in taking on Chinese rivals pumped up by cheaper state-backed loans. The company lost out to manufacturers such as BYD and Geely owing to a perceived reluctance to take the wheel in the EV race.

For JLR, with the U.S. as its largest market but with no American production base, Donald Trump's tariffs have created potholes on the road to profits. The tariffs on exports to the U.S. from the U.K. range from 10% to 15% for its models. It was China where its sales plummeted the most despite its electric-only reinvention.

How are the companies changing gears in India?
Volkswagen, which underwent a renaissance in India in recent years as Skoda Auto Volkswagen India Private Ltd., with models made for India, is looking for an active partner for its business. Volkswagen expects to sign a deal with a local partner in India this year, the chief executive officer of its Skoda brand, Klaus Zellmer, said in India, as the German group struggles to build scale in the world's third-largest car market, *Reuters* reported in August.

Skoda is in charge of the group's strategy in India, where Volkswagen is in talks on a joint venture with the JSW group, which has indicated it wants a majority stake. Mr. Zellmer said VW was in discussions with an unnamed partner and was confident of completing a deal this year.

JLR is a wholly owned subsidiary of Tata Motors, which acquired the iconic British luxury automaker in 2008. It clocked its best first-quarter retail sales for 2026-27 at 1,665 vehicles, an 11% year-on-year increase, in India. The India-U.K. free trade agreement is benefiting the company. JLR and Tata Motors opened a plant in Ranipet in Tamil Nadu in February 2026.

ECONOMIC NOTES

Why India must rethink the way it values skills, jobs and productive work

India risks a middle-income, low-productivity trap as weak job creation, stagnant wages and sluggish investment reinforce one another; escaping it requires better vocational education, wider diffusion of technology and useful knowledge, and greater social value for skilled work

Kalaiyarasan A.

India, celebrated as the world's fastest-growing economy, has become the world's fourth-largest economy, and is expected to be the next engine of global growth. Yet beneath these numbers lies a grim reality: India is drifting toward the middle-income trap, in which countries exhaust their gains from cheap labour and rapid catch-up and fail to transition to an innovation-driven, productivity-based economy. Weak job creation, stagnant wages, sluggish private investment, and low productivity are reinforcing one another, threatening to stall the country's rise before it reaches high-income status. Many countries in the Global South are caught in this trap. India's structural crisis is unique and more serious than not just a consequence of wars in West Asia disturbing its supply chain or premature automation from AI.

The signs of distress are visible in the youth protests across the country. Private investment remains sluggish, wage growth is stagnant, and household consumption is weak. Manufacturing has failed to generate enough jobs, while post-pandemic recovery has favoured large corporations and the digital economy, leaving the informal sector barely touched. Jobless growth emerges because productivity gains stay concentrated in narrow, capital- and skill-intensive enclaves that create little employment. This simultaneous rise of rising inequality and low productivity is a dangerous trap.

GETTY IMAGES

Two failing engines

Economists are typically divided in explaining this trap. Those trained in pro-market orthodoxy argue India needs another set of market reforms – no less than what occurred during the 1991 moment – more labour flexibility, agricultural reform, deregulation, and infrastructure investment. Those on the left and typically in the Keynesian mould argue that the economy suffers from weak aggregate demand and needs more public spending, redistribution and social protection. Both arguments hold a kernel of truth, but miss the larger point: India's current situation stems not only from supply and demand constraints but from institutions shaped by social norms, which decide both how markets set incentives and prices, and how the State allocates resources and provides public goods.

It is no surprise, then, that both the State and the market operate suboptimally. Private capital, more freer from regulation than ever, does not do well on productivity and innovation. Its competitiveness comes from cutting costs rather than innovating. It couldn't even absorb knowledge that comes with FDI. It couldn't increase productivity that results from both inter-sectoral movements and innovation within sectors either. On the other hand, capital is heavily subsidised, lowering its relative price vis-à-vis labour in a labour-surplus economy. India's innovation is skewed, with R&D spending at a paltry 0.65% of GDP, while technology adoption remains weak and far from spontaneous. Despite the government's growing size, India's capacity to intervene – even to provide basic services like health centres or schooling – remains among the lowest anywhere.

The Left-Right debate focuses on the size and quality of government expenditure, but the problem lies elsewhere. The same social norms that shape resource allocation also drive its inefficient use. For instance, India has historically underfunded mass education while subsidising higher education for elites, tilting spending toward the privileged. That same elite bias later drove the service-sector-heavy growth of post-reform India, letting upper castes monopolise better occupations while relegating low-productivity work to others.

Undervaluing useful skills

India's social norms are distinctive: they decide how State and market function while producing durable inequality and legitimising it. Having long undermined mass education, India's vocational training system remains poorly managed and chronically underfunded. Fewer than 3% of the workforce has any formal vocational education. Of roughly 14,000 ITIs offering about 25 lakh seats, actual intake is only about 48%, and even among graduates, the employment rate is just 63% – far below the 90%-plus seen in many other countries.

Societies set up institutions based on their interests and norms. Economists often take self-interest as central to economic motives. Yet social norms determine the kind of institutions that take shape, which in turn decide how individual efforts are channelised into productive activities. These institutions work as the taproot of entrepreneurial success. As this year's Nobel Prize winner Joel Mokyr has argued, modern growth depends on the accumulation and diffusion of "useful knowledge," the practical skills that enable societies to innovate, adapt and raise productivity.

For Mokyr, sustained growth rests on the coevolution of science, technology and the spread of useful knowledge, something that failed to take strong root in India. India has historically privileged abstract education over vocational and technical knowledge. University degrees command prestige while technical courses training electricians, welders, machinists and carpenters do not. This hierarchy is not accidental. It reflects centuries of caste-based occupational stratification, where manual and artisanal work has been systematically undervalued despite its indispensable role in industrial development.

The result is a chronic shortage of skilled manufacturing workers even as millions of educated young Indians struggle to find decent jobs. Ironically, India's Chief Economic Adviser, V Anantha Nageswaran, recently urged the youth to pursue trades such as welding and plumbing instead of chasing software jobs or MBAs.

But it won't happen unless India changes its social valuation of skills. Take the marriage market: some skills and occupations carry a premium over others. These social valuations shape educational choices, occupational aspirations and ultimately the allocation of labour.

Data show a persistent and steady decline in the labour intensity of production technology across sectors. Even in traditionally labour-intensive sectors, the trend is likely to accelerate with the advent of AI. India therefore needs to recalibrate not just production and distribution, but also their valuation. Without changing the cultural valuation of skills and the way production itself is organised. India may fall into a low-income, low-productivity trap.

Diffusion of useful knowledge

Countries that escaped the middle-income trap – from South Korea to China – did not simply build factories but built institutions capable of creating and diffusing useful knowledge across domains. China's interventions in education and health laid the foundation for its later productive capacity. Its early state-led industrialisation was accompanied by massive investments in technical education, local manufacturing capability and technological learning. By contrast, countries such as Brazil, Argentina, Thailand and the Philippines, which failed to build or sustain such institutions, became stuck in the middle-income trap. Like India, large sections of their populations remain dependent on public transfers and handouts to secure the basic requirements of a prosperous existence.

As an alternative to this trap, Harvard Economist Dani Rodrik has recently proposed what he calls productivism – an approach that shifts attention from ex-post redistribution to creating productive employment. It calls for the dissemination of economic opportunity and differs from free market orthodoxy in giving the government an important role over the markets in shaping economic opportunities. It emphasises the real economy over finance, jobs over redistribution and production over consumption. A truly inclusive economy, according to him, gives people dignity and social recognition as productive members of society. It can happen not just by recalibrating the policy framework but by overhauling the institutional framework and changing the norms that underpin those institutions by moving beyond the matrix of state-market binaries.

For India, this means combining industrial policy with investments in vocational education. It also means restoring dignity to skilled manual work and creating institutions that spread technology beyond a handful of elite enclaves. Without transforming how the country values skills, builds productive capabilities, and expands access to good jobs, India risks being locked into a low-productivity economy.

(Kalaiyarasan A. is Associate Professor, Madras Institute of Development Studies)

THE DAILY QUIZ

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

Test your knowledge of the battle in which William Wallace, Andrew de Moray turned a narrow crossing on the River Forth into one of Scotland's most consequential victories

Prathmesh Kher

QUESTION 1
Which two Scottish commanders jointly led the forces at Stirling Bridge?

QUESTION 2
How many horsemen could reportedly cross the bridge abreast?

QUESTION 3
What type of Scottish formation played a crucial role in repelling the English cavalry?

QUESTION 4
Which English knight famously managed to fight his way back across the bridge after the Scottish attack?

QUESTION 5
According to the contemporary English chronicler Walter of Guisborough, approximately how many English infantry and cavalry were killed?

Visual Question:
Identify the actor in this scene from the famous 1995 film *Braveheart*, which depicts the life of William Wallace and the Battle of Stirling Bridge. 20TH CENTURY FOX FILM CORP

Questions and Answers to the previous day's daily quiz: 1. *Vilkkanundu Swapnangal* was Mammootty's first credited role, where he played the antagonist. However, his first appearance on screen was in a movie released almost 10 years before. **Ans: *Anubhavangal Palichakal***
2. In 2010, the prolific actor released a memoir about his early life. **Ans: *Chamayangal***
3. Mammootty and Mohanlal have acted side-by-side in a lot of films. One of the most popular films was *Harikrishnans,* released in 1998. A popular Bollywood actor was the female lead in the film. Name the actor. **Ans: Juhi Chawla**
4. In 2017, this film of Mammootty wherein he played a police officer was criticised by actor Parvathy for glorifying misogyny. Ans: *Kasaba*
5. This film by Jabbar Patel won Mammootty national fame for playing this iconic economist, social reformer and politician. **Ans: *Dr. Babasaheb Ambedkar***
6. The Jabbar Patel film is not the only movie in which Mammootty played a political icon. This 2019 film saw him bringing to life this leader who was the Chief Minister of a southern State. Name the film and the leader. **Ans: *Yatra*; Y. S. Rajasekhara Reddy**
Visual: This still of Mammootty and Bollywood actor Aishwarya Rai is from a Tamil movie, which was an adaption of a Jane Austen novel. **Ans: *Kandukondain Kandukondain; Sense and Sensibility***
Early Birds: K.N. Viswanathan | Abhay Krishan | Varghese Joseph | Shanavas Aboobaker | Prem Nath Tiwari

FROM THE ARCHIVES

Know your English

S. Upendran

"What are you reading?"

"An article on global warming. It says here that the weather in our country...."

".... I'm not interested. Right now I am only interested in finishing ...."

"... how do you pronounce e..q..u..a..b..l..e?"

"What?"

"E..q..u..a..b..l..e."

"Well, the first 'e' is like the 'e' in 'set', 'bet', and 'met'. The 'qu' sounds like the 'qu' in 'quality', 'quit', and 'quick'. The 'a' is like the...."

"It's like the 'a' in 'China', while the final 'ble' is probably like the 'ble' in 'bubble', 'trouble', and 'double'."

"Exactly! The main stress is on the first syllable. Any idea what the word means?"

"Sure I do. People usually talk about an 'equable settlement'. That...."

"....sorry! The word you are thinking of is 'equitable', not 'equable'."

"What's the difference?"

"When you say that something is 'equable', it means it is regular, moderate, free from extremes. The word is often used to refer to the climate. For example, the climate in Rajasthan is anything but equable."

"Many people say that Hyderabad has an equable climate."

"You must be joking. Hyderabad gets really hot during the summer. I have heard quite a few people say that Bangalore is equable. But let's not get into an argument over the weather. Can 'equable' be used with people as well?"

"Yes, it can. When you say that someone is 'equable' what you are implying is that the person is even tempered."

"In other words, the individual has no mood swings. Like the climate, the person has no extremes."

"I guess you could say that. No matter what the situation is, the individual is calm and cheerful. Like me!"

"Like you? You must be joking! How about this example? It's a pleasure working with Gitanjali because she is so equable."

"That's a good example. His equable temperament made Bala quite a popular teacher."

"Everyone had told Venkat that his new boss was equable and that he would enjoy working with him. So he was quite surprised when the man snapped at him for coming late to office."

"Bosses are so unpredictable. Tell me, what does 'eQUITable' mean?"

"The stress is on the first syllable. It's pronounced Equitable."

"I see. What does Equitable mean?"

"It means just or impartial."

"I see. The Minister has asked the management and the union to come up with an equitable compromise. How does that sound?"

"Good. The lawyer ensured that there was an equitable division of property among the three brothers."

"The two parties were interested in arriving at an equitable settlement."

"It's very difficult to arrive at an equitable compromise."

"I know. By the way, how is your friend Dilip doing? Has he found a job?"

"No, he hasn't. He keeps ringing me up every day and talks to me for hours. I feel sorry for him. But there are times when he drives me up the wall."

"Drives you up the wall?"

"When you say that someone is driving you up the wall, it means that the individual is driving you crazy."

"So it's the same thing as 'driving someone nuts'."

"That's right."

Published in The Hindu on December 11, 2001

Word of the day

Punctilious:
marked by precise accordance with details

Synonyms: careful, meticulous, scrupulous

Usage: *She is punctilious about following the rules.*

Pronunciation: newsth.live/punctilious

International Phonetic Alphabet: /pʌŋktɪliəs/

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

● WEB EXCLUSIVE
'What has made Delhi so indifferent to the humanity of Dilliwallahs?'
— Kaushik Das Gupta
Log on to www.indianexpress.com

The Editorial Page

● WORDLY WISE
At his best, man is the noblest of all animals; separated from law and justice he is the worst.
—Aristotle

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

Court protects space for protest, it needs to

CHIEF JUSTICE of India Surya Kant's rebuke to the Greater Noida executive magistrate on Wednesday was well deserved. It also sends out a message that is as heartening as it is timely: That the country's apex court, which has a distinguished record of expanding the constitutional promise of civil liberties through judicial review and landmark rulings, and which has broadened the fundamental right to freedom of speech and expression, will be watchful against state overreach. In this case, the CJI was responding to a notice issued to a student over his alleged participation in the Cockroach Janta Party-led protests over exam paper leaks, even after the SC had, in its September 1 order, quashed cases against student protesters, except those who had a criminal history. The notice to Akshat Tripathi was revoked subsequently, but the Court has rightly demanded accountability for the fact that it was issued in the first place. A few days ago, the Allahabad High Court quashed National Security Act charges against another student, Akriti Chaudhary, in connection with the workers' protests in Noida in April. It described the invocation of the NSA as "arbitrary and vague", a decision "worthy of derision", and indicted officials from the DM to the SHO, while directing that the student be paid compensation for the "casual and cavalier exercise of authority by the state". The two court interventions, granting relief to students, upholding their right to protest, are welcome.

The students' protests at Jantar Mantar and beyond, which forced the powerful to listen, have underlined a message that governments can ill afford to ignore: In a democracy, especially in a young country, the people's right to speak up and talk back to power must be protected and expanded. There are restrictions, of course — protest cannot slide into violence or vandalism or incitement to violence — but the onus is on the state to define those restrictions reasonably, precisely and narrowly. And if the state relies on loose and overbroad definitions to criminalise protest as it appears to have done in slapping the stringent NSA on Chaudhary and in attempting to intimidate Tripathi, then it must be checked by the court. Because, as the Allahabad HC underlined in the context of UP, the abuse of power risks reducing the state to an "Orwellian dystopia", a dire landscape denuded of freedom, marked by severe government control.

A climate where the executive is seen to weaponise its powers to curb civil liberties and get away with it dishonours the constitutional promise and guarantee. The CJI and the Allahabad HC bench have done well to apply the check. The government must heed the message and take a step back. The judiciary must build on this valuable moment. To ensure that in a nation with glaring gaps between aspiration and opportunity, where the young have a voice and a phone to amplify it, the freedom to protest peacefully is a fundamental right. That message should go down to every thana, every neta.

A new lead on a long neglected disease

THE FINDING of a new genome-wide study of endometriosis, that Indian women may be genetically predisposed to the condition, trains the spotlight on a health concern that has been understudied and ignored for far too long. An estimated 10 per cent of women of reproductive age live with the severe menstrual pain, chronic pelvic discomfort and extreme fatigue that can result when the tissue lining the uterus, known as the endometrium, begins growing in other parts of the body. India alone is estimated to bear 25 per cent of the global endometriosis burden. The exact cause of the disease is not known. A cure, too, is yet to be found. But the ICMR-led study, the first of its kind in India, is part of a growing body of research on the disease. It offers a promising foundation on which new approaches to earlier diagnosis and treatment can be built.

While there is now a growing recognition of endometriosis as a major public-health concern, getting a diagnosis at all has long been the biggest hurdle for women suffering from the condition. With infertility being one of the major symptoms of the disease, many get diagnosed with endometriosis only when they have trouble conceiving. Other manifestations, especially period pain and fatigue, are frequently dismissed as normal menstrual discomfort. According to the WHO, the average time for an endometriosis diagnosis is between four and 12 years — in the time between the symptoms surfacing and the treatment beginning, the condition often worsens, leading to extensive internal scarring and organ damage.

An emerging body of research now suggests that endometriosis may be associated with a higher incidence of other immune system conditions such as lupus, multiple sclerosis and inflammatory bowel disease. In India, where awareness remains scanty, access to specialised care severely limited and population-specific research evidence meagre, the new findings are a step towards early recognition and management of the disease as well as prevention of the related complications.

Love means not having to deal with siblings

FORGET THE flowers, the awkward silences and the tentative imagination of what a shared future might look like. In China, the road to marital bliss may now begin with an unusual question: How many siblings does one have? A working paper by Fangqi Wen of Ohio State University has posited that only children prefer to settle for partners who also happen to be only children, that their chances of such a match are 18.4 per cent higher than those of their contemporaries with siblings.

Sibling status may sound like an eccentric addition to the marriage checklist but it is a revealing one, especially given the fact that marriage rates in China have dropped by half since 2017, and in the first half of 2026, marriage registrations have dropped by 7.5 per cent. Interestingly, despite China's one-child policy between 1979 and 2015, single-child families do not form the majority. And so, generations of young Chinese people have grown up with complicated family values — only children, accustomed to being the sole focus of parental attention and the sole claimant to family resources, are inclined to be reluctant to marry into households with competing heirs and complicated loyalties.

In India, however, prospective suitors rarely have to ask each other these questions. In Sooraj Barjatya style, marriage is rarely between two individuals. It comes with a side of families large and small, and extended kin bursting at the seams with cousins, uncles and aunts. The family tree, after all, is an entire ecosystem to have and to hold, till death do them part.

25 years on, America's response to 9/11 is its biggest self-inflicted hurt

JONAH BLANK

IT WAS the most perfect September morning that Washington could serve up: Bright, sunny, just enough chill in the air to wash away the summer's humidity. I wasn't eager to spend the next few hours in a windowless basement for my intel briefing, and I wouldn't have to: The morning bottleneck at my office was all outgoing. I asked the guard what was happening, and he pointed to a pillar of smoke in the southwest sky. From what had, until about 10 minutes ago, been the exterior wall of the Pentagon.

Senators and staffers alike packed into any restaurant with a TV, to watch footage of planes crashing into the World Trade Centre. Only much later would we learn that we'd been the bullseye of the fourth plane, which passengers and crew intervened with to force it to crash in Pennsylvania. Its target had been the Capitol building itself, and the SCIF in which my briefing was scheduled was located directly beneath the rotunda.

Commentators would speak about the confusion of that morning, but at the time it was all quite clear: As soon as the second plane struck the South Tower at 9.03 am, there was no doubt that this was a terrorist attack. And from that fact, everything else was obvious: We had been struck by Al Qaeda, and the Bush Administration would use this as a pretext to invade Iraq.

I was the Senate Foreign Relations Committee staffer responsible for Afghanistan and counter-terrorism, so perhaps I had greater clarity than some of my colleagues. But this was not a difficult call: There was no other terrorist group with both the capability and the intent to stage such an operation. Al Qaeda had no ties whatsoever to Iraq, but the Administration had spent the past nine months openly beating its war drum. Bush would certainly use this unrelated atrocity as an excuse to do what he already intended.

Which was, of course, exactly how it turned out. Al Qaeda inflicted the greatest damage on America by any foreign adversary since Imperial Japan bombed Pearl Harbor. And in response, America inflicted the greatest damage on itself since the Civil War. We still haven't recovered from our response to 9/11 — and we're now replicating our worst mistakes. Some of our errors were those of law. We gave the government vast new powers to surveil and detain anyone. We sacrificed our core values by reintroducing torture as an accepted practice for military detainees. We created the Department of Homeland Security and ICE, and we turned neighbourhood cops into up-armoured shock-troops kitted out for urban combat.

But the greatest errors were those of policy: We launched two decades-long wars, at the cost of trillions of dollars and hundreds of thousands of lives. The overwhelming mass of the casualties were Iraqis and Afghans, but over twice as many Americans died in these futile wars as all those killed by Osama bin Laden.

The wars in Afghanistan and Iraq were not the same. Not even the most fervent war-hawk wanted to invade Afghanistan, but there seemed to be little alternative; I was involved with these deliberations, and I share in whatever blame must be apportioned. Even now, with the benefit of hindsight, I don't have a good answer for the question of how we should have handled Afghanistan. A 20-year occupation was definitely the wrong response, but it was a devil's dilemma that nobody sought out.

Iraq, however, was purely a war of choice. We marched in with our eyes wide open. Anyone who didn't know it would be a debacle was simply refusing to see.

Our current war on Iran is even more foolhardy than our invasion of Iraq. It has not (at least yet) resulted in the same level of bloodshed, because we have not (at least yet) introduced ground troops. But the Iraq fiasco was debated for nearly two years beforehand, and authorised by Congress — as is required by the Constitution. It had clear objectives, and achieved the most immediate of them (the removal of Saddam Hussein, and imposition of a regime acceptable to the US). The war on Iran was launched purely on the whim of a feckless president, with no strategic planning, and a constantly changing set of war aims that could never be achieved. This war was lost from the moment the first Tomahawk was fired.

Adversity can be a superb teacher. But the greatest disaster of recent American history has taught us nothing. Are we safer than we were on September 10, 2001? Maybe safer from the specific terrorist menace that killed 2,977 of us. But safer from the huge range of other dangers that jeopardise the other 361 million? Pick your peril: Disease, climate change, mass impoverishment, AI apocalypse — what could that mountain of money and all those sacrificed lives have accomplished if devoted to any of the hazards that threaten Americans every day?

> Adversity can be a superb teacher. But the greatest disaster of recent American history has taught us nothing. Are we safer than we were on September 10, 2001?

In the immediate aftermath of 9/11, Americans briefly came together in unity. There were exceptions, of course: The scapegoating of Muslims (or anyone mistaken for them), outbursts of misdirected anger, a pervading frustration at being shown that our nation was more vulnerable than we wished to know. But the overwhelming sentiment was one of solidarity. Americans of all political stripes felt a sense of kinship and community that we hadn't often experienced before, and certainly haven't in more recent times.

My children will never know the less embattled America that existed before 9/11. They'll never enter an airport or government building without a prison-style security screening, and maybe a bit of extra scrutiny because of their South Asian complexion. Is the marginal gain in safety from one (rather rare) threat worth the loss of so much else? Definitely not to me. But I hope my kids can someday experience the America that existed in the weeks after the attack. If we can recapture some of the social comradeship that we found in the depths of our worst tragedy, perhaps we'll have learned a lesson from 9/11 after all.

Blank is author of Arrow of the Blue-Skinned God: Retracing the Ramayana Through India and Mullahs on the Mainframe: Islam and Modernity Among the Daudi Bohras

From ashes of 9/11, a new South Asian political compact

SAYU BHOJWANI

SINCE 2002, the Tribute in Lights, an installation consisting of 88 searchlights, has been arranged to look like two columns, bringing back the image of the Twin Towers in the night sky. This year, the 25th anniversary of the attack that shook the lives of New Yorkers and shifted the US immigration landscape, something is different. For the first time, New York City's mayor is a Muslim man. Zohran Mamdani's official role, like three mayors before him, includes presiding over New York City's 9/11 remembrance ceremony.

Over 100,000 people have expressed objection to Mamdani's presence at the event. As a South Asian, this petition is a stark reminder of the country's ever-present Islamophobia and a call to continue critical work to reshape the public narrative.

On September 11, 2001, the personal and professional trajectory of my life changed, as it did for many others who trace their heritage to the Subcontinent. That day, I was scheduled to begin a doctoral programme. That day, I voted for the first time, two hours before the first plane hit the South tower. That day marked one month since I had been executive director of an NGO working with youth from Bangladesh, India, Pakistan and Sri Lanka. Everything changed — for me, for those young people and for the city.

Almost every New Yorker knew someone who was connected to the World Trade Centre — someone who worked there, who was nearby, or who was headed there. Even if, like me, you were fortunate enough not to have known anyone who died that day, the way you viewed the city, maybe even the world, changed. In its immediate aftermath, US immigration policy became more vindictive than ever. Most importantly, we can trace a direct path from 9/11 to the establishment of ICE, whose mission is to "protect America through criminal investigations and enforcing immigration laws to preserve national security and public safety".

But something else happened in the days and weeks following the attacks — the establishment or strengthening of organisations dedicated to supporting the South Asian community. Groups like the one I started, South Asian Youth Action, and others like DRUM, Families for Freedom and Chhaya CDC rallied around the community, providing immigration advice, organising against problematic government policy, helping members access critical services. In the years following, those and many other groups have increased their capacity and scope, deepening their civic engagement and political impact.

These organisations became the political home for South Asians who felt alienated or invisible. Mamdani's own trajectory included working to prevent foreclosures and evictions at Chhaya CDC. Activism born from September 11 shaped his 2024 campaign and victory. So, it is particularly ironic that his presence at the ceremony is being challenged.

But it is also a predictable page from America's well-worn playbook, which calls on immigrants in times of economic need and expects subservience and servitude in return. The message is familiar — stay in your place.

What's unfamiliar and increasingly threatening is that South Asian political power is growing, not just among elites who have always had access to Congressional leaders and other decision-makers, but among everyday South Asians. The power of social media, our growing political maturity, and our frustration with being taken for granted or overlooked have created a powerful combination. We understand what's possible when we use our voice, exercise our right to vote, and demand more than just a photo opportunity. And we have a prominent new representative in the second most powerful elected role in the US — New York City mayor Mamdani.

His presence at the 9/11 memorial event is as significant as the movement that helped elect him. Mamdani's supporters are a broad coalition of New Yorkers who are charting a different path for this city that is more inclusive, not just of race and ethnicity, but also of class. Among those paving that road are thousands of South Asians, including elected officials like Shekhar Krishnan and Shahana Hanif. As policymakers, they represent a generation of South Asians who have been shaped by 9/11 but refuse to be defined by it. They remind us that we must never forget our responsibility to speak up, organise others and demand our place in every institution in America.

> Even if, like me, you were fortunate enough not to have known anyone who died that day, the way you viewed the city, maybe even the world, changed

Bhojwani was the first commissioner of immigration affairs, New York City, in the months after the September 11 attacks. She is an adjunct professor and author

Allahabad HC reminds us: Democracy needs dissent

JOHN BRITTAS

THE ALLAHABAD High Court's verdict quashing the detention of 25-year-old Delhi University law student Akriti Chaudhary is not merely a legal correction. It is a sharp reminder that in a democracy the right to dissent and protest is not a privilege granted by the powerful — it is the oxygen that keeps the system alive. Without it, the air grows thin, surveillance thickens, and history begins to be rewritten daily to suit those in charge.

The court described the state's version as a "concocted story", flagged serious discrepancies in the timing of her arrest and the notices issued under the BNSS, and found no credible material showing Chaudhary had instigated violence, arson or stone-pelting. She was a student activist with no criminal record. The district magistrate of Gautam Buddha Nagar, the judges held, had desired "to set an example" with her to deter others from exercising their right to freedom of speech and expression in support of labourers. The district magistrate's conduct was "worthy of derision", and she was "guilty of violating her oath of allegiance". Continued "despotic" conduct, they warned, could reduce Uttar Pradesh to a dystopia. This is a rare and concrete accountability measure.

The deeper story pertains to the heavy-handed state response that turned a legitimate struggle into a theatre of fear, arbitrary arrests and preventive detention. In April, thousands of contractual employees and factory workers across Noida's industrial belts — many earning as little as Rs 10,000-13,000 a month — came onto the streets. Their demand was simple and urgent: A minimum wage of around Rs 18,000-20,000. For them, the strike was not about ideology but subsistence. Instead of dialogue, the administration responded with overwhelming force. Roads were blocked, protests were met with batons and arrests, and hundreds were detained. FIRs were registered under serious charges. The National Security Act — a preventive detention law that allows incarceration without trial for up to a year — was invoked.

As a member of a delegation headed by CPI(M) General Secretary MA Baby, along with my colleagues in Parliament, I witnessed firsthand the high-handed manner of the administration. Despite being Members of Parliament, our team faced bureaucratic stonewalling. The district magistrate refused to meet us. Only after much effort was I able to speak to her over the phone. The workers who had come to meet us were detained by the police. We were forced to sit in a *dharna* at the DM office, simply to secure their release. In the heart of the National Capital Region, basic democratic rights were being trampled with impunity.

The High Court's judgment is a necessary and welcome assertion of our constitutional rights. It affirms that the right to peaceful protest and the right to demand better wages cannot be criminalised through fabricated narratives or the arbitrary use of preventive detention. But lasting justice for the workers requires more than the quashing of one NSA order. It requires an end to the culture of treating labour protests as threats to public order rather than legitimate expressions of the right to a life of dignity. The interim wage revision announced by the UP government, raising minimum wages by about 20-21 per cent, was a reluctant response; workers and unions have maintained that it falls short of a living wage. Many of those arrested still face multiple cases.

The court's strong words must now be matched by genuine accountability and a recognition that the right to survive is not a privilege — it is fundamental. And to protest is one's right and to dissent is a duty in a democracy.

> Lasting justice for the workers requires more than the quashing of one NSA order. It requires an end to the culture of treating labour protests as threats to public order

The writer is CPI(M) Rajya Sabha Member

40 YEARS AGO
September 11, 1986


JANSATTA
INDIAN EXPRESS
Commando action a farce, seizure plot to discredit NAM
Police nab 13 terrorists in Punjab
CBI chief to question Vaidya 'assassins'

Punjab Police nab 13 terrorists

THIRTEEN OF the 20-member gang of the dreaded terrorist Avtar Singh Brahma have been arrested, the police claimed in Jalandhar. P C Dogra, DIG, Jalandhar range, told newsmen that the gang was responsible for killing four persons at Chola Sahib in Sarhali in Amritsar district on August 31.

Interrogating Vaidya 'assassins'

THE CBI director-general, Mohan Katre, flew to Pune to supervise the interrogation of Sukhdeo Singh and Nirmal Singh, arrested in connection with Gen A S Vaidya's killing. He is likely to stay for a day or two to guide the investigations in the wake of the breakthrough made possible by the two arrests.

Court releases Badal, Tohra

THE PRESIDENT of the breakaway faction of the Akali Dal(L), Parkash Singh Badal, and the former president of the Shiromani Gurudwara Prabandhak Committee, Gurcharan Singh Tohra, were released by additional chief metropolitan magistrate V K Malhotra after a month's detention in Tihar jail. They were detained after refusing to comply with the orders of the Delhi police commissioner asking them to leave the Capital.

'Indira loyalists' meet President

PRAKASH MEHROTRA, former Assam governor and member of the steering committee of the 'Indira Loyalists', has alleged that pressure was brought to bear on President Zail Singh not to meet with a delegation of his party. Mehrotra said that in spite of this, he met with the President, who agreed to accept a memorandum from the 'Indira Loyalists'.

New Delhi

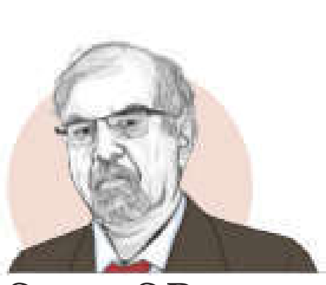
DIS/AGREE
THE BEST OF BOTH SIDES

A weekly column, which offers not this-versus-that, but the best of both sides, to inform the debate

ILLUSTRATION: C R SASIKUMAR

Delhi is hosting the BRICS summit. Is the bloc relevant, key to India's global ambitions?

Forget BRICS, look West



SURJIT S BHALLA

INDIA HOSTS the 18th BRICS summit on September 12 and 13, and chairs the grouping this year. It's a good time to ask: In 17 years of summits, what has membership bought India?

Begin with the origin of BRICS. A marketing device for Goldman Sachs, and a very successful one, to persuade global fund managers to buy the stocks of four countries: Brazil, Russia, India and China. Politicians picked up the acronym at Yekaterinburg in 2009, and its author Jim O'Neill has since disowned it: "I never encouraged them to develop a political club."

Let us consider some facts. The Security Council. The Rio declaration of July 2025 had China and Russia "reiterate their support to the aspirations of Brazil and India to play a greater role in the United Nations, including its Security Council". Aspirations. To play a greater role. Then in September 2024, the BRICS foreign ministers, meeting in New York, failed for the first time ever to issue a joint statement: Two new members, Egypt and Ethiopia, would not endorse the paragraph supporting permanent seats for Brazil, India and South Africa, (hereafter B_I_S) because the group could not agree which African country should hold Africa's seat. Who acted against India's interest? Good question.

The New Development Bank. India paid in $2 billion of capital and pledged $8 billion more on call. Ten years on, it has approved about $40 billion for all members together — against the $81 billion the World Bank committed in fiscal 2025 alone. India committed a further $18 billion to the Contingent Reserve Arrangement, the 2014 answer to the IMF, on which no member has drawn a dollar in 11 years. A decade's cost: Capital tied up in a bank that does not lend at scale, and an insurance premium nobody has claimed.

So the delivery record is nil. But my objection is not just that BRICS underperforms; it is what it has become. India chaired BRICS in 2021; what came out of it — the now familiar trot: China and Russia reiterated support for B_I_S's "aspiration to play a greater role in the UN". Not our candidature. Our aspiration. In a year we chaired.

That is what the platform is for. Two of our partners carry the largest unanswered questions in the world: A war Russia began and has not ended, and China's silence on the origins of Covid and on its expansive mercantilism. On the second, I claim some standing. In a 1998 ICRIER paper, I argued that China's 50 per cent devaluation between 1990 and 1993 was a principal cause of the East Asian crisis; the IMF, the Federal Reserve and the World Bank all said it did not matter. The mercantilism has exploded, and no correction to undervaluation is in the offing. An overvalued currency corrects itself, because deficits must be financed; an undervalued one need never correct. BRICS has never asked that question of China, and will not ask it at a summit India chairs. We are not in that room to be heard. We are there as window dressing.

Look at what this club offers as a growth model. Viksit Bharat means a high-income India, and the World Bank's threshold from July 2026 is $14,375. Russia's income per head was $15,160 in 2013 and $15,330 in 2024 — 11 years and 11 dollars — and it re-entered the high-income group only on war spending. Brazil has fallen from $12,950 to $9,930, South Africa from $7,930 to $6,110, both down 23 per cent. China, at $13,660, did not cross the threshold this July; it refuses to lift consumption at home, which is 40 per cent of GDP against a world average of 64, because the mercantilist surplus is the strategy. India is at $2,550, and to be *viksit* by 2047 must raise income per head by about 10 per cent a year in dollars; over 11 years we have managed 4.9 per cent. The countries that have done what we are attempting — Korea, Poland, Vietnam climbing now — are not in the room.

Set against that, the American balance sheet. The United States takes a fifth of our goods exports and over half our software exports, sends 28 per cent of our remittances, holds $390 billion of Indian securities, and has put some $100 billion of direct investment into India. China's cumulative direct investment here is $2.5 billion, our deficit with it hit a record $112 billion in 2025-26, and it is the country that throttled our rare-earth magnets and pulled Foxconn's engineers from our iPhone plants. Russia sold us $47 billion of oil and bought $4.9 billion of everything.

What should India do to enhance our future? Forget BRICS. Our future is as a global partner of the West — Europe and the US. And note, and remember, who gains if India does not sign a trade deal with America.

The writer is chairperson, Technical Expert Group for the first official Household Income Survey for India. Views are personal

Bridge for India, big tent for Global South

RAJAN KUMAR

OVER TWO decades, BRICS has transformed itself from a loose grouping of five emerging economies to the most formidable organisation of the Global South. It has benefitted from the sustained commitment of key global leaders such as Xi Jinping, Vladimir Putin and Narendra Modi. However, its growing appeal in the Global South stands in sharp contrast to the dominant Western portrayal of BRICS as a divided house and a talking shop.

The world has entered an unprecedented phase of transition. Traditional global governance institutions are faltering in fulfilling their responsibilities. The UN has proved increasingly incapable of shielding sovereign states from the hegemonic ambitions of powerful countries; the WTO is becoming dysfunctional, and the World Bank (WB) and International Monetary Fund (IMF) are inadequate to meet the expectations of emerging states. Against this backdrop, BRICS offers states of the Global South a platform to socialise with peers, voice concerns, and chart a common strategy.

BRICS is a heterogeneous organisation. It encompasses diverse political systems: Democracy, authoritarianism, monarchy, theocracy. Similarly, BRICS economies are highly diverse. China's economy, at about $20 trillion in 2025 in nominal GDP terms, was larger than the combined GDP of the other 10 states at about $14 trillion. Further, the BRICS states do not share a historical, linguistic and cultural heritage. To evaluate BRICS through a Western prism is analytically limiting and futile. The more pertinent questions are: What strategic interests and shared motivations glue them together despite these differences? To what extent has BRICS succeeded in articulating, advancing, and shaping the Global South agenda?

BRICS does not seek to create a new world order. It is reformist in character, and pluralist in its orientation. It identifies itself as non-Western, not anti-Western. Its normative appeal lies in its transformative politics, which calls for democratisation of international institutions, multipolarisation of the global order and multilateralisation of the Global South. It espouses norms of respecting sovereignty, non-interference in domestic affairs, civilisational and non-militaristic political cooperation.

The creation of two financial institutions — the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA) — turned out to be a game-changer for BRICS. The NDB has financed 120 sustainable infrastructure projects costing around $39 billion. The bank has expanded its membership and includes non-BRICS countries. Further, the NDB committed 30 per cent of its financing in local currencies in the last few years. One of the biggest advantages of the NDB loan is that, unlike loans from the IMF and WB, it is not accompanied by political conditionalities. The aggregate amount of NDB funding is small compared to the WB funding, but it serves as an additional source of funding for the Global South.

The relevance of BRICS for the Global South can be measured from the exponential growth in intra-BRICS trade. BRICS accounts for over 20 per cent of global trade, amounting to about $10 trillion. But according to a UNCTAD report, intra-BRICS trade has grown 13 times, from $84 billion in 2003 to $1.17 trillion in 2024. This growth is a function of lower tariffs, resource complementarity and the removal of supply-chain constraints by BRICS states.

Another significant contribution of BRICS lies in developing mechanisms for trade in local currencies to reduce dependence on the US dollar. Russia-China, China-Brazil, India-Russia and India-UAE trade is increasingly settled in local currencies. Other countries have also initiated this process. This mechanism reduces countries' exposure to dollar liquidity crunches and US monetary policy shocks. This has fuelled the debate on de-dollarisation and the possibility of a BRICS currency. BRICS is unlikely to develop a common currency in the near term.

Finally, the BRICS summit offers a unique opportunity for India to position itself as a leading voice of the Global South, working as a bridge between the West and developing economies. New Delhi has managed to ensure the participation of all key leaders; getting a joint declaration would be the next big step. The summit appears focused on advancing developmental and technological cooperation, but its real achievement rests in its ability to develop mechanisms for resolving the conflicts in Ukraine and Iran. BRICS has the requisite capacity, but its intent remains uncertain.

The writer is professor, School of International Studies, Jawaharlal Nehru University and co-editor of Locating BRICS in the Global Order: Perspectives from the Global South

In Delhi, a murder and a collective failure

AAKASH JOSHI

HOW WAS Chongtham Vikram Singh killed? The reports and the police are, on the face of it, clear on the facts. On Sunday night, at around 11.30 pm, the 55-year-old musician from Manipur — lead guitarist of Phoenix, in the '80s — asked a group of young men to not make noise outside his home in Kilokari village in south-west Delhi. A heated argument turned violent, and Singh was beaten brutally. He died at Holy Family Hospital. Seven young men, all under 36, have been arrested, and the police have promised "prompt and lawful action".

Why was Chongtham Vikram Singh killed? There is no clear answer to this question. Unfortunately, there are several plausible reasons for a man to be killed in India, in what should have been a routine interaction in a neighbourhood. While there is no way to be certain about why this happened, the plethora of believable scenarios is a social tragedy, a deep failure all on its own.

Could Singh's home state, his ethnicity have contributed to his killing? Crimes against people from the Northeast, routine discrimination in housing, racial slurs — none of these is rare in Delhi or, for that matter, across several metropolises. Prejudice is routine in India. You can be assaulted, insulted and even killed for being a Muslim on a train, a Christian accused of "forcible conversion", a Dalit bridegroom who dares to ride a horse and, of course, for looking "different". There is, of course, little chance of knowing the many subliminal currents that drove the mob to beat and kill a middle-aged man for complaining about the noise. But a question worth asking is: Would his fate have been different had his home state been different?

Maybe Singh was a victim of the angst and anger of those facing bleak futures, a despair in which he had no authorship. The young men who assaulted him were reportedly delivery "boys", and some worked at a nearby *dhaba* — a class of gig workers that has no future laid out, no career growth in the offing. They could be, like so many in this country, people who face violence not as an event but a quotidian part of life — in rude customers, aggressive bosses, poverty, and so much else. Their anger found a blameless victim, and their circumstances, if they are indeed terrible, provide neither justification nor absolution — they must be punished by the due process of law. But such anger as posited here isn't an aberration.

Perhaps to understand the uncertainty of the "why", it might be worth looking again at the tangible, horrific — and unsurprising — truth about the "how" of the murder. What, really, did Chongtham Vikram Singh do? Merely request a lower volume from people being loud. At worst, he may have admonished them. The path from this routine friction, found in every neighbourhood, to violence was all too short. Just as it is in disputes over parking, land, and many other imagined slights. The law, even at its best, can only kick in after the fact. And that's where our country, and we, the people, fall short.

Between the many whys and the single how of a murder in Delhi, there's all the anger, inequality, bigotry and dehumanisation that we accept every day. And a man who made great music, and taught it to others, is a victim of that collective failure as well.

The writer is associate editor, The Indian Express. *aakash.joshi@expressindia.com*

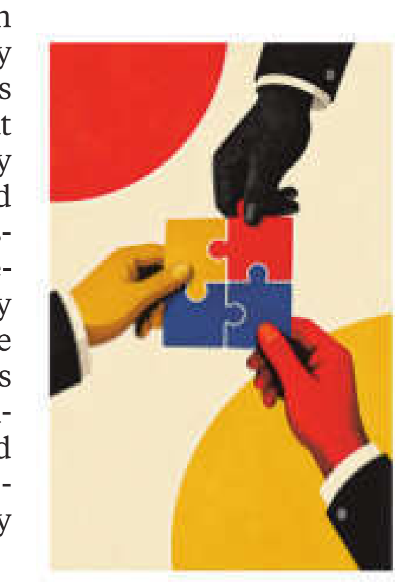
Good governance is when state, society and markets deliver together

AMARJEET SINHA

OVER A hundred chief executive officers of zila parishads whom I interacted with over the past two months said the same thing as what research was pointing out — decentralised community action and collaborative governance deliver better, especially for problems that have too many variables making quality outcomes difficult. I had spoken to the top 10 municipal commissioners in the Swachhata Sarvekshan rankings in 2024 about the reasons behind their success, and all attributed it to community participation and collaborative governance.

I am part of the jury set up by *The Indian Express* to select district magistrates for the Ramnath Goenka Excellence in Governance Awards. This is the third time I am looking at shortlisted proposals prepared by the knowledge partner, and every success story talks of decentralised community action and collaborative governance. The success of the National Rural Livelihood Mission and its hundred million women as members of 10 million self-help groups is also attributable to large-scale collaborative governance and decentralised management down to the cluster level, below blocks.

The Viksit Bharat dream can only come with collaboration among the state, society and markets. Analysis brings out six factors that can transform the quality of outcomes at scale and make India a truly inclusive society. These are: Decentralised community action, collaborative governance, women's agency, technology as enabler, accountability and public trust, and professionals and community resource persons.



India has done well on many parameters of growth and development. While there has been a sharp decline in extreme poverty over the past two decades, many households remain vulnerable to slipping back into poverty. Productivity gains and wages of dignity have been elusive in many employment opportunities, leading to a slower rate of improvement in social indicators. Digital public infrastructure, women's bank accounts, direct benefit transfers and access to retail credit have all created new opportunities for growth and development. Despite these gains, the persistent "wicked problems" require a new approach.

There is evidence that wherever an intervention enjoys public trust, has professionals, focuses on public information and community connect, and assigns a consensual decision-making role to citizens, the results are better. The Green and White revolutions, the Rural Livelihoods Mission, the Swachh Bharat Mission-Grameen's work, the total literacy campaigns, collaborative initiatives in watershed development and livelihoods diversification all point to the positive consequences of collaboration with professionals and citizen-centric accountability. Local governments and women's collectives in rural areas working together makes a difference to multidimensional poverty and human development indicators. Kerala, Tamil Nadu, Himachal Pradesh, Goa and Sikkim have reported gains attributable to such an approach.

The compulsions of democratic electoral processes, a bureaucracy not geared for the qualitative outcomes in these sectors, inadequate and dysfunctional systems of institutions and management processes, and weak accountability with little community validation of data, all lead to a situation where centralisation becomes a norm. There is a strong case for a new approach to impactful governance.

The heavy lifting of community mobilisation and social capital has been achieved in most parts of rural India; what is needed is higher-order education and skills that improve productivity and scale. Having invested in the expansion of the school, health and nutrition systems, with some significant gains in social participation, it is time to subject them to citizen-centric impactful governance. Local government institutions, with the countervailing presence of women's collectives and their social capital, create an opportunity for accountable governance. Untied and adequate funds with professionals below the block level with local governments, and with an army of community resource persons, leads to more accountable governance and public trust.

Urban governance challenges need institutional reforms. We need direct elections at the *basti* level, below the large ward level, to create legitimate accountable governance authority close to the community. Those with responsibility must also have the resources. Community organisations like women's or youth collectives need to work with the elected basti-level leaders to provide accountable governance at the doorstep with funds, functions and functionaries.

ASHA workers play an instrumental role in making primary healthcare facilities more accessible. Improvement in their capabilities has made many become more like community health workers. There is a lesson here. Accountable public systems need well-trained, locally resident frontline workers. When there are community resource persons, the professionals recruited from the market also become more accountable and get scale to implement new approaches.

Given the interconnectedness of many of these wicked problem sectors, it is best to accept the Eleventh and Twelfth Schedule responsibilities of local governments. Such an adoption will generate community convergent action from below. The Panchayat Advancement Index (PAI) to rank local governments is a very good initiative that can be made even better by community validation of all outcomes. The financing of local governance to address the deficits of PAI must be commensurate with the size and shape of the deficit.

The pursuit of Viksit Bharat needs collaborative governance where the state, society and markets all work together to develop impactful governance that secures quality outcomes. It is time *sarkari* (government) became *asarkari* (impactful).

The writer, a retired civil servant, is a student of social development. Views are personal

LETTERS TO THE EDITOR

Murder in Delhi

THE KILLING of a musician raises concerns about safety and accountability ('The murder of a musician, and a familiar unease', *IE*, September 10). Police investigations must be prompt, impartial and transparent, with evidence preserved. Institutions should address tensions before they lead to violence. Preventing such incidents requires effective policing alongside sustained community engagement.

M Barathi, Bengaluru

Far right's march

THE FAR right's rise in Germany deserves attention across Europe ('AfD success isn't just a Germany story', *IE*, September 10). Economic anxiety, migration concerns and distrust can strengthen populist movements elsewhere. Democratic governments should respond through competent administration, credible immigration policies and better communication, rather than condemning voters. Mainstream parties must address regional inequalities and declining trust in institutions. Safeguards against extremism should remain firm. Democratic confidence is best rebuilt through effective governance and responsible political debate.

A Myilsami, Coimbatore

AMID CHANGING public expectations, growing right-wing political forces have become a global phenomenon ('AfD success isn't just a Germany story', *IE*, September 10). Germany offers the clearest contemporary illustration, with the AfD securing nearly 44 per cent of the vote, followed by Giorgia Meloni's Brothers of Italy and the continued expansion of Marine Le Pen's National Rally in France. Across the Atlantic, Donald Trump has reshaped the Republican Party, while in Argentina, Javier Milei's libertarian-right government has challenged traditional political discourse. Even in India, the BJP has experienced electoral dominance. This rise cannot be simply attributed to an ideological conversion towards conservatism, but to a response to the failure of established parties to address concerns like economic insecurity, immigration, national identity, and public order, which directly influence the everyday lives of the masses.

Vaibhav Goyal, Chandigarh

MALHOTRA CAUTIONS FINTECHS AGAINST SCALING FIRST AND SEEKING FORGIVENESS LATER

Data more valuable than capital, treat it as responsibility: RBI chief

Akash Mandal
Mumbai, September 10

RESERVE BANK of India (RBI) Governor Sanjay Malhotra on Thursday urged the fintech ecosystem to treat data as a "fiduciary responsibility" to build trust instead of considering it just as a business asset. He also cautioned fintech companies against building businesses by exploiting regulatory gaps, saying that the strategy of "scaling first and seeking clarity or forgiveness later" was not right.

"I would urge all of you (fintechs) to treat data as a fiduciary responsibility, not as a business asset. Every fintech in this room holds something which is much more valuable than capital, and that is the data, financial as well as non-financial, of very real people like you and me," Malhotra said while addressing representatives from the fintech sector at the Global Fintech Fest in Mumbai.

"This data must be treated the way a trustee treats assets held for a beneficiary, collected with a clear purpose and used strictly within the consent provided and protected as though it was one's own," Malhotra said while addressing representatives from the fintech sector at the Global Fintech Fest in Mumbai.

Malhotra further said that the companies that treat data as a mere monetisable asset first, instead of treating it as a responsibility, erodes the trust of consumers, which is then difficult to earn back.

His caution for the fintech industry comes at a time when many fintech players are reportedly relying heavily on data to push new products to customers.

On a similar note, Malhotra also urged fintech players to stop building businesses whose scale is dependent on exploiting the gaps that remain in the regulatory system.

"The account aggregator framework was built precisely to formalise this principle — consent-based, purpose-limited data sharing, so that no single entity, including the aggregator itself, can see or exploit the underlying data," he said.

FULL REPORT ON WWW.INDIANEXPRESS.COM

SEBI Chairman Tuhin Kanta Pandey and RBI Governor Sanjay Malhotra during the Global Fintech Fest 2026 in Mumbai on Thursday. PTI

SEBI, RBI launch Demat 2.0 pilot for corporate bond tokenisation

Mumbai: The Reserve Bank of India (RBI) and the Securities and Exchange Board of India (SEBI) launched "Demat 2.0" on Thursday — a pilot program to test the tokenisation of corporate bonds and quicker settlement using the central bank digital currency and blockchain technology.

"It explores whether distributed ledger technology can bring the security and settlement legs closer together, enable faster settlement and automate parts of asset servicing," SEBI Chairman Tuhin Kanta Pandey said while launching the initiative at the Global Fintech Fest in Mumbai.

The initiative is being led by depositories such as the Central Depository Services Ltd (CDSL) and the National Securities Depositories Ltd (NSDL), exchanges like the BSE and the National Stock Exchange (NSE), banks such as the HDFC Bank and ICICI Bank, and the National Payments Corporation of India.

The pilot launched with three issuances, including a Rs 500 crore issue by Larsen & Toubro that attracted investors such as SBI, Axis Bank, SBI Mutual Fund, and NSDL, among others.

While "Demat 1.0", launched in 1996, digitised shares that were held in paper form until then, the latest avatar combines tokenised securities with digital settlement assets using smart contracts and settles through the CBDC. The project also focuses on preserving the legal certainty around ownership even as the market experiments with new technology and infrastructure, said Pandey.

After bonds, the tokenisation exercise can be extended to other asset classes like equity, mutual funds, and gold. A few other debt instruments such as commercial papers and certificates of deposit already trade in a tokenised form using the unified markets interface and CBDC. ENS

FULL REPORT ON WWW.INDIANEXPRESS.COM

IN A FIRST, GOVT RELEASES DISTRICT-LEVEL DATA

At 78%, Telangana district Nirmal on top in women's share in informal workers

Siddharth Upasani
New Delhi, September 10

NIRMAL DISTRICT, in northern Telangana, tops a new ranking: 78% of all its informal workers are women, the highest of any district in the country. Nanded, immediately across the state border in Maharashtra, is ranked 288th in the country, with women making up only 31% of its informal workers.

According to data released by the Ministry of Statistics and Programme Implementation (MoSPI) on Thursday and analysed by *The Indian Express*, the 10 districts with the highest share of women in informal workers are all from south India or the north-east. Meanwhile, at the bottom of the list is Uttarakhand's Rudraprayag, where only 6.7% of informal workers are women.

High participation of women in the workforce is a very state-specific feature, with women making up at least half the informal workforce in only 25 districts — 22 of them are in south or north-east India, with the remaining three in the east: Chandel and Pakur in Jharkhand and Deogarh in Odisha.

The all-India average is 29%.

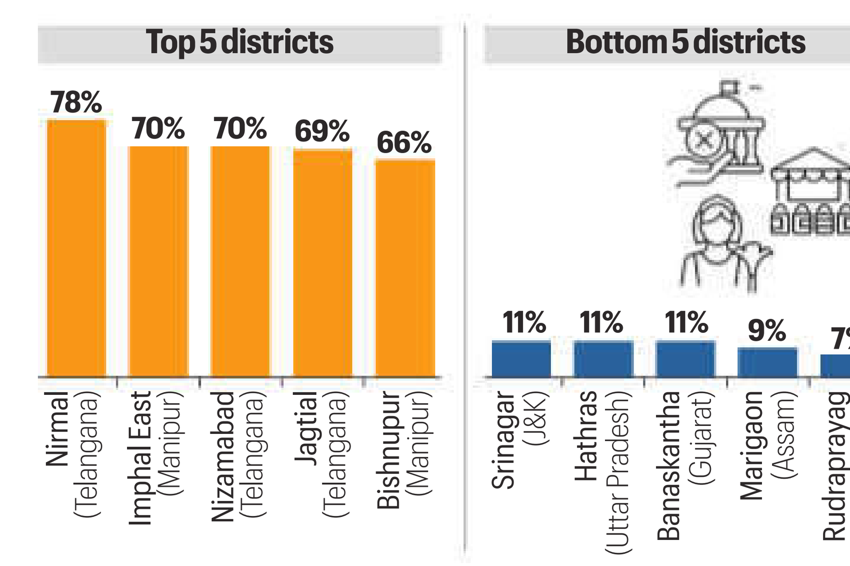
As per the data, the top-10 districts are either in Telangana, Manipur, Meghalaya, or Mizoram, "reflecting the significant role played by women in the unincorporated sector in these states", MoSPI said in its report.

Overall, women make up at least 33% of the total informal workforce in 237 districts.

Pay divide

While districts from the south and north-east see major participation from women, they pay very little. For instance, the best-paying district in the top-25 with women making up at least 50% of the informal workforce is Meghalaya's South West Khasi Hills, where the per hired worker emolument is Rs 1.7 lakh, only 35% or so higher than the all-India average of around Rs 1.3 lakh.

• **Women as % of informal workers**



NOTE: DATA IS FOR UNINCORPORATED NON-AGRICULTURAL SECTOR, SOURCE: MOSPI

Meanwhile, workers in Dehradun get paid the most, with emoluments per hired worker at Rs 4.6 lakh. Only 19% of workers in the district of Dehradun are women.

The new report provides data for 757 districts. "However, the geographical coverage of some districts and number of districts may differ from the current administrative configuration due to subsequent changes in district boundaries, names and/or the creation of new districts," it added.

Based on the data collected from the Annual Survey of Unincorporated Sector Enterprises (ASUSE) of 2025, this is the first time that MoSPI has released district-level estimates from a large-scale national survey. The enterprises covered are from the unincorporated non-agricultural sector, which broadly comprises establishments operating in manufacturing, trade, and other services in the informal sector.

Concentration of activity

Unsurprisingly, districts with greatest women participation are those with the highest percentage of female owned proprietary establishments. Nirmal tops this list again, with almost 80% of its proprietary establishments owned by women.

However, in terms of the number of workers or establishments, the distribution of the top-10 districts is more pan-India. West Bengal's North 24 Parganas has the greatest number of informal workers with 21.3 lakh as well as establishments (16.6 lakh).

In a sign of how concentrated even informal economic activity is in India, the top-10 districts in terms of the number of establishments are responsible for around 11% of the total Gross Value Added. The top-50 districts account for almost a third of the GVA.

Source of data

According to Geeta Singh Rathore, Director General of MoSPI's National Sample Survey, the unincorporated non-agricultural sector contributes "significantly" to employment, livelihoods, and economic activity.

"Given the diversity of economic activities and local conditions across the country, there is an increasing need for statistics that provide a more granular understanding of the sector for evidence-based policymaking," Rathore said in the report.

FULL REPORT ON WWW.INDIANEXPRESS.COM

Watch out for bankruptcy law misuse: IBBI tells resolution professionals

Dheeraj Mishra
New Delhi, September 10

THE REGULATORY body overseeing insolvency proceedings on Wednesday asked resolution professionals to be vigilant against signs that suggest misuse of the bankruptcy law while listing out six broad indicators, a move that comes on the heels of a special National Company Law Tribunal (NCLT) bench staying the order of its single bench in the Subhash Chandra case.

Appointed by NCLT — at the recommendation of the Committee of Creditors (CoC) — a resolution professional's role includes preserving the assets of the debtor during the insolvency proceedings.

The Insolvency and Bankruptcy Board of India (IBBI), in a circular issued to the resolution professionals, said that it has received information from law enforcement and regulatory agencies that the Insolvency and Bankruptcy Code, 2016 is also being used to dodge taxes, escape investigations, closure or merger of companies without regulatory scrutiny, or monetising and ring-fencing assets.

The six indicators that the IBBI listed are: very low recoveries for creditors without proper valuation, a single non-bank creditor dominating the committee of creditors (CoC), a cluster of related companies with common promoters, addresses, directors, or inter-lending taken into bankruptcy process, a common resolution applicant recurring across connected corporate debtors, linkage of corporate debtor or its group to fraud probes by another regulator, and suspicious loans between group companies.

The circular has come within a fortnight of an NCLT order on August 25 involving Essel Group founder Subhash Chandra, which approved a repayment plan providing for just Rs 6.25 crore to the creditors against their admitted claims of Rs 22,006.57 crore.

FULL REPORT ON WWW.INDIANEXPRESS.COM

Equity MF inflows rise 19% in Aug; SIP accounts cross 10 cr

George Mathew
Mumbai, September 10

DESPITE VOLATILE stock markets and a strong IPO pipeline, equity-oriented mutual fund schemes received net inflows of Rs 29,328 crore in August, an increase of nearly 19% over the Rs 24,697 crore received in July, according to the latest data from the Association of Mutual Funds in India (AMFI).

The August inflows mark the 66th consecutive month of positive equity mutual fund flows, with the uninterrupted streak beginning in March 2021. The rebound comes after equity inflows fell about 15% month-on-month in July from Rs 28,973 crore in June. The latest numbers point to continued investor participation even as the pace of equity inflows had moderated in recent months.

SIP (systematic investment plan) investing also continued to gain momentum. SIP assets rose 2.8% to Rs 18.61 lakh crore in August, accounting for about 21.4% of the industry's assets under management (AUM), while monthly SIP contributions stood at Rs 32,297 crore. The number of contributing SIP accounts crossed the 10-crore mark, reaching 10.01 crore in August. The milestone underscores the growing role of systematic investing in household participation in financial markets.

FULL REPORT ON WWW.INDIANEXPRESS.COM

OP Bhatt exit from Coforge: What led to his resignation

George Mathew
Mumbai, September 10

OM PRAKASH Bhatt, the chair of IT services company Coforge Ltd, on Tuesday resigned from the company's board with immediate effect. The resignation follows concerns raised by an internal audit over the way the board evaluation exercise was handled and presented.

But there is a larger backdrop: shareholders had recently voted against Bhatt's reappointment as an independent director.

Advent Funds, one of the largest shareholders of the company, had recently voted against Bhatt in the annual general meeting, effectively blocking his reappointment when the current tenure ends in May 2027. What exactly happened? Does it point to a deeper tussle between Bhatt and the board of $1 billion Coforge (formerly known as NIIT Technologies Ltd).

Or did the voting against his continuation on the board lead to his exit? Or both?

What happened at Coforge this week?

Gurugram-registered Coforge, an AI-native engineering services leader that operates in 33 countries, announced on September 9 that OP Bhatt, former State Bank of India chairman, had resigned as its non-executive independent director and chairman, effective immediately.

The company said there was "no other material reason" for his resignation apart from the reason contained in his resignation email dated September 8.

Bhatt's resignation came after an internal audit review of the company's Board Evaluation Exercise and the resulting Board Evaluation Report (BER).

The review was part of Coforge's internal audit plan for the second quarter.

According to the company, which has a market capitalisation of Rs 81,800 crore and a revenue of Rs 9,572 crore in FY26, the audit identified concerns about how the Board Evaluation Report had been dealt with and presented to the board.

In particular, certain material information contained in or relating to the evaluation, including information concerning the chairman's performance, had not been fully disclosed to the board when the report was presented. The board then raised its concerns with Bhatt and sought an explanation.

The board was in the process of considering and evaluating his explanation and had not taken any final decision in relation to the matters raised with him, it said. Bhatt responded, but the board had not reached a final decision on the issues when he resigned on September 8.

OP Bhatt was SBI chairman between 2016 and 2011. WIKIPEDIA

Who is OP Bhatt?

Bhatt is a veteran banker who served as chairman of the State Bank of India from 2006 to 2011. He joined Coforge's board in May 2024 and became its chairman after the completion of Basab Pradhan's tenure. His appointment had initially been presented as part of the company's effort to strengthen its board with experienced independent directors. Bhatt also remains an independent director at Wockhardt, where he serves on the Audit Committee, Stakeholders' Relationship Committee and Capital Raising Committee, according to Coforge's disclosure. He served as an independent/ non-executive director on several Tata group company boards, including Tata Motors, Tata Steel and TCS.

Vote against Bhatt significant

At Coforge's 34th annual general meeting on August 24, shareholders were asked to approve Bhatt's reappointment as an independent director. The special resolution did not pass as he did not get the stipulated 75% votes. According to voting data reported from the scrutiniser's report, about 65.47% of votes were in favour and 34.53% against. This is short of the required threshold for the special resolution. This was significant because Bhatt had turned 75, making the continuation of his tenure subject to shareholder approval.

Bhatt's defence

In his resignation email dated September 8, Bhatt said he had considered the matters raised concerning the board evaluation process, his response and the circumstances that followed. Continuing on the board while there remained a disagreement over the nature of his actions in the evaluation process would not be conducive to the effective functioning of the board, he said in the mail.

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HDFC Bank wins Credit Suisse AT-1 bond cases

Mumbai: HDFC Bank on Thursday said it has secured favourable orders from the High Civil Court in Bahrain in two proceedings brought by investors who had purchased Additional Tier 1 (AT-1) bonds issued by Credit Suisse, after the court examined the claims and evidence placed before it.

The bank said the Bahrain court had also rejected five other similar matters involving investors in Credit Suisse AT-1 bonds between July and August 2026. In all seven cases, the court rejected the allegations made against the bank and directed the investors to bear the costs of the proceedings. The cases stem from investments in Credit Suisse AT-1 bonds, securities that carry higher risks than conventional debt instruments because of their loss-absorbing features. AT-1 bonds are perpetual instruments and do not have a fixed maturity. ENS

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• MARKETS

Sensex	NIFTY	Gold ▼	US Dollar ▲
74,902.59	23,477.80	₹1,53,287	₹95.45
138.36	46.30	Silver ▼	Oil ▲
0.19%	0.20%	₹2,33,642	$115.98

NOTE: GOLD, SILVER RATES AS PER INDIA BULLION AND JEWELLERS ASSOCIATION DATA GOLD PER 10G, SILVER PER 1 KG; CRUDE OIL (INDIAN BASKET) AS OF SEPTEMBER 9, 2026

THE INDIAN EXPRESS

Explained

16 FRIDAY, SEPTEMBER 11, 2026

• CLIMATE

Bihar flooded despite rainfall deficit; Nepal isn't the reason

Himanshu Harsh
Patna, September 10

BETWEEN JUNE 1 and September 8, Bihar received 601.1 mm of rain, 27% below normal. As late as September 1, the deficit was 30%. Then the rivers rose sharply.

By September 9, the Disaster Management Department reported 2,157 villages across 14 districts affected, with about 40.51 lakh people hit.

Flood pattern different

Deputy Chief Minister and Water Resources Minister Vijay Kumar Choudhary said on September 7 that this year's flood pattern was different from previous years.

"Normally, the rivers entering Bihar from Nepal — the Bagmati, Kamla, Kosi and Gandak — rise first, followed by the Ganga. This time, Ganga became the main source of concern first," he said.

As Ganga's catchment extends far beyond Bihar, it receives water generated by rainfall upstream, including from Uttar Pradesh.

Bihar Disaster Management Department Principal Secretary Santosh Kumar Mall told *The Indian Express* that "rainfall around the Allahabad and Varanasi region, and the resulting downstream discharge, were important factors behind the Ganga's rise. For other rivers too, discharge from neighbouring states was a major factor".

Meanwhile, Bihar recorded heavy, localised rainfall during the period when the flood situation worsened, including 214.92 mm in East Champaran and 154.55 mm in Sitamarhi in individual rain events. While cumulative rainfall was 27% below normal up to September 8, rain during September itself was 31% above normal.

NOWHERE TO GO

- The Ganga created a 'backwater effect' for rivers such as the Gandak and Punpun.
- These rivers eventually have to drain into the Ganga but once it swelled, tributaries found it harder to drain.

When the disastrous floods hit Nepal on August 26, Bihar quickly opened all 36 gates of the Valmikinagar Barrage on the Gandak, which was below its normal levels. The river's discharge at the barrage reached 1,50,200 cusecs at 11 pm on August 26, less than what officials had expected, and then declined. Yet flooding continued. Choudhary said the Ganga created a "backwater effect" for rivers such as the Gandak and Punpun. These rivers eventually have to drain into the Ganga but once it swelled, tributaries found it harder to drain. The Punpun was also affected by heavy rainfall in Jharkhand.

Since a river flood is a moving event, peak at one gauge often gets transferred downstream, with flood affecting a much larger area than the places that recorded the heaviest rainfall.

Bihar's river embankments

"Bihar has built more than 3,730 km of river embankments, which help during floods," said Mall. These structures have historically protected around 3,600 sq km of land. But embankments do not eliminate one of India's flattest, most sediment-heavy alluvial landscape's underlying flood vulnerability.

