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FOUNDED BY -
RAMNATH GOENKA
IN 1932

BECAUSE THE TRUTH
INVOLVES US ALL

Iran-US framework pact is a relief. Work lies ahead

THE FRAMEWORK agreement between Iran and the US to negotiate a deal comes as a relief. Thousands of lives have been lost across West Asia in the last three-and-a-half months. Iran's closure of the Strait of Hormuz and the counter blockade by the US triggered an economic shock, reminiscent of the Covid days. Oil prices have fallen, and stock markets worldwide have rallied after the announcement of the framework agreement. However, amid the optimism, it is important to remember that what has been agreed to is not a final deal but a framework to address longstanding issues. The prospect of a return to unrestricted shipping is heartening. But that, too, could take time to materialise and will depend on how safe shipping companies and insurers feel. Still, an open strait — through which roughly a fifth of the world's oil and gas passes — is good news. Its reopening, according to Trump, will depend on the signing of the final agreement, scheduled for Friday.

If the past two weeks are any indication, it takes very little for all sides to resume hostilities. Israel has already declared that it will not withdraw from Lebanon, while Tehran has demonstrated its willingness to call Tel Aviv's bluff and retaliate — militarily and by closing the Strait of Hormuz — if Lebanon is excluded from the terms of the ceasefire. Negotiating the details of Iran's nuclear programme, the release of frozen assets, sanctions relief, and securing the Strait are all issues that are even more difficult long-term challenges. For the US, a legitimate question, given that shipping through the Strait of Hormuz is only a return to the status quo ante, is: What exactly has Trump achieved? Republican hardliners have been opposing any deal short of a Carthaginian one, arguing that a compromise would weaken America's standing in the region. Israel, too, is deeply divided. Benjamin Netanyahu's far-right cabinet members have denounced the framework pact as a strategic failure. In Iran, hardliners within the IRGC oppose any agreement that perceives Iran as ending its leverage without securing meaningful guarantees, even as the country is in need of sanctions relief and reconstruction funding — both of which are unlikely to materialise without US assistance.

With millions of Indians working across the Gulf, thousands serving at sea, and households grappling with high fuel and LPG prices, the crisis is not a distant one for New Delhi. It should lend its support to the peace process. Without sustained engagement, the current pause risks becoming little more than an interlude in a cycle of instability.

Dancing Girl, meet modest imagination

WHAT DOES the Dancing Girl of Mohenjo-daro — the 4,500-year-old bronze artefact on display at Delhi's National Museum — denote? The refinement of the Harappan civilisation, of course; its sophisticated knowledge of metallurgy. But also, the NCERT now seems to insist, immodesty. The inaugural Class IX art education textbook features an image of the figurine with its bare torso covered with a sheath, ostensibly to make it age-appropriate. The Dancing Girl has featured in NCERT's history textbooks for over 25 years before this. The move is remarkable not just for its prudishness but for what it reveals about pedagogical philosophy: That students must be protected from complexity, ambiguity, and the full texture of their own civilisation.

In recent years, through successive revisions, textbooks have been streamlined, historical emphases reordered and contentious subjects pared back. NCERT has cited a need for rationalisation of syllabi, and what its director D P Sankani said in 2024, justifying the deletion of the Gujarat riots and the violence after the Babri Masjid demolition from the Class XII Political Science textbook: "To create positive citizens, not violent and depressed individuals." The altered Dancing Girl belongs to the same sensibility. Instead of trusting students to understand context — that artistic nudity in an archaeological artefact is neither scandalous nor unusual — it removes the possibility of the encounter altogether. This sits uneasily with the NEP's ambition of fostering critical thinking: Education that aspires to cultivate independence of thought must make room for knowledge and context, not smoothen out every faultline, conflict and contradiction.

The impulse is also striking for what it communicates about women and their place in public life. At a time when more women than ever before are entering universities, workplaces, politics, and other public institutions, wearing their individuality in thought and attire, claiming spaces that often remain unequal or unwelcoming, the decision to cover up one of the most celebrated examples of ancient South Asian art sends an unfortunate message. The Dancing Girl has been significant not because it conforms to a blindfolded standard of modesty but because it embodies poise, confidence and unmistakable presence. If the task of education is to help young people to engage with the world as it is, the NCERT would do better to trust both students, and women — both contemporary and millennia old — with a little more agency.

Elon Musk's wealth defies gravity, & reality

SIX YEARS ago, a study by a financial services company predicted that the world would have its first trillionaire by 2026. Based on the fact that his net worth had grown 34 per cent in the previous five years, it predicted that the title would go to Amazon founder Jeff Bezos. Last week proved the study right on one count and wrong on the other. The world did, indeed, get its first trillionaire this year. It was not, however, Bezos but former Trump adviser Elon Musk, who crossed that threshold thanks to the blockbuster IPO of his aerospace and AI company, SpaceX.

What does it mean to have the kind of money where the only entities that are richer than oneself are 21 countries and a dozen corporations? A trillion dollars in the abstract is hard to picture. In 2020, when Bezos was still the world's richest man, a viral TikTok sought to explain the scope of his wealth in grains of rice. If one grain of rice represented \$100,000, Bezos — then valued at \$200 billion — was worth about 200 million grains (about 54 kg). Musk's current net worth would thus amount to 10 million grains. What else could a trillion dollars buy? Maybe 666 Bt Khalifa 5, or 10,000 Gulfstream G700 jets or 200 Buckingham Palaces. Of course, Musk's wealth has fluctuated in the past; he lost over \$100 billion in 2023 when Tesla stocks slumped. But when one's personal fortune is linked to the business of defying gravity, even the loss of \$100 billion seems but a minor glitch.

In West Asia pause, questions for India, especially about its place at the table

IWRITE this from Srinagar on the eve of Muharram. Black flags wave in the summer wind through neighbourhoods in parts of the city. On the boulevard that overlooks the Dal Lake there towers a billboard-sized portrait of Iranian leaders staring down upon us. It is an unsettling backdrop against which to meditate upon the American-Iranian blueprint for peace being stitched. A deal that troubles rather than reassures.

US President Donald Trump can claim victory, as he has already done. And he deserves to: Purely on the basis of this day alone. The guns may fall silent. Markets will stabilise. Oil shipments through the Gulf will no longer navigate minefields. That is laudable. But the foundational faultlines that set up this crisis — Iran's ambitions and proxies in the region, Israel's vulnerabilities and security obsessions, the Gulf's volatility and Trump's hubris — remain exactly as they were yesterday. What has been sought by this breathing space is time, masquerading as victory.

While this deal breaks a war, it doesn't settle the numerous questions that led to it. Lebanon remains on a wire. Hezbollah's future is still up for grabs. Israel has said it needs the freedom to operate. And the nuclear issue isn't solved yet, it's been kicked under the table — a 60-day delay where there should have been a resolution. A ceasefire suspends all of these concerns. It doesn't answer any of them. And it can't prevent other nations from

drawing their own conclusions about deterrence and nuclear weapons and their utility.

We, in India, should feel deeply concerned. For more than two decades, New Delhi has invested in Washington — emotionally, politically and strategically — on the belief that when push came to shove America would remember just how significant that equity was and what it said about India's stake at the highest table. Today it did not. Indian sailors lay vulnerable. Indian lives were risked and lost as the fight expanded. Indian commerce was throttled at a time when our economy depends more than most upon its engines running; the livelihoods of millions of Indians we cherish in the Gulf teetered on a knife's edge. None of that registered in the fevered pitch of Trump's social-media worldview when it sat down to negotiate a pause. Instead, America dilled Islamabad. The very same deep state that has managed four decades of terror at India's border was delivered centrality in American decision-making without the slightest pause for how that upgrade would be perceived in New Delhi. Adversaries are blind. America is India's friend. But a friend who doesn't notice you are in the room anymore will hurt far more than an adversary eventually. Because weakness invites aggression. Indifference allows it to flourish, free from question.

We have insulated ourselves comfortably to Pakistan being a



AMITABH MATTOO

failing state — failing, bankrupt, falling behind us as we steam past. The Iran crisis explodes that delusion of Pakistani irrelevance. For a nation that has bet its survival on fostering chaos is becoming today the interlocutor every foreign ministry is desperate to cultivate. This is not a momentary embarrassment for India. It is a serious long-term threat that demands our attention.

Which is why the hard questions will be the ones India will have to ask about itself. India has often prided itself on the ability to have multiple friendships across every spectrum. To talk to Tehran and Tel Aviv, to Riyadh and Washington, all at the same time, without apology or conditionality. "Strategic autonomy" was never a slogan. It was the art of keeping your options open when the world rarely favours India's preferences. Somewhere along the line, we started to mistake friendship with one group of countries as increasing our leverage with others. If anything, the Iran crisis should teach us the exact opposite: Proximity is not leverage, access is not influence, and the visibility that you or others have does not translate into strength if the country that needs to heed that visibility is not also willing to use it.

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And should we misjudge this moment, the price we will pay for it only increases. West Asia was where we bought our oil from not too long ago. It hosts one of the largest Indian diaspora popula-

tions on Earth. It represents a large source of our external remittances. Our strategic gateway to energy. The route through which the India-Middle East-Europe Economic Corridor will realise its potential. When turbulence hits West Asia, it doesn't rock the ship we sail upon. It impacts our balance of payments, our diaspora in the Gulf, our fuel prices and our influence in an Asian century that is being transformed as we speak.

And that is what makes Muharram far more poignant than the mourning on display. Hussain lost at Karbala. He was surrounded. He was denied water. He died a brutal death on that field. Yazid won. But history remembers the lesson Karbala taught us: Hussain dared to fight and live a defeat so righteous that its memory outlasted every Caliph who came after him. Iran, over 14 centuries now, has internalised that lesson and passed it down to generations since. He who holds advantage today may not win the battle of tomorrow.

Celebrated victories have a tendency to turn bitter over time. The bigger history of this crisis has thus still to be written. Let us hope the more valuable gift the Iran-US deal leaves India is the questions it forces us to ask ourselves about our relations, about our place at the table and about a world that will give us nothing that we haven't already secured for ourselves.

The writer is dean SIS, JNU and former member NSAB

A 12-year story of peace and progress in Bastar



VISHNU DEO SAI

THE PERIOD under Prime Minister Narendra Modi has brought major changes in India. The country has made significant progress in security, roads, electricity, housing, digital services, and welfare schemes, in a golden period for India's security and development. Strong leadership has helped the country move forward with confidence. For Chhattisgarh, this was a significant change. Bastar and other tribal areas earlier faced Naxalite violence, poor roads, and lack of basic facilities. Today, the situation is improving, with better security, roads, and welfare schemes bringing hope.

A decade ago, India faced terrorism and Left Wing Extremism. The government took strong steps to overcome these challenges. The removal of Article 370 strengthened national unity. Efforts against Naxalism reduced violence, including in Bastar, and development started reaching neglected regions.

In Bastar, under Niyad Nellanar Yojana, the benefits of 43 schemes from 17 departments reach 525 villages near security camps. These camps are being converted into Veer Shaheed Gundadhur Seva Deras for better service delivery.

Central government schemes have played a major role in the past 12 years. Under PM Awas Yojana, 2.43 lakh urban houses have been approved and 2.16 lakh completed in Chhattisgarh. PM Janman Yojana supports Particularly Vulnerable Tribal Groups with housing, roads, healthcare, and education. The Dharti Aaba campaign improves Anganwadi centres, schools, and local services in tribal villages.

Under the Swasthya Bastar campaign, 36 lakh people have been screened, 4.96 lakh examined, and 5,600 referred. Through Mahatari Vandan Yojana, 69 lakh women receive Rs 1,000 monthly, with over Rs 17,500 crore transferred.

PM-KISAN supports farmers. Krishak Unnati Yojana saw the procurement of 14.1 million metric tons of paddy in kharif marketing year 2025-26 with a Rs 33,431 crore support price and Rs 10,324 crore input assistance.

Under PM Surya Ghar, 61,000 homes have rooftop solar systems, reducing costs

and promoting clean energy. A single-window system improves ease of doing business and the investment climate.

The Bastar Olympics and Bastar Pandum promote tribal culture. Chitrakote is being developed as a major tourist site, creating jobs. Direct benefit transfers have ensured that money reaches beneficiaries without delay or leakage. Mobile connectivity and internet access in remote villages have helped people access government services more easily.

Bastar is also witnessing social and economic change through self-help groups, forest-based livelihood, and cooperative models. Minor forest produce collection and value addition are increasing income for tribal families. Digital agriculture initiatives like Agri-Stack and Farmer Registry are improving transparency and reducing delays in subsidy delivery. Farmers are now able to access crop insurance, MSP benefits and soil health information more efficiently.

Skill development programmes are preparing youth for national and global opportunities. Training in new-age sectors such as IT and AI is helping young people become job-ready.

Better roads, electrification and drinking water supply are ensuring that basic needs are met in previously remote villages. Government schemes are reducing inequality between urban and rural areas.

The combined impact of central and state initiatives is visible in every sector of Bastar which is emerging as a model of transformation. There is trust in governance, active participation by citizens and growing opportunities for the future. As India progresses towards Viksit Bharat 2047, Chhattisgarh remains committed to ensuring that the benefits of development reach every citizen.

The transformation of Bastar shows how focused governance and welfare delivery can change lives in even the most difficult regions, creating a safer and more hopeful future for all. This progress is a result of sustained efforts, strong leadership, people-centric policies, and coordinated implementation across levels of governance.

The writer is Chief Minister of Chhattisgarh

The joke wasn't funny. Neither was the response



POOJA PILLAI

GIRL MEETS BY gets bharani gets sexually assaulted. That is the pithiest summation of a recent rape "joke" gone viral. It has resulted in widespread condemnation, calls for deplatforming the comedian who hosted it and the firing of the man who narrated the purported incident. The life cycle of this rape joke may be one of the shortest in history, perhaps because, now, in 2026, you can't turn the violation of consent into a punchline without facing a backlash. The glass-half-full-ers among us draw some comfort from this — the man who described sexually assaulting a woman paid, the comedian who encouraged his vile joke paid.

Which would leave the more troubling truth largely unexamined: That even in 2026, it is entirely possible to unironically narrate for an audience an incident about sexually assaulting a woman because you bought her bharani and therefore believed that she "owed" you sex. That the audience who performs this in their applauds your "wit". And the comedian who finds this "peak Gurgaon content" hilarious shares the joy with millions. But as the tides rise, so it falls, and already there are murmurs about an over-reaction. Should the teller of the rape joke have lost his job over the incident? In a video message, his employer spoke about conducting an internal investigation into the man's behaviour at work and finding nothing incriminating, yet deciding to let him go because "what happened outside the workplace has now affected the workplace". He ends his message with the hope that "we never become a society that believes that people cannot learn, reflect, apologise or change."

It is a fair plea, but one that should not allow acknowledgement of nuance to be mistaken for absolution. Perhaps it is fair to assume that the Gurgaon man is entirely respectful of boundaries and that he exaggerated the details of the encounter for effect, but the fact that he appears to have not even registered that what he was describing was sexual assault is what makes this assumption hard to swallow. Even his name, Prant More, he praised the troubling performance, and proceeded to share it online and profit from it. Even if the original performance could be written off as a "lapse of judgement" — an excuse that More deploys in his apology video — what is to be made of the deliberateness with which an influential figure pushed the joke online?

In the meantime, another controversy linked to More's show has begun to brew, this one related to some off-colour jokes about cadavers made by a medical student at Mumbai's King Edward Memorial college. The "disrespectful" remarks triggered an avalanche of complaint against her, with the student herself eventually apologising and the college sending her on forced leave. Combined with the incident of the rape joke, it may be tempting to draw a lesson about what you say when there is a camera in the room (and there are always cameras in the room these days). But that would only be half a lesson, and one that risks subsuming a more distressing reality: That a man made a rape joke and another man amplified it and neither of them paused at the horror of what they had done.

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40 YEARS AGO

June 16, 1986



Centre on Punjab-Haryana

THE CENTRAL Government may take a unilateral decision regarding the areas to be transferred to Haryana in lieu of Chandigarh if there is no response from Punjab, according to well-informed sources. Prime Minister Rajiv Gandhi is expected to review the situation. The Punjab Finance Minister, Balwant Singh, during his meeting with the Home Minister, Biju Singh, had said that Punjab was prepared to give 45,000 acres of land identified by the Venkataranih Commission to Haryana.

Five killed in Punjab

FIVE PEOPLE, including a terrorist, were killed while the police arrested three hard-

core extremists during the last 24 hours in Punjab. According to official reports, one terrorist, Swaran Singh, was killed in an encounter with the police at Chak Bhure village under the Dharamkot police station, Ferozpur district. The district police chief, R S Chalia, said that Swaran Singh was a proclaimed offender involved in several cases of shooting and robbery.

Sikh extremists held in Lahore

SIX CANADA-based Sikh extremists involved in an attack on four Indian diplomats have been arrested and remanded to judicial custody in Lahore cantonment jail, according to the Pakistan authorities. Police have registered a case against the six under Sections 506 (criminal intimidation), 148

(rioting armed with deadly weapons) and 149 of the Pakistan Penal Code (common object). Reports suggest that the Pakistan authorities took action against the culprits nearly two days after the lodging of the first information report by the Indian diplomats.

Curfew in Allahabad

INDEFINITE CURFEW was imposed in five police station areas of Allahabad after night-long clashes between two groups of people in which four persons were killed and more than 50 injured. A police party which was searching suspects for illicit arms and explosives was subjected to firing from house tops in one locality. The situation continues to be tense and intense patrolling has been going on in the riot-hit areas.

Only fraternity can bridge communal divide, douse flames of hate



ASHOK LAVASA

A DAY after the Citizens for Fraternity (CFF) held their first meeting to discuss ways to douse the spreading communal fire in our society, I saw a photo in the newspapers of the first responders during the rescue necessitated by the deadly fire in Hazrat Nani. Their names: Mohammad Afzal, Wasim Raja, Mohammad Shoab, Amir Khan. Others named in an *Indian Express* report were Mansoor, Israr Khan, and the man who stood out amid this tragedy, Riyazuddin Mansuri and his son Armaan, who spread mattresses on the road for those trapped inside the building to jump to their safety.

There were also 10 policemen — Kartar, Deepak, Vikram, Dinesh, Rampal, Sandeep, Hargyan, Premchand, Jitendra, and Raviranjan — who helped victims out of the blaze unmindful of the injuries they themselves suffered because they didn't want to get into a safer gear than what a minute would be their risk. The police are a much-abused lot in our system, and the fellow citizens who saved many lives belong to a community that feels victimised in its own country.

The CFF is a new effort to address an old problem. Set up as a result of a dialogue between prominent Muslim citizens with Rashtriya Swayamsevak Sangh (RSS) *sarvanghalak* Mohan Bhagwat and senior office-bearers, it is an attempt at finding ways to bridge the growing communal divide in India that has demoralised the minorities. Perhaps the need to communicate was inspired by Bashir Badr, who passed away recently, who said, "main chup raha to aur ghalat-fahimiyun badDin, vo bhi suna hain ne jo main ne kaha nahin (because of my silence, our misunderstanding grew, I even heard that which I never said)."

The CFF meeting was attended by citizens belonging to different communities, the president of the Indira Gandhi National



ILLUSTRATION: C R SAKURMAR

Centre for the Arts and the *akhil bharyatiya sampark adhikari* of the RSS.

The focus of the dialogue was fraternity. It was argued that while liberty and equality were fundamental rights supported by enabling legislation, fraternity required a serious, sincere and subtle approach to provide a healing touch without scraping old wounds. It was emphasised that liberty and equality were justiciable but fraternity would come about only when there was a deeper understanding of each other's way of life, belief system, scriptures and culture.

The pity is that the need to discuss this remains as acute today as it did eight decades ago, when fraternity and communal harmony were debated in the Constituent Assembly.

On August 15, 1947, Gandhi didn't watch the flag hoisting in Delhi; he chose to be in Kolkata, staying in riot-torn areas "spreading mattresses" to subdue the communal conflagration. For him, communal harmony was an article of faith as he believed the true measure of a civilised nation's commitment to fraternity lay in how secure its smallest or

Ambedkar defined fraternity as 'a sense of common brotherhood of all Indians' and warned that without this psychological solidarity, the structural rights of liberty and equality would be 'no deeper than coats of paint'

most vulnerable communities felt.

BR Ambedkar introduced fraternity into the draft of the Preamble as he thought this was a core political necessity for a deeply divided society. Addressing the Assembly on November 26, 1949, he warned that political democracy would collapse if India failed to establish social democracy. For him, liberty, equality, and fraternity were inseparable principles as they formed "a union of trinity in the sense that to divorce one from the other is to defeat the very purpose of democracy. Liberty cannot be divorced from equality, equality cannot be divorced from fraternity. No can liberty and equality be divorced from fraternity. Without equality, liberty would produce the supremacy of the few over the many. Equality without liberty would kill individual initiative. Without fraternity, liberty and equality could not become a natural course of things. It would require a constant to enforce them."

Ambedkar defined fraternity as "a sense of common brotherhood of all Indians" and warned that without this psychological solidarity, the structural rights of liberty and equality would be "no deeper than coats of paint".

than coats of paint". He wasn't alone in underscoring this as many others in the Assembly emphasised that while the Constitution could map out organs of the state, it couldn't legislate affection. It was widely acknowledged that fraternity was the emotional glue required to hold diverse, multi-religious, and economically unequal India together and that it represented a moral principle that must be lived daily.

The Constituent Assembly exhaustively debated fraternity and communal harmony as this reflected the real anxiety during the Constitution-making process between 1946 and 1950. Instead of talking about harmony as an abstract moral concept, the Assembly under the leadership of Nehru and Vallabhbhai Patel, the chairman of the Advisory Committee on Minorities, voted to abolish separate electorates for minorities and dropped political reservation based on religion entirely, choosing to protect minorities instead through cultural and educational rights (Articles 29 and 30), allowing them to preserve their distinct languages, scripts, and institutions without separating them politically.

It is an understanding of this distinct script and scriptures that the CFF aims to promote by taking this movement to the states and districts. It is encouraging that the push comes from the RSS. It will be interesting to see how many "mattresses" the RSS throws to cushion the impact of the vitriolic speech of those in power. Will it publicly support the action of "Mohammed" Deepak who defended an elderly Muslim shopkeeper from a right-wing mob in Kolkata, and suffered near-ostracisation, leading to a near-collapse of his business? The RSS, the "world's biggest NGO", would do well, in furtherance of its avowed commitment to nation-building, to actively participate with the CFF and similar organisations to build a society based on the values of "fraternity, awareness, dialogue, respect, justice, and integration".

Let us heed the poet of love, Bashir Badr, "dushman ka safar ik qadam do gadam, tum bhi thak jaoge hum bhi thak jaenge" (Even a step or two in the journey of enmity will exhaust both of us)."

The writer is a former election commissioner

At G7 meet, India can be the voice of developing countries



AJAI MALHOTRA

AT FRANCE'S invitation, Prime Minister Narendra Modi will join world leaders for the G7 Summit at Evian-les-Bains to discuss issues shaping economic power, technological advantage and development. The G7 is no longer the dominant body it was in the mid-1970s; the rise of emerging economies and the 2008 financial crisis changed that. Yet, it remains influential in setting standards and shaping financial flows, though far less cohesive today. Differences over trade, climate finance, industrial subsidies, energy policy and ties with Russia are evident, especially between the US and others. Evian will involve negotiations as well as coordination amongst G7 members. For India, that creates greater scope for issue-based partnerships.

Bilaterals, especially between PM Modi and US President Donald Trump, will attract intense attention. While leaders will discuss hotspots like West Asia and Ukraine, France has deliberately placed economic imbalances and the risks of fragmentation in the global economy at the centre of the agenda, which will focus on economic security, artificial intelligence, the energy transition, climate finance and development.

As one of the largest economies, a growing energy market and technology hub, India is affected by and increasingly central to these debates. It will bring to the table concerns shared by many emerging and developing economies.

Indian and G7 interests converge on critical minerals. Securing lithium, cobalt, nickel and rare earth supplies is central to the energy transition and advanced manufacturing. India's efforts complement those of G7 economies to reduce supply-chain dependence on China for clean energy and defence technologies. Its market size and processing capacity make it an important node in emerging mineral partnerships.

Artificial intelligence raises questions of governance, standards, safety and technological leadership. It is also becoming an energy issue since data centres and advanced computing drive electricity demand. India's experience with digital public infrastructure gives it a credible voice in shaping the debate. Energy security is another central theme. The clean energy transition is rewriting investment and industrial policy worldwide, yet hydrocarbons still underpin growth. India embodies this duality. It has expanded renewable deployment at scale with its fuel choices guided by affordability and security of supply, not geopolitical pressures. A major energy consumer, India can speak with authority from experience.

On economic security, India's interest lies in resilience that broadens options rather than narrow them. Security pursued through exclusion produces the fragmentation it seeks to prevent. Advanced economies are resorting to forced trade. The selective use of leverage, sanctions and coercion to influence with whom, and sometimes at what price, other countries trade. The result is a growing gap between the free-trade principles they once professed and the market-distorting policies they practise.

Turning to development, much of the Global South faces rising debt obligations and widening financing gaps. Reform of multilateral development banks remains a pressing concern. On climate finance, developed countries agreed at Baku in 2024 to mobilise at least \$300 billion annually by 2035. Even that falls well short of what is needed, while much arrives as loans, not grants. What developing countries lack is not commitment to climate action but the resources to do so. Climate finance has long been part of common but differentiated responsibilities and respective capabilities. India must recall that principled position while sharing its experience in matching climate ambition with overruling development priorities.

A related concern is the EU's Carbon Border Adjustment Mechanism (CBAM) that now taxes steel, aluminium, cement and fertiliser imports according to emissions embedded in their production. Its impact falls disproportionately on developing-country producers, including India, whose industries remain coal-dependent because the finance and technologies for a faster transition are unavailable. Presented as climate policy, CBAM operates as a trade barrier protecting EU industries. Climate transition cannot be advanced by taxing countries the developed world has committed to help. There is something perverse about first underfunding the green transition and then taxing those unable to afford it.

Standards, frameworks and partnerships being discussed at Evian on technology, supply chains and critical minerals will shape the global environment. India's interests lie in influencing these debates before outcomes harden into practices that affect the wider world. The G7 Summit participation, months before it hosts the BRICS Summit, reflects multilateral engagement without exclusive alignment.

India should approach Evian as a participant helping shape outcomes. Few countries today can engage comfortably with advanced and developing economies while carrying influence with both. In a world where today's discussions become tomorrow's rules, it is far better to help write them than to inherit them.

The writer is a former diplomat

LETTERS TO THE EDITOR

Sailors' deaths

THE DEATH of three Indian sailors on MT *Setteello* demands more than diplomatic regret. (Make it clear: Indian sailors are not collateral damage.) *IE*, June 15. India rightly summoned the US chargé d'affaires, yet Washington's omission of the deaths from its official record and its insistence that vessels obey US orders jar with maritime law and basic empathy. With 5.08 lakh Indians at sea, neutral crews cannot be treated as acceptable costs. New Delhi must press for a transparent inquiry, clear rules of engagement, and compensation, while also pushing to reopen the Strait of Hormuz. Strategic ties with the US matter, but red lines on the safety of Indian citizens must be non-negotiable.

K Chidanand Kumar, Kollam

THE ATTACK on the oil tanker may not have been intended to damage India's reputation. (Make it clear: Indian sailors are not collateral damage.) *IE*, June 15. Rather, it appears to be an assertion of dominance in the Strait of Hormuz, which remains a choke-point capable of influencing the regional balance of power and an important bargaining tool. Nevertheless, India should register its protest on every possible platform and press the US to provide adequate compensation to the families of the deceased sailors.