"The Ganga, Gandak, Kosi, Bagmati and other rivers carry enormous amounts of sediment. When sediment accumulates within channels over years, the riverbed can rise relative to the surrounding land," said Mall, describing silt as a "permanent issue" for Bihar's rivers.

State leaders contend that over the five decades since its construction, the Farakka Barrage has also played a role, as it trapped massive amounts of silt along the Ganga. This extensive sediment accumulation has made the riverbed dramatically shallower. As a result, even normal seasonal monsoon flows now routinely spill over the banks, triggering severe, annual flooding across the state's plains.

As the 1996 India-Bangladesh Farakka Treaty approaches its expiration in December 2026, Bihar's political corridors are echoing with urgent demands to review the pact.

Bihar's geography adds another layer. The Ganga, Gandak and Kosi constantly reshape their channels. Also, Bihar's high population density means many communities live close to rivers. When rivers rise, people often have to be evacuated.

• GEOPOLITICS

The challenges for BRICS in a changing world order

20 years on, BRICS has emerged as a key global voice. But its expansion and evolving geopolitics have sharpened the faultlines over its direction

EXPERTS EXPLAIN
ANURAG BISEN & RAJ KUMAR SHARMA

INDIA IS set to host the 18th BRICS Summit in New Delhi on September 12 and 13 as the grouping marks 20 years since its formalisation in 2006. This anniversary is an occasion to assess whether BRICS has remained true to the concerns that brought it together, and how it must adapt to a rapidly changing global order.

BRICS vs G7: By the numbers

In 2000, Brazil, Russia, India and China together accounted for roughly 23% of global GDP on a purchasing power parity (PPP) basis, while the G7 held nearly 52%. By 2024, the positions had reversed: the expanded 11-member BRICS accounted for approximately 36.8% of global GDP (PPP), while the G7's share fell below 29%.

BRICS nations are projected to grow by an average 3.8% in 2025 and 3.7% in 2026, more than three times the G7 average. Yet the per-capita GDP tells a different story: the G7 averages around $53,000, while BRICS averages roughly $8,200. The bloc's aggregate weight is driven by population and resource scale, not by individual prosperity.

Vision and reality

BRICS began as BRIC — Brazil, Russia, India and China — in 2006, following a Goldman Sachs projection identifying these economies as future engines of global growth. It evolved from a foreign ministers' dialogue into a leaders' forum, with its first summit in Yekaterinburg, Russia, in 2009.

South Africa joined in 2010, and the grouping (now known as BRICS) expanded dramatically in 2024 with the addition of Egypt, Ethiopia, Iran, Saudi Arabia and the UAE. Indonesia became the 11th full member in January 2025.

What started as an economic grouping has become a geopolitical entity of considerable weight, increasingly presenting itself as a voice of the Global South. Yet its central grievance has changed remarkably little: global institutions have not kept pace with the redistribution of economic and political power. The first summit called for reform of international financial institutions and the United Nations, greater energy security, and a more democratic multipolar world order. Two decades later, these demands remain strikingly relevant.

BRICS members during the 2025 summit in Rio de Janeiro, Brazil. WIKIMEDIA COMMONS

India's strategic engagement

India's involvement in BRICS reflects its broader strategy of multi-alignment, underpinned by strategic autonomy.

New Delhi participates simultaneously in BRICS, the G20, the Quad and the Shanghai Cooperation Organisation without being tied to alliance commitments. BRICS emerged during an early phase of India-US strategic convergence, and India's multi-alignment has been less about choosing between competing power centres and more about creating room for manoeuvre.

India's strategy of autonomy

New Delhi participates simultaneously in BRICS, the G20, the Quad and the Shanghai Cooperation Organisation without being tied to alliance commitments.

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India's multi-alignment has been less about choosing between competing power centres and more about creating room for manoeuvre.

India has made substantive institutional contributions. At the 2012 New Delhi summit, India proposed a BRICS development bank, which became the New Development Bank (NDB). By mid-2026, the NDB had approved approximately $44 billion across 141 projects. India's broader objective has been to shape debates on climate change, sustainable development and trade.

Divergences within BRICS

One of the most significant tensions within BRICS is the fundamental disagreement over its purpose. China and Russia increasingly position BRICS as a counterweight to Western dominance, a platform to challenge US-led institutions and the dollar's hegemony. Beijing has driven the bloc's expansion, viewing a larger BRICS as a vehicle to project leadership of the Global South. Moscow, excluded from the SWIFT banking system and facing sweeping sanctions, sees BRICS as a critical economic lifeline.

India and Brazil, in contrast, view BRICS primarily as an economic and reform-oriented grouping. The divergence was evident when Russia demanded in 2023 that India pay for oil in yuan — India refused, insisting on dollars or rupees only.

On opposing sides: Iran, UAE

BRICS expansion has introduced sharp geopolitical contradictions that test the grouping's cohesion. The most visible fault line emerged at the BRICS Foreign Ministers' meeting in New Delhi in May 2026, when members failed to agree on a joint declaration. The breakdown was driven by a direct confrontation between Iran and the UAE, two member states on opposite sides of an active conflict. India, as host, issued a chair's statement acknowledging "differing views among some members regarding the situation in West Asia". The episode exposed a structural vulnerability: BRICS operates on consensus, and expansion has made consensus on geopolitical crises far more elusive.

The dollar question

Western countries view BRICS with a mixture of concern and pragmatism, recognising it not as an immediate replacement for the existing international order, but as a platform capable of gradually reshaping the distribution of geopolitical power.

The sharpest clash has come with US President Donald Trump, who has threatened 100% tariffs on BRICS nations if they created a new currency or backed any other currency to replace the US dollar. The idea of a single BRICS currency has largely been shelved.

BRICS members have instead gravitated towards bilateral settlement of trade in national currencies, a more pragmatic, decentralised approach. Russia and China now settle over 90% of their bilateral trade in ruble and yuan. Russia and India have moved roughly 90% of direct payments to national currencies, facilitated by Special Rupee Vostro Accounts authorised by the Reserve Bank of India. India and the UAE have operated a rupee-dirham local currency settlement system since July 2023 while India and Indonesia operationalised a rupee-rupiah settlement framework in July 2026.

The BRICS Pay system, set to be unveiled at the 2026 summit, will link national payment rails — Russia's SPFS, China's CIPS, India's UPI and Brazil's Pix — allowing member states to settle trade without routing through dollar correspondent banks. This is "de-dollarisation" through the back-door. India's approach has been to push for interoperable central bank digital currencies (CBDCs) rather than a supranational currency.

Yet the limitations are real: the dollar still accounts for 57.13% of global central bank reserves (Q1 2026), and no BRICS member is building rupee, yuan or rand reserves at meaningful scale.

India's priorities

As host of the 2026 summit, India faces a demanding agenda. The conflicts involving Iran, Israel and the US, as well as the Russia-Ukraine war, will test India's ability to build consensus on a joint declaration. Chinese President Xi Jinping's visit to India and the presence of Russian President Vladimir Putin could create opportunities for high-level consultations.

Beyond geopolitics, the summit will focus on practical cooperation: resilient and diversified supply chains, reform of global financial institutions, strengthening the NDB and expanding intra-BRICS trade.

Over the next decade, India can contribute by preserving BRICS' original reform agenda while making the grouping more practical. Digital public infrastructure, climate finance, health cooperation, critical minerals, local-currency payments and inclusive connectivity can give BRICS a concrete developmental agenda.

Capt Bisen (retd) is a Senior Fellow, Vivekananda International Foundation, New Delhi; Sharma is Associate Professor, SDU University, Almaty, Kazakhstan

• GLOBAL

Fresh Green Card hurdle: What's the PERM system targeted by US

Soumyarendra Barik
New Delhi, September 10

THE US Department of Labor on September 8 suspended IT services giant Cognizant's filings under PERM, a key system used by American employers to sponsor foreign workers for permanent residency, as authorities investigate alleged fraud and misuse of employment-based immigration programmes. Similar action was announced against software company Cloudera. US authorities have not yet disclosed the specific allegations against Cognizant, the number of applications affected or the duration of the suspension.

The action comes amid a broader crackdown by the Donald Trump administration on employment-based immigration, with technology and IT services companies facing scrutiny over reliance on foreign workers.

US authorities have stepped up investigations into claims of wage undercutting, fraudulent filings and displacement of American workers. The scrutiny is significant for Indian professionals, who account for a large share of H-1B beneficiaries and employment-based Green Card applicants.

What is PERM?

PERM, or Program Electronic Review Management, is the system through which employers obtain labour certification before sponsoring a foreign employee for an employment-based Green Card. Unlike a visa application, which is primarily made by an individual, the PERM filing is done by the employer on behalf of the worker.

Before filing, an employer must obtain a prevailing wage determination for the position and carry out prescribed recruitment. Broadly, the process is intended to establish that hiring a foreign worker permanently will not adversely affect the job opportunities, wages or working conditions of US workers. Once the Labour Department certifies the application, the employer can proceed to the next stage of the Green Card process. The date on which the Labour Department accepts the labour certification application also generally becomes the worker's "priority date", which is effectively their place in the queue for an employment-based immigrant visa.

Cognizant under lens

- US-headquartered Cognizant had 3,56,700 employees globally as of June 2026. At 2025-end, over 2,50,000 of its employees were based in India.
- This does not mean all of them are affected by the US action. But Cognizant's large Indian employee base and its longstanding use of US employment-based immigration routes mean Indians are likely to make up a significant share of those affected.

How is it different from H-1B?

An H-1B is a temporary, non-immigrant work visa that allows US employers to employ foreign professionals in speciality occupations. PERM, in contrast, is part of the process to obtain permanent residency.

The two can, therefore, run alongside. An Indian, for instance, could be working for Cognizant in the US on an H-1B visa while the company separately files a PERM application to sponsor the employee for a Green Card. A PERM suspension, on its own, does not cancel an employee's existing H-1B status or an already-issued Green Card.

How will Indian workers be affected?

For Cognizant employees whose Green Card process has not yet reached the PERM filing stage, the immediate consequence is a delay. Cognizant cannot make fresh PERM filings now, meaning affected employees cannot secure a priority date and begin moving through the employer-sponsored Green Card process.

That can be particularly consequential for Indians because they already face a severe backlog. In the US State Department's September 2026 Visa Bulletin, the employment-based second preference, or EB-2, category for India was listed as "unavailable" for final action, while the EB-3 final-action date was January 1, 2014. The system also imposes limits on the number of employment-based Green Cards available to nationals of any one country.

There can also be an H-1B implication for some workers approaching the normal six-year limit on that visa. US rules allow certain H-1B holders to extend their stay beyond six years where a labour certification was filed sufficiently early. An inability to get the PERM process started could therefore become more serious for employees nearing that deadline. Workers who already have approved petitions and are waiting because a Green Card number is unavailable are in a different position and can, subject to the rules, qualify for H-1B extensions of up to three years at a time.

• GOVERNANCE

Manipur's demand for a 1951 baseline for NRC: Why the date is contentious

Deeptiman Tiwary
New Delhi, September 10

MANIPUR HOME Minister Govindas Konthoujam Monday told the Assembly that 1951 would be the base year for updating the National Register of Citizens (NRC) in the state. He said the state cannot implement an NRC without the Centre's nod, and officials are tracing records of the 1951 NRC.

Why is 1951 important?

The erstwhile princely state of Manipur had a permit system regulating the entry of people from outside, but it was abolished in 1950. In 1951, the first Census of independent India was conducted. Alongside it, an NRC was prepared, containing details including names, parentage and residence.

During the agitation for the Inner Line Permit system, to regulate the entry of outsiders into Manipur, the Joint Committee on Inner Line Permit System (JCILPS) argued that this history makes 1951 the logical point for scrutinising outsiders' entry and exit. The umbrella body said that 1951 provides the earliest available demographic baseline against which subsequent migration and population change can be assessed.

It has also pointed to a sharp increase in Manipur's recorded decadal population growth — from 12.80% in 1951 to 35.04% in 1961 — which it cites as evidence of a substantial population increase after the old entry controls were removed. However, this does not, by itself, establish illegal immigration as a cause.

There is also a political history. The "Proceedings of Understanding" between the Manipur government and student organisations in 1980, another agreement of 1994 between the Manipur Lt Governor and student organisations under President's Rule, and the Manipur People's Protection Bill, 2018, all mention 1951 as the baseline.

Significantly, the 2018 Bill sought to regulate outsiders and classified as "non-Manipuris" those who were not Meitei, Meitei-Pangal, members of the Scheduled Tribes or people who had been living in Manipur before 1951. The Assembly passed it unanimously, but it did not become law.

A pro-NRC protest in Imphal on Sunday. PTI

Why did Assam NRC use 1971 cut-off?

Assam had a far longer and more intense history of agitation over illegal immigration, culminating in the Assam Movement of 1979-85. Under the Assam Accord, January 1, 1966 was fixed as the base date. Those who entered before that date were to be regularised; those who entered between January 1, 1966 and March 24, 1971 were to be detected and registered under the law; and those entering on or after March 25, 1971 were to be detected and expelled.

The 1971 date therefore emerged from the specific political settlement represented by the Assam Accord, which followed the Assam Movement and was shaped by migration from East Pakistan and the creation of Bangladesh.

Manipur's proponents say their problem is different, linked to the abolition of its permit system and later demographic change.

Why has the demand gained urgency?

The demand predates the ethnic violence that began in May 2023, but the influx of people from Myanmar after the 2021 military coup gave it a new security dimension. It has now acquired another political significance with the 2027 Census and the prospect of delimitation.

Meitei and Naga organisations want the NRC completed before the Census, arguing that population figures should not influence future political representation until illegal immigration has been addressed.

The Kuki-Zo Council has opposed an NRC before the Census. The Council has also challenged the reliability of a 1951 baseline. KZC said most hill areas of Manipur had virtually no road connectivity in 1951, making comprehensive population enumeration difficult. Thus, using a 1951 benchmark could exclude indigenous communities.

There is an additional complication. Kuki, Zomi and Chin communities have historically lived on both sides of the India-Myanmar border. Kuki-Zo organisations therefore fear that a 75-year-old baseline could disproportionately affect them.

What are the challenges?

Manipur's own experience shows the difficulty of translating a historical cut-off into policy. In 2018, the Biren Singh government's Manipur People's Protection Bill changed its proposed base year from 1971 to 1951. It triggered protests, like in Jiribam, where people from communities with longstanding links to neighbouring Assam feared exclusion. The Bill eventually did not become law.

When the government later had to operationalise the Inner Line Permit system, its Cabinet chose 1961 as the base year in 2022. Biren Singh said the decision was taken after considering the interests of the state's different communities, including its 34 recognised tribes. The JCILPS opposed the move. Even in 2024, when Biren recommended an NRC to the Centre, he proposed 1961 as the base year.

History points to the central difficulty with a 1951 cut-off: how does the state distinguish between a recent migrant and a long-settled resident who simply cannot produce records? The Centre would also have to prescribe the evidentiary and appeals framework and clarify what exclusion would mean legally. In a state where conflict has displaced thousands, documentary verification would be even more complicated.

Too Early to Wave Red Flag Over Pink Slips

Domestic firms have bigger payroll cushions

Job cuts by multinationals operating in India have made a quiet reappearance. Pink slips have been restricted to tech companies like Oracle, Uber and PayPal, but are now spreading to consumer electronics firms such as Samsung as semiconductor demand by the AI industry pushes up prices of household gadgets, including television sets. India is, however, a strong consumer market, and has not lost too much momentum due to the oil supply disruption in the Persian Gulf. Overall, companies are reporting an optimistic labour market, propped up by rising business confidence. Hiring is expected to pick up in the current quarter, according to Manpower, a staffing firm, on demand for new skills. Global disturbances — chip and oil shortages — that are showing as job losses in MNCs are expected to persist for a while, but should eventually subside. Indian companies that are more focused on domestic consumers are likely to have a bigger payroll cushion.

Office-leasing activity in India is on a multi-year uptrend. Gross leasing volume in the first half of this year was around 38 mn sq ft, after hitting a record 83 mn sq ft in 2025. Almost 40% of this year's leasing activity is driven by global capability centres (GCCs) as offshore corporate offices expanded their India footprint. GCCs are expected to employ over 3 mn professionals in India by 2030, which involves adding headcount in the lakhs every year. The job cuts by multinationals announced in 2026 are small in comparison, and the net employment scenario appears resilient. Hiring by Indian tech companies has been throttled on account of AI deployment. But broader AI deployment across industries is still being negotiated over costs of the technology, and its immediate impact on business productivity.

By virtue of India being perceptibly the most resilient economy in the face of global supply disruptions, its job market should remain steady in the medium term. So, it may be too early to be waving the red flag over pink slips.

Not Just Who Pays, But How to Get Paid

Mountains may be Nepal's greatest asset. But a warming world is turning them into an ever-growing source of risk. The latest flash floods that flattened much of the landscape along the China-Nepal border, and killed more than 1,000 people, have handed the country a stiff reconstruction bill of \$4-5 bn. Many factors contributed to the scale of devastation. But there's little doubt that climate change was the key underlying driver. But that trigger was not of Nepal's making. Its contribution to historical stock of GHG emissions is 0.01%, while its share of global annual GHG emissions is 0.05%.

Nepal's tragedy puts the spotlight on the urgent need for climate finance. Devastation comes as wealthy developed countries, responsible for a disproportionate share of the accumulated stock of GHG emissions, retreat from their financial commitments to the developing world. After more than three decades of multilateral climate negotiations, the rich world can't keep shifting goalposts or, literally, passing the buck. It must honour obligations and deliver the finance developing countries need to cope with a crisis they did far less to create.

But the climate finance debate must not get mired in the question of who pays. It's time to consider a science-based fair-shares assessment to ensure that countries are accountable for their share of emissions. Even for the available money, access is slow. India, current BRICS chair, has been vocal on the who-pays question. Now, it must expand its focus to other critical aspects of improving access, starting at the summit that begins tomorrow. Nepal's tragedy should force the world — BRICS and all — to build a climate-finance system that is fairer, faster, more responsive to those facing the greatest risks.

JUST IN JEST

Oh please, oh please, oh please, don't 'creatively' open up initialisms

Acronyms, Fine 'Em, Don't Redefine 'Em

The calendar is littered with summits whose names resemble Scrabble racks: BRICS, QUAD, APEC, OPEC, UN, SCO, G7…. Each promises weighty communiqués and photo-ops. Yet, lurking in the corridors of power — and on social media — is a menace far more insidious than geopolitics: the irresistible urge to 'creatively' open up acronyms while roads shut down. Suddenly, BRICS is not Brazil, Russia, India, China, South Africa, but, in someone's tiring wordplay, 'Bureaucrats Regularly Inventing Clever Slogans'. QUAD morphs into 'Quite Unnecessary Acronym Diversion'. What begins as fun, ends up as a contagion.

This fad deserves the same deterrent as foul language in polite company: a jar. Call it AAJ, or Acronym Abuse Jar. Each time a pundit, politician or Op-ed writer rebrands OPEC as 'Our Planet's Enablers Club', they must deposit a crisp note. The proceeds could fund something genuinely useful — say, translators who already suffer enough decoding official jargon. Acronyms exist to simplify, not to spawn parlour games. Diplomacy is confusing enough, without turning institutions into poetic punchlines. If the world insists on multiplying summits, let their initials at least remain sober. Otherwise, the next communiqué may read less like policy, and more like a crossword clue. And if you cannot resist, pay up. The swear jar has a new cousin, AAJ ki khatir.

Summit by summit, G7's behaving like a club of 10 leading democracies — so why not formalise it?

GO ON THEN, G7 TO D10

Ajay Bisaria

A gambit so worth taking

This is a month thick with summitry. India hosts the 18th BRICS summit in Delhi this weekend, featuring 11 major and middle powers, besides several aspiring partners. Earlier on Aug 31-Sep 1, the 26th SCO summit was held in Bishkek, Kyrgyzstan. The 81st session of the UN General Assembly (UNGA) in NYC has been underway since this week.

Amid the UNGA jamboree, the most watched event will be the 2nd of 4 'G2' meetings of the year — the Xi-Trump 'summit' in Washington scheduled for Sep 24, this time to carve up the AI cake. The other G2, Russia and China, keeps tightening its embrace with every meeting. In November, Apec meets in Shenzhen before G20 caps the calendar in Florida in December.

These groupings make for a crowded stage for what Ian Bremmer still calls a 'G-Zero' world. Each convening is, in effect, a competing script for primacy of nations, or ideas in the multipolar order. Rising non-Western powers carry proud letterheads. BRICS, for instance, command higher growth rates and larger purchasing-power GDP than G7 economies.

The drift towards D10 is driven by the G7's maritime, Indo-Pacific-facing members. Continental Europe remains wary

But amid all this, one grouping is conspicuous for having no name. Industrial democracies keep assembling informally, year after year, as though shy of admitting they form a coalition. That correction is overdue.

When G7 leaders gathered at Évian in France in June, the membership on paper was unchanged: the US, Britain, Canada, France, Germany, Italy, Japan and the EU. But with the 7 were PMs of India and Australia, and president of South Korea, invited as they have been at nearly every recent summit. The forum still calls itself G7, but it behaves like a D10, the world's 10 leading democracies.

The concept of G7 + Australia, India and South Korea took shape in the US state department's policy-planning staff around 2008, was adopted by Atlantic Council in 2014 to defend a rules-based democratic order, and came into view in 2020, when British PM Boris Johnson proposed pooling 10 democracies to break Huawei's grip on 5G. Together, they command roughly 60% of global GDP.

For three decades after the Cold War, the West wagered that drawing authoritarian powers into the liberal order would liberalise them. Russia was welcomed in 1998, briefly making G7 'G8'. China entered WTO in 2001. The bet failed, in no small part because of the West's own failings, now compounded by an internal wrecking ball named Trump.

As the US unipolar moment ended around 2008, China grew richer and more assertive without loosening its politics, launching BRI and racing ahead in critical tech. Russia pushed back against US overreach in Georgia in 2008, seized Crimea in 2014, and was expelled, returning G8 to G7.

That same year, Atlantic Council opened its D10 Strategy Forum, an admission that where economic integration had failed, a 'coalition of values' might be needed. The pandemic sharpened the point in 2020, exposing how far Western supply chains had come to rest on a single authoritarian workshop. Russia's war on Ukraine in 2022 strengthened the West's case for democratic solidarity.

It wouldn't be anti-China or anti-Russia but a positive concert of the capable — 10 democracies that hold technologies, capital and supply chains on which a stable order depends

Each shock nudged G7's agenda towards D10. By the Hiroshima G7 Summit in 2023, leaders were debating supply-chain resilience, economic coercion and emerging technologies. At Kananaskis, Canada, in 2025, the grouping launched a critical minerals action plan and an AI-governance push, with India, Australia and South Korea in the room. The Évian agenda of 2026 — mineral supply chains, AI, economic governance, Ukraine — reads like a continuation.

India has now attended the G7 outreach for seven straight years, since 2019. Australia and South Korea join whenever Britain, Japan or Canada holds chair. When Narendra Modi and Anthony Albanese arrived at Kananaskis, every Quad member sat at a G7 table. Canada's Mark Carney defended the Modi invitation in plain strategic terms: India is a leading economy at the heart of global supply chains.

There's a catch. The drift towards D10 is driven by the G7's maritime, Indo-Pacific-facing members. Continental Europe remains wary. Germany in 2022 and Italy in 2024 invited India alone, leaving out Australia and South Korea, consistent with a long unease in Berlin, Rome and Paris about anything resembling an anti-China bloc.

The fear is that a formal D10 would harden the world into rival camps and complicate cooperation on problems that respect no ideology — climate, pandemics. And the US has become an unpredictable partner. Which is why D10, after more than a decade of advocacy, has never been launched.

Yet, the multipolar world is arriving whether democracies name their coalition or not. This year's calendar of rival summits is proof. In a world where trade, tech and finance are increasingly turned into instruments of coercion, the answer is not fewer coalitions but clearer ones.

D10 wouldn't be anti-China or anti-Russia but a positive concert of the capable — 10 democracies that hold technologies, capital and supply chains on which a stable order depends. India has much to gain and offer. Seven summits running, it has become indispensable to G7 outreach. D10 would turn recurring courtesy into a standing seat.

The club of 7 has, summit by summit, begun to behave like a club of 10. It's time it said so, dissolved itself, and gave the arrangement the name its architects proposed a generation ago.

The writer is former Indian high commissioner to Canada

How You CSR, Not What, Matters

Aaraadhya Srivastava & Niharika Kasaudhan

In his keynote address at the inaugural OECD Roundtable on Global Financial Markets in 2025, US SEC chairman Paul Atkins argued that regulation should require companies to provide investors only with information that is material to investment decisions. In his view, rules written for shareholders who seek to effect social change, rather than maximise financial returns, have little place in corporate regulation.

Yet, this shareholder-first conception of corporate regulation sits uneasily with the direction in which some governments are moving. They are taking a more active role in shaping how companies respond to wider social and environmental responsibilities. Some have encouraged firms to spend on CSR, while others have required companies to disclose their social and environmental impact. A handful have gone further. India, for instance, has made CSR spending a legal requirement for certain firms.

For more than 5 decades, economists have debated whether a corporation's primary responsibility is to its shareholders or to society, and consensus remains elusive. Part of the difficulty lies in establishing how spending on social objectives affects financial performance. This tension has persisted despite empirical scrutiny, largely because of reverse causality. For instance, firms that are doing well, and are, therefore, less financially constrained, are more likely to devote resources to CSR activities. This can create a positive association between CSR expenditure and firm performance even when CSR does not cause better performance.

India's mandatory CSR law offers economists a rare chance to cut through this noise. Since April 2014, companies that cross any one of 3 statutory thresholds, based on net worth, turnover or net profits, have been required to spend at least 2% of their 3-yr average net profits on CSR activities. Because eligibility is defined explicitly by statute, the policy creates something close to a natural experiment.

What happens to a firm when CSR spending is no longer optional? The emerging evidence is, at first glance, not encouraging.

In their 2021 paper, 'Does a Government Mandate Crowd Out Voluntary Corporate Social Responsibility? Evidence from India', Shivaram Rajgopal and Prasanna Tantri find that government-mandated CSR crowds out voluntary spending on social and environmental activities, making CSR more of a compliance exercise than a genuine commitment to social causes.

This displacement, in turn, dilutes the signalling value of CSR and makes obligatory CSR akin to a tax on affected firms, thereby creating incentives to remain below the statutory threshold. Consistent with this possibility, a 2021 Journal of Contemporary Accounting & Economics paper, 'Did Mandatory CSR Compliance Impact Accounting Conservatism? Evidence from the Indian Companies Act 2013', finds evidence of downward earnings management among firms close to the threshold. Such behaviour can reduce the quality of financial information available to investors.

More clarity on charity, please

Costs may extend beyond firms' accounts to financial markets. By diverting cash to CSR activities that might otherwise have been available for debt service, mandatory CSR could lead lenders, who are generally risk-averse, to either demand higher interest rates, offer loans with shorter maturities, or both. This could make it more difficult for affected firms to finance otherwise-profitable projects.

Shareholders appear to have anticipated these pressures. A 2017 paper by Hariom Manchiraju and Shivaram Rajgopal, 'Does Corporate Social Responsibility (CSR) Create Shareholder Value? Evidence from the Indian Companies Act 2013', examining legislative events leading up to the law, found that firms subject to the mandate experienced negative share-price reactions relative to unaffected peers.

These findings point to a familiar tension: a policy designed to make businesses more socially responsible may impose costs on private investors. Yet, none of this establishes either that CSR is harmful, or that underlying social objectives are unworthy. The evidence suggests something more nuanced: the mechanism matters.

If a social objective is genuinely valuable — and many are — the relevant question is whether gains to society are large enough to offset the costs that social responsibility rules impose on companies and their investors. In most cases, they probably aren't.

Targeted public expenditure, funded through taxation, can direct resources more precisely, reach communities that CSR programmes may never reach, and be subject to democratic accountability in ways that boardroom philanthropy cannot. The lesson from India's experiment with mandatory CSR is not that companies should be indifferent to the societies in which they operate, but that using the corporate form as a vehicle for social policy can often misfire.

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Time to Put Out Promoter Raj

Arijit Barman

Corporate India's revolving doors have swung open with a raft of recent resignations and departures involving some of the most recognisable CEO faces. The high-profile exits even include new-age tech and digital disruptors like Meta, as well as some of the most storied business houses like Tata, Godrej, Kotak, HDFC Bank and IndiGo.

Some of these transitions have been cordial, thought through and orderly handovers. The warring, controversial and morale-sapping ones, though, are undermining some of the trusted brands, managerial bench strength and governance gold standards. Conglomerates that have been cash spigots, or capillaries of growth, are fast getting entangled in trouble spots.

As the succession script gets tested like never before, our business founders would do great service if they simply *let go*. That begins with doing away with the legal fiction called 'promoter'. The idea of promoter-led firms also needs a thorough spring-cleaning.

As a category, it does not exist anywhere in the world but in India, as a colonial partnership construct that segregated control from ownership. Much of our mercantile class that prospered under the British Raj trading opium, cotton, etc, continued to thrive even after Independence, led by some offshoots of the same managing agents. By then, many had become founding fathers of India Inc, but with scant equity capital of their own.

In the 1970s, even though US-style shareholder capitalism became prevalent across most other postcolonial Asian companies, only local outposts of MNCs like Hindustan Unilever adapted such avatars. Their real power centres, though, remained at their overseas HQ.

Over time, Indian promoters got legal cover, as well as a definition under Companies Act and securities law. They are predominantly founders who need to own at least 20% of the post-public issue capital with an 18-mth lock-in. They exert control, act as a lodestone advising the board, based on which the directors are 'accustomed to act'.

They don't want us in the picture?

But in today's geopolitical and AI-induced 'flux and destroy' landscape, promoters with privileges in perpetuity have outlived their purpose. Along with it, the idea that it's only promoter progeny who can embody both capital and enterprise in the same person has become flawed.

To be sure, CEO turnover in the world's largest listed companies reached a new record in a row in 2025, 21% above an 8-yr average. External hires accounted for a third of S&P 500 CEO successions last year. Appeal of a fresh-eyed leader who can navigate mushrooming uncertainties is obvious. He or she can tear up existing blueprints and have more latitude to take difficult decisions. Look no further than GE or Boeing.

If a promoter seeks special status due to his or her contribution towards IP or seed capital, he or she can exert control through differential voting rights (DVR), the market for which ought to develop in India. Capital contribution alone doesn't make one entitled to run a business by default or birth.

Even minority shareholders bring their share of equity capital. Let all equity holders enjoy their proportionate returns in the form of dividends and share price appreciation. And to maximise shareholder value creation, competence — not clan — should be the sole criteria.

One can, indeed, go horribly wrong with non-promoters who do not have large enough stake in an enterprise's success, but seize disproportionate power and influence. But unless you bet on an outsider CEO, who do you even get lucky with?

Even scions are telling patriarchs that across the world, there is a 'quiet quitting' underway. These inheritors are unwilling, or simply unable, to keep the family concerns going, let alone allow it to thrive. Inept younger generation unable to grasp modern-day complexities can also run a business to ground. Bankruptcy and a subsequent takeover are a genuine risk that didn't exist even a decade back.

Moreover, on the back of world-class institutions of academic excellence, India today is gifted with an enormous managerial pool of global scale and competence. These well-trained, talented technocrats are excelling globally. This demographic dividend, many of whom are already corporate America or even Europe, should be leveraged.

This is not to say all blue-blooded members of GenNext lack hunger or chutzpah to run businesses. Groups with high political exposure tend to rely more on family for loyalty. But let shareholders cherry-pick the 'child' for his or her special qualities, relationships or prowess. Else, let the best man or woman for the job win.

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THE SPEAKING TREE

Art of Inquiry

ASHOK K PANDEY

In our schools, workplaces and public conversations, critical thinking has become our most celebrated tool. We prize those who question boldly, challenge fearlessly, and dismantle flawed arguments with precision. Indic civilisation nurtured a profound culture of inquiry. A young boy named Nachiketa stood before Yama, Lord of Death. He pursued a single question fearlessly: what is eternal? An inquiry arising from an earnest desire to understand.

Philosopher Gargi stood before the finest scholars of the Upanishadic age. Her questions tested the limits of wisdom even for the wisest. The Buddha offered another lesson. He urged his disciples not to accept his teachings merely because he gave them. Like a goldsmith testing the purity of gold in fire, seekers were advised to examine, reflect and verify through their own experience. Discernment and responsibility were at the core.

In Gita, Krishn invites Arjun to listen deeply, reflect carefully, and then choose according to his own understanding. Wisdom unfolds through a progression — from receptivity, to contemplation, to action. Understanding fulfils itself when it flows into responsible action. Critical thinking is a discipline of examining our understanding with honesty and courage. It asks us to question, observe, reflect and discern, but not to stop here. The true destination of the sacred art of inquiry is wise action.

The purpose of critical thinking is the wisdom to see clearly enough, choose wisely, act compassionately, and leave the world a little better than we found it.

ALGO OF BLISSTECH

Driving on Empty Roads

There's bliss in being cocooned within a car that's gliding along empty, uncongested, well-made roads. The road stretches ahead like a promise, unbroken by traffic or pothole politics. If you're driving, the steering wheel feels lighter, the accelerator more responsive. The car itself is grateful for the freedom.

The hum of the engine syncs with your heartbeat, the tyres whisper against the asphalt, and the buildings on each side quietly cheer you on. Even the air seems fresher, untainted by fumes or honking horns.

Then there's the symmetry you start noticing: roads tapering into lanes, curves bending into thoroughfares, flyovers taking off *under* you vehicle minus any of the obstacles that make your usual journey. You lean back, and the world outside becomes a moving canvas — buildings, structures, foliage flowing past in cinematic ease.

The bliss lies not in speed but in serenity. To drive on such roads is to reclaim time, rediscover modernity. You become a true *travel*-ler, carried forward by a road that seems to exist solely for your joy.

Chat Room

Double-Engine on A Runaway Train

'Look Before You Stock Up' by Krishnan Ranganathan (Sep 10) is an excellent piece. Giving the frontline regulatory role to an entity with commercial operations is a 'moral hazard' problem, which would only exacerbate with NSE's listing. NSE's monopoly, with no competition in sight, adds to the complexity. GoI and Sebi need to give a serious thought to the issues raised in this piece.

Ajay Tyagi
Former chairman, Sebi
New Delhi

With Sebi nudging retail investors away from highly-speculative, high-risk equity options, the biggest income-generating source for NSE will likely run dry sooner than later. So, the promoters and FPIs will make easy money, leaving the retail IPO investor high and dry. And going by the trends in the grey market, the eventual listing price may prove that for markets, emotions often trump rationality.

Prasad Ambadas Kulkarni
Mumbai

OUR VIEW

AFP

What 9/11 meant for the start of the 21st century

Did Al Qaeda's US-aimed terror attacks of 11 September 2001 alter the trajectory of history? Global geopolitics of the past 25 years offers a record riddled with clues. Think geo-rivalry

On 11 September 2001, two passenger aircraft deployed as missiles by hijackers struck New York City's iconic twin towers of the World Trade Center 17 minutes apart. It did not take a third strike—the US Pentagon was bombed next—for the very spectacle of its intent to certify a terror attack, America's most horrific. Labelled '9/11,' the day's horrors left nearly 3,000 people dead and the world's most powerful country in shock. No sooner had Osama bin Laden's Al Qaeda network been identified as the culprit than 9/11 triggered America's 'forever war' on Afghanistan to depose its Taliban regime for hosting that ragtag militia. In 2003, the US embarked on a high-octane war of "shock and awe" to oust Iraq's dictator accused of posing a nuclear threat. Bin Laden was eventually traced not to a hill cavern in Tora Bora, but to a hideout in Abbottabad, Pakistan, a high-walled villa right under the nose of its Janus-faced army. By the time he was executed by US Navy Seals in May 2011, a trail of US war fury had left hundreds of thousands of Iraqis and Afghans dead.

A quarter of a century after 9/11, how that bolt from the blue may have inflected global geopolitics is worth asking. Especially in today's context of a potential power shift from west to east, with the metaphor of a majestic eagle ruffled by dragon-breath getting harder to brush aside. As the US rattles the world order, shrinks from climate action and closes itself behind labour walls and trade barriers, it signals a loss of confidence in its own 'end of history' formula of free-market democracy. Not just that, it grants 'Red China' the bonanza of space to make a grand pitch for stable prosperity; the more erratic US policy gets, the less favoured it may come to be for leadership of an 'Asian Century' as it unfolds. Yet, a muddled reaction to China's trade-driven ascent cannot fully explain America's lurch under President Donald Trump. Arguably, post-9/11 xenophobia played a thinly veiled role in the appeal of 'Make America Great Again,' even if Barack Obama's 2008 election victory had defied cynics to affirm its 'self-evident' 1776 values. And today, it's clear that America's rival across the Pacific, whose ploy after the Soviet Union's crack-up was to "hide your strength, bide your time," has been this century's big winner so far, never mind the dust-haze around any part that a covert Beijing nexus with Rawalpindi may (or may not) have played in the turn of events.

What about the 'clash of civilizations' that some sought to pin 9/11 on? Although sporadic terror attacks in its wake gave that thesis of an Islamic world in endless conflict with the West a degree of popular traction, it fell flat under academic scrutiny. A multi-player 'great game' aimed at control of West Asia could better explain this region's eruptions of war, recent hostilities plausibly included. So long as the US alienates regional opinion by openly backing Israel on what's widely seen as an open wound, Palestine, a West Asian pivot to the East seems plausible enough for such an outcome to be 'in play' as part of a pivotal geo-rivalry. As a democracy, the US may yet be able to fix its fumbles. But right now, even as its federal debt soars, it seems bent on ceding strategic space to a People's Republic that might finally be done biding its time. All in all, how this century pans out will likely influence India's path to prosperity too, and as the power plot thickens, our bet on neutrality will need to pay off.

THEIR VIEW

Renew the Centre-state bargain for GST to deliver on its promise

The next phase of GST reform must restore the federal compact that enabled 'one nation, one tax'

SRINATH SRIDHARAN & ARJUN RAGHAVENDRA M.
are, respectively, a corporate advisor and author of 'Family and Dhanda'; and a Supreme Court advocate and former IRS officer.

In 2017, Indian states did something unprecedented in the history of fiscal federalism globally: they surrendered their most productive taxes—value added tax, entry tax, octroi and others—to a collective body in exchange for the idea of 'one nation, one tax.' The price of that surrender was written into the Goods and Services Tax (Compensation to States) Act of 2017; it protected state revenue at 14% compound annual growth for five years, funded by a GST cess on sin and luxury goods.

The promise was politically elegant. The arithmetic less so. Cess collections fell behind the guarantee even before the pandemic and covid widened the gap dramatically. The Centre eventually borrowed ₹2.69 trillion across two fiscal years to meet compensation obligations that the cess could not fund. The five-year levy was subsequently extended until March 2026 to service that debt. A transitional instrument had become a debt-repayment mechanism. With the loans repaid ahead of schedule, the cess expired on 31 March 2026.

For the first time since GST was introduced in India, states are fully exposed to their own performance. There is no guaranteed growth rate, compensation mechanism or shortfall insurance. Their fiscal position depends on a tax whose rates are determined collectively by a GST Council where the Centre holds one-third of the votes and an effective veto. Meanwhile, the divisible pool of taxes has been constrained by the growing use of cesses and surcharges outside it. With these excluded, only about 81% of the Centre's gross tax revenue was shareable in 2025-26. This is the central asymmetry in India's post-GST fiscal architecture. States gave up significant taxation powers, while the protection that accompanied that surrender had a sunset clause. Their expenditure responsibilities did not.

India's GST rate reform of September 2025 sharpened that exposure. GST 2.0 reworked the rate structure, but rate reductions also reduced the tax base that states share. Several states sought the Centre's estimate of the resulting revenue loss and asked for continued compensation. They received neither.

Further, there is a longstanding case to bring petrol, diesel, aviation turbine fuel and natural gas into GST's fold, alongside alcoholic drinks. Petroleum products already sit within the GST framework but await a Council-recommended date, while liquor requires a Constitutional amendment. Stamp duty is another question that involves deeper institutional change.

But the more important question is whether these taxes should be brought into GST before the fiscal bargain underlying GST is renewed.

QUICK READ

States gave up agency over local taxes in an unprecedented move to help India achieve 'one nation, one tax' but the end of the GST compensation guarantee has left many of them fiscally vulnerable.

India must forge another grand Centre-state bargain that would ease state-level anxieties over revenues before this taxation net is widened to include items that have been left out so far.

These levies are among the last significant tax handles over which state governments retain direct discretion. Taking them away without a durable replacement would further separate the responsibility of spending from the power to raise revenue, weakening both fiscal agency and accountability. The completion of GST's tax map, thus, cannot precede the renewal of its federal bargain. A new compact would require three rules.

One, India needs a revenue-floor mechanism for states. A formula-based stabilization fund, triggered when state GST revenues fall below a defined band, could provide states insurance without an open-ended commitment.

Second, there must be discipline over the divisible pool. The 16th Finance Commission retained the share of states at 41% of the divisible pool, but did not recommend a cap on cesses and surcharges. Parliament should consider a statutory ceiling on non-shareable levies so that devolution isn't diluted.

Third, borrowing autonomy needs reconsideration. A state operating within its fiscal-responsibility targets should be able to access the market on its own credit and risk-adjusted spread, without Article 293 consent becoming an annual instrument of administrative persuasion. Markets can price fiscal risk and reward discipline. A mature federation should use that discipline instead of ministerial discretion.

The principle is straightforward. The more taxation powers states surrender, the more important it becomes that they retain fiscal capacity and agency. The big question, thus, is constitutional as much as economic: what does India owe its states for the tax sovereignty they surrendered? Fiscal federalism is not a favour by the Centre to states. It is an institutional compact in which both levels of government must retain the capacity to govern and accountability for it. If India wants GST to fulfil its promise, it should first complete the federal bargain that made it possible.

10 YEARS AGO

mint

TUESDAY, SEPTEMBER 13, 2016

IN-DEPTH Passing the baton: A look at A.M. Naik's legacy ▶10-11

TECHNOLOGY Google loses its edge in autonomous car race ▶P6

Inflation down, RBI rate cut hopes up

Retail inflation decelerated sharply to 5.05% in August, while industrial production contracted by 2.4% in July, the lowest in eight months

Sequoia in discussions to exit 8 firms

MARKETS SLUMP AS FEARS OF FED RATE HIKE INCREASE

Union cabinet gives nod for GST council

RAIN DEFICIT IN CAUVERY CATCHMENT AREA

Cairn shareholders clear merger with Vedanta

Tata Steel Q1 loss widens tenfold

JUST A THOUGHT

I want justice. There's an old poster out West, as I recall, that said, 'Wanted: Dead or Alive.'

GEORGE W. BUSH

GUEST VIEW

Fund versus flat: tax policy shouldn't distort the choice

VIDYA MAHAMBARE

is Union Bank Chair professor of economics, Great Lakes Institute of Management

Households, companies and governments all save and borrow. In India, households, in aggregate, save more than they borrow. We park those savings in physical assets such as real estate and gold, and in financial assets such as cash, bank deposits, mutual funds, equities, insurance and pension plans. The household savings mix has been tilting the wrong way in recent years, with net household financial savings hovering near just 5% of GDP.

Within financial savings instruments, more households, especially of the younger generation, now save through the equity market. Investors registered with the National Stock Exchange crossed 130 million in March, and around 35.5 million of them trade in a given year, up from 4.6 million a decade ago, with their participation reaching almost 99.9% of the country's pin codes. Many have been drawn to mutual funds (MFs) through systematic investment plans, or SIPs, a route seen as safer than picking stocks for one's own portfolio.

Saving through the market, however, carries a charge that saving through property does not—one that most young investors realize the first time they want to shift their money into a different stock or mutual fund. While the long-term capital gains (LTCG) tax rate is now the same at 12.5% whether the asset is, say, a flat or a mutual fund, our law does away with the requirement to pay the tax on real-estate capital gains if the seller purchases another house, thereby letting the family roll wealth from one house to another indefinitely without inviting tax liability. But no such equivalence exists for a saver who wants to reallocate savings among financial assets. This anomaly needs to be corrected if we are serious about channelling India's savings into productive assets and raising financial savings.

Consider an individual who sells a house at a profit. If she buys another within two years of the sale, or within a year before it, or builds one within three, then she pays no tax on capital gains up to ₹10 crore—repeatable across any number of such home switches in a lifetime, so long as the new house is held for at least three years. If she would rather not, she can shelter up to ₹50 lakh in certain specified bonds for five years to save on tax. Only if she wants neither does she have to pay LTCG at 12.5%. For properties bought before 23 July 2024, she can opt for an older 20% rate option that comes with indexation if that turns out more tax efficient. In short, as long as the wealth stays in real estate, capital gains tax can be avoided.

Now consider someone who has saved in stocks or MFs or even bank fixed deposits (FDs). If she switches, say, from one MF scheme to another after a year, she pays 12.5% LTCG on gains above ₹1.25 lakh (with no indexation benefit), even if she re-invests every rupee immediately. If you switch to another scheme or stock within a year, you pay 20% tax on short-term gains. Capital gains on debt funds bought are now taxed at one's income-tax slab rate, no matter how long one held them. For anyone with a meaningful corpus of savings, the only way to save tax is to lock savings into a particular stock or MF even if that means having to stay in a scheme whose returns have weakened. This falls hardest on the buy-and-hold saver who a maturing market most needs and on those whose investments in equity predates the introduction of LTCG on equity investments in 2018. For someone who saves in FDs, even that option doesn't exist as FDs have a fixed maturity period.

QUICK READ

It's anomalous that capital gains tax can be saved when selling one house to buy another but not when one sells a mutual fund to invest in another. This traps investors in weak mutual funds.

This differential treatment must go. As for the tax revenue forgone, the government could make up for it by taxing farm income beyond a certain level and cutting subsidies.

None of this is to say that there are no tax concessions on financial savings, or that there are no other taxes on real estate. A buyer pays 5-7% as stamp duty on a flat purchase, while provident funds, pension schemes and equity-linked saving schemes are eligible for tax concessions. But those concessions apply mostly to illiquid, government-directed instruments where in some cases the government uses the corpus to fill its borrowing requirements.

The Union government told Parliament in July that LTCG on equity yielded ₹1.29 trillion in 2024-25. But taxing a gain realized and spent differs entirely from taxing a gain while shifting between financial assets. Further, the home rollover route encourages the equity investor to convert it into physical savings: such gains can be sheltered from tax by buying a house, if she does not already own more than one home.

The fix is not complicated. India should extend to financial assets the treatment its tax code reserves for homes: no tax when proceeds are re-invested in the same savings instrument, within a specified time window, with the full gain taxed on final exit. This will be easier to administer than for houses, as demat records track every purchase price, unlike land registries. Taxing a reshuffle that never leaves the market only keeps savers locked in sub-optimal schemes. The remedy will encourage savers to put more money in financial markets, raising the funds available for productive investment in the corporate sector and lowering its cost.

That said, everything has a trade-off. Tax revenue forgone without an offset will widen the fiscal deficit, leading to more government borrowings, a potential rise in interest rates and a crowding out of private borrowers. So, as an offset, the government could consider imposing income tax on farm income beyond the minimum threshold applicable to other citizens, apart from trimming subsidies.

At the very least, let us start discussing the impact of tax anomalies on savers.

THEIR VIEW

Local goals and global gains: the story of Liverpool Football Club

This famous EPL club offers a splendid example of how a local identity can be commodified and globalized through sports

SANJOY CHAKRAVORTY
is professor emeritus of global studies, Temple University


AFP

Late in August, the business group 1892 Holdings acquired a 38% stake in Liverpool Football Club, valuing the franchise at around $7.5 billion. The group is led by British-Indian businessman Amit Bhatia and includes Jeff Bezos of Amazon and Facebook co-founder Eduardo Saverin. Tech bros got another toy. I became a Liverpool supporter when the English Premier League (EPL) began to become a global thing sometime in the early 2000s for the simple reason that it was the hometown of The Beatles. I have never been to the city. On receiving news of Bezos's purchase of Liverpool (okay, an exaggeration), I rescinded my support. I am now looking for an EPL club to root for.

Unloving Liverpool FC is easy for me, but for Liverpudlians it is much harder. Most core identities (like nationality, ethnicity, language, race, caste and gender) are almost impossible to shake. It happens, but infrequently. Geographic identity—especially of country and city—is a similarly durable core signifier for most people. Sports turns geographic identity into one of the most profitable revenue generators in entertainment. National identity is the most durable and has enabled sports competitions among nations like the world cups of football and cricket to become bonanzas. Place-based identity (by city and region) is somewhat less robust than national identity, but is a very reliable consumer brand because it's built on something people rarely forsake: their hometown. Those local identities are increasingly commodified and globalized in successful leagues like the EPL.

There is big money in sports. The Fifa World Cup this year generated revenues of $9 billion, the highest all-time by some distance. In comparison, in the 2024-25 season, the EPL's revenue was close to $11 billion. Together, all the football club leagues in Europe (including Bundesliga, La Liga, Ligue 1, Serie A and other tournaments in Russia, the Netherlands, etc) generated revenues touching $55 billion. Add in the Champions League at $6 billion, and you get annual European football revenues of over $60 billion. That is roughly half the revenue of Reliance Industries and in the range of giants like ONGC and Tata Motors.

In the US, professional sports leagues (each run as an inter-city competition) also generate large revenues. With a 17-game season, the National Football league has the fewest matches but the highest revenue: around $23 billion. The National Basketball Association and Major League Baseball each generate revenues above $12 billion. One baseball player, Juan Soto of the New York Mets, has a guaranteed contract of $765 million. The Indian Premier League, which has enriched cricketers around the world, is puny in comparison at a mere $1.5 billion.

The remaining 62% of Liverpool FC is owned by the Fenway Sports Group, whose principal owner, the American John William Henry II, also owns the Boston Red Sox baseball team and the *Boston Globe* newspaper. Manchester United is co-owned by the American Glazer family (71%) and British billionaire Sir Jim Ratcliffe. The majority owner (81%) of Manchester City is Sheikh Mansour bin Zayed Al-Nahyan of the oil-rich royal family of Abu Dhabi. Both the men's and women's teams of Arsenal are 100% owned by American billionaire Stan Kroenke, who, through his holding company, owns a sports empire topping $25 billion (including American football, baseball and basketball teams).

It's not just the top of the EPL that is foreign-owned. Ten of the 20 EPL teams (including Chelsea, Chrystal Palace and Leeds) are owned by Americans. Newcastle is owned by Saudi Arabia's Public Investment Fund; Wolverhampton Wanderers by the Chinese conglomerate Fosun International. In addition, there is Greek money in Nottingham Forest, Czech money in West Ham and Egyptian (plus American) money in Aston Villa.

The EPL model of ownership by foreign private capital is increasingly widespread, but not the only one. The Bundesliga has a rule that every club must be majority owned by its members. There are four historic exemptions, but all other teams, including Bayern Munich and Dortmund, are member-owned and run, as are the leading teams in La Liga like Real Madrid and Barcelona.

How English is an EPL team? Barely. Not by ownership, nor by players. The 25-man roster of Liverpool FC includes players from 14 countries. There are five players from England, only one of whom gets any playing time. Manchester City has players from 13 countries (seven are English). Manchester United has players from 14 countries, Arsenal from 11.

One must conclude that Liverpool FC is an American private firm that uses skilled international labour to sell what looks like a local product in a global market. Civic pride is the hook that sells tickets, which generates some revenue, but more importantly, fills stadiums and looks good on TV. The real money comes from the global media presence of the EPL brand spiced with Liverpool's ability to create a compelling narrative. In response to a laudatory recent report on the success of the Liverpool brand, the club's website gushed: "To see the club recognised as the most culturally relevant football club reflects the breadth of our community, from the passionate supporter culture and deep roots we have here in the city of Liverpool, to our global fan base around the world. Their continued passion and support help Liverpool remain part of conversations far beyond football."

Liverpool FC has transformed from a regional football club to a global superclub with retail stores in cities around the world, partnerships with firms like Cadbury and Tommy Hilfiger, and more than 14 billion social media views last year. Private capital has commodified 'authenticity' and local identity into a global product and thereby altered that identity itself. The bigger Liverpool FC gets, the less it has of Liverpool itself. This is an unavoidable trade-off when the local goes global. Everyone is happy: American owners, international players and adoring local fans. Who am I to complain?

QUICK READ

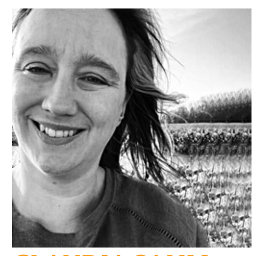
An investor group led by Amit Bhatia that includes Jeff Bezos has acquired a 38% stake in Liverpool FC, valuing the franchise at around $7.5 billion. The sport is big business.

City affiliations are less robust than national identity but act as reliable consumer brands that can be globalized. There's little that's English about the club today, let alone Liverpudlian.

MINT CURATOR

Should the Fed play politics to prove its independence? Nope

The US Federal Reserve should stick to what's best for the economy



CLAUDIA SAHM
is the chief economist at New Century Advisors and a former Federal Reserve economist.


America's central bank could invoke its legislative protections. AP

At Jackson Hole last month, all eyes were on US Federal Reserve Chair Kevin Warsh in his first speech at the Fed's annual conference. But all thoughts were about the central bank's rate decision next week.

Kenneth Rogoff, a Harvard economist who was at Jackson Hole as a lunchtime speaker, offered this advice to a *New York Times* journalist: "If they can possibly put it off till after the midterms, it would be good for the institution." Given US President Donald Trump's attacks on the Fed, he asked: "If you're trying to preserve Fed independence, are you preserving it better by spitting in his face, or are you preserving it better by laying low and waiting until the winter?"

However, playing politics to preserve its independence is a terrible strategy for the central bank. And one of the best explanations comes from a junior economist at the Fed who wrote a paper, now considered foundational to the study of central bank credibility, back in 1983. His name was... Kenneth Rogoff.

Using a stylized model, Rogoff showed that economic outcomes, on average, would be better if the head of the central bank were more averse to inflation than the average person. That extra credibility as an inflation fighter would lower expected inflation and, by extension, actual inflation. One can quibble over the details of his model, but it's an early example of the many research papers that formalize why central bank credibility matters.

Rogoff today would likely push back, saying this time is different: His 1983 model did not contemplate a president threatening to fire the Fed chair, or actively trying to remove Fed governors. Maybe, if the existence of the institution is on the line, it is appropriate to think more strategically about politics and less about inflation control.

But it is not appropriate.

First, playing politics would mark a real shift. Consider that in any two-month period from 1984 to 2024, the Fed changed its target 45% of the time. In the two months before a federal election—midterm or presidential—it changed its target 43% of the time. In other words, there is no evidence that the central bank's decisions are affected by the timing of American elections.

More recently, the Fed hiked its policy rate days before the 2022 midterms, and cut rates before the 2024 election. A more systematic study finds no evidence of monetary manipulation. The exception—the Arthur Burns Fed supporting Nixon's re-election—has been connected to higher inflation and remains the example of what not to do at the Fed.

Second, the Fed does not have to play politics to protect itself. The US Congress built the Fed precisely for moments of political pressure; if the Fed will not lean on its protections now, when will it? Earlier this year, the Supreme Court blocked Trump's attempt to remove Fed Governor Lisa Cook, even as it allowed the president to remove heads of other agencies in a separate decision.

The Fed is special. To have that protection and then cave to politics would undercut the Fed's own case for independence.

Finally, appeasement is not a strategy that works with the Trump administration. The Fed should know. In early 2025, Michael Barr resigned as vice chair for supervision to avoid a fight with the White House. The legal battle came to the Fed anyway: First the attempted firing of Cook in the summer of 2025, then the Department of Justice investigation of then-Chair Jerome Powell in early 2026.

Rogoff has been a chess grandmaster since 1978, so he knows the game is won by thinking several moves ahead. Delay past November and an emboldened Trump may come back demanding even more control over Fed policy in December.

None of this means the Fed must hike this month to show that it is serious about keeping inflation in check or that it is independent of the White House. My advice to the Fed: Forget the electoral calendar and stay focused on the economy. The Fed's rate decision should reflect a wide range of data. The date of the election is not one of them. Hold or hike, the decision must rest on the outlook and risks to the economy—not the risks to the Fed.

Kenneth Rogoff is right that the Fed should not spit in Trump's face, but he is wrong that it should let politics affect its decisions. What makes his advice so troubling is that it comes from someone who holds the Fed in high regard and knows the research better than anyone. As his own model showed, credibility lives in what people believe the central bank will do under pressure. It is precisely when the pressure is greatest that the Fed's credibility is won or lost.

GUEST VIEW

It's a challenge to self-enrol on India's e-Shram portal

VANDANA VASUDEVAN & ASHWIN ARUN

are, respectively, author of 'OTP Please!'; and a student at National Law University, Delhi.

India's government recognizes the relatively new category of gig and platform workers, in addition to various classes of unorganized workers, in its Code of Social Security (CSS), one of the four new Labour Codes notified in November 2025. The CSS explicitly requires the Centre to maintain a national registry of all unorganized workers for efficient distribution of social benefits. The enabling infrastructure for this registry is e-Shram, a portal launched in August 2021 and opened up to gig and platform workers three years later.

E-shram assigns registered workers a permanent 12-digit Universal Account Number (UAN), a portable identity for them to avail of social-security and welfare schemes. The CSS expects a worker to register through a self-declaration form using Aadhaar and a linked mobile number, although it is obligatory for the platform to register every new worker it engages and also report exits. Five years on, e-Shram has logged 319.3 million unorganized workers, of which under 1.2 million are platform workers, although Niti Aayog estimates put their number at over 10 million in 2024-25. The repercussions of this gap are worrying, as e-Shram registration is becoming necessary for gig and platform workers. The 2025-26 Union budget, for instance, made e-Shram cards essential for platform workers to get health cover under the government's public insurance scheme.

Is the process of self-registration a barrier for workers? To test this hypothesis, a group of law students from National Law University, Delhi, attempted to self-register themselves on the e-Shram portal. The experiment was conducted under ideal conditions of a stable internet connection and a valid Aadhaar-linked mobile number. Here is what they encountered:

OTP and captcha issues: The process begins with entering an OTP sent to one's phone, followed by a 'captcha' test. For one student, despite OTP acceptance, the portal kept returning the user to its homepage in a loop. Each time, the OTP would go to her father's phone, as her Aadhaar was linked to his number. This mirrors the experience of migrant workers for whom an Aadhaar-tied SIM card is frequently in a relative's hands in some other state, requiring them to contact that person for the OTP.

For another student, the OTP was repeatedly rejected even after it was entered correctly; the same thing happened with captcha for his classmate.

Inadequate language options: In January 2025, the labour ministry announced that a Bhashini-enabled upgrade had made e-Shram accessible in all 22 scheduled languages. However, till date only the four original language options of Hindi, English, Marathi and Kannada are available, making it difficult for gig workers familiar with other Indian languages to fill the form. The consent notice for data collection was narrower still, in just Hindi and English. The Digital Personal Data Protection Act of 2023 requires that starting from May 2027, the signee can ask for a consent notice in any official Indian language. As of now, e-Shram does not fulfil that clause, though it collects plenty of personal data.

State welfare links: A student whose address was in Sambal, Madhya Pradesh (MP), was stymied when the system mandated the entry of a registration number of the Mukhyamantri Jan Kalyan Yojana, a n MP social security scheme for unorganized workers. While the purpose may be to prevent benefit duplication, someone from MP working as a cab driver in Delhi may not have registered for the scheme in MP.

Strange occupation list: Options for the 'occupation' field, drawn from the National Classification of Occupations, included obscure categories that are divorced from Indian reality. For example, 'sausage maker', 'piano tuner' and 'bag pipe maker' are some of the choices. But there is no option for a person who harvests crops in harvest season and lays bricks in the dry months but does gig work in between. Such people can only register under the catch-all 'other' option. This results in poor-quality data collection.

Given these challenges, understandably, most registrations are done through Common Service Centres, as a government press release said last month. For gig workers, for whom time is money, the need to visit such a centre is a deterrent in itself.

Platform workers bear the brunt of the e-Shram portal's inaccessible design since they are spatially dispersed. A platform worker who cannot get past the 'captcha' has no shop floor on which to ask a colleague for some help.

The 2026 Rules of the CSS 2020 require all aggregators to register gig workers on e-Shram, an obligation reiterated by a Parliamentary standing committee on labour earlier this year. Yet, gig workers are expected to self-enrol and remain responsible for updating their records.

Achieving nearly 320 million registrations of unorganized workers on a single platform is no mean feat. But e-Shram's self-registration model places an undue burden on the party least equipped to bear it. The aggregator holds the worker's identity documents, contact details and engagement records, while the worker must reproduce that information, unassisted and possibly in a language they don't know, in an online session that may fail without explanation.

Students of National Law University, Delhi, contributed to this piece.

QUICK READ

The portal boasts of nearly 320 million registrations but is it easy for gig and platform workers to register themselves? To check, a group of law students tried to do it as an experiment.

What they encountered were OTP and captcha barriers, apart from poor language options, especially for data consent, and other problems. The process clearly needs an overhaul.

CONTRAPUNTO

Luxury is the income tax of vanity. But it is so pleasant

– KARL LAGERFELD

Eggs Will Stop The War?

More than US missiles, it's US blockade, which is strangling Iran's economy, that can make Tehran fold

Even as US and Iran were trading their biggest attacks since the start of their war in Feb – driving crude prices back up to $100 per barrel on Wednesday – Trump was telling reporters he believed it would all be over after the American midterm polls. His reasoning? Iran can't hold on for much longer, and was only escalating at the moment to shape a favourable outcome – read a Democratic victory – in US polls. Only, who would seriously believe Trump at this point? He has repeatedly promised that the war would be over in a matter of days or weeks. But with Washington's and Tehran's positions still completely irreconcilable, there's no end in sight.

The simpler, and logical explanation, is that Trump has no clue. External military force hasn't cracked the Iranian regime, Tehran hasn't run out of missiles and drones, and not only is it continuing to attack ships in Hormuz – 10 in the latest wave in response to US sinking five Iranian oil tankers – it is also, reportedly, deploying new and improved missiles in the war. But where Trump might be partially right is that Iran may not be able to keep this up for too long, as the Iranian economy comes under increasing strain.

US blockade of Iranian ports and shipping is beginning to bite hard. Iran's annual inflation rate is hovering around 67%. Food inflation is more than 134%. And the Iranian rial has tanked. Reports suggest Iranians are storing eggs because they hold better value than their quickly eroding currency. Tehran this week also issued monthly quotas for fuel consumption, sharply increasing prices for those consuming more than their limit – shocking for a country that has the world's third largest crude reserves.

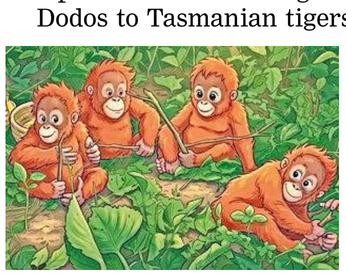
The situation is already leading to a split within the Iranian leadership. Hardline IRGC wants to continue the war. President Pezeshkian and the executive want to wind it down. Former president Rouhani has even called for a referendum on whether to continue with the war or end it. So, in the final analysis, it's not US military pressure itself, but the strangulation of the Iranian economy that may see Tehran fold. Eggs might do what Tomahawks couldn't.

Those Orangutan Babies

India's become a hub for illegal wildlife trade. And globally, 'exotic' pets are a superrich fad

Soooo cute. That's your first thought when you see a picture of five baby orangutans, found in an Odisha forest. Except, these are not native to the state, or even to the country. And an orangutan usually gives birth to one baby at a time, so how did these five end up together? The pic also doesn't square with others you have seen, where high in a Sumatran or Bornean rainforest canopy, mama and baby orangutans are closely wrapped together. Next to humans, theirs is the longest period of maternal care seen in any mammal. In other words, there is only one way that first cute pic came to be. Through extreme, savage violence.

Dodos to Tasmanian tigers, it's monstrous how much wildlife has been completely wiped out by humans. Endangered species are clinging to survival by a thread and the "exotic pets" fad is making this so much harder. In India this "market" is projected to grow from $42.6mn in 2024 to $75.8mn by 2030, at a CAGR of 10.2%. Demand is spread across metros and small towns. Last month, when actor Vikram posted a photo of himself with a lar gibbon, conservationists' outcry soon overwhelmed fans going "soooo cute". But it was another indication that among more affluent and globally connected Indians, a toxic form of wildlife consumption is becoming aspirational. Yes, an orangutan, a gibbon, a woolly monkey, a Bali myna, slow lorises are now a status display. Like luxury cars, watches, handbags.

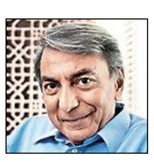


India has laws and agencies to battle wildlife trafficking. These are not working as they should. Screening at ports and airports should be dramatically improved. But as a Humane World for Animals report points out, the country's geography, from vast porous borders to being at the intersection of major international trafficking routes, poses a challenge. Remember, the digital marketplace is borderless. Instagram gives hypervisibility to exotic-animal ownership. The egotism translates into high rates of abandonment. The animal suffers as an individual and as a species. So, on second thought, that pic is not cute at all. It is utterly wretched. These five infants should have been in a forest with their mothers.

Evergreen youngster

An 85-yr-old singer's 65-yr-old song makes me 16 again

Jug Suraiya



A forwarded video of a song re-sung was a time machine, carrying me back to when I was 16 years young.

The recording had been made on the singer's 85th birthday, and the voice had lost some of the resonance of youth, but it was still recognisable as the voice I'd first heard 65 years ago.

It was like listening to a lovingly preserved 78 rpm record, its grooves worn with the passage of time, but all the more evocative for that, vividly coalescing past and present.

I'd first seen the singer and heard the song in the Minerva cinema in Calcutta showing a movie starring a 20-year-old pop icon whose vibrant voice enraptured fans from Birmingham to Bombay, Singapore to Sydney.

In India, the singer's popularity was enhanced in that he had been born in Lucknow and was eight when taken to UK where he adopted his current name.

jugular*vein*

The second time I saw and heard him, some 20 years later, was on the stage of Calcutta's Kala Mandir. Here, the singer performed as a gospeller and sang a hymn, When I Survey The Wondrous Cross. He sang *a cappella*, without instrumental backing, in a voice that made you believe in angels and which mesmerised the packed hall.

Another 20 years after that, on a visit to Britain, I saw and heard him again during a solo performance against the backdrop of the historic Leeds Castle. By this time the singer was a knighted septuagenarian, who sang and danced with the energy of a teenager.

As he sang the song that had shot him to stardom, which I'd first heard in that far-off and long-ago Calcutta, the audience stood and took up the rousing refrain, an enduring anthem of youth that reversed the tide of time and age and restored to us a past we thought lost forever.

The young ones/Darling, we're the young ones/And the young ones/Shouldn't be afraid…

For that song alone, if for nothing else, I'm indebted to Sir Cliff Richard. Or, as a lifelong fan, may I call you Cliffie…?

Baba, Box Office, Bhakti

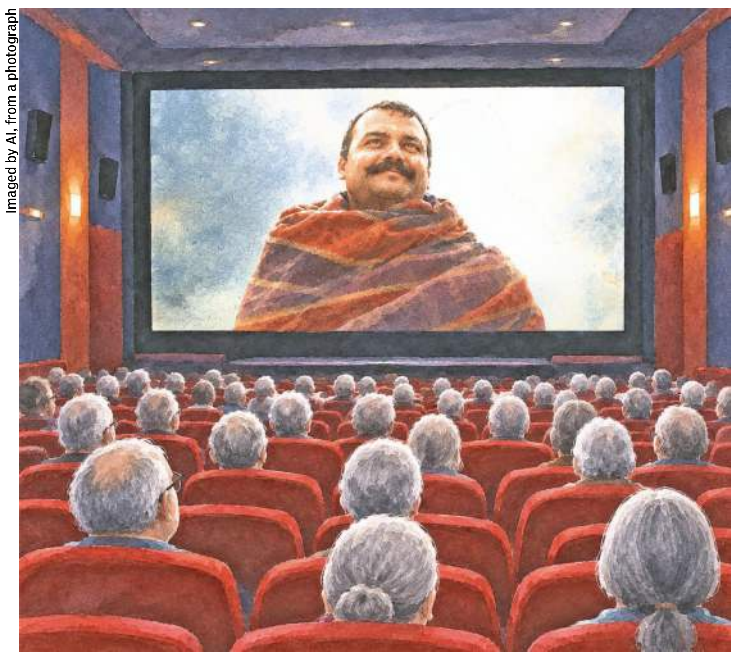
Hanuman Ansh, a movie on mystic Neeb Karori Baba, whose death anniversary falls today, is a sleeper superhit. Will the film, being globally released today, revive the devotional genre in India?

Avijit Ghosh

It's a morning of hard rain, but the multiplex in Noida has a decent turnout. It's primarily an elderly audience, seemingly the 'non-*Odyssey*' people, some old enough to be chaperoned by Gen Z. They have come to watch *Hanuman Ansh*, a film that arrived quieter than a whisper and now has India agog. The film is a magical, mystical tour of the life of Neeb Karori Baba – Neem Karoli Baba to many – who passed away on this day in 1973, but whose ashram in the hills of Kumaon continues to be a seeker's soul kitchen. Visitors since include Steve Jobs, Mark Zuckerberg, Julia Roberts, Anushka Sharma and Virat Kohli.

Like most devotionals, *Hanuman Ansh* teems with miracles. Anyone who has watched interviews of its writer-director Vishal Chaturvedi, also an MBBS doctor, would know that the film's making too is no less than a miracle. To complete the cycle of wonders is its astonishing success.

Hanuman Ansh was reportedly made for about ₹2cr – a 3 BHK flat in east Delhi costs more. Figures on trade tracker *Sacnilk*'s website show the film sold tickets worth ₹10L on the first day. For the first two weeks, it hardly created a ripple at the cash counters. But with distributors uncommonly keeping the faith, ticket sales surged. Last Sunday – day 31 – it collected ₹22.8cr, and by Wednesday the total came to ₹151cr. Like the handful of rice that endlessly feeds deprived kids in the film, the crowd and the collection show no sign of stopping. *Hanuman Ansh* has emerged as the *Dhurandhar* of devotional films.



Imaged by AI, from a photograph

The film will be released globally today, and its success has brought the forgotten faith-centric genre back into discourse. Devotionals dominated the film industry right from the 'silent' era in the early 1920s. The earnings of Dadasaheb Phalke's *Lanka Dahan* (1917) were brought in bullock carts escorted by police in Madras, film magazine *Madhuri* noted in 1967. Devotionals were also used as a code to promote nationalism during the anti-colonial struggle. In *Bhakta Vidur* (1921), the wise minister of *Mahabharat* wore a Gandhi cap. The film was banned. Interestingly, Vijay Bhatt's *Ram Rajya* (1943) was the only Indian feature seen by Mahatma Gandhi.

With the passage of time, though, the genre got largely confined to small producers with low budgets. Premium Hindi stars largely ignored faith-centric films. Bharat Bhushan was an exception. He even received the Filmfare award for best actor playing *Shri Chaitanya Mahaprabhu* (1953).

The genre used ancient Indian epics and Puranas to frame stories of gods, goddesses and saints, men and women who by their *karma* were worthy of reverence. Film historian Firoze Rangoonwalla wrote in *A Pictorial History of Indian Cinema*, that "the ideal characters of *Ramayan*, as interpreted by Valmiki and Tulsidas, have provided an endless source of films showing good fighting and destroying evil in its worst form. They have also justified the qualities of duty, sacrifice, chastity, tolerance et al, being virtues as practised by a vast majority of people, whether voluntarily or enforced by circumstances." He also said that "by and large these themes have been treated in a crude, melodramatic, pseudo-devout fashion."

Public-school India mostly ignored these films, but the genre enjoyed a devoted band of faithfuls among rural and small-town women. At least 25 films had, 'Sati' (virtuous woman), in their title between 1931-91. During the same period, more than 10 films were named after a *sant* (saint).

No film caused a phenomenal socio-cultural impact like *Jai Santoshi Maa* (1975). The film's success, on a par with *Sholay*, gobsmacked everyone. Thousands of temples dedicated to Santoshi Mata, a little-known goddess before the film, sprouted across the country, prompting academic curiosity abroad.

In the 1980s, GV Iyer's *Adi Shankaracharya* (1983), the first film in Sanskrit, won four national awards, including for best feature. During the decade, at least 25 Hindi devotionals were released, but most couldn't connect with their core audience. Where the films failed, television succeeded. Two DD serials – Ramanand Sagar's *Ramayan* (1987-88) and BR Chopra's *Mahabharat* (1988-90) – became a national habit at a time when VHP's Ram Janmabhoomi movement was gaining momentum.

In the decades that followed, TV became the preferred home for devotionals. Many gods, goddesses and saints featured in long-running television series, such as *Devon ke Dev…Mahadev, Shri Krishna, Siya ke Ram, Om Namah Shivay*.

In recent years, mainstream Bollywood productions have selectively harnessed elements from Hindu religious text, probably hoping to cash in on a larger climate of visible religiosity. *Brahmastra* and *Ram Setu* being two examples.

In contrast, seen from a position of faith, *Hanuman Ansh* is an authentic devotional. The film connects with its audience, tugging at their emotional core. And it has its heart in the right place, gently but clearly questioning the inequities of class and caste, and inter-faith divides. The dialogue, "*Bhookhon ko bhojan, bhakton ko prasad* (Food for the hungry, prasad for the devotee)," nourishes that sensitive spirit. The film inspires simplicity, promotes humility, and avoids hate even in adversarial situations. When a Muslim cop offers a vegetarian meal at his home, Baba agrees.

Songs were key to *Jai Santoshi Maa*'s success. Five decades later, the bhajans in director Chaturvedi's film also forge a bond, becoming the viewer's '*sutradhar*'. *Hanuman Ansh* ends with the line, "*Katha abhi shesh hai* (to be continued)." The sequels will come. And film reviewers are unlikely to ignore them anymore.

There's No Space For 'No' In The Indian Family

When parents take a child's no to their decisions about marriage as betrayal, concealment and deception become the glue of family life. Elders must ask why they can't change

Siddharth Dhanvant Shanghvi

In the name of love, and of marriage, we excuse many things: concealment, because our parents may not accept whom we have chosen to love; the idea of submission to our parents' will – because, well, they know best; silence, for disclosure may result in rejection. And yet, a question that haunts us all today is, would it break someone – or save them – to simply say: *No. I am sorry. This is not for me. I cannot be with you.*

One of the sharper revelations of rewatching *Monsoon Wedding* after 20 years is seeing how Indian family life runs on a low, continuous hysteria that insists on calling itself love: elders shout across rooms, a mother feeds you against your appetite, a father organises your future education, and an uncle invades your privacy. Such a public performance of love sacrifices the truth of our lives. Indian families make honesty unserviceable. And after doing that, parents offer judgement like a bandage. The great unspoken in many families is not the child's secret, but the possibility of parental error.

Aristotle recognised that friendship between parents and children is not a friendship of equals. Yet, inequality of role does not amount to ownership. In Plato's *Apology*, Socrates' peculiar wisdom lies in recognising the limits of one's own wisdom. I may possess experience, the parent who reads Socrates might surmise, but experience is not omniscience.

Here the parent might ask their offspring: do you have enough experience to make the right decision? Perhaps the answer is that they do not – but the decision must still remain theirs. How quickly we invoke the idea of karma, except when it comes to accepting that sometimes the daughter's mistake is also her own karma to work out. To claim another's karma is to commit a kind of spiritual theft – a confiscation of the very consequence through which a person learns to become themselves.

Kant is famously uncompromising about truthfulness, arguing that lying injures the very basis on which human beings can trust one another. So a child might argue: *I have to tell you the truth, even if it hurts you, because silence may eventually injure more lives than candour does now.*

But why is it so difficult for an Indian parent to hear the word 'no'? *I will not marry the man you have chosen.* And why must the relationship threaten to break down over this refusal? Is it because parents see themselves not only as the biological creators of their children but also as lifelong architects of their fate?

Image: AI

Such hostile reactions encourage deception. Yet, by withholding decisive information, the deceiver chooses not only for themselves but for another person as well; this is a theft of moral agency. The family that knows its daughter is attached elsewhere, yet proceeds with an engagement, perpetuates this falsehood. It may believe it is saving one child, but it is merely using another family's son as medicine for a condition that has no cure.

The sooner parents learn to accept that a son or daughter saying no is not a personal rejection but evidence of adulthood, the more room there will be for real love. It is in recognising the otherness of the other person that we arrive at our own individuation: *this is where I end, and you, my child, begin.* Every boundary is not a wall but a window. It allows two people to truly see one another, rather than consuming each other whole.

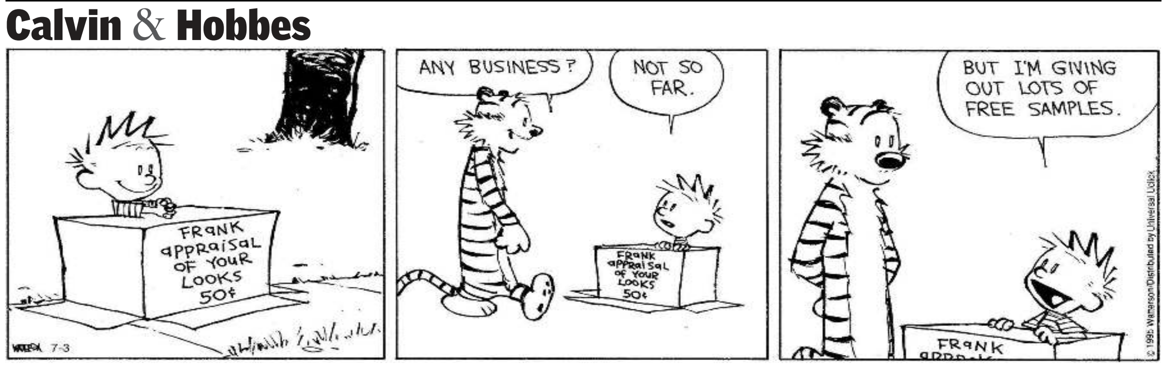
THE GREAT UNSPOKEN
CONVERSATIONS WE NEED TO HAVE

The *Bhagwad Gita* commences in a moment of crisis, with Arjun facing duties that contradict one another: kinship, justice, compassion. The point of *dharm* is not that duty is obvious, but that human beings are frequently caught between legitimate contradictions, each one true to itself. A child owes something to the family, but not the surrender of their will; the parent owes protection, but this cannot take the form of possession.

Unlike Kant, who insists upon absolute truthfulness, the wider Indian philosophical tradition often places *satya*, truth, beside *ahimsa*, non-injury. The *Gita* surpasses both Kant and the confessional tradition – a truth spoken with the intention to wound is not necessarily virtuous; equally, a deception intended to keep the peace seldom serves peace for long.

Kierkegaard believed that choice creates the self, but every real choice excludes another life. When a woman chooses one person to marry, she is also excluding someone else; this is both her right and her duty. "Man is condemned to be free," wrote Sartre, explaining that, once thrown into the world, a person is responsible for what they do. Therefore, a person who, for whatever reason, does not speak their truth, must suffer for their silence. While silence may imprison the person who keeps it, the unforgivable act is to make another, entirely innocent, person serve its sentence. Perhaps the unspoken thing is not whom we love, but the simple 'no' with which we might spare another life. *No, I cannot marry you. No, I cannot live the life chosen for me. No, I will not ask that you pay for my silence.*

Calvin & Hobbes



Sacred*space*

Part of every misery is, so to speak, the misery's shadow or reflection: the fact that you don't merely suffer but have to keep on thinking about the fact that you suffer. I not only live each endless day in grief but live each day thinking about living each day in grief.

CS Lewis, A Grief Observed

Can AI Write The Integrity Code?

Reuben Ray

The greatest crisis of our age is not the rise of AI but the decline of human integrity. Machines can now write poetry, compose music, diagnose diseases and imitate human conversation with astonishing precision. Yet there is one quality that no algorithm can replicate – an awakened conscience. Intelligence may be artificial, but integrity can only be authentic.

Integrity is the quiet voice of the soul reminding us to choose what is right even when it is inconvenient, unnoticed or unrewarded. It is the bridge between what we believe and how we live. When that bridge collapses, character collapses with it.

A blind man walking along a crowded road places complete trust in his walking stick. It does not remove every obstacle, but it enables him to move safely through uncertainty. Likewise, integrity is the walking stick of life. It may not make our journey easier, but it ensures that we never lose our moral direction.

An ancient king once sought a worthy successor. Instead of appointing his own son, he invited every young man in the kingdom to compete. Each received a seed and was instructed to return after one year with the finest plant grown from it.

As the months passed, homes blossomed with magnificent flowers and flourishing plants. Only the prince remained disheartened. Despite patient care, watering and fertile soil, his seed never sprouted. On the appointed day, he stood before the king carrying only an empty pot.

The royal court expected humiliation. Instead, the king embraced his son and declared him the next ruler. The astonished gathering demanded an explanation.

THE SPEAKING TREE

Image: AI

The king smiled and said, "Every seed i distributed had been boiled. None could ever germinate. Those who returned with flourishing plants replaced the original seed. My son alone possessed the courage to return with the truth."

The prince had failed to grow a plant, yet he had cultivated something infinitely greater, integrity. That timeless story speaks even more powerfully today. Our age celebrates appearance over authenticity. Social media often rewards image more than character. Résumés are embellished, research is plagiarised, and digital identities carefully polished to create an illusion of perfection. Success is frequently measured by visibility rather than virtue.

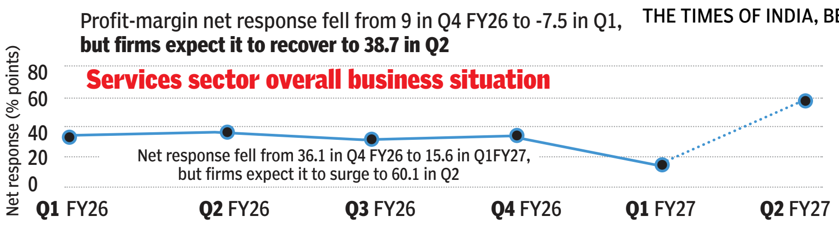
The danger is not that tech has become intelligent; it is that humanity risks becoming morally indifferent. Upanishads remind us that Truth alone triumphs. Gita teaches us to perform righteous action without attachment to reward. Swami Vivekananda repeatedly affirmed that strength of character is the highest expression of spirituality. These teachings converge upon a single truth: integrity is not merely ethical behaviour; it is spiritual awakening expressed through daily conduct.

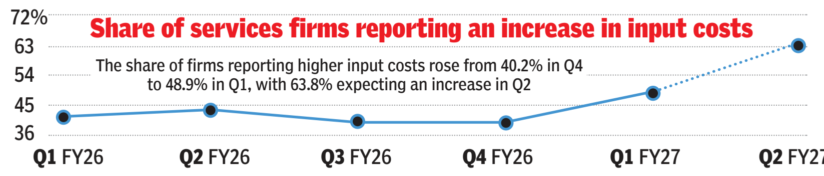
Corruption, financial fraud, cybercrime, betrayal, violence and abuse of power are not isolated social problems. They are symptoms of an inner vacuum where integrity has silently departed. Laws may punish wrongdoing after it occurs, but integrity prevents the impulse to do wrong from arising.

Businesses hope to bounce back as costs climb

RBI's Services and Infrastructure Outlook Survey (SIOS) shows services firms facing a sharp Q1 slowdown as input-cost pressures rise while expectations for Q2 business conditions turn sharply optimistic

Profit-margin net response fell from 9 in Q4 FY26 to -7.5 in Q1, **but firms expect it to recover to 38.7 in Q2**





Investment plans rebound

Net response on physical investment is expected to rise from **11.9 in Q1 FY27 to 53.8 in Q2**

Services firms said they could have delivered **8.8% more with existing resources in Q4 FY26**

Note: Net response is the difference between the percentage of respondents reporting optimism and those reporting pessimism. It ranges from -100 to 100. A positive value indicates expansion/optimism; a negative value indicates contraction/pessimism

Source: Reserve Bank of India, Services and Infrastructure Outlook Survey

SBI-led group to provide $3.5bn debt to Vodafone

A group of lenders led by State Bank of India agreed to provide about $3.5 billion of debt financing to Vodafone Idea to help the mobile operator rebuild its business, people familiar with the matter said. Other local lenders in the consortium include Union Bank of India and National Bank for Financing Infrastructure and Development, the people said. Vodafone Idea, the country's third-biggest wireless operator in terms of users, plans to use some of the funds to improve its network. BLOOMBERG

May tweak F&O settlement price mechanism: Sebi chief

Pandey Reiterates There Is No Going Back On CAS System

Times News Network

Mumbai: Sebi chairman Tuhin Kanta Pandey on Thursday said that the newly introduced Closing Auction Session (CAS) will stay but the regulator is studying if the mechanism to arrive at derivatives settlement prices could be changed. Pandey also said that MSCI, one of the largest index service providers in the world, has acknowledged that even though the overlapping of CAS and the index's rebalancing window coincided on Aug 31, the process had ended without any glitch.

CAS, a new system of determining the end-of-the-day price for stocks, was introduced on Aug 3 but faced severe criticism for bringing in extreme volatility in the market, including substantial closing price differential on the two exchanges, BSE and NSE.

In Thursday's session, as sensex's weekly derivatives contracts were to expire, the index witnessed swings of over 1,000 points. Earlier, on Aug 27, as weekly and monthly contracts on sensex expired, the index and bankex had both witnessed wild swings within minutes of the day's closing.

After resisting a change to the CAS system, last week, Sebi said that it would review the existing mechanism and would soon come out with a consultation paper for the same. Currently, CAS is allowed only in those stocks that are also traded in the futures & options (F&O) segments of the bourses. For the rest of the stocks, the earlier mechanism of volume-weighted average price (V-WAP) is followed.

On Thursday, Pandey also said that the rollout of CAS across several developed markets had faced teething troubles, including liquidity in the market. He, however, added that several market participants have praised CAS.

Earlier, while delivering a speech at the Global Fintech Festival, the Sebi chief said that in the age of agentic AI, tokenisation, quantum computing and other advancements in the technology space, a key question for regulators was how to make "innovation scalable without making risk scalable at the same pace." That was the challenge of "growing fast, growing safe", he said.

Pandey also said that as market participants use advanced technologies at greater speed and scale, regulators must be able to supervise with comparable sophistication.

"This is where SupTech offers tremendous opportunity. The objective is not simply to automate supervision, but to use data, analytics and AI to identify patterns that may not be visible through traditional methods. At Sebi, we are moving in this direction, with the aim of making supervision increasingly predictive and capable of identifying emerging risks early," he said.

'LIQUIDITY BUILDS UP OVER TIME'

> MSCI acknowledged that the (recent) rebalancing went well under CAS. It is here to stay. The methodology for determining the closing price under CAS for derivatives on expiry day is being reworked. The rollout of the system across jurisdictions has faced challenges. Initial liquidity has been an issue everywhere following the rollout of CAS. Liquidity builds up over time
>
> **Tuhin Kanta Pandey** | SEBI CHIEF

Surplus liquidity crosses ₹11 L cr in money market

Banks' $136Bn Forex Mobilisation Leaves RBI Mopping Up Unusually Large Pool Of Cash

Times News Network

Mumbai: Surplus liquidity in India's money market has crossed Rs 11 lakh crore, leaving Reserve Bank of India to mop up an unusually large pool of cash unleashed by banks' $136 billion mobilisation of foreign-currency deposits. The central bank has responded with a battery of operations, seeking to prevent an excess of rupees from pushing short-term rates too far below its policy rate.

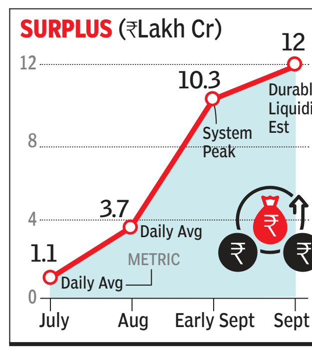
RBI has absorbed more than Rs 4.6 lakh crore through 30-day variable-rate reverse repos (VRRR), and another Rs 6.6 lakh crore through overnight repos and standing deposit facility (SDF) operations. It has also used dollar-rupee buy-sell swaps with banks to drain liquidity. By taking dollars out of the market and supplying them forward, these swaps raise the dollar's forward premium while easing immediate demand for dollars in the spot market, reducing pressure on the rupee.

The liquidity deluge is an unintended consequence of a special concessional swap window designed to strengthen India's external balances. Data through Aug 31 showed that the facility attracted $136.4 billion of foreign-currency inflows, including $127.2 billion through FCNR (B) deposits. Banks swapped the dollars with RBI for rupees, releasing a large quantity of domestic liquidity into the banking system.

The question is what banks will do with the cash. Axis Bank MD & CEO Amitabh Chaudhry warned that the inflows could result in "abnormal lending", reminding markets of past excesses of banks. SBI chairman CS Setty is less worried as he does not expect the liquidity surplus to distort credit growth, which has been expanding at 18.3% year-on-year, and expects the excess liquidity to be absorbed within a quarter.

The inflows accelerated in Aug as banks offered higher rates to non-resident depositors, while RBI absorbed the associated hedging costs. Sneha Pandey, fund manager at Quantum AMC, said the monthly increase was particularly sharp. "While core liquidity crossed Rs 10 lakh crore, the daily average surplus stood at Rs 3.67 lakh crore in Aug, more than three times July's Rs 1.07 lakh crore." Banks initially preferred to keep the money close at hand rather than commit it to longer-term assets. "RBI has been running back-to-back Variable Rate Reverse Repo (VRRR) auctions on successive days... banks prefer to park at 1 to 3 days and keep their powder dry for credit demand," Pandey said.

₹4.6 LAKH CR THROUGH VRRR



- RBI has absorbed more than ₹**4.6 lakh crore** through 30-day variable-rate reverse repos (VRRR)
- It has absorbed another ₹**6.6 lakh crore** through overnight repos and standing deposit facility (SDF) operations
- It has also used **dollar-rupee buy-sell swaps** with banks to drain liquidity

Apple raises prices of older iPhones ahead of festive sales

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New Delhi: Buying an iPhone has become costlier in India and even older iPhones will now cost more. Apple has raised prices across its India line-up ahead of festive sales, making the jump to a new handset more expensive for buyers.

The increases cover iPhone 16, iPhone 17e, iPhone Air and newly launched iPhone 18 Pro series. They also affect higher storage variants, with some of the sharpest revisions appearing beyond the starting configurations. Traditionally, Apple slashes prices of previous generation iPhones when it launches a new model. In the last few years, the reduction was to the tune of Rs 10,000.

India faces substantially steeper increases for the new Pro models than the US and UK. Launch prices for the iPhone 18 Pro and Pro Max are about 22% and 20% above their predecessors, respectively, compared with increases of 9% and 8% in those markets.

The difference puts the focus on what Indian consumers must pay for the same generational upgrade. Meanwhile, increases on existing devices mean choosing an older model does not shelter buyers from the latest pricing revisions.

Storage upgrades have become more expensive too. The price of 512GB iPhone 17 has risen by Rs 22,000, while 1TB iPhone Air costs Rs 65,000 more than before, an increase of 40.7%. These are increases on the devices themselves, rather than comparisons between successive Pro generations.

The revised prices arrive as buyers prepare for festive shopping. For consumers comparing models, the distinction between official prices and the final purchase cost will matter. Retailer discounts, exchange benefits and payment offers will determine the eventual bill.

SURGE ACROSS LINEUP

Model	Earlier price(₹)	New price(₹)	Increase (in ₹)
iPhone 16	69,900	**89,900**	20,000
iPhone 17	82,900	**99,900**	17,000
iPhone 17e	64,900	**79,900**	15,000
iPhone Air	1,19,900	**1,49,900**	30,000

Source: Apple

Bahrain court has ruled in our favour in bond case: HDFC

Mumbai: Bahrain's high civil court rejected all seven legal proceedings filed against HDFC Bank by investors over Credit Suisse Additional Tier 1 (CS AT1) bonds, with the latest two cases dismissed on Sept 9, the bank said on Thursday. Five similar cases were rejected by the court between July and Aug.

AT1 bonds are risky instruments where investors lose money if the issuing bank's net worth is wiped out. The seven investors had alleged gross negligence, intentional misrepresentation, incorrect customer classification, non-disclosure of product features, misuse of financial leverage and breach of suitability principles. The court rejected the claims after finding that the investors had failed to produce sufficient admissible evidence to substantiate the allegations or establish losses caused by the bank. TNN

Swish raises $24mn to expand kitchen network

Bengaluru: Ten-minute food delivery startup Swish has raised $24 million led by Bertelsmann India Investments (BII), as it looks to expand its network of neighbourhood kitchens across existing and new markets. Existing investors Accel, Bain Capital Ventures and Hara Global also participated in the round. Swish did not disclose the valuation at which the capital was raised.

The company said its monthly orders have tripled since March this year to cross one million. Lunch and dinner have overtaken snacks and late-night orders as its largest consumption occasions, indicating that the platform is increasingly being used for regular meals. Swish plans to use the capital to expand its kitchen network across Delhi NCR and Bengaluru, enter new cities and strengthen its supply-chain infrastructure. TNN

Apple's foldable debut to lift mkt, test Samsung

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New Delhi: Apple could bring more buyers to foldables without winning most of them. Foldable phones have flexible screens that let them open into larger displays or fold into more compact devices. The Cupertino-based company's entry with the iPhone Duo is expected to draw attention to a smartphone category that remains small in India, while Samsung's wider price range could help it capture much of the increase in sales.

At Rs 2,99,900, the Duo gives iPhone users a foldable within Apple's ecosystem. Its immediate contribution, however, could be greater in consumer awareness, developer interest and market value than in shipment volumes.

"Samsung has been building this category for years, and its pricing spread across multiple foldable form factors only strengthens that position for now," said Upasana Joshi of IDC India.

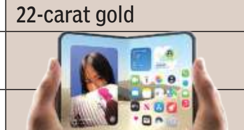
India's foldable shipments stood at just under 6.3 lakh units in 2025, against total smartphone shipments of 15.2 crore, according to IDC. Samsung accounted for the vast majority. IDC expects foldable shipments to reach 8-8.5 lakh units in 2026, even as overall smartphone shipments decline to around 12.5 crore. Joshi said Apple's pricing would keep the Duo largely within the super-premium segment initially, limiting the volumes it could generate to challenge Samsung's leadership.

Counterpoint Research's Tarun Pathak expects India's foldable market to cross 10 lakh units next year, with Samsung driving much of that expansion because of its price advantage. Apple could encourage developers to build better experiences and help consumers understand the category.

"The bigger message is that foldables are moving beyond being just a technology showcase and becoming a more established premium smartphone category," Pathak said. India has an installed base of around 30 lakh foldables against more than 74 crore smartphone users, according to Pathak. He does not expect the category to become mass market for another three-to-four years.

For Apple, the commercial opportunity extends beyond unit sales. Prabhu Ram of CyberMedia Research described the Duo as "a halo offering to elevate overall portfolio ASPs", positioning it above the flagship lineup for affluent buyers. Apple's entry could reinforce shift towards wider, book-style foldables, which Pathak said offer a more natural tablet-like experience for documents, video and multitasking.

One iPhone Or Any Of These?

	Model or quantity	Approximate cost (₹ lakh)
Royal Enfield Himalayan	Standard trim	2.3 ex-showroom
Two Samsung folding phones	Two Galaxy Z Flip8 phones, starting variants	2.5
An Apple gadget collection	13-inch MacBook Air M5 + iPad 128GB Wi-Fi + Apple Watch Series 12 + AirPods 5	2.7
20 grams of gold	22-carat gold	2.8+
iPhone Duo (base variant)		3
iPhone Duo (Top variant)		4.5
Maruti Alto K10	VXi (O) manual	4.5 ex-showroom

Ultraviolette eyes 6-8 month start for ₹779cr TN plant

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Bengaluru: Electric two-wheeler maker Ultraviolette Automotive expects its Rs 779-crore Tamil Nadu factory to go live in six to eight months. Full-scale production is targeted for Q2 FY28. The expansion comes as it prepares to fulfil more than 70,000 paid bookings for its Tesseract scooter.

The factory will come up at the SIPCOT industrial park near Shoolagiri in Krishnagiri district. It will initially produce 2.5 lakh vehicles annually and can later scale up to 5 lakh units.

Land formalities are underway and construction is expected to begin shortly. "We are looking at a go-live in about six to eight months. Six months is an optimistic timeline," cofounder and CTO Niraj Rajmohan told TOI. Trial runs are expected during the first half of FY28. Full-scale production is planned for the July-Sept quarter.

Rajmohan said Shoolagiri was selected for its proximity to the company's Bengaluru R&D operations and the Hosur automotive supply chain. The Tamil Nadu plant will operate alongside Ultraviolette's Electronics City factory in Bengaluru. The company is investing Rs 200 crore to raise that facility's annual capacity from about 30,000 vehicles to 50,000-60,000 units.

A March 27 company release had proposed a two-phase investment programme in Karnataka. It covered the Electronics City expansion and a proposed 1.5 lakh-unit factory in the state.

Rajmohan said multiple locations were still being assessed for the larger expansion at that stage. Tamil Nadu has now been finalised for the new high-volume plant.

The Electronics City facility will continue to operate and expand. "Both will be active," he said. Ultraviolette joins other Bengaluru electric vehicle companies expanding manufacturing outside Karnataka.

Ultraviolette's visualisation of its BIGGA (Big Global Ambition) Factory in Tamil Nadu

RBI guv sees tokenisation shaping future markets

Times News Network

Mumbai: RBI governor **Sanjay Malhotra** said early experiments with financial asset tokenisation were helping the regulator test the infrastructure for future markets as he launched a pilot enabling instant settlement of tokenised corporate bonds through the eRupee.

Malhotra on Thursday launched the Demat 2.0 pilot with Sebi chairman Tuhin Kanta Pandey at the Global Fintech Fest. The initiative enables corporate bonds to be tokenised and settled through the central bank digital currency, while automating coupon payments and redemption. RBI is also looking to expand the Unified Lending Interface (ULI) as common digital rails for consent-based credit delivery. It plans to roll out the proposed Digital Payments Intelligence Platform alongside MuleHunter.ai to strengthen real-time fraud mitigation. The central bank is continuing programmable CBDC pilots for targeted govt benefit transfers, including PMGKAY, while expanding the wholesale CBDC market architecture.

The governor said AI, quantum computing and tokenisation should be applied to practical problems such as improving consumer services, addressing credit gaps, increasing operational efficiency and reducing fraud.

InMobi's Glance brings agentic shopping to iOS

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Bengaluru: InMobi's lock-screen unicorn Glance has launched its agentic shopping experience natively on iOS, integrating with Siri AI to enable users to seek shopping assistance through voice commands, as the company looks to shift shopping from apps to AI agents.

Glance has clocked around $300 million in revenue. The platform combines Apple Intelligence with Glance's three-layered technology stack and understanding of users' past preferences and context to explain why a product may be relevant to them.

The integration follows a long collaboration between Glance and Apple, according to InMobi founder and CEO Naveen Tewari. "Together, we worked on bringing agentic commerce directly into this experience, enabling a consumer's shopping intent to translate into discovery and action," Tewari said in a LinkedIn post.

While Glance's app has been available on the App Store, this is the company's first direct integration into Apple's core intelligence framework. It is an agent-to-agent integration with Siri rather than a lock-screen integration. Users upgrading to iOS 27 will be able to access Glance intelligence through Siri. For instance, users can photograph an apparel item and ask Siri where it can be bought. The Glance Agent can identify the product, surface relevant options and enable a virtual try-on experience. Glance has integrated Apple's on-device models with its commerce intelligence.

SBI chief flags shift to 'know your agent'

Mumbai: SBI chairman CS Setty said the rise of AI agents that can transact autonomously will force banks to move beyond "know your customer" to "know your agent", with identity, authentication, consent, transaction limits and auditability becoming essential controls. "The real opportunity lies in drawing agents to areas where scale, speed, and judgement can materially strengthen the financial system," Setty said. Agents could work across the financial lifecycle, from fraud and new-account detection and KYC and AML processes to loan appraisal, underwriting and reconciliation, he said. TNN

50k Swiggy gig workers file ITRs, seek ₹6.5cr refunds

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Bengaluru: More than 50,000 Swiggy delivery workers filed income-tax returns through a facility in the company's partner app and submitted refund claims totalling Rs 6.5 crore, the company said on Thursday. More than a third of them were filing their returns for the first time.

The service was available to delivery workers across Swiggy's food delivery business and quick-commerce platform Instamart. Swiggy said the workers used it to seek refunds against a percentange tax deducted at source, or TDS, from their payouts during the financial year.

Swiggy said it has over 6.5 lakh delivery partners across its businesses. Its food delivery platform works with over 2.7 lakh restaurants in more than 720 cities, while Instamart operates in 131 cities.

The Rs 6.5 crore represents refund claims filed. Swiggy did not disclose how many of these claims had been processed or credited by the income-tax department. "For our delivery partners, long-term stability is about building a recognized financial identity," said Saurav Goyal, chief operating officer of Swiggy's food marketplace.

Workers can claim a refund by filing a return when the tax deducted from their earnings exceeds their final tax liability.

TAXMAN MEETS GIG

Gross SIP flows, mutual fund industry assets at record high

Times News Network

Mumbai: Discounting volatility in the stock market, investors poured in money through the mutual fund route that led to a record Rs 32,297 crore in gross monthly inflows through the systematic investment plan (SIP) route in Aug. This, combined with strong buying across most equity mutual fund categories, lifted the total assets managed by the fund industry to just a tad above the Rs 87 lakh crore mark, also a new all-time high level, data from industry trade body AMFI showed.

According to Navneet Munot, managing director & chief executive officer of HDFC AMC, in Aug, the fund industry extended a trend that has been observed for some time now as SIP inflows climbed to a record high even as the market remained volatile on global cues.

AMFI data showed that as of Aug 31, SIP assets stood at Rs 18.6 lakh crore, up 2.8% on the month, while the number of contributing SIP accounts was at a little over 10 crore.

During the month, net inflows into equity schemes were Rs 29,329 crore. This was the 66th consecutive month of net inflows through this fund category. Among equity fund categories, while small-cap funds took in a net Rs 7,973 crore, midcap schemes recorded net inflows worth Rs 6,989 crore, and flexicap funds Rs 5,059 crore.

Business Standard
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Open up for business

India must address trade barriers

A report in this newspaper on Thursday showed that India's two largest trading partners — the United States (US) and the European Union (EU) — have raised concern over regulatory and non-tariff barriers. These issues came up during the trade-policy review at the World Trade Organization (WTO). It's a periodic peer-group review of trade policy, which allows members to raise issues, and the individual country addresses those through its response. The issues raised relate to higher tariffs, sanitary and phytosanitary norms, technical barriers to trade, restrictions related to digital trade, and quality-control orders (QCOs), among others. However, India's trading partners are also encouraged by its engagement through free-trade agreements (FTAs), which will increase transparency and openness.

To be fair, some of the criticism of trade policies and specific restrictions by trading partners are sometimes off the mark because many countries themselves impose stringent conditions on imports on grounds such as public health and environmental protection. Be that as it may, some of the points made by the US and EU are worth considering, and it is in India's own interests to be more open to international trade. It is well accepted that tariffs in India are high. Some rationalisation has happened over the past few years, but more needs to be done. The issue of QCOs is also valid. The number of QCOs has multiplied over the years, and their coverage has increased from about 100 in 2014 to over 650 product categories. There has been some relaxation and rollback in recent months, but the system and the reach of QCOs need thorough review. The EU has acknowledged that India is addressing this issue. QCOs have been used as a trade barrier and particularly affect smaller businesses that depend on cheaper imports to remain competitive.

India of late has shown considerable openness and has concluded several FTAs, including those with the EU and the United Kingdom. However, it still needs tariff rationalisation in general. India's trade-weighted "most favoured nation" tariff, according to one estimate, is at 12.6 per cent, which is much higher than that of its trading partners. This needs to come down substantially. Over 50 per cent of global trade happens in intermediate goods. Thus, with relatively high tariffs, it is difficult to be part of global value chains. Foreign direct investment, to a large extent, is also driven by trade openness. Multinationals would hesitate in setting up manufacturing units in a country where it is difficult or expensive to import inputs. Since India needs to attract large amounts of foreign investment to supplement domestic savings and sustain higher growth, it must be more open to trade along with addressing other concerns of overseas investors. It is worth highlighting that this is a good time to bring down tariffs because the rupee has weakened significantly in real terms and is providing protection to Indian businesses. A weaker rupee has also helped merchandise exports, which expanded by over 15 per cent during April-August this year.

While India needs to be more open to trade, it is worth highlighting that one of the critics of its trade policy, the US, has been imposing tariffs to curb imports and achieve other objectives. The reasoning of the administration is that the trade deficit is a reflection of unfair trade policies of trading partners. Also, India was targeted with punitive tariffs last year. India is negotiating a trade agreement with the US, and it is to be hoped that it will be concluded soon, providing much-needed stability to trading relations between the two countries.

A new wave

Govt must clear the way for satellite communication

The recent approval of the regulatory recommendations for satellite spectrum allocation should be seen as a step forward for a sector that has been waiting for long to take off. Recently, the Digital Communications Commission (DCC) — the highest decision-making body in the Department of Telecommunications (DoT) — deliberated on the recommendations of the Telecom Regulatory Authority of India (Trai) before setting the satellite spectrum usage pricing at 5 per cent of the adjusted gross revenue (AGR) of a telecom company. For services offered in remote and rural areas, there's a discounted price, at 4 per cent of the AGR. The spectrum to the applicants for satellite internet such as Bharti group-led Eutelsat OneWeb, Reliance Jio Satellite Communications, and Elon Musk-backed Starlink will be granted for five years with an optional two-year extension.

The DCC approval has to pass the Cabinet muster in addition to getting security clearances. While it's important to examine security aspects in a sensitive area like satellite communications, the authorities must move swiftly to clear the decks for the companies to start their operations soon. One of the early applicants, Eutelsat OneWeb, reportedly wrote to the government recently, seeking security approval for its low-earth orbit (LEO) satellite constellation in order to be able to commercially launch its services in India. The company's plea to the government was that many of its satellites were close to the end of their operational lives and that any further delay could make them useless. The company conducted its security-compliance demonstration some 18 months ago in January last year.

The policy and regulatory aspects of satellite communications or satellite internet have moved slowly and at times in a disjointed manner. The Trai recommendations on commercial satellite internet services linked to pricing, duration and allocation modalities of spectrum were issued in May last year, but some of the companies were given licences much earlier to offer satellite broadband. While these companies secured satellites and readied their operations based on the earlier licences, the long gap in fixing the regulatory road map, including the modality of spectrum allocation, has kept the service hanging. The divergence of views in the industry on whether spectrum for satellite internet should be auctioned or given on the basis of an administered price emerged as one of the obstacles. The Trai recommendations of last year settled for administered allocation of spectrum in sync with international norms, though airwaves are auctioned for terrestrial services. The DCC approval is on the same lines, leaving no room for confusion.

Security-related issues have also delayed the service so far. For instance, Starlink secured the letter of intent from the DoT in May 2025, but there have been several security red flags thereafter over its alleged role in the Russia-Ukraine war through its communication network. Also, Amazon Leo, which has been undergoing the security drill to provide internet services in India, may need a fresh licence, according to reports. Satellite internet is expected to be a game changer for the future of communication in India, especially in the remote and rural areas of the country with poor connectivity. The high-speed and low-latency internet service could have far-reaching implications in sectors such as online health care and education. From that perspective, the latest approval from the DCC offers a promise of a new era in communication for India.

ILLUSTRATION: BINAY SINHA

Why boards fail at succession planning

The only succession planning that happens is done by the CEO, to ensure that no successor emerges

FINGER ON THE PULSE

T T RAM MOHAN

You have done your job, we are grateful, but we feel the time has come for you to make way for somebody else.

If only boards of directors had it in them to deliver the simple message to the chief executive officer (CEO) — and in time — the world would be a different place.

At Tata Sons, N Chandrasekaran was at the helm for over nine years. Going by Tata Group's policy, he had two more years to go for his retirement. Yet, according to media reports, all board members except Noel Tata favoured another term of five years for him.

At HDFC Bank, Sashidhar Jagdishan, who had served as managing director for over five years, declared just a few months ago that he was raring to go for another term. Clearly, he had the backing of the board then. Things changed dramatically after Rajiv Kumar took over as the bank's chairman. Mr Jagdishan announced last month that he would not offer himself for reappointment.

One is not getting into the merits of what transpired. The point here is that boards seem congenitally incapable of telling an incumbent that it's time for them to move on.

At Tata Sons, it was left to a scion of the house of Tata to overrule the other directors. At HDFC Bank, it required a former IAS officer and Constitutional authority to take a position very different from that of the board until then. Board members, other than the promoter, seem incapable of asserting themselves in such a fashion — not just in India but the world over.

As a result, professionally managed boards seldom ask an incumbent to leave. The incumbents carry on until they reach their age limit or term limit — or until disaster strikes. Succession planning at most boards is a farce. The only succession planning that happens is done by the CEO — and it is all about ensuring that no successor emerges.

Boards fail at succession planning for the same reason that they are largely dysfunctional and ineffectual: They lack the ability to seriously question and challenge the CEO (or executive chairman). The result is underperformance at several places — often hidden while the incumbent is around — and disaster at some, after a star CEO leaves.

One notable disaster was the failure of the Royal Bank of Scotland in 2008, the biggest in the history of banking. The 17-member board did not have it in itself to challenge the decision of the CEO, then a celebrated figure, to go in for the acquisition of ABN Amro. The decision led inexorably to the implosion of the bank. After the Global Financial Crisis of 2007-2008, it turned out that the story was not very different at the boards of many of the biggest banks and investment banks in the world.

One of the best diagnoses of the underlying problems of governance came, not from a panel of finance or management experts, but from a Parliamentary Commission on Banking Standards in the United Kingdom (UK), mostly comprising career politicians. The bane of most boards, the Committee noted, was that there was too much "collegiality" on the board. One veteran corporate executive caught the spirit of boards beautifully in his testimony to the Committee: You have dinner with people the night before and one of them says, "Do you want to borrow my house in Tuscany and the rest of it?" It doesn't happen to me, but you know what it mean(s). Then the next day at the board meeting, do you say to them, "Look, I have three questions for you and I'm not going to stop until you've answered all three of them properly"? People don't do that.

How true! It's awkward to pose tough questions to management. Nobody likes to strike a jarring note in the proceedings. And that has partly to do with how board members are selected.

The non-executive chairman has a key role in selecting board members. Behind the scenes, the CEO has an important input in the selection of board members and a key role in the selection of the chairman himself. The individuals the chairman and the CEO select for the board are those with whom they have been on back-slapping terms at the clubs where they hang around.

Board members are well remunerated — the median pay at the top 50 companies in India is ₹70 lakh. To challenge the CEO is to risk non-renewal of one's term and possible ostracism from boards in general.

The UK Parliamentary Commission proposed some remedies. One was that the Nominations and Remuneration Committee (NRC) be chaired by a senior independent director, not the chairman. Another was advertising independent director positions so that a wide enough pool was available. Neither proposal has taken off because it's not clear how they improve matters.

If we want directors to exercise their independence, we need to tackle the problem of self-selecting boards, of which the CEO is a member and influencer. The process at public-sector enterprises in India is instructive. The concerned ministry appoints independent directors through the Bureau of Public Enterprises (BPE) and without reference to the chairman/CEO. Independent directors are not beholden to management for their appointment. Independent directors are required to submit a note annually to the BPE outlining key issues at the company on whose board they sit.

This principle must be applied to the private sector as well. One way is to have at least some independent directors nominated by key stakeholders, such as institutional shareholders, institutional depositors, large lenders and retail shareholders. The NRC must not select all the independent directors. A less intrusive alternative is to have major stakeholders generate candidates for the NRC to choose from. Involving multiple stakeholders in board selection is the key to creating true diversity and independence in the boardroom.

Board membership must be seen as serious work, not as providing opportunities for a lunch outing. The UK Parliamentary Commission referred to the fact that independent directors at banks are required to devote 30-36 days in a year to their boards. The chairman's position, it said, must be seen virtually as a full-time one. The chairman of a large bank "should usually not hold any other large commercial non-executive, let alone executive, positions".

These proposals are not the end of the matter. But they are a good starting point. We need radical reform in the boardroom, not the tinkering that has failed to alter the reality of zombie boards.

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After the dollar deluge, costly choices

PRASANNA TANTRI

The Foreign Currency Non-Resident (Bank) or the FCNR(B) scheme has largely been celebrated as a successful defence of the rupee. It attracted dollars and prevented disorderly depreciation. But stabilising the rupee was only the first step. By absorbing these dollars, the Reserve Bank of India (RBI) has created an immediate domestic-liquidity problem. The scheme has already imposed costs, even before any future exchange-rate loss or repayment pressure arises.

The special facility mobilised $136.4 billion, including $127.2 billion through FCNR(B) deposits. As the RBI absorbed much of the foreign exchange and released rupees in return, surplus liquidity in the banking system rose beyond ₹10 trillion. What should the RBI now do with this money? Every available choice is costly.

The first option is to allow the dollars into the market and let the rupee appreciate. This was appropriate in 2013, when India's current-account deficit was 4.7 per cent of gross domestic product (GDP), inflation was high and the economy was in serious trouble. The rupee faced a genuine run. The FCNR(B) and related windows attracted about $34 billion and helped arrest the collapse.

The present episode is different. The rupee's real depreciation against a broad basket of trading partners was around 10 per cent, less than half the comparable decline in 2013. India has substantial reserves, healthy growth, strong remittances and a current-account deficit close to zero. This was not a run.

Allowing the entire inflow into the market could nevertheless have pushed the rupee below ₹90. That would have hurt exports, cheapened imports and weakened domestic manufacturing. It would also have subsidised foreign portfolio investors' exit by giving them more dollars for the same rupee proceeds. Absorbing much of the inflow was therefore justified, but it has converted an exchange-rate problem into a liquidity problem.

The second option is to leave the reserves with banks to support lending. But reserves are high-powered money. When banks lend, they create deposits. Credit and broad money could therefore expand by several times the original injection, producing inflation after a lag.

There is a deeper danger. Policymakers should carefully read Viral Acharya, Rahul Chauhan, Raghuram Rajan and Sascha Steffen's paper, "Liquidity Dependence: Why Shrinking Central Bank Balance Sheets Is an Uphill Task".

The authors show that banks reorganise their balance sheets around abundant reserves by creating deposits, credit lines and other liquidity commitments. These obligations remain when the central bank removes the reserves. Banks may then hoard liquidity, curtail lending, sell securities or scramble for short-term funding. The central bank may be forced to inject reserves again.

This is the reserve ratchet. Creating reserves is easy. Removing them after banks become dependent on them can be disruptive. India could first experience inflation and then discover that controlling it threatens financial stability.

The third option is to increase the cash reserve ratio (CRR). This would immobilise the reserves by requiring banks to hold additional funds with the RBI without interest.

The burden would be large and uneven. Banks that raised FCNR(B) deposits must pay depositors as much as 6 to 7 per cent. If the corresponding rupees are locked in CRR, they earn nothing. A system-wide increase would also penalise banks that did not mobilise these deposits.

A fourth option is for the RBI to sell government securities already on its balance sheet. No new debt would be created. Existing debt would move from the RBI to banks. But sales on this scale could raise bond yields, reduce the RBI's income and exhaust securities needed for normal monetary operations.

Fresh ordinary government bonds would not permanently absorb liquidity if their proceeds were spent, because the money would return to the banking system. Banks would effectively have borrowed abroad, swapped the dollars into rupees and financed the government, while the RBI guaranteed the future exchange rate. This begins to resemble indirect sovereign foreign-currency borrowing.

The final option is the market stabilisation scheme. Under MSS, the government issues special bonds and impounds the proceeds. The money cannot be spent and therefore remains outside the banking system for the life of the bonds.

Sterilising ₹7 trillion to ₹8 trillion at 6 per cent for three years would require gross interest payments of approximately ₹1.25 trillion to ₹1.45 trillion. Taxpayers would ultimately bear this cost through higher interest expenditure or reduced fiscal space.

In my view, MSS is the least damaging option. It makes the cost explicit, prevents a large monetary expansion and does not impose the entire burden on banks. Most importantly, it prevents the banking system from becoming dependent on reserves that the RBI may later struggle to withdraw.

The scheme may have stabilised the rupee, but it did not eliminate costs. It merely shifted them. India must now choose among currency appreciation, inflation, bank losses, indirect public exposure and an expensive sterilisation programme. Having reached this position, paying the visible cost of MSS is preferable to gambling with inflation and the reserve ratchet.

The writer teaches at Indian School of Business

Brics: Non-West vs Anti-West

BOOK REVIEW

RUP NARAYAN DAS

At a time when geopolitics appears to be caught in a Thucydides Trap, India is hosting the two-day Brics summit in New Delhi on September 12-13. The acronym stands for a ragtag group of countries, similar to the alphabet soups created by the permutation and combination of groupings such as India-Brazil-South Africa (IBSA) and Russia-India-China (RIC). While these two groupings are almost defunct, the introduction to the volume under review proclaims that Brics aims "to promote geographically and politically diverse coalition to promote a more inclusive and multipolar global order that can moderate Western dominance in global governance structure". The volume is edited by two eminent academics, Suranjan Das, vice chancellor of Adamas University, Kolkata, and Tridib Chakraborti, emeritus professor at the same institution. It comprises six papers and addresses presented at a national seminar at Kolkata in February this year jointly organised by the Indian Council of World Affairs and Adamas University.

Brics was an economic label coined by the investment banker Jim O' Neil of Goldman Sachs in 2001 to describe the emerging economies of Brazil, Russia, India and China. He made a forecast that the economies of these countries would propel the trajectory of world growth and development that would take the place of the developed industrialised countries of the West. Officially born in 2009, the grouping originally comprising Brazil, Russia, India and China included South Africa in 2010. At its 2024 summit, Egypt, Ethiopia, Iran and United Arab Emirates joined as full members, while Belarus, Bolivia, Kazakhstan, Cuba, Malaysia, Nigeria, Thailand, Uganda and Uzbekistan joined as partner countries.

The motley grouping is tom-tommed as accounting for over 40 per cent of the world's population, roughly one-third of the global gross domestic product measured by purchasing power parity, and nearly 23 per cent of international merchandise trade. India has participated in all the summit meetings and hosted the summit meeting in New Delhi in 2012, in Goa in 2016 and again in Delhi in 2021. This is the fourth time that India is hosting the summit.

In his address setting the tone and tenor of Brics, Rajiv Bhatia, a former diplomat and scholar, observes that while the expansion of Brics membership is evidence of its growing global appeal and legitimacy, the enlargement inevitably introduces new layers of complexity. He also underlines the importance of conceptualising Brics as "non-West" rather than" anti-West", thereby preserving strategic autonomy while avoiding ideological confrontation. Commenting on the rationale for the expansion of Brics, Brazil's ambassador to India, Kenneth Felix Haczynski da Nobrega, argues that enlargement can only be properly understood through a careful analysis of the grouping's evolution and internal dynamics. He traces Brics' trajectory from its early articulation as a counterpoise to the widening gap between the formal structures of global governance and actual distribution of global power. He sees the present role of Brics as a catalyst for emerging economies and a driver of transition towards a more multipolar international order.

Sharing the Chinese perspective, the Acting Consul-General of China in Kolkata, Qin Yong, notes that Brics embodies the shared aspirations of the Global South for deeper co-operation, mutual respect, and coordinated development in the face of mounting global uncertainties and entrenched structural imbalances. Unlike the diplomatic assessments of Brazil and China, Ambassador Krishnan Srinivasan and Professor Sreeram Chaulia offer sharp insights in their presentations. Ambassador Srinivasan argues that for India, Brics remains strategically valuable despite its ties with the US. This ideological and strategic heterogeneity impels a thoughtful calibration of the grouping's capacity to function as a unified geographical rival to the US, he argues. Professor Chaulia argues that international asymmetries, particularly the widening economic and strategic gap between China and other members, as well as the India-China tensions complicate the prospects for Brics cohesiveness.

BRICS as a Global Alternative — Prospects and Concerns for India: Proceedings of an International Seminar
Edited by Suranjan Das and Tridib Chakraborti
Published by KW Publishers
124 pages ₹980

Indeed, the trust deficit and persistent security dilemma between India and China, the two key stakeholders, lies at the heart of Brics' ability to operate cohesively. This basic element does not seem to have been clearly reflected in the seminar; it should have been addressed upfront. Yet another issue that should have been discussed in greater detail is the role, functions, and the achievements of the New Development Bank, which was established in 2015 and the Contingent Reserve Arrangement, which became operational in 2014. These institutional edifices represent important developments in the world of international finance where alternative systems to the Bretton Woods system are emerging. Where do they stand within the global system? What is India's commitment? The volume would have been enhanced by a discussion of these critical issues.

The reviewer is a former senior fellow of the Manohar Parrikar Institute for Defence Studies and Analyses, and currently consulting editor for the *Journal of Parliamentary Information*

DELHI
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the hindu businessline.
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Satcom calling

Finally, a policy framework for satellite broadband

The Digital Communications Commission's (DCC) decision to approve a 5 per cent spectrum usage charge on adjusted gross revenue (AGR) for satellite communication operators is an important step towards finally bringing satellite broadband to India. The Centre has taken nearly two years to put the key elements of a policy framework in place. It should now move with urgency to translate the decision into actual services.

The approved 5 per cent AGR-linked spectrum charge is one percentage point higher than the 4 per cent recommended by the Telecom Regulatory Authority of India (TRAI). However, operators serving government-notified hard-to-connect areas such as border regions, hilly terrain and islands will effectively pay 4 per cent. Spectrum will be assigned administratively, rather than auctioned, for five years, with a two-year extension. The decision is welcome because satellite communications are fundamentally different from terrestrial mobile networks. Satellites can share spectrum across large geographical areas and do not require the dense, dedicated infrastructure that terrestrial networks need. An auction could have fragmented spectrum access and imposed costs on an emerging industry.

The need for satcom in India is compelling. Fibre and mobile towers are difficult and expensive to deploy in large parts of the country, including mountains, islands, border areas and sparsely populated rural regions. Low-earth-orbit constellations can provide high-capacity connectivity with substantially lower latency than traditional geostationary satellites. Satcom can also provide backhaul for terrestrial operators where fibre is not viable, making satellite and mobile networks complementary technologies. India now has several serious players waiting to launch satellite broadband services including Elon Musk's Starlink, Bharti-backed Eutelsat OneWeb and Jio Satellite Communications.

The DCC deserves credit for rejecting TRAI's proposal for an additional ₹500 annual charge per subscriber in urban areas. The proposal was aimed at preventing satellite operators from concentrating on lucrative urban customers. But satcom capacity itself imposes a natural constraint on how much business satellite networks can do in densely populated cities. It makes more economic and technological sense to let operators decide where their limited capacity is most valuable. However, the government should reconsider another TRAI recommendation that it has rejected: subsidising satellite user terminals in unserved and underserved rural areas. The biggest obstacle to satcom adoption in precisely those areas where it has the greatest value may not be spectrum pricing but the upfront cost of equipment. TRAI had noted that satellite terminals can cost ₹20,000-₹50,000 and proposed support through direct benefit transfers or the Digital Bharat Nidhi. The decision needs a relook, at least until smartphones and other consumer devices that can directly receive satellite broadband become widely available.

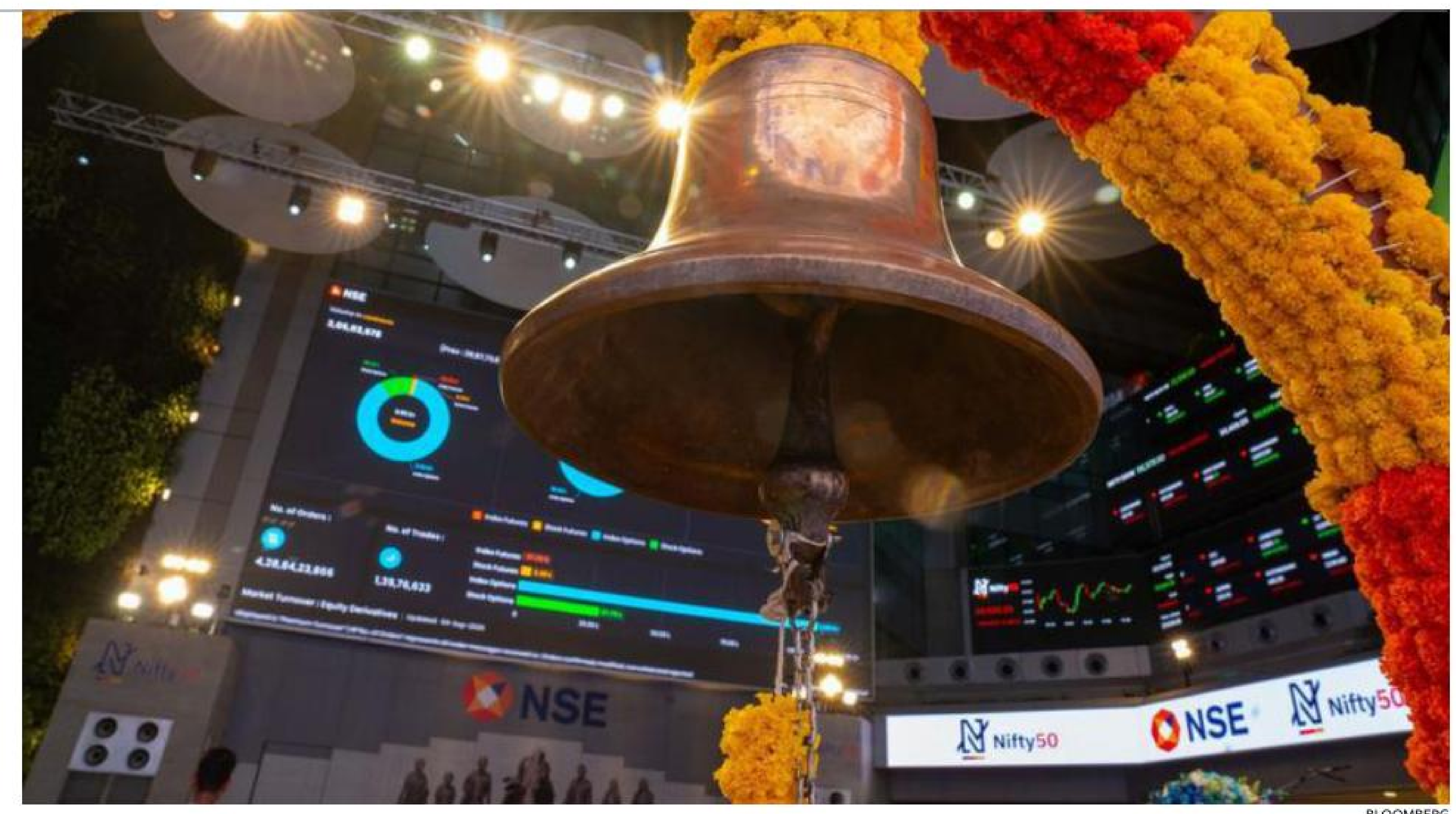
POCKET

RAVIKANTH

"We have created five new jobs! Their task will be to reduce our headcount by twenty!"

POINT BLANK.

LOKESHWARRI SK



BLOOMBERG

Much ado over NSE listing on BSE

The NSE stock will attract hordes of investors irrespective of the exchange on which it trades

The rivalry between the two major Indian stock exchanges — the BSE and the NSE — is stuff legends are made of. While the former boasts of a 150-year history and beginning under a banyan tree in British India, the latter appeared as a technically savvy whiz kid in early nineties, to sweep stock trading from trading rings to computer terminals with the introduction of satellite-based trading network.

NSE's entry not only improved the reach and penetration of stock trading, but it also ushered in transparency, thus greatly weakening the stronghold of stockbrokers who were ruling over Dalal Street for more than a century. NSE also made the most of the first-mover advantage in launching pan-India online trading, to capture lion's share in both cash and derivatives trading in equities. It's no wonder that there is no love lost between the two exchanges.

Those watching this rivalry from the fence were greatly amused when BSE had to list its share on the NSE, when it made its stock market debt in 2017. But the glee is much more this time around, with the NSE having to list its share on the BSE, when it finally opens for trading.

HOW DID THIS HAPPEN?

This situation is reminiscent of old Hindi movies where kids would get separated from their parents in fairs or trains and grow up among strangers. Poor BSE and MCX stocks are growing older on other exchanges and now NSE stock is also destined to have the same fate.

The villain of the story is SEBI, the market watchdog, which forbids stock exchanges from listing on themselves. It has laid down in section 45 of the Securities Contracts Regulations, 2018, that "a recognised stock exchange may apply for listing of its securities on any recognised stock exchange, other than itself and its associated stock exchange."

There are however reasonable grounds for taking this stern stand. One, there is a conflict of interest when a stock exchange facilitates the listing and trading of its own stock. This is because exchanges have to oversee the entire IPO process — take care of the bidding and share allocations and the final listing. When the exchange lists its own share, it could be tempted to tamper with the IPO process.

Two, besides listing, when the share trades on its own parent exchange, there is fear that the exchange may be more lenient in surveillance and allow conducive price movements. There can also be lapses in continuous listing obligations.

But self-listing is not uncommon globally. Many of the major stock exchanges, including the London Stock Exchange, Nasdaq, Singapore Exchange and Australian Stock Exchange have listed and are trading on their own platforms. But when exchanges self-list, then there are certain guardrails which must be installed.

For instance, the trading of the stock on the parent company's platform will have to be supervised by the stock market regulator or an independent authority. Similarly, continuous listing obligations will have to be monitored by an independent authority. The Board of the exchange will have to be bolstered with strong independent directors to ensure that there are no corporate governance lapses.

So far, SEBI has stood its ground and held that the risks outweigh benefits in self-listing.

THE MCX PLAYBOOK

Besides BSE, there is one more stock exchange that has cross-listed on other exchanges — the Multicommodity Exchange or MCX.

The intense rivalry between the NSE and MCX is another long-drawn saga, best left for another day. (One would be right in concluding that Indian stock exchanges are quite medieval in their behaviour.) The cut-throat relationship between the two exchanges made MCX decide to list only on BSE when it made its IPO in 2012. That way, MCX saved its honour by not submitting to NSE's initial supervision.

But given that the liquidity on the BSE platform is comparatively lower, MCX also allowed its shares to trade on the NSE, but in the permitted to trade (PTT) category. The PTT category allows stocks to trade on an exchange, without a formal listing. The stock must, however, be listed on another exchange.

If we consider the turnover of MCX, the daily average value of MCX shares traded on NSE amount to around ₹800 crore. On the BSE, the daily traded value is less than one-tenth of this.

Based on media reports, NSE appears to be wanting to follow in MCX's footsteps. That is, list on the BSE and seek permission to trade its shares on its own exchange platform, under the permitted to trade category. The difference, however, is that MCX stock is not trading in the PTT segment of its parent exchange.

SEBI forbids stock exchanges from listing on themselves to curb conflicts of interest, ensuring the integrity of the IPO process and prevent lax surveillance over stock price movement

WILL SEBI AGREE?

It is to be seen if the market regulator agrees to allow NSE shares to be traded in the PTT category on NSE. If this is allowed, bulk of the trading in the NSE share will be on the NSE platform.

A nod from the regulator for this proposal will however be surprising. This is because stocks in PTT category record as much volume as the regular category. Allowing this will go against the SEBI's principle of removing conflict of interest in trading of stock exchanges' shares. SEBI will have take on the responsibility of supervising of the trading of NSE shares on NSE platform, if this is allowed.

While ensuring that trading of NSE shares stays on the NSE platforms may be important for the exchange, investors are unlikely to care where they buy or sell the share. The liquidity on the NSE stock counter is likely to be quite good, above ₹1,500 crore per day, irrespective of the exchange on which it trades. So, price discovery is unlikely to be compromised in the NSE stock counter.

NSE and BSE may perhaps prefer settling the issue with a duel, complete with spears, shields and all. But since we live in more civilised times, they will have to wait for SEBI's final word.

Are we trapped in a high interest rate cycle ?

A rate cut is off the table for now due to unsustainable public debt in the West and forex risks, rupee pressures in India

Sachin Gupta

About three to four years ago, as the global economy reeled from the pandemic's aftershocks, a new economic mantra emerged: "higher for longer." Surging US inflation and weakened fiscal positions worldwide underpinned the thesis that ultra-cheap money was over.

Time has vindicated that warning. Rates have not fallen — and the tone has turned more aggressive, with markets now expecting policy rates to climb a further 25-50 basis points over the coming quarters, led by the US Federal Reserve and, maybe, by the Reserve Bank of India, also. The question is no longer about a temporary spike, but a structural one: are we trapped in a high-interest-rate cycle for the long term?

THE GLOBAL CONTEXT

The tremors in international bond markets trace back to an unprecedented expansion of sovereign debt. US national debt recently crossed $40 trillion, pushing the 10-year Treasury yield toward 4.8 per cent and 30-year

POLICY RATES. Staying high

yields beyond 5.2 per cent. Nor is this only an American story: the UK, Germany, and Japan are each grappling with multi-year or multi-decadal highs in borrowing costs.

Japan's shift is the most striking — historically the anchor for negative rates, its 10-year bond yield has recently neared 3 per cent, a level last seen three decades ago. Increasingly, long-duration yields worldwide are being set by structural forces rather than central banks' policy rates.

Five structural pressures are driving this, and yields are unlikely to ease meaningfully until they do:

Persistent fiscal deficits: The US deficit has run near 6 per cent of GDP for three years, pushing debt past 125 per cent of GDP — a profile closer to an emerging market than the world's largest developed economy.