Devendra Awasthi, Lucknow

Knowledge systems

THE ARTICLE by Rohan Manoj rightly questions the binary of "Western" versus "Indian" knowledge systems (Focus on knowledge, not whose system it is.) *IE*, June 15. Ayturceda, traditional architecture, and indigenous agricultural practices were not inferior; they were simply documented differently. Universities would do well to integrate cross-disciplinary courses that study these traditions on their own epistemic terms, rather than validating them through the framework of modern science. Knowledge should be judged by its utility and rigour, not by its geographic origin or the politics attached to it.

Sakuntala, Coimbatore



KAUSHIK DAS GUPTA

LAST WEEK, an interim report of a Supreme Court-appointed panel engaged with an issue of grave concern in the country's educational landscape. Earlier this year, the Court had observed that student suicide cases had doubled over the last decade. It constituted a National Task Force headed by a former judge, Justice Ravindra Bhat, to study the causes, review institutional mechanisms and recommend a framework to prevent the loss of young lives. The Task Force's report is significant because it argues that the suicides are not individual acts of despair, but symptoms of deeper institutional and structural deficits in India's higher education system. The goal, it rightly pointed out, "is to look at the reasons that compelled a student to take this step".

In recent years, institutions have framed student suicides as a mental-health issue, and some universities have set up counselling facilities. These are well-meaning initiatives. But as the SC panel noted, the broader challenge is to situate the crisis within a socio-economic perspective. That would require joining several dots — the almost universal recognition in the country of education as a gateway to social mobility; the increasing presence of students from marginalised communities, many of them first-generation learners, who do not always find an enabling milieu on campuses; the lack of diversity

Institutions usually attribute the deaths to personal difficulties or students' inability to cope with academic pressures. Rarely do they ask questions about the cultures of exclusion within campuses

among faculties; delayed scholarships; and the high rate of dropouts among SC, ST, and OBC communities.

After independence, reservation, scholarships, and the establishment of new institutions have enhanced access to spaces that once appeared forbidding to learners from historically disadvantaged communities. This is, no doubt, a triumph of democracy. However, in a deeply hierarchical society, admission to institutions does not *ipso facto* guarantee dignity or even equal opportunity. Subtle prejudices, language barriers, financial insecurity, and, at times, institutional hostility come together to create pressures that cannot be addressed by a traditional mental health-centred approach.

In recent years, reports of suicides involving Dalit and Adivasi students have triggered conversations. However, institutions usually attribute the deaths to personal difficulties or students' inability to cope with academic pressures. Rarely do they ask questions about the cultures of exclusion within campuses.

Almost every student enters university carrying the weight of aspirations. But learners from historically disadvantaged social groups often have to navigate unfamiliar environments without the cultural capital enjoyed by their more privileged peers. The task, therefore, is to frame inclusion in a broader way, beyond pa-

ternalist protection through facilities such as counselling, and instead create an environment in which every student can flourish without having to navigate social and economic impediments. The report points out that students frequently perceive institutional complaint systems as inaccessible, ineffective, or biased in favour of preserving institutional reputations.

Policymakers and institutions need to pay special attention to what the report describes as a "social mismatch" between the backgrounds of students and teachers. More than 65 per cent of the faculty in IITs, NITs, and private institutions are from non-SC, ST, and OBC communities. Report after report, including several published in this newspaper, has shone a light on the tardy progress in filling faculty vacancies in reserved categories. There is also a wealth of literature on how diverse faculty can help create conditions on campuses where differences are respected and vulnerability is met with support.

The central message that education planners need to draw from the SC's report is this: Equality, dignity, fraternity, and non-discrimination cannot remain abstract ideals; they must shape the lived experiences of students on campuses. When students from marginalised backgrounds encounter humiliation or exclusion, the country's democratic fabric is weakened.

The writer is senior associate editor, The Indian Express. kaushik.dasgupta@expressindia.com

BJP's rise is about filling a void, not just ideology



ABHISHEK SHARMA

IN HIS article on the BJP's 46th anniversary (BJP's relevance owed to ideological clarity.) *IE*, April 4. Ram Madhav talks of ideological clarity triumphing over decades of drift. The party, he argues, shed Gandhian socialism and found its true form in "cultural nationalism" and "Integral humanism". The broader public, he asserts, "seems to identify with this" vision. The lotus, he declares, has bloomed fully. But has it? And how?

The BJP's rise is not just the story of an ideology whose time has come. It is the story of a vacuum created by Congress's downslide, driven not by ideological defeat but by the erosion of generational memory and

structural transformation. For nearly five decades after independence, Congress drew legitimacy from a political imagination forged in the freedom struggle and sustained through nation-building endeavours. But memory often fades with the generation that carries it. For today's median voter, born in the 1980s, Congress is less the party that steered independence and more the party of coalition compromises, scams, and a leadership speaking to an India that no longer exists. The 1991 reforms deepened this void in three ways: Generating corruption on an unprecedented scale; fuelling a hyper-competitive broadcast culture; and replacing the Nehruvian social contract with a market logic Congress could never fully own. Into this vacuum stepped the BJP. Cultural nationalism may have supplied its narrative, but it found resonance in a society experi-

encing political dislocation. The triumph was not of ideology alone, but of an ideology that organised anxieties and divisions.

Madhav credits K Advani with steering the party into a "more definitive direction". But his Kath Yatra was widely blamed for normalising polarisation. He grounds the party in Integral Humanism, a position challenged by the claim that it has rarely operated independently of Hindu mobilisation.

Under Modi, Hindu cultural assertion braided with economic aspiration. The middle class could vote for growth; the lower

middle class for Hindu identity; both could feel they were voting against corruption. But there remains a tension.

The CSO's 2024 survey found that 79 per cent of respondents, including nearly eight in 10 Hindus, believed India belongs to all religions. Only 11 per cent said India is a nation of Hindus. In the 2024 election, the BJP lost its majority. The INDIA bloc won 43 seats in Uttar Pradesh, and a Dalit Samajwadi candidate won Faizabad, the constituency where Ayyodhya and the Ram Temple are located.

Madhav invokes Gandhi. But Gandhi's concept of religion was *sarva dharma sama bhava*, equal respect for all faiths. When he said religion must inform politics, he referred to a shared ethical core, not the assertion of one cultural identity as the state's organising principle.

The same voter who said that cultural nationalism will restore Hindu pride is the one who struggles with affordable healthcare and a job market where around 40 per cent of the unemployed are under 30. All this will impinge on offering cultural identity as compensation for material deprivation.

What is needed now is a redefinition of Viksit Bharat, one that measures development not in GDP alone but in how its gains are distributed across caste, community, gender, and the urban-rural divide. The lotus has bloomed, but no bloom is complete until its petals display variegation, until the pond it grows in is fed by fresh waters of inclusion. For that to happen, parties must reflect beyond their ideological walls.

The writer was at CSO. Views are personal

TALKS COME AMID A LINGERING U.S. SECTION 301 PROBE ON INDIA'S INDUSTRIAL OVERCAPACITY

USTR heads to India on June 23 to give 'final touch' to trade deal

Ravi Dutta Mishra
New Delhi, June 15

AFTER OVER A year of trade tensions between the US and India, United States Trade Representative (USTR) James Green is headed to India to hold talks over two days with Commerce Minister Piyush Goyal next week and give a final shape to the first tranche of the trade deal. Commerce Secretary Rajesh Agarwal said on Monday.

"USTR, as of now, is scheduled to visit India. On 23-24th, he will be engaging with Commerce Minister Piyush Goyal. Our expectation is that the discussion will be centred around giving final touches to the framework deal, which was discussed during the US team's visit in the first week of June, and also on the larger bilateral trade agreement being discussed between the two countries," Agarwal said.

This is the first instance where the USTR trade chief is expected to visit India since the negotiations for a trade deal began in February last year.

The US trade team to India for nearly half a dozen rounds of talks were headed by Brendan Lynch, Assistant United States Trade Representative for South and Central Asia.

However, Green has been part of the trade delegation during negotiations with the EU and China. The talks come amid a lingering US Section 301 investigation on India's industrial overcapacity, which could result in additional tariffs on top of the 12.5% announced for the importation of goods produced using forced labour. Both these tariffs could come into effect next month and serve as the basis of a trade deal.

As India and the US inch closer to an agreement, trade data showed that bilateral trade is undergoing significant changes. While exports to the US in April and May surged by less than 1% to \$17.29 billion, imports registered a sharper jump by 19.40% to \$11.14 billion compared to April and May last year. Commerce Secretary Rajesh Agarwal pointed out that India has significantly increased



While exports to US in April and May surged by less than 1% to \$17.29 bn, imports logged a sharper jump by 19.40% to \$11.14 bn. REUTERS

energy imports. Trade data also shows that the bilateral trade gap between the two countries has been shrinking.

Meanwhile, the ongoing US Section 301 of the US Trade Act of 1974 gives Washington sweeping powers to not only impose tariffs but also the authority to impose non-tariff barriers,

which can restrict Indian exports to the US beyond goods.

Deborah Elms, Head of Trade Policy at Hinrich Foundation, has said the Section 301 could have a firmer legal standing and tariffs imposed could reach any level as long as the required procedures are followed. USTR started an investigation in March and has come out with the findings after the required duration. It has also al-

located time for public comments. "The courts, if asked to examine the use of Section 301, are likely to give the President wide deference as long as the required procedures are followed. Recall that the law provides maximum timelines, not any minimum. Past cases were often narrowly targeted. Future cases need not be so constrained. Tariffs may be part of any retaliatory package, set to any level, alongside a wide range of other actions to address the charge of unfair trade practices," Elms said.

Demands relating to market access for American agricultural products have been one of the biggest pressure points.

The India-US joint statement said that India will eliminate or reduce tariffs on all US industrial goods and a wide range of US food and agricultural products, including dried distillers' grains, red sorghum for animal feed, tree nuts, fresh and processed fruit, soybean oil, wine and spirits, and additional products. **FULL REPORT ON WWW.INDIANEXPRESS.COM**

FM: More measures to attract capital inflows on the anvil



The withholding tax treatment which we offered, we think will be the first step towards drawing some capital back, although we have at the moment confined it only to bond market"

NIRMALA SITHARAMAN,
FINANCE MINISTER

ENS Economic Bureau
New Delhi, June 15

INDIA WILL take more steps to spur foreign capital inflows, not stopping with the recent announcements made by the government and the RBI. Finance Minister Nirmala Sitharaman said Monday. "We will be doing more. We recognise we need more foreign capital to come in," she said at the Hero Mind Mine Summit in New Delhi.

On June 5, the government and RBI launched a coordinated, multi-pronged package to combat persistent foreign portfolio investor sell-offs, ease balance-of-payments (BoP) pressures, and stabilise the rupee.

"The withholding tax treatment which we have offered, we think will be the first step towards drawing some capital back, although we have at the moment confined it only to the bond market. But certainly that is not the end of the story," Sitharaman said, hinting at measures aimed at boosting foreign investments in Indian equities as well.

FE reported earlier that the government internally discussed more than a dozen proposals to curb capital flight and address relatively low net FDI inflows, including a reduction in the long-term capital gains tax (LTCG) on equities. Additionally, to curb capital outflows, the government is also believed to be considering reducing the annual Liberalised Remittance Scheme (LRS) limit from the current \$250,000 per individual. The limit could be temporarily halved, sources had said. FE

Adani, US' Jabil to build AI data centre infra platform in India

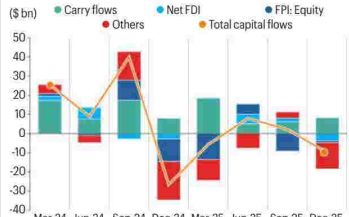
Mumbai: Adani Group and Jabil Inc, a global leader in engineering, supply chain and manufacturing solutions, Monday announced the intent to form a strategic alliance to set up a vertically integrated AI and data centre infrastructure manufacturing platform in India.

The alliance integrates Jabil's six decades of advanced engineering, cross-industry manufacturing expertise, and proven hyperscale data centre solutions with Adani Group's infrastructure footprint, green energy portfolio, logistics network, and rapidly expanding domestic data centre operations. Adani group said in a statement.

"This powerful combination will address the explosive local and global demand for AI-ready data centre hardware, it said. ENS

Managing India's external financing needs

The persistent West Asia shock has pressured India's external balances, lifting oil prices 40% above pre-conflict levels and pushing the projected CY26 current account deficit to 2.0% of the GDP, according to a report by Goldman Sachs.



Alongside subdued capital inflows, India faces a likely third consecutive year of balance of payments deficit, estimated at 1.5% of GDP for CY26. Capital flows have remained subdued over the last one and a half years. Foreign equity flows have been weighed down by India's elevated valuations and softer earnings expectations relative to the region, while weaker trade-related credit flows have also dragged down overall capital accounts. The downward pressures were partially offset by resilient FPI debt and ECB flows, driven by index inclusion milestones and market-specific domestic liquidity factors. **SOURCE: GOLDMAN SACHS**

US-Iran peace deal: Markets, rupee rally as crude prices fall

Akash Mandal
Mumbai, June 15

THE INDIAN stock market and the rupee rallied on Monday, led by the announcement of a preliminary peace deal in West Asia between the US and Iran.

The deal, which is set to be signed on Friday, sent crude oil prices down 5% to below the \$84-a-barrel mark, aiding sentiment in both the forex and the stock markets. Other markets in Asia and Europe also gained after the announcement.

by the Reserve Bank of India (RBI) to attract foreign capital, helped the rupee gain 40 paise to end at 94.71, having hit a 5-week high during the session.

"This is a decisively positive setup for the rupee. Over the next one to two weeks, we expect it to strengthen towards 94, and a decisive break of that level would open the door to 92.5, and potentially 92.5, over the following 2-3 months. For now, 94 is the key level to watch," said Anindya Banerjee, head of commodity and currency research at Kotak Securities.

Most sectoral indices ended higher, with automobiles, banking and financial services, and oil and gas being among the top performers. Sectors such as aviation and real estate, which benefit from slower crude oil prices and lower interest rates, also gained.

The peace deal in West Asia, alongside the RBI's measures to attract foreign capital, is also expected to stem the persistent selling by foreign players in the last few months. **FULL REPORT ON WWW.INDIANEXPRESS.COM**

India's goods exports jump 18% in May; imports from US surge 54%

Ravi Dutta Mishra
New Delhi, June 15

INDIAN GOODS exports reported a sharp 18% jump in exports during May compared to last year, a six-month high, according to the trade data released by the Commerce and Industry on Monday. This comes in the backdrop of a steep decline of over 10% in the domestic currency during the last 12 months, and a partial recovery in exports to West Asia.

As per the data, the trade deficit also swelled to \$28.21 billion in May, up from \$22.56 billion last year, as goods exports surged by 18% to \$45.2 billion from \$38.3 billion in May 2025,

while imports also jumped by 20.62% to \$73.41 billion. Commerce Secretary Rajesh Agarwal, at a press briefing, said many of India's trade problems will be elevated if the peace deal between the US and Iran stands, adding that exports to West Asia in May this year have almost reached the level of last May despite disruptions in the region. Data also showed that exports to the UAE and Saudi Arabia in May jumped by 3.18% and 11.2%, respectively. Further, the figures showed that imports from the US registered a strong 54.3% in May to \$5.87 billion as India stepped up energy imports amid the war. However, exports to India's largest market went up

by less than 1%. Official data showed that key drivers of exports include electronic goods, up 11.62% to \$5.09 billion and petroleum products, up 54.89% to \$8.42 billion. However, exports of tea, tobacco, spices, cashew, marine products, leather and textiles recorded negative growth in May. Gold imports during the first two months of this fiscal year surged 60% to \$9.04 billion. Oil imports in May rose 53.8% to \$22.67 billion due to high prices, which hovered at around \$100 per barrel in that month. These imports rose 16.5% to \$41.3 billion during April-May 2026-27. **FULL REPORT ON WWW.INDIANEXPRESS.COM**

CHINA CONTROLS 90% OF GLOBAL CRITICAL MINERAL PROCESSING

US trade advocacy body forms task force on India-US critical mineral cooperation

Pratyush Deep
New Delhi, June 15

DAYS AFTER India and the US signed a bilateral Critical Minerals Framework, the US-India Business Council (USIBC) formed a Critical Minerals Sector Task Force aimed at deepening cooperation across critical mineral supply chains. Cooperation between India and the US on critical minerals has gained impetus amid growing concerns over China's dominance in the supply chain which the latter often uses as a leverage in trade disputes. Last year, Indian industry began

facing shortages of rare earth magnets when China launched a licensing regime, choking exports of rare earth elements during its trade war with the US.

While China controls 90% of global critical mineral processing, both India and the US are heavily dependent on their imports to meet their domestic demand. Highlighting overlapping interests of the two countries, USIBC said out of 30 minerals, India identifies six as 'critical', 26 overlap with the US priorities. These included rare earths, lithium, cobalt, nickel, graphite, gallium, tungsten, among others. The task force has

identified five priority areas for engagement: lithium refining and cathode active materials, recycling, feedstock operations, synthetic graphite production for battery applications, and rare earth processing and magnet manufacturing.

Lithium refining is a key gap in India's battery supply chain, with the country currently possessing negligible refining capacity. As electric vehicle adoption is expected to accelerate in the coming years, building domestic capabilities in lithium refining and recycling is essential to reduce dependence on imports, particularly from China.

LNG tanker Disha crosses Hormuz; 1st Indian ship to exit Persian Gulf in 2 mths

Sukalp Sharma
New Delhi, June 15

INDIAN LIQUEFIED natural gas (LNG) tanker Disha crossed the Strait of Hormuz on Monday amid the announcement that the US and Iran have reached a peace deal. Disha, which is operated and managed by state-owned Shipping Corporation of India (SCI), is the first Indian merchant vessel to cross the fraught waters of the strait in nearly two months. It is carrying Qatari LNG for India.

As per the ship tracking data and industry watchers, it is also the first vessel to cross the strait since the announcement of the peace pact, which is expected to be inked later this week. Shipping sector insiders say the shippers are eyeing the developments with caution, and traffic through the strait has not really picked up despite the announcement that a US-Iran deal has been worked out. Experts said it could take weeks for traffic through the strait to meaningfully pick up, and only if they feel assured that the peace deal will hold, given the experience of the past three months.

Carrying LNG for India's largest LNG importer Petronet LNG, the Malta-flagged Disha has been stranded in the Persian Gulf for over three months amid the West Asia war.

With Disha crossing the strait, the number of Indian vessels in the Persian Gulf, which is to the west of the strait, now stands at 13. Since early March, a total of 10 Indian vessels — of which nine were also India-flagged — have crossed the narrow waterway. "As we speak now, LNG carrier Disha, managed by a Shipping Corporation of India-led consortium, has safely transited the Strait of Hormuz, and she is carrying 62,370 metric tonnes

HORMUZ TRANSIT BY INDIAN SHIPS

CARRYING LNG for India's largest LNG importer Petronet LNG, the Malta-flagged Disha had been stranded in the Persian Gulf for over three months amid the war



WITH DISHA crossing the strait, the number of Indian vessels in the Persian Gulf, which is to the west of the Strait of Hormuz, now stands at 13

crossed the narrow waterway that connects the Persian Gulf with Gulf of Oman and the Arabian Sea

of LNG cargo. The vessel is supposed to enter Doha on coming to India, likely on the 18th (of June). Shipping Ministry Director Opekh Kumar Sharma. He added that the Centre stands ready to bring back the Indian ships stranded in the Persian Gulf whenever the strait opens and it is deemed safe for sailing, but didn't go into details of the preparation. As per vessel tracking data from MarineTraffic, Disha crossed the strait with the Automatic Identification System transponder on, broadcasting its location continuously. Most vessels that have crossed the strait in recent weeks have done so by switching off their transponders, or going dark, to avoid detection.

While a few Indian ships made their way through the strait over a weeks-long period starting mid-March due to diplomatic efforts by the Centre, transits of Indian and India-bound vessels came to a standstill after the April 18 incident in which a couple of Indian ships were fired upon by Iranian forces as they attempted to cross the waterway. One vessel — Dush Garima —

aged to slip out on April 18. The US also started its own blockade of Iranian ports mid-March, which worsened the maritime security scenario in the region. Since then, a few tankers carrying LPG, LNG, and crude oil for India did transit the strait, none of them were India-flagged or owned by Indian firms.

Iran suddenly closed the strait on April 18 — within a day of announcing unimpeded vessel movements through the waterway — leading to confusion among vessels that had lined up to cross it. This incident, and subsequent similar ones with Iran and the US running their own blockades, further hit the already constrained vessel movements.

Among the Indian vessels that have crossed the strait since early March are eight LPG tankers, one crude oil tanker, and one LNG tanker — Disha. A couple of Indian tankers also exited the war zone in this period, but they didn't have to cross the strait as they were already in the Gulf of Oman. One of them was loading at the UAE's Fujairah port when the oil terminal there came under attack. **FULL REPORT ON WWW.INDIANEXPRESS.COM**

Sarvam raises \$234 mn in funding round from HCLTech, others

Press Trust of India
New Delhi, June 15

SOVEREIGN AI company Sarvam has raised \$234 million (about Rs 2,200 crore) at a post-money valuation of \$1.5 billion, the firm said on Monday.

HCLTech and Bessemer Venture Partners took part in the funding round, with continued support from existing investors Khosla Ventures and Peak XV Partners.

"Sarvam, India's full-stack sovereign AI company, has raised \$234 million in the first close of its \$300 million Series B at a post-money valuation of \$1.5 billion," the company said in a statement.

The investment will fund Sarvam's continued research on training its next frontier model for agentic, coding, and cybersecurity use-cases, as well as access to compute at scale to expand its forward-deployed model across key verticals, the sovereign AI firm said.

HCLTech in a regulatory filing said that it will take a 10.46% stake in Sarvam for \$1,427.25 crore or about \$150 million.

BRIEFLY

Bharti Airtel gets nod to raise stake in Airtel Africa

New Delhi: Bharti Airtel on Monday said it has received nod from around 100% of its shareholders to raise stake in Airtel Africa by 16.31% via a share-swap agreement worth Rs 28,220 crore. Post

transaction, its stake in Airtel Africa will rise to around 79% from current 62.73%. "Airtel Africa is central to our growth strategy and is well positioned to deliver robust performance with an increasing contribution to our consolidated revenues," Bharti Enterprises Founder and Chairman Sunil Bharti Mittal said. PTI

MARKETS

Sensex 736.38 0.97%	NIFTY 231.00 0.98%	Gold ₹1,50,646	US Dollar ₹94.71
Silver ₹2,51,488	Oil \$86.77	NOTE: GOLD, SILVER RATES AS PER INDIA BULLION AND JEWELLERS ASSOCIATION DATA. GOLD PER 100G, SILVER PER 1KG. CRUDE OIL (INDIAN BASKET) AS OF JUNE 12, 2026	

NOTICE INVITING E-TENDER

Tender ID	Tender Description	Link for accessing the Tender Documents
313396	Supply of Casing and Tubings for oil and gas wells for drilling and production activities in Onshore blocks	gallender@procure.com https://www.gujarat-energy.com/gg-current-tender/
313321	Sale of Emulsified Crude produced in Well PK 1ST of Inghl Field of Ahmedabad Block (CB-NN-20001)	

Any revision, clarifications, corrigenda, addenda, notifications etc. related to this notice will be updated on the above referred websites only. Interested parties should regularly visit websites to keep themselves updated.

NATIONAL INSTITUTE OF RURAL DEVELOPMENT & PANCHAYATI RAJ

Recruitment of Chair Professor on 'Rural Labour' in honour of Late Shri S.R. Sankaran

NIRDPR invites applications for Chair Professor constituted in honour of Late Shri S.R. Sankaran, an eminent civil servant and acclaimed rural development administrator. The Chair Professor should be a person of National/International Eminence either from India or abroad who can guide and inspire research, consultations and also networks with academicians, administrators, political parties and civil society groups. He/she should possess qualifications normally required for a Senior Professor in a Central University.

Those who applied with reference to Advt. No.07/2024 & 18/2025 need not apply again.

For Job profile, online submission of application and other details please visit: <http://career.nirdpr.in/>

Last date for submission of online application is 15/07/2026.

Advt.No.08/2026
File No: SR5C/161
Comp.No. 5/10

Assistant Director Administration (Section-I)



Politics over people

Pragmatism should guide India's demographic governance

In constituting a panel to study demographic changes in India, the Centre was guided by a paranoid mindset that saw devious conspiracies everywhere. The move gave shape and substance to a thought expressed by Home Minister Amit Shah: "unnatural demographic change" is a "very significant challenge to the present and future of any nation". In his Independence Day address in 2025, Prime Minister Narendra Modi announced the proposal, characterising illegal infiltration as a "premeditated conspiracy" to alter India's demography. The committee, chaired by retired Supreme Court judge Justice P.P. Naoilekar, is to assess demographic changes, examine patterns of abnormal population shifts among religious and social communities, and recommend a time-bound solution. Mr. Shah linked demographic changes not only to sovereignty but also to national security, law and order, "profound changes in social structure and the preservation of tribal society". According to the government, demographic shifts have affected public service delivery, local governance, resource distribution and social cohesion, and Justice Naoilekar has said that the panel will also formulate a system for the custody and deportation of infiltrators.

It is indeed true that the management of population dynamics is a key instrument of governance. On June 14, Switzerland held a referendum and rejected a proposal to cap the country's population at 10 million. Across the world, immigration has become contentious, with unregulated cross-border movement seen as a challenge to sovereignty. Population management, however, is not entirely about illegal infiltration, and securitising demographic trends at the cost of all adjacent factors could do more harm than good. As the recent experience with the SIR of electoral rolls shows, facts about people would be seen as valid only to the extent that these are established through documentation. If this exercise creates a large stateless population with no country willing to accept them, it could result in a demographic deadlock rather than a solution. The fear of communal proffering of Muslims is real, and the Centre should also seriously consider whether the human costs are worth it. India faces major demographic challenges. Rising life expectancy and falling birth rates are changing the composition of India's population. There are concerns of India losing its demographic dividend, as the quality of education and health, and the evolving dynamics of work, remain very challenging. Migration continues to shape India's trajectory. Partition created three sovereign countries out of a geographical and cultural continuum, and its legacy included voluntary and involuntary movement of people. Sensitivity and a long-term view should guide India's demographic governance.

Peace with peace

Preventive detentions are misused by the state in the name of order

In *Chander Pal Singh*, a matter involving preventive proceedings, the Allahabad High Court has simultaneously addressed a part of the criminal justice system that often receives less attention than ordinary criminal proceedings and the more overbearing reality of mechanisms designed to avert disturbances having gradually become instruments to deprive people of liberty. The state has the power to intervene before a crime occurs if it is reasonably apprehensive that a person is a threat to public order. However, it has acquired a habit of exercising that power routinely, resulting in detentions without any substantive criminal charge. The High Court's order was based, the Bench said, on a "highly irresponsible" deprivation of personal liberties in Uttar Pradesh, where police officers and executive magistrates were using preventive powers to incarcerate individuals on the basis of arguably minor apprehensions. In *Chander Pal Singh* as well, the petitioner, a physically challenged Dalit advocate, had been arrested over a petty dispute with a neighbour. The Bench said that between May 2025 and April 2026, around 2,500 people were reportedly subjected to preventive detention proceedings in Ghazabad, despite a 2021 State policy to guide the exercise of such powers.

The guidelines in response are commendable; if implemented appropriately, they could reduce the use of preventive incarceration in neighbourhood and property disputes; require executive magistrates to justify their decisions; encourage constitutional challenges to unlawful preventive detention; and generate appellate scrutiny of the compensation framework. They may also snap at the heels of magistrates who cite unspecified "communal tensions" to jail protesters and who impose prohibitively unaffordable bonds for release. Further, even if the ruling does not directly impinge on the detention of activist Sonam Wangchuk under the NSA, it critiques the idea of using the excuse of maintaining peace to silence dissent and reminds the state that it still has a responsibility to maintain peace with peace. The ruling may also apply to workers and activists recently detained in New Delhi if held under Sections 126 or 170 of the BNS without valid grounds. That said, implementing the ruling will be difficult. The Bench said that compensation for unlawful detention can be recovered from the salary of the magistrate concerned and/or police officer following a disciplinary hearing. However, the executive has been historically reluctant to penalise its personnel. Second, executive magistrates are part of the State administration and their careers may depend on maintaining 'peace' as the State defines it. Addressing these barriers could reform preventive proceedings in India.