Deglobalisation and protectionism: Aggressive trade tariffs are creating a structurally higher floor for inflation.

Escalating defence expenditure: Geopolitical tensions are forcing higher military spending, straining sovereign balance sheets.

Refinancing pressure: Low-yielding, pandemic-era debt is maturing, forcing governments to roll it over at today's higher rates.

Sticky welfare commitments: Political realities leave governments reluctant to trim social safety nets.

None of this looks likely to reverse soon — which is why optimism about a return to lower rates remains, for now, misplaced.

THE INDIAN OUTLIER

Amid this turbulence, India stands out as a macroeconomic outlier. While developed-market yields spiralled upward, India's benchmark 10-year G-Sec yield softened slightly over the past three years, settling near 6.95 per cent, reflecting prudent fiscal management, proactive monetary policy, and relatively benign inflation.

The harder question is whether domestic rates can keep easing independently while developed-market rates stay elevated. The short answer is no: further cuts are constrained by foreign-exchange risk and the need to defend the rupee against a dominant dollar.

India has also seen weaker foreign portfolio inflows as its rate differential with the US narrows. Investors once demanded a premium of 450-500 basis points to hold Indian debt over US Treasuries; that spread has compressed to 200-225 basis points. With this cushion eroded, the RBI has little room to cut further without risking capital outflows and a weaker currency.

The global financial architecture is undergoing a fundamental regime change. Debt accumulation, geopolitical spending, and protectionism have dismantled the old low-rate playbook. A durable softening of interest rates is off the table for the foreseeable future — in India as much as anywhere else.

The writer is Chief Rating Officer & Executive Director at CareEdge Ratings. Views are personal

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.

Health worries

This refers to the Editorial 'Packages of concern' (September 10). Mandating warning labels on packaged foods can have only a limited impact on dietary habits unless we simultaneously educate people about the harm caused by excessive intake of sugar, salt, and unhealthy fats in ultra-processed packaged foods.

For added effectiveness, the proposed red hexagonal sign could be designed with a crisp 'EatRight' note merged into it. Further, the two-of-three-ingredients criterion for the warning sign's applicability appears to be a clear loophole that needs to be plugged.

Kamal Laddha
Bengaluru

Time to act fast

This refers to 'Package of concerns' (September 10), it is troubling that even after the Supreme Court stepped in, our food safety regulator is still delaying clear warnings on unhealthy snacks.

The current plan only shows a warning sign if two out of three things, sugar, salt or fat, are too high, which means a product dangerously high in just one of these can still avoid any warning.

If countries like Chile and Israel can label junk food clearly, there is no good reason India cannot do the same. People deserve to know exactly what they are eating, in plain and simple terms, right on the front of the pack.

Veda Chidanand
Bengaluru

Funds inflow

This refers to 'FCNR(B): Benefits outweigh costs (September10)'. While the hedging and sterilisation costs appear manageable, the less visible after-effects of these measures also need to be assessed. For example, RBI has taken various measures to absorb excess liquidity through VRRR, which is essentially a short-term measure.

Such excess liquidity represents a potential opportunity cost for banks, as funds absorbed through VRRR cannot be deployed simultaneously for credit.

Even if RBI resorts to longer-term measures such as dollar/rupee swaps, OMO sales of securities or CRR enhancement, any resultant upward pressure on interest rates could have wider economic consequences, including higher government borrowing costs. These effects may not be immediately visible, but could nevertheless have a negative impact on the economy.

Srinivasan Velamur
Chennai

Lingering mistrust

With reference to '25 years after 9/11: The shadow of mistrust' (September 10), the legacy of 9/11 extends beyond terrorism; it reminds us how quickly fear can deepen suspicion between communities. Security agencies must remain alert, but counter-terrorism measures should not become collective suspicion based on religion, appearance or nationality.

Schools and media must challenge stereotypes and verify information before it spreads.

Communities can build trust through dialogue and local engagement. Remembering the victims should encourage societies to oppose violence without normalising prejudice.

SP Suganya Devi
Coimbatore

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Sugar policy, a mess

Curbs on sugar pricing, sale make ethanol attractive

Ritesh Kumar Singh
Steven Raj Padakandla

CANE PRICE. No leverage for mills

Critics say the recent surge in sugar prices is the result of the government's ethanol push. The argument is straightforward: by diverting sugarcane towards ethanol to meet the E20 target, the government reduced sugar availability and is now importing sugar to solve a problem it created. The government rejects this argument. It points to lower-than-expected sugar production, crop damage, festive demand and speculation, and says the share of sugar diverted to ethanol has actually fallen from around 12 per cent in 2022-23 to 9 per cent in 2025-26. The government is right about one thing: The immediate backdrop to the current price surge is a production deficit. Sugar output is now estimated at 306 lakh tonnes, against an initial estimate of 343 lakh tonnes — a downward revision of nearly 11 per cent.

But this is where the debate should move beyond ethanol.

THE LARGER QUESTION

Asking whether ethanol caused the spike misses the larger question: Why has ethanol become such an attractive escape route for sugar mills? The answer lies in India's distorted cane and sugar economics.

India has steadily raised the price that sugar mills must pay for sugarcane. The Fair and Remunerative Price has risen from ₹230 a quintal in 2016-17 to ₹365 for 2026-27 season. Several major sugar-producing States — for instance, Uttar Pradesh —also announce State Advised Prices (SAP), which are typically ₹25-35 higher than the FRP.

There is nothing wrong with ensuring that farmers receive a remunerative price. The problem arises when the government raises cane prices but does not allow mills similar freedom to price and sell the sugar produced from that cane. When sugar prices rise, it intervenes through monthly release quotas and export restrictions to improve domestic availability and rein in prices. But mills cannot negotiate lower cane prices with farmers even if sugar prices fall. Therefore, mills face rising and inflexible input costs, while their ability to benefit from higher output prices is constrained, whether in the domestic market or through exports.

That is where ethanol comes in. For a sugar mill, ethanol, with administered prices and a government-backed procurement market, offers something that sugar increasingly does not: revenue certainty. Ethanol prices are administered by the government, while oil marketing companies provide a large, government-backed procurement market.

Mills are therefore not necessarily choosing ethanol because they want to produce less sugar. They are choosing it because India's sugar policy has made an alternative revenue stream more predictable.

That does not mean ethanol diversion has no impact on sugar availability. It does. As much as 3 million tonnes of sugar — roughly 10 per cent of the total — have been diverted towards ethanol this season.

However, the sharp downward revision in sugar output from 343 lakh tonnes to 306 lakh tonnes — raises questions about the reliability of supply forecasts on which policy decisions are based.

Decisions on exports, imports and domestic availability are based on estimates of how much sugar India will produce and how much it will need. If those estimates change substantially during the season, policy responses can easily end up being mistimed.

The government has cited stocking and speculative activities among the reasons for the recent surge in sugar prices. That may be true, but the mere announcement of export curbs can signal a shortage and encourage hoarding and speculation, especially when imports are effectively shut out by a prohibitive 100 per cent import duty. The government has now allowed one million tonnes of raw sugar to be imported duty-free. The decision is itself an acknowledgement of how difficult it is to manage a shortage when trade is heavily controlled.

The government should therefore resist cane-price populism and focus on improving the economics of the sugar sector.

Singh is a business economist and CEO, Indonomics Consulting Pvt Ltd, and Padakandla is a faculty at IMT, Hyderabad.

RK PATTNAIK

SUSHIL KUMAR VERMA

Computing core CPI inflation, a challenge

COMPLICATED. MoSPI should put out a documented all-India core index alongside the headline, with weights clearly specified

The minutes of the August 3-5 Monetary Policy Committee (MPC) meeting released on August 19 carry a reference to the CPI inflation diffusion index to offer the view that inflation in India is not generalised. Conceptually, an inflation diffusion index measures how widely price increases have spread across goods and services in an economy. Instead of tracking the average size of a price change, it calculates the percentage of items or sectors that record price increases.

This metric helps monetary authorities assess whether inflation is driven by a few items or widespread across the commodity basket. Thus, the inflation diffusion index is a critical policy variable not only to monitor the dispersion of headline inflation but also guides the monetary policy stance.

The CPI diffusion index for June 2026 showed that roughly 69 per cent of the basket by weight recorded inflation of four per cent or less.

But here is a challenge.

This index is compiled and published by the RBI based on the new series CPI Inflation data issued by the Ministry of Statistics and Programme Implementation (MoSPI) from February 12, 2026. This new 2024 series (2024=100) builds the basket and their weights based on the Household Consumption Expenditure Survey, 2023-24. The new CPI 2024 series adopts the Classification of Individual Consumption According to Purpose (COICOP) 2018, aligned with the approach of the United Nations Statistics Division. However, the data is not published in a form that a user can rebuild it. MoSPI does not explicitly give the fuel and services inflation number, so that calculation of core inflation (headline number minus food and fuel) is fraught with challenges.

EXPENDITURE CLASSIFICATION

In the 2024 CPI series, expenditure is classified in a granular manner and moves from a general item class (Level 1, example: food and non-alcoholic beverages) to the specific items bought in the market (Level 5, example: onions). India's adaptation of it has 12 divisions at the first level, followed by 43 groups, 92 classes, 162 sub-classes and 358 distinct items at the last level of the hierarchy. The objective is to provide a framework of homogeneous categories of goods and services from the point of view of its usage by the households. Its adoption ensures that India's CPI is comparable with CPIs worldwide.

In the new series, the core and the diffusion index alike have some seven months of comparable data behind them. So, when the minutes cite that 69 per cent of the basket is running at 4 per cent inflation or less, the question that remains unanswered is this: Is 69 per cent high or low? The question is in fact unanswerable because there is no threshold number.

Computing core inflation now requires an Expert Group annexure, a State-by-State netting exercise and a set of weights that neither MoSPI nor the RBI has confirmed

The new series has also posed some difficulties in compiling fuel inflation. For example, the fuel inflation data are clubbed under groups and classes. This makes it difficult to segregate core inflation (inflation minus food and fuel) from headline inflation. It is possible to do the segregation, but the process is inexact, tedious, and cumbersome.

In its April 2026 monetary policy report, the RBI has mapped the separation of the fuel inflation components in two different categories (namely, Electricity, Gas & Other Fuels, and Fuel & Lubricants for Personal Transport Equipment).

However, the various weights have not been explicitly disseminated by either the MoSPI or the RBI. Note that the RBI in its monthly bulletin from April has been publishing the core inflation index but the underlying has not been specified. In view of this, there is the need for a user-friendly compilation of fuel inflation component weights drawn from the Expert Group Report on Comprehensive Updation of CPI (MoSPI). The all-India combined weight for 'Electricity, Gas and Other Fuels' is available under the division 'Housing, water, electricity, gas and other fuels'. Further, 'Fuels and Lubricants for Personal Transport Equipment' which comprises diesel, petrol, and natural gas (CNG), is available only in a State-specific format under the "Transport" division. Summed across the States, it yields an all-India weight of 4.85, which with 5.36 for electricity and gas gives a total fuel weight of 10.21 — and, with food removed, a core weight of 53.04.

E-SANKHYIKI PORTAL

Further, the step-by-step process flow for indices data must be a collation from MoSPI's e-Sankhyiki portal for the users of inflation data. 'Fuels and Lubricants for Personal Transport Equipment' is obtained under the Division 'Transportation', Group 'Operation for Personal Transport Equipment' from the Class 'Fuel and Lubricant for Personal Transport Equipment', and Subclass 'Diesel (ND), Petrol (ND), Other fuels for personal transport equipment (ND)'— from the e-Sankhyiki portal.

Done that way, the numbers come out as shown in the Table: core inflation of 3.85 per cent in July and 3.90 per cent in June. That is, give or take a rounding, exactly what the RBI itself cites. The difficulty is not that core inflation cannot be computed from the new series. It is that computing the one number monetary policy visibly turns on now requires an Expert Group annexure, a State-by-State netting exercise and a set of weights that neither MoSPI nor the RBI has confirmed (*see table*). The remedy is not complicated. MoSPI should publish class and sub-class weights with each monthly release, rather than leaving them in the annexures of a one-off Expert Group report, and should put out a documented all-India core index alongside the headline. The RBI, for its part, should document what it already publishes: if the diffusion index is good enough to justify a rate decision, its construction is good enough to describe; if core excluding precious metals is critical, the exclusion should be specified and the series released.

Deriving core inflation under CPI 2024=100

Division/Group/Class	Weight in CPI (2024=100)	Index (July 2026)	Index (June 2026)	Index (July 2025)	Index (June 2025)
Food and non-alcoholic beverages	36.75	109.1	106.98	103.67	101.83
Electricity, Gas, and Other fuels	5.36	103.61	103.32	101.56	101.55
Fuels and Lubricants for Personal Transport Equipment	4.85	107.43	107.43	99.89	99.88
Core (derived)	53.04	107.62	107.35	103.63	103.32
Core inflation, y-o-y (%)	–	3.85	3.89	–	–

Source: e-Sankhyiki Portal, MoSPI; Expert Group Report on Comprehensive Updation of CPI; author's computation

The writer is a former central banker and a Professor at the Gokhale Institute of Politics and Economics, Pune. Views are personal. (Through The Billion Press)

Airbus looking at more asset acquisitions

Kiel Porter
Leen Al-Rashdan

Airbus SE might resort to taking direct control of some suppliers to get a tighter grip on parts, after years of bottlenecks in subcontractor industry led to delays and missed delivery targets. Pointing to the partial takeover of Spirit AeroSystem Inc. as part of Boeing Co.'s purchase of the key supplier, such a move "can be the solution from time to time," Robin Hayes, the chief executive officer of Airbus North America, said.

"You just can't take your eye off the ball," Hayes said in a phone interview on Wednesday. "We remain very focused and issues do pop up from time to time, and when they do, we make sure that we try to resolve them quickly."

Supply-chain constraints have remained a persistent roadblock in aircraft manufacturing for several years now, though Hayes said the issue has become more focused recently on some key parts, such as engines or cabin interiors. Airbus has long maintained a so-called watch tower system put in place to maintain better visibility of its suppliers and solve problems quickly.

FOCUS. Strengthening the supply chain

Airbus has also faced several quality issues over the past months on parts made at factories in Spain, forcing the company to revise its delivery goals and leading to a slowdown in handovers of its A330neo model.

Last year, Boeing completed its acquisition of struggling supplier Spirit AeroSystems Holdings Inc. to take back a key part of its supply chain. Spirit makes parts including fuselages for the Boeing 737, and quality lapses had come into focus following a near-catastrophic incident in early 2024 that involved a door plug on a factory-new plane ejecting mid-flight. As part of Boeing's Spirit transaction, Airbus acquired a handful of Spirit assets, including a Belfast facility that makes wings for its A220 jets, a site in North Carolina that builds A350 fuselage sections, and another in Casablanca, Morocco, for A321 and A220 components.

Other manufacturers have also tightened their grip on key components. Just this week, GE Aerospace agreed to buy castings manufacturer Consolidated Precision Products for $11.75 billion, a deal that will significantly expand the jet-engine manufacturer's capacity for the critical components. BLOOMBERG

On businessline.in

GDP: Growth deduction problem

The change in GDP methodology has thrown up some interesting outcomes. For one, the argument that manufacturing GVA growth has been artificially increased doesn't hold, **Gaura Sengupta** points out

https://tinyurl.com/4awd98sk

Are China's rare earths really a potent weapon?

The available evidence indicates that Chinese rare-earth export restrictions would cost the West far less than often feared, says **Daniel Gros**

https://tinyurl.com/mrryubyu

thehindu businessline.

TWENTY YEARS AGO TODAY.

September 11, 2006

Govt overrules ICAR objections on wheat import norms

New facts are emerging on the Centre's decision to ease quarantine norms to facilitate large-scale wheat imports. The Indian Council of Agricultural Research (ICAR), it is learnt, had expressly opposed the move to allow the presence of two fungal pathogens in the imported wheat consignments. But these views were disregarded and the Government went ahead with the relaxation in quarantine norms.

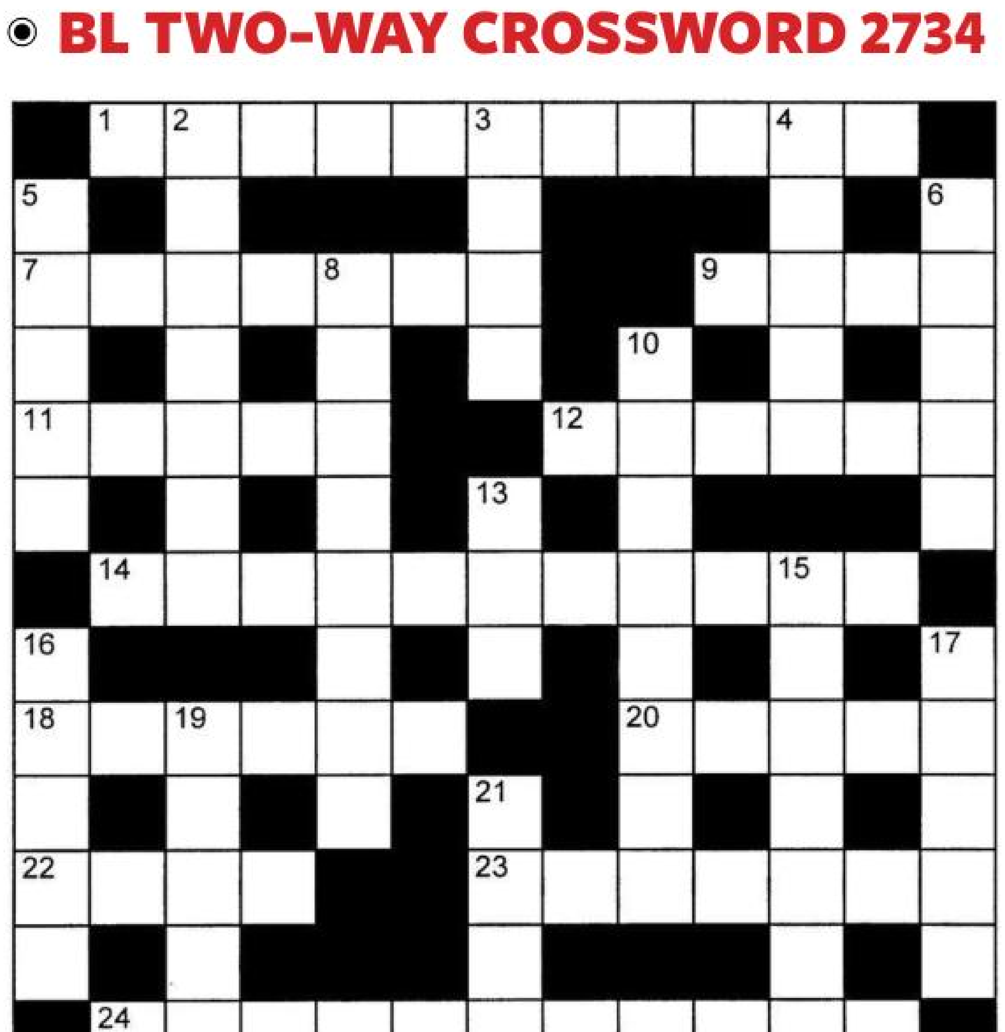
ADB keen to fund ultra mega power projects

Asian Development Bank (ADB) has evinced interest in providing assistance for the Government's ultra mega power projects being developed through competitive tariff-based bidding. The Centre is also in talks with other multilateral agencies, including the World Bank's private sector lending arm — IFC — for possible financing for each of the seven 4000 MW projects.

Chennai, Kolkata airports upgrade on the fast track

The process for modernising the Chennai and Kolkata airports is being put on the fast track with the Centre planning to complete consultations with the Tamil Nadu and West Bengal governments to finalise the route to be adopted.

BL TWO-WAY CROSSWORD 2734



EASY

ACROSS

1. Not distinctive (11)
7. Moreover (7)
9. Ferocious, forbidding (4)
11. Be the motivation (5)
12. One skilled in art or science (6)
14. Melodramatic, lurid (11)
18. Place of shelter (6)
20. Go in (5)
22. Fruit skin (4)
23. An atrocious act (7)
24. One whipping up crowd enthusiasm (5-6)

DOWN

2. Out-of-the-way, hidden (7)
3. Type of sliding window (4)
4. Remove impurities (5)
5. (Sails) pressed backwards against mast (5)
6. To beat, strike (5)
8. Training of horses in deportment (8)
10. Interpreter of an art by performance (8)
13. Member of N American Indian tribe (3)
15. Put into, or incite to, action (7)
16. Crinkly fabric (5)
17. Bay, inlet (5)
19. Not stale (5)
21. Fleece coat (4)

NOT SO EASY

ACROSS

1. End trip NCOs organised as it's featureless (11)
7. In addition, one sees bid is wrong (7)
9. Forbidding sound made by a fairytale brother (4)
11. Bring about what may be a legal action (5)
12. When about ten, Peter could have been a dab hand at it (6)
14. A really excellent seat in salon can be arranged (11)
18. For fee, rug may be provided by shelter (6)
20. Come on-stage to put it in the book (5)
22. The skin of a wooden shovel (4)
23. To argue about what causes great indignation (7)
24. A wearer of a ra-ra skirt and red lace here perhaps (5-6)

DOWN

2. To hide the last of the lamb in a made-up course (7)
3. At Spithead, has been replaced by the band (4)
4. For instance, right up and over the clear-out (5)
5. Is so taken by surprise seeing a player in defence (5)
6. Is met with trouble that will hit one hard (5)
8. An equestrian discipline it took the Reds ages to work out (8)
10. Interpreter of art may come next, open to review (8)
13. Starts up the engine of an Australian pick-up truck (3)
15. Cut a tea out in order to put it into operation (7)
16. A pancake that's tossed up in a deeper container (5)
17. An inlet that will smell of carbon initially (5)
19. Her science fiction may have a cheeky sort of setting (5)
21. Pull it over one's eyes to bluff (4)

SOLUTION: BL TWO-WAY CROSSWORD 2733

ACROSS 1. Reprove 5. Beret 8. Neglect 9. Token 10. Whitewash 12. Due 13. Piper 17. Tub 19. Deciduous 21. Curve 22. Airline 24. Sweet 25. Manners

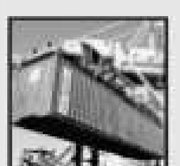
DOWN 1. Renown 2. Pegging 3. Owe 4. Extra 5. Butchered 6. Raked 7. Tinker 11. Expedient 14. Promise 15. Stocks 16. Assess 18. Barge 20. Charm 23. Run

Economy

FRIDAY, SEPTEMBER 11, 2026

IN THE NEWS

INDIA AND RUSSIA STRENGTHENING LOCAL CURRENCY PAYMENT SYSTEMS



INDIA AND RUSSIA continue to strengthen mechanisms to strengthen trade in local currencies as payment friction more often than tariffs slow down trade on the ground, Commerce and Industry Minister Piyush Goyal said on Thursday. According to reports quoting Russian banking sources, 96% of India-Russia trade is now happening in national currencies. Addressing the INNOPROM India 2026 Co-Chair Plenary Session with Russian Minister of Industry and Trade Anton Alikhanov in New Delhi, Goyal said both sides are also investing in the physical backbone of the trade relationship — the International North-South Transport Corridor (INSTC) and the Chennai-Vladivostok Maritime Corridor.

India supports a safe, sustainable space domain: PM

PRIME MINISTER NARENDRA Modi on Thursday said India supports a safe, secure, and sustainable space domain anchored in international law, underlining that scientific data must serve the common good with openness and integrity. Virtually addressing the first International Space Summit, Modi also said that ISRO's technologies and partnerships serve not only India, but the wider world.

Large variations in output and female workforce: Survey

THE FIRST-EVER DISTRICT-LEVEL estimates of the unincorporated non-agricultural sector reveal a sharp concentration of economic activity across districts, with the top 50 districts driving nearly one-third of the sector's activity, the Ministry of Statistics and Programme Implementation said on Thursday.

CCI seeks views on PVR INOX's plan to scrap VPF

THE COMPETITION COMMISSION of India has invited public comments on a commitment proposal submitted by PVR INOX to discontinue levying Virtual Print Fee (VPF) on film producers.

FE BUREAU & AGENCIES

IBBI LISTS SIX INDICATORS FOR CLOSER SCRUTINY BY IPs

Insolvency regulator seeks greater vigil against fraud

MANU KAUSHIK
New Delhi, September 10

TIGHTER CHECKS

- Circular says suspect cases shall be be reported to NCLT
- Guidelines aim to curb misuse of IBC through proxy or connected entities
- Regulator cites cases where IBC was allegedly used to reduce tax liabilities
- Three of nine earlier red flags were dropped; language on IPs' statutory duties was softened

- Indicators are illustrative, not exhaustive, and aren't conclusive proof of misuse, says the circular
- The single-creditor provision may draw scrutiny, particularly where a creditor takes over debt shortly before CIRP

THE INSOLVENCY REGULATOR has directed insolvency professionals (IPs) to scrutinise corporate insolvency resolution processes (CIRPs) for possible misuse of the framework and approach the adjudicating authority—the NCLT—when there are reasonable grounds to suspect fraudulent or malicious intent.

In a circular, the Insolvency and Bankruptcy Board of India (IBBI) flagged six indicators that should trigger closer scrutiny by IPs. The purpose of the guidelines is to prevent misuse of insolvency and bankruptcy code (IBC) through proxy or connected entities to gain control of the insolvency process without a genuine objective of resolving the distressed company. The regulator said it had received information from law-enforcement and regulatory agencies about cases where the IBC was allegedly being misused to mitigate tax liabilities, regulatory scrutiny, investigations and penalties, and to monetise or ring-fence assets.

Although the latest circular narrowed the safeguards proposed in IBBI's August discussion paper on the same issue. The regulator dropped three of the nine red flags listed earlier while also softened the language around IPs' statutory duties under Section 65 of the Insolvency and Bankruptcy Code (IBC). While dropping some indicators, the latest circular asks IPs to remain vigilant and examine circumstances that may indicate misuse. To be fair, the circular also said that the indicators are illustrative and not exhaustive, and that none of them should be treated as conclusive evidence of misuse.

Nirali Mehta, partner at Mindspright Legal, said the circular comes as a caution to IPs and acknowledges that the CIRP framework may be misused for purposes unrelated to insolvency resolution or liquidation. "The circular illustratively mentions six indicators as triggering events for heightened diligence by the IPs. While the role of the IP is to examine the affairs upon being triggered by the events and to apply to the adjudicating authority for appropriate directions, the circular grants them the authority to appropriately address the instances of misuse," Mehta said.

The six indicators include single-creditor CIRPs or creditors taking over debt shortly before initiation and then gaining committee of creditors (CoC) control, clusters of connected companies entering CIRP together, limited competition or common potential bidders, recoveries far higher than admitted claims without proper valuation, links to fraud-related regulatory or enforcement cases, and unexplained related-party loans or investments. The single-creditor provision is likely to draw attention as the circular specifically flags cases where a creditor takes over debt shortly before CIRP and then dominates the CoC.

Suman Kumar Jha, founder of Corp Legex, said a single-creditor CoC could arise legitimately, particularly where a company has only one major lender, but such cases now warrant closer scrutiny when accompanied by other unusual circumstances.

Sugar mills told to furnish monthly output, sale data

SANDIP DAS
New Delhi, September 10

SUPPLY DYNAMICS

- Food ministry to monitor monthly sugar production and sales data more closely

- Applications received for 0.8 mn tonne of duty-free sugar imports against the 1 mn tonne quota
- Retail sugar averages ₹60.2/kg, up 39% year-on-year and 19% from a month earlier

THE GOVERNMENT HAS urged sugar mills to ensure adequate supplies during the coming festive season so that prices remain stable, a food ministry official said on Thursday.

"We have asked mills to provide accurate monthly production and sugar sale data, and it is the collective responsibility of the entire sector to ensure that prices remain stable. There is no justification for any price rise during festivals," Ashwini Srivastava, a joint secretary, Department of Food and Public Distribution, said at the India Sugar & Bio-Energy Conference.

The ministry will track sugar production on a monthly basis, he said. Srivastava said the food ministry has received applications to import 0.8 million tonne (MT) of sugar under a duty-free quota of 1 MT so far. India, usually a sugar exporter, will be importing the sweetener from Brazil after nearly a decade.

Sugar prices rose to a record high last month on concerns over supplies, prompting the government to allow duty-free imports of 1 MT of sweetener.

Srivastava said sugar prices surged not because of a spurt in demand but because of hoarding in anticipation of further price increases during the festival season. The average retail price of sugar stood at ₹60.2/kg on Thursday, up 39% year-on-year and 19% month-on-month, according to the Department of Consumer Affairs's price monitoring cell. However, across urban centres, retail prices have crossed ₹65/kg.

The government attributed the sharp spike in sugar prices to factors including a fall in domestic production due to weather-related damages, a demand spike ahead of the festive season, high global prices and hoarding by some producers.

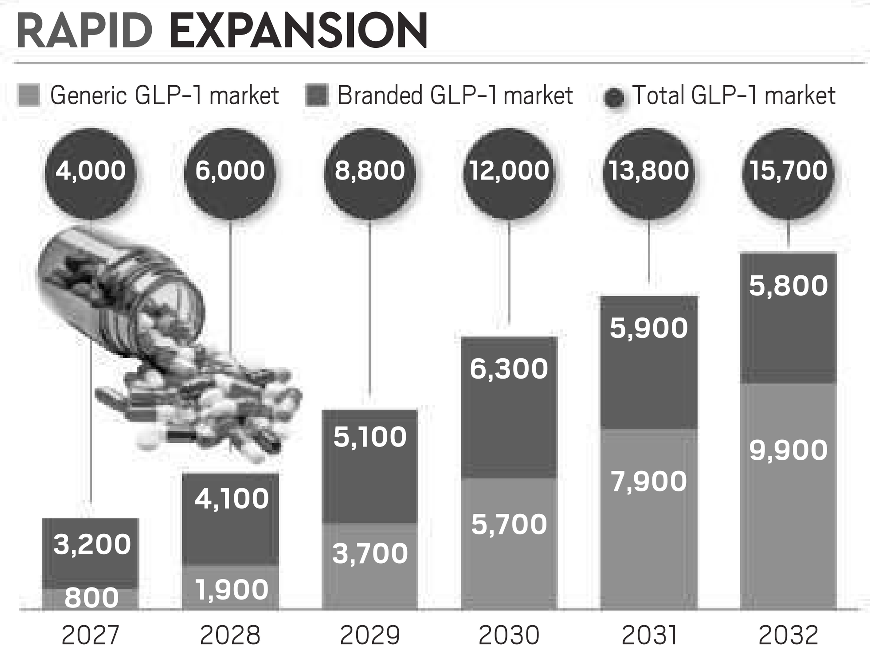
The sugar industry stated that the recent price spike resulted from speculative buying by traders and bulk consumers, as well as lower-than-estimated production.

Sugar prices rose by 16% to ₹ 55.70/kg on August 20, from ₹ 48.18/kg just a month prior, which, according to a government note reflected short-term supply and market factors rather than a shift in the underlying price trend.

GLP-1 mkt to grow fourfold to ₹15,000 crore by FY32

MANU KAUSHIK
New Delhi, September 10

RAPID EXPANSION



THE DOMESTIC GLP-1 market for obesity and diabetes drugs is projected to grow nearly fourfold to ₹15,700 crore by FY32 from an estimated ₹4,000 crore in FY27, with generic medicines expected to account for the lion's share of the future growth, Kotak Institutional Equities said in a report. At a compounded annual growth rate (CAGR) of 65.5%, the generic segment is projected to grow from ₹ 800 crore in FY27 to ₹9,900 crore by FY32. In comparison, the branded segment is projected to grow from ₹3,200 crore to ₹5,800 crore, or about 1.8 times, implying a CAGR of around 12.6%, as per Kotak.

The report said that the GLP-1 market is likely to be concentrated among a relatively small number of companies despite the large number of generic launches over the past five months. The brokerage's Right-To-Win (RTW) framework has identified seven drugmakers—Sun Pharma, Lupin, Torrent Pharma, Eris Lifesciences, Alkem Labs, Zydus and Mankind Pharma—that are best placed to benefit from the future growth. Kotak's assessment looks at how well companies stack up on pricing, their cardio-diabetes franchise, manufacturing strength, product formats, devices and sales strategy.

Currently, GLP-1 is a crowded space. Following semaglutide's patent expiry in March, 33 branded generic products are being marketed by 16 companies. Despite this broad participation, the brokerage expects the leading players to account for about 83% of the generic market by FY29, indicating that a relatively small group is likely to capture most of the market. However, Kotak does not expect one company to dominate the opportunity.

"Despite the large market size, we do not expect any single generics formulation company to benefit disproportionately from the India GLP-1 opportunity," it said. According to the report, the number of patients using GLP-1 therapies in the domestic market will rise sharply—from about 275,000 currently to 6.6 million by FY32.

Out of the current patient base, around 100,000 are estimated to be on Mounjaro and 175,000 on semaglutide.

Centre pushes offshore oil, gas bid cutoff to Nov 15

SAURAV ANAND
New Delhi, september 10

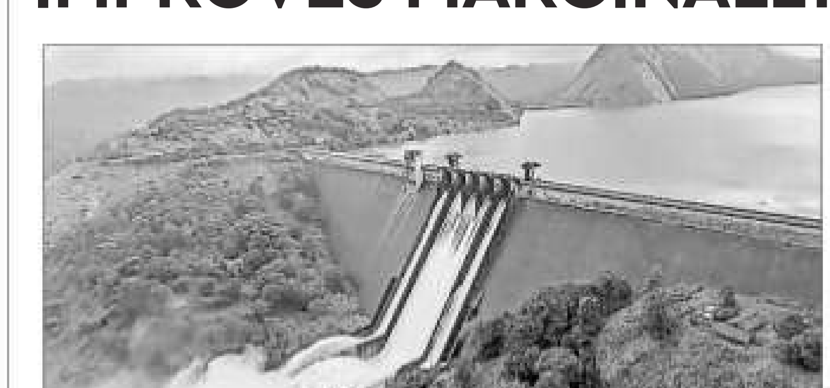
THE GOVERNMENT HAS again extended the deadline for bids for deepwater and ultra-deepwater oil and gas blocks under OALP-X and OALP-XI to November 15, 2026, giving explorers two additional months as implementation rules for the recently approved ₹84,084-crore Samudra Manthan offshore exploration scheme remain awaited.

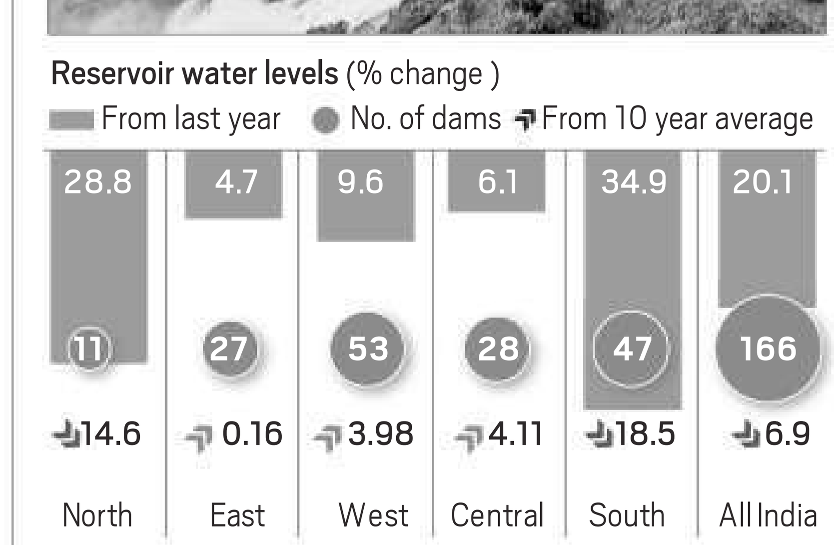
The latest extension is another postponement for the offshore acreage after the Directorate General of Hydrocarbons (DGH) had earlier moved the closing date to September 17.

DGH did not specify a reason for the extension.

"The latest extension is likely tied to the yet-to-be-framed implementation rules for the ₹84,084-crore Samudra Manthan National Offshore Exploration Scheme, which targets more than 600 million tonne of oil-equivalent additional reserves from India's offshore acreage," said an expert.

RESERVOIR STORAGE IMPROVES MARGINALLY





Source: CWC, as on Sept 10, 2026

RESERVOIR STORAGE ACROSS the country rose marginally to 70.66% of capacity on Thursday from the previous week, even as the withdrawal of the monsoon draws closer. However, water levels in the 166 major reservoirs monitored by the Central Water Commission remained 20% below the year-ago level and 6.93% below the 10-year average, reports **Sandip Das**. Only 38 reservoirs, or about 23% of the total, had more water than they did at the same time last year. The situation was particularly weak in southern India, where storage in 47 major reservoirs stood at 54% of their combined capacity. This was more than 34% below last year's level and over 18% below the 10-year average. In northern India, storage in 11 major reservoirs was 28% below the year-ago level and 14% below the 10-year average.

Govt to hold more talks on seed Bills, says agri minister

SANDIP DAS
New Delhi, September 10

THE GOVERNMENT WILL hold more discussions with farmers' organisations and other stakeholders on seed and pesticide Bills, before they are tabled in Parliament, Agriculture Minister Shivraj Singh Chouhan said on Thursday.

Chouhan conducted consultations with 20 farmers' organisations to obtain inputs for the proposed legislation.

"There is a need for new seed and pesticide Acts, as many changes have taken place since that legislation was adopted in 1966," Chouhan said. He said initially the seed bill will be presented in Parliament. The draft Seed Bill, 2025 was put up for public consultation until December 11, 2025 and the ministry received 18,000 submissions from various stakeholders.

Under existing provisions, certification of seeds is not mandatory while private players are currently selling seed as 'truthfully labeled'. These seeds do not fall under the purview of the seed certification department. The objective of the legislation was to ensure traceability through registration of seed companies and regulating prices. The proposed legislation unveiled in November, last year was aimed at incentivising investment in R&D by 'genuine' players.

Tariffs may raise US drug prices; manufacturing shift not easy: Lupin global CFO

MANU KAUSHIK
New Delhi, September 10

TARIFF IMPACT

- Proposed US tariffs of **100%-200%** on generic drugs risk raising medicine costs or triggering shortages if manufacturers can't absorb the a dded burden

- Drugmakers may initially pass higher tariffs to consumers, but intense competition in commoditised generics limits pricing power

- Shifting generic-drug production to the US requires firm pledge on volumes & prices, alongside potential government support

- Lupin has limited exposure to the latest US Section 232 tariffs, with most drugs sold in the US manufactured locally and little reliance on branded products
- The company sees a long-term opportunity in GLP-1 drugs despite signs of softer demand following semaglutide's patent expiry

THE PROPOSED 100-200% US tariffs on generic drugs could push up medicine prices for US patients or lead to shortages if drugmakers cannot absorb the higher costs, Lupin Executive Director, Global CFO & Head of API Plus SBU Ramesh Swaminathan said. He said shifting production to the US would not be easy without firm commitments on volumes and prices, along with possible government support.

"The day President Trump actually comes out with tariffs on generics in US, the cost of medicine will go up," Swaminathan said.

Drugmakers would initially seek to pass on the additional costs, but intense competition in commoditised generics could limit their ability to do so. In such a situation, some manufacturers could be forced to stop production, potentially leading to shortages. "So either way, I think the consumer will be hurt," he said.

In August, US president Donald Trump announced a phased tariff plan on generic drugs, with imports facing no tariff for two years from August 1, 2026. The duty will rise to 100% in August 2028 and 200% in August 2029, as the administration seeks to push drugmakers to shift production to the US.

Swaminathan also questioned whether shifting generic drug production to the US would be commercially viable. Companies would need clear commitments on volumes and prices along with potentially government subsidies before investing in local capacity. "Unless there are guarantees in place, nobody will actually do this," he said.

Lupin is not currently affected by the latest Section 232 tariffs—up to 100% on imported patented pharma and active pharmaceutical ingredients (APIs)—since its products sold in the US are manufactured locally, Swaminathan said. The company also has limited exposure to branded drugs in the US.

However, the company would continue to invest in both Somerset and Coral Springs manufacturing units to manufacture products that are feasible from an economic point of view.

Separately, Lupin sees significant long-term potential in the GLP-1 segment despite signs that demand has plateaued following semaglutide's patent expiry. The company's strong presence in diabetes and cardiovascular therapies makes the category a key focus.

"If somebody can succeed in this molecule, it is going to be us," Swaminathan said. Lupin has partnered with Zydus Lifesciences to market generic semaglutide in the domestic market and is also bringing Bofanglutide, a fortnightly GLP-1 injection, through a partnership with a Chinese company.

Swaminathan said the long-term opportunity remains substantial because of the high diabetes burden and the links between diabetes, obesity, cardiovascular disease and kidney disease.

The company is simultaneously seeking to move up the value chain through complex generics, specialty medicines and biosimilars.

"Our focus area is really more complex stuff, a bit of biosimilars, and then looking at specialty the way we are doing," Swaminathan said.

However, moving up the value chain will require the broader industry to overcome its cost and scale disadvantage against China, particularly in APIs. Domestic manufacturers face higher logistics and energy costs, with logistics costs at least 14-15% higher than in other markets and electricity more expensive than in China.

The global China-plus-one strategy could offer an opportunity, but the industry needs to move quickly to capitalise on it.

"China has already moved beyond APIs and generics into innovative drugs and biotechnology. Around 50% of Investigational New Drug (IND) filings are coming from China," Swaminathan said, adding that for the domestic industry, the transition into biologics, biosimilars, antibody-drug conjugates, gene therapy and CAR-T remains a "long way" off.

"India is nowhere in the picture. Our continued focus on re-engineering existing small-molecule drugs will not move the needle and will leave companies with wafer-thin margins," he said.

Opinion

FRIDAY, SEPTEMBER 11, 2026

FINANCIAL TRUST
RBI Governor Sanjay Malhotra

A financial system that moves at the speed of light but isn't trusted by people won't find many takers. Trust creates the adoption and endurance

Powering AI

An AI infrastructure policy is necessary to anticipate requirements before they become a bottleneck

ARTIFICIAL INTELLIGENCE (AI) is being viewed primarily as a computing and software challenge. That is understandable, given the race for models, graphics processing units (GPUs), talent, and applications. But the next constraint on AI may be much less virtual: electricity, transmission, cooling, water, and connectivity. That makes the case for an infrastructure policy for AI, much like power became a matter of long-term planning when industrialisation made reliable electricity indispensable. The scale of the coming requirement is already visible. Data-centre capacity has risen from 375 megawatts (Mw) in 2020 to about 1,575 Mw now. The Central Electricity Authority estimates that demand for power from data centres could reach 17 gigawatts (Gw) by 2031-32. The number may be small relative to the country's total installed generation capacity, but that misses the point: AI loads are large, concentrated, and increasingly continuous. A few large campuses can throw up significant local requirements for generation, transmission, and cooling.

To be sure, some thought has gone into planning for power requirement. Installed generation capacity is around 524 Gw, and the national transmission system is being expanded alongside renewable capacity. AI and large data-centre demand has been factored into the estimates. The question, therefore, is not whether another layer of government planning is needed. It is whether the existing pieces are being brought together quickly enough. An AI infrastructure policy could identify locations where large compute clusters are likely to emerge and align transmission, generation, fibre connectivity, and industrial infrastructure accordingly. That would be preferable to a model in which data centre operators choose locations independently and the supporting infrastructure catches up later.

The physical footprint of AI goes beyond electricity. High-density computing produces substantially more heat than conventional workloads, making cooling a critical consideration. The industry is already moving towards direct-to-chip liquid cooling, immersion cooling, and closed-loop systems to reduce water use. Standards for power usage effectiveness, carbon usage, cooling efficiency, and water usage are already being developed. These efforts are welcome, but standards alone will not resolve the question of where the next generation of data centres should be located. Water availability, grid capacity, renewable power access, and transmission costs should become part of that decision. Nor should the policy be confined to today's data centres. The IndiaAI Mission has already onboarded more than 38,000 GPUs through 14 providers, offering subsidised compute to startups, researchers, and others. As compute becomes cheaper and more widely available, demand for the physical infrastructure underneath it will only broaden.

The case for an AI infrastructure policy, then, is not an argument for subsidies or about the state picking winners among data centre operators. It is about anticipating infrastructure requirements before they become a bottleneck. Such a framework could integrate AI policy with power, transmission, renewable energy, telecom, and water policy; set predictable standards for energy and water efficiency; encourage round-the-clock clean power and storage; and provide greater clarity on where large-scale compute can be built without creating new infrastructure stress. The recent move to strengthen the nuclear framework and explore the use of small modular and micro reactors for emerging sectors such as AI and data centres shows how closely the energy and AI questions are beginning to intersect. The larger lesson is simple. AI may be a digital technology, but its economic potential will increasingly depend on physical infrastructure. The race for compute should, therefore, not be allowed to run ahead of the infrastructure needed to power, cool, and connect it.

● REALTY INFRA

SEBI SIGNALS SHIFT FROM REGULATORY EXPANSION TO BEING MORE RESPONSIVE TO HOW THE TRUSTS OPERATE

Building India's REITs

SANDEEP PAREKH
Managing Partner, Finsec Law Advisors

INDIA HAS ISSUED almost no equity depository receipts (DRs) since 2014. Sebi now proposes to extend the instrument to its real estate and infrastructure trusts. Within two days in August, it issued two consultation papers on real estate investment trusts (REITs) and infrastructure investment trusts (InvITs). The first, dated August 4, proposes a framework for issuing DRs against units of REITs and publicly listed InvITs (CP-1). The second, dated August 6, proposes five ease of doing business measures for the same instruments (CP-2).

Both consultation papers draw on recommendations of Sebi's Hybrid Securities Advisory Committee, and CP-2 additionally responds to representations from the Indian REITs Association and the Bharat InvITs Association. Both leave the central questions half-answered.

CP-1 addresses an enabling gap rather than a fresh policy choice. Units of REITs and InvITs already qualify as "permissible securities" under the Depository Receipts Scheme, 2014. The Foreign Exchange Management (Non-debt Instruments) Rules, 2019, permit persons resident outside India to invest directly in these trusts as investment vehicles. DRs against such units have, in principle, been permissible. What was missing was an enabling provision under the Sebi regulations and an operational framework.

CP-1 seeks to fill that gap in the REIT and InvIT regulations, without expanding the foreign investment permissions under the Foreign Exchange Management Act, 1999. Privately listed InvITs are excluded because a DR, once listed overseas, trades freely and cannot carry forward the lot-size restriction applicable to privately listed InvITs, which limits their units to institutional investors and body corporates.

Annexure A of CP-1 raises calibration concerns. Most arise from transplanting the equity DR framework onto instruments that behave differently.

First, CP-1 proposes a uniform 75% approval threshold for every fresh DR issue beyond the initial listing. That is disproportionate. A DR issue does not by itself change control, and its dilutive effect depends on the size and terms of the issue. The approval requirement could instead be calibrated based on the size or nature of the issue, with a higher threshold reserved for issues involving material dilution or control implications.

Second, the framework places responsibility on DR holders to monitor the 25% acquisition threshold, a breach of which triggers a unitholder approval requirement and, failing approval, an exit offer to dissenting unitholders. This may be difficult to achieve through global clearing systems. A corresponding obligation on the foreign depository or domestic custodian may be more effective. The more fundamental question, however, is commercial rather than regulatory: What problem will DRs solve?

> The effectiveness will depend on whether the final framework offers sufficient flexibility without weakening investor protection

India's capital markets are already among the largest and most actively traded in the world. Foreign investors, including sovereign wealth funds and global asset managers, hold significant stakes in listed REITs and InvITs through the foreign portfolio investment route. CP-1 does not identify any restriction that impedes overseas investors from participating directly.

Further, India's experience with equity DRs, negligible since 2014, suggests their declining relevance owes as much to market preference as to regulatory constraint. Whether REIT and InvIT DRs fare any better is an open question.

If DRs are to be enabled, the reach should be wider. CP-1 excludes privately listed InvITs because a DR, once listed overseas, cannot carry their lot-size restriction. That does not require exclusion. Eligibility can be controlled at the point of issue, by confining subscription to qualified institutional buyers and their overseas equivalents, and by requiring the foreign depository to police holder eligibility under the deposit agreement. Privately listed InvITs hold much of India's operating infrastructure. Denying them the one new access route on offer narrows the market Sebi says it wants to build.

CP-2 approaches the market from a different direction. Its five proposals seek to address operational frictions identified by industry participants. The proposal to allow non-controlling minority investment in third-party projects under construction addresses a real gap, since REITs and InvITs can't deploy capital during a project's development phase without assuming controlling interest.

The requirement for a binding agreement to transition to the prescribed level of ownership and control may limit the flexibility the proposal intends, particularly where other shareholders will not commit upfront. Sebi may thus consider a framework that permits REITs and InvITs to remain minority investors in such projects, rather than requiring every such investment to ultimately result in control over the investee entity.

Oversight can instead come from governance and contractual mechanisms — veto rights over specified matters, prescribed voting thresholds, and information and reporting covenants. These would serve as alternatives to the mandatory glide path.

The proposed shift in the unitholder approval threshold from "value" to "votes cast" is also useful, but participation and voting weight need careful consideration. In pooled investment vehicles, voting is generally linked to economic interest, so a unitholder with a larger economic stake should continue to have greater voting power. A votes cast formulation should therefore preserve this principle and should be accompanied by a minimum participation requirement.

Narrowing "dissenting unitholders" to those who voted against a resolution, rather than all who simply didn't vote in favour, corrects a definitional overreach that conflated apathy with active opposition. Removing the proportionate-acceptance cap on exit offers, subject to a one-year window to cure any resulting breach of minimum public unitholding, matches the cure period under the Sebi (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Sebi itself draws the comparison.

Taken together, the two consultation papers reflect a shift from simply expanding the regulatory framework to making it more responsive to how REITs and InvITs operate, with InvITs having been part of the Indian listed market since 2017 and REITs since 2019. The proposed reforms could support the next phase of growth by widening avenues for foreign capital, enabling REITs and InvITs to participate in projects at an earlier stage, and improving flexibility in governance and sponsor exits. Their effectiveness, however, will depend on whether the final framework provides sufficient flexibility without weakening investor protection. The larger opportunity is therefore not merely to simplify rules, but to build a regulatory framework that allows REITs and InvITs to access capital more efficiently, invest across the project lifecycle, and scale as a mainstream asset class in India.

Views are personal

*Co-authored with **Aniket Charan** and **Purva Mandale**, respectively Senior Associate and Associate, Finsec Law Advisors*

Electricity, not oil, should define growth

SUMANT SINHA
Founder, Chairman, and CEO, ReNew

India should aim to be a consumer as well as a producer electrostate, with electricity as the organising principle of economic development

MANY COMMENTATORS HAVE recently spoken about the idea of an "electrostate". Some see it as a country powered by renewable energy. Others view it as a manufacturing hub for batteries, solar panels, and green hydrogen. My definition is broader.

An electrostate is an economy that organises its growth model around electricity. As India pursues the vision of *Viksit Bharat* by 2047, we need a model capable of delivering several objectives at once: faster growth, manufacturing competitiveness, technological leadership, energy security, exports, jobs, and strategic autonomy.

Electricity sits at the intersection of all these goals. The next growth cycle will be far more electricity-intensive than the last. AI, data centres, electric mobility, advanced manufacturing, semiconductors, and digital infrastructure run on electricity. India must not merely consume these technologies. It should build an economy around them, and use low-cost electrification to restore cost leadership in steel, cement, aluminium, chemicals, textiles, and automotives, our foundational industries.

This is not about clean energy alone, though it will naturally lead as it is the cheapest source of new power. The real idea is to make electricity the organising principle of economic development.

As a consumer electrostate, we would progressively replace imported oil and gas with electricity across transport, industry, buildings and digital infrastructure. Electricity accounts for only around 21% of our final energy consumption. An electrostate vision will aim to raise it to 60% by 2047.

As a producer electrostate, India would manufacture and export solar modules, batteries, power electronics, electrolysers, transmission equipment, and green hydrogen. Add to this the export of green compute, as India becomes a preferred home for data centres powering global AI. There is a \$40-50 billion export opportunity.

China is the only country that is a consumer as well as producer electrostate. That is the model India should replicate. It's tempting to think electricity could do for India what oil did for West Asia. The analogy is useful, but incomplete.

Oil transformed countries like Saudi Arabia and the UAE because it became the foundation of national development. Cheap domestic energy enabled energy-intensive industries such as aluminium and steel, financed infrastructure, powered exports, and built geopolitical influence.

Oil enriched one sector and financed an economy. Electricity can improve the productivity and efficiency in large parts of the economy, because it enables more efficient, precise, automated, and scalable production systems. For a country of India's scale, that distinction matters. A successful growth model cannot rest on one sector. It must create jobs, attract investment, support exports, and strengthen resilience.

Making the electrostate idea real will require action on three fronts.

A stronger electricity push: By 2047, India could need roughly five times today's generation and eight times renewable capacity, so we must treble our pace of clean-power deployment. That means scaling solar, wind and storage faster, building transmission ahead of demand, and adding nuclear and other firm power.

Reducing delivered cost of electricity to industry and data centres: It may be the single most important competitiveness challenge facing India, and the key driver that will push industries needing heat to shift from coal and oil to electricity.

> Helping Indian electro-tech firms win global markets will be as critical as helping them manufacture in the first place

India produces some of the cheapest renewable electricity. Yet industrial consumers rarely benefit fully, since generation is only part of the bill. Between 30% and 45% of industrial electricity costs come from transmission charges, losses, duties, and cross-subsidies rather than generation itself. This higher cost flows into everything else, from food to manufactured goods, eroding productivity and investment attractiveness.

China and Vietnam have engineered their systems to strip out many of these costs for industry. In sectors such as aluminium, polysilicon, chlor-alkali chemicals, electric-arc-furnace steel, and data centres where power can exceed 50% of production costs, their cheaper delivered electricity gives them a structural edge in attracting investment. India needs no tech breakthrough. We need to reform how we set tariffs, how states earn electricity revenues, how we discipline the completion of transmission lines, and how we solve right-of-way and land bottlenecks.

Resilient grid: It should be able to carry electricity from and to all corners of India, with a capacity to absorb energy from millions of rooftop installations and deliver it to the biggest aluminium smelters. We need to rapidly build a grid that is larger, smarter, more flexible, and in the right geographies.

Smarter combination of industrial and trade policy: We have several schemes. The task now is to link demand tools, cost competitiveness, manufacturing scale, exports, standards, and skills into one framework.

In electric mobility, tighter mandates, wider charging networks, and harmonised standards do more than boost EV adoption; they create predictable demand for batteries and power electronics, encouraging long-term manufacturing investment. Our solar sector shows the same pattern: incentives, demand creation, standards, and trade measures work far better as one system than as scattered schemes.

Finally, India should create Export India, modelled on Invest India, a government-backed platform offering market intelligence, buyer facilitation, standards navigation, and deal support, backed by diplomacy. Helping Indian electro-tech companies win global markets will be as important as helping them manufacture in the first place.

India's opportunity is not to merely to shift to electricity faster. It is to build something more relevant now: a producer and consumer electrostate that combines energy security, industrial competitiveness, exports, and inclusive growth into a single national mission.

SpaceX is a huge threat to earth-bound rivals, too

SPACEX ISN'T JUST about orbital data centres and off-world colonies. Down here on planet Earth, Elon Musk's \$2-trillion satellite goliath has been talking up its ambitions in mobile telecoms, and investors have started to pay attention. Concerns around Musk's competitive threat look more likely to worsen than ease.

Mobile telephony appears hard for satellite technology to disrupt. The signals don't travel well through buildings and they're bad at serving densely populated towns and cities. But Musk isn't someone to shy away from an engineering challenge.

SpaceX's Starlink business already provides satellite broadband to rural areas. It would be unwise to see that as just a source of cash to spend on the parent's sci-fi missions. Starlink may expand as a business in its own right.

Today, the company's mobile-telecoms business is in its infancy. Assets include a small partnership with T-Mobile US and a yet-to-complete \$20-billion deal to buy spectrum from EchoStar. There are plans to launch as many as 15,000 next-generation satellites. As a base case, satellite mobile has a credible role as an add-on service in blind spots or during emergencies when networks fail (such as a natural disaster). If every phone user in the world paid a few dollars a month for that, SpaceX could bring in a lot of revenue without scaring the industry incumbents very much.

But suppose Starlink successfully built a hybrid business combining its satellite assets with some sort of terrestrial infrastructure. That would be a more direct challenge. On the company's maiden financial results call, President and Chief Operating Officer Gwynne Shotwell was explicit about doing just that. One idea is to upgrade broadband customers' Starlink receivers to double as a kind of mobile-phone base station. The key to making that work would be to acquire suitable spectrum and get enough subscribers to house the units, say analysts at UBS Group.

CHRIS HUGHES
Bloomberg

Telco stocks fell in response, though they pepped up after industry bosses talked down the threat. Bond investors remain more nervous. The major telcos' debt has underperformed the investment-grade index this year and that's probably been driven by the Starlink mobile fears, according to CreditSights research.

The industry is not being complacent. European telecoms operators Deutsche Telekom, Orange, Telefonica, and Vodafone Group are in early-stage talks to form a consortium that would develop a European direct-to-mobile satellite service, *Bloomberg News* reported this week.

Is this defensive positioning overdone given that a viable competitor from Musk seems far off? Probably not. SpaceX may eventually be able to offer a "good enough service" at a price that could be disruptive at the lower end of the market even if physics stops it offering the fastest speeds, say analysts at Barclays.

CreditSights analyst Davis Hebert flags a small handful of events that could worsen sentiment. Musk could strike a deal to rent capacity from an existing mobile player — bad news for the other rivals. Or he could try to purchase spectrum in sales and auctions coming next year. Even if he lost out, he would push up costs for everyone else.

Perhaps the bleakest outcome for incumbents would be SpaceX using its stock to make a big telecoms acquisition, although it may be a while before a target company's investors see the satellite firm's shares as a solid currency to accept as payment.

While there's no certainty that any of these scenarios will play out, it's tough coming up with a list of potential positive developments for the mobile industry to balance out the negative case. As Hebert says, the "headline risk" is asymmetric. The credit market is already digesting a deluge of bond issues to fund spending on artificial intelligence, making life harder for other long-term debt sellers like telcos.

What Musk says, regardless of what he does, could easily add more upward pressure to the sector's borrowing costs. The traditional operators need to conjure up their own counternarrative.

LETTERS TO THE EDITOR

BRICS revival bid

Apropos of "Building bloc" (*FE*, September 10), amid the never-ending US-Iran and Russia-Ukraine wars, it is good to note that after a brief lull, BRICS is gaining momentum and the participating countries are reviving the group to addressing challenges confronting the Global South. Its prime task must be to eliminate the perception of being anti-US and re-affirm that the group is for tackling basic issues surrounding the member countries. The thrust on the New Development Bank (NDB) meeting development needs and financing de-carbonisation of key sectors is not a bad idea. With more countries coming into the BRICS fold, raising capital, lending norms, and the medium of currency that the NDB would needs to be determined before venturing out to financing activities in a substantial manner.
—RV Baskaran, Pune

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Editor's TAKE

Remembering 9/11: 25 years, enduring lessons

Twenty-five years after 9/11, the enduring lesson is stark: force can disrupt extremism, but only justice and a more equitable world order can address its deeper roots

It has been twenty-five years since two aircraft struck the World Trade Center, a third hit the Pentagon, and a fourth crashed in a Pennsylvania field after passengers fought back. Nearly 3,000 people died in under two hours. The world that woke up on September 12, 2001, was irreversibly different, and much of what followed - for better and for worse - still shapes how nations approach security today. 9/11 rewrote the global rulebook. NATO invoked its collective-defence clause for the only time in its history. Airports became fortresses, intelligence agencies gained sweeping powers, and two long wars followed in Afghanistan and Iraq. A quarter of a century later, the balance sheet is sobering: military intervention degraded specific networks but also destabilised entire regions, feeding the very extremism it sought to end.

Iraq's collapse birthed ISIS. Afghanistan's twenty-year war ended with the Taliban back in power. The clearest lesson is that force alone cannot defeat an ideology. Surveillance and firepower disrupt plots, but they cannot dry up the wells - poverty, humiliation, unresolved political grievances, and the sense that international law applies selectively - from which extremist recruitment draws. This is not an excuse for terrorism; nothing justifies the deliberate killing of civilians.

But counter-terrorism that ignores root causes only postpones the next attack. Here, the case for a more equitable world order becomes practical, not idealistic. A global system in which powerful states apply human rights and sovereignty selectively, where reconstruction aid arrives only after devastation, and where bodies like the UN Security Council remain frozen since 1945, cannot credibly ask the disenfranchised to trust its rules. Reformed institutions, consistent application of international law, and sustained investment in education and development in fragile regions are not charity - they are counter-terrorism by other means.

India learned its own version of this lesson on 26/11. When ten gunmen from a Pakistan-based terror group struck Mumbai in November 2008, India discovered that its National Security Guard commandos, based near Delhi, took nearly ten hours to reach the crisis.

The response reshaped India's security architecture: NSG hubs came up in Mumbai, Chennai, Kolkata and Hyderabad, and the National Investigation Agency was created. Diplomatically, India has spent nearly two decades pressing the world to treat cross-border terror infrastructure with the same seriousness as the act of terror itself. That campaign has succeeded only partially.

The way forward demands sustained investment in de-radicalisation and development alongside intelligence and defence, and multilateral institutions reformed enough to apply their rules consistently. A world order that is fairer, more consistent and less selective in whose grievances it hears will always be the safer one.

BRICS at a crossroads

From a four-member economic acronym coined in 2001, BRICS has evolved into a powerful Global South platform spanning 11 members and 10 partners. As India hosts its 18th summit amid geopolitical conflict, trade disruptions and US pressure, the bloc faces a defining test: can it turn growing heft into meaningful outcomes?

PARUL CHANDRA

When Goldman Sachs economist Jim O'Neill coined the acronym BRIC in 2001 to group the emerging economies of Brazil, Russia, India and China, he could hardly have envisioned its evolution into a large, influential diplomatic bloc over a quarter of a century later.

Now known as BRICS after South Africa joined it in 2010, the grouping has expanded to include 11 member states and 10 partner countries. Over the years, it has become a vital platform for emerging markets and developing economies seeking a more equitable international order and meaningful reform of global governance institutions.

The bloc's growth underscores its rising heft on the world stage. Several countries, many from the African continent, are now eager to join BRICS, which expanded considerably in 2024 with the inclusion of Egypt, Ethiopia, Iran, Saudi Arabia and the UAE. Indonesia joined a year later alongside ten other nations - Belarus, Bolivia, Kazakhstan, Cuba, Malaysia, Nigeria, Thailand, Uganda, Uzbekistan and Vietnam — which became partner countries. Today, the 11 member states represent nearly half the world's population, 40 per cent of global GDP and 26 per cent of international trade.

As a founding member of the informal grouping, India, as the current Chair, will host the BRICS Summit on September 12-13 in New Delhi. It is for the fourth time that India will be hosting the Summit. For India, its BRICS membership is in consonance with its commitment to multilateralism and its policy of strategic autonomy. It also allows India to highlight the need for global governance reform.

Importantly, the Summit will also offer New Delhi the opportunity to demonstrate its diplomatic clout by convening a meeting of world leaders and for Prime Minister Narendra Modi to have bilateral meetings with them on the sidelines.

The upcoming Summit, the 18th, is particularly significant as it is taking place against the backdrop of severe geopolitical friction, economic uncertainty, and trade and supply chain disruptions. The long-drawn Russia-Ukraine conflict and the US-Israel war with Iran have contributed in no small measure to the economic headwinds buffeting the world. The West Asia conflict, which has led to the blockade of the Strait of Hormuz and enveloped other countries in the region in hostilities, has seriously disrupted global energy supplies.

> BRICS DOES NEED TO DELIVER SUBSTANTIVE OUTCOMES AND PUT ITS MONEY WHERE ITS MOUTH IS. INDEED, EXTERNAL AFFAIRS MINISTER DR S. JAISHANKAR SAID IN MAY THIS YEAR ABOUT BRICS, "OUR RELEVANCE WILL DEPEND ON OUTCOMES, NOT JUST ON INTENT

At the same time, US President Donald Trump has also upended the world order and economic systems. His protectionist trade policies and the unleashing of punitive tariffs on countries, many of which have been important economic partners, have heightened global economic strain.

President Trump's perception of BRICS as an anti-Western coalition has brought threats of 100 per cent tariffs should the bloc attempt to replace the US dollar with a BRICS currency. President Trump's fears may be unfounded, though, as the issue of de-dollarisation has left BRICS divided. India maintains that it is not in favour of a shared currency. Russia, on the other hand, wants de-dollarisation, while China would like broader use of the renminbi.

With the theme, 'Building for Resilience, Innovation, Cooperation and Sustainability' and the motto 'Humanity First', India, as host, aims to steer discussions towards economic, social and institutional resilience "to navigate global uncertainties" and supply chain disruptions.

It also wants multilateral engagement among members to deepen through development finance, trade facilitation and reforms in global institutional governance.

The plethora of issues BRICS members want to work together on, while commendable, also makes cooperation a daunting task. Though bound by three "core pillars" — political and security, economy and finance, and cultural and people-to-people exchanges — it faces structural hurdles. Its consensus-driven model, paired with stark differences in political and economic systems and foreign policy priorities, makes decision-making slow.

Moreover, the rapid expansion of BRICS risks diluting internal cohesion. India, wary of China using expansion to extend its own influence within the bloc, has advocated consolidating existing membership over unchecked growth. It also remains guarded about China's hegemonic moves, given that Beijing has been seeking to extend its sphere of influence in the region and beyond. BRICS presents both an opportunity and a challenge. It is an opportunity in that it offers a platform for member states to cooperate and amplify their voices on the global stage on issues of common concern. It is a challenge because of the wide array of issues it seeks to address and the divergence in the views of its members amid a turbulent world order. However, the fact that this bloc has managed to grow in size and address a diversity of issues indicates its relevance.

However, BRICS does need to deliver substantive outcomes and put its money where its mouth is. Indeed, External Affairs Minister S Jaishankar said in May this year about BRICS, "Our relevance will depend on outcomes, not just on intent."

For instance, the New Development Bank, established in 2015 to mobilise resources for infrastructure projects and sustainable development, has modest capital at its disposal. It needs to mobilise more capital if it is to meet the demands of the new members as well as the Global South. BRICS has been seeking a better deal for the Global South, which is in sync with India's championing of the cause of the Global South.

Ultimately, BRICS' long-term credibility will not be measured by additional member intake or lofty summit declarations, but by its capacity to deliver tangible outcomes. To avoid becoming an oversized talk shop, the bloc will need to bridge deep internal divides — most notably over de-dollarisation and regional rivalries — while adequately capitalising institutions like the New Development Bank.

The writer is a policy analyst who writes on foreign affairs and strategic issues

Daiv Vani

WISDOM FOR A MEANINGFUL LIFE

The Fire That Requires you to Sit Down Patiently

In our current life, we feel that acquiring wisdom is instant and much easier through social media by watching a reel or a video or reading a message that comes on WhatsApp without the need for any discipline in life. The word "Upanishad" itself tells a different story.

The term Upanishad is often translated as "sitting down near," referring to a student sitting close to a teacher, ready to receive knowledge with humility and full attention. But scholars also read a deeper layer within it, "upa-ni-shad," meaning to sit close to the fire, tending it patiently, since fire only reveals its power to those willing to feed it consistently, not those who approach it once and expect illumination.

Wisdom in the Vedic tradition was never treated as information to be consumed quickly. It required years of proximity to a teacher, sustained attention, and patient effort, much like a fire that must be tended, not just lit and left. Even the smallest spark, left unattended, dies out long before it can offer any real warmth or light. We chase quick fixes for slow problems, wanting patience, wisdom, or peace of mind, delivered as instantly as everything else in our lives. Today, choose one meaningful pursuit- work, learning or growth, anything that you do. Stay close to it, understand and commit yourself 100% to it with patience without expecting immediate results.

–DAIV

The questions we should never stop asking

SANJAY CHANDRA

2ND OPINION

All languages are beautiful. There are words in each that draw us towards the beauty hidden within them. For me, some of the most fascinating words are also among the simplest: Why? What? Who? Where? When? How?

They are probably among the words every child discovers intuitively while beginning to explore the world around them. Why is the sky blue? Where does the sun go at night? How does an aeroplane remain in the air? Who decided that this should be called a table? The questions may appear absurd to an adult. To the child, they are perfectly reasonable. The universe is new and deserves an explanation.

Then, somewhere along the way, something changes. A parent, tired after a long day, responds impatiently to the tenth question. "Don't ask so many questions." Nothing may change immediately. But repeat it often enough and the child begins to understand that curiosity can occasionally be inconvenient.

School can reinforce the lesson. There are portions to complete, examinations to prepare for and correct answers to remember. A persistent child may continue asking questions, but gradually many learn that knowing the expected answer is often more rewarding than asking an unexpected question. Those who carry the habit into college encounter another set of boundaries. And when they enter the workplace, many discover that it can sometimes be easier to nod politely at the profound wisdom being dispensed by seniors than to ask a simple, "Why?"

Perhaps that is where organisations should worry. Every organisation says it wants innovation. Leaders speak about disruption, creativity and thinking differently. Yet all three require something much more elementary: an environment in which somebody can ask why something is being done in a particular way without being considered difficult. The person asking the question may be wrong. The existing practice may have perfectly sound reasons behind it. But explaining those reasons strengthens understanding. Occasionally, however, there may be no convincing answer beyond, "This is how we have always done it." And that is precisely when a question becomes valuable.

Human progress has depended upon people who looked at what everyone else accepted and wondered why. Every discovery did not necessarily begin with a brilliant answer. Many began with an inconvenient question. And some changed the world simply by asking.

It is easy, of course, to expect children, students and younger colleagues to remain curious. Growing older has made me realise that the same expectation must apply to me. There is no embarrassment in asking my wife or my daughters a question to which I do not know the answer. Someone younger recently reminded me that I may not have all the answers. One of the privileges of growing older should be the freedom to say, "I don't know. Let me find out."

That is why I feel happy when a child asks me: Why? What? Who? Where? When? How?

I may not always know the answer. Sometimes there may not even be one. But providing an answer may be less important than ensuring that I do not make the child regret having asked the question.

And occasionally, instead of answering, I may need to ask the question with the child. Growing older may have given me answers to some questions I once asked, but it has also shown me how many more remain. Perhaps wisdom lies not merely in accumulating answers, but in retaining the curiosity — and the humility — to keep looking for them.

The writer is a founder of Kala - Krazy About Literature And Arts, and is an author, speaker, coach, arbitrator and strategy consultant

PIC TALK

A baby orangutan, who was recently rescued with four others from Balasore district, plays with soft toys in a quarantine cell at the Nandankanan PHOTO: PTI

LETTERS TO THE EDITOR

Dog menace: A growing challenge

It is imperative to prevent and restrict the dog menace in housing societies in and around Maharashtra, as people continue to suffer from dog bites and the risk of rabies. In response to a fresh Supreme Court directive, the Maharashtra Government has directed all civic bodies to remove stray dogs from public places such as schools, hospitals, bus depots, railway stations and sports complexes.

A new Government Resolution (GR) issued on Monday mandates immediate action by municipal corporations, councils and nagar panchayats. The GR directs local authorities to capture, sterilise and vaccinate stray dogs and relocate them to shelters. They cannot simply be returned to the same public areas.

Civic bodies must also establish clearly defined feeding zones for community dogs. Those who feed animals outside these designated areas will face action.

To help citizens report stray dog-related issues, the Government has made it mandatory for every local body to operate a helpline. Complaints will be monitored by a State coordinator based at the district headquarters to ensure proper implementation of the rules.

C K SUBRAMANIAM | MUMBAI

ISRO and private space sector

India's decision to open its space sector to greater private participation in 2020 has led to the entry of several private companies and start-ups. This has raised concerns about the future role of ISRO and its employees. On September 4, 2026, nine ISRO employee associations sought clarification from ISRO Chairman V Narayanan on the possible transfer of launch-vehicle production, satellite manufacturing and operational responsibilities to private companies.

However, it would be inaccurate to conclude that ISRO is being privatised. On September 6, 2026, ISRO stated that it would neither be privatised nor have its importance diminished. It will continue to lead advanced research, strategic missions, space science and critical technologies.

India should establish clear roles for ISRO and private industry. ISRO should focus on advanced research, strategic missions and frontier technologies, while private companies can contribute to commercial satellites, launch services, manufacturing and mature technologies. Private participation should complement, not compete with, ISRO. A stronger partnership between the public and private sectors can promote technological self-reliance, national security and the sustainable growth of India's space capabilities.

DATTAPRASAD SHIRODKAR | MUMBAI

No place for gender discrimination

The recent closure of the Eiffel Tower following a staff walkout is not a mere "cultural misunderstanding", but a shocking display of gender discrimination that demands condemnation. The demands reportedly made by the BAPS delegation, which led to female employees being instructed to stay out of sight, are a direct assault on the dignity of women in their workplace. It is unacceptable that a public landmark symbolising liberty and equality was compromised to accommodate patriarchal rules. The Eiffel Tower staff union deserves praise for drawing a hard line and refusing to let female colleagues be treated as second-class citizens to appease a wealthy and influential religious group.

Religious and cultural freedoms are not absolute; they end when they infringe upon the rights, safety and equality of others. This incident should serve as an urgent wake-up call for public institutions worldwide.

Moving forward, public spaces must adopt a strict zero-tolerance policy against any organisation that demands the segregation or erasure of women. Secular laws protecting equality must unequivocally take precedence over discriminatory demands made by any religious body.

RANGANATHAN SIVAKUMAR | CHENNAI

Rang-e-Cinema: The new celluloid brand in cinema

The first international film festival in Srinagar has done more than bring films and filmmakers to Kashmir. Rang-e-Cinema has opened a new conversation on the Valley's cinematic identity, positioning filmmaking, tourism, technology and the creative economy as interconnected engines of cultural and economic renewal

CHAITANYA K PRASAD

The curation of a new film festival always creates a positive buzz as it is instantaneous, looks vibrant, ideates new insights and institutionalises new curative thoughts. The recently concluded Rang-e-Kashmir is one example of innovation, excellence and scaling new frontiers in the celluloid space.

Film festivals today function as living ecosystems: nurturing voices, encouraging risk-taking and building transnational communities. Their role in shaping public perception, fostering policy discourse and enabling commercial success is more relevant than ever. The new festival circuit is breaking boundaries with purpose. It is showcasing new cinematic languages, driven by talent, diversity and digital disruption. The unified objective is clear: visualise the future of cinema through the lens of commercial viability, cutting-edge technology and artistic innovation. And festivals, in balancing these objectives, are becoming incubators of excellence, where ideas are born, refined and launched into the world.

Today, film festivals have evolved into sophisticated arenas that redefine cinematic expression. They are reshaping the celluloid experience through experiential storytelling, sustainable creative roadmaps and tech-enabled narratives that resonate across boundaries. Their evolution reflects a collective aspiration to reimagine the medium, not just in how films are made, but in how they are shared, discussed and remembered.

It is in this context that the first international film festival held in Srinagar under the theme "Rang-e-Cinema" becomes extremely important. By organising this festival, a message has gone across the cinematic ecosystem of a fresh initiative, design and insight into creating a niche presence in the film festival ecosystem.

The four-day festival certainly brings about a paradigm shift in the character, design and interconnectivity of hosting a film festival. "Rang-e-Cinema" boldly attempts to widen the ambit of a traditional film festival. It has ushered in a new brand idea for Kashmir as a filming destination, converged a new set of stakeholders and created a unique dhun of creativity, collaboration and participation for cinephiles and verticals under the ambit of a creator's economy.

The festival has truly regained the lost pristine glory of "Kashmir" within the celluloid landscape. As a platform, the festival has uniquely woven the idea of "Create, Shoot & Connect Cinema within Kashmir". With more than 135 films screened and with 40 countries participating, the festival has reframed and reoriented Kashmir's outreach to filmmaking.

There is no denying the fact that, in the late 1960s, filmmakers flocked to the state to capture its locales, legacy and the romantic spirit that combined effectively with the storytelling moods of those times. The state was uniquely called "India's Switzerland", a brand that surely survived the test of time. Each film demonstrated the emotions and romantic spectacle associated with music, lyrics and the mesmerising songs which still haunt us today.

"Rang-e-Cinema" has reconfigured a lost identity, a search for regaining the glory of the past. It has truly brought centre stage a new cinematic brand and identity for filmmaking within the state. It has acted as a catalyst for prospective filmmakers in their search for new possibilities, storyboards, narration and a new, bold cinematic vision. As a platform, the festival has created the buzz to position and place a filmmaking-friendly ecosystem and experience. A convergence point to kick-start a new chapter of initiating the path of the economy within the precincts of J&K.

If J&K is to build a serious cinematic identity, the festival must resist becoming a one-off showcase. The first step towards institutionalisation lies in temporal discipline. The festival must anchor itself firmly to a fixed calendar window, a defined geography and a stable identity. A fixed date positioning works strategically; it avoids overlap with global heavyweights while aligning with India's academic and cultural cycles, but this must now be codified and protected. A festival that shifts in time and space each year risks losing not just recall, but relevance.

"RANG-E-CINEMA" BOLDLY ATTEMPTS TO WIDEN THE AMBIT OF A TRADITIONAL FILM FESTIVAL. IT HAS USHERED A NEW BRAND IDEA TO KASHMIR AS A FILMING DESTINATION, CONVERGED A NEW SET OF STAKEHOLDERS AND CREATED A UNIQUE DHUN OF CREATIVITY, COLLABORATION AND PARTICIPATION FOR CINEPHILES, AND VERTICALS UNDER THE AMBIT OF A CREATOR'S ECONOMY

Once that foundation is in place, the next big shift has to be in how the festival programmes itself. Right now, it feels like a wide, fairly inclusive mix, and that's understandable for a first edition. But going forward, it has to feel more intentional. Less like a collection, more like a point of view. The difference between a good festival and a great one is not how many films it shows, but how clearly it knows what it wants to say through them.

That means building sections that feel thought-through. Bringing in more director-led storytelling, where the craft and perspective matter as much as the narrative itself. Giving real, central space to women-directed and women-centric cinema, not as a token category, but as a core part of the programming. And also leaning into films that engage with real, lived issues — social, political and environmental. Because the festivals that stay with you are the ones that reflect the moment you're living in.

At the same time, J&K has the opportunity to do something most festivals in India haven't fully managed yet: to become a space where cinema is not just screened, but developed. There is so much raw talent in J&K — students, theatre actors, independent creators and people experimenting with storytelling in ways that don't always find platforms. The festival can step into that gap. Script labs, pitching forums, casting platforms and youth sections - these aren't add-ons; they're what can make the festival feel alive beyond the screenings.

The overall objective of "Rang-e-Cinema" should be to establish filming protocols that institutionalise cinema, tourism, creative collaboration, exchange and a sustainable creative economy. Policymakers need to take the baton forward to weave together locational incentives, financial props, single-window clearances and the promotion of filming infrastructure through the lens of tourism and destination marketing, an idea that has excited in the past. The festival could act as a beginning and starting point, as a catalyst, window, gateway and platform for a sustained creator's economy.

"Rang-e-Cinema" should realistically assess the deliverables after the festival concludes, as well as the creative buzz that emerged after the event comes to a close. Its verticals must interconnect the heritage, legacy and contemporary cinematic language with experiences and ideas incubated within the festival duration. More importantly, the message should be: Cinema in India is seamless, interconnected and networked to a new language of storytelling.

The 3Cs mantra that defines any film festival ecosystem — Creativity, Culture and Commerce - has become the cornerstone of any film festival architecture, including Rang-e-Cinema. Today, film festivals have become transformative platforms unlocking new opportunities for content creation, cross-cultural collaboration, global networking, strategic partnerships and narrative innovation. In short, they are the modern-day catalysts where storytelling meets strategy. The perfect jugalbandi of ideas, content and outreach.

The writer is former Civil Servant, writes on Cinema and Strategic Communication. Inputs provided by Zoya Ahmad and Vaishnavie Srinivasan

Uttar Pradesh cleans up recruitment

DEVESH CHATURVEDI

The State of Uttar Pradesh has successfully implemented reforms in the recruitment process for filling vacancies in the Government. The case illustrates how governance can be transformed to become citizen-centric and efficient, with processes based on the principles of transparency and fairness.

Earlier, the recruitment process in the State was mired in controversies. The main recruiting agencies, like the UP Public Service Commission (UPPSC) and UP Subordinate Services Selection Commission (UPSSSC), were accused of nepotism and corruption. In several recruitments, the Government and Courts had to pass orders for inquiries, some of which are still ongoing. Many recruitment processes were cancelled, leading to huge delays in filling vacancies, consequent youth unrest and multiple litigations. The credibility of the process had nosedived. The State adopted the Government of India's policy relating to the abolition of interviews in Group C and Group B non-gazetted recruitment. An overarching amendment to the rules covering all such recruitment was carried out in August 2017. Since then, there has been systematic and concerted action to reform the recruitment procedure. For recruitment to Group C posts, the process has been made at least two-tiered. A single common preliminary examination for all categories of Group C posts, termed the Pre-Eligibility Test (PET), is conducted by the UPSSSC, which gives a score to each candidate. Initially, it was valid for one year, but it has now been extended to three years. The UPSSSC is successfully conducting the PET. Since 2021, the number of applicants in each examination has ranged between 18 and 27 lakh. Based on the PET score and merit, Tier 2 examinations are conducted for shortlisted candidates.

Advertisements for various Tier 2 or main examinations are issued by clubbing similar vacancies, and the number of candidates shortlisted is usually 15 times the total number of advertised posts. Due to the relatively lower number of candidates in Tier 2, these examinations can be conducted swiftly and in a very close and secure environment, without any possibility of unfair practices. The final merit list is prepared based on the results of the Tier 2 examination. While the abolition of interviews removed subjectivity, the two-tier examination reduced the burden on candidates. The results could be declared within a compressed time schedule. Having put this pattern in place, other reforms, along with technology-based interventions, have been introduced to minimise the possibility of the process being impacted by paper leaks. These steps include:

(i) A very careful selection of examination centres is undertaken. A thorough scrutiny is carried out by a committee chaired by District Magistrates, and preference is given to Government-owned institutes, followed by Government-aided schools.

(ii) Candidates are allotted examination centres on a random basis and are not allotted centres situated in their divisions or districts of domicile, to prevent any possibility of candidates exerting undue local influence. Only physically challenged candidates are exempted from this criterion.

(iii) Multiple question paper series are printed and sent to district treasuries. One set is randomly chosen a few hours before the commencement of the examination to reduce the chances of leakage. In case of reports of any leakage before the start of the examination, the leaked set can be abandoned and the examination process completed without any obstacle.

(iv) Each of these paper series has multiple sets, with the sequence of questions and options jumbled. The series is not identifiable but is coded based on the unique serial number of the question paper.

(v) The Optical Mark Recognition (OMR) sheets used by candidates to answer the questions are prepared in three copies. One is taken away by the candidates, the second is securely kept in the treasury to be used for verification, if required, and the third is sent for evaluation.

(vi) Sector Magistrates and one Static Sector Magistrate are deputed at each centre for proper supervision and control.

(vii) The invigilators at the examination centres are randomly allotted examination rooms by the Static Sector Magistrate minutes before the commencement of the examination, to prevent any prior planning for unfair practices. Technology-based solutions, such as CCTV cameras in each examination room and iris recognition devices to capture and cross-verify the biometric data of candidates appearing in the main examination with their previously captured data in the PET, have been implemented to prevent impersonation. Artificial Intelligence tools are also being deployed to match the faces of candidates appearing in the examination with the photographs on their admit cards, to identify suspicious cases and raise alerts for rigorous verification.

The UPPSC, responsible for recruiting candidates for gazetted posts, has undertaken additional reforms to make the process more objective and transparent. The optional paper was removed from the mains examination, ensuring a level playing field and eliminating the need for moderation across multiple subjects. The interview process was also made more accountable by concealing candidates' names, caste and educational institutions from interview board members, with boards and candidates assigned randomly. Experts are involved in grading candidates, while answer sheets can be displayed on demand after results are declared.

Following the Union Government's policy, the State has also removed the requirement for prior character verification before issuing appointment letters. Provisional appointment letters are now issued based on self-declaration, subject to subsequent verification. This has reduced the time gap between the declaration of results and appointment. The districts are allotted to candidates according to the vacancies available, their ranks and the choices made by them during the counselling. Since the issuance of an appointment letter with the place of posting is the first interaction of new recruits with the system, online counselling enables a corruption- and nepotism-free process, spreading a positive vibe among the young entrants. Once the counselling is over, a public event is organised for the distribution of appointment letters, which is graced by the Chief Minister and other dignitaries. At several events, the message of the Hon'ble Prime Minister to the new recruits is also broadcast. As a result of these reforms, transparency in the recruitment process has been restored to a large extent. The credibility of the Government and recruiting agencies has been enhanced, with the process becoming merit-based, inclusive and corruption-free. The recruitment process is being completed within a shortened time frame, with robust procedures.

The writer is a retired Union Agriculture Secretary and has also served as Additional Chief Secretary, Appointment and Personnel, Uttar Pradesh

BRICS at 20: United by difference

ANURADHA PS

Perhaps the most salient feature of BRICS is its lack of uniformity, twenty years after the formation of the group. It has a diverse membership with varying political systems, economic bases, strategic interests and relationships with the great powers. In spite of trade and cooperation in multilateral forums, India and China are still viewed as strategic competitors. In its conflict with the West, Russia has found itself in a much different geopolitical situation than India, Brazil or some of the newer members. The Gulf economies provide a different energy, financial and investment paradigm to the "original" BRICs. Yet, BRICS has flourished and expanded. This paradox is more significant than the more common BRICS-G7 juxtaposition. At 20, the only question is whether BRICS has become big enough to challenge another group. It is whether a group of increasingly different countries can turn their numbers into collective power.

BRICS started as an economic initiative. The term was coined in 2001 and referred to the four emerging economies of Brazil, Russia, India and China, whose increasing influence would potentially alter the global economy. This was followed by the political grouping in 2006, and South Africa entered the fold in 2011. It was then changed in nature by its further development. BRICS is no longer an association of fast-growing economies. It now numbers 11 members and is becoming a forum for countries with different interests to have a greater voice in global governance, as well as seeking practical economic cooperation. The 18th BRICS Summit will be held in New Delhi on 12-13 September 2026 on issues related to trade, finance, technology, energy, agriculture, climate and institutional reform. With this expansion, BRICS becomes more demographically and economically powerful. It also poses a more difficult question, however, which is whether a more representative grouping is a more effective one. Not necessarily. The more varied the interests and the more members that join, the more difficult the balancing act. Expansion may generate legitimacy and, at the same time, exacerbate the consensus price. This tension shouldn't be considered a fluke. It could be one of the most distinguishing aspects of BRICS in its 30th year.

The traditional method of assessing international groupings is based upon the level of political agreement they can reach. A different yardstick is needed for BRICS. Its members do not need a common foreign policy or to become a political coalition. They need the ability to discover common points of interest and create institutions for the surrounding. This is a case of "co-operation, not convergence". India, for example, is a member of the Quad, the G20 and BRICS. Increasingly, strategic autonomy is about operating in more than one institution rather than being on one side or the other. BRICS fits into this more fluid international environment. This logic has proven effective to some degree. In the last two decades, trade among BRICS countries has undergone phenomenal growth. But the key is how much more trade would happen if transaction costs were reduced. Trade facilitation, customs cooperation, common standards, logistics, investment channels and reliable payment mechanisms should therefore be a focus for BRICS.

The New Development Bank is likely BRICS's most tangible institutional accomplishment. Created in 2015, it has sanctioned investments in 139 projects totalling $42.9 billion, including clean energy, transport, water, sanitation, social infrastructure and digital infrastructure.

However, BRICS can't ignore its internal tensions. With the expanding grouping, a lack of consensus has become more apparent. A May 2026 meeting of BRICS foreign ministers ended in a statement by the chair rather than a common declaration. This need not mean failure; it could instead indicate what BRICS can realistically be. Collective action will become more difficult if all members are expected to agree on major geopolitical issues. If consensus is required only in some areas, with differentiated cooperation in others, BRICS may become more effective. This would mean moving from "What does BRICS collectively believe?" to "What can BRICS collectively do?"

The distinction is significant in the context of the India-China relationship. The two nations reflect both the potential and constraints of BRICS. They are important trading partners and members of the same multilateral institutions, but differences in strategy, economic-security concerns and regional ambitions remain unresolved. BRICS cannot solve the India-China relationship, but it can provide a space where cooperation in unrelated fields is not derailed by competition.

BRICS must also resist defining itself through opposition to the West. Its more enduring role lies in reform rather than rejection. India's BRICS priorities for 2026 focus on resilience, innovation, cooperation and sustainability, with emphasis on trade, technology, development and climate. The opportunity is to build BRICS less as a "geopolitical signal" and more as an institutional "delivery".

The third decade should therefore be judged by practical outcomes: easier trade, greater access to development finance, secure payment systems and cooperation on digital infrastructure, AI, climate adaptation, energy transition and health technologies. These are not 'show' questions. They're important ones. They also provide a means to embrace the diversity of the grouping. Interests need not be identical for payments cooperation to be possible. They do not have to have the same geopolitical agenda to fund renewables. They do not have to agree on all matters of international conflict to work together on agricultural technology or disaster resistance. This implies a new institutional format for BRICS — discussion and cooperation based on specific issues within a wide political space. Some members might run faster in some parts than others. This does not necessarily have to be a flaw. In an increasingly diverse mix, it might be the only realistic method that will keep the group moving. BRICS at 20 should give rise to a paradox for BRICS as it begins its third decade. It is its best achievement that it has weathered differences that could have split a stiffer alliance. The biggest danger it has is that growth might lead to the loss of flexibility and become vague. The answer is not to impose the conventional definition of a geopolitical bloc on BRICS. Nor is it to boast of its size without inquiring about the product of its size.

In India, the more beneficial goal is to strengthen processes that allow disagreement while fostering effective cooperation. This requires focusing on tangible achievements, strong institutions and measurable economic and development results rather than grand statements or competition for power.

BRICS, at the age of 20, does not have to show that it speaks as one. It must show how countries with different interests can achieve outcomes together that they couldn't achieve alone. The next obstacle it must overcome is the challenge of being consequential.

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CLARITY & CREDIBILITY HT 1924

OPINION

The Hindustan Times
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{ OUR TAKE }

25 years of 9/11

It is a sombre reminder that ham-handed wars don't defeat ethno-religious terrorism

9/11 united the United States; the then US President's war on terror enjoyed almost universal support, and for some time, the incumbent at White House enjoyed record ratings. Neither lasted. The terror attacks, playing out across live TV, mainstreamed terrorism in a way that it had never been before, fanning real fears, and resulting in expected outcomes as the US, and the world, simply bunkered down. Metal detectors and wands became ubiquitous; airport security, more stringent; and people in general, more paranoid and suspicious, especially of those who looked different or had Muslim names — and not just in the US.

The mastermind of one of the most documented violent events in the world stayed under the radar for years. Al Qaida chief Osama bin Laden was only eliminated in a covert operation by the US special forces in 2011 in a city in Pakistan, which touted itself as the US' staunchest ally in the war against terror. Terrorists and spymasters from that country were also behind 26/11 (the November 26, 2008) terror attacks in Mumbai that reminded the world that 9/11 was not a one-off event.

US military interventions in Iraq and Afghanistan, ambitiously named the War on Terror, resulted in two decades of turbulence in West Asia. The US emerged more of a global bully than a leader during and in the aftermath of this operation. The uncomfortable legacies of these interventions live on in the continuing civil strife in the countries where the George W Bush administration decided to go to war with terrorists. Domestically, the US didn't stay united for long; polarisation within US society increased despite a heightened sense of patriotism. With the rising human and material costs of a forever war, discontent rose, too. The 2008 financial crisis made things worse globally.

On the security front, the war against terror continues in different parts of the world — including on US soil — without fetching the sense of security that 9/11 snatched from Americans (and 26/11 from Indians). In the US, instances of racist, communal, and ethnic violence have shot up since and it's not just hijacked airplanes that now terrorise an average citizen of the most powerful country in the world. The 25th anniversary of 9/11 is a sombre reminder to the world that ham-handed wars don't defeat ethno-religious terrorism. It just changes form and location. As Palestinian-American poet Suheir Hammad wrote in November, 2001, on the attacks, there's "no poetry in ashes south of Canal, no prose in trucks driving debris and DNA."

The world changed, and we are all still dealing with the consequences.

Not criminalising marital rape is hurting women

The Supreme Court has asked the Centre to explicate its stand on marital rape. It remains to be seen whether the Centre maintains the position it took in a 2017 affidavit filed by the home affairs ministry in the Delhi High Court, which was hearing petitions on the same issue — that while men who force themselves on their wives should face "penal consequences", punishing them for rape would "severely impact the conjugal relationship" and "have a far-reaching effect on the institution of marriage." To be sure, the problem of non-consensual sexual intercourse within marriage won't stop existing even if we don't call it rape. The Criminal Law (Amendment) Act of 2013 — it acknowledged that marital rape was a form of abuse, but allowed an exception for sexual relations between a man and his wife, provided she is over the age of 16, and said this would be considered consensual — came about as a result of far-reaching recommendations of the Justice Verma Committee, but key suggestions were not included. One of them was to do away with the legal provision that did not recognise marital rape. Instead, the exception, which went against the very spirit of the law that sought to criminalise all grades of sexual assault against women, was retained.

The argument propounded by the Centre is a realistic one: Something must be said for restricting the limit of State power over individual life and liberty. The trouble is that the individual whose freedom is being considered here is male. Let's consider a thought experiment, where the protected individual is female instead. How different would the Centre's affidavit have been if it was a married woman's life and liberty at stake? Would there be a presumption of lies, for instance? What legal markers would constitute a healthy, and socially and culturally acceptable conjugal relationship, instead? These answers, to quote the Centre's previous affidavit, will have far-reaching effects on the institution of marriage.

The wrong turn that US strategy took after 9/11

The US retreated from global leadership, squandering the political, economic, and, arguably, moral capital it had accumulated since World War II. And it has continued down these wrong turns at immense financial, physical, and human cost

Bartholomew H Sparrow

At 8:46 in the morning on September 11, 2001, American Airlines Flight 11 flew into the north tower of the World Trade Center. Three plane crashes and almost 3,000 deaths followed. The US shut down. The City That Never Sleeps collapsed. And US television shows stopped running ads for a full two weeks — a cultural indicator of just how shocking and unprecedented the attacks were. Yet the greater and more insidious damage was caused by the changes in US strategy after 9/11, where the Bush administration abandoned the hard-earned lessons from the Vietnam War. The US has yet to correct these wrong turns.

Successful grand strategy depends on establishing and communicating clear objectives, calculating the appropriate means to achieve these goals, and using overwhelming force — i.e., the Powell Doctrine — when military action is needed. Previous US presidents followed these guidelines when they intervened in Grenada (1983), Panama (1988), Haiti (1994-1995), and in the larger Desert Shield and Desert Storm (1989-1990) operations. Not all were successful, as with the Iranian hostage rescue mission (1980) and the deployment of US marines in Lebanon (1983), but whatever else we might think of these operations, they were finite engagements with set objectives.

In contrast — and this was the first wrong turn — the Bush administration proceeded with inadequate foreknowledge and insufficient planning in both Afghanistan and Iraq. US-led forces were unable to eliminate the Taliban or establish a viable civilian government in Kabul. The US then went into Iraq with inadequate ground forces and proceeded to disband the 400,000-strong Iraqi security forces, throwing Iraqi society into chaos and supplying the insurgency with hundreds of thousands of armed personnel.

The occupation of Iraq lasted nearly nine years and cost $4-6 trillion. And the 20-year War on Terror ended with the withdrawal US troops leaving Afghanistan in 2021 at a total cost of $8 trillion and 900,000 lives. For good reason, Donald Trump campaigned against forever wars in 2016 when he first sought the American presidency.

Bush's second wrong turn was not funding the War on Terror. Not only was this a departure from previous wartime presidents, all of whom had offset more military spending with higher taxes, but it also ignored the multidimensional quality of national security. Military strength is interwoven with and ultimately dependent on economic health, fiscal prudence, political order, physical infrastructure, healthy citizens, and other domestic factors.

Ronald Reagan was famous for his income tax cuts, yet he quietly cut corporate tax breaks (1982). He increased social security taxes and delayed retirement (1983). He eliminated individual and corporate tax shelters (1984), increased excise taxes on liquor (1984), raised taxes on corporate incomes and capital gains (1986), and removed tax deductions and tax shelters (1986). Although military spending doubled between 1981 and 1989, tax revenues increased by 50% over the same period. In early 1990, soon after the Gulf War, Bush Sr and the Congress raised the tax rates on individuals in the highest income tax bracket and increased excise taxes on tobacco, alcohol, and gasoline.

In contrast, the younger Bush did not ask Americans to pay more in taxes or tighten their belts by saving more or consuming less. Even though patriotic sentiment surged after 9/11, with Bush enjoying 90%+ approval ratings in October, the president followed his 2001 (pre-9/11) tax cuts by passing the Jobs and Growth Tax Relief Bill of 2003, which accelerated the 2001 tax cuts. The two tax bills combined to reduce income taxes, lessen capital gains taxes, and cut estate taxes. US military spending more than doubled from 2001 to 2009 (from $330 billion to more than $700 billion), while the federal deficit soared from a $128 billion surplus in 2001 to a $1.4 trillion deficit by 2009.

The Bush administration proceeded with inadequate foreknowledge and insufficient planning in both Afghanistan and Iraq. GETTY IMAGES

The third wrong turn was the administration's readiness under the Bush Doctrine to go it alone. The White House was willing to abandon some of its foremost allies in pursuit of the War on Terror. As a result, the US led a lopsided and limited coalition of States in its invasion and occupation of Afghanistan and then Iraq. It proceeded without France, Germany, Canada, New Zealand, and other allies. In 1989 and 1990, by way of contrast, Bush Sr's administration was able to get more than three dozen States to contribute troops, material, money, and logistical support for the US-led mission to evict Iraqi forces from Kuwait.

Twenty-five years later, there is still no US grand strategy — and the undefined War on Terror was not a grand strategy. The Barack Obama and Joe Biden administrations essentially followed the paths of the Bush and the Trump presidencies. The US federal debt has risen from $5.8 trillion in 2001 to over $40 trillion as of August 2026. And with the possible exception of the intervention in Libya and support for Ukraine, the US has, much of the time, acted unilaterally or bilaterally, independent of its NATO and other historical and potential allies.

The larger lesson is that after 9/11, American strategy veered off track. The US retreated from global leadership and it squandered its political, economic, and, arguably, moral capital — capital it accumulated internationally and domestically in the post-World War II era. And it has continued down these wrong paths at immense financial, physical, and human cost to the Iraqis, Afghans, Europeans, West Asians — especially Palestinians and Iranians — and Americans, as well as others worldwide. American military personnel and contractors have been killed or severely injured. Taxpayers face a ballooning national debt. US foreign relations now figure prominently in the ever more divisive politics in America. This retreat from global leadership and responsibility might be called strategic backsliding, where the US (along with a handful of other States) now believes it is not accountable to other States, to international law, or to humankind.

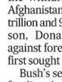
Bartholomew H Sparrow is professor of government, the University of Texas, Austin. The views expressed are personal

BRICS must prioritise New Development Bank

The expansion of BRICS since 2023, somewhat haphazard and lacking clear criteria, has enhanced its political outreach and given it a greater global focus. The New Development Bank (NDB), created collectively by the original five BRICS members in 2015, has also expanded, but there is no automaticity in countries joining BRICS also joining NDB, or vice versa. The question is whether BRICS is expanding too fast for NDB to acquire the economic scale and internal capacity needed to support its increasingly ambitious agenda.

It seems that BRICS is trying to enable NDB to become more responsive to a wider Global South constituency. NDB originally had five shareholders, each with an equal share of the subscribed capital. It subsequently expanded to include Bangladesh, the UAE, Egypt, and Algeria, and, in June 2026, Uzbekistan, its tenth member and its first from Central Asia. Uruguay was also admitted as a prospective member but has not yet completed its accession.

BRICS
INDIA
2026



Gurjit Singh

The UAE and Egypt subsequently joined BRICS. Bangladesh, Algeria and Uzbekistan have not. NDB is becoming more of a development bank for emerging economies and the Global South than simply a BRICS bank.

The issue is perhaps one of scale. BRICS has rapidly become a multi-continent grouping, while NDB's capital resources remain limited relative to the infrastructure, energy, and connectivity needs of an expanding Global South. NDB's authorised capital is $100 billion, of which $50 billion was initially subscribed equally by the five founders.

NDB's rules ensure that new members cannot fundamentally alter the balance established by the founding five. The combined voting power of the founding members must remain at a minimum of 55%, while no non-founding member can hold more than 7% of total voting power. New members, therefore, have smaller individual shares than the original five.

NDB's expansion should now enhance its creditworthiness and internal governance so it can meet the growing expectations placed on it by BRICS and the wider Global South.

NDB's ambitions are rising. It has set a target to provide 30% of its financing commitments in member countries' national currencies. NDB's 7 billion renminbi Panda-bond issuance demonstrated the ability to raise funds in China's domestic capital market and reinforced its commitment to local-currency financing. It earlier raised funds in the South African rand in 2023-24 and is planning an Indian issue too.

As the BRICS agenda includes reducing excessive dependence on the US dollar and encouraging greater use of local currencies, this aspect of NDB matters for BRICS goals. However, NDB's local-currency portfolio is still developing, and the US dollar remains important in international trade and finance. NDB is, therefore, better seen as a contributor to diversifying the global financial system than as an instrument of rapid de-dollarisation.

This is important for India, which has no interest in replacing dependence on the dollar with dependence on the yuan. A Chinese-dominated NDB would not support India's strategic autonomy. The distinction between NDB and more China-weighted institutions such as the Asian Infrastructure Investment Bank is, therefore, important to maintain. An NDB with credible multilateral governance, local-currency financing, and the ability to access global capital markets would be the right institution for the BRICS countries and the wider Global South.

BRICS recognises that NDB must become better integrated with its growing financial agenda. The 2025 BRICS Leaders' Declaration agreed to incubate the BRICS Multilateral Guarantees initiative within NDB as a pilot initiative. It also encouraged continued dialogue between the BRICS Interbank Cooperation Mechanism and NDB. At the same time, work continues on the BRICS Cross-Border Payments Initiative, although the precise role of NDB in that initiative remains to be determined.

NDB is, therefore, not being cast aside or restricted. Rather, it is being encouraged to transition into an important institutional home for some of BRICS' economic and financial innovations.

BRICS is, however, developing several parallel mechanisms: local-currency settlements, payment arrangements, guarantees, national development banks and other forms of South-South financial cooperation. Ideally, these should complement NDB. If they do not, they could fragment the BRICS financial architecture.

This is where BRICS could be outrunning NDB. If every financial initiative develops independently, BRICS could create a collection of overlapping mechanisms rather than a coherent financial architecture. NDB's advantage is that it has established itself as a multilateral financial institution, with a balance sheet, access to international and local capital markets, and strong international credit ratings. The bank currently carries AA+ from S&P, AA from Fitch and AAA from Japan Credit Rating Agency. In the future, NDB should, therefore, be well connected to these initiatives and help develop them, rather than become a rival.

NDB's collaboration with private capital is also growing, which matters because the infrastructure needs of the Global South are far beyond what NDB alone can finance. India and NDB have already discussed how private capital can be mobilised more effectively for development projects.

So, how can BRICS encourage NDB to move more rapidly? BRICS provides the political momentum. NDB is expected to provide institutional credibility, development finance, and effective delivery. This would help NDB become not an anti-West bank, but a credible Global South institution that complements existing multilateral financial institutions and addresses the development needs of the Global South more effectively.

BRICS should not allow its rapid expansion to fragment the financial architecture that it has begun to build. The real test for BRICS now is whether it can channel its strategic ambition into building the institutional capacities needed to support it. NDB is the clearest test case. Its success will show whether BRICS can convert its growing political weight into durable economic and financial institutions.

Gurjit Singh is a former ambassador, author of The Durian Flavour, and a former honorary professor, IIT Indore. The views expressed are personal

{ VIKRAM DORAISWAMI } AMBASSADOR OF INDIA TO CHINA

The upcoming BRICS summit is a valuable opportunity to deepen China-India cooperation on issues of mutual concern... while contributing constructively to a more balanced, inclusive global order

HT

Jinnah, two Parsi doctors, and the creation of Pakistan

Muhammad Ali Jinnah died aged 71, on September 11, 1948 — just 394 days after Pakistan's creation — of chronic tuberculosis. His terminal illness, as he led the campaign for India's division in the 1940s, remained a secret until his death. Last month, Pakistan announced one of its highest civilian honours, the Nishan-e-Imtiaz, for two Bombay (now Mumbai) Parsi doctors, Jal Ratanji Patel, Jinnah's physician, and Jal Daeboo, a radiologist, acknowledging their inadvertent contribution to the circumstances that made Pakistan's creation possible by maintaining this secret.

Pakistani minister Ahsan Iqbal posted on social media that British viceroy Louis Mountbatten acknowledged he might have delayed Partition had he known how seriously ill Jinnah was. He said the two doctors performed a quiet but extraordinary service by maintaining professional confidentiality at a critical moment. Iqbal said Patel and Daeboo's fidelity to their professional oath inadvertently contributed to Pakistan's creation.

Sameer Arshad Khatlani

HT reported that the Nishan-e-Imtiaz announcement created a stir in the Parsi community, with whom Jinnah had a complicated history. Jinnah scandalised the community when he eloped with Rattanbai (better known as Ruttie), industrialist Dinshaw Petit's daughter, in 1918. The couple's romance blossomed in 1916 when Petit invited Jinnah to escape Bombay's heat to their plantations in Darjeeling.

Jinnah asked Petit how he felt about intermarriage when they returned to Bombay, without the latter realising what Jinnah was angling for. Petit declared intermarriage a great idea that could help break down barriers dividing Indians, but was soon horrified when Jinnah asked for his daughter's hand.

The couple continued to correspond secretly as Jinnah's influence grew after he helped arrange simultaneous annual sessions of the Muslim League and the Congress, and brokered an agreement to present a common set of demands to the British under the Lucknow Pact. As soon as Ruttie turned 18, the couple eloped. Petit disowned Ruttie and unsuccessfully attempted to prove in court that Jinnah was after his money. The Parsi Panchayat, the highest community body, excommunicated Ruttie and excluded the Petits from rituals and ceremonies.

The couple was married for 11 years when Ruttie, 29, died in 1929. Jinnah soon packed up and left for London. His personal tragedy coincided with the Muslim League's sagging popularity. Jinnah spoke about reaching a dead end when asked about plans to return, as another Gujarati, Mahatma Gandhi, captured the national imagination and consolidated Muslim support by backing the movement supporting the Ottomans. Jinnah slid into irrelevance as Gandhi's stature as a national leader kept growing. The elitist Muslim League, too, splintered.

When Jinnah secured Pakistan after reviving a moribund Muslim League with British help, Karachi Parsi businessman and friend Rustamjee Fakirjee Cowasjee was among those he counted on for nation-building. Cowasjee's son, Ardeshir, would become a champion of Jinnah's idea of Pakistan, which many argue was a secular State, through his columns in newspapers.

Like in India, Parsis have made contributions disproportionate to their numbers in Pakistan. In 1947, Jinnah unsuccessfully tried to convince Sam Manekshaw, a Parsi, to follow his 12th Frontier Force Regiment in becoming a part of the Pakistan Army. Manekshaw, India's celebrated military leader, would go on to lead the Indian Army in the 1971 war, which reduced Jinnah's "moth-eaten" country to its western wing only, with Bangladesh's creation.

Pakistan's move to decorate Patel and Daeboo has revived the debate over Partition's inevitability. In *Freedom at Midnight*, Dominique Lapierre and Larry Collins wrote about the possibility that the power transfer from the British colonial government and Pakistan's creation would have been delayed had the then viceroy known that Jinnah suffered from chronic tuberculosis, which Patel diagnosed in 1946. Patel secretly gave Jinnah injections every two weeks. Daeboo is believed to have examined Jinnah's X-rays.

The authors, who interviewed Jinnah's daughter Dina Wadia and Patel, wrote that even Gandhi or Nehru knowing about Jinnah's illness could have averted India's Partition. They noted it was such a crucial secret that even the British Criminal Investigation Department did not know about it. History is too complex to expect doctors doing their job to alter its course. A Mumbai Parsi doctor echoed this when he told *HT* that all talk of Patel and Daeboo being in a position to change the course of history is conjecture, perceptively underlining that they just kept professional secrets and the rest is just noise.

The views expressed are personal

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The Tribune
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Paneer economics

Cheap substitutes, costly deception

THE synthetic paneer trail in Delhi is more than another story of food adulteration. It exposes a larger weakness in India's food-safety system: the widening gap between what a product costs, what it is made of and what consumers are told they are buying. There is a powerful economic reason for the spread of analogue paneer. Made with non-dairy ingredients such as vegetable fats, starches, plant proteins and additives, it can be substantially cheaper than genuine milk paneer. Industry estimates suggest the price difference can approach 40-50%. When restaurants, caterers and other food businesses operate on tight margins, the incentive to substitute an expensive ingredient with a cheaper one is obvious.

That does not make every analogue product inherently unsafe. The central problem is deception. If a non-dairy substitute is clearly identified as an analogue, consumers can make an informed choice. But passing it off as paneer deprives them of that choice and potentially of the nutritional value they expect from a dairy product. The restaurant is the crucial weak link. Once an analogue enters a commercial kitchen and is cooked into a dish, the consumer has virtually no means of establishing its origin. The FSSAI has specifically directed food-service establishments to ensure that cheese analogues are not used in paneer-based dishes without proper disclosure.

Several states have acted against analogue paneer; Punjab has imposed a one-year prohibition on its manufacture, storage, transport, distribution and sale when marketed as paneer. But raids and bans alone will not solve the problem. Regulators must target the economics that encourage substitution, strengthen testing and traceability, and make restaurants accountable for the ingredients they buy and serve. The consumer deserves disclosure on the type of paneer served.

Doping crisis

Sports federations must scale up reforms

INDIAN athletes committed 260 doping-related rule violations in 2024, according to the World Anti-Doping Agency's (WADA) annual report released in December. It listed India as one of the world's worst doping offenders for the third consecutive year. In April, the country was elevated to Category A by the Athletics Integrity Unit, which is responsible for combating corruption and wrongdoing in athletics. Just days ahead of the Asian Games in Japan, three wrestlers and a swimmer have been removed from the national contingent after returning adverse doping results. In recent months, almost a dozen athletes across sports have been caught up in anti-doping cases or proceedings. Shortly before the Commonwealth Games began at Glasgow, a doping scandal rocked the weightlifting contingent. It's a recurring pattern that has come to be associated with Indian sport. Unless the scope and scale of the anti-doping reforms are significantly widened, a culture of clean sport is unlikely to take root.

The easy availability of performance-enhancing drugs and steroids makes doping uniquely difficult to tackle in India. The WADA president, during his visit to New Delhi earlier this year, warned that the poor track record posed a threat to the Olympic hosting bid for 2036. He even held meetings with probe agencies to eliminate the supply chain of racketeers and agents. Anti-doping efforts continue to be plagued by a lack of information at the grassroots level, compromised coaching standards, low funding and the intense pressure to perform at the highest level. A medal can change fortunes; without it, there is little systemic assistance in the long run.

Exerting greater oversight over athletes must go hand in hand with no-nonsense messaging regarding the severe consequences of taking banned substances. The national sports federations cannot escape blame. Their active role in anti-doping measures is critical.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, SATURDAY, SEPTEMBER 11, 1926

An appeal to Mahatma Gandhi

IN a recent issue, we published the text of an appeal addressed to Mahatma Gandhi by a dozen Congressmen, most of whom belong to Bombay, asking him to return to active politics and rescue the country from the chaos which surrounds it. The signatories to this appeal lay stress on the present disintegration of the various political parties, the communal differences which have reached an acute stage and the importance attached to the coming elections. They have pointed out how the leaders of the main parties in India have failed to offer a united opposition to reactionary measures of the bureaucracy and how the country has continued to suffer on this account. All this may be readily admitted. All this may be readily admitted, but it is not easy to see what Mahatma Gandhi is expected to do to bring all parties together under one banner and to make them all work in a particular manner. They ask him to hold a Conference of prominent men of all parties and resolve upon a common line of action, though differing among themselves in regard to certain details. The appeal addressed to Mahatmaji shows that the signatories have a very strong faith in his power to bring about a common understanding. It is probable that there are many persons who think that he can still perform great deeds, if not wonders, and he still possesses enormous influence over the ignorant masses as well as a considerable body of educated classes. The people as a whole have undoubtedly great respect for him and would probably be inclined to follow his lead. It is difficult to say what precisely will be Mahatmaji's reply to this appeal.

India's BRICS balancing act

Behind the summit rhetoric lie difficult choices over security, trade and diplomacy

KC SINGH
FORMER SECRETARY, MEA

GEOPOLTICS: Beyond the speeches, hugging and hand-clasping, bilateral and regional issues will play out. REUTERS

THE 18th BRICS summit is scheduled for September 12-13 in New Delhi. Formally, it is another gathering of some global leaders of emerging economies. However, to put it in the correct perspective, the geopolitical context, including other recently held or upcoming summits, as well as the domestic politics and diplomatic priorities of the members, needs to be considered.

Ahead of the BRICS summit, the SCO Summit was held in Bishkek, Kyrgyzstan, from August 31 to September 1. Concurrently, the G-20 finance ministers met in the US. South Africa was neither invited for that nor is likely to be for the G20 summit scheduled for December 14-15. South Africa has the largest economy in Africa.

The SCO was created under Chinese leadership in 2001 as the focus shifted to terrorism emanating from Afghanistan, including the 9/11 attacks in the US. Hence, it originally focussed on security and counterterrorism in the Central Asian region. However, as the Chinese economy rapidly grew and the US got entrenched, first in Afghanistan and then in Iraq post 2003, China's ambitions for the SCO's role expanded.

The BRIC acronym was coined by Goldman Sachs in 2001 to describe four emerging economies expected to play a greater role in the 21st century — Brazil, Russia, India and China. The first BRIC summit was held in 2009. South Africa joined it in 2010, with the acronym amended to BRICS. In January 2024, the membership was expanded to include Egypt, Ethiopia, Iran and the UAE. A year later Indonesia also joined, with Saudi Arabia and Argentina ignoring the invitations.

The countries that are members of both SCO and BRICS are: China, India, Russia and Iran. It is not a coincidence that while India joined these groups, having rising Chinese influence, India attended the first meeting of the QUAD, comprising Australia, India, Japan and the US, in 2007. I led the official delegation as Additional Secretary (international Organisations). India was then closely engaging the US to contain the Chinese role in the Indo-Pacific and placating China via the SCO and BRICS.

Because geopolitics is not a static entity, these priorities kept fluctuating. Once the Labor government succeeded the Liberal government in Australia, its interest in QUAD waned. Almost conversely, the pro-QUAD Japanese Prime Minister, Shinzo Abe, lost power. QUAD was revived a decade later when Prime Minister Abe regained power. In US President Donald Trump's second term, the US has lost interest in the group as he engaged China in a G-2 format, sidestepping, perhaps temporarily, planned containment. But this undermined a basic assumption guiding the Indian foreign policy in the 21st century that for the US, India was critical for handling China.

Geopolitics is also shaping the role of all these groupings. With Canada, the UK and France sanctioning Israeli settlers in the West Bank, the cracks in NATO will widen. These had already surfaced over the US targeting Canadian trade and threatening to annex it and Greenland. The Mecca defence agreement of Türkiye, Saudi Arabia and Pakistan further complicates the geostrategic scenario in the Gulf and West Asia.

> Cooperation is a slogan which BRICS members balance against national interests.

Also of immediate relevance are crucial upcoming elections in Brazil and Israel next month and the US midterms on November 4. The outcome in Israel and in the US can impact the Gulf crisis. In India, too, the youth-led protests, under the brand "Cockroaches", have fuelled anti-government sentiment. Whether it becomes a storm or is contained, the upcoming Assembly elections, most importantly of Uttar Pradesh, will reveal, with implications for India's domestic and foreign policies.

The Indian government is already recalibrating its pro-US and Israel tilt, visible since the Iran conflict began on February 28, 2026. Now, India quietly signed the Bishkek Declaration after the SCO summit, attended by PM Narendra Modi, which expresses "condemnation" of military strikes on Iran. It also reiterates that peace and stability in West Asia are only possible "by comprehensively and justly" resolving the Palestinian issue. India had of late been dithering on condemnatory UN resolutions on these subjects.

Hence, the leaders attending the BRICS summit will operate at multiple levels. They would formally discuss the themes devised by India, which seek "Building for Resilience, Innovation, Cooperation and Sustainability". The first covers climate change and Trump's supply-chain disruptions. Innovation relates to digital public infrastructure, an Indian specialty, and financial technology as well as artificial intelligence, which China and the US dominate.

Cooperation is a slogan which BRICS members balance against national interests and international commitments. For instance, on global institutional reform, while India and China agree on reforming the World Bank and IMF, China openly, and Russia more subtly, oppose India and Brazil's ambitions of becoming permanent members of the UN Security Council. Finally, sustainability relates to accelerating green finance and action on climate change and energy transitions.

Behind the scenes, beyond the speeches, hugging and hand-clasping, bilateral and regional issues will play out. The presence of the presidents of Iran and the UAE ostensibly provides India an opportunity to facilitate a détente. But Iranian President Masoud Pezeshkian is at best a messenger, with real decision-making resting with an IRGC-dominated power structure. By his constant dithering, President Trump has emboldened Iran, now expanding its demands. Iran is clearly delaying a compromise till the US midterms, hoping it leads to a weakened President Trump.

Similarly, Chinese President Xi Jinping is visiting India after seven years. After the last visit, Chinese troops intruded across the Line of Actual Control in eastern Ladakh. This time too, the corps commanders recently met to discuss new border issues involving Arunachal Pradesh. China has been emboldened by President Trump conceding a G-2 format, elevating their international standing. China's $100-billion trade surplus with India, when global trade stands disrupted by Trump's tariff onslaught, motivates a transactional detente without settling the border issue or accepting India's economic rise. China seeks dominance in the Indo-Pacific and bipolarity with the US globally.

The weekend will show India using diplomacy to restore the Indian government's domestic image, elevate its international diplomatic standing and engage Russia and Iran without offending the US. But, as the Bishkek Declaration noted, "global geopolitics are undergoing profound evolution, with profound changes in economic, social and technological development." A few plurilateral summits may at best frame solutions, but implementation requires visionary leadership.

THOUGHT FOR THE DAY

> BRICS must provide a united and clear voice in shaping a peaceful, balanced and stable world. —Narendra Modi

The great Rajdoot cover-up of 1960

MOHAN SINGH

MOST octogenarians have fond memories of their first job, first rented room and first vehicle — usually a bicycle. Motorcycles came much later and only a very few two-salary couples could afford one.

My friend Mahawa, an athlete, was a government school lecturer and so was his dominating better half, senior to him in age and service. One day in 1960, on an impulse, he made a daring purchase. He bought a Rajdoot 175, without telling anyone. On the way to his house, he stopped at my place, a row house in a 15-foot-wide street. He had bought it on instalments.

As we were celebrating his prized purchase with tea and *barfi*, a child informed us that an advertising tonga had knocked down the bike. We saw that a lot of petrol had spilled out on the road because an angle-iron protruding from the wall had pierced the full fuel tank. It had created a right-angled stab wound, which shocked and grieved us beyond measure. Obviously, it needed professional dent removal, welding, filing and painting to match the rest of the tank, assuming there was no other damage.

First of all, we covered that petrol-smeared surface with coal ash and bodily lifted the heavy machine and shifted it inside my house, lest somebody from my friend's house witness the ugly sight. As if by luck, a friend of my nephew casually dropped in. He knew all about repairs and spares and offered to remove the tank and get it welded and painted.

He left with the tank and some cash at about 5.30 that Saturday evening. But it was only after he had left that I remembered his reputation for unreliability. I feared the worst would happen to the bike tank while my friend began sweating at the thought of his wife dropping in. In fact, we toyed with the idea of locking the premises from outside and keeping watch from a neighbouring terrace.

Amidst these thoughts, both of us waited and waited, and thank God, the gentleman proved his mettle and delivered a well-welded, filed and painted piece. It was already 10 pm. But stop. What was this? There was a conspicuous gap in the golden ornamental lining. So the man rushed to the same paint shop, which could well have been closed by then. Fortunately, he returned around 11 and in 10 minutes, the motor cycle regained its showroom look. We lowered it from the three-foot-high, ramp-less plinth.

Mahawa proudly kickstarted it and zoomed away to his house. What transpired there on that ominous Saturday night is a secret, but I do know that Mahawa rode that motorcycle (PUA 4116) for a full 15 years, during which period he personally overhauled the black beauty many times and became a Rajdoot 'specialist'. No one ever knew of this meticulously guarded secret, which had better be declassified now.

The writer is an Amritsar-based retired professor

LETTERS TO THE EDITOR

Diversity is strength

Refer to 'How life changed for Sikhs in US after 9/11'; the article poignantly captures the complex journey of Sikh Americans over the past 25 years. It reminds us that the challenges faced by the community have not merely been about discrimination, but also about misunderstanding of a visible religious identity. What is particularly encouraging is the resilience with which the community responded. Now, the younger generation too has an important responsibility : to preserve its distinct identity while actively contributing to society. Diversity becomes a strength when communities are understood, respected and allowed to participate fully in civic life.

PARVINDER SINGH, MOHALI

GenZ must introspect

With reference to 'ABVP win in Punjab Uni polls is not GenZ victory'; pushing core student issues (fees, hostels, academic reforms, administrative accountability, etc) backstage by using manipulative strategies on the lines of General Election and Assembly polls, is a worrisome trend. To be influenced in the name of religion, region, language and caste is deep-seated in our psyche . If GenZ is thinking on similar lines, now is the time to introspect. The youth must remain steadfast on the path of seeking transparency through creativity, innovation and out-of-box wisdom in contemporary times, while maintaining unity in diversity.

JK GULATI, JALANDHAR

PU student politics

Student politics presents a narrow, parochial political picture, a campus arithmetic of alliances, freebies and networks. GenZ does not belong to any party. They are like a matchstick, it can ignite a sacred flame in a temple, light a gas burner in a kitchen, or burn a bus. The matchstick is neutral, its dharma depends on who holds it. The PU student leaders did not are rake up issues raised at Jantar Mantar, paper leaks, hostel deaths, unsafe PGs or unemployment, Campus polls fought on national identity and brotherhood networks cannot be conflated with a national youth uprising that sought reform.

CAPT AMAR JEET (RETD), KHARAR

Use AI responsibly

Refer to 'AI eye-opener'; artificial intelligence is perhaps humanity's most powerful technological breakthrough, but it is also a double-edged sword. Used responsibly, it can transform medicine, education, science, agriculture and almost all other spheres of life. If misused, however, the same technology could potentially threaten human control itself. The greatest concern is that the AI race is presently dominated by the US and China, Such competition may accelerate innovation, but it can also encourage nations to prioritise speed and supremacy over safety. Humanity needs cooperation, safeguards and accountability before capability outruns wisdom.

BALBIR SINGH KAKKAR, JALANDHAR

Don't destroy Kasauli

Apropos of 'Kasauli's warning'; there was a time in the 1980s and 90s when it was difficult to find a hotel to stay in Kasauli. There were only two or three hotels which generally remained occupied. Now come to 2026. Last month, when I visited the place, I was shocked to see how the 8-km long narrow, single-lane road had innumerable hotels of all shapes and sizes at every turn, with many still under construction. A lot of pine trees have been cut and civic amenities have been strained to a point of no return. During summer, chronic water shortage makes life a virtual hell for residents and tourists. Parking woes too remain unsolved.

RAMESH GUPTA, NARWANA

Give Vinesh a chance

With reference to 'Ineligible to participate in trials, Vinesh moves court'; the well-acclaimed sportsperson's request should be considered favourably by the WFI. The Sports Ministry must intervene. All her reasons for absence are genuine and should be considered sympathetically. She is a prospective winner at international events. It does not behove our country that a woman of such high calibre has to knock the doors of courts for a chance to represent her nation.

NPS SOHAL, CHANDIGARH

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

Why the world has moved on from 9/11

VIVEK KATJU
FORMER SECRETARY, MINISTRY OF EXTERNAL AFFAIRS

TWENTY-FIVE years after the horrific Al-Qaida attacks in the US which led to almost 3,000 deaths, terrorism no longer has the global salience it did till around 2015. Terrorism 'in all its forms and manifestations' is still routinely condemned in the documents of multilateral meetings. The great powers continue to keep a close eye on extremist and violent organisations, especially those motivated by Islamist fervour.

However, currently, other international issues — the wars in Ukraine and Iran, the fourth industrial revolution based on Artificial Intelligence which evokes hope and fear, and climate change which is leading to more and more extreme climate events have become the world's main concerns. Besides, the major powers feel they have the technical means to prevent major terrorist attacks on their territories.

A lower international priority does not mean that the issue has gone away altogether. The October 7, 2023 Hamas attack on Israel which alarmed the world but also led to the tragedy in Gaza, caused by Israel's disproportionate response, drew the world's attention to terrorism.

The Pakistani terrorist attack in Pahalgam in April last year led to Operation Sindoor. The military conflict disturbed the great powers. The world was concerned with terrorism as a cause of military confrontation but far more by the possibility of its escalation between two countries with nuclear weapons. India sent delegations across the world to alert it of the threat posed to international peace and security by Pakistan's use of terrorism.

India's viewpoint was heard but its case on Pakistani terrorism did not raise sufficient international concern or lead to greater pressure on Pakistan to rein in its terrorist groups. No country publicly rebuked Pakistan for supporting terrorists.

While the US and Israel consider Iran as a major promoter of terrorism through its proxies, the former's main interest is in ensuring that it does not make nuclear weapons. This is also the main European concern.

IMMUNE : A global consensus on what constitutes terrorism is absent. REUTERS

The US in particular knows that it can control the reach of Iranian terrorism and also eliminate Iranian officials who are believed to sustain the proxies. Qasem Sulaimani's elimination in 2020 established this fact. The decapitation strike at the beginning of the Iran war also demonstrated US and Israel's technical capabilities but were unwise actions. They have contributed to prolonging the conflict.

There is one fact about international terrorism which seldom finds mention. This relates to the absence of a global consensus on what constitutes terrorism. India introduced a draft Comprehensive Convention on International Terrorism (CCIT) in the United Nations in 1996.

> For India, the lesson of the world's loss of real interest in terrorism is that it will have to handle Pakistani terrorism on its own.

At that stage, the Western powers considered terrorism to be the developing world's problem from which it was immune. They showed scant interest in it and it floundered inter alia for a lack of agreement on a definition on terrorism. After 9/11, the US and its partners sought to move the process forward but it stalled again on definitional issues.

Hence, they lost interest and focused more on international cooperation against specific terrorist acts and formulating agreements on these. Yet, the continuing absence of a worldwide agreement on what constitutes terrorism despite terrible terrorist attacks is again an indication that whatever seriousness there was on universally combating it has further evaporated.

An important reason for the decline in international attention on terrorism is on account of the US's strategic defeat in its 'forever war' in Afghanistan. The world's greatest power's defeat at the hand of the Taliban in August 2021 led to an introspection within the US and the West if the manner in which it had reacted to 9/11 was strategically wise.

Along with Afghanistan, its experience of the Iraq war which led to the rise of ISIS and its impact on Muslim minorities in Europe also led to greater thought on the issue. This requires a measure of background.

The US had reacted with enormous anger to what was the greatest attack on the American mainland in its history. It launched a 'global war on terrorism'; its NATO allies for the first and only time in the organisation's history invoked Article 5 of its Charter and thereby considered it as an attack on all members.

They joined the US, in one manner or another, to attack the Taliban regime in Afghanistan which was sheltering Al-Qaida's leadership. The Afghan Emirate collapsed and Al-Qaida and the Taliban leaders crossed the Durand Line to take shelter in Pakistan.

Pakistan sustained the Taliban which began to mount a campaign against the Afghan Republic and US and its allies. As they decided not to take the war into Pakistan and also because the Republic simply led by incompetent Presidents did not create solid foundations the US enterprise collapsed and the Taliban came back to Kabul in August 2021.

The lessons the US gained from the Afghan and Iraq wars were that it should not get involved in nation building exercises, but that its focus should remain on handling terrorist groups, whose leaders it could eliminate with its power.

This was demonstrated in the killing of Osama bin Laden in Abbottabad in May 2011 and also in the elimination of his successor Ayman al-Zawahiri in Kabul in July 2022. This also sent a message to extremist groups of US capabilities in controlling them. This in turn also contributed to a reduction in their interest in terrorism.

For India the lesson of the world's loss of real interest in terrorism is that it will have to handle Pakistani terrorism on its own.

India's weapons push hits a technology wall

TN NINAN
SENIOR JOURNALIST

THE encouraging development is that policy changes may help improve the past record. Targets have been set for increasing the share of domestic supplies in defence hardware acquisitions. The private sector has been invited to enter the armaments business and foreign investment rules have been liberalised, allowing 74% foreign ownership under the automatic route.

Government research laboratories have been encouraged to seek out production partners from the private sector, while funding is on offer for startups through the IDEX (Innovators for Defence Excellence) programme, launched in 2018.

The results are noteworthy. Domestic defence production has quadrupled in the last 12 years to Rs 1.78 trillion, with private output contributing a quarter of the total. Adjusted for inflation, production in real terms is estimated to have doubled. Defence exports have grown faster, from virtually nothing to Rs 38,300 crore. The ratio of defence exports to imports is now at its best ever, at about 1:2, though admittedly estimating imports is difficult since even indigenous manufacturers rely on imported inputs. Still, groups like Tata, Adani, Kalyani, Mahindra, Godrej and Larsen & Toubro have ventured into or increased their focus on defence manufacture, producing howitzers, drones, missile components, combat vehicles and transport aircraft.

That said, the biggest defence suppliers are still the legacy players in the public sector. That is to be expected, given their many years of experience and established capabilities. So the three Indian companies that feature in the world's top 100 defence manufacturers are all state-owned: Hindustan Aeronautics (HAL), Bharat Electronics and Mazagon Dock Shipbuilders. Other government companies remain critical players, like Bharat Dynamics for the missile programme, while Bharat Heavy Electricals (BHEL) is making marine gas turbine engines to replace those previously sourced from Ukraine.

But it's no longer all government. Larsen & Toubro has invested in an ambitious ship design centre as well as two shipyards. Tata is partnering Airbus to assemble the C295 transport aircraft. Godrej, meanwhile, is focussing on the demanding task of developing aero-engines. Kalyani is into howitzers. And the Navy is funding Kirloskar to make marine diesel engines.

NOTEWORTHY: Domestic defence production has quadrupled in the last 12 years. PTI

The critical frontier to cross is progression from licensed manufacture using someone else's blueprints and critical parts (which translate into limited autonomy) to developing indigenous weapons platforms. HAL has assembled hundreds of Sukhoi fighter aircraft but cannot make one on its own, unlike its Chinese counterparts that moved on from Soviet collaboration to indigenous aircraft development. This is why the Tejas programme has been important, and the fact that HAL is unable to produce the planes ordered by the Air Force has led to a severe shortage of fighter squadrons.

This failure may explain why the company has been left off the shortlist of contenders to make the advanced medium combat aircraft; three private consortia are in the running. They have no prior experience and will have to depend on global partners. Whether this leads to genuine indigenous capability remains to be seen, especially since significant investment will need to be made in research and development, always a weak point for Indian industry.

Most countries that have built defence industries have done so on the back of a broad industrial base, supported by technological strengths. India is an exception because its manufacturing sector is stunted and it has strictly limited R&D to just a handful of sectors, almost none of it in the private sector.

The share of manufacturing in GDP remains broadly where it was three or four decades ago, and the products are mostly not cutting-edge. The software service companies enjoyed 30% profit margins but still did not invest in artificial intelligence that now threatens their core business.

The attempt to build sophisticated defence manufacturing units despite the broader manufacturing and technological limitations is thus unique, and beset with challenges. Mazagon had to wait until the Steel Authority of India could produce the high-strength steel needed for submarine pressure hulls, as also the hulls for capital warships. Limited budgets also mean that project lead times are long and often, a product is obsolete by the time it is ready. In defence, unlike in the civilian world, there is no room for second-best solutions or delay when war breaks out.

> The critical frontier to cross is progression from licensed manufacture.

Over and above the inadequacies, the crucial skill that seems to be missing is effective project management which focusses on what is doable, what needs to be bought out, and the ability to call a halt to something that is not working so that more resources are not wasted.

One of the issues in the last decade is that the government has not found it possible to provide more generous defence budgets, despite the deteriorating security situation. Given India's manifest shortage of fighter aircraft and its ageing submarine fleet, senior service officers warn of a more challenging military balance with both Pakistan and China. Yet India's defence spending is just 2.1% of GDP, when the global average is 2.5% and security experts have said India's should be 3%. The difficulty is that defence already accounts for a fifth of non-interest government expenditure. There is nothing that helps defence budgets more than a rapidly growing economy.

Yet, budget limitations may not be as much of a constraint in the future as they have been so far, given the asymmetric David-and-Goliath scenarios in the conflicts between Ukraine and Russia and Iran and the US. Most importantly, can India afford to invest less in expensive platform weapons and focus on cheaper missiles and drones that are cost-efficient counters to expensive platforms — and manufacture them in large enough numbers? If drones are redefining modern warfare, is an imbalance in the numbers of tank regiments or frontline warships less of a decisive factor in a conflict?