Resistance, renewal and the future of the INDIA bloc



Dipankar Bhattacharya

General Secretary of the Communist Party of India (Marxist-Leninist) Liberation

It is perhaps the first time that Congress leader and Leader of the Opposition in the Lok Sabha Rahul Gandhi has released his speech delivered at a meeting of Indian National Developmental Inclusive Alliance (INDIA) bloc leaders to the public. While his focus on building a united resistance to the Sangh-Bharatiya Janata Party (BJP)'s assault on the constitutional foundations of the Indian republic, as well as on the liberties and livelihoods of millions of Indians, is welcome, a few constructive observations may be in order in the interest of building a truly powerful and sustained resistance.

This writer has attended all INDIA bloc meetings, including the formative gathering in Patna, Bihar, in June 2023 before the alliance adopted the INDIA name. Mr. Gandhi's impassioned speech, delivered at a time when the BJP's 'double-engine'/National Democratic Alliance (NDA) governments span over 20 States and Union Territories, was both reassuring and somewhat concerning. While it would have resonated strongly at a Congress meeting, parts of it seemed somewhat discordant in a gathering of 23 parties representing diverse ideological streams united in defence of India's sovereignty, socialist, secular and democratic republic.

Mr. Gandhi is right in reminding us that the Congress became a movement of resistance after Purna Swaraj (complete independence) became the official goal of the Congress. The resolution, introduced in the 1927 Madras session, and adopted two years later in the 1929 Congress session in Lahore, did propel the Congress into the leading position in India's freedom movement, with communists, socialists, and what is now known as the Phule-Ambedkar-Periyar stream serving as other prominent stakeholders. We must not however forget that the Purna Swaraj idea was first presented in the Ahmedabad session of the Congress in 1921 by two communist delegates, Maulana Hasrat Mohani and Swami Kumarananda. And Bhagat Singh and his comrades made a clear and bold ideological statement with the launch of the Hindustan Socialist Republican Association in 1928.

The battle against authoritarianism

The battle today is between the only ideological stream that stayed away from, and often opposed, the freedom movement and the diverse ideological currents that fought for and won India's independence. The INDIA alliance represents a regrouping of these forces against the Hindutva party of the Rashtriya Swayamsevak Sangh (RSS)-BJP, which is seeking to reshape state institutions and the architecture of parliamentary democracy to advance its ideological agenda.

If the BJP gets a free hand in its push for 'one nation, one party', the Congress will suffer no less than other political parties; indeed, it has often proved more vulnerable. For all our

glorious chapters from the history of the freedom movement, there is no accumulated ideological insulation or immunity for any party in the face of today's all-out fascist offensive and ideological assault. The BJP itself is filled with leaders who were in the Congress not long ago. Even as Mr. Gandhi emphasised the need to resist the BJP, the Congress's Chief Minister in Telangana was proudly invoking Hitler while defending Hyderabad's controversial demolition drive.

If institutions are captured and the electoral system manipulated — from voter rolls to vote counting and the declaration of results — what option remains for the people who inherited a Constitution that envisions India as a sovereign, socialist, secular and democratic republic? Mr. Gandhi is absolutely right in arguing that the only answer is resistance — not sporadic or symbolic opposition, but sustained, broad-based and determined democratic resistance.

Towards a just republic

We can no longer afford policies that have proved disastrous for the country and the vast majority of its people. An economic model of crony capitalism that transfers all of India's resources to a handful of corporations while impoverishing the masses and damaging the environment will have to go. A foreign policy that mortgages the strategic autonomy of India to the United States-Israel axis of aggression even as Indian sailors are killed by U.S. missiles needs immediate change. The assault on Bharat Jodo Yatra, and a series of encouraging electoral outcomes — from the BJP's narrow escape in Bihar in 2020 to its defeats in West Bengal (2021) and Karnataka (2023) — created the ideal backdrop for the emergence of the INDIA coalition in 2023. Despite the exit of the Janata Dal (United) and the Rashtriya Lok Dal and the absence of electoral coordination in States such as West Bengal, Kerala and Punjab, the INDIA bloc came close to defeating the BJP-led NDA in 2024. The results in Uttar Pradesh, Maharashtra, Tamil Nadu — and, to some extent, Bihar — demonstrated INDIA's electoral potential, raising the Congress tally to 100 seats and the alliance's total to 234.

Since then, a series of electoral setbacks — beginning with the defeats in Maharashtra and Haryana in 2024 and Delhi in 2025 — has eroded the INDIA bloc's strength and influence. These reverses, aided by multidimensional electoral frauds, have further tightened the BJP's stranglehold over what remains of India's electoral democracy. The INDIA bloc clearly needs a new impetus and a turnaround. Mr. Gandhi has a crucial dual role to play in this context — reenergising the Congress and facilitating the broader INDIA platform by ensuring mutual respect, trust and accommodation of parties with diverse histories and ideological inclinations. If India as a country can grow only on the basis of unity in, or rather through, diversity, the same also applies to INDIA as a political coalition.

The INDIA bloc needs a new impetus rooted in democratic resistance, unity, humility and renewed political purpose

Technology drives India-France strategic convergence



Mohan Kumar

Former Indian Ambassador to France and now Dean/Professor at O.P. Jindal Global University

It is a measure of the importance that Prime Minister Narendra Modi and French President Emmanuel Macron attach to the India-France relationship that they are meeting again in France, on the sidelines of the G-7 Summit in Evian (June 15-17), barely months after Mr. Macron's visit to India for the India AI Impact Summit 2026 in New Delhi in February. During that visit, the two leaders jointly inaugurated the India-France Year of Innovation 2026.

In normal diplomacy, such announcements often take time to translate into action. It is therefore notable that Mr. Modi and Mr. Macron are already moving swiftly to advance bilateral technology cooperation. They jointly inaugurated the "Bharat Innovates" event in Nice (June 14-16), bringing together leading Indian start-ups and venture capital funds. Mr. Modi will then attend the VivaTech Summit in Paris on June 18, Europe's largest technology and start-up event, underscoring the growing India-France technology partnership.

The new pillars of partnership

The India-French relationship is constantly evolving and is consequently being updated by the two leaders who are committed to the cause. While the recently elevated Special Global Strategic Partnership has always included traditional areas such as defence, nuclear and space, it is the focus on tech and innovation that is now exciting for the relationship.

This focus will include cyberspace, Artificial Intelligence (AI), health care, sustainable development, creative economy, education and research. These are new facets of the evolving and dynamic relationship and will no doubt take

ties to greater heights. Tech and innovation has tremendous mutual advantages for both sides. France has some of the best state-of-the-art technology in aerospace, AI, robotics, biotech, health care, green tech and sustainable development, besides being a European hub for the digital economy.

It is not hard to see how India can not only benefit from access to technology in these areas but also bring its own added value in terms of frugal innovation, start-ups, digital public infrastructure and biotech, just to name a few. The possibilities are endless. It must be hoped that the two tech summits — "Bharat Innovates" and the "Vivitech" — will enable the private sector on both sides to come up with substantive collaborative arrangements.

Defence, space and Africa

The two leaders are also expected to take stock of the special strategic partnership. There are a number of dossiers which can benefit from their political and strategic guidance. The first is certainly the idea of the co-designing and co-production of defence platforms which must be expedited. Progress is also desirable in emerging areas such as small modular reactors, joint satellite development and human flight programmes.

The potential for Franco-Indian cooperation in Africa has not been fully exploited and this must get the attention of both sides. This becomes even more important in light of the postponement of the India-Africa Forum Summit (May 2026) due to the Ebola crisis in Africa. The two leaders will doubtless exchange views on the ongoing conflicts: in Ukraine and in Iran, which have

Technology and innovation power the next phase of India-France ties

have paid for this resistance. More than 700 farmers died during the historic farmers' protest at Delhi's borders. Father Stan Swamy died in custody. Activists such as Surendra Gadling, Umar Khalid and Sheela Tiwari, among others linked to the Elgar Parishad and CAA protests, have been languishing for years. Workers and activists are facing imprisonment for demanding basic rights and fair wages. Activist Sonam Wangchuk appears to be a rare exception, having been released after months of detention under the National Security Act without any clear explanation. Journalists, too, have faced severe pressure, with Prabir Purkayastha among the few to secure relief after prolonged legal action.

Contrast this record of courage and perseverance among the people with the disturbing state of political parties, many of which are splitting or imploding under the pressure of intimidation or the lure of power. It is a reminder of how humble we must be when speaking of building resistance. The challenge before the INDIA bloc is to connect with these ongoing struggles, tap into the reservoir of public disillusionment, anger and aspiration, amplify demands for justice, and strengthen the collective struggle for democracy.

Reenergise the Opposition

The impact of two successive powerful struggles such as the equal citizenship campaign, the historic farmers' movement, the message of the Bharat Jodo Yatra, and a series of encouraging electoral outcomes — from the BJP's narrow escape in Bihar in 2020 to its defeats in West Bengal (2021) and Karnataka (2023) — created the ideal backdrop for the emergence of the INDIA coalition in 2023. Despite the exit of the Janata Dal (United) and the Rashtriya Lok Dal and the absence of electoral coordination in States such as West Bengal, Kerala and Punjab, the INDIA bloc came close to defeating the BJP-led NDA in 2024. The results in Uttar Pradesh, Maharashtra, Tamil Nadu — and, to some extent, Bihar — demonstrated INDIA's electoral potential, raising the Congress tally to 100 seats and the alliance's total to 234.

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adversely and disproportionately affected countries of the Global South.

Mr. Modi's Europe visit (June 13-18, 2026) also includes a state visit to Slovakia, the first-ever visit by an Indian Prime Minister to Slovakia since its independence in 1993.

Watching the 'DIO debate'

France, as the current chair of the G-7, will host the G-7 summit in Evian from June 15 to 17, 2026. It is difficult to imagine a G-7 summit without India being invited, and Mr. Modi's participation is particularly important given the geopolitical turbulence of the present moment. United States President Donald Trump is also expected to attend it. While attention will naturally focus on the possibility of a Modi-Trump meeting, any interaction may not be a substantive one, given the G-7 atmospheres.

More important is the evolving role of the G-7 itself in global geopolitics. With the G-20 having lost some of its momentum in recent years, discussions have resurfaced about expanding the G-7 into a DIO — a grouping of 10 major democracies. Whether, and how soon, such a transformation materialises remains uncertain, but it is a development India will need to watch closely.

At the end of the day, two middle powers — India and France — which set great store by strategic autonomy, have a fundamental role to play in contributing to geopolitical stability and ensuring a smooth transition to a multipolar world. In that sense, Mr. Modi and Mr. Macron shoulder a significant responsibility.

The views expressed are personal

LETTERS TO THE EDITOR

Revised dress regulations

The move by the Indian Army to introduce new uniform regulations is commendable. Through these combined measures, the Indian Army cultivates a distinct institutional identity rooted in India's own cultural fabric (June 15). These measures reflect the Army's continued commitment to ensuring that the institutions, traditions and spaces where soldiers live, train and serve

increasingly embody India's own heroes, values and national legacy while preserving the professionalism and heritage of the force.

R. Sivakumar,
Chennai

The constant invocation of the "colonial vestige" argument is becoming tiresome. This is the Army that has stood firm through wars, crises and security challenges, delivering when

the nation needed it most. Before lecturing institutions or changing traditions and symbols that have proven their worth, the government would do well to address its own shortcomings — from repeated controversies over NEET and infrastructure failures to concerns about electoral processes. Credibility is strengthened by performance, not rhetoric.

Vivek Gupta,
New Delhi

Portal closure

The admission application portal for the BS (Research) programme, Indian Institute of Science (IISc) closed on June 7 before the declaration of the IISER Aptitude Test (IAT) results — expected by June 20. Since admission through the IAT channel is based on rank, applicants were unable to provide this crucial information while applying. As admission processes generally commence only

after the declaration of qualifying examination results, many candidates reasonably assumed that applications could be submitted after the IAT results were announced. Owing to the unusual admission schedule and limited awareness that IAT details could be updated later, several deserving students may have missed the application deadline despite appearing for the examination. All applicants

had to pay a non-refundable fee. In view of these circumstances, the IISc must consider reopening the portal to enable eligible candidates to apply. Such a step would ensure equal opportunity for all applicants seeking admission through the IAT route.

Lalit Manohar K.,
Hyderabad

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

How T.N. severed religion, caste from politics

Joseph Vijay, actor and founder of the recently floated Tamilaga Vettri Kazhagam (TVK), assumed office as the new Chief Minister of Tamil Nadu last month. One cannot help but be reminded of how M.G. Ramachandran or more popularly known as MGR, also a highly successful actor, took charge as the Chief Minister of Tamil Nadu in 1977 and went on to win two more consecutive terms, until his death in 1987. He was the first actor-turned-CM in India.



S. Ramasundaram
Retired IAS officer of the 1979 batch in Tamil Nadu, and writes on macro-economy, population and public health. Views are personal

However, apart from being successful film stars, there is hardly much in common between MGR, a Hindu of the Nair community of Kerala, and Mr. Vijay, a Tamil Christian. MGR's best-known co-star and successor, Jayalalitha, who ruled the State for 16 years, was a Tamil Brahmin. Moreover, C.N. Annadurai, the first non-Congress CM of the State, his successor M. Karunanidhi, and his son M.K. Stalin were/are non-Brahmin Hindus.

As per Census figures, the electorate of Tamil Nadu comprises 88% Hindus and 6% Christians and Muslims each. It has regularly chosen leaders with varied religious and caste backgrounds without much fuss. How did this happen? And is it a replicable model?

A political history

The credit goes partly, among others, to the Dravidian movement whose genesis harkens to the 1920s/1930s. The Justice Party founded in 1916 by a group of non-Brahmin elite with the goal of ending Brahmin 'domination' in top government jobs succeeded in getting reservations for non-Brahmins as early as 1920.

The 'self-respect movement' as well as the 'Dravidar Kazhagam' movement (DK) of E.V. Ramasamy (EVR), or 'Periyar' as he was known, avowed to create a society free of caste oppression and inequality, and became a strong oppositional force to the largely Brahmin priestly class in the State. Periyar's anti-Brahmin rhetoric

often manifested in the form of inflammatory speeches against Brahmins besides leading to the desecration of Hindu deities. The rise of the Congress Party during the freedom struggle led to the decline of the Justice Party by 1937, despite them forming a government four times since 1920. In 1949, the DK expanded a split with the breakaway faction led by C.N. Annadurai forming the Dravida Munnetra Kazhagam (DMK). It came to power in 1967 and distanced itself from the anti-Brahmin and anti-religion ideas of Periyar. And while the DK has very little role in the politics of Tamil Nadu today, even after a century of his most active years, a Tamilian tends to either be a staunch supporter of Periyar or a vocal opponent of EVR — there is no middle ground.

Tamil movies and Tamil Nadu politics are an inseparable *jodi* that has largely been of benefit to the State socially and economically

Inclusive policies

The foundation laid by these parties and their inclusive social reforms over three decades led to the broad-based of education among all communities and reservations in government jobs for non-Brahmin castes and, to a lesser extent, Dalits. The K. Kamaraj-led Congress government stressed free education for all. The 'Kalaignar' Karunanidhi-led government focussed on uplifting the Dalit community through inclusive townships known as *Samathuva Puram* (Equality village). MGR's mid-day meal scheme resulted in an increase in girls enrolment, their retention in schools and resolve to work.

From the 1990s, the All India Anna Dravida Munnetra Kazhagam (AIADMK) government of Jayalalitha and the DMK governments of Karunanidhi and later his son, Mr. Stalin, focussed on attracting FDIs in manufacturing, especially in the auto sector. As a result, Tamil Nadu has the highest proportion of urban population (almost 50%) in India, which is the engine driving its rapid economic growth and upward social mobility for all religions and castes.

Another remarkable achievement has been that around 42% of India's female factory workers are from Tamil Nadu while making up just 6% of the national population. Such a successful social reform is among the lasting contributions of the social justice and self-respect movement to Tamil society.

The role of films

An equally significant factor for the lack of caste or religious bias in the average Tamil Nadu voter is the role and influence of Tamil films and its actors. The Tamil film industry is reputed for rewarding only meritorious artists, without any consideration for religion or caste. While MGR, Jayalalitha and now Mr. Vijay were/are stars, Karunanidhi was a script writer of many hit films, including some of MGR's. Between Karunanidhi (16 years), MGR (10 years) and Jayalalitha (16 years), the film industry's connection with governance in Tamil Nadu has been as long as 42 years. By organising the 1,000th year of the Thanjavur Big Temple in a grand manner in 2010, Karunanidhi demonstrated that an atheist ruler need not be against the devout practising their faith.

Now, the TVK, Mr. Vijay's party, has managed to field and secure victories for a high number of MLAs who are Dalit and women.

In conclusion, the Tamil Nadu voter has almost always voted on considerations other than the religion or the caste of the candidate due to historical movements over the past century, and due to the positive influence of films produced by the secular Tamil film industry. Tamil Nadu has achieved something that required a great struggle in Europe in the 18th century, namely the separation of the Church and the Crown. Tamil movies and Tamil Nadu politics are an inseparable *jodi* that has largely been of benefit to the State socially and economically. For the same reason, it is not an easily replicable model for other States.

A highly-contested Rajya Sabha rejection

Rejection of Meenakshi Natarajan's nomination has exposed Congress faultlines

STATE OF PLAY

Ravi Reddy

The political after-shocks of the rejection of All India Congress Committee (AICC) Telangana in-charge Meenakshi Natarajan's Rajya Sabha nomination from Madhya Pradesh is reverberating across Hyderabad.

On June 9, the Returning Officer for the Rajya Sabha elections decided to invalidate Ms. Natarajan's nomination on the grounds of non-disclosure of a pending criminal case in her Form 26 affidavit.

The procedural dispute over an election affidavit has now spiralled into a narrative battle, exposing organisational deficiencies within the Congress, showcasing the Bharatiya Janata Party's (BJP) agility, and giving the Bharat Rashtra Samiti (BRS) fresh ammunition against the ruling Congress in the State. Despite approaching the top court and the Election Commission of India, Ms. Natarajan has not got any relief.

The case in question, stemming from a private complaint in 2022 in Telangana, does not accuse her directly of a criminal act but names her as a respondent for not acting against a party functionary. The Congress has maintained that such a matter, not amounting to an FIR or a criminal charge, did not merit disclosure. However, the BJP has framed the omission as a concealment of material information. This reframing of a technical lapse as a question of transparency proved politically decisive.

More significantly, it highlighted the BJP's ability to harness local networks and institutional knowledge across States. Telangana BJP leaders reportedly moved with speed,



tracking down the complaint, verifying its legal standing, and presenting it before the Returning Officer. The episode underscores how political coordination and preparedness can intersect to yield out-sized outcomes in tightly contested procedural routines.

Double whammy

For the Congress, the episode has been doubly damaging. First, it has exposed gaps in due diligence. That a senior leader's nomination could be jeopardised by a case linked to the very State she oversees points to a breakdown in internal vetting mechanisms. Such oversight reflects poorly on organisational discipline. Second, and perhaps more politically damaging, are allegations of internal sabotage. The claim, fuelled by remarks from a Madhya Pradesh Minister, has intensified factional fault lines in Telangana. Though evidence remains elusive, the very plausibility of an 'inside job' has damaged the party's credibility. Ms. Natarajan's tenure as AICC in-charge, marked by a reportedly firm and hands-on approach, had already generated unease among sections of the State leadership. The controversy has amplified those tensions.

Chief Minister A. Revanth Reddy has sought to contain the fallout by framing the rejection as a politically motivated act. He alleged that the BJP

has shifted from 'vote theft' to 'seat theft'. At the same time, the Congress has drawn a distinction between criminal cases and procedural notices, arguing that the Returning Officer's interpretation stretches legal norms. Yet, these arguments have struggled to gain traction in the face of a more potent opposition line — that non-disclosure equals disqualification.

The BJP, for its part, has maintained that the process was entirely lawful, citing adherence to Supreme Court guidelines on disclosure requirements. Even if the BJP's operational role remains contested, its success in shaping the narrative is unmistakable.

The BRS has been the third beneficiary of this event. While not directly involved in the events leading to the rejection, it has seized the moment to question the Congress party's internal unity. BRS working president K.T. Rama Rao's allegation of backstabbing within the Congress has added to the perception of instability within the ruling party.

Beyond the immediate rhetoric, the episode raises broader questions about the ruling party's organisational robustness in Telangana. Since assuming power, the party has faced the dual challenge of governance and internal consolidation. In this context, the Natarajan episode becomes more than a legal dispute. It becomes a test of the Congress party's ability to manage crises, enforce accountability, and maintain internal cohesion. It has exposed vulnerabilities in the Congress' machinery, demonstrated the BJP's organisational capacity, and allowed the BRS to reinvent itself as a critical observer.

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Refugees are returning home but not for the right reasons

Data from the UN says that more refugees went back to their countries due to adverse conditions, while citizenship confirmations reduced

DATA POINT

The Hindu Data Team

Despite the fact that the estimated number of refugees fell marginally by 3% in 2025 to 4.16 crore, the recent report of the United Nations High Commissioner for Refugees (UNHCR) for 2025 shows that certain countries continue to be affected. Of these, about 60 lakh (15%) are Palestinian refugees.

The drop was mainly driven by 1.47 crore returning to their countries, which is the second highest number of people returning since the UNHCR first reported the figures in 1965. This is reflected in the increase in the number of refugees attaining "solutions" for their predicaments (Chart 4).

However, the report noted that they returned to fragile situations due to adverse conditions and mounting pressures in the asylum countries. For instance, Iran and Pakistan had granted asylum to people from Afghanistan, who had been forced to escape war, violence and persecution. However, both countries have now introduced restrictive policies towards Afghans, due to which the two nations saw a notable decline in the number of people needing protection in 2025 (Chart 2). Nearly 19.5 lakh refugees from these two countries returned to Afghanistan.

Owing to governance and economic crises, Venezuela recorded the sharpest increase in refugees, people in refugee-like situations, and others in need of international protection, at 3%. Other countries that saw increases include South Sudan and Ukraine (Chart 1).

Chart 3 shows the flows of asylum applications. More than nine lakh persons applied for asylum in the U.S. Ukraine remains the country of origin for most applications (7 lakh). The number of stateless people who have had their nationality confirmed or who acquired citizenship declined in 2025.

No way home

The data for the charts were sourced from the Global Trends Report by the UN High Commissioner for Refugees (UNHCR)

CHART 1: Refugees, people in a refugee-like situation, and other people in need of international protection by country of origin (2016-2025)

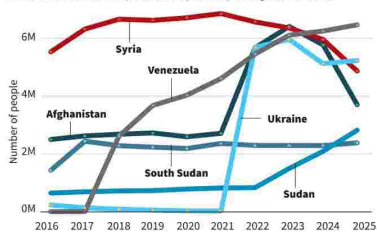


CHART 2: Refugees, people in a refugee-like situation and other people in need of international protection by country of asylum (2016-2025)

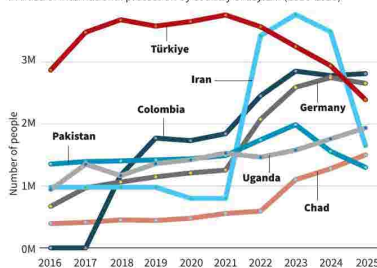


CHART 3: Number of stateless people who have had their nationality confirmed or who acquired citizenship (2014-2025)

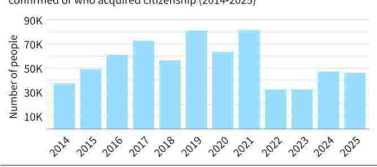


CHART 3: Number of people registering new individual asylum applications, recognised on a group basis or granted temporary protection in 2025

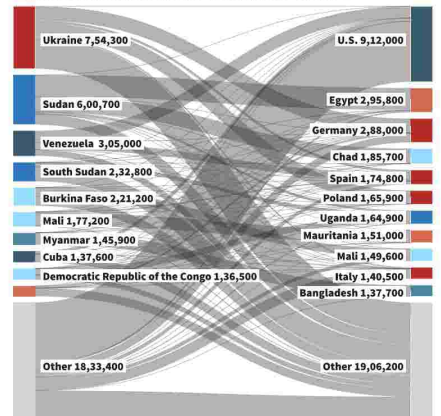
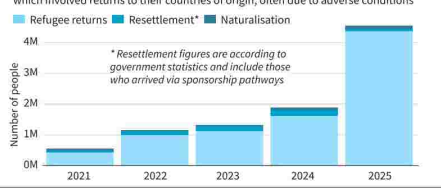


CHART 4: Refugees attaining "solutions" for their predicaments, a majority of which involved returns to their countries of origin, often due to adverse conditions



FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO JUNE 16, 1976

Survey to locate hidden treasure in Jaipur

New Delhi, June 15: A survey operation is on in Jaipur Fort to locate what is believed to be a hidden treasure lying in a secret chamber of the Maharaja's place for 250 years.

The survey has been undertaken on the basis of an ancient document which came to light recently, and which spoke of a treasure worth about Rs. 100 crores including jewellery valued at Rs. 32 crores having been hidden underground in the fort. The document said it belonged to the then Maharaja Jaisinghji of Jaipur. The Union Minister of State for Revenue and Banking Mr. Pranab Mukherjee said to-day that since the document after examination by experts of the national archives appeared to be genuine it was considered worthwhile to undertake the search operation though "there is no certainty whether the reported treasure is still in existence".

Mr. Mukherjee said it had been agreed with the owners of the Jaigarh fort that in the event of discovery of the treasure, it would be shared between the Government of India and them in accordance with the provisions of the Indian Treasure Trove Act, 1878. This Act has been made applicable to Rajasthan under a notification issued by the State Government.

He made it clear that the search was being carried out on the basis of an agreement with the owners of the fort.

A HUNDRED YEARS AGO JUNE 16, 1926

Slavery in India

Mr. Lansbury asked whether the Government of India intended to deal with the form of slavery known as *Kamis* in Bengal and *Chota Nagpur* and whether the practice obtained over a large part of India and was condemned by the British population.

Earl Winterton replied that there was *Kamis* system in Bihar and that probably existed in other provinces under other names, but he would hesitate to agree that it obtained over a large part of India and he did not know the views of the British population on it. Legislation already existed in Bihar and Orissa to regulate this form of agreement and doubtless the local Government would take steps to render it more effective than appeared to be at present.

Text & Context

THE HINDU

NEWS IN NUMBERS

Number of protesters executed in Iran in 2026

18 Iran has executed at least 40 people, including 18 protesters, on "national security grounds" since the start of 2026, the United Nations said on Monday. UN rights chief Volker Turk said he felt "deeply for the people in Iran, caught between war and cruel repression". Iran executes more people annually than any other nation besides China, according to rights groups. *AFP*

Percentage rise in India's exports in May 2026

18 in per cent. The country's merchandise exports rose 18% to \$45.2 billion, according to the commerce ministry data. Imports, too, grew 20.62% to \$73.41 billion in May, leaving a trade deficit of \$28.21 billion. India's merchandise exports rose to \$88.91 billion during April-May 2026-27, marking a 16.09% growth over the corresponding period last year. *PTI*

Drone-strike deaths in Sudan in first five months of 2026

1,000 The UN rights chief on Monday condemned a "sharp increase" in the use of drone warfare in conflict-torn Sudan, where more than 1,000 civilians were killed in such strikes in the first five months of this year. Drone warfare has become an increasingly prominent feature of Sudan's conflict since it erupted in April 2023. *AFP*

Number of persons killed in Haiti gang violence this year

2,300 Gang violence has killed at least 2,300 people in Haiti this year, while nearly 100 have been kidnapped, the United Nations said on Monday. UN human rights chief Volker Turk called on the authorities to tackle the rampant impunity in the crisis-ravaged Caribbean nation of 12 million people. *AFP*

Amount allocated for Bengal under VB-G RAM G scheme

8,508 in ₹ crore. West Bengal has been allocated ₹8,508 crore under the scheme for the 2026-27 financial year, according to figures released by the Union government. Under the Gram Sadak Yojana, allocations worth ₹2,400 crore have been approved and ₹1,000 crore released by the Centre. *PTI*
COMPILED BY THE HINDU DATA TEAM

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Drone revolution and modern warfare

The wars in Ukraine, Lebanon and West Asia have shown how drones have become central to modern warfare; as cheap, mass-produced unmanned systems proliferate, military power is increasingly shaped by industrial scale, technological adaptation and the ability to build, deploy and counter drones

EXPLAINER

Rahul Bedi

For decades, military power has been defined by the scale and sophistication of conventional arsenals — combat aircraft, tanks, artillery, warships, air-defence systems, precision-guided missiles, and other high-end assets.

End of superiority
In this environment, battlefield superiority belonged to armies with technologically advanced platforms and equipment, sophisticated intelligence networks, and large budgets. Smaller militaries and non-state actors, by contrast, were largely confined to asymmetric tactics that relied on guerrilla warfare, ambushes, and other unconventional methods to offset their opponents' superior firepower and operational dominance.

But the ongoing wars in Ukraine and Lebanon, together with the wider U.S.-Israel-Iran theatre of conflict, have irrevocably shattered this paradigm, demonstrating that commercially derived drones — mass-produced at scale, rapidly reconfigured for multiple operational roles, and widely deployed — have become a defining feature of contemporary warfare. Performing functions ranging from intelligence, surveillance, and reconnaissance (ISR) and target acquisition to precision strikes, artillery spotting, electronic warfare, and logistics support, they have evolved from auxiliary assets into central instruments of military operations.

In doing so, they have transformed the 21st-century battlespace into an environment of persistent visibility and rapid engagement, where front lines remain continuously exposed, and rear areas can no longer be assumed secure, as multiple types of Unmanned Aerial Systems (UAS) can locate, track, and strike targets with unprecedented speed and precision.

Across these concurrent theatres of conflict, the widespread — and in some cases decisive — employment of drones has challenged established assumptions about how military power is generated and applied, reshaping doctrine, force structures, and future warfighting concepts. The consequence has been the emergence of a continuous and interconnected battlespace in which no position is truly beyond reach, and no movement can safely assume it will remain concealed for long, as detection is increasingly followed by rapid engagement and destruction.

Ukraine drone war
Nowhere has this transformation been more visible than in Ukraine, where Russia's "Special Military Operation" launched in February 2022, as a conventional war involving combat aircraft, tanks and artillery, evolved within two years into the world's first industrial-scale, drone-intensive conflict.

From the earliest stages of the Russian invasion, Ukraine rapidly adapted commercially available drones — originally designed for civilian purposes such as aerial photography, mapping, and basic surveillance — alongside a limited number of pre-existing military Unmanned Aerial Vehicle (UAV) assets into improvised reconnaissance and strike systems.

What had initially functioned as a support tool for intelligence gathering and



From the earliest stages of Russian invasion, Ukraine adapted commercially available drones. FILE PHOTO

guiding artillery fire quickly evolved into a decisive combat capability, as small quadcopters and First-Person View (FPV) drones were progressively weaponised and deployed as low-cost, precision-guided munitions. This shift marked a fundamental transformation in how unmanned systems were used on the battlefield: from passive information-gathering platforms to active instruments of destruction. By around 2024, drones had become fully integrated into almost every layer of Ukrainian combat, ranging from tactical battlefield surveillance to frontline targeting and deep-strike missions against logistics hubs, supply routes, and rear-area infrastructure.

The operational template that emerged from this experience in Ukraine was subsequently replicated, albeit to varying degrees and in different forms, across the continuing West Asian conflicts, underscoring the growing centrality of drones to contemporary warfare.

FPV revolution

At the heart of Ukraine's drone revolution is the FPV system — an inexpensive, commercially available platform originally designed for recreational racing and aerial photography. Controlled through a live video feed transmitted from an onboard camera to virtual-reality-style goggles worn by their operators, FPV systems offer exceptional precision, manoeuvrability, and responsiveness.

These were then rapidly transformed into a broad spectrum of combat systems, including FPV strike drones, bombers, interceptors, and long-range attack variants. Among the most prominent are heavy-lift hexacopter Vampire drones — nicknamed "Baba Yaga" by Russian forces after the fearsome figure from Slavic folklore — alongside a vast number of improvised modular platforms, assembled in multiple workshops across Ukraine.

The most common are FPV kamikaze or strike drones, inexpensive quadcopters carrying explosive payloads such as modified rocket-propelled grenade warheads or purpose-built munitions, flown directly into targets as disposable precision-guided missiles. Their extremely low cost has radically reshaped battlefield economics which enable systems worth only a few hundred dollars to destroy armoured vehicles and equipment valued in the millions.

These systems operate within a broader Ukrainian deep-strike drone architecture that includes loitering munitions such as RAM II and UJ-31 Zozulya. The latter functions as an aerially deployed "parasite drone," carried by the Ukrainian-designed multi-purpose UJ-22 Airborne long-range UAV's, enabling penetration of contested airspace under intensive electronic warfare conditions and extending operational reach. RAM II, by contrast, is a short-range precision loitering munition employed in coordination with reconnaissance drones like the locally developed Shark and PD-2, with improved variants offering greater range and endurance to expand their engagement envelope against air defence systems and rear-area targets.

Also included within Ukraine's expanding drone inventory are bomber drones — largely adapted from commercial DJI Mavic 3 and DJI Matrice 300 RTK quadcopter platforms originally designed for aerial photography, surveying and industrial applications — which carry and release grenades, anti-tank mines and improvised munitions. Unlike kamikaze systems, they survive missions and can conduct multiple sorties, making them particularly effective against trenches, bunkers and other static positions.

Alongside these, Ukraine fields FPV-based strike systems like Pegasus and long-range, one-way attack drones designed to strike deep inside Russian territory against logistics hubs, airbases and critical infrastructure, far beyond the frontline. In practice, however, the distinction between FPV strike drones and loitering munitions has become increasingly blurred, with many FPV-based thermal and night-vision-equipped variants for round-the-clock operations.

But, Ukraine's most significant innovation has been the emergence of fibre-optic FPV drones, an electronic warfare (EW)-resistant class of systems. Unlike conventional drones, which rely on radio-frequency links vulnerable to jamming, these platforms transmit commands and video through ultra-thin fibre-optic cables that spool out during flight, rendering electronic interference largely ineffective. In heavily contested electromagnetic environments, this capability restores a significant operational advantage to drone operators by enabling missions to be conducted

largely free from electronic disruption.

Regional drone networks

Meanwhile, unlike Ukraine, Hezbollah's offensive UAS capability is primarily built around Iranian-supplied platforms with limited local modification, relying heavily on systems like Ababil, Mohajer, and Shahed series. These platforms provide a layered operational architecture spanning ISR and strike functions. Within this framework, the Mohajer-4 and Shahed-129 provide tiered-ISR coverage across medium- to long-ranges, while the Shahed-136 loitering munition fulfils a 'dedicated' one-way strike role across a wider regional theatre.

More recently, Hezbollah has also adopted jamming-resistant fibre-optic FPV drones, enabling operations in heavily contested electromagnetic environments and enhancing close-range reconnaissance and precision strike effectiveness despite extensive Israeli EW measures.

In response, the Israel Defence Forces (IDF) in Lebanon have developed a layered counter-drone architecture, integrating EW systems, specialised radar arrays, and experimental platforms like the AI-enabled Iron Dome Raider, designed to neutralise low-altitude UAVs through kinetic, non-explosive interception methods such as net capture — by which a physical net is deployed to entangle and disable an incoming drone mid-air — or direct collision, rather than costly missile engagements. Alongside this, the IDF operates a multi-tiered UAV force structure combining long-endurance Heron systems for persistent ISR with armed drones and loitering munitions integrated into reconnaissance-strike complexes for rapid engagement.

Iran, for its part, constitutes a third and structurally distinct model of drone warfare.

Rather than employing drones solely as tactical assets, the Islamic Revolutionary Guard Corps (IRGC) integrates them into a broader strategy of deterrence, coercion, and power projection against the U.S.-Israel combine and their regional partners across West Asia.

Through indigenous systems such as Shahed drone variants, alongside platforms supplied to proxy forces across Iraq, Syria, Lebanon, and Yemen, the IRGC has demonstrated an ability to threaten military bases, critical infrastructure, and naval assets across West Asia at relatively low cost.

Economy shift

Thus, across ongoing wars and conflicts, the drone revolution is defined as much by economics as technology. Cheap, mass-produced unmanned systems are swiftly and irreversibly replacing reliance on expensive platforms, complex logistics, and specialised military structures, shifting the advantage toward the scale, speed, and production capacity of UAS ecosystems.

Warfare, therefore, is increasingly becoming a test of industrial endurance and relentless technological adaptation, where success depends on the ability to build, deploy, and counter fast-evolving, continuously reconfigured drone systems. And, in this rapidly evolving battlespace, drones are no longer just weapons, but the very infrastructure of modern-day war — shaping how conflicts are surveilled, fought, sustained, and ultimately decided.

(Rahul Bedi is a journalist based in New Delhi and Chandigarh specialising in military, defence and security matters)

THE GIST

Ukraine has pioneered industrial-scale drone warfare, integrating FPV drones, loitering munitions, bomber drones and fibre-optic systems across reconnaissance, targeting and deep-strike missions.

Low-cost FPV strike drones have transformed battlefield economics, enabling systems worth a few hundred dollars to destroy armoured vehicles and equipment valued in the millions.

The widespread adoption of drones has challenged traditional assumptions about military power, creating a continuous battlespace where detection is increasingly followed by rapid engagement and destruction.

'The U.S. govt. policy is to systematically cut off any source of income to Cuba'

Mitchell Valdes-Sosa, one of the architects of Cuba's biotechnology strategy, says U.S. sanctions are straining the country's healthcare and biotech sectors; however, Cuba is prioritising key research and expanding international collaboration to keep its biotech industry functioning, he adds

INTERVIEW

Mitchell Valdes-Sosa

Vasudevan Mukunth
Srinivasan Ramani

The Cuban healthcare and biotechnology sectors – crown jewels of the country's revolution – today find themselves at breaking point thanks to the U.S. campaign of economic strangulation. Washington DC has also intensified pressure on the Global South to dismantle Cuban medical missions. For the first time in decades, the island's renowned health indicators are wavering and its factories are often paralysed by power cuts and resource shortages.

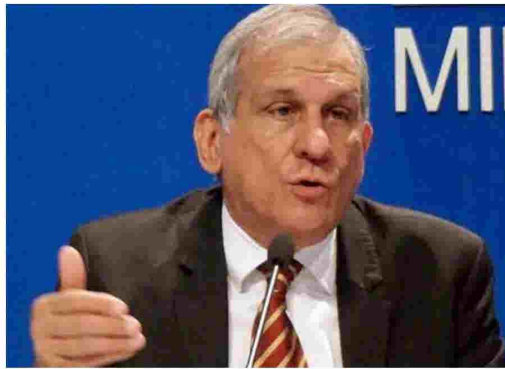
Navigating this intersection of high-level science and survival is Mitchell Valdes-Sosa, General Director of the Cuban Center for Neuroscience and a member emeritus of the Cuban Academy of Sciences. Dr. Valdes-Sosa is one of the architects of Cuba's biotechnological strategy and an advisor to the Minister of Science. He recently answered questions from *The Hindu* about how his country and compatriots are negotiating the crisis. Excerpts:

Washington DC has intensified its campaign to discredit Cuba's medical internationalism, applying pressure on other countries to cancel cooperation agreements. How is the Cuban administration responding?

The U.S. is trying to scare countries into not collaborating with Cuba. Cuba has had doctors in over 62 countries, always serving areas that have little access to medical services. The people of many countries really appreciate this help. But the U.S. has said that if any health official in any country hires Cuban doctors, the U.S. will sanction them. Several countries have buckled under this. The U.S. says there's forced labour, which is false. Doctors who go abroad from Cuba have higher salaries than doctors in Cuba. The vast majority agree to this kind of work because it is a source of income for buying supplies for Cuban hospitals. So the real reason the U.S., which has benefited from sweatshops, cheap labour and exploitation around the world, wants to disrupt this international collaboration is that it is a source of income to Cuba and the U.S. government policy is to systematically cut off any source of income to starve the country into submission.

The second reason is that this international collaboration has won many admirers around the world, including Cuba's friends. And it's a form of noble diplomacy, not the military-threat-based diplomacy of the U.S. Countries in the Global South must resist U.S. pressures because this is an intervention into Cuba's, into many countries' internal affairs.

They really would like to see Cuba's pharmaceutical and biotechnology industries affected. It would contribute to a deterioration of social conditions and create suffering in the Cuban population. Second, they do not conceive of a biotechnological industry that is not for profit as the main goal. We're resisting. We're in first place, making the green transition in the biotech and pharmaceutical industries. We're optimising production strategies. And we're increasing collaboration with other countries, especially the BRICS



Mitchell Valdes-Sosa. X/@JOHANATABLADA

countries. Through international collaboration and making optimal use of the resources we do have, we're struggling to keep the biotechnological industry of Cuba functioning and at the service of its people.

The new General Law defines science as a "public good at the service of socialism" but also highlights the need for institutional "innovation management". How will this law balance state-directed priorities like food sovereignty with the intellectual autonomy required for biotech breakthroughs?

Cuba is opening parts of its economy to the private sector and in the field of biotechnology and of neurotechnology and other services, it's developing a [new] arrangement. For example, the care of old people has been decentralised, and they're now cooperatives or private companies that are providing services for elderly people, which Cuba has a problem with. It's a problem created by the success of its health system and social policies. Cubans are living much longer than before, and our demographic pyramid is inverted now because less children are being born. But the basic and most important factors of the biotech and pharmaceutical industry are state-owned. They will increasingly collaborate with the private sector, with external investors. The Cuban strategy is to [produce] medicines and pharmaceutical and biotechnological products where the important thing is not to make a lot of money. In the U.S., medicines are so expensive, and the reason is that the whole philosophy is not saving lives. The philosophy is making as much money as possible.

Intellectual autonomy, which is very important in science and biotech innovation, was fostered by Fidel Castro's decision when he started promoting and directly intervening in the creation of new scientific centres with their factories. The basic idea was to give these centres maximum autonomy. And the biotech sector in Cuba, which is grouped in the organisation called BioCuba Pharma, is the most successful example of a decentralised organisation of companies, with autonomy to make strategic and tactical plans, and the ability to import and export directly with no intermediate entities. BioCuba Pharma has over 36 units and more than 20 joint

ventures or joint laboratories across the world. They were created with the idea of what we call in Cuba "full cycle". In other words, the same centre does basic research, applied research, and translational work. It has development and production facilities and its own commercial company.

Following discussions at BioHabana 2026 in May, how is the industry prioritising which molecules to move into clinical trials, given the scarcity of imported reagents and active pharmaceutical ingredients?

Anything that is a source of income for Cuba, the U.S. has targeted and tried to cut off. We have accepted this challenge because we need all these new treatments for the benefit of our population and for the benefit of the world population. One of the things we're doing is concentrating resources, trying to prioritise projects that have the highest probability of success. Second, we're intensifying all efforts for international collaboration. We've established with many countries joint research calls where the project is funded by each country in its own territory, but the projects are prepared together. They're put together by scientists from the two countries that are in this arrangement. And then the results are shared. Cuba is now also creating joint research centres in other countries. This is a way of, despite the difficulties, having all the science that Cuba has developed, have all the science progress and reach final clinical stages so they can help people.

The 2026 National Science System pivot emphasises 'One Health', bridging human medicine with agricultural biotechnology. Given the severe food shortages today, are we seeing a temporary diversion of biotech talent and resources away from human oncology and towards bio-fertilizers and transgenic seeds?

It's true that the Cuban national science system emphasises One Health. But this is not a diversion of biotech talents and resources away from, say, human oncology or other diseases. From the very moment the Center for Genetic Engineering and Biotechnology was created, Fidel Castro asked it to have two divisions. One is

health and the other is biotechnology for agriculture and for animal health and food production. So there's really no competition because for over 30 years, these have been two pillars of the work of the Center for Genetic Engineering. Fidel created in 1965 the National Research Center, which was a nursery where other centres were incubated. So all of the big centres now branched off from the National Research Centre. [Today] this is an ecosystem with a university and several research centres.

This has become increasingly important for Cuba because Cuba has to have food security. And [the centres have developed] transgenic variants of corn and soybeans, [are] working very closely with the agricultural sector of Cuba. So I say there's no competition. It's been cooperation. It's complementary. And the One Health approach is important because as we saw with COVID-19 and with other diseases, the barrier between humans and other animals is very tenuous. But I repeat: this [has been] the whole strategy since Cuban biotechnology began.

Survival rates for childhood cancers in Cuba have reportedly dropped from 80% to 65% due to supply shortages. As a scientist, how do you navigate the ethical challenge of having the intellectual know-how to produce world-class treatments within the current energy and supply blockade?

Cuban infant mortality for over a decade was below 5 per 1,000 children, which is very good, even better than the U.S. However, all health indicators are suffering from the intense blockade because there are power cuts due to no electricity. The United States has blocked entry of oil to Cuba. This is severe. Childhood cancer survival has dropped from 80% to 65%. The infant mortality rate of 5.5 per 1,000 is now near 10. The U.S. is a bully. The moment anybody does business with Cuba, they try to scare them off. We have examples of very expensive equipment we bought from European countries, and then after a number of years, [companies from Europe] said, we can't sell you spare parts because we're afraid of U.S. sanctions. It's illegal because the European Union does not recognise the U.S. sanctions. They can't be extraterritorial. U.S. law cannot apply in Europe. But the individual companies are scared. So this is, as I said before, an attempt to starve Cuba almost to death. They're trying to force us to submit to their policies and whatever they want. This is not going to happen.

I think the international scientific community can help with several things. First, they should express their anger against the U.S.'s inhumane policies against Cuba. All the scientists I speak with – American, European, Asian, African, South American – believe this is a horrible thing that the U.S. is doing to Cuba. The second thing is we need international collaboration. Things that we may not be able to finish in Cuba because of the lack of supplies and the power cuts but that are very advanced could be taken to the end by international collaboration. So the second thing we would ask of the international community is to promote agreements, like for example, joint calls for research, exchange of information, and to create joint research labs.

(Read the full interview here: newsth.live/mitchelvaldesosa)



FROM THE ARCHIVES

Know your English

S. Upendran

What is the meaning and origin of the expression "to pass the buck"? (L. Subasini, Cuttack)

When you "pass the buck", you shift the responsibility for something to someone else. Our not-so-beloved politicians do this every day – especially when something goes wrong! Passing the buck implies putting the blame for something that has gone wrong on someone else. Instead of taking the blame yourself, you find a scapegoat and pin the blame on him.

For a change our Director didn't pass the buck. He admitted that what he had done was wrong.

The word "buckpasser" is used to refer to a person who is unwilling to take responsibility for something. The word is used in informal contexts; it is considered to be slang.

Jai is the most irresponsible buckpasser I have had the misfortune to meet.

Like the expression "up to the ante", "pass the buck" is believed to have its origins at the card table. Some scholars are of the opinion that the word "buck" is the short form of either "buckshot" (a bullet) or "buckhorn knife". The knife was so called because its handle was made out of a buck's (a male deer) horn. When poker was played, one of these items was placed in front of the player who was acting as the "bank". This person was usually the dealer. The buck knife or the buckshot informed everyone which player was responsible for looking after the bank. When the dealer changed, he would hand over this responsibility to someone else. He would do this by handing over the buck to someone else. He literally passed the "buck"!

It is also believed that later, a silver dollar coin was placed in front of the banker instead of a knife or a bullet. The coin became the "buck" and it is for this reason Americans refer to a dollar as a "buck". It's very common to hear Americans say, "Give me a couple of bucks, will you?" "I gave him a few bucks", etc.

What is the meaning of "deja vu"? (T. Sreemath, Nellore)

Sometimes when we visit a place for the first time, we have a funny feeling that we have been to the place before. There is a strange sense of familiarity about the place and we can't really explain why we have this feeling. This is what the expression *deja vu* means. It is the feeling that you have that you have already experienced in the past the sequence of events that are happening to you now. You have the feeling of reliving the past.

What is the difference between complimentary and complementary? (E. Raju, Chennai)

Though the two words are pronounced the same way, there is a difference in meaning. The word "complimentary", as you can probably guess, comes from the word "compliment". When someone is complimentary, he usually expresses his admiration or respect for something that you have done or achieved.

When something is "complimentary", it is given to you without charge.

The word "complementary", on the other hand, comes from "complement". When you complement someone, you combine well with him/her to form a whole. You may have qualities that the other person lacks, and the other person may have qualities that you lack. Together, the two of you complete each other.

Published in *The Hindu* on December, 19, 2000

Word of the day

Slapdash: in a careless or reckless manner

Synonyms: random, scattered, erratic

Usage: His homework was done in a slapdash manner and was full of mistakes.

Pronunciation: newsth.live/slapdash

International Phonetic Alphabet: /slæpdæʃ/

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

THE DAILY QUIZ

Here is a quiz on major tech-related news that transpired last week

Mohammed Hidayat

QUESTION 1
Which U.S. AI company has temporarily disabled access to some top-tier models after a government order restricting foreign access?

QUESTION 2
Which country announced plans for a social media ban for under-16s last week?

QUESTION 3
What initiative did Narendra Modi and Emmanuel Macron launch in Nice, France?

QUESTION 4
Which milestone did Elon Musk achieve following SpaceX's IPO on June 12?

QUESTION 5
Recently, Apple unveiled a rebuilt Siri. Which external AI ecosystem is powering significant parts of the new experience?

QUESTION 6
Which Indian fintech firm confidentially filed papers for a \$600 million IPO?

QUESTION 7
This embattled Indian edtech founder got some relief from a Singapore court regarding a contempt sentence. Name the person and the company associated?



Visual Question:
At Nintendo's June Direct, the long-rumoured remake of which beloved N64-era video game was officially announced? **Ans: Super Mario 64**

Questions and Answers to the previous day's daily quiz:

- Who is widely believed to be the woman depicted in the Mona Lisa? **Ans: Lisa Gherardini del Giocondo, the wife of Florentine merchant Francesco del Giocondo**
 - Around what year is Leonardo da Vinci believed to have begun painting the Mona Lisa? **Ans: Around 1503**
 - What is the approximate size of the Mona Lisa? **Ans: About 77 cm x 53 cm (30 in x 21 in)**
 - Which artistic technique, heavily employed in the Mona Lisa, creates the painting's characteristic soft transitions between light and shadow? **Ans: Sfumato**
 - Which French king acquired the Mona Lisa for the royal collection? **Ans: King Francis I of France**
 - What major event in 1811 dramatically increased the painting's worldwide fame? **Ans: Its theft from the Louvre by Vincenzo Peruggia**
- Visual:** Which Italian Renaissance master executed this sketch of a young woman before a landscape, believed to have been directly influenced by Leonardo's Mona Lisa? **Ans: Raphael**
- Early Birds:** Prem Nath Tiwari | K.N. Viswanathan | Piyali Tuli | Tamal Biswas | Arun Kumar Singh

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

After the Deluge, Get Ready for a Reset

Swivel from fossil fuels, to new markets

Now that Iran has confirmed the likelihood of a deal with the US to stop the conflict, we can seriously look at a post-war scenario. The oil market will take a while to reach its pre-war equilibrium after the Strait of Hormuz reopens once the deal is signed in Geneva on Friday. The new equilibrium will be based on fundamental shifts in oil consumption and production. Oil-importing economies will seek energy resilience in renewables. Oil trade will fragment, with countries moving into preferred regional corridors. There will be irreversible changes to risk premiums in the oil shipping business, and higher transport costs will speed up energy transition. Fragmentation will distance oil trade from the petrodollar system, which affects the US' ability to run large fiscal and trade deficits.

There will be knock-on effects of a permanent reset on manufacturing and agriculture. Factory output must secure resilience to energy disruption, and these weights in favour of protected markets. De-globalisation of farm input supply chains could fragment the food market. Services like transportation will take time to recover from demand destruction. Behavioural changes brought on by successive oil shocks can change work and leisure preferences. These adjustments will play out over the long term. Some of their effects could be masked by the global economy refilling its strategic oil reserves in the immediate future.

The world is expected to hit peak oil demand between 2030 and 2050. The US-Israel war on Iran will have trimmed these estimates. Natural gas will be the transition fuel until adequate investment is made in electricity from RE. Synthetic hydrocarbons should gain prominence in long-haul transport. Oil will switch from powering autos and machinery to producing plastics. Producers risk stranding new wells and high-cost refineries due to demand shifts. Some degree of disinvestment is inescapable. Global power dynamics should swivel away from fossil fuels to rare earths, even if West Asia builds bigger strategic cushions once Hormuz reopens.

A Diminished United States of America

After some 4 mths of war — and weeks of on-again, off-again negotiations — an MoU that will end the war in the Persian Gulf is expected to be signed on Friday. It is far from a simple deal. Never mind the regime change that Donald Trump had cited as one of the main aims of joining Israel to attack Iran, the latter has succeeded in consolidating its position, despite its unpopularity at home and personal loss in the conflict.

Contrary to the Trump regime's assessments, the Islamic republic has not just survived but is strong enough to put conditions to the reported deal. The first phase ends the blockades with immediate effect, and reopens the Strait of Hormuz — that Iran maintains will not return to pre-war 'toll-free' status. The deal basically extends the ceasefire for 60 days, to reach agreements on more contentious issues including the future of Iran's nuclear programme. Meanwhile, sanctions on Tehran are expected to be lifted so that it can sell its oil, and there is talk of unfreezing Tehran's assets. If Trump had ventured into this war to showcase US dominance, it seems to have succeeded in doing just the opposite. It has showcased the limits of US state power and unilateralism. So far, Venezuela is the only successful international venture that Trump can boast of, putting the US on the pathway to becoming a 'regional' power. In this Washington-created mess, the unintended consequence is MCGA: Making China Great Again.

Benjamin Netanyahu was not directly involved, but may have inadvertently helped seal the deal. Israeli strikes on Beirut's suburbs early Sunday threatened to derail negotiations as Iran prepared to retaliate. Things were on the brink of falling apart. Once again, Trump was the livid — with Israel. He told Axios, Netanyahu has no fucking judgement.

The Iranians stepped into the breach and extracted more concessions as

STATE OF PLAY? Limits of US unilateralism are evident in consequences of its deal with Iran Straitjacket of Washington



Pranab Dhal Samanta

What is common between the draft Iran-US peace deal, killing of Indian sailors, the G7 Summit in France, and the export ban on Anthropic's latest upgrade? The testing limits of US unilateralism, its assertion and blowback, all indicating that trying to enlist compliance without collaboration is only going to rupture, not strengthen, US power.

First, the Iran-US deal. What started as a US-Israel military campaign to effect a regime change and rollback of Iran's alleged nuclear weapons programme, has veered around to a political deal to open the Strait of Hormuz. And, in doing so, the US has had to concede on regime survival, return to diplomacy on Iran's N-Weapons programme, and give Tehrana chance to rebuild its economy. But, most importantly, the US was forced to prioritise global economic concerns that were also adversely impacting the US over plain military conquest, while Iran unabashedly leveraged its control over Hormuz. Yes, Tehran has lost significant political equity with the UAE and other GCC countries. But it se-

ems to have successfully played its most valuable trump card against Trump to survive another day.

Was this all worth it? This is the question India has been asking the US over the past few days as US attacks killed three Indian sailors. US wanted to enforce a blockade on ships crossing Hormuz with Iranian crude, knowing well that it may have toll-free sanctuaries as part of the deal. Yet, it went hard against quiet ship-to-ship transfer of Iranian crude and intercepted boats.