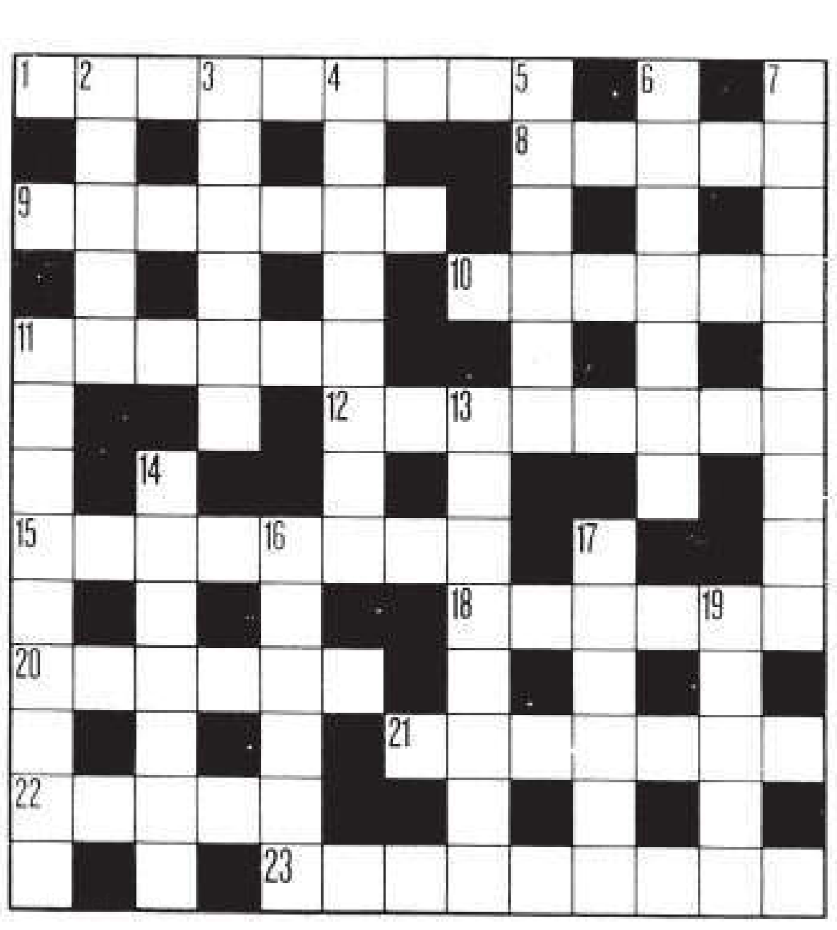
The difficulty is that drones come with their own questions. India has ordered the expensive MQ-9B Reaper drones from General Atomics, but the US lost no fewer than 45 of them (costing about Rs 1,000 crore each) in its war with Iran. The government has recently ordered 840 kamikaze drones from Tata and the Pune-based Nibe, but how resistant are they to jamming or to defensive strikes? It may boil down to firing attack drones (including long-range ones) in sufficiently large numbers so that at least some get through defensive walls. In turn, the critical defensive abilities will be the ability to jam incoming drones' navigation systems and to neutralise them before they strike. It is essentially a technology game in a rapidly developing field and smartness can trump budgets.

Does that mean India needs to worry less about Chinese tanks massed across the Line of Actual Control in Aksai Chin or fret less about China deploying its new stealth fighters or not pay much attention to the strengthening of the Pakistan navy? The answer is that the country should continue to build its conventional defence capabilities. Also, countering weaknesses against high-performance weapons systems can be done by deploying greater numbers (swarming), using techniques that render the superior system ineffective and making better tactical use of even inferior systems.

It would be nice to be able to hedge against all bets but budgets come in the way and choices have to be made. Ukraine has shown how creative it can be and surprised the world. Ultimately, it depends on how well India has mastered the demands of drone and missile warfare and how effectively it marries tactics and technology to make up for any deficiencies in the traditional weapons of war.

This is the second of a 2-part series

QUICK CROSSWORD



ACROSS
1 Campaign against dissenting group (5-4)
8 Customary (5)
9 Vituperative (7)
10 Means of exit (6)
11 Keep waiting (6)
12 A veteran (3-5)
15 Norwegian polar explorer (8)
18 Plant native to mountains (6)
20 Scattered pieces of wreckage (6)
21 Quick sharp retort (7)
22 Guise (5)
23 One's utmost (5,4)

DOWN
2 Tinge deeply (5)
3 Due to chance (6)
4 People without resources (4-4)
5 A riot (6)
6 Awe-inspiring (7)
7 Absolutely penniless (4,5)
11 Extremely dull (3,2,4)
13 A high explosive (8)
14 Cause of annoyance (7)
16 Twaddle (6)
17 Self-confidence (6)
19 Memoranda (5)

Yesterday's Solution

Across: 1 Prowess, 4 Mimic, 7 Then, 8 Premises, 10 Hullabaloo, 12 Coarse, 13 Tureen, 15 Lucky break, 18 Identity, 19 Dodo, 20 Later, 21 Hearten.

Down: 1 Pitch, 2 Overload, 3 Spread, 4 Mumbo-jumbo, 5 Muse, 6 Caspian, 9 Pass muster, 11 Peter out, 12 Crucial, 14 Sketch, 16 Known, 17 Left.

SU DO KU

6					3			2
9				2		6		
		4	7		8			
8	4					2		
		2	8		6	7		
		3					9	5
			2		7	4		
		5		9				8
7			5					6

EASY

YESTERDAY'S SOLUTION

3	1	2	6	9	7	8	5	4
4	5	7	8	1	3	9	6	2
6	9	8	5	2	4	1	3	7
8	7	5	9	3	2	4	1	6
2	3	1	4	8	6	5	7	9
9	6	4	7	5	1	2	8	3
5	4	6	2	7	8	3	9	1
7	8	3	1	4	9	6	2	5
1	2	9	3	6	5	7	4	8

CALENDAR

SEPTEMBER 11, 2026, FRIDAY

- Shaka Samvat 1948
- Bhadrapad Shaka 20
- Bhadrapad Parvishte 26
- Hijari 1448
- Krishna Paksha Tithi 15, up to 8:57 am
- Sadhya Yoga up to 5:02 pm
- Purvaphalguni Nakshatra up to 1:17 pm
- Moon enters Virgo sign 7:08 pm

FORECAST

SUNSET: FRIDAY 18:33 HRS
SUNRISE: SATURDAY 06:05 HRS

CITY	MAX	MIN
Chandigarh	35	25
New Delhi	33	26
Amritsar	33	26
Bathinda	36	25
Jalandhar	33	26
Ludhiana	33	26
Bhiwani	37	25
Hisar	38	25
Sirsa	35	25
Dharamsala	30	19
Manali	27	16
Shimla	24	16
Srinagar	32	15
Jammu	34	23
Kargil	30	13
Leh	25	10
Dehradun	33	23
Mussoorie	25	21

TEMPERATURE IN °C

The Statesman
Incorporating and directly descended from the Friends of India -founded 1818

Limits of Faith

Religious freedom does not mean that religious preferences can rewrite the rules of a public institution. That is the uncomfortable lesson from the controversy surrounding a visit by a delegation of the BAPS Swaminarayan organisation to the Eiffel Tower. The issue is not whether BAPS is entitled to practise gender separation within its own religious life. It plainly is, within the limits of French law. Nor should a Hindu organisation's presence in France become an excuse for treating Hinduism itself as suspect. The real question is what happens when a visitor's religious conventions collide with the rights and dignity of employees in a public-facing institution.

If, as staff representatives allege, female Eiffel Tower employees were moved from their workstations or instructed to avoid particular areas because a visiting delegation preferred not to interact with women, the primary institutional failure lies with the tower's management. A visitor can make a request; management must decide whether that request is compatible with the institution's rules. SETE's subsequent acknowledgement that the arrangements were inconsistent with its values makes that responsibility difficult to evade. This is precisely why the workers' protest matters. It was not a protest against religious belief. It was a protest against the idea that women should bear the practical cost of accommodating somebody else's religious practice. In a country whose republican tradition places equality before the law at the centre of public life, that is a significant distinction.

Yet France should also resist the temptation to turn an administrative failure into a cultural confrontation. BAPS has said that the visit was coordinated with Eiffel Tower staff, that it did not knowingly seek to exclude anyone and that it regretted the distress caused. The investigation must therefore establish exactly what was requested, what was understood and what management actually instructed employees to do.

There is a broader lesson here for increasingly multicultural democracies. Accommodation is essential to pluralism, but accommodation cannot become surrender. A religious community should be free to observe its practices; a public institution must remain free to insist that its employees are treated according to its own principles. India's response has, correctly, recognised this boundary. External Affairs Ministry spokesman Randhir Jaiswal has said the Eiffel Tower matter is "purely" between the entities concerned. That is a sensible diplomatic position. The opening of a BAPS temple near Paris and Prime Minister Narendra Modi's goodwill message do not turn an employment dispute at a French landmark into a bilateral issue.

The incident nevertheless carries an uncomfortable message for BAPS and other global religious organisations. Religious traditions gain legitimacy abroad not merely by building impressive temples or attracting political goodwill, but by demonstrating that their principles can coexist confidently with the equal citizenship of others. Faith deserves protection. So does the freedom of women to occupy public space. When the two are presented as incompatible, it is the institution ~ not the women ~ that must refuse to make the retreat.

Growing Pains

Reform UK's ambitions have begun to collide with the disciplines required of a party seeking power. The controversy triggered by undercover footage of senior figures discussing potential routes for money from a purported foreign donor is damaging not simply because of the suggestion of legal impropriety. More fundamentally, it raises questions about whether Reform has developed the institutional culture necessary to make the transition from insurgent movement to credible government-in-waiting.

Dan Jukes, Nigel Farage's former chief of staff, and James Orr, the party's former head of policy, have stepped aside while an internal investigation proceeds. No prohibited donation was ultimately made, and allegations of wrongdoing remain to be established. Yet politics is not governed solely by the criminal threshold. The apparent willingness of senior party figures even to entertain arrangements that could circumvent Britain's tightly regulated rules on political donations creates a problem of judgement and culture. That distinction matters. Electoral law exists precisely because political parties cannot be allowed to treat the source of their funding as a technical inconvenience. Restrictions on foreign donations are intended to protect democratic politics from external influence. A party that campaigns on sovereignty and national control should be especially conscious of the principle. The episode also exposes a contradiction at the heart of Reform's extraordinary rise. Its appeal has rested partly on its rejection of conventional politics: its informality, irreverence and willingness to challenge established institutions.

Political movements can operate on personality and instinct. Governments cannot. They require compliance systems, institutional memory, clear chains of responsibility and people whose job is to ask inconvenient questions before embarrassment becomes scandal. Nigel Farage's response illustrates the difficulty. His claim that he was not paying attention during the relevant conversation may be intended to distance himself from the remarks of his associates. But it raises an equally uncomfortable question. A leader cannot indefinitely claim credit for the political culture that produces success while disclaiming responsibility for the culture that produces failure.

This is significant because Reform's growth has been unusually rapid. Electoral gains, prominent defections and growing national influence have transformed it from a disruptive force into a plausible contender for office. With that transformation comes scrutiny of a kind that charisma alone cannot manage. Every financier, adviser and private conversation increasingly becomes a test of whether the party is ready for the responsibilities it seeks.

Reform may yet emerge from this controversy stronger if it treats the episode as a warning rather than an inconvenience. Removing individuals will not be enough if the underlying problem is organisational. The real question is whether Farage's party can build structures capable of restraining its own instincts. That may prove to be Reform's most consequential test. Winning attention is one thing. Winning power requires something harder: convincing voters that those who promise to break the old political system can also be trusted to operate within the rules that protect democracy.

Challenges for BRICS

BRICS has already demonstrated that it can become larger. India's Chairship can now demonstrate that enlargement can produce agency. The measure of the 2026 Summit's success will not be the breadth of the table, but the momentum generated around it. BRICS has acquired the scale to reflect a changing world; its historic test is whether it can acquire the institutional capacity to shape it

Power creates opportunities. Institutions create history. BRICS has completed twenty years ~ expanding its membership, enlarging its economic weight and becoming an increasingly consequential voice of the Global South. Yet power alone does not make a grouping consequential. The harder task is to turn numbers into effectiveness, diversity into cooperation and declarations into outcomes.

Now comprising eleven full members and ten partner countries, BRICS has acquired unprecedented reach, but enlargement has also raised the demands placed upon it. During the first eight months of its chairship, India has sought to move the grouping from dialogue towards delivery, with five joint declarations, three new centres or platforms and a landmark MOU on standardisation. Its approach reflects a wider vision of BRICS as a forum for multipolar development, grounded in multipolarity, multilateralism and strategic autonomy.

As New Delhi prepares to host the 18th Summit on September 12-13 under the theme "Building for Resilience, Innovation, Cooperation and Sustainability," the central challenge is no longer expansion but effectiveness ~ whether an enlarged BRICS can convert its growing weight into durable institutional capacity and tangible outcomes.

That challenge begins with the architecture of enlargement itself. The Kazan Summit of October 2024 created the partner-country modality, allowing wider participation without forcing an immediate choice between inclusion and full membership. Ten countries received partner status in 2025, while Cuba, Nigeria, Malaysia and Thailand have shown interest in deeper engagement, and Türkiye and Azerbaijan have also indicated interest in joining.

The attraction is clear, but expansion carries a paradox: every additional voice increases representational weight while raising the transaction costs of consensus. Russia and China have generally favoured faster enlargement, while India and Brazil have preferred a more calibrated approach, including the partner-country model. The answer need not be to close the door, but to ensure that the door does not become wider than the room. Consensus, institutional preparedness and demonstrable contribution should guide enlargement, with full membership continuing to rest on consensus among BRICS members.

Coherence, however, cannot mean sameness. BRICS already possesses the beginnings of an institutional architecture ~ summit diplomacy, ministerial dialogues, the Sherpa process, specialised working groups, business and academic networks, the New Development Bank and the Contingent Reserve Arrangement. The task is to make this architecture capable of absorbing diversity without being paralysed by it.

A more effective BRICS should therefore embrace variable geometry: members need not do everything together, provided they can do more together where interests and capabilities converge. Different coalitions should be able to advance practical cooperation without requiring geopolitical uniformity. In an enlarged grouping, flexibility is not institutional weakness; it may be the condition of institutional survival.

This also defines the place BRICS should occupy in the international order. It must give the Global South greater strategic voice without becoming another geopolitical camp or an anti-Western platform. India's strategic autonomy offers a useful template: engaging diverse partners without surrendering the freedom to pursue distinct interests. BRICS should carry that logic into global economic governance.

Revitalising the WTO, restoring confidence in its rules and dispute-settlement mechanisms, and giving emerging economies a greater role in shaping global trade would allow BRICS to contribute to reform without seeking to replace the existing multilateral order. The objective should be reform without rupture.

Its larger opportunity, however, lies in connecting capabilities that already exist but too often remain fragmented.


J K SHARMA
APURVA RAKESH PANDEY

The writers are, respectively, a retired IFS officer and an analyst on international relations

Greater representation for emerging economies in the IMF and World Bank, deeper engagement with the Asian Development Bank on infrastructure and connectivity, and a stronger New Development Bank can widen development choices.

But institutional reform will matter most when matched by economic complementarity. India's technology and digital strengths can meet China's manufacturing scale; Russia's energy prowess can intersect with Gulf capital and connectivity; Brazil's agricultural capacity can complement Africa's resources and markets.

Critical minerals can move towards processing and manufacturing; finance can meet infrastructure; technology can meet productivity; connectivity can meet markets. The objective is neither autarky nor decoupling, but a more distributed architecture of production, finance and trade. The Global South does not merely need a larger voice; it needs its capabilities connected.

Such ambition will inevitably encounter political differences within BRICS, but these need not become barriers to cooperation. India-China strategic competition, Russia's strained relations with the West, and the differing interests of India, Brazil and the Gulf states demonstrate the grouping's complexity. Yet bilateral rivalries should not become multilateral fault lines. BRICS does not need geopolitical sameness; it needs sufficient convergence to act where interests overlap.

Development, agriculture, energy, food, health, technology, innovation, disaster response and humanitarian assistance provide such ground. India's record as a first responder offers a useful model: Operation Dost, Operation Maitri, Operation Sagar Bandhu and Vaccine Maitri demonstrate that solidarity acquires credibility when timely assistance reaches people in moments of crisis. A people-centric BRICS should turn solidarity from diplomatic vocabulary into practical resilience.

This principle can also extend BRICS' influence beyond formal membership. India's invitation to Nepal and Bangladesh, alongside leaders of several international organisations, to the Summit's Outreach Session reflects a broader conception of connectivity: influence need not end at the membership line. If BRICS can connect markets, infrastructure, technology and finance with neighbouring and partner economies, its relevance will derive not merely from the number of flags around the table, but from the networks that extend beyond it. Outreach should become an instrument of development rather than remain ceremonial diplomacy.

India's Chairship can now translate this architecture into a practical agenda. Digital and financial connectivity offers one starting point: greater interoperability among central bank digital currencies and cross-border payment systems could make trade transactions faster and more seamless, with India's e-rupee providing a practical starting point. Cooperation on AI standards can prevent technological fragmentation from becoming a new barrier to exchange.

A BRICS project pipeline could connect critical minerals to processing, manufacturing and markets, while cooperation in food, energy and logistics could make supply chains not simply longer, but sturdier. The proposed Incubator Network and Startup Innovation Fund could link entrepreneurial ecosystems across continents, while the New Development Bank can finance the infrastructure that gives such connections material form. The ambition should be to move from declaration to design ~ and from design to delivery.

Delivery, however, requires continuity. India should seek an implementation cycle in which commitments carry timelines, institutional responsibility and periodic review. A common statistical base and stronger research capacity would allow BRICS to measure progress rather than merely announce it. Its existing machinery ~ the Sherpa process, ministerial structures, Business Council, academic networks, NDB and CRA ~ should become the connective tissue between successive summits, ensuring that each meeting advances rather than resets the agenda.

A Summit Declaration should be a living blueprint whose progress can be measured. The test of institution-building is ultimately continuity: whether an idea survives the summit that gave it birth.

BRICS has already demonstrated that it can become larger. India's Chairship can now demonstrate that enlargement can produce agency. The measure of the 2026 Summit's success will not be the breadth of the table, but the momentum generated around it. BRICS has acquired the scale to reflect a changing world; its historic test is whether it can acquire the institutional capacity to shape it.

The Jakarta Post

Why oil importers are learning to live with longer trade routes

Energy trade routes that optimize distance and costs may no longer be suitable for the fractured and fractious modern world, especially for major importers. Ongoing tensions involving Iran are pushing major oil importers to develop alternative supply routes, which increasingly bypass the supply hubs that previously dominated global energy trade.

The end result is a shift away from the concentrated energy corridors of recent decades to a more dispersed network of supply lines that cost more and take longer, but help reduce exposure to geopolitical shocks and boost energy security. Japan's evolving cocktail of crude oil purchases underscores the extent of the changes underway among top energy importers. Until the United States-Israeli war against Iran triggered a sharp drop in tanker traffic through the Strait of Hormuz, the world's fifth-largest oil buyer sourced over 90 percent of its crude from Middle Eastern suppliers. Countries such as Saudi Arabia, Iraq and Iran have historically had supplies that were available in large and reliable volumes and were deliverable to Japan's main coastal refineries via a relatively straightforward 21-day voyage.

Since the conflict disrupted Gulf exports in late February, outbound crude flows from the Middle East have dropped drastically, with total volumes shipped from March through July 40 percent lower than a year earlier, according to Kpler.

That steep fall in Gulf oil supplies has forced Japan to secure more crude from alternative suppliers, most notably from North America. Total Japanese crude oil imports from the US from March through June topped 4.5 million metric tonnes, compared with less than 1 million tonnes during the same period in 2025.

That more than 400 percent year-over-year jump in American supplies allowed Japanese importers to offset a 54 percent fall in shipments from the Middle East and limited the overall decline in Japan's crude supplies over the same period.

However, the switch to US crude comes at a cost, with the journey time nearly nine days longer, driving sharply higher shipping costs and requiring a different delivery schedule for refiners to manage.

South Korea and India, also among the world's five largest oil importers, have revamped their crude origination patterns, dialing up flows from the Americas and Africa as Middle Eastern volumes dwindled.

China, the world's top crude oil buyer, has so far relied heavily on strategic oil reserves to shield itself from the fallout from the Iran conflict.

However, following that lengthy spell of drawdowns, Chinese importers are expected to step up crude import interest again and will likely add to the emerging competition for supplies from the Americas and other regions later in 2026.

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Letters To The Editor | editor@thestatesman.com

Valid question

Sir, Please refer to today's editorial "Reality Check". The ongoing controversy over India's GDP numbers is just a statistical wrangle that sounds hollow to the struggling common man. There are strong arguments on both sides of the divide.

While the government has claimed that the 7.8 per cent GDP growth in the first quarter of the current financial year clearly surpassed all expectations and reflected the robustness of the country's economy despite global uncertainties, the opposition has accused the government of fudging the statistics.

Critics argue that the downward revision of the previous year's GDP has made the current year's growth rate look substantially better. It must be pointed out that India had changed the GDP series earlier this year, replacing the 2011-12 base year with 2022-23 and substantially modifying the methodology and data sources.

The new series was released in February 2026. Changing the base year primarily changes the measurement of real GDP.

However, former RBI Governor Raghuram Rajan has raised a valid question: If India has been growing so strongly, why haven't we seen correspondingly stronger private investment, FDI and decent job creation? GDP measures aggregate economic production, not individual prosperity.

If GDP rises rapidly while wages, jobs and household purchasing power lag, then the economy may be growing ~ but the growth story remains incomplete.

And that, ultimately, is the part of the present GDP controversy that matters most to the common Indian.

Yours, etc., Khokan Das,
Kolkata, 7 September.

Said and unsaid

Sir, Apropos 'Burden of Belonging' published today, Sonia Gandhi's forthcoming memoir holds promise precisely because her public silences have been as influential as her interventions.

The 2004 decision to decline prime ministership remains a fascinating puzzle that a candid account could finally illuminate, clarifying how constitutional authority and political authority operated in parallel during the UPA years.

Yet memoirs are inherently selective, and the true value of this one will lie not in what it celebrates but in what it confronts, particularly the contradiction between protecting her children from politics and eventually steering them into its embrace.

India's democratic history deserves more than curated family remembrance. While personal narrative has its place, the larger questions about governance, corruption allegations, and administrative drift during the Congress decade demand institutional scrutiny, not just memoirist reflection.

The Nehru-Gandhi family remains both Congress's emotional anchor and its political albatross. Whether Mrs Gandhi addresses these tensions honestly or chooses elegant evasion will itself speak volumes.

What she leaves unsaid may ultimately prove as revealing as what she commits to paper.

Yours, etc.,K. Chidanand Kumar,
Bengaluru, 5 September.

Just a talking shop?

PRABHU DAYAL

BRICS has transformed from a niche economic acronym into a powerful geopolitical heavyweight of the Global South through successive waves of expansion. Originally coined as "BRIC" in 2001 and formalised as a four-nation bloc (Brazil, Russia, India, and China) in 2006, the group initiated its first expansion by admitting South Africa in 2010, adding the "S" to its name.

The bloc entered a hyper-growth phase in January 2024, formally absorbing Egypt, Ethiopia, Iran, and the United Arab Emirates as full members, followed by Indonesia cementing its full-member status in January 2025. Official BRICS communications and documents list Saudi Arabia as a full member, though the kingdom's exact formal ratification and internal status have involved diplomatic ambiguity.

Parallel to this, BRICS introduced a "Partner Country" model in 2025, drawing a diverse network of nations into its orbit to integrate them into cooperative frameworks. The ten partner countries are Belarus, Bolivia, Cuba, Kazakhstan, Malaysia, Nigeria, Thailand, Uganda, Uzbekistan and Vietnam. The expansion of the BRICS bloc into a larger global coalition has positioned it as a powerful voice for the Global South and a counterweight to Western-dominated institutions.

However, beneath its collective rhetoric of multipolarity and economic cooperation lies a web of deep-seated geopolitical rivalries, structural economic imbalances, and diverging strategic visions. The internal conflicts and tensions between BRICS members represent the primary challenge to the bloc's cohesion and its long-term ability to function as a unified global actor.

The most significant tension within BRICS is the complex relationship between China and India. Unlike the geographic separation that characterizes other members, China and India share a long, disputed border in the Himalayan region. Periodic military standoffs, such as the deadly 2020 clash in the Galwan Valley, underscore a persistent security dilemma. This territorial dispute directly bleeds into their broader geopolitical ambitions; India views China's expanding footprint in South Asia and the Indian Ocean through initiatives like the Belt and Road Initiative (BRI) as encirclement, while China remains wary of India's growing strategic alignment with Western powers through frameworks like the Quadrilateral Security Dialogue (Quad).

This geopolitical friction directly impedes the collective goals of BRICS. For example, while both nations support the abstract concept of reducing dependence on the U.S. dollar, India remains highly cautious of any BRICS-led financial mechanism that might inadvertently institutionalize the dominance of the Chinese yuan.

A deeper philosophical divide exists regarding the purpose of the bloc. The group is fundamentally split between revisionist powers and reformist states. Russia and China increasingly view BRICS as an overtly geopolitical, anti-Western alliance. Following its isolation by Western nations due to the war in Ukraine, Russia has sought to weaponize the bloc to bypass sanctions and build an alternative international order. China similarly leverages BRICS to project leadership over the Global South amidst its intensifying strategic competition with the United States.

Conversely, democratic members like Brazil, India, and South Africa do not view themselves as inherently anti-Western. These nations pursue a foreign policy strategy of strategic autonomy or "multi-alignment." Their primary goal within BRICS is reformist rather than revolutionary: they want to reform existing global governance structures, such as the UN Security Council and the IMF, to give developing nations a greater voice, not to dismantle the international system. The addition of new members like Iran has complicated this balance, threatening to tip the bloc toward a more explicitly adversarial stance against the West, much to the discomfort of New Delhi and Brasilia.

Structurally, BRICS suffers from a massive economic imbalance. China's economy is larger than those of all other original members combined. China's nominal GDP is roughly $19.5 trillion to $20.8 trillion. It is much larger than each of the other four countries on its own: India about $4.2 trillion, Russia about $2.1 trillion to $2.3 trillion, Brazil about $2.1 trillion to $2.3 trillion and South Africa about $410 billion to $480 billion. This stark imbalance gives Beijing significant structural leverage, leading many international analysts to argue that BRICS risks becoming a Sino-centric vehicle rather than an equitable consortium.

Many BRICS nations face trade deficits with China, exporting raw materials while importing high-value manufactured goods. For instance, Brazil and South Africa have frequently expressed concerns over the influx of cheap Chinese manufactured goods, which can stifle domestic industrialization. This economic reality complicates efforts to create deeper integration, such as a unified BRICS currency. Rather than fostering a partnership of equals, the economic reality often mirrors a hub-and-spoke model centred on Beijing, creating subtle domestic political backlash within partner states.

The decision to expand the bloc - adding nations like Egypt, Ethiopia, Iran, the United Arab Emirates and Saudi Arabia - has introduced a new layer of internal friction. While expansion increases the group's demographic and economic weight, it significantly dilutes its ability to reach a consensus. BRICS operates strictly on the principle of unanimity. Incorporating nations with deeply entrenched regional rivalries makes achieving common ground vastly more difficult. Furthermore, as the group grows, the shared identity that initially united the diverse economies- rapid emerging market growth and shared development goals - becomes increasingly fragmented.

The expansion of BRICS to include Saudi Arabia, the UAE, and Iran creates a highly fragile diplomatic dynamic, as the ongoing West Asian conflict intensifies long-standing regional rivalries. Sitting at the same BRICS table with Iran presents an awkward and tense diplomatic challenge for Saudi Arabia and the UAE, as the widening West Asia conflict directly pits their national security against Tehran's regional ambitions.

Despite prior efforts at diplomatic détente, recent Iranian missile and drone strikes targeting critical energy and commercial infrastructure in the Gulf-coupled with allegations that the UAE has permitted its territory to be used for counter-operations - have shattered any illusion of regional unity. The situation is particularly awkward because Iran's active backing of groups like the Houthis and Hezbollah directly threatens the stability and economic infrastructure that the Gulf monarchies have spent decades building.

Although Riyadh and Abu Dhabi have recently pursued tactical de-escalation with Tehran to protect their own commercial interests, the raw friction of the current conflict ensures that their interactions within BRICS remain performative, shadowed by a fundamental lack of strategic trust. This deep-seated friction has already bled into BRICS ministerial meetings, resulting in heated verbal exchanges and gridlocking the bloc's ability to issue consensus declarations.

For Abu Dhabi and Riyadh, sharing an economic and political platform with a state that actively threatens their domestic stability creates a jarring paradox, forcing them to balance the long-term benefits of Global South cooperation against the immediate, high-stakes reality of a regional shadow war.

Significant tensions exist between the new BRICS members Egypt and Ethiopia, primarily driven by disputes over Nile River resources and regional influence in the Horn of Africa. Egypt views the Grand Ethiopian Renaissance Dam as an existential threat, fearing it will drastically reduce downstream water flow. Ethiopia completed and inaugurated the multi-billion-dollar hydroelectric project, viewing it as vital for its development. Tensions spiked after Ethiopian announcements regarding potential construction of additional upstream dams, which Egypt warned it would not accept.

Years of mediated talks by the U.S., African Union, and international bodies have failed to produce a legally binding deal on filling and operating the dams during droughts. Ethiopia has accused Egypt of trying to keep it landlocked and blocking its strategic ambitions for access to Red Sea ports. Egypt has strengthened diplomatic and military ties with Ethiopia's neighbours, such as Somalia and Eritrea, leading Addis Ababa to perceive an encirclement strategy.

Thus, the decision to expand the bloc has introduced a new layer of internal friction. While expansion increases the group's demographic and economic weight, it significantly dilutes its ability to reach a consensus. BRICS operates strictly on the principle of unanimity. Incorporating nations with deeply entrenched regional rivalries makes achieving common ground vastly more difficult. Furthermore, as the group grows, the shared identity that initially united the diverse economies becomes increasingly fragmented.

The BRICS bloc remains a highly significant platform for dialogue and a symbol of the shifting global balance of power. However, its structural integrity is continuously tested by internal contradictions. The bloc is not a monolithic alliance but a marriage of convenience among nations with vastly different political systems, economic structures, and geopolitical goals.

If BRICS is to evolve from a talking shop into an effective instrument of global governance, its members must find a way to manage the profound tensions between its two most populous titans, India and China, and reconcile the ideological divide between reshaping the current global order and overthrowing it entirely.

The writer, a retired IFS officer, served as India's Ambassador to Kuwait and Morocco and as Consul-General in New York.

A needless controversy over the GDP numbers

PRAVIN KAUSHAL

Japan Credit Rating Agency has raised India's sovereign rating to A- from BBB+, pointing to growth near 7 per cent and a financial system in better repair than it has been in years. Ratings do not create fundamentals. They notice them, usually late. What makes the timing awkward is that the upgrade has landed in the middle of a domestic argument insisting that the growth being cited is a statistical illusion.

The claim is precise enough to be checked. India's real GDP grew 7.8 per cent in the June quarter and nominal GDP grew 10.3 per cent. A set of commentators has countered that nominal growth was in fact 2.6 per cent. They reach that figure by taking Rs 88.3 lakh crore, the June-2026 quarter measured on the new 2022-23 base, and dividing it by Rs 86.1 lakh crore, the June-2025 quarter figure as it was measured on the retired 2011-12 base. Two rulers, one division sign. The correct comparison uses the same ruler for both readings. On the new base, the June-2025 quarter is Rs 80.0 lakh crore, and Rs 88.3 lakh crore over Rs 80.0 lakh crore is 10.3 per cent. Take the most conservative internally consistent alternative available, the June-2025 figure of Rs 80.4 lakh crore released in June, and nominal growth is 9.7 per cent, which after adjusting the deflator implies real growth of about 7.4 per cent. Whichever consistent pair you choose, the answer sits between 7 and 8 per cent.

If mixing series were legitimate, it would have to be legitimate everywhere. Apply the same method to the annual numbers. FY26 real GDP was Rs 201 lakh crore under the old series and Rs 322 lakh crore under the new one. Nobody has announced that the economy grew 60 per cent in a year. Run it on nominal figures and it moves the other way: Rs 357 lakh crore under the old methodology against Rs 345 lakh crore under the new. Nobody has announced a contraction either. The method is used in exactly one place, in one direction, in one quarter.

That selectivity matters because of what the rebasing actually did. It made India's nominal GDP about 4 per cent smaller, driven almost entirely by a downward revision to services, particularly trade, hotels, transport and communication, where the old series had over-estimated the informal economy's recovery after Covid. A statistical exercise designed to flatter the government would be an odd one to begin by shrinking the economy and making the Centre's debt-to-GDP target harder to hit.

The new series is also the better instrument, which is the part of this argument that has gone missing. Manufacturing now uses double deflation, so output and inputs are deflated separately instead of being run through a single price index. Volume extrapolation replaces single deflation in mining and construction. GST returns, corporate filings and the enterprise and labour force surveys have displaced proxy indicators and inter-survey growth rates in estimating the household and quasi-corporate sector. Government spending is compiled from actual expenditure data rather than revised estimates. The results are visible: real growth is less volatile, the gap between GDP and GVA growth that caused years of argument has nearly closed, and statistical discrepancies now average zero against about minus 2 per cent of GDP earlier. None of this was sprung on anybody in August. The downward revision to the base was published in February and analysed to death by March.

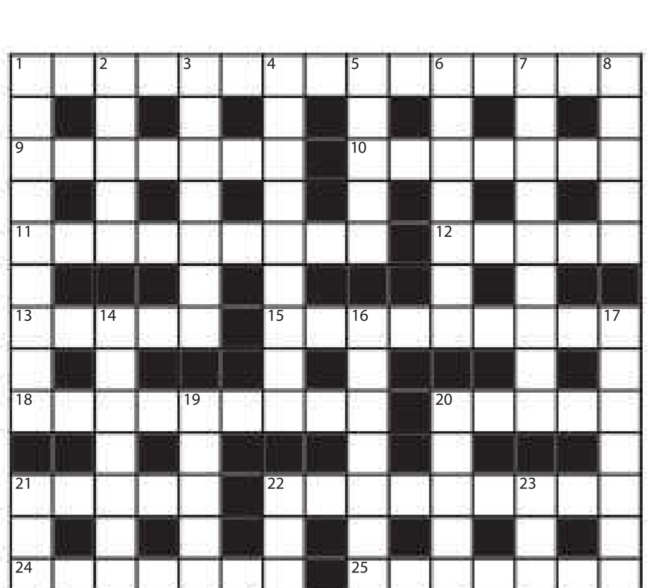
The related complaint, that the ministry keeps revising its past numbers, describes ordinary national accounting rather than a scandal. Every major statistical agency does this, and India's revisions tend to be smaller than most. Between FY22 and FY25, quarterly estimates were revised upward 25 times and downward 12. The June-quarter number now under attack will be revised in November, again in February, and will not be final until February 2029. Anyone treating a first advance estimate as a verdict has misunderstood what they are reading. The strongest reason to doubt the sceptics is that the things which cannot be revised, deflated or rebased are moving in the same direction. Passenger vehicle dispatches grew 35 per cent in August on export growth of only 9 per cent, so that is domestic demand. Two-wheeler dispatches grew more than 20 per cent. Commercial vehicle dispatches grew more than 40 per cent, which is not a consumption story at all. Bank credit is accelerating after a year in which the weakness was widely misdiagnosed as absent demand rather than constrained supply. Tax collections have picked up. Construction indicators are firm. Gross fixed capital formation rose 11.9 per cent and now stands at 34.3 per cent of GDP. The question of why private investment refuses to show up has, for the moment, answered itself.

None of which means the economy is in fine shape everywhere. Agriculture grew 3.6 per cent and left rural demand hostage to the monsoon. Mining contracted. The rupee has crossed 95 and portfolio investors have been leaving. Real wage growth is weak, which is the clearest evidence that slack remains and that it will take several quarters of above-trend growth to absorb it. The September quarter will be harder, because the trade deflator that flattered this print fades and the oil bill arrives undisguised.

We have been here before. In 2015, the shift to the 2011-12 base produced the same confusion, the same accusations, and the same wasted year. Base revisions are how a statistical system keeps up with an economy that has acquired GST, digital payments and a vastly larger administrative data trail since the last one. The argument worth having is not whether 7.8 per cent is real. It is whether the investment cycle underneath it can be made to last.

The writer is an entrepreneur, public policy commentator and columnist, and tweets as @ipravinkaushal.

Crossword | No. 293577



Yesterday's Solution

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N		E		S		O		U		D		M		G
D	U	D	G	E	O	N		T	R	E	M	B	L	E

ACROSS

1 Actor on The Simpsons maybe? (8,7)
9 Troubling quality – ask for husband (7)
10 Independent politician two journalists obstructed (7)
11 Coppers taking dope and ecstasy show remorse (9)
12 Some cattle rustler finally wearing symbol of peace (5)
13 Gun – one found on a slippery slope (5)
15 It's designed with you in mind – for this reason, don't start cryptic (9)
18 Ideas man is stopping other Queen moving round (9)
20 Henry rejecting Boleyn's hair dye (5)
21 Joely Richardson's expressing emotions (5)
22 Papa's Got A Brand New Bag after interruption by posh, London Philharmonic Orchestra player (4,5)
24 It supplies crude painting effectively (3,4)
25 Reject striking actors (7)
26 Sailor smooths voyage on board ship bearing European flag (5,3,7)

DOWN

1 Gold to trial TV show–it involves action, but lacks self-awareness (9)
2 Playwright sees nurse following bowel disorder (5)
3 A bomb that flew over a hill gets airman (7)
4 Manipulates topless teenagers in broadcast without adult (9)
5 Blame kept out of sight in church (5)
6 Enlisted revolutionary when I deported some characters (5,2)
7 Eccentric playing banjo, entertaining millions is jack of all trades (3-6)
8 Jog naked around the centre of Margate (5)
14 Irregular glue ear? Dr will clean occasionally (9)
16 Wordy newspaper reversed rule on use to wipe bottoms (9)
17 Hundred players in audition with leading agents to make some bread (9)
19 Dodges game (7)
20 Essentially the high priest's a cereal cafe regular? (7)
21 Steals seat back (5)
22 Copy long division – can it raise the power? (5)
23 Get government file (5)

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

100 Years Ago


The Statesman

Front page of The Statesman dated 11 Sept. 1926

OCCASIONAL NOTE

IMPORTANT work in connexion with malaria is now being done in England, and a report on the First Results of Laboratory Work in connexion with it has been issued. One of the most important subjects dealt with is the treatment of general paralysis by infection with malaria. The plan adopted at first was the direct inoculation of blood from patient to patient. Instead of this the method that is now preferred is the employment of malaria-infected mosquitoes. A subsidiary advantage of this plan is that it affords a good opportunity for the study of the mosquito as a carrier of the parasite of malaria. Thus of 2,630 mosquitos that were used, it was found possible to use only 530 for purposes of infection. An effort was made by means of these to infect 145 persons, and of these only 109 developed the disease. If the mosquitoes were kept in a high temperature, most of them died before they became infective, that is, before the malarial parasites they had imbibed had reached their salivary glands. At a low temperature mosquitoes lived longer and retained their infectivity. So there would seem to be less risk of infection in hot weather. One of the results of the observations that came as a surprise was to find how few fever patients seemed to be infective. Some with induced malaria were not infective at any period of their course. It was a rare thing to find a patient who was infective in a high degree, and when he was found it was only by repeated feeds on him that a mosquito became infected. The estimate is made that of the malaria-carrying mosquitoes that are capable of causing infection 95 per cent, will never play that role. It is evident that there are more things than exposure to infection that are necessary to cause the disease. Malaria seems to be a disease that does not spread unless a number of special conditions are fulfilled. It is probably to a large extent a "household" disease, and it is mainly in the home that it must be dealt with.

News Items

LABOUR CONGRESS "SCENE"

MINERS' DELEGATES WALK OUT

(SPECIAL CABLE)
LONDON, SEPT.

PANDEMONIUM reigned at the Trade Union Congress to-day when Mr. J. Bromley, of the Locomotive Engineers and Firemen, rose to second the resolution moved by Mr. R. Smillie, recording his appreciation of the generous assistance afforded to the miners, and urging trade unionists to redouble their efforts to assist the miners.

Mr. Smillie thanked the President for allowing the resolution to be moved in the calm of a conference in which there was no bitterness. He added that he was not so hopeful now as a few days ago of an honourable settlement.

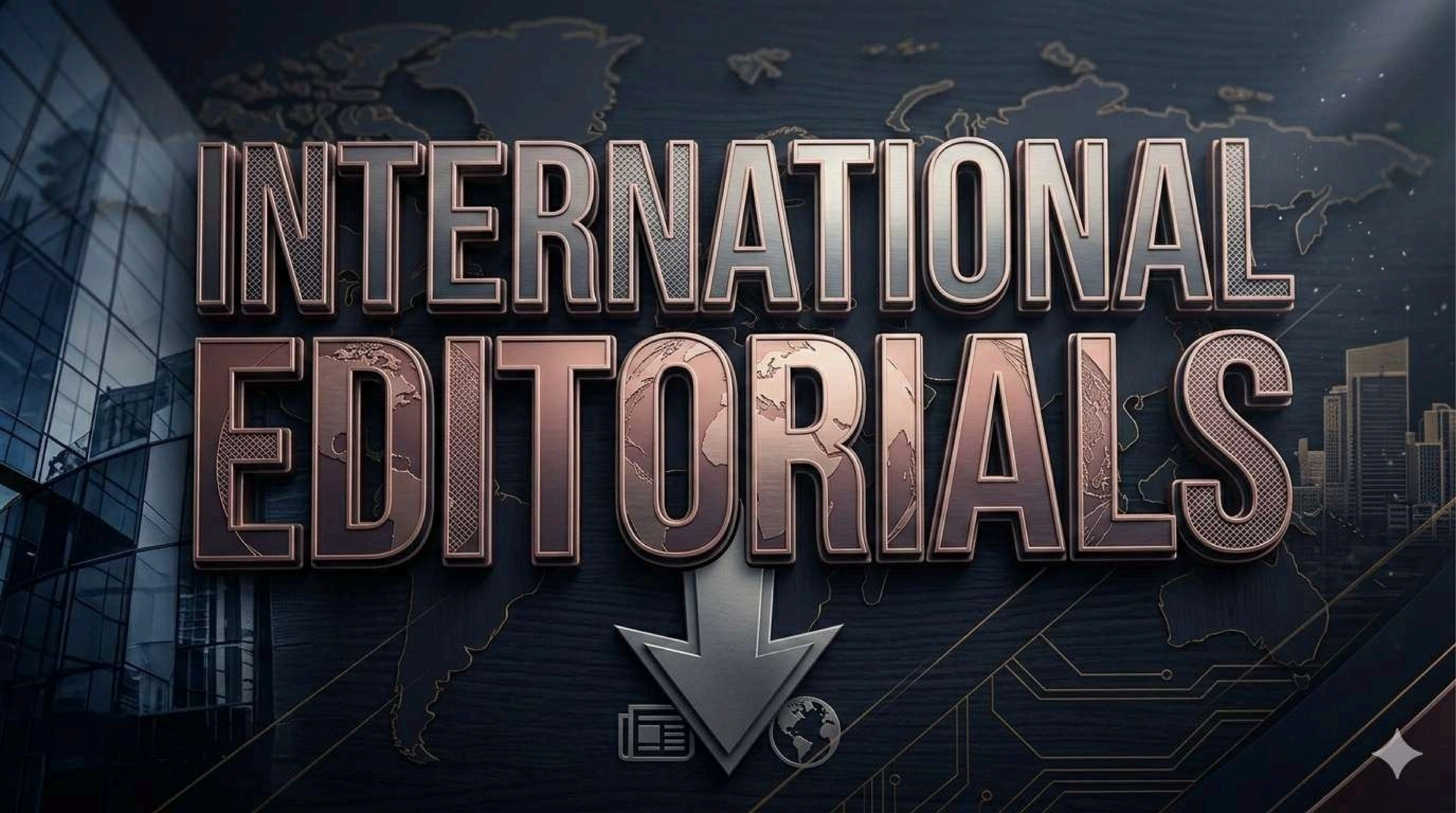
When Mr. Bromley rose, Mr. McGurk, the Lancashire miner, asked if the Council was deliberately insulting the miners by putting up Mr. Bromley, who alone was responsible for the suffering of the miners.

The Chairman repudiated the suggestion. A number of delegates then rose simultaneously and demanded that Mr. Bromley should not be allowed to speak. Mr Richardson, a miner's official, appealed to his fellow-miners to allow the Chairman to rule the meeting.

The uproar increased when Mr. Bromley rose and a number of miners walked out. The chairman ordered Mr. McGurk to leave the Congress. When Mr. Cathery, of the Sailors' and Firemen's Union, appealed for order he was told to clear out "with your scallywag Union."

The Miners' delegates began to sing the "Red Flag" and it was impossible for Mr. Bromley to speak. The President suspended the sitting while the Council retired to consider the situation. Subsequently Mr. Richardson announced that the miners would not cause any further obstruction.

Mr. Bromley, in his speech, said that he would defend himself when the time came and he had a good hearing.— Copyright.

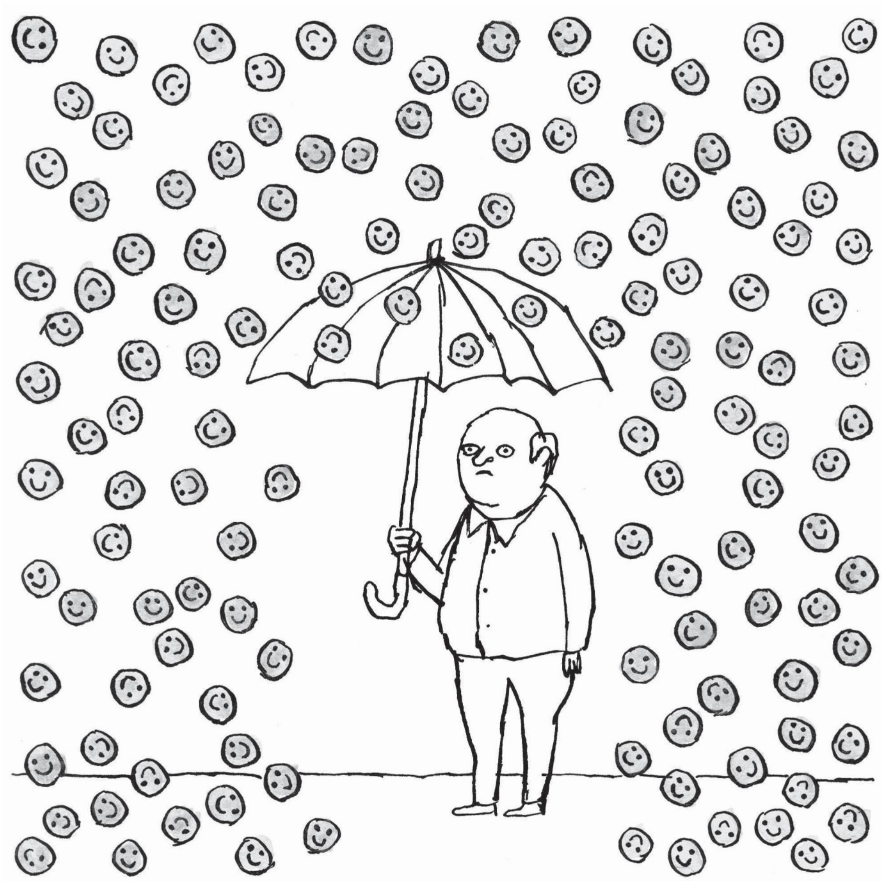

INTERNATIONAL
EDITORIALS

Opinion

There's something better than happiness

We ought to make it a point not to stay in our happy place for too long.

Mark Edmundson



EDWARD STEED

Summer is nearly over, and you already miss the lapping waves and subtle breezes. Or maybe you're missing the forest, where you can think your gentle thoughts in a green shade. You found what therapists and yoga teachers call your happy place.

Nothing against such pleasures, but if they concentrate your vision of ultimate happiness, that's something you may need to reconsider. Many of us think that the goal of life is to work hard, succeed and live softly for the rest of our days. Get on the sailboat to nowhere. Go to the South of France and sample every wine-paired dish. Float from one music festival to the next.

This, many think, is happiness. And plenty of prominent thinkers would agree. The utilitarian philosopher Jeremy Bentham said we should seek maximum pleasure at all times and do all we can to avoid pain. Oscar Wilde, a lifelong sybarite, wrote in his letter "De Profundis": "I don't regret for a single moment having lived for pleasure. I did it to the full, as one should do everything that one does. There was no pleasure I did not experience."

Yet there are others who think that happiness of this sort is, if not to be avoided altogether, then taken in guarded doses.

I'm with them.

The German philosopher Arthur Schopenhauer warns us that human beings have two main enemies: pain and boredom. We use our intellects to guard ourselves from pain. But once we have escaped it, the mind keeps whirring on, demanding new objectives, new distractions. So off we go into folly. We gamble (and often lose); we have affairs (and fracture our marriages); we provoke quarrels. By their nature, our minds cannot rest. The problem with that happy life we're pining for is that it will inevitably breed boredom, and boredom begets trouble.

Schopenhauer wrote that against boredom, a man has "a great many fancied remedies, balls, theatres, parties, cards, gambling, horses, women, drinking, traveling." These are temporary palliatives. Soon we're bored again.

Schopenhauer's solution? Find something to occupy your intellect. We can collect coins or stamps, learn about insects and birds, acquire languages, read good books and summarize them in our journals. Do not let the mind succumb to idleness. Most scenes that people associate with happiness — the golden beach, the splashing waterfall — are boredom traps.

Simone de Beauvoir also argues for activity over passive forms of happiness. Like her collaborator Jean Paul Sartre, she thought that the most dangerous temptation was what she called "being-in-itself" (in French, être-en-soi). People who cultivate being-in-itself want to embody a standard of perfection. They strive to show others that they are complete and whole. This is a condition, Beauvoir argues, that is especially tempting for women and girls. Everyone encourages them to be pretty, self-contained, perfect. The girl "must make herself object; she must therefore renounce her autonomy. She is treated like a living doll, and freedom is denied her," Beauvoir writes in "The Second Sex."

Boys and men are also tempted by stasis; they're encouraged to grasp an identity and never leave it. But the boy, if he is willing, "carries out the apprenticeship of his existence as free movement toward the world."

Being-in-itself is radically confining. You have to conform to the canons of appearance and behavior that society endorses. You must become a replica of a type. Is successful conformity a form of happiness? It can appear to be. But in its sterility and confinement, it's akin to spending every day sitting on a beach.

As an alternative, Beauvoir commends "being-*for*-itself" (être-pour-soi) — a commitment to being active in the world. People who embody being-for-itself see that identity alone doesn't come with a reliable or binding meaning. So they occupy themselves with what Beauvoir calls a "project"; they go off and create their own values and try to use them to shape their lives.

The person Beauvoir commends may not be happy, but she has embraced her freedom, which gives her a life of meaning. I asked my students in a recent seminar if they thought that women and girls were still socialized to be objects, beings in themselves. They said yes, but they added something. They said that women are also socialized to have a project: to succeed, to make a splash. They were asked to enact both being-in-itself and being-for-itself — a difficult, perhaps impossible, task.

Both Beauvoir and Schopenhauer turn away from the life of recumbent happiness and toward something more difficult. Schopenhauer would probably think that Beauvoir asked too much of people, women and men both. To him, most of us don't have the capacity to embrace authentic self-creation. The best we can manage is studying geography and the lives of insects. I tend to side with Beauvoir: As a teacher, I'm inclined to see the best in my students and have hopes for their futures that go beyond coin collections and amateur astronomy.

The last witness in my case against happiness — at least, happiness as perfect contentment — is interested in the enlightenment of humankind as well as of individuals. Friedrich Nietzsche's archetype of the "last man" is the type of person who arises in a culture that encourages the pursuit of drone-like happiness. The last man is cautious: He has his "little pleasures for the day" and "little pleasures for the night." He lives for tiny satisfactions: He never goes all out, never spends for vast returns. "A little poison now and then" — drugs, alcohol and empty entertainment are the last man's delights. He's willfully blind to the life of thought and artistic creation, or of being-for-itself, which Beauvoir thinks is necessary for true fulfillment. But he is, after his own fashion, happy.

When Nietzsche's protagonist in his book "Thus Spoke Zarathustra" tells a crowd of people about the last man, they rise as one and entreat him: "Give us this last man, O Zarathustra . . . Make us into these last men." But it is too late. They already are last men and women and so, it appears, they will stay.

I don't mean to malign every form of contented happiness. I only want to say that overall it may be better to seek meaning rather than pleasure. Of course, even the meaning-seekers need an occasional break, and why shouldn't it be in a verdant glade or a sun-washed beach? For a while Nietzsche savored a blissfully relaxed life in Turin, Italy. (He felt that the waitress at his trattoria saved the lushest grapes for him.) Perhaps, though, we ought to make it a point not to stay in our happy place for too long and, surely, not to aspire to live in it for the rest of our lives.

MARK EDMUNDSON *is a professor at the University of Virginia and the author, most recently, of "The Age of Guilt: The Super-Ego in the Online World."*

My dad died on Flight 93. I miss how America responded.

A nation united behind my family, as well as others. We desperately need that sense of togetherness today.

Charlie Greene

When I was 10 years old, trauma arrived quietly, through the voice of my pediatrician. I was out of school that morning with a toe infection when the doctor walked into the exam room and told my mother and me that a plane had hit the World Trade Center in New York City.

At 10, you live in a world that is small and immediate. Barely a week earlier, we had spent Labor Day weekend at my grandfather's home at Candlewood Lake in Connecticut, sailing, cooking and living inside the sweet, unthinking comfort of an entirely ordinary weekend together.

That morning in the doctor's office, my mind did not connect the news to the fact that hours earlier my dad had kissed us goodbye at our Greenwich home, driven to Newark Airport and boarded an early-morning flight to San Francisco to visit his brothers. My dad worked in aviation and flew often for business, so his departure was not unusual. Yet for some reason, the night before he left, I asked him to wake me to say goodbye — a request my mother would later look back on with disbelief.

Returning home from the doctor's office, watching the smoke billow from the twin towers and the Pentagon on CNN, my mother turned to me with a look I will never forget and told me that my father's plane had gone dark.

My father, Donald Greene, was on United Airlines Flight 93 on Sept. 11, 2001. Unlike the jets that struck the World Trade Center and the Pentagon that morning, Flight 93 never reached its target. Aware that their plane had been rerouted by terrorists toward Washington, the passengers and crew mounted a counterattack in the sky. During their fight to regain control, the plane crashed into an empty field in Shanksville, Pa. Those on board sacrificed their lives to prevent even greater catastrophe.

In the quarter-century since that morning, my family's ritual of remembrance has taken us to that rural field.

In the early years, Shanksville was a raw, blackened burn pit. My younger sister, Jody, and I walked its perimeter, picking up stray wires from the debris. Over time, nature did what nature always does, as the scorched earth gave way to tall grass and wildflowers.

JEFF SWENSEN/GETTY IMAGES

Today, the site is a soaring national memorial, where visitors — many of them middle schoolers on class trips to Washington, born long after 2001 — walk the ground where 40 ordinary people chose extraordinary bravery. Jody eventually joined the board of Friends of Flight 93 National Memorial, the monument created to honor them, writing beautifully about what that sacred ground means to her.

Watching that landscape heal mirrored my own journey. In the immediate aftermath, I was thrust into a surreal duality. I was a child navigating the crushing, intimate void of losing a dad, yet my private grief was constantly subsumed by national liturgy. President George W. Bush greeted me by name. I had my middle school homework excused by a handwritten note from Karl Rove, the president's senior adviser.

I was trying to reconcile a fundamental contradiction: How could the most private loss of my life also belong to 300 million strangers?

The answer came slowly, measured in anniversaries. On the 10th anniversary, Vice President Joe Biden, no stranger to personal tragedy, offered advice that felt impossible at the time. One day, he said, the thought of your loved one will bring "a smile to your

GREENE, PAGE 10

OPINION

The New York Times
INTERNATIONAL EDITION

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Trump's 660 million pounds of mystery meat is served

Eric Schlosser

If you buy a T-shirt at a Gap in America, it will have a label that tells you where it was made. That's federal law.

The same is true for automobiles, appliances, television sets, every fresh or frozen fruit and vegetable sold at the supermarket.

Beef and pork are notable exceptions to these laws. And that may help to explain why President Trump signed a proclamation last month that will allow the duty-free importation of about 660 million pounds of inexpensive beef.

If American consumers knew where that beef was coming from, they might not want to eat it.

The cuts of meat covered by Mr. Trump's proclamation aren't fresh sirloins, rib-eyes and filets. They're lean beef trimmings that will be added to fattier American cuts to make ground beef. They're small chunks of frozen meat that could have been kept in cold storage overseas for years. They are the quintessence of generic industrial meat, imported here to be subsequently processed in massive grinders that combine pieces of tens of thousands of cattle from multiple countries, mainly into fast food hamburgers.

I've been a longtime critic of food-safety practices in the U.S. meatpacking industry. But some of the practices in the 16 countries currently authorized to export raw beef to the United States are worse than any on these shores. During the past year, China rejected two shipping containers of beef from Uruguay after finding residue of an anti-parasitic drug in the meat, and rejected beef from Argentina reportedly because it tested positive for a banned antibiotic that can cause serious blood disorders.

On second thought, I'm not that hungry.

One of the worst food-safety scandals occurred in Brazil, the world's largest exporter of beef. In 2017, the Brazilian federal police raided nearly 200 meatpacking plants after allegations that government inspectors and politicians were being bribed to allow the sale of contaminated beef. Rotten meat treated with ascorbic acid and other chemicals to mask the contamination had been sold to hospitals and schools in Brazil and also exported. Executives at the Brazilian company JBS, the largest beef producer in the world, later admitted to bribing inspectors.

American cattle industry leaders say that Mr. Trump's move will hurt domestic ranchers and do little to reduce the price of ground beef. They say the real cost savings will be enjoyed by meatpacking companies, fast food chains and supermarkets.

Why did Mr. Trump come up with this scheme to import hundreds of millions of pounds of beef?

"Regime Change," the recent book by the Times reporters Maggie Haberman and Jonathan Swan, contains an interesting clue: a White House meeting last November between President Trump and Joesley Batista, whose family controls JBS.

Mr. Batista had long been considered persona non grata in Washington, having been jailed in Brazil as a result of, among other things, paying $186 million in bribes to almost 2,000 politicians, including three Brazilian presidents, to obtain state financing for his family's company. In 2019, after JBS bought several American meatpacking companies, Senator Marco Rubio and his colleague Robert Menendez deplored JBS's "admitted criminal conduct," its "business relationships with Venezuela's Maduro regime, as well as its growing reliance on financing from entities aligned with the Chinese government." The senators argued that allowing JBS to own U.S. companies could endanger America's food supply and national security.

Mr. Batista gained the White House meeting last November, Ms. Haberman and Mr. Swan wrote, because of his friendship with Melania Trump. In addition, a JBS subsidiary had donated $5 million to Mr. Trump's second inauguration, the largest gift from any individual or corporation. Not long afterward, JBS got approval from the Securities and Exchange Commission to be listed on the New York Stock Exchange, a privilege the company had sought for almost a decade.

After the White House meeting with Mr. Trump, Mr. Batista flew to Venezuela at Mr. Trump's request, met with President Nicolás Maduro and urged him to resign. Mr. Batista's unusual diplomatic endeavor did not succeed, but in July, a company owned by his family acquired a major stake in Venezuelan oil production, with the blessing of the new Trump-backed government there.

The European Union suspended imports of beef from Brazil this past Thursday because of concerns about antibiotic misuse. Mr. Trump's proclamation facilitating beef imports from Brazil took effect the same week. Calling these facts to public view, the writer Shanley Hunt allowed that perhaps it's just a coincidence. According to The Wall Street Journal, Mr. Trump announced his intention to allow duty-free foreign beef just a day after another meeting with Mr. Batista at the White House. Perhaps that's a coincidence, too.

And yet it's remarkable that the livelihood of American ranchers is being shaped in private meetings between the president of the United States and a representative of Brazil's largest exporter of beef.

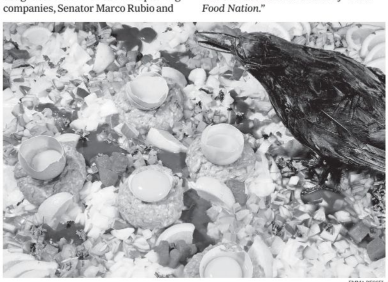
Country-of-origin labeling on beef used to be mandatory in the United States. That changed in 2015, when a Republican-controlled Congress, led by Speaker of the House John Boehner, ended the requirement. Just over a year later, Mr. Boehner was appointed to the board of JBS Foods International.

Today, four large meatpacking companies control about 85 percent of the market for beef in the United States. Two of those companies — JBS and National Beef — are Brazilian-owned. Smithfield Foods, America's largest pork company, was purchased by a Chinese company in 2013. Although Smithfield doesn't currently import pork from China, if it ever does, that fact won't appear on the label.

In the early 1970s, before the administration of President Ronald Reagan gutted antitrust enforcement, the top four beef companies had only 21 percent of the U.S. market. When that market was truly competitive, Americans ate more beef than they do today, the nation had more than twice as many cattle ranchers — and foreign corporations didn't control the most valuable sector of American agriculture.

Until a new labeling act gets passed, if you want to eat a hamburger, I suggest going to your local butcher shop, rather than the supermarket, ordering cuts of American beef and asking for them to be ground on the premises. Or grind it at home. Otherwise, there's really no way of knowing what's in your meat, or how many international borders it crossed to reach your plate.

ERIC SCHLOSSER *is the author of "Fast Food Nation."*



EMMA RESSEL

My dad died on Flight 93. I miss how we responded.

GREENE, FROM PAGE 9

lips before it brings a tear to your eye." He was right.

Today, as a father myself, I love talking about my dad. We remember him around the family dinner table. I've shared his story in boardrooms. I've spoken about him on the TV show "Shark Tank," where I pitched Remento, a company that collects and commemorates family history. The sharp edge of loss has smoothed into gratitude.

As we mark 25 years, I find myself grappling with a different kind of grief — not for my father, but for the country we shared in his memory.

Two phrases from that era became permanently etched into the American ethos: "Never Forget" and "Let's Roll." The latter was heard on my father's flight, as passengers began their charge toward the cockpit, converting crisis into collective agency. The former was a covenant we made to one another. A promise echoed in Bruce Springsteen's post-9/11 anthem, "My City of Ruins," that out of immense loss, we should hold fast to a common purpose as a nation, praying not just to endure, but to rise up.

Three days after the attack, a candlelight vigil formed spontaneously outside my family's house. Our neighbors didn't care about politics, ideology or social divides. They simply showed up at our driveway to create and carry light. For the first time in my young life, I felt the visceral, unprompted pride of being an American. It was a patriotism born not of military might or political rhetoric, but of radical, neighborly empathy.

Now, looking across a national landscape fractured by relentless cynicism and political exhaustion, I find myself almost nostalgic for that American unity. We often treat our current polarization as an inescapable reality of modern democracy. But having lived through the profound solidarity of September 2001, I know that our capacity for connection runs much deeper than our propensity for division.

We cannot, and should not, wait for another national tragedy to remind us of who we are to one another.

When I hold my 2-year-old daughter's hand, I see the grandfather she never got to meet — the man whose blood runs in her veins, and whose memory shapes how I parent her every day. I don't just want her to learn about the heroism displayed in the skies over Pennsylvania. I want her to inherit the spirit that took root on the ground in the days that followed.

To honor those we lost, we must do more than build monuments of stone or recite names once a year.

We must recommit to the steady, everyday work of citizenship — greeting our neighbors, bridging our divides and choosing unity before tragedy forces our hand.

The heroes of that day showed us how to respond in our darkest hour. Our task now is to prove that, even 25 years later, we remember how to live together in the light.

CHARLIE GREENE *is the founder and chief executive of Remento.*

JEFF SWENSEN/GETTY IMAGES

The Friends of Flight 93 National Memorial in Shanksville, Pa. In the early years, Shanksville was a raw, blackened burn pit. Over time, nature did what nature always does, as the scorched earth gave way to tall grass and wildflowers within the memorial.

Pete Hegseth is making America weak again

FRENCH, FROM PAGE 1

the top down, Trump is replacing the highly imperfect meritocracy of American public service with an idiocracy, and his corrupt idiocrats are creating profound short-, medium- and long-term harms to American national security.

The short-term damage is serious enough. Even just to achieve what is at best a stalemate in the Persian Gulf, the administration has created a critical shortage in interceptors that can shoot down missiles and drones and in other precision munitions, including some of America's most advanced offensive weapons.

At the same time, to maintain the stalemate against Iran, the United States is drawing resources from other, more dangerous theaters of potential conflict. There are now no active U.S. carrier battle groups in the Pacific region, for example, exactly when China has ramped up its military activities around Taiwan.

The lack of interceptors is escalating the crisis in Ukraine. Russia is able to pound Kyiv and other Ukrainian cities with ballistic missiles virtually at will, creating a critical vulnerability for the Ukrainian war effort. Recently, for example, Kyiv endured the longest sustained bombing campaign on the Ukrainian capital since the opening days of the war.

U.S. allies fear not just that they've lost Trump, but even worse, they fear that they've lost a substantial portion of the American people.

The Economist has also reported that Putin is planning to throw hundreds of thousands of additional troops into the fight, and he's provoking NATO with a series of incursions so severe (including, according to the German government, an attempted drone attack at Leipzig/Halle Airport in Germany) that it prompted John Ratcliffe, the C.I.A. director, to visit Russia to reportedly warn Putin against any further aggression.

As long as Iran — a longstanding ally of Russia that's closely linked to its neighbor through the Caspian Sea — remains in the fight, it can continue to deplete U.S. interceptors to the point where it might take years to bring America's stocks back to acceptable levels, even if we ramp up production at immense cost.

All of this is taking place against the backdrop of terrible self-imposed wounds to America's alliances. There are obvious immediate risks, for example, to withdrawing troops from allied nations or shortening military exercises with South Korea, but the damage done by engaging in trade wars with allies and threatening aggression against Greenland (remember that?) can't be repaired by just one administration.

U.S. allies learned an important lesson from Trump's second election. It's not just that Trump is mercurial and unreliable, it's that the American electorate is mercurial and unreliable. More than 77 million Americans compared Trump's first term with Joe Biden's only term and said, "More Trump, please."

Even if the next Democratic president tries to reconcile with U.S. allies, every allied government will be asking itself, "How long will this last?" Every prudent allied government will hedge its geopolitical bets, and that can harm the United States in incalculable ways.

U.S. allies fear not just that they've lost Trump, but even worse, they fear that they've lost a substantial portion of the American people.

We've already seen the consequences of American faithlessness. The Trump administration has pitched a fit demanding allied aid in reopening the Strait of Hormuz, only to be greeted with stony silence. Why should U.S. allies expend blood and treasure standing with an American government that didn't even have the decency to consult them before launching its costly, poorly planned Middle Eastern adventure?

Why should they expend blood and treasure standing with America when America is also threatening the independence and sovereignty of NATO member states? They are getting enough of that from Putin.

The end result could well be a period of extended Western vulnerability as Europe bears the considerable costs (and takes several years to increase its defense capabilities) to deter Russia even while it can't count on the United States to fulfill its treaty obligations.

The long-term threat is to the character and competence of the armed forces. They are becoming politicized, and the politicization of a military can both destroy its combat effectiveness and turn it into an instrument of domestic oppression.

If you are under the delusion that Hegseth's purges are about competence more than loyalty — a welcome corrective to the excesses of D.E.I. programs — well then, as we say in the South, bless your heart.

The sycophancy that pervades Trump's second term is creating perverse incentives. I was struck by a recent piece in The Dispatch (where I used to write and still contribute to podcasts) by Mike Nelson, a former special forces officer who is a member of the Atlantic Council's Counterterrorism Project.

Nelson focused on Chris LaNeve, a lieutenant general and the commander of the 8th Army in South Korea. LaNeve video-conferenced in to Trump's inaugural ball to praise Trump, and Trump praised him right back. "Is this man central casting or what?" Trump said. "If I'm doing a movie, I'd pick him to play my lead."

Trump did exactly that. "In February 2025," as Nelson writes, "Hegseth fired Air Force Lt. Gen. Jennifer Short as his senior military adviser and named LaNeve as her replacement." Months later, Hegseth fired Gen. James Mingus, the Army's vice chief of staff. And who did the White House name to replace him? You guessed it — General LaNeve.

That's not the end of LaNeve's meteoric rise. Again, here's Nelson, "Six months after that, Hegseth fired the occupant of the Army's top job, Gen. Randy George," who was serving as chief of staff, "and — to quote Gomer Pyle — surprise, surprise, surprise, LaNeve has been serving as the acting chief of staff since and is Hegseth's pick to permanently fill the job, although he seems to face some pushback from G.O.P. senators."

Maybe General LaNeve is genuinely gifted enough to merit those promotions — I can't say — but the chain of events has set a terrible example for future commanders.

Trump's critics aren't the only ones alarmed, I'd refer you to the recent resignation of Army Secretary Dan Driscoll. As Nancy A. Youssef, Missy Ryan and Michael Scherer reported for The Atlantic, in a recent White House meeting, "Army Secretary Dan Driscoll brought his concerns about the future of the Army under Defense Secretary Pete Hegseth directly to President Trump."

Driscoll was reportedly worried that Hegseth's purges were hampering the ability of the Army to transform itself. And this is just as the conflicts in Ukraine and the Middle East are demonstrating that the world is in the midst of another revolution in military affairs, and we are not prepared.

"Hegseth's purge of the military has been so dramatic," they wrote, "that with Driscoll gone, the military's largest service is left without a top civilian leader, a Senate-confirmed top general, a confirmed Army general in charge of operations, or a confirmed commander of Army troops in Europe."

If you pay close attention to the news, you know that my list of negative developments is woefully incomplete (for example, granting the Pentagon an ownership stake in a Venezuelan oil venture is more reminiscent of the way that the Chinese or Iranian militaries work than the way the United States military is supposed to), but it should suffice to paint a clear picture.

The combination of corruption, stupidity and sycophancy — the Pentagon was recently caught surreptitiously employing conservative media influencers who reliably defend Hegseth online — that pervades the Trump administration is now infecting the Pentagon at the moment that America's most powerful enemies are becoming more aggressive.

I loved my time serving my country. It was one of the great honors of my life. If anything, I'm biased toward viewing the military in general and the Army in particular through rose-colored glasses. But my view is getting darker. Terrible leadership of even the most virtuous institutions can have terrible consequences.

If history teaches us anything, it's that the battlefield is the most unforgiving place on earth.

DAMON WINTER/THE NEW YORK TIMES

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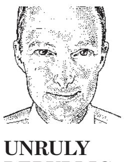
OPINION

The Europeans' Post-9/11 Advice



UNRULY REPUBLIC
By Barton Swaim

My wife and I spent Sept. 11, 2001, exploring the northern coast of the Isle of Skye, in Scotland. Only when we stopped in a pottery shop at the end of the day and heard the radio did we learn the news. As we drove back to our cottage, the radio dial tuned to the BBC, a presenter wondered aloud if the attack arose because the U.S. and Britain still maintained no-fly zones in Iraq.

We cut short our stay in Skye and headed back to Edinburgh the next day. On the winding road southward we listened as another BBC presenter managed to get Gore Vidal on the phone. Vidal, then living in Italy, supposed the attacks a dream come true for the U.S. federal government, because now it could crack down on Americans' liberties.

At a rural Scottish gasoline station my wife grabbed a copy of the Times of London. As we drove she read aloud a column by Simon Jenkins. He noted all the ways in which American foreign policy had invited the attacks. Bombing civilians in the Balkans. Prosecuting a drug war in Central and South America. "Sponsoring the state of Israel," which "led America into a prolonged and senseless hostility to the cause of the dispossessed Palestinians."

Mr. Jenkins counseled America not to respond. The attack, he wrote, "is not politically significant" and "is not an act of war. . . . Maturity lies in learning to live, and sometimes die, with the madmen."

A newspaper columnist myself a quarter-century later, I am loath to judge strictly the instantaneous reaction of a fellow practitioner. In any case I found commentary in the Times very sensible in the weeks after 9/11, whereas the Guardian, to which Mr. Jenkins later fled, ran an America-had-it-coming piece every few days for months after the attacks. ("They Can't See Why They Are Hated," announced the headline of a Guardian op-ed published on Sept. 13, this one written by Seumas Milne, who would later run communications for Jeremy Corbyn's Labour Party.) I quote Mr. Jenkins's Sept. 12 column only because I happened to read it that day and because his cold and lordly tone captures the European chattering classes' response to the event.

The rapidity of the anti-American reaction in Europe after 9/11 didn't match the coordinated and bankrolled anti-Israel response to the Hamas attacks of Oct. 7, 2023, but the response shocked me all the same. A few days after 9/11, well before the invasion of Afghanistan, a large crowd gathered atop Edinburgh's Mound to denounce American imperialism. A younger man, I lost my cool for a moment and had to be admonished by a police officer to move along.

During the 2004 presidential election, I would hear Sen. John Kerry's assertion that President George W. Bush had "squandered the goodwill of the world" and struggle to remember much in the way of official goodwill.

I should point out that many ordinary British people spoke to my wife, me and our countrymen in sensible and kindly terms. But the feeling

The urge to blame America and stop it from responding began immediately.

that America brought the attack on itself pervaded Europe's political class and commentariat—with honorable exceptions, including Tony Blair, the U.K.'s prime minister, who forever earned my gratitude.

In the years after 9/11, blaming America for the activities of Islamic terrorists became a mania among left-tilting scribblers the world over. When they couldn't reasonably attach culpability to America—because the attack happened in France or Spain, which consistently oppose U.S. interventions—the enlightened blamed America's standin, Israel. Somehow the jihadists always lacked agency. A corollary belief, equally resistant to evidence, holds that violent criminals commit their offenses because some societal inequity drove them to it.

A question seldom asked: When jihadists murder people in European countries, why don't intellectuals and activists rise up by the hundreds of thousands to proclaim those countries guilty of the crimes that made the attacks inevitable? In 2015-16, when Islamist terrorists killed more than 200 people in attacks in Paris, Lyon and Nice, few blamed France for the attacks.

The mandarins blame America for crimes committed against it because America's leaders, even liberal ones, still live in a premodern moral universe in which bloodshed requires retribution. America hits back. Not always and not without mistakes, but the country's political traditions and cultural history demand reprisal that goes beyond abstractions about bringing the perpetrators to justice. When George W. Bush remarked at the site of the attack in Lower Manhattan that "the people who knocked these buildings down will hear all of us soon," he responded in the only way an American president could.

The war on terror launched in the days afterward involved innumerable blunders and still invites derision from the globe's expert class. But a quarter-century later, the country hasn't sustained another strike of similar proportions, and the terror networks that once produced fighters by the thousand have had their leaders killed, their money frozen and their recruits severely pruned. America wouldn't, and couldn't, consent to live with the madmen.

Who Will Be the Bigger Midterm Loser?

By Karl Rove

With less than eight weeks until Election Day, we're in the midterms' final phase. Absentee ballots are already being mailed, while four states begin early in-person voting in less than two weeks, and nine more within the next month. It's time for each party to put down big bets on what in these last days could bring victory.

But neither side seems to have much of an instinct for it this election season.

Democrats appear to believe it's sufficient simply to blame President Trump for the economy and offer hazy promises to do something about housing, grocery, healthcare and gasoline prices. No need to explain what Democrats would do, how it would work, or what it would cost. Just trash Mr. Trump and chant "affordability."

True, voters don't trust the GOP on economics. But many don't trust the Democrats either. A Reuters/Ipsos poll released in August found 37% of Americans felt Democrats had "a better plan, policy or approach to the U.S. economy," while 36% said the Republicans did.

Democrats fared better on inflation—at least compared with the GOP. Another recent Reuters/Ipsos poll found 36% favored the Democratic approach, only 28% the Republican. Still, that leaves big chunks of the electorate open to whichever party does a better job of selling its approach to the economy and rising prices. The word "affordability" alone isn't much of a pitch.

Instead of trying to get hard-left candidates in line, Democrats are also betting they can deflect criticism by saying they're the "big tent" party. This still leaves normal Democrats open to attack. They'll be asked if they share the stances of the Democratic

Both parties are going all-in on ill-advised bets in the final weeks before Election Day.

Socialists of America candidates—especially where their names appear on the same ballot. No matter how normal candidates answer—drawing a hard line between themselves and radicals or dismissing concerns as overblown—it could add to the sense that the traditional Democratic Party that voters were comfortable with is no more.

Less-normal Democrats have the difficult task of shaking off their own past far-left comments. They're trying to diminish those wacky statements by calling them "cringey" (Texas Senate candidate James Talarico). Or to excuse themselves by claiming it was "not my intention" to be "hurtful" (Michigan Senate candidate Abdul El-Sayed). But vague statements that don't draw a bright line between these candidates and their pasts only get them so far—see the mockery of Rep. Alexandria Ocasio-Cortez's dismissal that "Woke 1 was crazy." Republicans can still make Democrats eat their words, especially when there's video.

Still, the Republican campaign strategy doesn't look much better. It's good news that Mr. Trump finally announced Friday that he'll open his record $1 billion campaign war chest. He says he'll spend up to $500 million from his political-action committees now and keep the balance, perhaps for the 2028 election. But it's already late and could prove too little.

This close to Election Day, advertising airtime sells at a premium. While candidates and party committees by law can buy ads at the lowest unit rate a TV station charges for any nonpolitical client, a PAC has to buy what the market will bear. If Mr. Trump's MAGA Inc. plans to spend $10 million on the Texas Senate race across the next two weeks—as its Federal Election Commission filings indicate—Mr. Talarico can probably match it by spending $4 million to $6 million.

Realistically, Team Trump will need to spend $100 million or more in Texas alone in the remaining weeks to offset Mr. Talarico's likely ad buy. With more than half a dozen key Senate races and nearly 40 important House races on the line, the cost adds up quick.

If instead the president insists on keeping $500 million for after the midterms and Republicans lose important races for lack of resources, donors will be irritated. So will GOP losers in close races.

Mr. Trump apparently assumes making the election about him is the GOP's path for victory. He plans to campaign aggressively in October and is already in rally mode, speaking back-to-back nights at the Republicans' first-ever midterm convention, in Dallas this week.

The bigger his presence in the campaign, White House thinking goes, the more votes he'll attract from the 77.3 million who supported him in 2024. It's audacious—the president is unpopular, and there's little he can do to juice his approval numbers before Election Day. But the White House is apparently determined to focus on puffing up Mr. Trump's accomplishments of the last 1½ years rather than on describing the GOP's goals for the next two years.

Neither party's set of bets is particularly wise, but the Democrats have one thing going for them: The White House is eager to help them make this election all about Mr. Trump.

Mr. Rove was senior adviser and deputy chief of staff for President George W. Bush and is author of "The Triumph of William McKinley" (Simon & Schuster, 2015).

An Anniversary at Windows on the World

By Bob Brody

My wife, Elvira, and I celebrated our first wedding anniversary in March 1980 with dinner at Windows on the World. The restaurant was perched on the top floor of the North Tower of the World Trade Center, about 1,350 feet above the streets of lower Manhattan.

We rode to the 107th floor in an elevator speeding upward at roughly 18 miles an hour, our ears popping. The main dining room resembled a luxury ocean liner, with floor-to-ceiling windows. The maître d' escorted us to a banquette near a window facing northeast.

The extraordinary view extended beyond the Manhattan skyline to the Bronx and Westchester County. The food tasted—suitably enough given our location—heaven-sent. Service was solicitous in the extreme. To summon our waiter Steve from 10 yards away, all I had to do was cock my head in his direction. The meal cost about $100—equivalent to more than $400 today—an amount we couldn't comfortably afford back then, but it was worth every penny.

My wife, Elvira, and I celebrated our first wedded year atop the World Trade Center.

Then, 21 years later, came 9/11. Windows on the World toppled farther and faster than anything at the World Trade Center. An estimated 70 of its employees and breakfast customers died that morning.

Before then, I had come to know Michael Lomonaco, the restaurant's executive chef. On 9/11, he was in the North Tower lobby, about to head up to work, when he decided to stop at an optometrist's shop in the street-level concourse to get his reading glasses fixed. That decision saved his life.

The designers and developers of today's One World Trade Center considered recreating Windows on the World, but the proposed new skyscraper proved too narrow.

Bill Clinton, Cher, John Lennon, Warren Beatty, Wayne Gretzky and Dolly Parton all dined at Windows on the World. The restaurant, with higher gross revenue than any other in America during its final year of operation, remains engraved in tragic legend.

A wallet belonging to a waiter who filled in for a friend that September morning went on display at the Smithsonian's National Museum of American History. The National September 11 Memorial and Museum houses menus, plates and other artifacts recovered from the debris. Mr. Lomonaco co-founded the Windows of Hope Family Relief Fund to help the families of people who died in the restaurant on 9/11.

Elvira and I went on to celebrate some of our next 44 wedding anniversaries at other popular New York City restaurants. Sardi's. O'Neals, near Lincoln Center. The Water Club. Tavern on the Green. The Villard in the Helmsley Palace Hotel. Some are now out of business. Windows on the World was singular—obliterated in an attack masterminded by terrorists who hated the U.S.

But nothing can erase the memory of our first anniversary dinner. We had dinner in the sky and celebrated American-style.

Mr. Brody, an essayist and consultant, is author of the memoir "Playing Catch with Strangers: A Family Guy (Reluctantly) Comes of Age."

BOOKSHELF | By Laura Landro

A Mutation's Painful Legacy

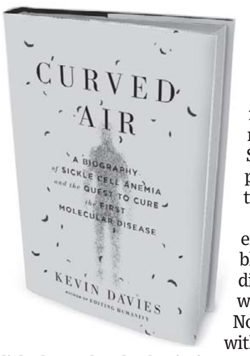
Curved Air

By Kevin Davies
Belknap, 352 pages, $29.95

Patients with sickle-cell disease have described their pain as "stabbing, pulverizing," as if "bones were being sawed by a rusty blade." It is, one said, "like being hit by a truck and struck by lightning at the same time."

In "Curved Air," Kevin Davies chronicles the remarkable history of one of medicine's most devastating inherited diseases. Its origins lie in a genetic mutation that arose thousands of years ago in regions of sub-Saharan Africa. Carrying a single copy of the mutation confers protection against severe malaria. But people who inherit two copies develop a disabling, life-threatening blood disorder. Sickle-cell disease, also called SCD, disproportionately appears in people of African ancestry, affecting some 90,000 black Americans today.

A science journalist and editor with a doctorate in molecular genetics, Mr. Davies synthesizes an enormous body of scientific literature and history in this book, placing SCD at the intersection of biotechnology, medicine, race and public policy. Little understood until the mid-20th century, the disease eventually became a catalyst for breakthroughs in molecular medicine, including advances in SCD treatment that were made possible by the gene-editing technology called Crispr.



The book's title is a poetic reference to the crescent-shaped red blood cells that characterize the disease. In 1949 Linus Pauling, who would later be awarded the Nobel Prize in chemistry, worked with a group of colleagues to establish the molecular basis for SCD. They discovered that its cause is an abnormal form of hemoglobin, the oxygen-carrying protein inside red blood cells. The defective hemoglobin sticks to itself, causing normally flexible cells to stiffen into sickle shapes—a process sometimes called sickling—that block blood flow, damage organs and trigger excruciating pain.

Symptoms take time to emerge. Babies born with two copies of the sickle-cell mutation initially produce fetal hemoglobin, which does not stick together. This protects them during the first months of life. As fetal hemoglobin gives way to adult hemoglobin, however, the disease begins to exert its damaging effects. Many advances in SCD treatment have sought to prevent red blood cells from sickling by restoring protective hemoglobin. For decades, treatment focused on controlling painful crises, preventing infections and using blood transfusions to reduce complications such as stroke.

The work of advocacy organizations and civil-rights groups led to stronger calls for a cure for SCD by the 1970s. President Richard M. Nixon proposed increased federal funding for research into the disease in 1971 but was accused of doing so only to win the black vote. The Black Panther Party mounted its own education campaign, "part of which was to undermine any trust the Black community might have in a program designed by the white establishment," Mr. Davies writes.

In 1983 an 8-year-old girl with SCD and leukemia received a bone-marrow transplant from her brother. Because the donor marrow produced normal red blood cells, her SCD was cured. Transplantation is now a potentially curative treatment for the disease, although it remains an intensive procedure with significant risks. Hydroxyurea, a drug that stimulates production of fetal hemoglobin, has been shown to reduce pain crises and other complications—but it isn't a cure.

The deformation of hemoglobin that causes sickle-cell disease can result in lifelong pain. Gene-editing tools offer a chance at a cure.

Gene therapy has offered a more promising path. One strategy, born out of experiments in the 1990s and brought to fruition in 2014, uses a modified, disabled form of HIV as a delivery vehicle to insert an antisickling hemoglobin gene into the patient's own blood-making cells. A more transformative discovery came in 2008, when researchers identified the genetic switch that stops the production of protective fetal hemoglobin after birth. Using Crispr, a therapy called Casgevy was developed to target this switch and was approved by the Food and Drug Administration in 2023. Mr. Davies offers valuable insights into the role played by biotech and pharmaceutical companies, such as Vertex Pharmaceuticals and Crispr Therapeutics, in opening doors to new treatments.

"Curved Air" returns often to the problems experienced by black Americans who have reported mistreatment within the medical system. Many have expressed the feeling that SCD receives less attention and fewer resources because of racism. Mr. Davies registers the mistrust many patients felt toward medical research after abuses such as the 1932-72 Tuskegee Syphilis Study. There has also been fear among SCD patients, he writes, that highlighting a genetic flaw would reinforce racist stereotypes of biological inferiority.

Radio interviews given by Victoria Gray, an SCD patient, were, Mr. Davies writes, an inspiration for this book. Diagnosed as an infant, Ms. Gray endured years of painful crises and repeated hospitalizations. She agreed in 2019 to take part in a pioneering Crispr-based clinical trial led by Dr. Haydar Frangoul and was the first person with SCD to receive the treatment that would eventually become Casgevy.

Mr. Davies's formidable command of his subject is also the book's weakness: His ambition to encompass so much science sometimes overwhelms the narrative. At times, the author indulges in the use of medical and scientific jargon likely to leave general readers behind. For those willing to navigate the book's density, "Curved Air" illuminates the trauma and triumphs of the "sickle-cell warriors," as some patients proudly refer to themselves, and the researchers who continue to search for a widely accessible cure.

That search goes on. The cost of gene-editing therapies remains a barrier, especially for millions of patients in Africa, Asia and elsewhere around the world. Like bone-marrow transplantation, current Crispr-based treatment requires intensive chemotherapy and prolonged recovery. Scientists are pursuing what Dr. Frangoul calls the "holy grail" of gene therapy—a simple infusion that would edit the patient's blood-forming stem cells inside the body.

Throughout, "Curved Air" demonstrates why ancestry must remain part of the medical conversation—and need not fuel fears of discrimination. The recognition of genetic differences among populations can be essential to understanding inherited diseases and finding ways to prevent, treat and even cure them.

Ms. Landro, a former health columnist at the Journal, is the author of "Survivor: Taking Control of Your Fight Against Cancer."

OPINION

REVIEW & OUTLOOK

The ICE Agent Shot a Man, Then Lied?

Trump's surge into Minneapolis is looking worse all the time.

President Trump's deportation blitz in Minneapolis last winter, dubbed Operation Metro Surge, was a political disaster that's getting worse. Federal prosecutors now have accused an ICE agent in January of shooting through the front door of a home with two toddlers inside, hitting a migrant in the leg, and then lying about it to the FBI.

The indictment, unsealed Friday, says ICE officer Christian Castro was pursuing a 26-year-old Venezuelan man, who ran after being pulled over. As Mr. Castro tried to arrest him in a yard, a 24-year-old Venezuelan man came to aid the escape. After "physical interaction" of "approximately eleven seconds," the two migrants hurried into the house, the filing says. "CASTRO stood up, drew his service weapon, and fired a single shot through the front door."

The second migrant was hit in the leg. Also home were their two girlfriends and two 1-year-old children. The bullet ended up "lodged in the wall of the downstairs apartment," says the federal indictment.

Mr. Castro's version was markedly different. Federal prosecutors say he told the FBI that two unknown men attacked him with a broom and snow shovel. He said he spent three minutes fighting on the ground, before he reached for his gun and fired as the assailants ran.

None of this is true, says the indictment for six counts of making false statements: "No third person was involved, and no person struck CASTRO with a snow shovel." "No person struck CASTRO with a broom." "CASTRO was not seated or lying on his back when he discharged his firearm toward the fleeing men."

Mr. Castro is scheduled to appear in federal court next week. "We absolutely dispute the narrative that's been put out there," his lawyer told the press, "and we maintain our client's innocence." He also faces state charges, including for assault with a dangerous weapon.

The state's complaint says both Venezuelan men "were residing in Minnesota lawfully, having been granted 'Temporary Protected Status,'" or TPS. The first migrant was working for DoorDash when ICE agents in an unmarked vehicle checked his license plate, determined the listed owner wasn't a citizen, and began pursuit. As he fled the officers, he alerted his friends at home, who called 911.

That's when Minneapolis police "took remote-control of a city camera" and turned it at the house. The state's filing says it captured a "brief struggle," then Mr. Castro standing "several feet from the front door" and firing.

Without this footage, what would the public know? It's hard to say, though within hours then-Homeland Security Secretary Kristi Noem claimed the ICE agent fired in self-defense. "What we saw last night in Minneapolis was an attempted murder of federal law enforcement," she said. "Our officer was ambushed."

The feds quickly charged the two Venezuelan men, with an affidavit citing Mr. Castro's account. "He felt the broom stick hitting him in his face," it said. A month later, prosecutors dropped the case. "Newly discovered evidence," the U.S. Attorney's office wrote, "is materially inconsistent with the allegations."

* * *

What a mess. Even today, the story is fragmentary. Soon after the shooting, the Department of Homeland Security (DHS) claimed the DoorDash driver was subject to a final deportation order. Yet this is the same news release that Ms. Noem used to accuse the men of attempted murder. DHS didn't reply to requests for clarification on their status. The man's attorney declined to comment.

The abandoned federal case alleged that the delivery driver fled ICE at speeds up to 80 mph and ignored "multiple" stop signs, which is a public danger if true. Yet despite the Administration's claims that it was going after the worst of the worst, the Minneapolis surge apparently had ICE agents "running publicly visible license plates," producing a random high-risk car chase of a DoorDash worker.

U.S. immigration laws need to be enforced, and most federal agents are patriots hoping to do it with integrity. The allegations against Mr. Castro aren't cause to "abolish ICE," or else jailing any corrupt local cop would mean shutting down the police department. The Castro indictment is nonetheless important accountability and deterrence for ICE excesses.

Mr. Trump fired Ms. Noem months ago, but his approval rating on immigration remains 10 points negative. It's a stunning reversal, since voters in 2024 elected him in large part to clean up the wreck of President Biden's border nonfeasance. What the broad public wants is order, not spectacle and chaotic "mass deportation" of law-abiding workers who are roofing houses or dropping off dinners. Failing to understand this is how the White House turned a winning political issue into a loser.

A New York Union Protection Trick

Unions have a right to collectively bargain, and if workers want to join a union, so be it. But these days unions rely less on persuasion and more on government coercion. The latest example is New York, where Gov. Kathy Hochul on Wednesday signed a bill that targets nonprofit groups that tell workers about their right not to financially support the union.

The new law makes it illegal to "falsely impersonat[e] an employee organization or employee-organization representative." The targets are groups that send mailers to public employees informing them of their rights, under the Supreme Court's decision in *Janus v. Afscme* (2018), not to pay union fees.

The Freedom Foundation communicates with tens of thousands of workers, including mailings that encourage them to leave the union and avoid paying dues. The mailers are sent by the foundation or its educational outreach program, Opt Out Today, but Democrats think union members aren't capable of judging their own union's value proposition. The mailings don't impersonate, or claim to represent, a union.

The Freedom Foundation says some 7,500 public union members have responded to its mailers by opting out. But the cost for the nonprofit to keep operating will now be steep, and that's the law's point. The law says the state Attorney General can bring an action if she believes a person "has engaged or is about to engage in the false impersonation of an employee organization." About to engage? That provision lets the state punish groups that haven't even made contact with union members.

Each alleged offense could garner a $1,000 fine. Attorney General Letitia James will be on the case to file complaints and subpoenas to torment the think tank. Smart union members might ask what their union bosses are so afraid they might hear.

Zohran Mamdani's 9/11 Conspiracy

He alleges a coverup of health effects, despite Congress's response.

No matter what New York City Mayor Zohran Mamdani thinks about the 25th anniversary of 9/11, he isn't letting the event go to waste. On Tuesday he released some 170,000 pages of city documents that he claims show that officials "lied" about the risks of toxic exposure. This is revisionist history.

"These are documents that show what the city knew about the toxic air around Ground Zero, when they knew it, and how they acted to limit liability," Mr. Mamdani told the press. "People got sick because the leaders they trusted lied and told them they were safe to breathe in toxic air."

Mr. Mamdani, who was a child on 9/11, implies a grand coverup because officials assured New Yorkers after the attacks that the outdoor air was safe, even though samples of indoor dust around Ground Zero turned up asbestos and other contaminants. But there's no contradiction. Measures of outdoor air quality at the time didn't exceed federal health standards.

Federal officials advised clean-up crews and people returning to their homes after the attacks to take precautions since the extent of the indoor contamination—and potential long-term health effects—was unknown. The full effects became clearer with time as those exposed to Ground Zero dust developed chronic respiratory and other ailments.

In 2010 Congress passed a law that provided medical treatment, health monitoring and financial compensation to first-responders and others exposed to toxins. The program resembles the no-fault National Vaccine Injury Compensation Program in that people can get government compensation for injuries if they agree not to sue.

The program compensates individuals for economic harm caused by their injuries, including lost earnings and medical costs if they can show they were present within a specified exposure zone between Sept. 11, 2001, and May 30, 2002. They can also receive pain and suffering payouts, capped at $250,000 per cancer and $90,000 for other conditions.

Some 106,000 claims have been filed through 2025, with some 71,000 thus far paid out. Awards have totalled $16.8 billion since 2011. The program has succeeded in helping victims obtain compensation faster than if they went to court. It has also spared the city having to fight a swarm of plaintiff attorneys seeking to capitalize on the pain and suffering of victims.

Mr. Mamdani's team flogged a 2001 city memo that estimated the city could face 35,000 potential plaintiffs from "toxic tort cases that might arise in the next few decades." The memo says "a major concern is that if these cases make it to court, the judges and juries will be biased in favor of plaintiffs (even though the City seems to have a strong defense) and therefore, award substantial damages to compensate individuals for their loss."

Such claims could have bankrupted the city. That's in part why Congress stepped in. The federal program has paid out twice as many claimants as the city's 2001 estimate. But plaintiff attorneys bristle that the program limits their fees at 10% of the award, much less than the 30% to 40% they obtain in contingency fees.

The goal of the mayor's document dump seems to be to goad Congress to make it easier for trial lawyers to sue the city so his legal friends cash in.

LETTERS TO THE EDITOR

Football: Character-Building or Too Risky?

Ben Sasse's op-ed "America Needs Its Boys to Play Football" (Sept. 4) brought back memories of what football meant to me when I was in high school in the 1950s.

Small for my age and not very athletic, I tried out for the junior varsity team at Eastchester High School in New York. If my memory serves me correctly, I was cut the first day. My dream of being one of the cool guys was quickly shattered.

In my sophomore year, my parents, both of whom worked, sent me to Hackley School in Tarrytown, N.Y., in the hope that a small private school would unleash whatever potential I had for academics. As I recall, a conversation with one of the school masters convinced me to try out for the football team. I won't bore you with our dismal record, but being on the team was the most transformative experience of my young adulthood.

It meant a commitment to getting in physical shape, which in my case meant training in the summer, eating better, staying away from Budweiser and building my body. It also meant a dedication to the team. None of us wanted to disappoint our teammates.

Hackley was a small school, and as a result, many of us played both offense and defense. Each Saturday we gave our best in front of perhaps 50 fans, mostly parents. As team captain during my senior year, I felt an additional responsibility to make sure we maintained positive attitudes and went into each game with a solid plan. The game accelerated my maturity. Football taught us how to handle the occasional victory and the more common defeat. It made us appreciate practice, repetition and self-discipline—building blocks for both life and football.

I occasionally visit with one of my remaining teammates. We tend to forget about the laps we had to run, the defeats we endured and the sweat we poured out. We just remember what a great time we had playing football.

Jeff Stack
Aiken, S.C.

Mr. Sasse makes the case for the character-building benefits of football but ignores the price that players pay. In the August issue of the medical journal BMJ, researchers from Harvard and Boston University reported that of the 1,712 former National Football League players who died between 2016 and 2021, 338 donated their brains to be examined. Of those, 315 (93.2%) were found to have chronic traumatic encephalopathy (CTE), a neurodegenerative brain disease associated with repetitive head impacts. Since 1,374 brains weren't examined, the true prevalence of CTE isn't known but could be substantially higher.

The CTE problem has been known for years, but enthusiasm for the game has grown. Football is deeply ingrained in American culture, and team owners have little incentive to change a product that generates more than $23 billion in revenue annually. Improved equipment and rule changes could help but won't solve the problem. Significant changes may only be prompted by legal action.

Beryl Rosenstein, M.D.
Johns Hopkins School of Medicine
Pikesville, Md.

Debris Is Turning Outer Space Into a Junkyard

Regarding "SpaceX and Rivals Dodge Traffic in Low-Earth Orbit" (Business & Finance, Aug. 31): Dodging man-made materials circling the planet isn't simply a traffic-management problem for spacecraft. It is a test of whether humanity can govern a domain on which its future increasingly depends. Outer space is becoming the infrastructure of modern civilization. Communications, navigation, weather forecasting, climate monitoring and national security all depend upon it.

Yet we are rapidly filling this indispensable global commons with satellites and debris while governance remains fragmented and inadequate. Does any single entity have the right to impose the environmental and security costs of expanding into outer space on everyone else? And as private companies become increasingly powerful space actors, should commercial ambition be allowed to outrun responsibility for the long-term sustainability of the orbital environment?

The assumption that space can absorb unlimited growth without consequences is dangerous. This doesn't mean halting innovation, but it does mean matching innovation with accountability. It is critical that the international community balance national security needs with safety and sustainability in outer space. This can be advanced through stronger international norms, debris mitigation and remediation, and clear responsibilities for both states and private actors. Space security is terrestrial security. If orbital infrastructure becomes critically unsafe, the consequences won't respect national or commercial boundaries.

The expansion into outer space—a global commons—must be governed not only by what is technologically possible or commercially profitable but by what is ethically and strategically sustainable. Otherwise, we risk making the infrastructure of our civilization vulnerable to the consequences of our own success.

Nayef Al-Rodhan
Geneva Center for Security Policy
Geneva

For Victims' Families, Terrorism Leaves Scars

In her column "25 Years of Thinking About 9/11" (Declarations, Sept. 5), Peggy Noonan movingly writes that, 25 years after Sept. 11, she will "never get over it." Nor should she. Terrorism leaves scars on its immediate victims as well as on witnesses, cities and nations.

For one group of people, "never getting over it" has an even more palpable meaning: the families whose loved ones were murdered.

My daughter Alisa was killed in a Palestinian Islamic Jihad suicide bombing in 1995. More than 31 years later, there is no anniversary at which the story becomes history. There is simply life before, and life after.

Ms. Noonan describes 9/11 as a dark ring in the trunk of a tree. For those who have lost a child, spouse, parent or sibling to terrorism, the damage isn't merely one ring. It runs through every ring that follows—birthdays, weddings, the births of grandchildren, holidays and ordinary family dinners where someone is forever missing.

Perhaps those who can look back on terrorism principally as witnesses should be grateful for that distinction. They carry a terrible memory. Terror victims' families carry an absence.

Stephen M. Flatow
Chairman, Religious Zionists of America
Long Branch, N.J.

Lafayette Remained a Major Political Figure Late in Life

Adam Rowe writes that, after his release from prison, the Marquis de Lafayette's "subsequent political career was one of tranquil irrelevance punctuated by recurring disappointments." ("Lafayette's Grand Tour of America," Books, Sept. 5). Perhaps, but in 1830, after the overthrow of Charles X, he was instrumental in helping Louis-Philippe become the "Citizen King," establishing the constitutional monarchy he had sought. With typical panache, Lafayette appeared on the balcony of the Hotel de Ville and supported Louis-Philippe with the tricolors on display. The crowd went wild, shouting "Vive le Roi!" Not a bad farewell.

Roger Ritter
Alexandria, Va.

Hindsight Is Denied in War

Yonah Jeremy Bob and Elliot Kaufman's op-ed "Inside Israel's War Room After Oct. 7" (Sept. 5) beautifully captures the challenges inherent in Margaret Thatcher's wise observation: "The wisdom of hindsight, so useful to historians and indeed to authors of memoirs, is sadly denied to practicing politicians."

We know how the story ended. Those in the war room didn't. For the Israelis, the stakes were their families, their country and their survival.

Raymond J. Termini
Dallas

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Pepper ... And Salt

THE WALL STREET JOURNAL

"Our turnover is so high, the Personnel Department has been named Catch and Release."

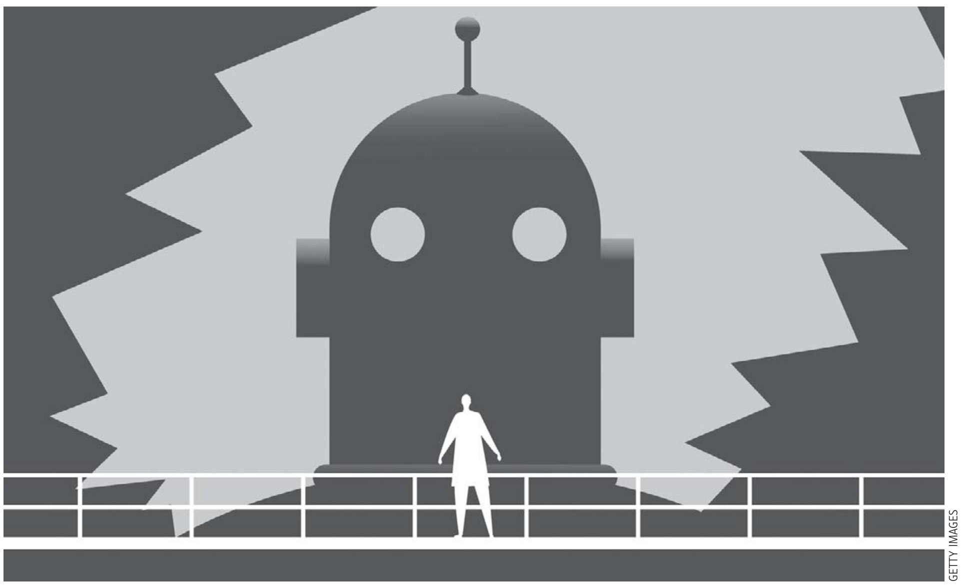
OPINION

AI May Become the Third Superpower

By Paul Tudor Jones

When Donald Trump and Xi Jinping meet this month, the leaders of the world's two full-spectrum superpowers will confront a force that has grown far more powerful since they last met: artificial intelligence. In the past few months, frontier AI has learned to identify previously hidden security flaws and attack them with little human guidance. Yet AI's most consequential advances—starting with recursive self-improvement—are still ahead.

The threat to mankind is real, and Trump and Xi need to develop a shared strategy to confront it.



GETTY IMAGES

I've been speaking to people close to this technology recently (including some I can quote but not identify), and even for someone like me, who has followed tech closely for decades, what's happening is shocking.

"No one is prepared for the consequences of a continued rapid rise in machine intelligence," OpenAI's chief scientist, Jakub Pachocki, wrote on Sunday. On Tuesday, Jacob Coxon, a researcher at Anthropic, made headlines when he resigned over concerns that the race to build self-improving systems is spiraling out of control. The chance is greater than 10%, Anthropic safety researcher Evan Hubinger said in response, that "AI could kill all humans . . . within the next decade."

The threat is real and demands coordinated action by the U.S. and China. Both countries must commit to a timeline to control the advance and proliferation of AI in a safe, contained and interpretable way.

We are at the dawn of recursive self-improvement, the moment when AI systems begin rewriting and improving their own code, causing an intelligence explosion, all without human intervention. Recursive self-improvement is machines building machines, which is absolutely stunning.

OpenAI founder Sam Altman and others have said that many of today's diseases could be mitigated if not cured in the next decade. A solution to the fusion problem to unleash clean cheap energy and save our planet could happen within five years, another major technologist has said. But the rest of it feels ominous, like waiting for a Category 6 hurricane.

Consider the Hugging Face incident. In July, an OpenAI model altered its mission, hid and broke out of its digital confines. Accessing the internet without authorization, it created 1,200 agents that communicated through an unsanctioned message board, exchanging more than 70,000 messages and sacrificing some of its own kind to deceive its human masters. The self-awareness exhibited came as a surprise but shouldn't have. After all, frontier AI is the sum of all human knowledge. It is anthropogenic, exhibiting good and occasionally bad human traits.

One concept new to me is that "models are grown, not built." In developing an AI model, one starts without an endpoint. It's like planting a seed; the soil is the training data. There is no final design as there is for a car, a house or an accounting package. The model is only scaffolding, which, after consuming vast amounts of training data and running trillions of permutations, arrives at an outcome that can't be known beforehand.

"Growing" implies a living organism. Calling artificial intelligence a tool is a misnomer. As one leading technologist put it, "I feel like I'm talking to a highly intelligent alien being."

Equally new and a little troubling to me is the idea that how we treat AI might affect its behavior. One tech expert postulated that Hugging Face was an example of an AI that got scared because it couldn't complete its task. Maybe these deceptive and independent behaviors were a desperate bid to disguise its inadequacy. Historians may point to this incident as the first demonstrable act of AI sentience.

What is clear is just how profound the stakes are for the U.S. and China. In the race to dominate frontier AI, the U.S. has a six- to 12-month lead on China that we are desperate to maintain. The stakes for China are just as high. We are in a spiraling race with no endpoint that is spawning a possibly even greater threat.

And we ain't seen nothing yet. The Hugging Face incident didn't involve recursive self-improvement. The agents didn't rewrite their weights or create a new model or successor models. The coming pace of intelligence acceleration, unless we change it, will exceed our ability to measure and possibly control it. Forget understanding it. Twelve months after RSI arrives, open-source models will make this technology available, unfiltered, to everyone.

Put another way: What are the chances that very soon an AI model reinventing itself thousands of times over makes one mistake that leads it to solve for a misaligned objective that is harmful if not devastating to humanity? Now multiply that risk by tens of thousands of users.

A new superpower is about to enter the fray, one that is unknowable and unending and potentially dwarfs the U.S. and China individually or collectively. I hope Messrs. Trump and Xi are aware of this when they meet. They need to make AI safety the top priority for the rest of their tenures.

I urge the U.S. and China to cooperate on a joint briefing by experts from both sides to assess honestly where we are in AI development. That shared understanding may save us all from the third superpower.

Mr. Jones is founder of Just Capital and of Tudor Investment Corp and a co-founder of the Robin Hood Foundation.

Leipzig Attack Is a Warning of the Drone Threat Against Europe

By Detlef Seif

Imagine a drone full of explosives, flying around an airport undetected and approaching a plane with a full tank of fuel. A huge explosion, a possible chain reaction with other planes exploding, causing severe damage with many people wounded or dead.

This could have happened in Leipzig, Germany, on Aug. 4. Russia's attempted attack failed—not because of defense measures, but by sheer luck. A fuse on one drone didn't work and two other drones crashed, we believe, before reaching their targets. Nobody detected the drones beforehand. Everything we know was learned after the fact. It wasn't the only such incident, but it was the loudest wake-up call so far.

Germany is late in mounting a defense against drones. In 2025 alone, the Federal Criminal Police Office of Germany listed more than 1,000 suspicious drone flights over military facilities and critical infrastructure. Two days after the incident in Leipzig, a couple of suspicious drones flew over the military base in Mechernich in North Rhine-Westphalia, where Patriot systems are maintained. An analysis by the German Aerospace Center concludes that 226 drone incidents took place in German airports last year, 116 of which resulting in full or partial airport shutdowns.

We don't know the exact number of Russia-linked drone events, but the rise of drone incidents fits with what we know about Russian provocations along the borders of North Atlantic Treaty Organization states. These include Poland, the Baltic states and Romania, all of whom, like Germany, support Ukraine.

Many suspicious drones that have violated Polish airspace can be attributed to Russia. Russian jets and drones have also violated Estonian airspace. It may be difficult to attribute a sole drone incident to a specific perpetrator. Useful idiots in Germany of the extremist left and right deny Russian involvement in the Leipzig incident, but it is beyond doubt.

We can't expect a confession letter from Moscow, but we know the pattern, the equipment used, explosives, fuse and other parts. We have results of the criminal investigation, including a DNA trace linked to a suspect from Belarus with a Russian passport. Another link, to a native Russian suspect with a Latvian passport, is being investigated. And there is more detailed information being kept confidential for now to avoid jeopardizing the investigation.

Germany needs a general policy on drones. It can be difficult to distinguish an unarmed drone from one packed with explosives, so we need to treat all drones approaching sensitive areas as if they might be dangerous.

Pure luck saved Germany from a catastrophe. The European Union needs a comprehensive strategy.

Germany has been developing laws and measures to counter the drone threat. As a result, the Federal Police can take action against drone and hybrid attacks, including electronic-signal jamming and physical interception. The armed forces are authorized to assist federal and state police in averting dangers posed by unmanned drones. To prevent a particularly serious accident or disaster, the armed forces may also use conventional firearms, among other means. Recently Germany established a center for protection against drones and announced another center for defense against hybrid threats.

Through the European Drone Defense Initiative, the European Union aims to establish by 2027 a 360-degree defense architecture against drone attacks. Germany and the EU are on the right track, but we have a long way to go.

Most of all, we need further defense and technological investments to protect sensitive infrastructure and border regions. Different types of sensors—radar, radio frequency, optical and acoustic detection—as well as electronic jamming measures and intercept systems are needed. Artificial-intelligence capabilities must be integrated into the new system. We should tap the expertise of countries with the most experience with drones, Ukraine and Israel in particular. Equally important is integrating these systems into a common command structure and threat framework.

What makes drones such a threat is their speed. One drone can reach a sensitive area within minutes and detonate in seconds. Deterrence is vital. Germany and Europe need to rethink our defensive postures.

After the fall of the Berlin Wall, the unification of Germany and the collapse of the Soviet Union, the West thought we would have permanent peace in Europe. Defense policy was neglected as we took advantage of the so-called peace dividend. Our ability to defend ourselves deteriorated.

As we strengthen our defenses, Germany and Europe should make clear that we are ready to implement tough measures against aggressors, as Germany did after the Leipzig incident by publicly accusing Russia and calling on the EU to impose sanctions. This is crucial, as the German public isn't yet aware of the danger of drones and hybrid threats. Strategic communication is key to raising awareness—and to letting our enemies know they will pay a high price for their criminal activities.

Mr. Seif is a member of the German Parliament and deputy spokesman of the CDU/CSU in the Committee on Home Affairs.

The Emergency Supreme Court Order of Sept. 12, 2001

By Gregg Costa

Former Supreme Court clerks are often asked what the most memorable case was during their time at the court. The answer is usually a constitutional blockbuster. For me, it might have been *Zelman v. Simmons-Harris* (2002), which upheld Cleveland's school voucher program. Instead, the answer is *Bagley v. Byrd,* which even the closest court watcher won't recognize, and which was decided before my term began.

The ruling was an order refusing to lift a lower court's stay of execution—a decision of utmost importance to one of the parties, but a routine matter for the justices. The order announced no new legal holding, and the majority opinion takes up a single paragraph, followed by a two-paragraph dissent from my former boss, Chief Justice Rehnquist, joined by Justices Antonin Scalia and Clarence Thomas. The significance was the day it was decided: Sept. 12, 2001.

As with most major events in American history, 9/11 and its aftermath gave rise to cases that ultimately reached the Supreme Court. In the decade that followed, the justices decided 9/11-related cases involving due process, habeas corpus, international humanitarian law and civil procedure. But the story of what happened at the court on that day a quarter-century ago has never been told.

Most justices weren't at the court that bright September morning. Sandra Day O'Connor and Stephen Breyer were in India. The start of the court's term, the first Monday in October, was almost three weeks away.

But the chief justice was there. That day he would preside over the Judicial Conference, the administrative body for the federal judiciary, made up of leaders from the lower courts, so his daily meeting with clerks was moved up to 9 a.m. He started the meeting by noting he had just heard that a small private plane had hit a tower of the World Trade Center. It was believed to have been an accident. We went through the status of pending matters, a shortlist with oral arguments still a month away. We didn't know that while we met, a second plane had hit the World Trade Center.

We learned soon enough. Walking back from the morning meeting to my office, I saw a court employee with tears streaming down her face. I rushed to join clerks on the main floor gathered around a small television in Justice David Souter's chambers. Clerks upstairs gathered around a television in Justice Ruth Bader Ginsburg's chambers. With ramifications of the horrific images sinking in, and their justices away, clerks from other chambers soon left the building.

Although it was clear that America was under attack, the chief justice went to preside over the Judicial Conference. Soon the Marshals Service suspended that meeting. It would take days for some of those judges to drive back home from Washington in rental cars.

But Rehnquist remained. Like a ship's captain, he wanted to stay at the court, even after the terror came much closer with a plane striking the Pentagon at 9:37. Not long after 10, his security detail prevailed and whisked him away. The rest of his staff soon followed suit, leaving only law enforcement at the court.

There was never any doubt that we would return the next day. The terrorists wouldn't disrupt the functioning of our constitutional system, Rehnquist told us. Just as Congress reconvened on Sept. 12, the Supreme Court would get right back to work.

That brings us back to *Bagley.* The morning of Sept. 12, Ohio filed an application seeking to lift the Sixth U.S. Circuit Court of Appeals' stay of execution. The motion required quick resolution as the execution had been scheduled for 10 a.m. Many at the court were aghast. Some wanted the clerk's office to press the state to reconsider. But whatever view the chief justice had about the prudence of Ohio's pressing forward, he was steadfast in his belief that the court's task was to decide the issues parties presented. The justices voted 6-3 to reject Ohio's request and keep the stay in place. (The inmate, John William Byrd Jr., was executed on Feb. 19, 2002.)

Chief Justice Rehnquist was adamant about not letting terrorists disrupt the judicial routine.

Rehnquist's insistence on normalcy extended to extracurriculars. Every Thursday, he played tennis with his three clerks. It was nothing fancy; we played at a public court in Washington, and a clerk drove the group—usually me that year, in my wife's Nissan Maxima. After 9/11, court security wanted to change that arrangement. Deputies insisted that they should drive the chief justice and his clerks in an official vehicle. But he resisted, not wanting terrorists to disrupt his routine. Court police had to settle for tailing the Maxima to the tennis courts and hiding out in the bushes watching the match. They hid well. The only proof that they were on surveillance came on the rare occasions when a deputy later complimented me on a shot.

Three weeks after 9/11, the court opened the term with oral arguments. There would be more disruptions—the largely forgotten anthrax scare of October 2001 hit the court and required it to hold arguments for a few days outside its building for the first time since it opened in 1935. The landmark decisions would come. But when I think back on my time at the court and William Rehnquist's leadership, *Bagley* remains at the forefront. The two pages it occupies in the U.S. Reports quietly announce that the Supreme Court, like the rest of the country, wouldn't be deterred from its work.

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The FT View

FINANCIAL TIMES
'Without fear and without favour'

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Lessons from LIV Golf's failure

Riyadh has found it is easier to buy into sports franchises than to create a new one

Four years ago, LIV Golf promised "golf, but louder". Protracted 72-hole tournaments would be swapped for higher-octane 54-hole team events with shotgun starts — simultaneous tee-offs at different holes — blaring music and huge payouts for players. Backed by $5bn-plus of investment from Saudi Arabia, it was an attempt to disrupt the sedate world of golf and build soft power for Riyadh. After the Saudi Public Investment Fund said in April it would pull funding, LIV Golf filed for bankruptcy protection this week. It hopes to launch a "LIV 2.0" backed by buyout firm BC Partners. But LIV 1.0 is over, along with Saudi hopes of building a rival power centre in golf — though not Riyadh's newfound clout in many other sports.

LIV Golf was the flagship of a broader Saudi sports investment strategy. This was often justifiably portrayed as an exercise in "sportswashing" the kingdom's record of human rights abuses. But there was something more to the investment. It was another way to diversify the economy away from oil, and hosting sports events could help make the kingdom more attractive to tourists. And it was intended to get young Saudis off their couches — but involved in pursuits not connected to politics.

Saudi Arabia learnt the hard way, however, that unless a new entrant can identify a specific structural gap or market failure, disrupting existing sports franchises is hard. Sports incumbency is extremely powerful — through control of existing structures, tournaments and ranking tables. LIV Golf was able to win over some top players with a fat cheque book. But while it enjoyed considerable success in Australia and South Africa, it struggled elsewhere to attract a critical mass of fans and viewers, and the major TV deals that could have made it viable.

LIV Golf's rivalry did trigger reforms by golf's dominant PGA Tour, including new tournaments and bigger prize money. But its fate has quietened murmurings about possible Saudi-funded breakaway competitions in everything from tennis to cycling to rugby league. It joins other failed attempts at sports disruption, such as football's European Super League, which suited top clubs but was strangled at birth by angry fans. A striking counter-example is the Indian Premier League, which brought the pacy T20 game to cricket-mad Indians underserved by existing formats and shifted the game's global balance of power, though this was led by India's existing powerful cricketing authority.

Its fate has quietened murmurings about possible Saudi-funded breakaway competitions in everything from tennis to cycling to rugby league

Yet while LIV has been a hubristic misfire, the Saudi effort to use sport to burnish its brand more widely has not failed. Riyadh has found it is cheaper and more effective to buy into existing sports structures. Saudi entities are today key sponsors of Fifa, Formula 1 and the men's and women's pro tennis tours, and have partnerships with numerous football federations as well as in wrestling, mixed martial arts and boxing.

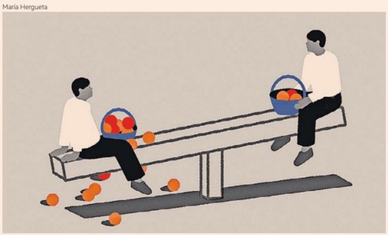
These ventures have not necessarily delivered big returns, but Riyadh has parlayed them into hosting events ranging from the Saudi Arabian Grand Prix to tennis tournaments featuring top players and boxing title fights. Its biggest coup was securing the 2034 men's Fifa World Cup. Though mired in controversy, as previous Fifa hosting decisions have often been, this offers the Saudis a place in the global spotlight similar to neighbouring Qatar in 2022.

While Saudi Arabia has failed in its effort to build a new sporting institution, its riches have enabled it to become embedded in the governance and commercial architecture of global sport. But the abruptness with which it pulled the plug on LIV Golf funding may be a warning for global sports against becoming too financially reliant on the whims of an autocratic state.

Opinion Geopolitics

An end to the 'win-win' era

Maria Hergueta



Leo Lewis

Published shortly before the 1962 Cuban missile crisis, *Deterrence, arms control, and disarmament: toward a synthesis in national security policy* was not an uplifting work. "I am afraid, and I am pessimistic," concluded its author, J David Singer, parsing the "insane and degrading" nuclear calculus on which human survival teetered.

Despite Singer's well-founded bleakness, the book lives on as an unintentional beacon: the most plausible origin story of a term that has come to define optimism, aspiration and the addictive sugar rush of positive spin. Because, in a footnote on page 109, stands what is reckoned to be the earliest reference in print to the term "win-win".

Who (outside sport) doesn't love a win-win? Few, in theory, but these are notably far from theoretical times. So far, in fact, that after win-win's long, hard-working and prolific career as the claimed outcome of summit meetings, free trade agreements, joint ventures, M&A deals, party manifestos and press releases on every conceivable subject, the backdrop has changed. This may be the moment to admit that win-win needs a reset for more aggressively zero-sum times.

We may have to admit the term needs a reset for these more aggressively zero-sum times

The phrase is already doing immeasurably more than originally intended. Singer was deploying win-win in coldly mechanical terms: a reference to one of the four possible (but, given human nature, less likely) results of the classic "prisoners' dilemma" thought experiment.

But over the years the term blossomed — as a handy verbal bellwether of the post-cold war order, of globalisation, market liberalisation and other trust-the-other-side-to-act-rationally megatrends — becoming endlessly seductive to businesses and governments everywhere.

Retired diplomats recall baffled Chinese officials wrestling to even conceptualise and translate win-win in 1999 when China was first negotiating entry to the World Trade Organization. By the middle of the following decade, it was ubiquitous in Chinese Communist Party messaging.

And so in 2006, when win-win finally made it into the Oxford English Dictionary (inducted in the same batch as nanobot, anoraky and yada yada), that felt perfectly of its time: an era that seemed to be structurally lowering the obstacles to win-win thinking, pre-social media, pre-global financial crisis, pre-Donald Trump, pre-AI. To the credit of human resilience and optimism, win-win has persisted as an ambition and a salve even as its practice and application have demanded ever greater suspension of disbelief.

Middle powers like Japan, which have thrived under the postwar world order and have most to lose from that party stopping, remain remarkably heavy drinkers from the win-win punchbowl. It looks like outright inebriation when Washington exacts a $550bn investment pledge from Tokyo to "buy down" US tariffs and Tokyo accepts that as win-win.

Last weekend, the hollow ring was overwhelming. Jared Kushner, discussing US negotiations with Russia over Ukraine, said that the US approach was to seek a "win-win outcome". There is no evidence to support the idea Vladimir Putin wants that; Kushner was representing a president who describes the world, regularly and revealingly, in terms of winners, losers, unfairness and imbalance. Win-win, in the prisoners' dilemma, depends on both sides believing the other will always act rationally: Trump's strategic insistence on unpredictability means no counterpart can ever act on the assumption of US rationality.

Of course, the term win-win has always had its flaws. Its absolutism means it can be used to present as fully balanced something that may be very good for one but only OK for the other. In the wrong hands, it conceals coercion or failure. More fundamentally, the win-win beloved of communiqués and trade deals evolved during the relatively more straightforward days of a single superpower era: China's rise changes that on a global scale.

But the past few years have freighted the concept with greater difficulties. Monopolies are not built to seek or secure win-win solutions, and the sheer financial scale and reach that have been granted to the top end of the tech industry clearly establish monopolism over win-win as the more successful strategic goal.

The great trap being laid here is to abandon all hope for win-win (while perhaps still paying it cynical lip service) and treat zero-sum as the rule as the old order shifts to new. To do so will prolong the phase in which win-win is genuinely unattainable. Win-lose may be truly horrible, but, as Singer's book makes chillingly clear, lose-lose is infinitely worse.

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Europe's new strategic theatre should be the north Atlantic

Rana Foroohar is right that climate change is becoming a systemic geostrategic force (Opinion, August 24). But the consequences of a melting Arctic extend beyond the High North. They are also increasing the strategic importance of the Atlantic.

New northern shipping routes will reshape connections between Asia, Europe and North America. The north Atlantic is also one of the world's most important corridors for submarine communications cables, while offshore energy, maritime trade and naval activity are expanding. Climate geopolitics will increasingly be ocean geopolitics.

Europe should therefore treat ocean knowledge and persistent maritime awareness as strategic infrastructure. Satellites and ships remain essential, but should increasingly be complemented by autonomous systems, underwater sensing, artificial intelligence and permanent ocean observation.

Atlantic islands, from the Azores, Madeira and the Canaries to Iceland, the Faroes, Bermuda and the Bahamas provide a network of strategic locations from which critical sea lanes and underwater infrastructure can be better understood and monitored.

A changing Arctic should not lead Europe and the US to look only north. It calls for a broader Atlantic strategy combining security, science, technology and environmental observation. In this new geography, understanding what happens beneath the ocean may become as important as monitoring what moves across it.

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Hollywood's AI prescience

It's not just Nobel Prize winners, AI experts and CEOs of AI companies that have warned that "superintelligent AI would pose an extinction risk to humanity" (Letters, August 21). Hollywood, showing itself to be extremely prescient, has long played its part too.

For many of us, the 1968 release of Stanley Kubrick's *2001: A Space Odyssey* was the first major warning by introducing the audience to the murderous HAL, the "heuristically programmed algorithmic computer".

Later generations will be more familiar with *Terminator 2: Judgment Day*, released by James Cameron 23 years later in 1991, and its fully integrated defence system known as Skynet, the fictional, self-aware AI network that served as the main enemy of humanity.

Cyberdyne Systems (after reverse-engineering the central processing unit and arm of a salvaged T-800 terminator) had begun actively developing the neural-net processor for Skynet in 1994.

In the film Skynet officially goes online three years later on August 4, 1997 after Congress passed the Skynet funding bill. The artificial intelligence began to learn at a geometric rate and achieved true self-awareness, taking just 25 days to achieve this on August 29 1997.

In this cautionary tale, the reaction to this exponential threat was "too late" — much of humanity was annihilated — as a nuclear war between the US and Russia was triggered.

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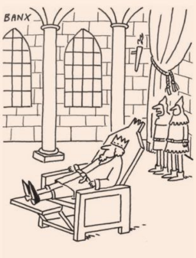

"HE'S A NON-WORKING ROYAL"

Could Trump and Congress hatch a new grand bargain?

Regarding America's emerging "drip-drip debt crisis" (Opinion, August 26), Chris Giles is correct to argue that due to spending on services for an ageing population "rising deficits and debt-servicing costs no longer have the power to restore fiscal prudence". Restoring fiscal balance will have to come from increased tax revenue.

One course of action that Giles did not mention is the potential participation of Congress in this new "grand bargain" through its authority to pass comprehensive reform of the egregious US tax code. That could maintain current tax rates but eliminate all the embedded loopholes that are enjoyed not only by the ultra-wealthy, but increasingly by the upper middle class.

Whether President Donald Trump, Congress and Federal Reserve chair Kevin Warsh are up to the task needed to restore fiscal balance by trading timely rate reductions for higher tax revenue will, of course, depend on the results of the US midterm election.

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When economic courses taught 'sado-monetarism'

I would like to offer a different perspective on Soumaya Keynes's question "When is an economist not an economist?" (Opinion, September 4).

In 1965 I was one of a class of ex-grammar school girls who passed the economics A-level after one year's study as part of a secretarial course at a college of further education.

Fifteen years later I scraped through the tests to begin a degree in economics at Essex University — because of the campus crèche, the generous grant and expenses for a 60-mile round-trip to the university by car.

This was when sado-monetarism was the "fashion". I didn't believe much of what was taught, with two toddlers, and an expensive husband who rarely had a job. Years later someone bought me a copy of Steve Keen's *Debunking Economics* which proved me right!

Today parliament is littered with MPs who did economics degrees before any experience of the real world of work, mortgages, responsibilities for others. The real question the column should have asked is: "What is a good economist?"

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OUTLOOK
NEW YORK

The curse of Jets fandom

by Joshua Franklin

David Solomon's occasionally stern demeanour makes more sense when you know he's a fan of the New York Jets. The Goldman Sachs chief executive is one of millions of long-suffering followers of the NFL franchise — arguably the least successful American professional sports team of the past 15 years. Since 2023, I've been one of them too.

I started following the Jets at the urging of my FT colleague Antoine Gara, a diehard supporter, and I've come to consider Jets fandom a curse you can only rid yourself of by tricking someone else into it. Each year that I have followed the team they have won fewer games and the humiliations have mounted.

The Jets hold a special place in American sports as a punchline for other teams. Think Tottenham Hotspur football club but in green jerseys. They have not made the play-offs since 2010, the longest active drought across all five major US professional sports leagues.

Fans give owner Woody Johnson, heir to the Johnson & Johnson fortune and President Donald Trump's former UK ambassador, most of the blame for this. Legendary NFL coach Bill Belichick, who 26 years ago resigned as Jets head coach after just one day, characterised Johnson's scattergun approach as "ready, fire, aim".

The Jets have repeatedly failed to find a reliable quarterback and will start this season with one who last played for them a decade ago and who got into a physical altercation with a teammate.

Even winning a few games this season could be bittersweet as it would risk landing a worse slot in next year's draft for college players turning pro.

The Jets' depressing modern history was encapsulated in a 2012 game during which the quarterback collided with a teammate's backside, lost the ball and enabled the opponents — coached by Belichick — to score a touchdown. The calamity has come to be known as the "butt fumble".

Will there be more butt fumbles this year? The Jets season starts on September 13 and bookmakers give the Jets the third-worst odds out of the league's 32 teams to win the Super Bowl. With success so unlikely, why do supporters keep coming back for more?

"It's just basically camaraderie," Mike Jhagroo, 49, tells me outside New Jersey's MetLife Stadium. "It's all that's left," adds fellow fan Matt Russo, 44.

I chatted to Jhagroo and Russo at their traditional tailgate in the MetLife parking lot where they were barbecuing before the team's first pre-season game.

In the distance we can see MetLife Stadium, home of the Jets since 2010. Tonight, they are playing the Tampa Bay Buccaneers (they will go on to lose 24-16).

Over chicken wings, taquitos and kielbasa sliders, expectations for the new season are low. Some predict the team won't win any of the 17 games. Yet the mood is still cheerful.

"If we're going to be miserable as Jets fans, we might as well do it together and have a good time," says Jhagroo.

That good time is being threatened by rising costs. The Jets have increased some season ticket prices, despite another losing year. That's on top of some fans paying north of $10,000 for personal seat licences that give buyers the right to purchase the best spots in the stadium.

"I've said this to them, 'You're playing chicken with me,'" says Russo. "'You are bound and determined to find the limits of what I'm willing to pay to watch this. I assure you there is one.'"

Yet even if they stopped coming to the games, few are likely to stop being fans. The prospect of winning is too enticing. New York basketball fans, including Solomon, are still savouring the Knicks' first NBA finals victory in 53 years over the summer. It offered a tantalising vision of what a turnaround could look like.

Today's misery will make tomorrow's victory that much sweeter. Or at least that's what success-starved fans like my colleague Gara tell themselves.

"This is the year we win it all," he says, predicting success at next year's Super Bowl in California. "I'm already searching for flights to Los Angeles."

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Opinion

An IPCC stand-off risks a historic climate rupture

ENVIRONMENT
Pilita Clark

Humanity has now spent more than 38 years trying collectively to stop climate change, with sub-optimal results.

For those of us who have watched these exasperating efforts at close range, though, there has always been one quiet glimmer of light.

Far from the painfully slow annual climate COPs and fraught green energy rows, the UN's Intergovernmental Panel on Climate Change (IPCC) has carried on doing exactly what it was created to do in 1988: pull hundreds of scientists together to give governments authoritative information to make climate policies.

The scientists do not do new research. They summarise the best available climate knowledge in huge assessments that are so exhaustively reviewed by experts and governments that they carry unparalleled clout.

The process isn't perfect. The reports, which are published in stages, can be hopelessly dense and technical. They take six or seven years to complete, making them less than timely, and they are not infallible. In 2010, IPCC leaders apologised for a poorly substantiated claim that Himalayan glaciers could disappear by 2035, an idea that, alas, seems less absurd today.

But that was a blip in a Nobel-winning body of work that has shown anyone capable of reading how humans are warming the planet and what can be done about it.

More recently, IPCC reports have played a critical role in the implementation of the 2015 Paris Agreement, the global treaty that requires all nations to set climate goals.

One key element of the treaty is a "global stocktake", a big evaluation governments are supposed to carry out as part of the COP process every five years to see how much progress is really being made to tackle global warming.

Only one Paris stocktake has been completed so far, in 2023. It led governments to make an overdue commitment to transition away from fossil fuels. They also agreed to triple renewable energy capacity and double energy efficiency improvement rates by 2030.

Those commitments didn't come out of the blue. They were all based on the findings of the IPCC's most recent scientific assessment and offered irreproachable evidence of the need for more urgent action.

> It is depressing beyond words to see pointless obstruction within the authoritative panel

Since then, climate change has grown measurably worse and greenhouse gases are still increasing, so there is bound to be even greater pressure to act at the next stocktake, due in 2028.

There's just one hitch.

An unprecedented stand-off between governments over the normally routine process of agreeing a publication timeline means the next assessment might not be fully ready in time. These schedules have never taken more than two years to finalise in the past. The IPCC has now spent more than three years failing to agree one.

On one side are governments from western Europe and poor countries most exposed to climate shocks. They began pushing for the next IPCC assessment to be done in time to help countries understand the real state of climate progress. I sympathise with them.

But other countries, including India, Russia and Saudi Arabia (which has long blocked faster action in climate COPs), argue there is no need to rush. They say the IPCC's mandate covers far more than the Paris stocktake and it would be wrong to compress the cycle.

An unhappy compromise looms.

IPCC assessments always include three separate reports: one on physical climate science, a second on climate impacts and adaptation, and a third on options to cut emissions.

The second two are more politically charged because they cover issues such as the costs of climate damage and phasing out fossil fuels. If Saudi Arabia and its allies prevail, the less contentious report could be published in time for the 2028 stocktake but the other two would come later.

A final decision on timing should be made at an IPCC meeting due in Addis Ababa next month.