Things were still acceptable when the US intercepted two tankers, MT Tifan and Skywave Legacy, carrying Iranian crude, in the Indian Ocean. They boarded the ships, made certain that the Indian crew already had no link with any illegal activity, and arranged for their safe transfer to India. But within days, US decided to change tack and land projectiles on Oman waters even as the deal was nearing closure. Whatever the illegality cited then, it clearly did not give US a free pass to fire at ships with innocents aboard.

The broader issue is with the assumption that strategic partners will understand the logic that any apparent non-compliance with US standing instruction from the ships will result in direct attacks. India



It was on the cards

has officially protested, and escalated, the issue to the political ladder. This is bound to cast a shadow at the high-level bilateral interactions — regardless of the Iran-US deal — on the margins of the 3-day G7 at Evian-le-Stain in Normandy. US officials are unlikely to raise difficult trust questions — especially when there's a workable Indo-Pacific collaborative model to emulate.

G7 has a similar, but much broader and deeper, problem with US unilateralism. Though the US will go to the summit showcasing its put oil-gas prices back to normalcy, uncertainty of the past 100 days won't be forgotten. Here, too, the question will be asked: was it worth it?

Once the US expresses Western solidarity, G7's today divided picture with countries trying to forge separate groups to progress plans — without the US, where necessary. That trend is unlikely to change. Divisions over the US-Israel war on Iran, collateral benefit to Russia and the unending stalemate in Ukraine, which complicates China's ability to outreach, US strikes at the fundamentals of what guides such a grouping.

Most in G7 want full certitude around global economic activity trade and energy prices, as well as secure critical supply chains. On each of these, there's a US way that's divergent and

in some cases, in complete conflict with G7's collaborative approaches. But now, most countries have started to assert. The most notable being the call to not participate in the war against Iran. This is not that it shielded anyone from dealing with the fallout. But neither has the outcome been an outright Trump triumph. Eventually, all wanted a way out.

That the US has hit the limits of Trumpian unilateralism is also visible from the deal it has managed to strike. Each deal with Xi has been a bargain for Trump, a message that has been politically the starker in the tech world, where the US system had an edge, and was gearing up to take on China.

This is what provides important political context to the US decision on banning export of Anthropic's latest AI models. The Trump regime has surprised its party's erstwhile allies when it eased Biden-era restrictions on and intercepted boats. The effort didn't yield much political capital for Washington, as Beijing was seen as a deal for easing supply of rare earth magnets to the US.

So, yes, the urge for extending and expanding sovereign power on new digital tech is now a political imperative for the US. Because, from China, it has learnt the political value of state control over tech supply chains. The merit of the Anthropic case is different from its political messaging, which has prompted a debate on building sovereign AI across emerging countries.

But just as AI building alternatives to energy resources and supply chains, the tech world also requires collaboration. So, will the US return to its collaborative ecosystem in security, economy and tech cooperation now that it has an Iran exit deal? Trump's political instinct may be different. But realities have brought home a harder truth than expected.

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Teheran seems to have successfully played its most valuable trump card - leverage over Trump - against Hormuz - against another day



Seema Sirohi

Many false starts and missed calls later — 39 to be precise — it seems Donald Trump was 40th time lucky. It happened to be his 80th birthday on Sunday when the ultimate get it over deal with Iran to end the war.

Iran's deputy foreign minister Kazem Gharahabadi confirmed the news, but only on Monday local time. Tehran didn't want to play the birthday game. The two sides will sign a 14-point MoU on Friday, followed by a 60-day ceasefire during which they will negotiate a range of tough issues, including Iran's nuclear programme.

Benjamin Netanyahu was not directly involved, but may have inadvertently helped seal the deal. Israeli strikes on Beirut's suburbs early Sunday threatened to derail negotiations as Iran prepared to retaliate. Things were on the brink of falling apart. Once again, Trump was the livid — with Israel. He told Axios, Netanyahu has no fucking judgement.

The Iranians stepped into the breach and extracted more concessions as

likely join, or lead, the clean-up effort if only to make up with Trump after refusing to join his war.

Signing of the MoU will start with a check on negotiations for a final agreement that will include discussions on Iran's nuclear and ballistic missile programmes, and the fate of its proxies in the region. Although Iranian leaks claim the last two topics are off the agenda.

For now, both sides are busy doing victory laps. Trump crowed how he went into the final round when all other presidents failed even though nothing of substance has yet been negotiated. Gharahabadi boasted, 'The enemy has been defeated on all counts. All our key positions made it into the final text.' He has promised to make the text public once it is signed.

It seems a lot of winks and nods also went into the final product. If you thought the Strait situation would go back to status quo ante, think again. It

is a move targeted and strategic approach to industrial policy is needed. Manufacturing competitiveness depends on far more than a single incentive programme. Access to affordable finance, taxation, infrastructure, logistics, tech adoption and market access all shape outcomes and form part of an integrated policy framework.

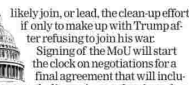
For 'Make in India', this means competing against firms whose cost structures have been systematically shaped by public policy. GoI support to manufacturing remains modest, leaving domestic firms at a disadvantage when competing against Chinese ones.

The broader lesson is that competitiveness increasingly depends on access to finance, incentives and supportive industrial ecosystems as much as factory-floor efficiency. India's PLI scheme is an important step in recognising this reality. But it remains largely focused on output-linked incentives, and isn't fully able to offer higher cost of capital faced by manufacturers.

Over two decades, such support has helped build powerful industrial ecosystems in sectors including steel, chemicals, batteries, shipbuilding and solar energy. Nearly 66% of Chinese firms' gains in global market share between 2005 and 2023 can be attributed to subsidies, compared with a

global average of around 22%. Take solar: Chinese firms have expanded from roughly 1/5th of global solar module share in 2005 to more than 90% today. This suggests that a substantial share of China's industrial expansion was driven not only by productivity or tech advantages but also by policy-enabled cost benefits.

The distinction is important. Productivity-driven competition encourages innovation and efficiency. Subsidy-driven competition can contribute to excess capacity and aggressive price undercutting.



Contender in the US Gulf Open

most important contributions is highlighting the gap between what governments report and what firms receive. Strengthening disclosure standards should become an important objective in future WTO reform discussions.

India must also be selective about where it competes. In sectors characterised by chronic global overcapacity, attempting to match subsidised production may prove difficult and expensive. Greater emphasis on specialised products, downstream manufacturing, domestic demand creation and higher-value segments may offer more sustainable opportunities.

OECD data doesn't suggest that Indian manufacturing is inherently uncompetitive. Nor does it imply that success requires copying China's state-capitalist model. What it shows is that global manufacturing is increasingly shaped not only by comparative advantage but also by comparative subsidy regimes. The question is no longer whether governments should support manufacturing, but how they can do so effectively and sustainably.

For India to achieve its full potential, firms must continue becoming efficient through innovation and scale. But policymakers must also recognise that global competition is not taking place on a level playing field. Understanding the extent of the subsidy gap is the first step towards designing a response that strengthens India's long-term manufacturing ambitions.

The solution is not for India to replicate China's model. India's fiscal constraints, institutional framework and development priorities are different. Instead, a more targeted and strategic approach to industrial policy is needed.

Manufacturing competitiveness depends on far more than a single incentive programme. Access to affordable finance, taxation, infrastructure, logistics, tech adoption and market access all shape outcomes and form part of an integrated policy framework.

For 'Make in India', this means competing against firms whose cost structures have been systematically shaped by public policy. GoI support to manufacturing remains modest, leaving domestic firms at a disadvantage when competing against Chinese ones.

The broader lesson is that competitiveness increasingly depends on access to finance, incentives and supportive industrial ecosystems as much as factory-floor efficiency. India's PLI scheme is an important step in recognising this reality. But it remains largely focused on output-linked incentives, and isn't fully able to offer higher cost of capital faced by manufacturers.

Over two decades, such support has helped build powerful industrial ecosystems in sectors including steel, chemicals, batteries, shipbuilding and solar energy. Nearly 66% of Chinese firms' gains in global market share between 2005 and 2023 can be attributed to subsidies, compared with a

likely join, or lead, the clean-up effort if only to make up with Trump after refusing to join his war.

Signing of the MoU will start with a check on negotiations for a final agreement that will include discussions on Iran's nuclear and ballistic missile programmes, and the fate of its proxies in the region. Although Iranian leaks claim the last two topics are off the agenda.

For now, both sides are busy doing victory laps. Trump crowed how he went into the final round when all other presidents failed even though nothing of substance has yet been negotiated. Gharahabadi boasted, 'The enemy has been defeated on all counts. All our key positions made it into the final text.' He has promised to make the text public once it is signed.

It seems a lot of winks and nods also went into the final product. If you thought the Strait situation would go back to status quo ante, think again. It

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global average of around 22%. Take solar: Chinese firms have expanded from roughly 1/5th of global solar module share in 2005 to more than 90% today. This suggests that a substantial share of China's industrial expansion was driven not only by productivity or tech advantages but also by policy-enabled cost benefits.

The distinction is important. Productivity-driven competition encourages innovation and efficiency. Subsidy-driven competition can contribute to excess capacity and aggressive price undercutting.



THE SPEAKING TREE

Become Arjun

ASHOK K PANDEY

We live in an age defined by extraordinary competence. From classroom to boardrooms, from social media to professional life, one silent message accompanies us: be better, faster and more accomplished. We become successful, yet a question persists: to what end?

In the closing verse of Gita lies an insight that feels surprisingly relevant: 'Where there is Krishna, lord of wisdom, and Arjun, a skilled archer, there is prosperity, victory, flourishing and righteousness.' (Gita, 18:76) Gita has reminded us that wars are fought with the human mind. Arjun represents competence, discipline, effort and mastery. We admire Arjun in entrepreneurs, professionals, creators and ambitious young minds striving to excel.

Gita reminds us that beside Arjun stands Krishna, representing discernment, awareness and intelligence that help us understand how to act and why action matters. Krishna is the inner compass that asks difficult questions: what serves, what is good? What kind of success leaves the mind peaceful and heart undisturbed?

Perhaps this explains hidden fatigue of modern life. We have become highly skilled at aiming an arrow but are uncertain about the direction in which it must travel. Gita honours excellence. Arjun's skill matters deeply. But skill acquires grace only when guided by wisdom. This may be why the verse promises shanti, abundance, bhakti, well-being, and the rightness of things. Success, in this understanding, is alignment.

PARANORMAL ACTIVITY

Paragraphs From Fiction

The Good Soldier Svejk

Jaroslav Hasek

'And so they've killed our Ferdinand,' said the charwoman to Mr Svejk, who had left military service years before, after having been finally certified by an army medical board as an ambulance driver. She was now livid by selling dogs — mongrel monstruosities whose pedigrees he forged — and now livid by selling dogs — mongrel monstruosities whose pedigrees he forged.

Apart from this occupation, he suffered from rheumatism and was at this very moment ruminating on his case with Ellis-Mann's embrocation.

'Which Ferdinand, Mr Müller?' he asked, going on with the massaging. 'I know two Ferdinands. One is a messenger at Prusa's, the chemist's, and one's by mistake he drank a bottle of hair oil there. And the other is Ferdinand Kokoska who collects dog manure. Neither of them is any loss.'

'Oh no, sir, it's His Imperial Highness, the Archduke Ferdinand, who is well prepared, having negotiated an earlier agreement with the Americans. The other side is under the command of someone who tends to get impatient, even bored.'

'They bumped him off at Sarajevo, sir, with a revolver, you know. He drove there in a car with his Archduchess.'

'Well, there you have it, Mrs Müller, in a car. Yes, of course, a gentleman like him can afford it, but he never imagines that to drive like that might finish up badly.'

Translated from Czech by Cecil Parratt

Chat Room

Sovereign AI A No-Brainer

Apropos the Edit, 'Thanks, Trump-ji for The Push We Needed' (Jun 15), the US restriction on Anthropic's latest AI models shows that advanced AI is now viewed as a strategic national asset. Access and control of such technologies are becoming as important as their development.

For India, this highlights the need for AI sovereignty through dedicated annual funding, stronger public-private partnerships and indigenous AI model development. Investment in domestic computing infrastructure, chips, datasets and talent must be accelerated. Reducing dependence on foreign AI platforms will be vital for long-term technological self-reliance and national competitiveness.

P V Prakash
Mumbai



JUST IN JEST

Beware of Pointless Employee Gifts

Once upon a time, landing a new job was genuinely exciting. Along with that nano-hike, you could expect a welcome kit containing things one could actually use: a notebook, a mug, maybe even a company hoodie. Then came the age of corporate austerity. HR departments — undefeatable champions of draining the joy out of everything from Day 1 — decided that new hires should be taught a thing or two about the latest fad: sustainability. Case in point: a Bengaluru-based tech company recently welcomed an employee with a garbage bag placed on her desk — a textbook case of bargain-bin virtue signalling.

Corporate India, please junk these sustainable (sic) welcome kits, uninspired retirement hampers, and limp 'Employee of the Month' certificates. The HR army mustn't forget that employees are the ones who undertake the annual pilgrimage through a mountain of HR forms that appear on April 1 and are never seen, acknowledged or read again. So, a little thought behind these gifts is in order. Why not bring back the classics: ceramic mugs that hold actual coffee, heavy metal pens that survive stressful meetings, awkward office parties with limp pizza and flat tequila, and mandatory offsites — even if they're in Manesar or Mahabaleshwar — where we collectively complain about everything. And if you genuinely want employees to feel valued, cash is king. Just saying.

For 'Make in India', this means competing against firms whose cost structures have been systematically shaped by public policy. GoI support to manufacturing remains modest, leaving domestic firms at a disadvantage when competing against Chinese ones.

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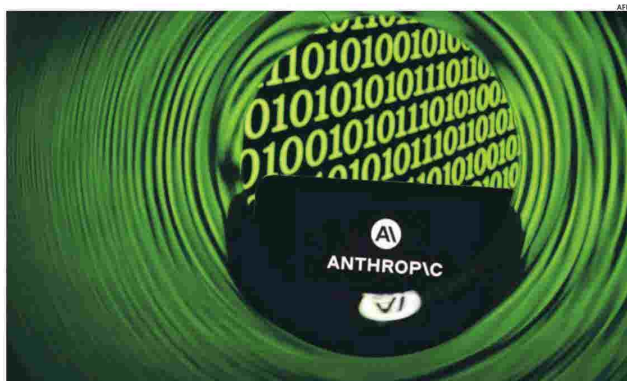
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OUR VIEW

GUEST VIEW



Control of intelligence: rumbles at the frontier

As the US begins to regulate access to advanced AI models such as Anthropic's, India should focus on fresh opportunities thrown up by this policy shift and double down on sovereign AI

Four years ago, US semiconductor export controls sought to deny rivals such as China the means to build advanced artificial intelligence (AI) systems. Last week's curbs placed by America on access to Anthropic's frontier models GPT-5 and Myths 5 by foreign nationals, including researchers at American labs, suggests that AI models themselves are now being treated as strategic assets. If the first phase of US policy intervention in the AI race was about control of the chips that power advances, the next stage is about controlling who gets to use that intelligence. The contest, in other words, is moving up the stack—from chips to infrastructure and now to AI itself. This development introduces a paradox at the heart of the emerging AI order. US leadership of this field was built not just on capital and computing power, but also on global talent. Its labs have researchers and engineers from around the world. Barring them from using the very systems they help develop risks a broad aptitude loss that may weaken the innovation ecosystem that underpins US technological dominance.

The move is also unsettling because it appears to restrict access to advanced technology without a clear articulation of the standards that trigger such directives, how they are applied and how they may be challenged. Further, if comparable systems from OpenAI, Meta and Google remain unaffected, US policymakers would be asked to explain why. Without such clarity, legitimate AI safety precautions would be hard to disentangle from industrial policy and geopolitics. That said, a precedent has been set. Other countries can no longer assume that access to frontier intelligence will remain frictionless or politically neutral. This strengthens

the case for sovereign AI ecosystems that encompass compute infrastructure, local datasets and foundational models. The implications extend to Indian industry. Ordinary enterprise tasks can be done by openly available models, but startups reliant on high-end foreign models could face various disruptions, pushing them to diversify usage or develop local alternatives. For India's IT service firms, however, a more fragmented AI landscape could create new opportunities to move up the value chain through model-agnostic solutions, sovereign deployments and proprietary AI offerings.

Given the prohibitive costs of pursuing frontier AI, or starting out with India's own GPT on which large language models are built, the country could set itself the pragmatic goal of strategic autonomy. We must aim to ensure that AI deployed in critical sectors such as healthcare, education, governance and defence is not vulnerable to decisions taken abroad. This goal can be pursued within a regulatory framework for powerful AI systems; if these can reshape economies, accelerate scientific discovery and eventually surpass human intelligence, as many AI leaders claim, then this industry can hardly reject the need for greater state oversight. We must also recognize that access barriers do not disturb the underlying blueprint of AI. The transformer architecture behind top models is widely accessible. For AI success, we need computing power, local data, talent and the institutional capacity to convert all this into useful systems such as local language multimodal models. The contest has gone beyond who invents advanced AI. It's about who controls the set-up that enables progress, the intelligence that emerges from it and the terms on which others gain access to both.

How India responds to the rise of AI will shape its middle class

The impact of AI demands a strategic response to secure our agency over labour market outcomes



VIDYA MAHAMBARE & VISHNU VENUGOPALAN are, respectively, Union Bank Chair professor of economics, Great Lakes Institute of Management, and an IAS officer.

India's employment problem, like elsewhere, has two dimensions—the number of jobs and their quality. As education levels rise, even when jobs are available, young people aspire to better jobs with higher salaries and greater social status.

India's target, set by the National Education Policy 2020, is to raise the gross enrolment ratio in higher education to 50% by 2035. States such as Tamil Nadu have already crossed it. In a world of artificial intelligence (AI), we need to ask what kinds of jobs our educated workforce will find, if there will be enough of them, whether this employment will match aspirations and whether job-seekers will have the skills (not just degrees) to do them.

Three types of workers may thrive. The first are those who can complement AI, using it to amplify their judgement, domain knowledge, real-time observations and creativity. These will be true experts in any field and few in number. They will rise in value and status.

Second, those who can generate inputs and data for AI models. There is already a contractor economy through which frontier AI labs pay Indian doctors, lawyers, engineers and language specialists to train their models. Experts in both English and local languages are commanding a premium to train Indic-language models. AI development also needs vast amounts of energy to run the

machines, so the energy sector should create jobs.

Third, job creation will continue in sectors that AI will take a long time to penetrate, or services where human faculties matter, such as elderly care, security, teaching, nursing and healthcare, and the work done by plumbers, electricians *et al*. It is this third category, with a mix of education and skill levels—the largest and most overlooked—that holds the biggest untapped source of new middle-class livelihoods if the work can be made to pay and command respect.

Finally, manufacturing is becoming increasingly automated, and with low wages, it is not a preferred option for many. As India expands manufacturing, it will add to the size of the economy but with falling labour intensity.

How ready are young Indians to take jobs of the future?

First, jobs that complement AI will require cognitive literacy, English fluency and a device with reliable data bandwidth. We may have millions of graduates but also a double-digit unemployment rate among educated young adults. In addition to formal education, people need applied-and-tested skills in areas such as medicine, law and Indic languages to capture data-generation rents before time runs out.

India faces an engineering graduate glut. A large share of India's million-plus trained engineers per year were absorbed by IT services for the routine coding and testing that AI now automates. As entry-level demand softens, these young people will need to develop engineering skills that complement AI.

How should we respond? We need to treat AI literacy as basic infrastructure. We need to redesign engineering and commerce curricula around AI-complementary skills: domain depth, communication and judgement under ambiguity. Embed this in industrial training institutes, polytechnics and the National Skills Framework, with subsidized tool access—the equivalent of

what our digital stack did for payments.

Second, many of the new jobs that will emerge or continue in the AI world lie in heavily regulated industries—energy, healthcare, including biomedical trials, education and financial services. India must simplify its regulatory regime and make it more predictable and quicker.

Third, the biggest problem we face is of raising the status of labour-intensive services. This is at the heart of building the next middle class. Take elderly care, nursing and healthcare. These involve long hours, unpleasant conditions and shift work. Teaching has lost status. Skilled trades—driving, plumbing, electrical work, personal services—pay decently but carry little social prestige. These are not jobs that people choose.

The question is: what can we do to make such jobs financially rewarding and raise their social status? Put bluntly, can we make them glamorous?

A credential certification system—a nationally recognized qualification framework for care workers and tradespeople would signal that these are skill-based occupations, not just fallback options. Governments and media shape aspirations. A sustained public campaign can shift what the young consider worth pursuing as careers.

For the self-employed, the opportunity is not a career ladder but a business. Formalizing and financing that transition through easier access to credit, business registration and digital platforms that connect skilled tradespeople with clients could reframe these not as jobs of last resort but as entrepreneurial entry points.

The challenge is to build institutions that can expand India's middle class. AI, for all the anxiety it generates, is also an opportunity to redesign curriculums, forge actual industry-academia partnerships and make neglected occupations financially rewarding as well as socially respected. How we respond in the next five years will determine whether a generation is lifted by technology or left behind by it.

MY VIEW | MUSING MACRO

Needed: a long-term playbook to relieve external stress

AJIT RANADE



is senior fellow with Pune International Centre

When India's currency comes under pressure, the key question is whether policy buys time or space for complacency. The Reserve Bank of India's (RBI) recent measures to attract dollars and steady the rupee should be judged in that spirit. This is a crisis playbook, not a panic button. It is calibrated, not chaotic. But it is still only a playbook for the next few months, and not an external-sector strategy.

RBI's package has many moving parts. Banks are being encouraged to mobilize three-to-five-year foreign currency non-resident deposits, with RBI absorbing the hedging cost. Public-sector firms have been nudged to raise foreign loans with concessional swap support. Foreign investors in government securities have been offered a wider route and lighter taxes. Export proceeds must be brought home faster. The aim is clear: increase dollar supply, reduce speculative pressure and signal that a one-way bet against the rupee is risky. Thankfully, there are no new capital controls for out-

flows. In 2013, during the taper tantrum, India squeezed outward remittances. A large outward-looking economy cannot tell the world that it is open for investment but closed for exits, education payments or asset-portfolio diversification by its citizens.

So this is not 2013 all over again. India's reserves are large, its banking system is more resilient and its services export engine is stronger. Inbound remittances grew a solid 26% last year. They cushion the external account. But we cannot afford to gloss over the evolving stress of a dollar shortage.

India's foreign-exchange stock has a different character from that of most large Asian economies. China, Japan, Korea and Taiwan built much of their reserve strength on persistent export surpluses. India has almost always run a current account deficit. Our reserves are therefore not mainly accumulated export earnings; they represent accumulated confidence—of foreign investors, lenders, portfolio managers, private equity funds and the diaspora. That confidence is valuable, but reversible.

India's capital inflows have an inbuilt liability. Portfolio flows can exit overnight. External borrowings mature. Even foreign direct investment (FDI) is not always the

patient factory-building capital imagined in textbooks. An increasingly significant share is financial capital—private equity, venture capital, sovereign funds and asset management firms—whose business model includes exits. Its security under the law, but in macro-economic terms, it is thinly disguised long-term debt with an exit option. That is why gross FDI numbers can mislead. India received a record \$94 billion of it in 2025-26. This shows continuing interest in India's market. But net FDI has fallen sharply and is tiny in relation to the size of the economy and its external financing needs. Outbound FDI by Indian companies has risen faster. Repatriation and disinvestment have accelerated.

If dollars come in through the front door and leave through multiple back doors, gross inflows cannot offer external comfort. A mature market must allow exits, but maturity can't become an euphemism for maturity. The RBI measures also carry a fiscal hazard. When the central bank bears hedging

costs, it affects RBI's balance sheet and thus the public exchequer. In effect, the taxpayer provides rupee-depreciation insurance to a small set of forex depositors, banks or public-sector borrowers. That may be defensible in a genuine emergency. But it cannot be routine. Else, we revert to an old habit of subsidizing foreign borrowing, except with more sophisticated plumbing. Protection against rupee depreciation leads to moral hazard as it incentivizes staying unhedged. Not to forget the possibility of round-tripping: domestic money coming back as dollar deposits.

RBI's aborted attempt to choke offshore speculation against the rupee is another reminder of the limits of administrative control.

Clamping down on offshore non-deliverable forwards may briefly squeeze speculators, but if the measure has to be reversed or softened, the signal can be counterproductive. Deep markets dislike abrupt rule changes. Credibility is not built only by showing muscle, but by keeping the rules predictable.

What then is a playbook that looks beyond the near-term? First, India must reduce its structural dollar drain from services, edible oils, fertilizers, electronics and gold, and increasingly AI tokens. Households importing gold as a savings instrument are voting against domestic financial assets. That has to be addressed by deeper, safer, inflation-beating financial products, including properly hedged sovereign gold bonds.

Second, India needs export-surplus sectors beyond IT services. Manufacturing FDI must be judged by net exports, technology transfers, job creation and domestic value addition. The quality of FDI must matter as much as quantity. We need more greenfield, technology-bearing, employment-creating capital and less round-tripping, balance-sheet reshuffling and exit-driven inflows. Even India's production-linked incentives must emphasize jobs and export commitments. The defects in bilateral investment treaties have to be remedied.

Finally, diversification away from the dollar is overdue. India's ambiguity over a Brics currency is meant not to antagonize the US. That should not prevent sensible rupee trade settlement, deeper Asian currency markets and gradual rupee internationalization where India has bargaining power.

10 YEARS AGO

JUST A THOUGHT

Artificial intelligence knows no borders, but states do.

DENIZ CENGIZ



GUEST VIEW

MINT CURATOR

Our dropping crime rate is good news but it isn't the whole story

A close look at India's latest data indicates a need to focus not just on reducing law violations but also on improved reporting



Soumya Kanti Ghosh

is a member of the 16th Finance Commission, member of the Economic Advisory Council to the Prime Minister, and group chief economic advisor, State Bank of India.



ISTOCKPHOTO

India's latest crime statistics offer encouraging signs of progress. According to the National Crime Records Bureau's (NCRB) *Crime in India 2024* report, the country recorded under 5.9 million cognizable crimes that year, a decline of 6% from the previous year. The all-India crime rate fell from 448.3 per lakh population to 418.9, while crimes against women fell 1.5%.

Most importantly, our estimates suggest that a 1% decline in such crime is associated with about 0.1% higher real GDP growth in the short run, with the long-run dividends even higher.

At a time when rapid urbanization and digital connectivity are transforming society, the reduction in conventional crime suggests that investments in public infrastructure, technology and policing may be beginning to yield dividends. One driver is the steady rise in public capital expenditure. Our estimates show that a 1% increase in per-capita public capital outlay is associated with a 0.36% lower crime rate.

Technology too appears to be reshaping the crime landscape. Under the Smart Cities Mission, more than 84,000 CCTV cameras have been installed across 100 cities, supported by Integrated Command and Control Centres. Interestingly, cities with higher CCTV density tend to exhibit lower growth in crime rates, suggesting that the increased probability of detection itself may deter criminal activity.

Digitisation has further strengthened this deterrent effect. With UPI, FastTag and digital transaction trails becoming ubiquitous, anonymity is gradually shrinking. Criminal investigations increasingly rely on digital footprints, making it harder for offenders to evade detection. As the likelihood of being caught rises, the expected gains from crime diminish.

However, the nature of crime itself is evolving. While conventional crimes have declined, cyber-crime increased by 17% in 2024, crossing 100,000 registered cases. This suggests criminal activity is increasingly shifting from physical spaces to digital platforms. As India becomes more digitally connected, the challenge for law enforcement may not only be reducing crime, but also adapting rapidly to new forms of technology-enabled offences.

Further, crime acts as a labour market variable, especially for women. States with higher rates of crimes against women tend to have lower female labour force participation. Safety influences mobility, commuting decisions and access to employment opportunities. States such as Haryana, Kerala, West Bengal and Andhra Pradesh record crime against women rates above the national average, while their female labour force participation remains relatively low or moderate.

At the same time, India's latest crime statistics offer another valuable insight. As crime falls,

improving the reporting of crime becomes equally important. Crime records are not simply a reflection of criminal activity; they are also a reflection of citizens' willingness and ability to report offences. Greater trust in institutions, easier complaint mechanisms and stronger victim support systems can draw more incidents into the country's formal justice system.

Domestic violence illustrates this challenge. Using National Family Health Survey-5 (NFHS-5) estimates and help-seeking behaviour, we compared survey-based data with police-recorded cases. While the NCRB recorded around 121,000 victims of domestic violence in 2024, survey evidence from NFHS-5 suggests that the actual incidence of domestic violence is much higher. Not every victim reports violence, and among those who do seek help, only a small fraction approach the police. The gap highlights the importance of continuing efforts to improve reporting mechanisms and access to justice.

There appears to be a possible under-reporting of roughly 473,000 domestic violence cases. In other words, official statistics capture only around one-fifth of the cases that may have been expected to reach the police. We need to further strengthen our institutional abilities to ensure that more cases are brought into the formal reporting system. Public initiatives such as the She-Box Portal, Emergency Response Support System and One Stop Centres must be lauded and scaled up further,

as these incentivize the reporting of crime within the home and elsewhere.

Interestingly, state-level patterns also reveal how reporting practices can influence crime statistics. The most curious case in this context is that of West Bengal. This state recorded a relatively high share of serious offences such as kidnapping and abduction (over 8%), crimes against women (almost 7.8%) and violent crimes (6.9%) in 2024; and its share of missing children stands out (16.1%). However, its share of many other crimes was unusually low, including theft (under 1.5%), vehicle theft (about 0.6%), burglary (under 0.1%) and offences against property (under 2%), despite a large population. Out of 15,969 property offences, West Bengal reported only 53 night burglaries. In comparison, Jharkhand, which has a lower population than West Bengal, reported substantially higher shares in many of these categories. These patterns remind us that crime statistics reflect not just actual incidence, but also reporting behaviour and administrative processes.

However, the next phase of reform may not simply be about reducing crime further. It may also be about ensuring that every victim feels confident to come forward and every complaint receives due attention. India is undoubtedly a success story in terms of reducing crime over the past decade. The next step is to ensure that crimes are fully reported, and that, for that, states will have to step up.

These are the author's personal views.

SpaceX may have set the stage for Jio Platforms' public issue

Even tech-adjacent businesses are likely to attract investor funds



Andy Mukherjee

is a Bloomberg Opinion columnist covering industrial companies and financial services in Asia.



RBI's dollar-drawing measures could ease the path for Indian IPOs. ISTOCKPHOTO

Insatiable investor demand for Elon Musk's SpaceX will be music to the ears of another billion-dollar-half-a-world-away. In India, Mukesh Ambani's digital empire is headed for an initial public offering (IPO) expected to be the biggest in Indian history. Until recently, the tycoon's team may have wondered if the knock-on effects of the Iran war would choke the liquidity required for Jio Platforms Ltd's IPO. But with global institutions writing \$10 billion cheques for Musk's rockets and satellites, it's clear there is no dearth of demand for mega-tech; or for tech-adjacent businesses like the Reliance chieftain's data carriage, e-commerce and media play.

At its core, Jio is a telecom juggernaut with 525 million subscribers. Were the volume of data they guzzle in a year to be represented by the storage capacity of high-end iPhones, the stack of devices laid on top of one another would leave the atmosphere. With customers paying \$214 a month on average, Jio gamers' \$15 billion in operational revenue at a 52% Ebitda margin. Street estimates for its worth are clustered around \$130 billion.

But realizing a market price that validates that figure is tricky. Jio is basically an emerging-market story and global investors have lately been pulling money out of this asset class, wary of stretched valuations. India has been badly hit, with foreigners dumping more than \$37 billion of equities over the past year. While Ambani may want Jio listed this year, tight financial conditions at home pose a challenge.

Jio's big Silicon Valley backers such as Google and Meta came in during the 2020 pandemic when digitization was the craze. Six years later, their attention—and that of global hot money—is fixated on AI. Ambani's ambition of providing low-cost AI products to enterprises and consumers via a partnership with Meta may well become a future revenue source for Jio. Pushing out AI-generated mythological and fantasy content via its media outlets could be another. However, this isn't the kind of AI innovation that currently excites big-ticket international investors.

That leaves Ambani's IPO, the first from his conglomerate in over two decades, largely to the appetite of domestic savers. Others expect to list too. Quick-commerce company Zepto has filed updated paperwork for a \$1 billion issue. An asset manager, a lender against gold and the country's largest stock exchange are all lining up to raise equity. Can local capital carry them past the finish line?

This is where the Reserve Bank of India

enters the play as a *deus ex machina*. In a bid to shore up a drooping currency, RBI announced it would absorb the hedging costs for banks raising deposits from the Indian diaspora. It says, \$50 billion rushes inward through this channel, it will inject rupee liquidity into the banking system. Even after RBI mops up some of the excess, the residual windfall is likely to gravitate towards the stock market. So yes, local institutions and retail savers may have the stomach for Jio's \$4 billion float.

Yet, this engineered triumph is precisely where Ashish Gupta urges extreme caution. The former Credit Suisse analyst, whose 2012 *House of Debt* report became a prescient warning of the bankruptcies that followed India Inc's unsustainable leverage, wants investors to reach back into their memory once again. Writing recently in *Mint*, Gupta reminds us that massive, record-breaking IPOs have historically presaged market tops. The now-independent analyst points to a chilling pattern: Mukesh Ambani's younger brother Anil's 2008 Reliance Power IPO hit the market weeks before the benchmark Nifty 50 Index shed half its value over the following months; Coal India's massive 2010 float preceded a near-30% correction; and globally, Visa's 2008 debut landed right before the S&P 500 collapsed by 48%. Agricultural Bank of China's 2010 listing came with a surge—followed by a long slide in the Shanghai Composite Index.

The logic is straightforward: Mega-IPOs act as a structural liquidity drain, sucking vital capital out of secondary markets. A single quarter's equity issuance absorbing a meaningful fraction of annual deposit formation is a system-wide hazard. The danger is particularly elevated in India, where the banking system's 12% deposit growth is 4 percentage points slower than credit expansion.

While tapping the diaspora's funds might bridge the funding gap for the large upcoming IPOs, Gupta's data shows that when equity supply turns into a gush, the broader pool of market liquidity tends to dry up. When the primary market claims the final dregs of investable cash, gravity asserts itself on the secondary market. Between Musk's rockets and Jio's telecom and media behemoth in India, the air at the top is getting thin. **©BLOOMBERG**

MY VIEW | A VISIBLE HAND

Moonshot AI public offers: can Indian investors pile in?

NARAYAN RAMACHANDRAN



is chairman, IntKude Labs. Read Narayan's Mint columns at www.livemint.com/visiblehand

2025 was the year of big coding and agentic systems, then 2026 is the year of artificial intelligence (AI) stock listings around the world. Interestingly, the first pure-play large language model (LLM) stock to be listed anywhere in the world was of the Chinese company Knowledge Atlas, better known as Zhipu.ai, in January. The second, Minimax, also a Chinese company, listed a day later. Although both companies were reporting heavy losses, their share prices had surged by as much as 15 times and eight times, respectively, by their peaks in May. Together, they raised about \$1.2 billion through their initial listings on the Hong Kong Stock Exchange (HKSE) and are now targeting an additional \$2–4 billion through dual listings on the Shanghai Stock Exchange's Star board. The two companies differ in that Zhipu is heavily focused on enterprise and government applications within China, whereas Minimax has about 70% international revenues with a heavy multi-modal consumer emphasis.

In the US, three major companies have been in mega-IPO mode this year. The first of these is the Elon Musk-founded SpaceX. The company's recent S-1 filing revealed a revenue base of \$18.7 billion for 2025, a price-to-sales ratio of 94 on trailing annual sales and 40 times on run-rate sales. The asking valuation was almost \$18 trillion and the company sought to raise \$7.5 billion. Its issue was more than fully subscribed last week and traded up nearly 20% on launch day. It is made up of three divisions, a rocket company that sends reusable rockets to space, a satellite-based telecom utility called Starlink and xAI, an LLM startup that owns Grok.

OpenAI, which is a pure AI model company, is likely to follow soon with a listing that values the firm at nearly \$1 trillion. Anthropic will bring in the rear, though also with a potential \$1 trillion valuation or more. Both companies filed confidential S-1s after recent private fund-raising rounds. Anthropic is expected to file a public prospectus first, but it will have to undergo additional vetting as a "public benefit corporation." OpenAI's valuation is expected to be about 34 times run-rate revenue versus 21 times for Anthropic. The three companies together expect to raise about \$200 billion. The largest amounts raised by IPOs until

recently were \$29 billion by Saudi Aramco's listing in 2019 and \$25 billion by Alibaba's in 2014. In any calendar year, the maximum raised has been \$174 billion across as many as 1,000 IPOs in the US, back in 2021. So, this year's AI IPOs, if completed along expected lines, will dwarf all prior IPOs with the size of their capital raise. Such large raises within a short period will crowd out capital for other investments in primary as well as secondary markets.

In addition to demand from institutions and retail investors, index funds will constitute a meaningful portion. The Nasdaq-100 index has slashed its "seasoning requirement" for inclusion to just 15 trading days, waived its 10% free-float requirement and changed its market capitalization rules to include both listed and unlisted shares. The S&P 500 index committee has maintained its profitability requirement and affirmed that it will not be making rule changes for these new listings. The S&P 500 index is therefore likely to incorporate these compa-

nies only many quarters later, when they become profitable. The *Financial Times* estimates that based on the various index funds that are subject to changed rules, about \$14 billion of SpaceX stock will need to be bought within the first few weeks of listing. All of this pertains to AI software.

Many AI hardware stocks like Nvidia, Cerebras and Marvell that make chips for the AI industry and are already listed for public trading.

Watch out for news of yet-unlisted Chinese stocks like DeepSeek (owned by hedge fund HighFlyer) and the Alibaba-backed Moonshot AI (with its Kimi model). Some listed tech platforms in China like Baidu and Alibaba also have significant exposure to AI.

Mainstream Indian investors have no direct access to these stocks. Brokerage accounts opened abroad using the Liberalized Remittance Scheme (LRS) could have access in theory, but in practice orders are unlikely to be filled because bulk allocations are likely to go to US institutions and retail

investors. This means that the only those with exposure to an index like the Nasdaq-100 in their LRS portfolios are likely to gain access to these stocks, and that too indirectly.

Indian investors will not have any alternatives for quite some time to invest in AI model stocks in the local market either, since a pipeline of such listings looks many years away. Some analysts argue that this is not of much consequence because such heavy investment is unlikely to see adequate long-term returns on capital. Others argue that exposure to cutting-edge industries must be blended with other more traditional and profitable stocks to keep portfolios up to date. Of course, there is no guarantee that these stocks will go up on their market debut. While international diversification can be of great benefit to Indian investors, these IPOs come at a decidedly inconvenient time for India, given that the country's balance of payments is under stress due to significantly reduced capital inflows. This stress has led to a disproportionate decline in the exchange value of the Indian rupee, making these purchases that much more expensive in terms of the local currency.

P.S.—Every year, beginning comes from some other beginning's end, said Roman philosopher Seneca.

AI exposure isn't easy to get but it may be what a well diversified portfolio demands

The Statesman Incorporating and directly descended from the Friends of India - founded 1818

Delayed Answers

One year after one of the worst aviation disasters in Indian history, the most unsettling reality is not that the final answer remains elusive. It is that, in the absence of definitive findings, competing certainties have rushed in to fill the void. Modern air travel rests on a simple social contract: passengers accept risks they cannot personally evaluate because they trust that when things go wrong, institutions will discover why, learn from failure and prevent repetition. That trust depends not merely on technical competence but also on transparency, independence and credibility. The prolonged inquiry into the Air India Flight AI171 tragedy has become a test of all three. The preliminary findings appeared so narrow the field dramatically. The aircraft lost power because fuel to both engines was cut off seconds after take-off. Yet establishing what happened is only part of an accident investigation. The more difficult task is explaining why it happened. Was it the result of deliberate human action, an unimaginable error under extraordinary circumstances, or a systems failure that investigators have yet to understand? The distinction is not academic. It determines where responsibility lies, what safety reforms are needed and whether future passengers are protected from similar risks. In the meantime, a familiar pattern has emerged. The dead cannot defend themselves, and institutions have reputations to preserve. Manufacturers seek to protect confidence in their products. Airlines struggle to reassure customers and investors. Regulators guard their credibility. Pilots' associations fear that cockpit crews become convenient explanations for complex failures. Bereaved families simply want the truth. Each of these impulses is understandable. None should dictate the outcome of an investigation. There is also a broader lesson for an era defined by instant commentary. Preliminary reports exist to identify facts and improve safety, not to satisfy public appetite for closure. Yet fragments of technical information, leaked interpretations and selective reporting can rapidly harden into fixed narratives. Once established, such narratives are extraordinarily difficult to dislodge, even if subsequent evidence points elsewhere. The danger is twofold. Prematurely attributing blame to individuals risks grave injustice. Equally, dismissing uncomfortable evidence because it contradicts preferred explanations undermines the integrity of the investigative process itself. India's aviation sector has expanded dramatically and aspires to global leadership. That ambition demands world-class investigative standards. The ultimate credibility of the inquiry will depend not only on quick and conclusive answers, but on whether its reasoning is thorough, transparent and capable of withstanding scrutiny. For the families of those who never returned home, delayed answers are painful. But certainty purchased at the expense of truth would be a far greater failure. The purpose of accident investigations is not to vindicate institutions or condemn individuals. It is to ensure that tragedy becomes instruction. Until that obligation is fulfilled, the most honest verdict remains the simplest one: we know a little more than we did a year ago, but we still do not know nearly enough. One year is a long time to wait for answers.

Cleanest Shirt

For much of the past year, economists have been warning for the American economy to stumble. It has been hit by tariffs, labour disruptions, geopolitical tensions and renewed inflationary pressures. By conventional wisdom, such a combination should have slowed growth sharply and perhaps ushered in the dreaded spectre of stagflation. Yet the world's largest economy has continued to expand. The temptation is to attribute this resilience either to political genius or statistical illusion. Both explanations are inadequate. The more important story is that the United States possesses structural strengths that allow it to absorb shocks better than many of its advanced-economy peers. That does not make it invincible. But it does make it adaptable. America's economic model has long rewarded experimentation and tolerated failure. Businesses can raise capital through deep and liquid financial markets. Venture capital finances risk. Bankruptcy, while painful, is rarely a permanent social stigma. Companies facing rising costs are more inclined to reorganise, invest and innovate than to retreat into caution. This flexibility is often criticised for creating instability. Yet, in periods of upheaval, it can become a source of strength. Energy is another underappreciated factor. The shale revolution transformed the United States from a country acutely vulnerable to oil shocks into one of the world's largest producers of oil and gas. Europe, by contrast, discovered after Russia's invasion of Ukraine that dependence on external energy supplies carries strategic as well as economic costs. Access to abundant domestic energy has given American industry a cushion many competitors lack. However, resilience should not be mistaken for health. Aggregate indicators can conceal deep fractures. Inflation continues to erode purchasing power. Housing affordability has become a crisis across major metropolitan areas. Wealth creation remains unevenly distributed, fueling resentment among those who feel excluded from the prosperity reflected in stock market indices and GDP figures. There is also a danger in drawing the wrong lesson from America's recent performance. Tariffs, immigration restrictions and policy uncertainty are not necessarily growth-enhancing simply because the economy has managed to withstand them. A robust patient surviving questionable treatment does not prove the treatment was beneficial. It merely demonstrates the patient's underlying constitution. Perhaps the most accurate assessment is a relative one. The United States appears strong not because it has solved its economic contradictions, but because other advanced economies face even greater constraints: ageing populations, rigid labour markets, slower innovation cycles and chronic energy vulnerabilities. America may indeed be, as one economist memorably put it, the cleanest shirt even in a very dirty laundry basket. Yet even the cleanest shirt eventually stains if neglected. Adaptability has bought the United States time. Whether it uses that time to address inequality, inflation and social fragmentation will determine whether today's resilience becomes tomorrow's renewal - or merely postpones a reckoning.

A relationship redefined

The American century coined by Henry Luce in 1941 is ebbing. The unipolar world that emerged with the collapse of the Soviet Union has ended. Xi's reference to the Thucydides trap is a call to the US to re-adjust itself to a world where bipolarity will be the order. Putin's rush to Beijing is to seek a guarantee that the new polarity does not shake up the close relationship between Russia and China



Xi Jinping at his meeting with Donald Trump on 14-15 May 2026 in Beijing referred to the 'Thucydides Trap', a metaphor that refers to the inherent tensions and perils when an established power is challenged by a rising power. This is not the first time that Xi referred to it. He used it in 2014. 'Thucydides in the History of the Peloponnesian War (411 BC) observed that it was the rise of Athens and the fear it instilled in Sparta that made war inevitable.' The war began in 431 BC between Sparta, the established power, and Athens, the rising power, for hegemony in ancient Greece. It ended in 404 BC with the defeat of Athens. In recent times Graham Allison has popularised this metaphor with wider historical examples and applies it in analysing the US-China relationship. Allison points out: 'Others identified an array of contributing causes of the Peloponnesian War. But Thucydides went to the heart of the matter, focusing on the inexorable, structural stress caused by a rapid shift in the balance of power between two rivals.' In addition, according to Allison, 'two key drivers in this dynamic,' were according to Thucydides, 'the rising power's growing entitlement, sense of its importance, and demand for greater say and sway, on the one hand and the fear, insecurity, and determination to defend the status quo that engenders in the established power, on the other'. The Thucydides trap continues to be a reference point comparable to Kant's doctrine of democratic peace in international affairs.

China, unlike the US, is pragmatic and has no ideological baggage. Emphasizing on the civilisational nature of its state, it operates on a much more universal plank of mutual benefit by trade, commerce and considerable patience. Unlike the US that intervenes in many undeclared wars, even dislodging legitimate and democratically elected leaders, China confines itself to its developmental model and its expansion through BRI and other international



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organizations. China along with Russia differs from the US in its attitude towards the United Nations. The US specially under the Trump administration has put the UN on the back burner. Xi's reference to the Thucydides trap in his opening remarks to moulid the discussion and avoid skillfully the present-day conflicts both in West Asia and Taiwan. It was a play to restrict the debate between the US and China with a general acceptance of bipolarity relegating other important events to only local and limited consequence. Xi raised the question categorically - as to whether China and the US can transcend the Thucydides trap and forge a new paradigm for relations between major powers? 'The onus is on the reigning power, the US, and not on the challenger, China. It is not a zero-sum game as Xi redefined the fact there is enough space for both the US and China in the world to grow peacefully with competitive spirit and controlled rivalry. As a rising power, China's share of the cake will obviously grow larger and in a zero-sum game, that of the US would shrink which the latter would find hard to swallow. In 2025, China's Purchasing Power Parity (PPP) accounted for approximately 19.89 per cent of the total global economy while that of the US was 14.65 per cent. The US remains the world's largest economy with a nominal GDP of approximately \$30.5 trillion, while China's nominal GDP is roughly between \$19.2 to \$19.6 trillion. China in 2014 was ahead of the US on most economic indicators. In 2014, China was 101 per cent of America in PPP terms; 60 per cent in GDP and 106 per

cent in exports. In 1980, China's PPP in comparison to the US was at 17 per cent, GDP at 7 per cent and its exports at 6 per cent. The American century coined by Henry Luce in 1941 is ebbing. The unipolar world that emerged with the collapse of the Soviet Union has ended. Xi's reference to the Thucydides trap is a call to the US to re-adjust itself to a world where bipolarity will be the order. Putin's rush to Beijing is to seek a guarantee that the new polarity does not shake up the close relationship between Russia and China. Xi's indication of China's core interests, though rhetorical and firm on Taiwan was subdued in the actual communication reflecting the limitations of the Chinese challenge to the US, emphasizing the gradualist process of development with the expectation that belligerence of the US will also be limited, dictated both by its self-interest and compulsions. The Chinese want a continuance of the American policy of strategic ambiguity towards Taiwan and also to underplay ideological rhetoric against China in matters like human rights, unfair trade practices and abandonment of plans for an Asian NATO. China has demonstrated its willingness to be patient and follow legally tenable measures in reclaiming both Hong Kong and Macau. It is very clear that it will not disturb the apple cart on Taiwan unless the latter declares unilateral independence which it can only do with US support. The acceptance of the one-China policy by Nixon and Kissinger which was tinkered somewhat by the Carter amendment remains the basis of China-US relationship. There is no indication that Trump is in any hurry to alter it. Economic integration between mainland China and Hong Kong and Taiwan, and the Chinese willingness to accept plurality in Hong Kong and Macau have created many functionalist categories. Functionalism has always been a solid basis of integration.

The best possible US policy towards China is a reshelf of the containment theory that was effectively used against the USSR, an incomplete and one-dimensional superpower. Another important limitation of the Soviet Union was its isolationism which retarded both its growth and its inability to match the West in innovation and competition. But the Chinese leadership has learnt from the Soviet folly. China today, since its membership to the WTO in 2002, is totally integrated with the world economy. Its investment in American bonds and unmatched manufacturing base has created dependence even for the US domestically. The spectacular success of China in maintaining its growth rate, AI and EVs has made it more competitive and essential for other countries to emulate and trade with it. The interdependence between the US and China is also phenomenal where the purchase of soybean becomes an important issue in determining the welfare of a large number of American farmers. The crux of the matter is that the American leadership beginning with Obama has shifted its policy towards the East since power and economic determinants shifted to the Asia Pacific. In light of this the US would like to check and lengthen the process rather than attempt to halt it.

INQUIRER

A measure to fight disinformation

Former Facebook executive Katie Harbath described the Philippines in 2018 as 'patient zero' of the disinformation crisis on social media that has warped political discourse, sowed deep divisions and continues to pose a significant threat to not just individuals but institutional credibility and national security as well. The magnitude of the potential harm is heightened by the largely unchecked technological developments in the artificial intelligence (AI) space where regulation is struggling to get ahead of its rapid evolution that comes with opportunities as well as dangers. According to the Global Risks Report 2026 of the World Economic Forum, misinformation and disinformation are among the highest risks over the next

two years, citing risks to information integrity that could lead to greater polarization and deeper divisions especially in the political realm that hamper the ability of society to have constructive conversations to solve societal problems. In response to these threats, the House of Representatives passed on third reading last week House Bill No. 9465 or the Digital Media Anti-Fake Information Act, one of the Mattis administration's priorities for the 20th Congress to address this 'critical national issue' that is eroding public trust. Overwhelmingly approved, the proposed act is aimed at curbing coordinated online harassment, organized disinformation, operation of troll farms, and the deliberate

spread of malicious falsehoods online through harsher penalties. These sanctions include imprisonment and fines to be levied on coordinated troll farms, fake account syndicates, bot networks, and foreign-backed influence operations designed to deceive the public and manipulate public discourse to favor a particular party or line of thinking. The proposed measure also requires digital platforms operating in the country to establish a local presence and comply with transparency, disclosure, and user protection standards. At the same time, they will be mandated to disclose sponsored content, paid campaigns, and political advertisements and provide users appeal and redress systems in the name of transparency and

public protection. The Philippine National Police and the National Bureau of Investigation are vocal supporters of the measure, saying that while there are existing laws such as the Cybercrime Prevention Act of 2012 and Digital Privacy Act that cover crimes such as scams conducted online, these were not enough to respond to the menace posed by the proliferation of AI-generated deepfakes as well as unfettered spread of fake news and disinformation. House Speaker Fasisto Dy II underscored the importance of passing the bill, saying that these well-funded, coordinated, and deliberate disinformation campaigns have evolved into a 'powerful weapon' capable of misleading communities, destroying reputations, and disrupting democratic processes.

Letters To The Editor

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Coercive

Sir, I wish to draw the attention of the state administration to the recent directive reportedly issued by the Chief Secretary of West Bengal, mandating the compulsory installation of smart meters for citizens receiving various government benefits. While modernization of power infrastructure is understandable, tying essential welfare benefits to a forced technological transition seems highly coercive and unjust. The Electricity Act, 2003, balances the rights of both distribution companies and consumers. Forcing such an installation upon citizens - particularly those from economically vulnerable sections who rely on state welfare - appears to override the spirit of consumer choice inherent in the

legal framework. Furthermore, reports from various parts of the country where smart meters have been deployed indicate a troubling trend: a sharp, often unexplained rise in monthly energy bills, largely attributed to dynamic billing mechanisms and real-time tracking software. At a time when inflation is high and the real income of the common man is shrinking, forcing a system that potentially inflates household utility bills is creating widespread anxiety. Public protests in several regions bear testimony to these grievances. A well-estimated should ease the hardships of its citizens, not amplify them through rigid, top-down mandates. Yours, etc., Prabir Kumar Pal, Kolkata, 15, June.

Kudos

Sir, The SC's ruling that homemakers' unpaid domestic work must be valued at Rs 30000 per month is an overdue recognition of millions of housewives who serve their families with love and stoic dedication, without expecting either money or gratitude. This landmark judgment recognizes housewives as 'nation builders' and gives legal and financial weight to their contribution. Yet, one cannot truly put a price tag on a woman's contribution to her family, because it is both tangible and intangible. Her role simply cannot be equated with a service of room attendants in a hotel. Judges have their own compulsions and use their own jargon to write judgments. And that perhaps explains the Rs 30000

baseline set for a homemaker's contribution. Yet, the silver lining is that her contribution isn't dismissed as negligible. The role of a homemaker is value-based and not cost-based. No court in the country can put a price tag on a lady quietly wiping the sweat from her face with the 'pallu' (the drape) of her saree, so that her husband and children do not see her discomfort. Kudos to the SC for opening our eyes to the fact that a homemaker's role is never to be trivialised, and/or taken for granted. Yours, etc., Avinash Godbole, Dewas, 15, June.

Amidst powder kegs, will peace hold in West Asia?

HARSHA KAKAR

It is after more than 100 days that both President Donald Trump and Iran have announced a peace deal...

Both sides have suffered losses. Iran claims it needs USD 300 billion for reconstruction, while damages to US bases and assets exceed USD 50 billion...

Iran's foreign minister, Abbas Araghchi, said, "The end of the war on Lebanon must be accompanied by withdrawal of Israeli forces from the territories they have occupied..."

a deal and hence remains skeptical of the deal.

Meanwhile, in a largely symbolic gesture, the US House of Representatives voted against the war, with some of Trump's supporters joining the rival camp...

There are reports that US missile stocks are at critical levels. The US's acting Navy Secretary, Hung Cao, when questioned by a senate committee on stalling sale of weapons to Taiwan, mentioned, "Right now we're doing a pause in order to make sure we have the munitions we need for Epic Fury..."

Trump also faced increased domestic pressure over oil prices and rising inflation. Meanwhile the US was the largest gainer from increased sale of LNG, since the Hormuz closed...

Trump also scaled down his demands on Iran, aware that without

boots on the ground, he cannot achieve regime change. Apart from the re-opening of Hormuz, Trump stated, "The one guarantee that I have to have is that there will be no nuclear weapons..."

Netanyahu is also facing pressures from the US, Arab states, Europe and his own citizens to end the conflict. Israel's elections are due in October this year and he is desperate to show that his campaigns against Iran, Hezbollah and Hamas have proved to be decisive...

Iran was gambling on Trump being more desperate to end the conflict than his own leadership. Even if Iran is crumbling economically within, it will suppress internal protests, only to keep pressure on Trump...

Mediation by Qatar and Pakistan continued throughout. Messages were exchanged bridging differences. The world had rejoiced without oil, gas and fertilizers flowing freely through Hormuz...



Its major benefit is that food imports from Russia and Central Asia continue through the Caspian Sea route.

Iran was gambling on Trump being more desperate to end the conflict than his own leadership. Even if Iran is crumbling economically within, it will suppress internal protests...