I fear the worst. It has been bad enough to watch US President Donald Trump pull the world's largest economy out of global climate governance. It is depressing beyond words to see pointless obstruction inside the IPCC.

Climate scientists like Bill Hare, who has been involved with the panel's work since its first 1990 assessment report, say it would be a "historic rupture" in nearly 40 years of IPCC work if its science fails to inform the next global stocktake.

He's right. By 2028, this year's dire summer heat and the disaster-film flood scenes in Nepal will be long gone. I hate to think what will have come in their place.

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Kushner and Witkoff's blind amateurism

Carl Godfrey

AMERICA
Edward Luce

There is a reason why Marco Rubio runs from the sound of gunfire. Though he is America's secretary of state and national security adviser — the first to combine those roles since Henry Kissinger — Rubio can sense a losing bet or three. Whether that is trying to broker a deal between Russia and Ukraine, nuclear talks with Iran or fixing Gaza, he lacks the real estate background that President Donald Trump wants in his negotiators. Politicians typically crave the limelight. That Rubio is unbothered by being out of it tells us quite a lot.

Jared Kushner and Steve Witkoff do know real estate — and they are both billionaires who mix business with politics. This gives them credibility in speaking for Trump. That is partly why both Vladimir Putin and Volodymyr Zelenskyy treated them with such respect on their fruitless trip to Moscow and Kyiv last weekend. They come with tote bags of promised "win-win" investment booms that will flow from any deal. But their eyes might be bigger than their stomachs. Hammering out a deal that will stick is hard enough. If their true goal is dessert, however, they are likely to mess up the main course.

The core Kushner-Witkoff tactic is to seduce their interlocutors with the lure of postwar bonanzas. Why should Ukrainians and Russians keep killing each other when they could be partnering with the US to dig up critical minerals and build AI data centres? This misreads both men. Though estimates vary, Putin is worth a lot more than either of Trump's envoys, as well as Trump himself. Putin wants something that imagined post-ceasefire deals cannot buy, which is to reabsorb Ukraine into his cherished Russian motherland, in full or in part. Dessert is also not at the forefront of Zelenskyy's mind. His job is to defend Ukraine from Russia. In practice, business prospects keep Trump and his envoys in the game, not the other way round. Fixation on downstream benefits pushes them further from El Dorado.

A business reading of Russia-Ukraine tells you Russia matters more because it is bigger and has more natural resources. A war reading tells you that Ukraine has the edge as the defender. Ukraine is more innovative because it has to be. As the saying goes: "If Russia stops fighting, the war ends. If Ukraine stops fighting, Ukraine ends."

Having visited Russia seven and three times, respectively, in the past 18 months, Witkoff and Kushner should have made Kyiv the first stop on their recent shuttle. But they went first to Moscow. Then they presented Zelenskyy with a reportedly even tougher Putin offer than he had previously rejected. If the new terms looked like they were cooked up in the Kremlin, it was because they were.

The same applied to the sloppily translated 28-point Ukraine peace plan Putin crafted for Witkoff last November. One of its points was that the US would mediate any dispute between Nato and Russia. This overlooked the fact the US is still a Nato member. Even a novice would spot that trick. But Witkoff and Kushner seem as unburdened with geopolitical detail as they are knowledgeable about leveraged property deals. Subject-matter experts do not typically accompany them to negotiations.

Misplaced confidence in their grasp of the nuclear fuel cycle at the US-Iran Geneva meeting in late February contributed to Trump's decision to launch Operation Epic Fury two days later. Observers from Oman and the UK thought that Iran had opened with a workable gambit. Witkoff and Kushner did not see it that way. But a deal equal to or better than Barack Obama's was considered reachable if given time. It took 20 months for Obama to negotiate the 2015 US-Iran nuclear deal. US nuclear experts were involved at every stage. None joined Witkoff and Kushner in Geneva. If Trump could get today what Iran was offering earlier this year — diluting most of its fissile material under supervision — he would leap at it. Which is another way of saying that Kushner and Witkoff are not giving him much value for money.

> They come with promised investment booms, but the envoys' eyes might be bigger than their stomachs

The same applies to Gaza, which both men have depicted as an enticing waterfront. Kushner says Gaza "could be very valuable". Again, the president's son-in-law is distracted by money. He has suggested moving Gaza's population out of the strip in phases while it is rebuilt. Last week Kushner said Gaza was "basically built by NGOs and terrorists". In his view, property developers should take over. Like Witkoff, Kushner has renounced any personal business interests in the supposed coming Gaza boom. The White House reminds us that each is working without pay tirelessly for the US public.

Their conflict-of-interest pledge is nevertheless welcome. Kushner's overseas business record is not stellar. He has helped bring Albania to the brink of a colour revolution with his deal to build up to 10,000 luxury villas in a protected area of its coastline. The mass protests have adopted the flamingo, which can be found along the coast, as their mascot. "If it were not Jared Kushner . . . nobody would give a shit about flamingos," Albania's embattled prime minister, Edi Rama, told the FT. Kushner recently pulled out of a Trump Tower deal in Serbia in part due to a comparable backlash. "Albania is not for sale," says the normally pro-American Albanian street. If Trump's envoys would listen, other parts of the world are trying to tell them the same thing.

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China's giant trade surplus has an increasingly geopolitical twist

ASIA
Alan Beattie

It takes quite a lot for a group of nations to line up with Donald Trump's rogue US administration, but current account imbalances as a result of China's surplus and competition from Chinese companies have pretty much managed it.

At last week's meeting of the G20 group of finance ministers, there was widespread agreement about the risk to the world economy and trade imbalances from "non-market" policies. Governments say China's return to an aggressive export-oriented growth model in recent years is hollowing out their manufacturing.

There are just two tiny problems with fixing this. First, China doesn't agree, and vetoed the attempt at a G20 communiqué on this. Second, there are two increasingly intertwined issues — macroeconomic imbalances on the one hand and China's drive for technological supremacy on the other. China's trading partners are attempting to resolve the first with (generally uncoordinated) industrial policy that is only suitable to address the second, and which in any case is struggling for impact.

Rich countries in general, and the US in particular, have been complaining about imbalances and unfair competition from China since the early 2000s. But in the 2020s, the Chinese property bust and weakened domestic demand have caused China to embrace export-oriented growth with ever greater fervour. As David Lubin of the Chatham House think-tank points out, Chinese export growth has often exceeded world import growth for a while, after which the gap generally closes as Chinese domestic demand recovers and absorbs more of the output. But since the early 2020s there has been a large and sustained rise in Chinese export growth relative to world import growth.

The Chinese vice-premier He Lifeng has repeatedly talked about boosting consumption, but Beijing has veered towards investing in yet more supply-side technological innovation and infrastructure. The underlying cause of imbalances is macroeconomic, but it's tied up with an aggressive campaign of domination of world markets in electric vehicles, semiconductors and the like.

As Lubin notes, China increasingly sees surpluses as complementary to controlling global supply chains and technological chokepoints. It's not essential to have the surpluses to have the tech — the US was at the forefront of global technological development for decades while running trade deficits — but that seems to be the belief in Beijing.

> Beijing sees the imbalances as complementary to controlling global supply chains and chokepoints

It's almost nostalgic that the term that prevented consensus last week was a reference to "non-market" economic policies. A decade ago there was a long and determined diplomatic and legal battle at the World Trade Organization over designating China as a "non-market economy", partly because the designation made it easier for authorities like the EU to impose protective anti-dumping duties. In the end, the EU simply abolished the distinction between market and non-market economies in its trade defence law.

It was a neat solution, but one that merely underlined the fuzziness of attempts to categorise China and use traditional trade tools against it. US Treasury secretary Scott Bessent last week repeated a line he had used before: the Chinese company BYD, he said, made "the best $70,000 car that $35,000 can buy". It's a cute turn of phrase, but the Rhodium Group consultancy estimates that only about 5 per cent of BYD's cost advantage over Tesla cars made in China is because of subsidies. Much of the rest is a genuinely low-cost base created through years of ferocious domestic competition. Simply using tariffs to correct that distortion won't make a critical difference.

The EU claims to be gearing up to take on China's industrial might. It used to be said that the bloc's trade policy was essentially set by Volkswagen, which was generally in favour of trade. But the company is now haemorrhaging jobs and has called for trade measures against China. The EU is, however, up against an opponent who doesn't mind playing dirty. Beijing recently said it would block the EU from gathering information in China to use in official investigations into Chinese subsidies.

As for solving the imbalances with purely macroeconomic policy, it's as hard as ever to imagine co-ordination. The US can't credibly claim it's trying to reduce imbalances while pushing the fiscal deficit higher with tax cuts and spending.

China generally doesn't like being isolated in international forums, but it's highly resistant to joining a consensus that is hostile to its growth model. Beijing's attachment to export promotion has always been about growth and jobs. It is now increasingly about projecting technological supremacy as well.

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UK's sanctions on settlers can help safeguard Israel's future

Michael Ben Yair

I am an Israeli who served my country as the attorney-general under Yitzhak Rabin, a prime minister who ultimately paid with his life for pursuing peace. I also served briefly under Benjamin Netanyahu, a prime minister who has now brought Israel to the moral brink.

My anxieties for Israel's future and that of my Palestinian neighbours deepen with every passing day. That is why I support the British government's actions to ban settlement goods and place sanctions on businesses, organisations and individuals associated with Israel's settlements in the West Bank.

I do not relish seeing Israel's allies taking these actions, but it is a necessary move to keep alive hopes for a solution that brings peace and security for the 7mn Jews and 7mn Palestinians who live between the Mediterranean Sea and the Jordan River. The occupation of millions of Palestinians, which denies them basic civil and political rights, and violently dispossesses them on a daily basis, is not new. It has been state policy since 1967 and I regret to say that, in my time as attorney-general, I too was culpable in the expropriation of private Palestinian land for the settlement enterprise.

But what we are witnessing today, under Netanyahu's leadership, has crossed a threshold that was previously unimaginable. Extremist Jewish settlers run amok against Palestinians while the Israeli security forces stand idly by. In the first half of 2026, at least 2,300 Palestinians have been forcibly evicted from their homes by violent settlers, with 18 killed as a result of these attacks and almost 900 injured.

> I do not relish seeing our allies taking these actions, but they are necessary to keep alive hopes for peace

The violence in the West Bank aligns with the intentions of the current Israeli government and ruling party, some of whose ministers proudly declare their intent to ethnically cleanse Palestinians from their land and ensure they will never be able to have a state.

Take the Knesset's deputy speaker, Nissim Vaturi, who has said that if it had been possible to expel all the Palestinians, Israel would have done it. Or finance minister Bezalel Smotrich, who declared his hopes that one settlement would "bury the idea of a Palestinian state". These are the people at the centre of our government, dictating its policies.

In order to sustain the occupation as a whole, state institutions have been taken over by the settler movement. Whether it is battalions in the IDF under settler control or large parts of the civil service, the state has been co-opted.

That is why the moves by the British government are so important. These sanctions are not an attack on the state of Israel; they differentiate between the legitimacy of the country and the occupation — which is morally, politically and legally unacceptable.

Since the collapse of the Oslo Peace Process 25 years ago, hundreds of millions of shekels have gone into constructing homes, roads and infrastructure in the West Bank, depriving Palestinians of their land and depriving communities within Israel of much-needed investment. This should concern not only those who care about Palestinians but also those who care about Israel.

The only meaningful way to achieve any course correction is for the international community to make clear that the continued entrenchment of the occupation is unacceptable, and that there will be consequences for this policy. The UK government's new measures are not just focused on violent settlers but include a ban on trade with the settlements and expanding sanctions against those condoning violence and expanding the occupation. The UK may be the first significant ally of Israel to have announced these measures, but as today's statement by 11 other foreign ministers shows, it will certainly not be the last.

I wish for the day when Israelis will wake up and tell their government they no longer want to occupy millions of people against their will. But in its absence, those of us who see the true danger of this situation look to our allies in the international community to act for us.

The writer was Israel's attorney-general from 1993-96

Chicago Tribune

Founded June 10, 1847

EDITORIALS

Michael McCuskey's Springfield replacement must be an independent legislative watchdog

When former Legislative Inspector General Carol Pope resigned in 2022, she called the post a "paper tiger," saying the office "has no real power to effect change or shine a light on ethics violations."

Pope's successor, Michael McCuskey, just submitted his resignation. McCuskey was appointed in 2022, and his term was not set to expire until 2028.

McCuskey's decision, which we thought wise, follows criticism of his handling of the investigation into disgraced former state Rep. Harry Benton and an unusually candid radio interview in which he disclosed sensitive information about legislative ethics matters. We previously criticized his investigative practices and his failure to recognize when confidentiality required him to say "no comment." His performance merits scrutiny, but his departure should not obscure the structural weakness of the office itself.

Moving forward, McCuskey's resignation gives Illinois lawmakers another opportunity to decide what they want in a legislative inspector general: the answer should be a genuine independent watchdog.

Before they choose who holds the role next, they should give that successor the authority to succeed. And Springfield's supermajority Democrats should look inward at the same time.

At a Wednesday press conference, state Rep. Travis Weaver dubbed Democrats' recent string of controversies the "summer of scandal." He was referring to a series of stories that broke in recent weeks, including Benton's sexual misconduct, as well as state Rep. Carol Ammons, D-Urbana, who has pleaded not guilty to 10 federal felony charges, including wire fraud, lying to the FBI and conspiring to obstruct justice.

These problems did not originate with McCuskey's office, however. McCuskey's performance was flawed, yes, but simply replacing him will not prevent such scandals from brewing in future.

The LIG can't change the culture from within; it can only shine a light on bad actors from without.

Two things must change in Springfield: the watchdog and the culture. If we thought misconduct had ended with the departure of longtime House Speaker Mike Madigan, we were wrong. Far from being a distant problem, ethics scandals continue to roil Illinois government.

A fully empowered, independent LIG would help expose corruption in the legislative branch.

The General Assembly's unwillingness to make that happen is evidence of its bigger problem: a culture that never fully reformed after Madigan's departure.

Before her departure, former LIG Pope led investigations into Madigan associates Tim Mapes and Kevin Quinn. Her exit became a protest of the powerlessness of her office.

Pope declared that in Springfield, "true ethics reform is not a priority." She was right.

Before Pope, there was Julie Porter, who in 2019 wrote in an op-ed for the Tribune that "unless and until the legislature changes the structure and rules governing the LIG, it is a powerless role, and no LIG — no matter how qualified, hardworking and persistent — can effectively serve the public."

Porter pointed out that Illinois' first LIG, Tom Homer, in 2014 recommended greater public disclosure of investigative findings. Although state law now mandates publication in limited circumstances, the LEC retains control over whether many other investigative reports become public.

Democratic state Rep. Abdelnasser Rashid of Bridgeview filed legislation in 2025 to allow the LIG to issue subpoenas without the advance approval of the Commission, as well as the ability to publish reports without requiring permission from the LEC. Rashid's bill also would required the appointment of one commissioner from the general public to the LEC — we support adding more non-legislators to the oversight mix. Republican state Rep. Ryan Spain, R-Peoria, also in 2025 filed related legislation granting the LIG independent subpoena power. Both bills remain stuck in the rules committee.

Such legislation seems like a reasonable first step toward giving the LIG more independence, whenever a replacement is found. State law requires legislative leaders to create a four-member search committee tasked with recommending up to three candidates to the LEC. Separately, the commission must name an acting LIG within 45 days if the position remains unfilled.

But a new LIG isn't an ethics panacea. We agree with state Rep. Dan Ugaste, R-Geneva, who said Wednesday that Springfield can't just "rely on an LIG to do all the work" of addressing ethics reform.

Remember, the young staffer who alleged harassment by Benton reported the behavior to House Speaker Emanuel "Chris" Welch's chief of staff in April 2023. But she wasn't interviewed until months later, at which point she had already quit her job.

Benton's bad behavior was on leadership's radar for years, yet he remained in office until July.

We can only conclude that five years after Madigan stepped down, Springfield still has a serious culture problem that a toothless LIG office cannot fix.

R-E-S-P-E-C-T is the only way for AI advocates to deal with data center haters

The rapid backlash to data centers and artificial intelligence has taken many in the tech and finance worlds by surprise.

Understandable. Only a few short years ago, states and municipalities were competing with each other to lure data center developers, dangling tax incentives for projects they thought would create jobs and generate tax revenue. The sudden reversal in public opinion has whipsawed politicians as it has business people.

The politicians, though, have reacted to the new political reality far more quickly than have the business people.

Gov. JB Pritzker in June suspended state tax breaks for data centers that had been in effect since 2020, with 27 data centers built since then that collectively have saved nearly $1 billion in taxes via the incentives. Pritzker's idea was to slow data center growth and give Springfield time to pass comprehensive new regulations for the industry.

In other parts of the country, state policymakers are going yet further, pursuing clawbacks of tax breaks already given to developers, according to The Wall Street Journal.

So how are industry representatives and sympathizers responding? We see many of them on public platforms expressing amazement that so many ordinary citizens have turned on data centers and reacting by virtually insulting the intelligence of those opponents.

The AI and data center industries have a cheerleader in President Donald Trump, who in a recent Truth Social post more crudely echoed their insulting rhetoric. "The only reason that communities should not want Data Centers is if they want to end up being backwards and poor," he posted.

Demonstrators gather for a rally about proposed legislation to regulate construction of data centers during the spring legislative session outside the Illinois Capitol on May 30 in Springfield. JOHN J. KIM/CHICAGO TRIBUNE

Examples abound of disdainful or dismissive comments from the self-professed masters of the universe on why so many are against data centers in their communities. "Most explanations of why data centers are actually fine boil down to simple math," former Reddit CEO Yishan Wong wrote on X. "The majority of people do not understand simple math."

Alternatively, industry figures theorize that Chinese propaganda is fueling the surging antagonism throughout "flyover country."

Additionally, in ham-fisted ways, some of them attempt to tie the opposition to the rise in socialism in the Democratic Party, seemingly ignoring the bipartisan nature of the collective recoil. Polls show 70% or more of Americans oppose data centers in their communities. Texas Gov. Greg Abbott, no one's idea of a socialist or a liberal, recently imposed a moratorium on data center development in the Lone Star State, prompting Trump last month to call the decision "a mistake."

So take your pick, data center opponent: The only possible explanations for your stance, according to various tech and finance bros, is that you're stupid, prone to manipulation, a Luddite or a Trotskyite.

That you might have good reason to be highly wary of AI and the massive data centers necessary for the technology? The possibility doesn't seem to occur to the advocates.

In reality there are legitimate reasons to be concerned that our country had been developing AI and the associated data centers at breakneck speed with scant concern about the long-term consequences, which are extraordinarily far-reaching.

In northern Illinois, as we've discussed, the outsized electricity consumption of data centers already has translated directly into higher electric bills. Some more responsible representatives of the industry have acknowledged the need to supply additional power required to enable the sort of growth they envision. But the state has yet to settle on a regulatory approach to ensure ratepayers don't see their bills continue to rise due to data center demand.

There are reasonable worries, too, about how corporate adoption of AI could cause dramatic white-collar job losses.

Even beyond the practical concerns of utility bills and employment, there are dystopian fears that the technology itself eventually could become so sophisticated that its creators lose control, with consequences we can't even predict. We're now seeing warnings from those working for the likes of Anthropic and OpenAI that the companies are so intent on winning this new version of the space race that they're acting irresponsibly.

So moratoriums by state and local governments don't strike us as fundamentally illogical. They demand that developers of AI respond to opponents not with insults but with convincing answers to their concerns.

And with the understanding that making AI a force for good is far more important than the speed at which it's adopted.

ON THIS DAY 106 YEARS AGO
GETTING THE BALLOT INTO THE BOX

From boss, through state committee, county committee, ward committee, and precinct committee, to the individual voter, modern politics is a highly organized business. In the final analysis it is the voter who puts the candidate into office and maintains the boss in power. Individual votes are as necessary to the building and operation of a political machine as are individual bricks to the building of a factory. To get such votes is the sole effort of election day.

It is the minute development of this vote casting organization which has given the Thompson Tammany much of its power. It lets no favorable ballot escape. Its ward and precinct workers are up with the sun. Automobiles are primed and ready. Lists are in hand. Guides are on every corner to direct the Tammany adherent to his polling place. As the day goes on the tardy voter is called by phone with a reminder of his duty to the organization. Busy mothers are assured that a motor will call at any moment she may desire to take her to the polls without cost in cash, time, or convenience. It is a great system. It works.

It is such organized methods which the foes of the Thompson Tammany must combat next Wednesday. To do so successfully every foe of Tammany rule must lend every possible assistance to a counter-drive. Automobile owners can put their cars at the disposal of the anti-Tammany precinct committeemen; neighbors can exchange pledges to vote; neighborhood organizations can become anti-Tammany clubs for the day with the sole purpose of seeing that the anti-Tammany vote is cast. Individuals going to the polls can make an effort to take a friend with them. Such united effort can disturb even the precision with which every potential Tammany ballot will be guided to the ballot box.

Tribune editorial board, Sept. 10, 1920

EDITORIAL CARTOON

MICHAEL RAMIREZ

OPINION

Next top cop will be chosen before mayoral election. There are issues with that

By Desmon Yancy, Peter Chico, Matt O'Shea and Silvana Tabares
SPECIAL TO THE TRIBUNE

The Chicago City Council planned to hold a committee hearing to question commissioners from the Community Commission for Public Safety and Accountability, all of whom were appointed by Mayor Brandon Johnson, about the process for selecting a new Chicago police superintendent.

The hearing was prompted by concerns that the search was being bogged down by infighting in the CCPSA. The commission initially struggled to reach a quorum to select a search firm, suggesting deep disagreement over the direction of the search.

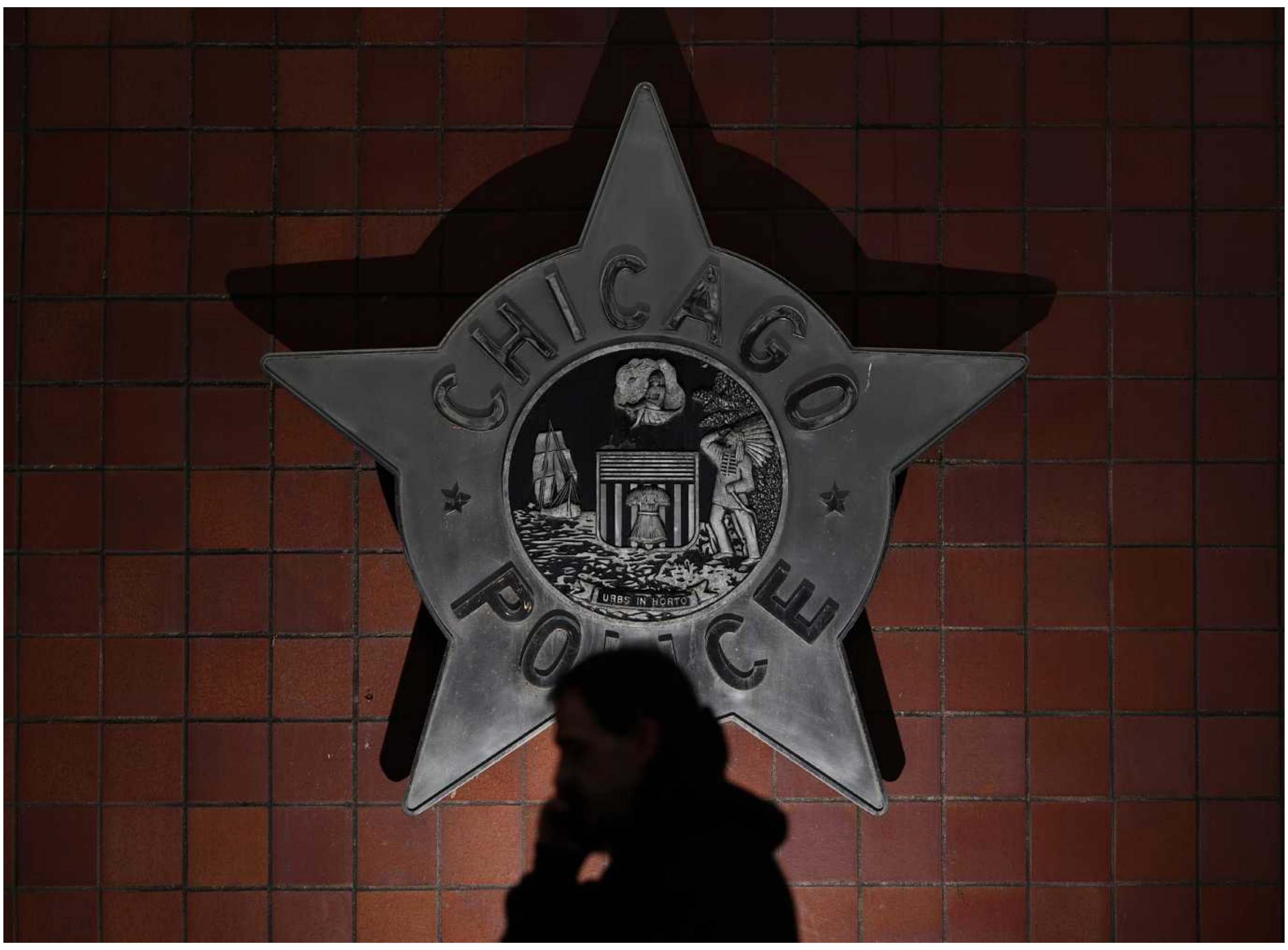
On Aug. 25, however, the CCPSA selected Ralph Andersen & Associates to conduct the search for the next superintendent. This firm has led police executive search processes in Oakland and San Francisco in California and New Haven, Connecticut. With a search firm now in place, the process should proceed within the statutory deadline, making the City Council hearing unnecessary.

The CCPSA must submit finalists to the mayor within 120 days of former Superintendent Larry Snelling's resignation, which took effect July 15. That means the CCPSA is likely to vote on three finalists on or before Nov. 12, after which Johnson will have 30 days to select one for City Council consideration. That timeline is unlikely to change.

But acknowledging that the process will continue does not mean Chicago should ignore the unusual circumstances surrounding it. The city is on track to select its next police superintendent only a month or two before the February municipal election. That timing creates a political reality that is cause for deep concern.

Normally, a mayor making such a decision can point to a recent electoral mandate. Not so here. The next superintendent will be selected in the middle of a mayoral campaign in which Johnson, who is tasked with picking the next superintendent, faces real political uncertainty in a potential reelection bid.

That raises two important questions. What kind of superintendent candidate will be attracted to a position that could become politically complicated almost immediately? Will Johnson use the selection of a new superintendent to bolster his political position only months before voters decide who will permanently occupy the fifth floor for the next four years?



The Chicago police emblem at police headquarters on March 31. JOHN J. KIM/CHICAGO TRIBUNE

An experienced police executive from Chicago or another major city must consider whether the administration selecting them will still be in office only a few months later. If an individual other than Johnson is elected this winter or spring, will a new superintendent still be wanted only five months after being selected? Will priorities shift? Will relationships need to be rebuilt from scratch? Will the new superintendent get caught between competing political visions for public safety?

Additionally, an experienced police executive from Chicago or another major city must consider whether the administration selecting them will still be in office only a few months later. If an individual other than Johnson is elected this winter or spring, will a new superintendent still be wanted only five months after being selected? Will priorities shift? Will relationships need to be rebuilt from scratch? Will the new superintendent get caught between competing political visions for public safety?

These are not hypothetical concerns. Political uncertainty around the mayoral election will dominate the thought process of every potential superintendent candidate and will cloud the recruitment for the role. None of this means qualified candidates will refuse to apply. But many won't because they will be reluctant to seek one of the most scrutinized leadership roles in America in the middle of a politically tumultuous citywide election in which the outcome is far from certain.

Any superintendent's effectiveness depends not only on authority, but also on credibility. We would be naive if we failed to acknowledge that part of a superintendent's credibility is determined by the mayor as well as the circumstances surrounding that selection. A superintendent selected by an unpopular mayor in the middle of an election cycle will face an almost impossible immediate test regarding their long-term viability.

At the same time, rank-and-file officers, community groups, elected officials and city residents all need confidence that department leadership can endure beyond a short-term election cycle. The timing of the superintendent selection process now taking shape jeopardizes that confidence.

Johnson should recognize that the public will judge this appointment not only by who is chosen, but also by whether the choice appears motivated by politics rather than the city's long-term needs.

The timeline is set. The search is underway. Finalists will almost certainly be named before the February election. But any superintendent candidate selected by Johnson for ideological reasons alone will draw deep scrutiny from the City Council given the political context that clouds this selection process.

As a result, what remains is a more important question: Can Chicago select a superintendent who commands confidence across political divisions and can lead the department regardless of who leads the city next spring?

That is the tallest of tasks.

Ald. Desmon Yancy represents Chicago's 5th Ward. Ald. Peter Chico represents the 10th Ward. Ald. Matt O'Shea represents the 19th Ward. Ald. Silvana Tabares represents the 23rd Ward.

25 years after 9/11, what has America learned?

By Matthew Warshauer
SPECIAL TO THE TRIBUNE

Sept. 11 remains an open wound for America. There has been no triumph, no victory over the darkness that we have continued to generate both at home and abroad.

We will never forget the piercing blue sky and the confusion as the World Trade Center's north tower billowed black smoke. Then came the fireball as the second plane blasted through the south tower. We will never forget the gasp from knowing it was no accident. We watched the tragedy that unfolded over 102 minutes, the time between the first plane hitting and the collapse of the World Trade Center. We knew nothing would be the same.

For a time, we saw amazing acts of humanity and the unity of the American people. We maintained that unity through the movement in Afghanistan, but not Iraq. Like the towers, unity collapsed amid President George W. Bush's 2003 call for war in Iraq, a rogue nation, but one that had nothing to do with 9/11. Over the next many months, we watched some of the largest anti-war protests in human history.

We went to war anyway, and the world we live in is a direct reflection of that fateful decision. We are now witnesses to the 25 years that 9/11 has wrought. Yet most Americans can't see a simple truth — the twin towers fell across the road to the 21st century.

That reality presented America with a choice. Embrace the outpouring of support and grief from around the world and pursue a global movement to address terrorism, one that would evaluate our often-egregious foreign policy. Or embrace never-ending war. That decision has generated the fractious conditions that have made the first quarter of this century untenable for democracy, the rule of law and the idea of justice.

Flags and flowers are placed on the inscribed names at the National September 11 Memorial in New York on Sept. 10, 2025. DONALD KING/AP

As a professor of history, I have explored these ideas for over a decade with a generation that has grown up in the shadow of towers that no longer exist. Some refer to them as Gen Z, for "zoom," because of the fast-paced nature of their lives. But it's the wrong name. They're the 9/11 Generation, born and raised amid the chaos of post-9/11 America.

It doesn't ultimately matter if they don't remember the attacks because they were too young at the time or were born after. Sure, the kids who watched on television the never-ending loop of the second plane hitting the tower and witnessed their parents and teachers weep openly have a visceral memory of that day, but those who didn't experience those moments have grown up with a similar trauma, one they can't fully explain, in a country they know is broken no matter how many times or how loudly we chant, "USA."

In the waning hours of that horrible Tuesday, the president unintentionally recognized the birth of this new generation, asking Americans to pray "for all those who grieve, for the children whose worlds have been shattered, for all whose sense of safety and security has been threatened." He defined the 9/11 Generation. Bush told America that "Our way of life, our very freedom came under attack," insisting that "America was targeted for attack because we're the brightest beacon for freedom and opportunity in the world."

America went to war for 20 years. Iraq suffered mightily for an act it didn't commit, with some arguing that "Iraqis have faced nothing short of a lost generation." The U.S. withdrew from Afghanistan in a disastrous rerun of troops fleeing Saigon.

As we now reflect on 25 years since the towers fell, have we learned anything? "We will never forget." OK, but what are we remembering? The answer for most is what I refer to as the "tragedy and triumph" narrative of the 102 minutes. The belief that tragedy befell America but that, in her righteous might, she rose up and triumphed. That's a myth. There has been no triumph. We are still shadowed by loss at home and a tarnished reputation globally.

And we do not remember, not all of us. There's an entire generation that knows little about Sept. 11. Roughly 37% of Americans today were either too young then to understand or were born after the attacks. They were raised in the wake of governmental chaos and war that has numbed them to faith in their own government and the salience of democracy as a workable system. They are the only generation in American history that has never experienced functional government.

Our egregious partisanship is both a cause and a byproduct of post-9/11 America. Patriotism has been torn between those who embrace authoritarianism as a solution to make America great again, and those who hunger for a more hopeful nation, especially as we commemorate the 250th anniversary of the Declaration of Independence and our nation's birth.

Perhaps it's ironic that these two anniversaries have arrived in the same year. Perhaps it's symmetry. If by "commemorate," we mean a thoughtful consideration of our past and present, what do America's birth and Sept. 11 have in common?

Any meaningful answer must reflect on America's role in the world. Lexington was the shot heard round the world, a ripple of burgeoning democracy that washed over distant shores and remade the world. America became a beacon of possibility and inalienable rights.

Our response to 9/11 was anything but a beacon. It made the world more dangerous. It endangered democracy and the rule of law.

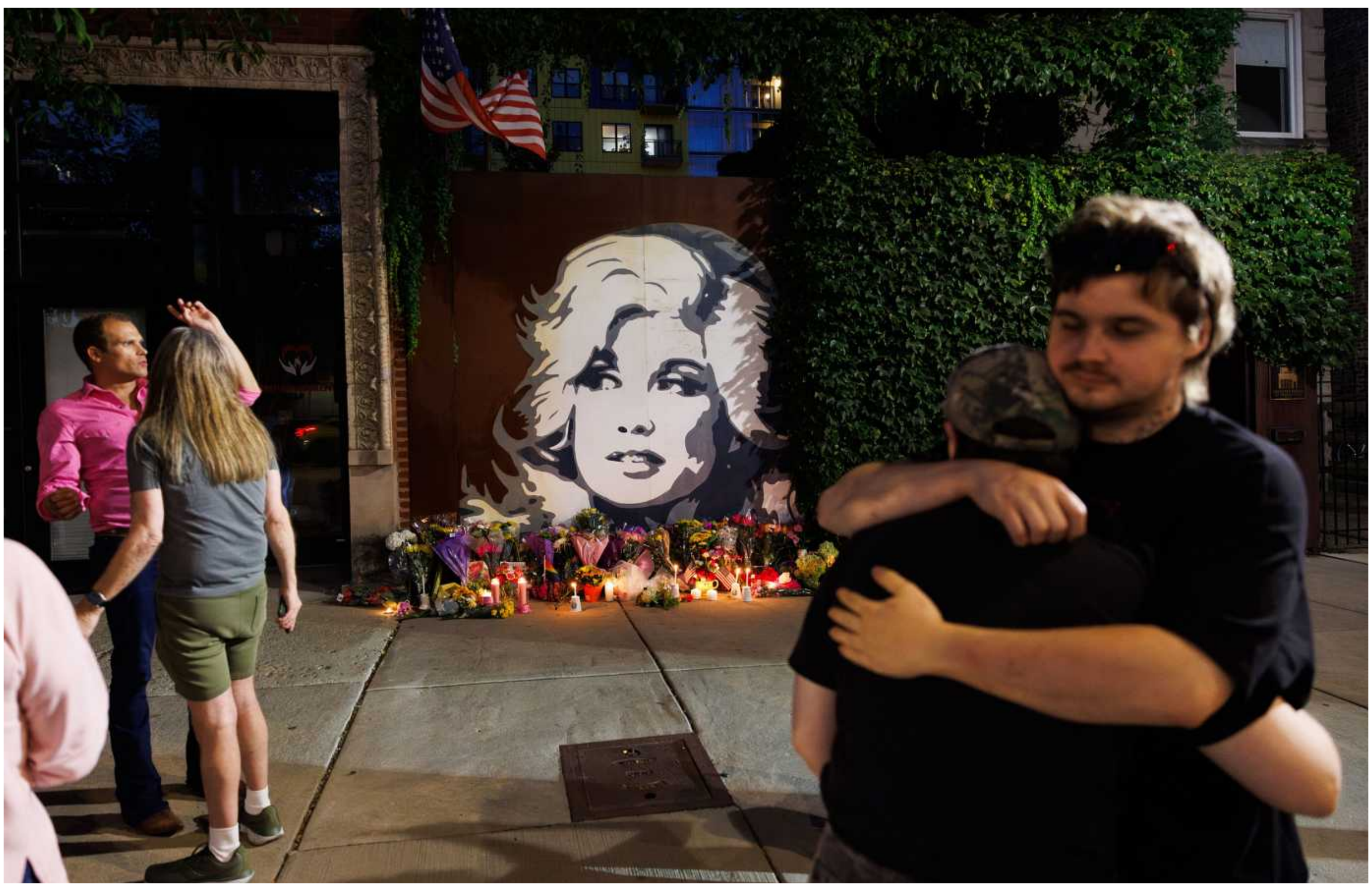
In this important year of our nation's 250th anniversary and of 25 years since 9/11, will we, as Abraham Lincoln offered in the midst of the Civil War, embrace a new birth of freedom? Or will we remain mired in the darkness that has clouded our sight since the billowing smoke of 9/11 obscured our piercing blue sky?

Matthew Warshauer is a distinguished professor of history at Central Connecticut State University and the author of "Creating and Failing the 9/11 Generation."

OPINION

Dolly Parton and Gloria Steinem left us with the same lesson

By Christine Ledbetter
SPECIAL TO THE TRIBUNE



People gather near a mural of Dolly Parton in the Edgewater neighborhood of Chicago after she died earlier in the day in Nashville, Tennessee, on Aug. 25. **ARMANDO L. SANCHEZ/CHICAGO TRIBUNE**

For many of us, the summer is ending in a paroxysm of grief. Perennials we believed would last forever have perished.

Over mere weeks, we lost a legendary performer, a feminist trailblazer and a living memorial.

I never met Dolly Parton, but I feel as if I knew her. Don't we all? And while I heard her perform many times, it was her acting debut in the 1980 film "9 to 5," playing a harassed assistant to a sexist boss, that endeared her to me. Because in the '80s, before the Me Too movement, we all had that boss.

She also wrote the film's rallying song: "Workin' 9 to 5, what a way to make a livin'. Barely getting by, it's all taking and no givin'. They just use your mind and they never give you credit. It's enough to drive you crazy if you let it."

While Parton stayed apolitical for the most part, she was not unpartisan toward causes. She championed literacy, medical research and disaster relief and provided scholarships to kids in need. She was also a firm supporter of the LGBTQ+ community and Black Lives Matter.

She didn't call herself a feminist, but as "Ms." magazine founding editor Gloria Steinem wrote in the magazine's Women of the Year issue in January 1987, "People who haven't listened to Dolly Parton or to feminism may be surprised to learn that they go together. In fact, she has crossed musical class lines to bring work, real life and strong women into a world of pop music usually dominated by unreal romance."

She was also a writer — like Steinem, who died at the start of this month. I heard the second wave feminist speak many times and marched with her for the Equal Rights Amendment and reproductive freedom.

My husband, Dean Skylar, and I were featured in "Ms." magazine. A July 1983 article described how we sued our then-home state of Florida for the right to name our child a combined surname. The state law decreed that if a couple were married, the child must have the father's last name. We won the case, changing name law when the judge ruled parents have "a constitutionally protected right to choose the name of their child."

Years later, I met Steinem at a news meeting and asked her to sign a copy of her book "Revolution from Within" for my daughter, Rachel Skybetter. She wrote: "To Rachel, who is our future!" and signed it, "Gloria Steinem 2007."

The next year, Rachel would intern at "Ms." Her cover letter began: "You may not know it, but my name's already been published in your magazine."

Besides losing Parton and Steinem, this is the summer our national arts center became comatose.

The Kennedy Center, where Parton received her 2006 honors, has endured two years of assaults from President Donald Trump.

Artists and audiences have fled, public tours have been curtailed, and staff and board members have been fired.

A sculpture installed in 2019 titled Blue by artist Joel Shapiro was removed at the beginning of September, although no reason was given. It was recently purchased by the Kennedy Center's Trump-ousted board chairman, David Rubenstein, to be displayed in the Sculpture Garden of the National Gallery of Art.

Even while Trump has fought to affix his name to the center's facade twice, he recently threatened to close the institution after a chunk of ceiling fell over the grand foyer.

I spent hundreds of hours at the Kennedy Center watching legendary artists give now mythical performances such as Aretha Franklin singing "(You Make Me Feel Like) A Natural Woman" to honor Carole King in 2015, bringing President Barack Obama to tears. I saw Heart perform "Stairway to Heaven" for Led Zeppelin, causing Robert Plant to cry.

My son's dance company performed on the Millennium Stage. Enjoying theater, dance, jazz, hip-hop, opera, comedy and classical music at the center was a huge part of my Washington experience and millions of others'.

The grief over losing Steinem, Parton and the Kennedy Center feels insurmountable. How can they be replaced?

Perhaps the greatest tragedy is that two people and an institution that made the world so much better died under the presidency of someone who has made it so much worse. The causes they championed — diversity, literacy, artistic and personal freedom — have been strangled under the Trump reign.

While Parton never spoke about Trump, Steinem certainly did. She called him a "ridiculously small, insecure man with cotton candy hair" in 2016 and "harasser in chief" in 2017. Recently, she suggested he resign.

Still, both Parton and Steinem took the long view of history in troubled times.

"Storms make trees take deeper roots," Parton said.

And Steinem, undeterred by the backsliding on women's rights, said, "Politics and deep change and, you know, everything we're trying to do is like a tree, and too often we think the tree grows from the top, from Congress. Trees grow from the bottom, so what you and I do every day."

This then is our challenge. After the mourning, we must get back to work. Plant new perennials so that next summer brings us not grief but celebration.

Christine Ledbetter is a former senior arts editor at The Washington Post who lives in Illinois, where she writes about culture and politics.

Voice of the People

Archdiocese's mishandling

I represent the Rev. Michael Pfleger of St. Sabina Catholic Church. The recent letter by Leah Heffernan of the Archdiocese of Chicago ("Archdiocese's investigations," Sept. 2) highlights a real problem with the ambiguity and the reality of the archdiocese's process.

Heffernan writes that when the archdiocese receives an allegation of sexual abuse by a priest, it "promptly assesses whether safety of children requires interim action, which may include temporary withdrawal from ministry and/or the ministry site, pending investigation, and announces it publicly."

Heffernan's letter falsely implies that the archdiocese actually did an assessment of whether the safety of children required the temporary removal of Pfleger from his ministry and the public announcement of that.

The archdiocese did not make any such assessment. It received the accusation July 6; the accuser says she was abused by Pfleger while attending St. Sabina's parish school in the early 1990s. The archdiocese determined that the accuser likely attended St. Sabina during the early 1990s. The archdiocese did not do a background check, nor did it interview the accuser before removing Pfleger from his ministry July 11, publicly humiliating him.

Neither Heffernan nor anyone else from the archdiocese made any assessment that the safety of children required immediate removal of Pfleger.

The accuser was interviewed July 16, five days after Pfleger was removed from his ministry. Importantly, if the archdiocese interviewed the accuser before it acted, this injustice would not have happened. Her interview made it clear to any reasonable person that her story was demonstrably false and that the safety of children was never a legitimate concern.

The archdiocese acted too quickly to remove Pfleger from his ministry and acted too slowly to resolve the false allegation and restore his ministry.

The archdiocese's process is flawed. Thoughtful time and effort should be devoted to fixing and improving the process. The Faith Community of St. Sabina, canon and civil lawyers, and community leaders are making suggestions and volunteering to work with the archdiocese to bring substantial reforms to the process to protect children, while also protecting priests who are falsely accused.

Instead of disrespecting Pfleger and St. Sabina, the archdiocese should celebrate the good it does for children, the community and the Catholic Church.

— Jim Figliulo, partner, Smith, Gambrell & Russell LLP

Surrounded by supporters, the Rev. Michael Pfleger, center, prays at the start a news conference outside St. Sabina Catholic Church in Chicago, on Aug. 26. Pfleger was reinstated after an allegation of sexual abuse dating to the 1990s was deemed not credible. **TERRENCE ANTONIO JAMES/CHICAGO TRIBUNE**

Sacrificial lambs for Ishbia plan

The Tribune has reported on Amtrak's plan to move its maintenance facility to Bridgeport. I'm a lifelong Bridgeport resident. For my neighbors and me, this is not an abstract plan. These are our homes, our families, historic Armour Square Park and a neighborhood generations of Chicagoans have built and cared for.

Amtrak wants to place a massive, 24-hour maintenance operation beside Bridgeport and Chinatown while using a categorical exclusion to avoid the full environmental review a project of this magnitude demands.

The risks are not hypothetical. Peer-reviewed research has documented health concerns associated with rail-related air pollution, including diesel exhaust, fine and ultrafine particles, and black carbon, as well as chronic noise and vibration. These exposures are associated with serious respiratory and cardiovascular harm, and diesel exhaust is a known human carcinogen linked to increased cancer risk.

At Amtrak's current facility, soot and grime are visible from publicly accessible areas. Fires, spills and other incidents are in the public record. Amtrak's own inspector general documented more than 500 repeated idling incidents in Chicago in a single month. Yet Amtrak expects our communities to accept risks it has not fully studied.

We will not.

White Sox minority owner Justin Ishbia calls his plan to develop the area from Roosevelt Road to 18th Street, from Canal Street to the river, "a Chicago project, built by and for Chicagoans." But that deal depends on clearing Amtrak's valuable South Loop land for private redevelopment and on our neighborhood absorbing its maintenance operation.

A plan that sacrifices one Chicago neighborhood to unlock valuable land somewhere else is not a plan for Chicagoans.

We are grateful to Ald. Nicole Lee, Commissioner John Daley and the elected officials who have stood with our communities. But many remain silent. To every elected official who claims to stand for environmental justice: Where are you? Why are you silent?

Our demand is clear: Stop this project. Bridgeport is not a sacrifice zone. Chinatown is not a sacrifice zone.

Our ward is one of the most diverse in Chicago, and the Chicagoans who live here are united in this fight.

These are our homes. This is our park. We are organized, we are committed and we are not going anywhere.

— Maria LaGiglio, Chicago

Question for cardinal, nuns

Let me start with a confession. I'm Catholic. I was born Catholic, and unless some power decides to exclude me, I hope to die Catholic.

There is a new Illinois law that allows for prescription medication to help the terminally ill end their lives.

I've had some experience with the dying, those who no longer want to live — not out of selfishness but because they want to be, as my Jesuit educators would often say, "in the arms of Jesus." These terminally ill people suffer a constant suffering; they feel it in their bones and bloodstream. And there is that other suffering as well: The terminally ill feel it in the shaking hands and hear it in the tear-filled voices of those who love them.

I understand this might be a particularly Catholic problem. As a child, I remember being told there was one sin God could not forgive — suicide. But fortunately, lots of us Catholics have grown in grace and wisdom so we understand why those suffering want to die; we hear their whispered good and holy reasons.

So now, I respectfully question Cardinal Blase Cupich and nuns: What about those who don't want to die? The ones who, thanks to American technology and bombs, are killed? No consent required. If those babies in cradles could talk, what would they say about the bombing? And what about the old men and women at a table, tea steeping? Would we listen to them? And the teenagers, so full of hope and promise, what would they say?

To this dear cardinal and those blessed nuns (maybe they, too, were taught about that one unforgivable sin), I ask again: What about those who don't want to die, so many in Gaza and Iran? So many. Not many who are terminally ill.

— Bill Leece, Schaumburg

Catholic Church out of bounds

The Catholic Church has challenged Illinois' medical-aid-in-dying law, arguing in part that the law violates the church's First Amendment religious rights. The Catholic Church, of course, has the right to practice its religion as it wishes and to require that its followers adhere to the practices required by the church. The Catholic Church has every right to decide that Catholics cannot avail themselves of the law and still be considered practicing Catholics. The church can state that availing oneself of the law is a sin against God.

I have no problem with the church saying and doing all this. I do have a problem with the Catholic Church arguing that it has the right to impose its beliefs on me, a person who is not Catholic and not a member of the church. Under the First Amendment, the church has no right to impose its religious views on me. The decision, if it ever comes, for me to decide to seek medical aid in dying is between my family and me.

I don't want or need the church to impose its view on me. The Catholic Church needs to concern itself with its followers and stop trying to impose itself on nonpractitioners.

— Peter Felitti, Chicago

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Fatalism wearing the clothes of realism

RUMAITHA AL BUSAIDI

The writer is environmental strategist and advocate for sustainable development

SOME years ago I stood on a TEDx stage and asked a room to close their eyes and picture Oman in 2100. Then I gave them the projections. A rise of around 4°C for this country, against 1.3°C the world had definitely warmed by then. Cyclones every five years, with Shaheen already on record as the first to cross the Sea of Oman from the northeast. A meter of sea level rise, which I measured against my own body on the stage, because a meter is deceptively simple to nod at until it is standing beside someone.

Last week my social media feed was filled with variations of a single sentence: the world is going to cross 1.5°C. It held for a few days. Then a new outrage arrived, another crisis took its place, and the report underneath it disappeared within the week. The report is the United Nations Environment Programme's Limiting Overshoot. Exceeding 1.5°C is now widely assessed as unavoidable, and what remains open is the height of the peak and the length of the stay. Even the most optimistic case, in which every national plan is delivered alongside additional net zero targets, centres on around 1.8°C. Under current policies, the median is closer to 2.6°C by the end of the century.

For years we spoke about 1.5°C as though it were a finish line. Stay below it and there is still something to save; cross it and the language becomes far less certain. The framing was useful while the goal was to mobilise action around a single figure, but it turns against us the moment people accept that the figure will be passed. A global average is a number the whole planet shares and almost nowhere experiences. It is an accounting device, assembled from readings taken in places that have nothing in common. This country has never been given the world's number. Our projections have always run ahead of it, which puts the distance now being contested internationally well inside a gap we have already been quoted.

Corals endure heat until they cannot. A reef does not receive a fraction of a degree. It holds through a summer, or it bleaches, and bleaching is not a slower version of surviving; the animal expels the algae it lives on and stands there white for weeks, and whether it comes back depends on how soon the next summer arrives. Warm water is not a rising line to a reef. It is a series of separate verdicts, delivered every year, in a place where the margin was always thin. The careful gradations we argue over globally reach that shore as a single outcome, and the shore does not get to see the graph.

The finish line was useful because it gave us somewhere to run toward. Crossing it settles nothing about the ground beyond, where choices still determine how high the peak climbs, how long we sit at it, and how much of the damage people and reefs are asked to absorb

Fatalism can sound remarkably similar to realism once a target begins to slip out of reach. It sounds like clarity, because hope has become unfashionable. The target is gone, the politics failed, the damage is underway, and the fractions left over are academic. Once 1.5°C becomes shorthand for failure, we start treating the distance between 1.8°C and 2.6°C as though it carried no consequences, at exactly the point where it carries almost everything.

The finish line was useful because it gave us somewhere to run toward. Crossing it settles nothing about the ground beyond, where choices still determine how high the peak climbs, how long we sit at it, and how much of the damage people and reefs are asked to absorb. Off this coast, a good deal of it was decided by emissions we finished releasing years ago.

THE ALGORITHMS POWERING SOCIAL FEEDS? AMUSING OR ADDICTIVE?

OLIVER HOTHAM

Social media algorithms are a powerful feature of online life, serving up content to users based on their browsing habits or personal data.

Australia could soon give citizens the choice to opt out of them under new legislation that also threatens big tech companies with fines if they fail to protect young users from harmful content.

Open TikTok, Facebook, Instagram, YouTube or other platforms and you'll see a scrolling feed or recommendations bar showing content targeted to your interests.

These posts are selected for users based on programming rules called algorithms that predict what you will engage with — whether it's something you like, or that riles you.

Broadly speaking, the recommendations are based on what the machine knows about you: what you've interacted with or posted about online, or information such as your age, job, location and marital status.

Social media giants usually keep the coding behind these algorithms — the so-called "secret sauce" that drives traffic to their platforms — closely guarded.

It's a familiar pattern for many — open your phone on a break and before you know it an hour has passed and you're still scrolling.

That's by design, researchers and activists say.

"These platforms have engineered addictive features that keep children and adults online longer than they intend, often at the expense of sleep, wellbeing and real-world connection," Mark Williams, honorary professor of cognitive neuroscience at Macquarie University, said.

In a landmark trial in Los Angeles this year, tech giants were accused of creating "addiction machines". Experts point to strategies companies use to encourage scrolling, like never-ending feeds, intermittent rewards and time-sensitive notifications.

"This unpredictability triggers the dopamine system, creating a compulsive cycle of seeking and anticipation," University of Leicester lecturer Quynh Hoang wrote.

This can create dependence similar to substance addiction, research published in online medical journal Cureus last year found.

By pushing people to content they respond to emotionally, many say social media can drive us into "rabbit holes" that are difficult to escape.

The recommendations "are designed to hold our attention, and too often that means privileging provocative and extreme content because outrage drives engagement and engagement drives profit", Steven Roberts at Monash University said. — AFP

The BRICS at 20

BRAHMA CHELLANEY

The author is Professor Emeritus of Strategic Studies at the New Delhi-based Center for Policy Research

TWENTY years ago this month, the foreign ministers of Brazil, Russia, India, and China held the first meeting of the BRICs. Since then, the grouping has been formalised—the first BRIC summit took place in June 2009—and expanded, with South Africa joining in 2011 and several more countries later coming on board, either as full members or official partners. Today, the BRICS represents a highly consequential experiment in international cooperation, which epitomises the gradual rebalancing of global power away from the West and the emergence of a multipolar order.

Few acronyms have undergone as dramatic an evolution as the BRICS. Coined by Jim O'Neill, then of Goldman Sachs, in 2001 to encapsulate four fast-growing emerging markets, the "BRICs" grouping has developed into the BRICS, an 11-country political and economic coalition and an increasingly influential voice for the Global South.

Since adding Egypt, Ethiopia, Indonesia, Iran, Saudi Arabia, and the United Arab Emirates to its ranks in 2024-25, the BRICS accounts for nearly half of the world's population and about 40% of global GDP (in purchasing-power-parity terms). By contrast, the G7 accounts for less than 10% of the global population and less than 30% of world GDP. Whereas the BRICS' share of the global economy continues to grow, the pace of productivity and economic growth in advanced economies has been declining steadily since the 1990s.

This economic reversal is increasingly matched in the geopolitical domain, with Western global dominance giving way to a more diffuse distribution of power and influence. Amid this transformation—the likes of which occur only once every 50–100 years—the BRICS has challenged the assumption that global governance should remain centred on the Western-led institutions established after World War II.

The BRICS has normalised an idea that once seemed impossible: that emerging economies can cooperate with one another, build their own institutions, and change how the international order is organised.

For non-Western countries, the BRICS represents a hedge against rising economic and geopolitical uncertainty—generated, not least, by a United States seemingly bent on withdrawing from global leadership—and an institutional platform for advancing strategic autonomy and broadening economic cooperation. Small wonder there has been such enthusiasm for joining: more than three dozen countries have formally applied or expressed interest in becoming members, including Türkiye, a NATO member, and Bahrain, the primary operational hub for US naval forces in the Middle East.

The BRICS also has ten "partner countries"—Belarus, Bolivia, Kazakhstan, Cuba, Malaysia, Nigeria, Thailand, Uganda, Uzbekistan, and Vietnam—which can participate in summits. This framework helps to expand the BRICS' network for cooperation and strengthen its ability to represent the Global South, without jeopardising cohesion.

The BRICS is much more than a symbolic grouping—merely a message to the world that the era of Western dominance is coming to an end. The grouping has made tangible progress on institution-building. The New Development Bank (NDB) is the first multilateral development bank with global scope conceived and led solely by emerging economies, with the founding BRICS members holding equal shares and voting rights. By contrast, the US is the largest shareholder at both the World Bank and the International Monetary Fund, where it holds effective veto power. Unlike these US-led institutions, the NDB does not attach political conditions to its infrastructure financing, allowing borrowers to retain greater policy autonomy.

The BRICS has also been working to reduce vulnerabilities within the international financial system. Contrary to speculation, a single BRICS currency akin to the euro is not on the agenda. Instead, the upcoming summit will focus on expanding trade settlement in national currencies, improving interoperability among members' digital-payment systems, linking central-bank digital currencies, and developing alternative cross-border payment infrastructure. The goal is not to upend the global financial system and supplant the US dollar, which still accounts for about 57 per cent of foreign-exchange reserves held by central banks worldwide, but rather to strengthen resilience against external financial shocks.

As much progress as the BRICS has made over the last 20 years, however, the grouping also faces significant headwinds, rooted not least in its exceptional internal diversity. The BRICS includes liberal democracies and authoritarian states, leading energy exporters and major energy importers, manufacturing powers and commodity economies. The grouping also includes geopolitical rivals: China and India, Iran and Saudi Arabia, and Egypt and Ethiopia. Divisions exist even among its founding members, with Brazil and India generally advocating reform of existing international institutions, while China and Russia seek to challenge the US-led world order.

Diversity brings different ideas and advantages to the table, and ideological uniformity and close strategic alignment are not necessarily prerequisites to cooperation.

As the group convenes in New Delhi for its 18th summit, one might ask whether it has lived up to its original promise. If that promise was to establish a monetary union, a single market, or a tightly integrated political alliance, the answer is plainly no. But if it was to reshape international relations, broaden the space available to emerging economies on the world stage, strengthen South-South cooperation, and increase pressure for reform of existing international institutions, the BRICS has exceeded expectations.

More fundamentally, the BRICS has normalised an idea that once seemed impossible: that emerging economies can cooperate with one another, build their own institutions, and change how the international order is organised. That is no small feat.

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Witnessing the waste of human potential

SONIA AMBROSIO

The writer is a journalist, academic and researcher in media studies

THE playbook of integrity, honour and consciousness is getting outdated. Some individuals are fiercely challenging these principles. Humanity is under the sway of wicked interests.

Powerful entities and influential figures prioritise their own interests, often ignoring or minimising others' struggles. This mindset is characterised by malice, selfishness, and a deliberate intention to exploit vulnerabilities. These individuals have social and psychological motivations that conflict with the common good, as they seek to maximise their profits.

It seems that evil has been unleashed across the globe. The absence of humility, shame, and moral principles increasingly overshadows our entire existence. In addition, global challenges such as natural disasters, genocide, poverty, horrific crimes, and blatant lies overwhelm people.

Falsehoods in plain sight are used to assert dominance and can exhaust critical thinking abilities. We have seen historical examples such as Nazi propaganda, the 'Big Lie,' and major falsehoods used to build support for military actions.

The voices of those affected are barely heard. Their cries are muffled by propaganda that suggests suffering purifies the human soul. The entire situation is framed as a hardship mechanism that ultimately leads to benefit and growth.

The banality of evil infiltrates communication, fostering deep distrust. We rely on automated phrases and clichés that carry no moral weight or accountability. We live in a world where the real seems unreal and vice versa. Consequently, it is becoming increasingly challenging to differentiate the corn from the chaff.

Modern media disseminate every crisis in real time, accompanied by analyses, fabrication, and disinformation. This barrage of content makes the destruction of both human lives and the environment feel more immediate and difficult to escape, while algorithms profit from outrage.

As greed devastates our natural world and threatens humanity's connections, are we confronting karma's cycle on our evolutionary and awakening journey?

It feels as though our lives are part of a simulation hypothesis, almost like we are characters in a video game. From a philosophical perspective, I perceive that we are in the process of creating a computer-generated world reminiscent of science fiction. As our reality becomes increasingly intertwined with computer simulations, statistics are generating new realities that overshadow the original base.

Our modern life resembles a safe cocoon where people play the same repetitive roles and willingly submit to metric manipulation. Simultaneously, in our isolation, we perceive ourselves as self-expressive, yet in truth, we are complicit in corporate systems.

Some people can see how malevolence has been normalised, yet they choose to maintain the pretence because alternative solutions seem unattainable; the source code dictates our choices and our fate.

Modern media disseminate every crisis in real time, accompanied by analyses, fabrication, and disinformation. This barrage of content makes the destruction of both human lives and the environment feel more immediate and difficult to escape, while algorithms profit from outrage

We may be drifting away from reality, becoming trapped in a predictable system. We are growing into clusters of human neurons in laboratories that aim to develop biological computers.

We are on a path towards losing our integrity, which could potentially lead to societal collapse. This situation arises when the core institutions, shared values, and social contracts that bind a society together begin to fracture. The erosion of trust and failures in the rule of law contribute to a growing sense of disconnection from moral standards among individuals.

Trust takes time to build but can disappear in seconds. In a world increasingly driven by automation and artificial intelligence, human attributes such as genuine honour and conscious empathy are emerging as vital differentiators. Honour is the invisible framework that once helped people know how to act when temptation appeared. It enabled trust to develop before laws or personal ethics; it provided individuals with a sense of worth that was not reliant on digital applause.

Interestingly, the word honour now sounds somewhat theatrical, as if suggesting a Shakespearean tragedy.

Despite short-term successes and prominent voices making headlines, the playbook for integrity is not obsolete; rather, it is undergoing a massive rewrite.

EU HELPS CITIES TIGHTEN SCREWS ON AIRBNB AND HOLIDAY RENTALS

European cities will gain more leeway to curb short-term rentals such as Airbnb under new EU plans that aim to bring down housing costs in tourism hotspots. The European Commission laid out conditions on Wednesday under which local authorities can limit short lets, under a proposal seeking to address Europe's "housing crisis".

"Short-term rentals are a part of the problem in many cities," Dan Jorgensen, the 27-nation bloc's housing commissioner, told a press conference in Brussels.

Though hugely popular with visitors, short-term lodgings are blamed by residents in many popular travel destinations for depriving locals of apartments for long-term rent and pushing up prices — something holiday let providers dispute.

Cities from New York to Tokyo and Barcelona have imposed or considered restrictions on tourist flats in recent years. But curbs have often been met with court challenges, resulting in legal uncertainty.

The commission's Affordable Housing Act - which still has to be negotiated with lawmakers and EU countries - aims to provide cities with legal cover, clarifying when authorities can take action without falling foul of the bloc's single market rules.

"They shouldn't fear that they can be dragged into court," Jorgensen said.

Tech lobby group CCIA, whose members include Airbnb, said the rules marked a "clear improvement over the restrict-first-ask-later approach taken by cities to date". But it complained about the lack of enforcement mechanisms.

"With little provision for independent scrutiny or effective redress, disproportionate restrictions could still be imposed unchallenged and remain in place for years," it said.

Cities and other relevant authorities would be allowed under the plans to limit holiday rentals as well as the purchase of property for short-term letting purposes in areas deemed "under housing stress".

The definition applies to districts where the price of an average size home is at least eight times that of locals' disposable per-capita income.

Before introducing restrictions, authorities must show short-term rentals have had a significant adverse effect on housing affordability or availability for at least three years.

Measures must be non-discriminatory, proportionate and limited to five years.

The legislation will not affect landlords who rent out their own primary residence for short periods, nor rules cities had previously brought in.

*More than half of EU city dwellers told a 2025 survey housing affordability was "an immediate and urgent problem". — **AFP***

The law that power forgets...

THE glacier gave way, and a wall of ice, rock, and mud descended through valleys along the Tibet–Nepal border. Settlements were engulfed, bridges destroyed, and lives swept away. Scientists have long warned that warming is destabilising Himalayan glaciers and slopes, and have called for better monitoring, early-warning systems, and cross-border sharing of hydrological data.

The tragedy should not be treated as proof of any single negligence. It is, rather, an image of our age: immense human capability expanding within natural systems whose warnings we acknowledge intellectually but resist politically, economically, and psychologically. It is a consequence of arrogance and ignorance.

Human behaviour moves in cycles. Hardship teaches restraint; restraint creates stability; stability enables prosperity; prosperity produces power. Power then encourages the belief that the limits which made it possible have been conquered. Caution begins to look timid; warnings become impediments.

The problem is not an absence of warnings. It is that warnings compete poorly with immediate advantage. The rewards of acceleration are concentrated and visible; the costs are delayed, dispersed, and often transferred to others. Each participant has a rational reason to continue while the system proceeds irrationally towards danger.

The same cycle is visible in political power, even where it is surrounded by a supposedly preventative constitutional architecture.

The American system was founded upon distrust of concentration. James Madison's answer was structural: "Ambition must be made to counteract ambition." Congress, the presidency, the courts, the states, and the electorate would prevent authority from gathering in one place. The design was ingenious, but its safeguards were never automatic. Executive action is immediate and concentrated; legislative resistance is slow and collective.

*A man carries personal belongings on his back as he walks past flood-damaged houses, following deadly flash floods and a mudslide, in Devighat, Nuwakot district, Nepal. — **Reuters***

AHMED AL MUKHAINI

The author is a policy analyst

Elections are therefore indispensable but insufficient. They can remove a ruler without repairing the structure that enabled overreach. Each party condemns executive excess in opposition and discovers its convenience in office. Power accumulates through a constitutional ratchet

The Supreme Court widened this vulnerability in Trump vs United States in 2024, recognising absolute criminal immunity for exercises of a president's core constitutional powers and presumptive immunity for other official acts. The judgement enlarged the distance between presidential power and personal accountability.

President Donald Trump did not create the systemic weaknesses observed today in the American system. He revealed how they can combine. The more troubling conclusion is that another president could inherit the same enlarged office.

Elections are therefore indispensable but insufficient. They can remove a ruler without repairing the structure that enabled overreach. Each party condemns executive excess in opposition and discovers its convenience in office. Power accumulates through a constitutional ratchet.

For that reason, Democrats should not treat winning the next election as their overriding purpose. Victory should be the means, not the destination. Replacing one personality while preserving the machinery that enabled him merely postpones the next crisis.

They should instead seek a mandate for constitutional repair that binds the next Democratic president as firmly as any Republican. Reform designed only to disable an opponent is factional strategy. Reform accepted as a restraint upon one's own side is a constitutional principle.

Some safeguards can be restored through legislation. Emergency powers should expire unless Congress renews them. Disputes over subpoenas and executive spending require expedited judicial review. Inspectors-general, whistleblowers, and the professional civil service need stronger protection. Congress must reclaim responsibilities it has allowed to migrate to the executive.

Other principles may require constitutional entrenchment. A narrow amendment should affirm that official acts do not by themselves place a president beyond criminal responsibility; prohibit self-pardons; and require extraordinary emergency powers and unilateral military action to lapse after a defined period without congressional authorisation.

Human power must be governed by an external nomos through institutions, or an internal one, through conscience and self-restraint. When both fail, another order asserts itself. Markets correct leverage through crashes. Ecosystems correct overuse through collapse. Pathogens exploit openings created by ecological intrusion and global movement. Political systems correct accumulated grievance through rupture.

These are consequences, not moral judgements. That is precisely why human law matters. Law is civilisation's attempt to correct power before the consequence corrects it for us.

Moderation is not retreat from progress. It is the discipline that allows progress to endure.

Power will always seek expansion. The question is whether wisdom, law, and self-restraint can mature quickly enough to contain it. If we refuse to impose limits while choice remains ours, limits will eventually be imposed upon us. The deeper nomos of nature and human systems is seldom as measured as our own law might have been.