Mediation by Qatar and Pakistan continued throughout. Messages were exchanged bridging differences. The world had rejoiced without oil, gas and fertilizers flowing freely through Hormuz...

Trump is known to use military force in the midst of negotiations. If he cannot achieve a deal better than Obama, would he attempt

this, once his internal politics and economy have stabilized? After all, TACO (Trump Always Chickens Out) is gaining traction in the US, adding to his discomfiture.

Israel can be a spoilsport. Netanyahu, aware that he is unlikely to return post elections, may expand the conflict only to delay elections. Iran meanwhile continues to re-create its drone and missile power...

Middle East nations are concerned about recommencement of the war as they are on the firing line. Russia and China would prefer the conflict continue, engaging the US in a fruitless war. The world hopes Hormuz would re-open bringing down oil prices to acceptable levels...

(The writer is a retired Major-General of the Indian Army.)

100 Years Ago



Front page of The Statesman dated 16 June 1926

OCCASIONAL NOTE

SOME of the disadvantages from which agriculture suffers in Bengal were emphasized by the Registrar of Co-operative Societies in a conference at Feni. The industry is not organized for sales or for credit except in so far as some of the big mercantile houses have intervened for their own purposes...

News Items

DESERT CONVOY

FATAL ACCIDENT NEAR PALMYRA

There was an unfortunate accident on Friday night to the Naim motor mail convoy proceeding to Baghdad. The leading car overturned near Palmyra owing to a broken spring causing the brake to jam...

"RED" PROPAGANDA

DIVERSE VIEWS IN CABINET

(FROM OUR SPECIAL REPRESENTATIVE) LONDON, JUNE. THE Daily News states that the Cabinet's policy regarding Russian propaganda in Britain depends upon the outcome of the tug-of-war between the amount of business transacted between Britain and the Soviet...

LORD OXFORD

ILLNESS OF LIBERAL LEADER

LORD Oxford and Asquith, the Liberal leader, is ill at his country house in Berkshire. A bulletin issued this afternoon states that Lord Oxford's condition, though not serious, necessitates absolute rest in consequence of a mild attack of angina pectoris, following influenza.

GUNPOWDER EXPLOSION 4 KILLED IN MUZAFFARPUR ACCIDENT

THE House of fireworks manufacturer caught fire this morning resulting in an explosion of gunpowder. Out of the six inmates of the house two died instantaneously, and the remaining four were removed to hospital. Of these latter two died after admission in hospital. The condition of the remaining two is reported to be critical.

If the click goes, so will the Web

SUNIL SHARAN

The modern internet was built on a simple bargain. Websites created content. Search engines sent users to those websites.

For more than two decades, this arrangement powered the growth of the open web. Every search generated opportunities for publishers, businesses, researchers, educators, and creators...

This model helped create one of the most democratic information systems in history. Millions of independent websites could compete for attention because users were directed to the source of information rather than kept inside a single platform.

Today, that model is being replaced. The internet industry is shifting from search engines to answer engines. Instead of presenting a list of links, AI systems increasingly generate complete responses directly on the platform...

For users, this is convenient. Questions can be answered faster and with less effort. But convenience changes the economics of the web.

The traditional internet rewarded people for creating useful content because visitors reached the websites that produced it. AI answer engines sever that connection. Information remains visible, but the economic value generated by that information increasingly flows elsewhere.

The result is a transfer of value away from creators and toward AI platforms. Content is created by millions of websites, but the economic rewards increasingly accumulate to a small group of companies operating the answer engines...

This shift matters everywhere, but it matters especially in India. India's digital economy was built on low-cost participation. Small publishers, regional-language websites, educators, bloggers, and local businesses could all grow through search...

As the internet moves from search to answers, many of these participants risk losing the mechanism that allowed them to compete. Large corporations can rely on established brands, proprietary platforms, and direct customer relationships...

In India, the idea that subscription-based access to AI can replace the

open web economy is also economically unrealistic for most users. Many AI tools cost around \$20 per month, or roughly Rs 2,000. This is a high price for a large share of internet users. It becomes even more impractical if someone needs access to multiple AI models...

There is also a second imbalance: infrastructure.

The current wave of AI depends on massive investment in data centers, chips, and energy and cooling infrastructure. Most of this buildout is happening in the United States, where companies like Google, Microsoft, and Amazon are rapidly expanding large-scale AI infrastructure today...

There are announcements and long-term commitments from these companies about future AI and cloud expansion, but the large-scale infrastructure buildout is still very limited when compared to the United States. This creates a timing gap. India is experiencing the disruption caused by AI systems without yet receiving a proportional share of the physical investment that powers them.



If AI becomes as central to the economy as expected, India may eventually benefit from more local infrastructure. But if the AI wave slows down, stalls, or fails to deliver the expected economic returns, then the major buildout gains - construction, energy expansion, hardware supply chains - will have already been captured elsewhere...

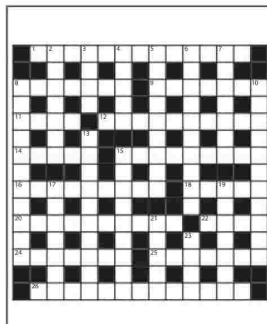
Supporters of AI argue that new business models will eventually emerge. They may be right. But there is currently no clear replacement for the economic role that the click played. Subscription-based AI services primarily generate revenue for the platforms themselves, not for the millions of websites that supply much of the knowledge being summarized.

The long-term risk is not the disappearance of information. The risk is the gradual weakening of the incentives that produce information in the first place. A web that becomes less rewarding for independent creators is likely to become less diverse, less innovative, less open, even let's say less rich...

As search engines evolve into answer engines, that click is becoming less important. If it disappears entirely, the consequences will extend far beyond traffic statistics. The economic foundation of the open web itself will erode.

(The writer, an expert on energy, contributes to journals in India and overseas. The views are personal.)

Crossword | No. 293492



Yesterday's Solution



ACROSS

- 1 Indulging in fantasies to win over party on left (13)
8 Person who dresses rapper? (7)
9 Cause friction again with hot pants? (7)
11 Part of shirt collar, perhaps (4)
12 Dutchess eats half of rare meat, which is a blow (6,4)
14 Germany's current period of overindulgence (5)

DOWN

- 2 Switch positions? I'm not sure it's available (2,5)
3 Religious book very fortunate to lose its covers (4)
4 Famine in a bad way, (5)

Repulicant takes lead (7)

- 5 Nothing is mutable in these dancing (7)
20 Party in fancy in dressy pink clothes, they've no costumes (6,7)
2 Switch positions? I'm not sure it's available (2,5)
3 Religious book very fortunate to lose its covers (4)
4 A number welcoming

opening of tennis courts (5)

- 5 The euro struggles to maintain rating in this area (9)
6 Hearing papal take on sex, I hold things together (6,4)
7 Vagrant in hedge made a beastly sound (7)
8 Stops doing more acid to provide impetus (4,7)
10 He dispensed treatment in Post Office Boxes (11)

13 Dull-witted American president's thrown outside (10)

- 15 Decent trousers in golf, it appears (9)
17 Funny bloke is something to see in Paris (7)
19 Record covered by Erasure is so damn uplifting! (7)
21 Fighter catches Greek priestess dressing (5)
23 Inclination to put butter on starter of partridges (4)

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



Editor's TAKE

US-Iran deal: A fragile yet welcome respite

The peace agreement between the US and Tehran, if it endures, could be the most consequential diplomatic breakthroughs of this decade

The announcement by Pakistan Prime Minister Shehbaz Sharif—swiftly confirmed by US President Donald Trump—that Washington and Tehran have reached a peace agreement is indeed a great breakthrough, and the world can take a sigh of relief, but with a small caveat: it should hold. For the United States, this deal is a strategic win dressed up as a humanitarian one. Washington secures what it has long sought: a pathway to constraining Iran's nuclear ambitions, the reopening of the Strait of Hormuz to toll-free commercial shipping, and a claim to regional peacekeeping without boots indefinitely on the ground. Trump, never shy about legacy-building, has a feather in his cap. For Iran, the gains are tangible and immediate. The maritime blockade imposed on the country will be lifted. Its reported \$24 billion in frozen assets, at least half of which is to be released before final negotiations begin, represents a significant economic lifeline. Crucially, the draft memorandum reportedly excludes Iran's missile programme and its support for resistance groups from the scope of future talks—a significant diplomatic preservation of the sovereignty Tehran has guarded. Here lies the central question. This is emphatically a memorandum of understanding, not a final peace treaty. Sixty days of nuclear negotiations lie ahead, and the track record of such frameworks counsels realism over euphoria. A deal that comes with a resumption clause is less a peace and more a ceasefire with paperwork. The devil, as always, will be in the implementation. The 14-article draft demands an ambitious \$300 billion reconstruction commitment from the US and its allies—a figure that will face fierce scrutiny in Washington. Meanwhile, Israeli Prime Minister Netanyahu's objections remind us that regional spoilers retain the power to destabilise even well-intentioned agreements. The Strait of Hormuz handles roughly a fifth of the world's oil and gas trade. Its blockade had sent energy markets into anxiety spirals. Oil prices should ease, supply chains should breathe again, and the spectre of a wider regional conflagration should recede.

India has more skin in this game than most. As one of Iran's historically significant trading partners and a major importer of Gulf energy, India had been quietly absorbing the shocks of the blockade. The reopening of the Strait directly stabilises India's energy import costs at a time when the economy can ill afford inflationary fuel shocks. Equally significant is the Chabahar port project—India's strategic gateway to Central Asia through Iran—which had been caught in the crossfire of sanctions and tensions. A more stable Iran means Chabahar can once again become the diplomatic and trade asset India always envisioned. India's large diaspora in the Gulf and its remittance flows also benefit from regional de-escalation. New Delhi, which has long practised strategic autonomy by maintaining ties with both Washington and Tehran, is now well positioned to deepen engagement with both sides. The June 19 signing in Switzerland will be a ceremony, not a conclusion. The world should welcome this agreement with open eyes: hopeful, but watchful.

Swasth Bharat, Sashakt Bharat: 12 years of health care development

The journey of Ayushman Arogya Mandir represents a significant expansion of comprehensive primary healthcare and the much required transition from a reactive to proactive care



ANUPRIYA PATEL

Stronger health systems lead to higher economic productivity, greater social participation, and sustained long-term growth. Good health, therefore, is not only a social good but also a national asset—the foundation upon which human potential is built and national strength is measured. Health, therefore, is not only a social good but also a national asset, and every rupee invested in it is an investment in the nation's people.

Thus, Universal Health Coverage (UHC)—ensuring that all people, regardless of socio-economic status, can access the full range of quality health services they need, when and where they need them, without financial hardship—is not only a Sustainable Development Goal to be achieved by 2030 but also a health priority.

India's National Health Policy 2017 (NHP 2017) is aligned with the goal of achieving Universal Health Coverage (UHC) and SDG 3, guided by a simple but powerful belief—healthcare should be within reach of every person. Its four pillars—Affordability, Accessibility, Quality, and Availability translate that belief into action, anchoring a comprehensive continuum of care across all stages of life. Aligning with the goals, National Health Mission supports States in delivering an integrated three-tier model of health systems with a two-way referral linkages across rural and urban areas including vulnerable populations.

At the primary level, Ayushman Arogya Mandir (AAM) provides comprehensive preventive, promotive, curative, rehabilitative, and palliative care health care services. eSanjeevani telemedicine platform ensures the availability of specialists connecting the community to the specialist through these AAM. An e-special Tele-MANAS platform, which has reached a cumulative 38.93 lakh contacts as on date.

Connecting from AAM are the secondary facilities at the Community Health Centre (CHC)/First Referral Unit (FRU) and District Hospital (DH) that serve as the first point of referral to provide in-person specialist and hospitalisation care, with tertiary institutions including medical colleges serving on the top of the apex to more complex and super-specialist services' needs.

This three-tier system is supported by escalation in Government health budget, with National Health Mission spending growing by 168 per cent over the past decade, reflecting government's commitment to health as a national priority.

The journey of Ayushman Arogya Mandir represents a significant expansion of comprehensive primary healthcare and the much required transition from a reactive to proactive care. The expansion from 6 to 12 comprehensive health packages is a structural response to India's changing demographic and epidemiological profile. As we navigate the dual challenge of ageing population with a rising tide of non-communicable diseases, the expanded scope covers Non-Communicable Diseases (NCDs), mental health, elderly care, emergency services, and eye, ENT, and oral health along with yoga and health promotion—reflecting a system designed for the population India is becoming.

As of May 2026, more than 1.8 lakh AAM are operationalised across country to provide door step healthcare services and the scale of this expansion is visible through more than 120 crore OPD consultations at AAM, more than 70 crore eSanjeevani teleconsultations, and more than 46.1 crore wellness sessions promotion good health and well-being.

At the primary care level, population-based screening for diabetes, hypertension, and common cancers oral, breast, and cervical targets all adults above 30 years, making early detection a routine. This screening is an integral component of service delivery under Ayushman Arogya Mandir, integrating NCD prevention into comprehensive primary healthcare. The expansion of NCD services is a multi-layered approach to early detection, prevention,



management, and treatment. Dedicated NCD Clinics, Day Care Cancer Centres, Tertiary Care Centres, and State Cancer Institute's decentralised advanced oncology services and bring specialist care closer to the patient. Also, whole-of-government approach is applied for preventive activities. FSSAI promotes healthy eating habits; the Fit India Movement drives physical activity; and the Ministry of AYUSH advances yoga and wellness. Sustained public awareness campaigns and Health Day observances reinforce these efforts. Prime Minister Modi's personal appeal to reduce edible oil consumption by 10 per cent underscores a simple but powerful conviction: that the fight against NCDs is won as much in households as in hospitals. To support the primary care expansion, a new cadre of Community Health Officers were introduced at the AAM level, bringing clinical and public health competence closer to the community. This expansion was mirrored at the doorstep, where the frontline network grew to over 10 lakh ASHAs—linking the community with the health systems. Alongside expansion, India took on the harder challenge of transforming the standard of care itself. The National Quality Assurance Standards, indigenously developed and internationally certified, turned quality from an aspiration into an accountability. Over 65,000 public health facilities, including 54,926 Ayushman Arogya Mandirs, are now NQAS-certified. Further, laboratory standards for IPHLS embed rigour into the system.

What made NQAS work was not the standard alone, but the ecosystem built around it—LaQshya for maternal and newborn care, Kayakalp for cleanliness and infection control, and MusQan for child health. Together, they have made quality a baseline rather than a benchmark. The result is a system that does not just treat more people—it treats them better. If primary care is the system's first promise, India strengthened its community platforms: Anaemia Elimination Mission and Pradhan Mantri National Dialysis Programme further reflects Governments commitment to reducing the OOPe across the country, with a cumulative savings of more than ₹10,102 crore to families who would otherwise have borne that burden alone. Putting people's health into people's hands, India strengthened its decentralised architecture that puts planning, monitoring, and accountability in local hands. Village Health, Sanitation and Nutrition Committees (VHSNCs), Jan Arogya Samitis (JAS), and Rogi Kalyan Samitis (RKS) have made representatives of Panchayati Raj Institutions and Urban Local Bodies active partners in health. In urban areas, Mahila Arogya Samitis (MAS) further deepen the focus by placing women at the centre of community outreach for transparency, accountability, and community voice for the trusted feedback loop. True health security means being as ready

for tomorrow's threats as for today's. PM-ABHM, launched in 2021 with an outlay of ₹6,4180 crore, draws directly on the lessons of COVID-19—building surge capacity, strengthening laboratory networks, expanding real-time disease surveillance, and developing One Health research infrastructure. It is, in essence, turning hard lessons into durable public health architecture.

When illness does require hospitalisation, Ayushman Bharat PM-JAY provides the financial cushion that prevents care from becoming catastrophic to the family. As the world's largest publicly funded health assurance scheme, it covers ₹5 lakh per family per year for secondary and tertiary care—a protection extended in 2024 to all senior citizens above 70, regardless of income. Underlying all of these initiatives is a digital backbone without which a system of this scale cannot function. The Ayushman Bharat Digital Mission ABDM IDs, interoperable health registries, and unified health interfaces has made the records portable, access seamless, and delivery intelligent. Nearly 91 crore ABDM IDs have already been generated with India progressing towards digital health systems.

Taken together, free services, community-level diagnostics, front-line specialists, referral transport, dialysis, hospitalisation cover, and a digital backbone do not add up to a collection of schemes—they add up to a system. The health gains are not accidental. They are what sustained, layered public investment looks like when it works. The results are no longer abstract; they are visible in India's public health record. Maternal mortality has fallen from 254 per lakh live births in 2004-06 to 87 in 2022-24, meeting the NHP 2017 target. From 1990 to 2024, India cut MMR by 84 per cent—nearly twice the global decline of 48 per cent—and earned UNFPA recognition for leadership in maternal health and family planning. The broader picture tells the same story: as per the latest NFHS, fertility has reached 2.0, institutional deliveries have risen to 90.6 per cent, and full immunization now stands at 98.6 per cent. These are signs of a system learning to prevent, detect, and respond. That is why India's elimination milestones matter: maternal and neonatal tetanus in 2015, and trachoma as a public health problem in 2024—making India only the third country in South Asia to do so.

This is the larger lesson. NHP 2017 set the direction, NHM built the delivery infrastructure from Sub-Health Centres to tertiary hospitals, and Ayushman Bharat gave that system its four working pillars: AAMs for primary care, PM-JAY for financial protection, PM-ABDM for resilience and infrastructure, and ABDM for the digital backbone. Together—with free medicines, diagnostics, transport, and dialysis—the focus is on more than just collection of schemes. They form a national health shield for our people, and a reminder that public health, when treated as nation-building, can transform both lives and the future of the country.



People practice yoga in a river ahead of the International Day of Yoga in West Bengal. PHOTO: PTI

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INDIA-FRANCE PARTNERSHIP GAINS NEW MOMENTUM

Prime Minister Narendra Modi's visit to the French city of Nice marks another significant milestone in the steadily strengthening India-France relationship. His comprehensive bilateral discussions with French President Emmanuel Macron reaffirm the depth and strategic importance of this partnership. France remains one of India's most trusted allies in Europe, and an indispensable strategic partner on a wide range of global and regional issues. Cooperation between the two nations has expanded beyond traditional areas of defence and security to encompass emerging sectors such as artificial intelligence, infrastructure, science, space, healthcare, clean energy, and workforce mobility. It is also encouraging that India will participate in this year's G-7

Summit, reflecting its growing global influence and its role in shaping a new international order. Stronger ties with France can help India emerge as a more resilient and influential stakeholder in an increasingly uncertain world. The visit highlights the shared commitment of both nations to innovation, sustainability, and economic growth. As global challenges become more complex, robust Indo-French cooperation will not only benefit the two countries but also contribute to international stability and progress. We hope the latest engagements produce tangible outcomes and further elevate this vital partnership to new heights.

KIRTI WADHAWAN | KANPUR

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

US-Iran deal offers hope for stability

The reported breakthrough peace agreement between the United States and Iran is a welcome development after months of military tensions and uncertainty in West Asia.

The proposed deal, expected to be formally signed in Switzerland, offers hope for lasting peace and regional stability. Among its most significant provisions are the continuation of the ceasefire, the reopening of the strategically vital Strait of Hormuz, and the easing of restrictions on Iranian ports. These measures could help restore confidence in global trade routes and reduce geopolitical risks. Future negotiations on Iran's nuclear programme, sanctions, and regional security also indicate a willingness to address longstanding disputes through diplomacy rather than confrontation.

Their efforts demonstrate the value of dialogue and international cooperation in resolving complex conflicts. For India, the agreement carries substantial economic significance. Greater stability in the Gulf region can help ensure uninterrupted energy supplies, moderate crude oil prices, ease inflationary pressures, and support economic growth. As a major importer of energy, India stands to benefit considerably from a calmer and more predictable regional environment.

RS NARULA | PATIALA

Restore faith in institutions

India's growing trust deficit calls for far-reaching institutional reforms rather than incremental policy adjustments. The controversies surrounding critical national examinations such as NEET have exposed serious weaknesses in governance and accountability, raising concerns about the credibility of systems that shape the futures of millions of young people.

When merit-based examinations are marred by irregularities, public confidence suffers and deserving candidates are left disillusioned. Equally concerning is the persistent underinvestment in education. India's expenditure on education remains significantly below the globally recommended benchmark of six per cent of GDP, limiting opportunities for meaningful improvements in quality and accessibility.

To strengthen democratic institutions, the government must ensure greater transparency, establish independent oversight mechanisms, and protect administrators from undue political influence. Public institutions should function on the principles of fairness, professionalism and accountability rather than partisan considerations. At a time when India aspires to become a global leader, it cannot afford to neglect the foundations of good governance.

VIJAYKUMAR K | RAICHUR

Protecting Indian seafarers is a priority

The killing of five Indian sailors has once again highlighted the vulnerabilities faced by Indian seafarers working in international waters. The incident raises serious concerns about maritime security and responsibility of nations to safeguard civilian lives during periods of conflict. As India's global economic and strategic footprint expands, the protection of its citizens abroad must remain a national priority. The deaths of Indian crew members serving on merchant vessels cannot be viewed as unfortunate collateral damage. The government must pursue a thorough investigation, ensure accountability, and provide adequate compensation and support to the affected families. The episode also underlines the importance of adhering to international maritime law, including the principles outlined in the San Remo Manual governing armed conflict at sea.

India's growing maritime ambitions require a corresponding commitment to defending the rights and safety of its seafarers. Diplomatic engagement and legal action must be employed to prevent such tragedies from recurring. The nation also owes them a firm assurance that their lives and security will be protected.

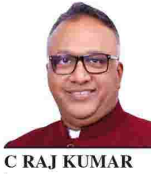
SANJAY CHOPRA | MOHALI

LETTERS TO THE EDITOR



Reimagining India-Japan relations: The transformative role of universities

A stronger and more substantive educational partnership can result in the creation of the talent, trust and shared understanding needed to sustain India-Japan collaboration for multiple generations



C RAJ KUMAR

India and Japan are at a pivotal moment in their relationship. Both countries are trying to find their place in the rapidly changing global environment. In this context, the most important investment they can make is not in infrastructure or technology, but in education.

I believe that India and Japan need to build a transformative relationship for the 21st century, where education transitions from the margins to the centre of bilateral engagement between India and Japan. The next chapter of India-Japan relations should have a multi-pronged approach focusing on academic collaboration, developed through universities.

Academic collaboration large-scale student mobility

The most important policy priority should be to dramatically increase student mobility. India sends thousands of students abroad every year. Most students prefer destinations such as the United States, the United Kingdom, Canada, Australia, and Europe. Unfortunately, Japan rarely appears among the preferred destinations for Indian students despite possessing world-class universities. Japanese universities are leaders in advanced technology, with strong research capabilities, world-class laboratories, and prolific scholars. They provide rich learning opportunities, leading to potentially significant employment outcomes. This impasse vis-à-vis Indian students must change. India and Japan should focus on bringing at least 50,000 Indian students to Japanese universities over the next decade. We need to develop scholarships, tuition fee support, language training programmes, preparatory programmes, and a significantly amplified admission system, all of which should support this objective.

On the other hand, Japanese students should be encouraged to spend semesters, summer and winter programmes, and pursue research opportunities in Indian universities. The vision of educational mobility must become a central feature of India-Japan relations rather than a peripheral activity of marginal significance.

Reforming the visa regime and employment policies

Indian students tend to prefer English-speaking destinations because these countries are believed to have clear and predictable pathways from education to employment. The visa regimes in these countries have enabled graduates to have post-study work opportunities.

Japan should adopt an attractive framework that draws on the vision of these countries when it comes to creating incentives for Indian students to study and then plan towards working in Japanese society.

Indian students who choose to complete their higher studies in Japanese universities should be awarded streamlined work opportunities and work visas after their studies.

There is a case for a multi-year automatic work visa pathway pursuant to graduation, which would significantly enhance Japan's attractiveness for Indian students.

This suggestion assumes significance in the light of the fact that Japan faces demographic decline, labour shortages, and an ageing population. On the other hand, India is gifted with the world's youngest population. The complementarities between India and Japan are obvious. The focus on educational mobility and skilled migration between India and Japan should be seen from the perspective that is mutually beneficial than an independent policy domain.

Establishing Japan studies centres in India and India studies centres in Japan

There is a case for establishing a nationwide



network of Japan Studies centres in leading Indian universities, anchored by a flagship institution inspired by Hiroshima's remarkable journey from devastation to renewal. Such centres of Japan Studies would not only study Japan's history; they would also examine how universities, research institutions, companies, business enterprises and innovation ecosystems contributed to Japan's rise from the ashes of war to become one of the world's most advanced and thriving economies. Instead of functioning as symbolic academic centres, they ought to become vibrant hubs of learning, knowledge sharing, and experience gathering, through language training, policy research, public lectures, collaborative projects, interdisciplinary initiatives, capacity-building programmes, and experiential learning.

In the same way, universities in Japan should establish or strengthen India Studies centres that would examine India's history, economy, political system, technological transformation, social diversity, innovation and entrepreneurship. A holistic partnership between India and Japan requires a range of experts and, in the absence of their availability, despite strong diplomatic and economic ties, the outcome can remain superficial. Therefore, universities have a critical role in cultivating the longitudinal intellectual understanding that transcends beyond government engagement.

Corporate funding for research

Japanese corporations have achieved extraordinary success in India. Indian companies are beginning to expand their presence in Japan. These companies should systematically identify and substantially in university partnerships.

Japanese corporations operating in India and Indian companies in Japan should support: Research Chairs; Research Centres; Fellowships; Scholarships; Academic Exchanges; Policy Research Initiatives. Such programmes would help universities focus on developing long-term expertise while recognising that students who gain exposure to real-world industry perspectives can make a significant contribution to the relationship. Corporate involvement will also help bridge the gap between academic learning and workforce requirements. These investments may be viewed as acts of corporate philanthropy.

They also are, or ought to be seen as, strategic investments in future talent, innovation, technology transfer, and cross-border collaboration. Over a period of time, sustained corporate engagement could also contribute to the establishment of a powerful knowledge partnership that connects universities, industries, and governments.

Such an initiative would strengthen intellectual exchange, institutional partnership, and economic cooperation, resulting in the India-Japan relationship being more resilient and future-oriented. India and Japan should work towards creating

joint research centres that focus on critical challenges such as artificial intelligence, advanced manufacturing, robotics, machine learning, semiconductor technologies, climate change, sustainable energy, water security, public health, urbanisation and cybersecurity.

Japan has globally recognised strengths in industrial innovation, precision engineering, and advanced technologies, including artificial intelligence and robotics. India, on the other hand, has seen remarkable capabilities in software development, digital technologies, frugal innovation, entrepreneurship, and large-scale implementation. The complementary strengths of both India and Japan, when combined, can create opportunities for breakthroughs that can benefit not only both these countries but also the wider region.

The Indian and Japanese Initiatives through joint research, government laboratories, private companies, and start-up ecosystems must become the future of India-Japan relations.

The researchers of both countries should be able to connect with each other easily through institutions, share expertise, collaborate on projects, and work together on initiatives with practical and pragmatic applications. Such cooperation would fast-track innovation while strengthening long-term academic collaboration.

The collaboration between Indian and Japanese universities ought to extend beyond science and engineering. Social sciences, public policy, law, economics, governance, and international relations must also become major areas of cooperation.

There is an urgent need to understand technological change, demographic transitions, and geopolitical developments, all of which will require interdisciplinary research leading to broad-based academic collaboration which is essential for addressing 21st century challenges.

The way forward

A stronger and more substantive educational partnership can result in the creation of talent, trust, and shared understanding that is needed to sustain the India-Japan collaboration for multiple generations. The indicators of this successful relationship in the decades ahead will be:

- The students who cross borders to learn.
 - The researchers who work together to solve common challenges.
 - The institutions that deepen the shared understanding of both societies.
- These human connections will outlast political cycles, government priorities, trade preferences and economic fluctuations.
- If India and Japan place education at the heart of their partnership, they will be leading the development of a knowledge-driven future for Asia.

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Sweden: India's strategic bet on a changing Europe



ABHISHEK PRATAP SINGH **KAUSTUBH TRIPATHI**

such propositions genuinely consequential.

Modi arrived in Gothenburg on May 17 as part of a five-nation tour — the Netherlands, Sweden, Norway and the UK, apart from his first visit to Europe since the landmark India-EU Free Trade Agreement (FTA) came into force in January 2026. The Sweden stop yielded an elevation of bilateral ties to a Strategic Partnership, a Joint Action Plan for 2026-2030, the launch of Joint Innovation Partnership 2.0, and the formalisation of the India-Sweden Technology and Artificial Intelligence Corridor. Bilateral trade stands at USD 7.75 billion, with the stated ambition to double it in five years. This two-day visit to Sweden, therefore, reflects something considerably more significant than a usual diplomatic tour.

To understand this better, one must begin not in Gothenburg but in Washington — or rather, in the gradual erosion of Washington's reliability as an anchor for its European allies. The Trump administration's second term has been a study in the weaponisation of uncertainty. Punitive tariffs, NATO ultimatums, the threat to absorb Greenland, the abandonment of Ukraine to fend largely for itself, and a unilateral military engagement in Iran without allied consultation — each shock has compounded the previous one. European leaders witnessed the passing of 2025 with growing tensions and transactional shifts in their relationship with the US. A Carnegie Endowment (2025) study recently described what is happening as European leaders undergoing a "crisis of faith in the American system itself" — a monumental shift, not merely a political event.

It is into this vacuum that India has been purposefully stepping up its engagement with Europe. When European Union (EU) Commission President Ursula von der Leyen stood alongside Modi in New Delhi in January 2025 to seal the India-EU Free Trade Agreement (FTA), she framed it in terms that had nothing to do with tariffs on luxury cars or Indian textiles. "India-Europe ties will reduce strategic dependency at a time when global trade is being reformed," she said. The target of the remark was clear when the FTA is not just a trade agreement but Europe's attempt to build an alternative economic architecture, with India as a reliable and supportive pillar.

Sweden's position within this story is worth examining carefully. Stockholm has long punched above its weight in innovation: Ericsson in telecommunications, SSAB in green steel, and a start-up ecosystem that rivals almost any in the world. What Sweden lacks, and what India offers, is scale. A market of 1.4 billion people, a digital talent base of extraordinary depth, a manufacturing ambition under Make in India, and a government that has demonstrated it can move large structural deals. Swedish Prime Minister Ulf Kristersson captured the mood with unusual honesty when he said of Modi's visit: "It is absolutely the right time, given all the chaos in world trade." That is not usual diplomatic language, but rather a country identifying its strategic moment.

For India, Sweden offers something the US relationship does not easily provide: technology transfer without the full weight of alliance conditionality. Washington's export control regime, tightened under both Biden and Trump, means that critical technologies arrive in India bundled with strategic expectations. Sweden, through the AI Corridor, 6G collaboration, quantum computing and the critical minerals agenda, offers these borrowings always with fewer strings attached. Looking beyond trade, technology and innovation cooperation, the visit also reiterated the importance of boosting Indo-Swedish cultural links, fostering development and strengthening heritage connections between people. This is not anti-American manoeuvring but an intelligent diversification strategy by a country that has learned, from decades of experience, not to concentrate its dependencies.

The Sweden visit is well timed and diplomatically executed. It consolidates the FTA's multilateral promise into a bilateral strategic architecture that is harder to unravel. It builds technology partnerships, particularly in domains such as AI, 6G, critical minerals and green energy, where India's future competitiveness will be determined. It also signals to a Europe anxious about its strategic loneliness that India intends to be a sincere and durable partner beyond opportunism.

The direction is clear. A world in which the US-Europe relationship is structurally strained, supply chains are fragmenting, and technology is becoming the primary currency of geopolitical influence is precisely the world in which India's multi-alignment strategy has the scope and feasibility to operate. Moving beyond economic ties to strategic alignment, innovation-driven trade partnerships and joint efforts in frontier technologies, the visit reflects growing convergence on technology, security and sustainability between India and Sweden amid a changing global order. Gothenburg is more about consolidating India's strategic autonomy at the right moment, in the right city and with the right partner. Indo-Swedish ties represent an expansive and collaborative forward-looking agenda, reflecting a broader global shift towards multipolarity and hedging in response to US transactionalism.

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SAMRIDHHI PRAKASH

chose to leave the policy rate unchanged at 5.25 per cent and maintain a neutral policy stance, the real story was not inflation. The focus was the rupee itself.

To be sure, inflation risks are emerging. The RBI has flagged persistent geopolitical tensions, rising wholesale prices driven by higher crude oil and input costs, and the possibility of weather-related disruptions to agricultural output leading to a potential rise in food inflation. Yet these risks have not materially reflected in consumer inflation so far. The inflation challenge remains a concern for subsequent MPC meetings. The depreciation of the rupee, however, is a problem of the present.

The currency has come under significant pressure in recent months amid rising crude oil prices, geopolitical uncertainty and foreign capital outflows. As global investors reassess risk in an increasingly volatile environment, emerg-

ing market currencies have borne the brunt of capital flight. India has been no exception. The price of the rupee is not merely a consequence of economic fundamentals; it is also shaped by expectations. Foreign exchange markets are inherently forward-looking. When investors expect a currency to weaken further, they often reposition their portfolios accordingly, creating a self-reinforcing cycle. Speculative pressures can amplify an initial decline, pushing the currency below levels justified by underlying fundamentals. In such circumstances, stabilising expectations becomes as important as stabilising the currency itself.

Traditionally, central banks respond to currency weakness through direct intervention in foreign exchange markets or by raising interest rates to make domestic assets more attractive. This time, the RBI has chosen a different route. Rather than sacrificing growth through higher interest rates or expanding reserves aggressively in the forex market, the central bank has sought to strengthen the capital account and improve the attractiveness of India as an investment destination. This implies financing the current account deficit through capital inflows.

The measures announced alongside the policy decision reveal this strategy clearly. First, the RBI expanded the Fully Accessible Route by including all new issuances of 15-year, 30-year and 40-year government securities, allowing foreign investors to invest in these bonds without being subject to investment caps.



Previously, foreign investors faced limits on how much they could invest in Indian government bonds. The FAR is a special category where those caps do not apply. By adding very long-duration bonds (15, 30 and 40 years) to this route, the RBI is specifically targeting long-term investors who want long-tenor assets and who were previously constrained.

Second, the RBI introduced concessional foreign swap facilities to encourage External Commercial Borrowings (ECBs) by public sector enterprises, helping government-owned compa-

nies access cheaper overseas funding while increasing foreign currency inflows into the country. By making swaps cheaper, the RBI is encouraging a swap facility, with the RBI bearing part of the currency hedging cost, it is incentivising Indian PSUs to borrow dollars abroad. Each such loan is a dollar inflow that supports the rupee.

Third, with the RBI bearing hedging costs and offering temporary regulatory relaxations, banks may be able to offer more attractive returns to NRIs on Foreign Currency Non-Resident (Bank) deposits. FCNR(B) deposits have been used in foreign currency by NRIs in India. The bank and the NRI earn in foreign currency, which is then converted into rupees for use in India — a direct dollar inflow. The 2013 version of this scheme, launched during a major currency crisis, was considered a great success. The RBI is essentially trying to replicate that.

Fourth, the government announced through an ordinance that interest income and capital gains earned by Foreign Institutional Investors (FIIs) on government securities would be exempt from income tax, effective retrospectively from April 1, 2026. This removes two major tax costs: a 12.5 per cent long-term capital gains tax on government bonds held for more than 12 months, and a 20 per cent withholding tax on interest income from those bonds.

The objective is straightforward: to encourage stable capital inflows into India. Taken together, these are not conventional inflation-management tools. They are currency-stabilisation measures operating through the capital account.

The underlying logic is sound. India's current challenge is not excessive domestic demand requiring monetary tightening. It is an external-sector shock driven by higher oil prices, geopolitical uncertainty and global risk aversion. Raising interest rates in such a situation could impose unnecessary costs on growth while doing little to address the source of the problem. Attracting stable foreign capital, by contrast, directly addresses the pressure point.

The immediate market reaction suggests that investors have understood the signal. The rupee registered its strongest single-day gain in two months following the announcements, as markets interpreted the measures as a credible effort to bolster foreign inflows and strengthen the balance of payments position.

Whether these measures prove sufficient will depend on the trajectory of global developments. If oil prices remain elevated, geopolitical tensions intensify, or capital outflows accelerate further, additional policy responses may become necessary. Yet the message from this monetary policy meeting is clear. This was not a meeting dominated by inflation concerns. It was a meeting focused on preserving currency stability in an increasingly uncertain global environment.

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Not the usual monetary policy meeting: RBI steps in to defend the Rupee

DECCAN Chronicle

16 JUNE 2026

For peace deal to work, US must rein in Israel

It must be considered fortuitous if wisdom has indeed dawned on the USA and Iran in reaching a preliminary agreement to stop the West Asia conflict. It would have been even more stunning if Israel, which is not a party to the agreement yet, had decided to give up the war in Lebanon and give peace a chance to mend a region that has been ravaged by aggression of man against man for several decades.

The world will heave a huge sigh of relief if the good sense lasts and the Strait of Hormuz opens, without toll, for the shipping traffic to bring oil and gas freely to Asia.

Of course, many issues remain unresolved, primarily that of Iran's nuclear ambitions that were the foundation of this foolish action by the USA and Israel to force the issue this year by waging a war.

Scepticism aside, a furthering of the memorandum of understanding with western sanctions being eased and withheld funds of Iran released gradually will mean that lasting peace could return and all parties, including Iran's militant proxies in Hezbollah and Hamas which must find other ways to contribute meaningfully to life in a conflicted region riven by religious hate.

Never mind if US President Donald Trump, who waded into this region with 'epic fury', would be coming to the signing of the accord in Geneva on Friday with his tail tucked as it were because he had to finally accept that this was an unwinning war in which the only ones to have gained something are those who sold and Israel who may have been left room to believe that they had made their point.

The world would be a better place if the same wisdom were to dawn on the Russian president Vladimir Putin that, in a world in which asymmetric warfare with armed long-distance drones is a new feature, no war is winnable. The greatest fear in West Asia is that because of now and the end of the 60-day period after Friday when many conditions will have to be met, disruptive actions by Israel and its war hawk of a Prime Minister in Netanyahu could upset the applecart.

Any offensive action would stymie talks on how much economic relief will flow to Iran if it remains stubborn on keeping its nuclear fuel enrichment options open along with its advanced ballistic missile programme that gave it the ability to strike back, mostly at Gulf states that were enraged by the aggression of a fellow Muslim-majority neighbour.

The cause for hope is somewhat deeper this time because Mr Trump, who boasted of having obliterated Iran's nuclear fuel store in strikes last year and this year, seems determined to bring Mr Netanyahu to his senses. That he may be prepared to release at least \$12 billion of frozen Iranian assets to make a final deal possible is a sign that the need to talk about issues has become paramount.

The truth is that Messrs Trump and Netanyahu started this war and the IRGC, seizing greater powers in an interregnum after the death of the Ayatollah and the disfiguring of his figurehead leader son, was emboldened to indulge in strikes at Israel and US assets in its military bases. India, which suffered deaths of three sailors as collateral damage from US action will be pleased, as all other nations that the principal combatants in the war involving Iran have agreed to an "immediate and permanent" end to military operations on all fronts, including in Lebanon. To get Israel to toe the line is as much a challenging task for Mr Trump as negotiating with Iran.

Don't interfere with press freedom

The order of the Delhi High Court quashing the first information report (FIR) filed by the economic offences wing of the Delhi police and the enforcement case information report (ECIR) of the Enforcement Directorate against the editor of the leading news portal Newsclick and its founder-editor Prabir Purkayastha points to the unconstitutional and illegal way the Union government has used the investigative agencies at its command to harass its political opponents for no reason. It must offer a course correction to the so-called respecting people who man the agencies against the way the government often chooses to deploy them in operations which are clearly out of their remit.

That the High Court has gone into the details of every single charge that was made against Mr Purkayastha and the portal and found them to be frivolous is a big victory for the democratic forces in the country and confidence-booster for the fundamental right to speech and expression.

The court found that the FIR contained no element that needed to establish a case of cheating; there was nothing that warranted the invocation of the anti-terror Unlawful Activities (Prevention) Act and there was no violation of the Prevention of Money Laundering Act. Continuing with the cases will be a gross abuse of the law, the court declared. It is now clear that the tough laws which legislatures have enacted to take on terrorists and criminal mafias have been used to target and incarcerate political opponents.

It was during the Emergency that the government imposed formal censorship of news. If that involved the misuse of a constitutional provision, several decades later, the government of the day is misusing and abusing laws to stangle free speech and a free press. It is one of history's ironies that the same people who opposed the Emergency are using its intimidating tactics to silence free speech in this country. The present government must realise that such efforts cannot go very far in this country, whether there is Emergency or not.

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As Manipur on boil again, Centre must act urgently



M.P. Nathanael

With communal violence having rocked Manipur over the past three years, the return of peace still appears elusive. Oscillating between the periodic return of peace amidst violent attacks, the state's residents live in constant fear of an outbreak of violence disrupting normal life. Protests, bands, curfew and roadblocks, and suspension of Internet and mobile data services have become the order of the day.

Following the death of two children in a bomb attack in Tronglobi in Bishnupur, bordering Churachandpur, on April 7, the state was on the boil with masses demanding the arrest of the perpetrators of the attack. The agitation in the valley continued till the bodies of the children were buried on May 9. The case has since been handed over to the National Investigation Agency (NIA).

As the news of the death of the children spread, the protesters headed towards the CRPF detachment in Gelmol, about 1 km from Tronglobi, and went berserk, vandalising the post. Rations and stores were looted and vehicles set on fire. As the mob's fury turned towards the armoury, the CRPF men fired to save the weapons, killing three persons. The looting of armouries of the Manipur police in May 2023 by huge mobs served as a lesson to the CRPF men, who could in no wise allow their armoury to be looted. It may be recalled that over 6,000 weapons were looted from the police armouries in the first week of May 2023. About 4,500 of these weapons have been recovered. A good chunk of the looted weapons still remains in the hands of miscreants, though recover-

The killing of three Church leaders and serious injuries to four others on May 13 while returning to Kangpokpi from Churachandpur added fuel to the fire.

Kukis on June 1 was aborted due to differences between the Naga groups. Persistent efforts by Church leaders and the United Naga Council yielded results, when 14 were released on June 1. The Kukis denied any knowledge of six Nagas who were missing since May 13. The recovery of the bodies of six Nagas by the CRPF and Manipur police on June 10, from Kharam Vaiphei village in Kangpokpi has come as a serious setback to the administration.

Retaliatory attacks resulting in the death of two Kuki church leaders and injuries to several others in Kulth village in Kamjong in the wee hours on June 11 presages a worrisome situation. While the Kukis hold a faction of the National Socialist Council of Nagaland (NSCN) and Shanni National Army responsible for the attack, the Nagas allege that the militants of Kuki National Army (Burma), who have a running feud with the Kukis in Manipur, had carried out the attack. The Naga-Kuki clash is a grim reminder of the violence that had gripped the state in the 1990s when over 1,500 people of both tribes were killed in clashes.

With three elite COBRA battalions of the CRPF, comprising hardened commandos, set to be deployed in Manipur, the situation is expected to improve. As is the norm, these units are undergoing pre-induction training before being deployed. Knowledge of the terrain, the culture and customs of the denizens of Manipur and the problems afflicting the state are expected to be imparted to these commandos.

While Meiteis demand immediate arrest of those responsible for the attack in Tronglobi, the Nagas demand revocation of the "suspension of operations" agreement with the Kuki-Zo and the arrest of those who killed the six Nagas in captivity. The Kuki-Zo seek a separate administration for them and the arrest of those responsible for the death of former BJP MLA Vanglung Vaite, who died on April 11 this year while under treatment. He was attacked in Imphal on May 3, 2023. His body is kept in Churachandpur mortuary. These are among several demands of these communities.

The commission of inquiry constituted in June 2023 in the aftermath of the May 23 ethnic clashes is yet to submit its report, though it was given six months' time initially. With five extensions granted so far and the last deadline due to expire on November 20, the likelihood of the commission submitting its report by the year-end appears remote. Since the commission office is functioning in the National Stadium complex in New Delhi, the witnesses are compelled to travel to Delhi from Imphal. Witnesses from Churachandpur must travel over 300 km by road to neighbouring Aizawl in Mizoram for a flight to Delhi. Travel to Imphal airport, a mere 60 km, is fraught with danger due to the ethnic conflict. The inquiry needs to be expedited and justice dispensed speedily.

Investigations that were entrusted to the CBI and NIA need to be completed expeditiously to restore a sense of security among the people, apart from serving as a deterrent to militants from taking the law into their own hands. To settle the issues that confront the tribes and the Meiteis, the Centre's intervention is urgently needed now. A negotiated settlement is possible only when representatives of Meiteis and the tribes are brought on one platform. Interethnic clashes need to be curbed. Copper-bolting "libel-bolting" operations against the militants can yield the desired results.

LETTERS TMC REBELS

The story about a marriage between an elephant and a mouse turned real when 20 rebel MPs of the TMC merged with the political non-entity National Citizens Party of India (NCPI) of Tripura and requested Lok Sabha Speaker Om Birla for separate identity to sit in Parliament (TMC rebels join Tripura party; Birla hears claims, June 15). This entire process has made the Anti Defection Law a joke. Ideally, the so-called courageous TMC rebels must go to their constituencies, contest on the NCPI symbol, win and enter the temple of democracy.

Buddha Jagdish Rao Visakhapatnam

MERGER MIRAGE

The TMC and the Congress are like chalk and cheese and may not be compatible (Merger mirage: Trinamul and Congress can't converge, June 15). It is a hypothetical question whether the TMC should merge with the Congress or have an alliance in I.N.D.I.A. bloc which has already been weakened with the DMK deserting it. The NC and the AAP have no truck with whatsoever. Under the present circumstances, it is equally improbable for the TMC to merge with the Congress or have an alliance with I.N.D.I.A. as it is in win situation for both losing parties.

Parthasarathy Mandati Tirupati

TERROR FUNDING

According to the terror funding case registered against the US-based NGO, The Timothy Initiative, could have resulted in the diversion of untraceable money raised through foreign bank debit cards, towards the creation of online propaganda networks and on ground mobilisation aimed at inciting youth, destabilising local economies, and fuelling communal divisions (US-based NGO faces terror charge, June 15). This development calls for prompt Indian security agencies' push for enhanced, localised regulatory measures and increased vigilance on the provisions of the Financial Action Task Force (FATF) to investigate non-profit funding.

Govardhana Myneddu Vijayawada

Email your letters to info@deccanmail.com, editor@deccanmail.com.

The writer is a retired CRPF IGP



Aakar Patel

Inter-religion sale of houses: New laws from Guj to Assam

New India has come upon us at such a rapid pace that it is important to step back occasionally and assess where we have arrived.

On August 28 last year, the BJP in Assam on its website (https://assam.bjp.org/en/state-presseless/state-bjp-welcomes-new-government-regulations-land-sale-and-purchase-between-different-religions) published a note under this headline: "State BJP welcomes new government regulations on land sale and purchase between different religions".

The note said that for "land sale and purchase between two different religions, an application will first have to be submitted to the office of the circle officer... the circle officer will forward it to the deputy commissioner. The district commissioner will then forward the application to the revenue department of the state government... after which the file will be sent to the Special Branch of Assam police". After this the file will then take the final decision regarding permission. Why is the "mother of democracy" doing this? To understand this, we have to go to Gujarat, the font of such laws.

Poor people forced to live clubbed together is what we know as a slum. An ethnic group forcibly relocated to certain neighbourhoods is a ghetto. The former have no means to go elsewhere. The latter have no choice even if they have the means. Apartheid means separation and refers to the policy of South Africa of forcing the black Africans in ghettos. They could only live in fixed spaces by law. When segregation in the United States was legally ended in the 1960s, the government passed laws that sought to integrate the races like the Fair Housing Act. It prevented discrimination in the buying and selling of properties which was keeping the races separate. All across Gujarat, in all major cities, in several towns, the government has done the opposite. Muslims are deliberately forced into ghettos through a law known as the Disturbed Areas Act. The law requires citizens in particular parts of cities to seek permission from the government before selling their property or changing their tenant and filters them by religion. The law was initially meant to be temporary and to protect during an episode of communal violence, those who would be

vulnerable to forced eviction or could be coerced into eviction. But Gujarat under the BJP has used the law, renewing it and extending it across the state, to keep Muslims out of other neighbourhoods than those traditionally Muslim. And it criminalises attempts to integrate, permanently separating Muslims from Hindus. The law says that if the state government feels that the intensity and duration of a riot is such that an area is "disturbed", it isolates the area under the act for a specific period. When the disturbance in the area has "ceased to be disturbed", the government can rescind the notification and buying and selling properties can go back to being unregulated. The period suspended instead is that thirty-five years after the law was introduced and eighteen years after the 2002 riot, the law remains active even in cities where there is no violence. And it is being expanded through the addition of more geographical areas and placing more restrictions on Muslims and creating more hurdles to their leaving their ghettos. In 2008, the then Narendra Modi government amended the act to give discretionary powers to the collector to hold an

inquiry suo moto and to take possession of property under the act. In July 2019, another change was introduced. The collector now has to apply for permission to transfer their property and register their consent on affidavit. Now, it would not matter even if the sale was with free consent, and the fair value was paid to the owner. The collector could stop a sale of property if he felt at his discretion that there was any "disturbance in demographic equilibrium" or "improper clustering of persons of a community" or "libel-bolting polarisation", if the transfer took place. The collector could reject an application for the legal transfer of a property after making assessment on these grounds. Punishment for transferring property without clearance was raised to six years in jail (it was six months when the law was first introduced). The new law also allowed the state government to form a "Monitoring and Advisory Committee" to keep a check on the demographic structure in neighbourhoods. This committee would advise the collectors on whether or not sales of properties are in compliance. The laws criminalising the possession of beef came to India first in 2015, in

Maharashtra and then Haryana. The laws banning inter-faith marriage started in 2018, beginning with Uttarakhnad. The laws criminalising Muslim divorce came in 2019 as did the exclusion of Muslims under the Citizenship Amendment Act. The list goes on and, like the Assam, there will be more ways in which this nation will harass and target its minorities. We have various terms by which the changes we are going through are described. Some say New India and some say the Gujarat Model. The interesting thing is that there is no available description or definition of what these terms mean. What is the Gujarat Model intended to achieve and what does New India finally look like? We are meant to understand viscerally what they stand for. It is only by examining the actions of the State that we can appreciate the structure and consider what it is. After that we have to ask ourselves this question: Is this what we stand for and is this how we want the world to see us? The writer is the chair of Amnesty International India. Twitter: @aakar_patel

quick BITES

INDICATORS	%
Sensex	76,264.33 0.97
Nifty 50	23,853.90 0.98
S&P 500*	7,542.98 1.50
Dollar (₹)	94.66 -0.48
Pound Sterling (₹)	127.12 -0.40
Euro (₹)	109.86 -0.29
Gold (10gm) (₹)	153,655.13 0.07
Brent crude (\$/bbl)	82.49 -5.54
IN 10-Yr bond yield	6.872 0.09
US 10-Yr 'Bill' yield*	4.453 -0.032

*As of 8:30 PM IST

Razorpay files confidential IPO papers with Sebi

Fintech firm Razorpay has confidentially submitted draft documents to markets regulator for an initial Public Offering (IPO) with people familiar with the matter pegging the issue size in the range of Rs 5,000-6,000 crore. The company did not disclose the size of the proposed issue. Razorpay attained unicorn status in 2020 and has since expanded beyond payments into a broader financial services ecosystem.



Oracle to upskill 3 L in UP across AI and cloud

Oracle on Monday announced a partnership with Uttar Pradesh State Skill Development Mission (UPSDM) to deliver skills training in AI, cloud, cybersecurity and data science to three lakh students and professionals by 2029. The move aims to bolster employability and support career growth, while building a future-ready talent pool for an innovation-led economy, the cloud computing company said.

Bharti Airtel gets nod to up stake in Africa venture

Bharti Airtel said it has received approval from around 100 per cent of its shareholders to raise its stake in Airtel Africa by 16.31 per cent through a share-swap agreement worth \$28,220 crore. Following the transaction, Airtel's stake in Africa will rise to around 79 per cent from the current 62.75 per cent. The company sees potential in Africa for long-term shareholder value creation.

India to remain LG's top AC market globally

South Korean consumer electronics major LG exports India to continue to be its number one market globally for residential air conditioning by sales volume with the country offering significant growth potential, India, which is among LG's top three HVAC markets globally along with the US and Brazil, however, still has room for growth in the commercial air conditioning business, the company said.



Passenger vehicle (PV) despatches stood at 3,44,656 units in May 2025, SIAM said in a statement. Total two-wheeler sales rose 1.8 per cent to 19,02,209 units last month

India's goods exports hit record, dodge oil turmoil

Petroleum exports grow 55% in May; RIL plant makes the most

SANGEETHA G | DC CHENNAI, JUNE 15
India's merchandise exports registered a record high \$45.20 billion in May, driven by a surge in petroleum exports that reached \$8.4 billion in May, growing 55 per cent over the same month last year. Merchandise exports also surged to a seven-month high of \$73.41 billion in May, primarily due to higher crude oil imports.

BIG BOOST

- Merchandise exports hit record \$45.20 bn.
- Imports rise 7-month high of \$73.41 bn.
- Petroleum exports jump 54.89% to \$8,421 billion.
- Engineering goods exports rise 24.48%.
- Electronics exports increase 11.6%.



US, India likely to finalise phase-1 deal on June 22

MADHUSUDAN SHAHO NEW DELHI, JUNE 15

US trade representative Jamesion Greer is scheduled to visit India on June 22 for a two-day meeting with commerce and industry minister Piyush Goyal to finalise the first tranche of the proposed interim trade agreement between the two countries. A senior government official said discussions on June 23-24 will focus on giving final shape to the framework deal as well as advancing talks on the broader bilateral trade agreement (BTA). "Our expectation is that discussions will be centred around giving final touches to the framework deal, which has been discussed during the visit of their (US) delegation and also

on the larger bilateral trade agreement (BTA), but it is showing signs of a gradual recovery. "India's exports to the region had declined in March due to the conflict, but improved in April and further in May, reaching more or less the same level as in May last year. Agrawal told reporters here. India's merchandise exports to West Asia dipped 1.5 per cent to \$5.30 billion in May this year from \$5.38 billion in May 2025. "Good growth has been recorded in countries such as the UAE (3.2 per cent), Saudi Arabia (11 per cent), Jordan (21 per cent), Syria (209 per cent), and Yemen (16.5 per cent). Despite challenges, supply chains remain entrenched," Agrawal said.

- US Trade Representative Jamesion Greer to visit India on June 22.
- Talks to focus on the proposed interim trade agreement and BTA.
- Negotiations in June termed "constructive and positive".
- India West Asia exports dip 1.5% to \$5.30 billion.

India's trade with West Asia contracted in May due to disruptions caused by the US-Iran conflict, but it is showing signs of a gradual recovery. — RAJESH AGRAWAL, commerce secretary.

Markets rejoice West Asia peace, FPIs turn buyers

RAVI RANJAN PRASAD MUMBAI, JUNE 15

Indian equity benchmarks rallied sharply on Monday following easing crude oil prices and improved sentiment after the US-Iran peace deal, before trimming gains on profit booking. The BSE Sensex opened 1,197 points higher at 76,275.27 and rose to an intraday high of 76,821.07, while the Nifty 50 opened at 23,894.85, up 361.95 points, briefly crossing the 24,000 mark to touch 24,011.40. However, gains moderated later in the session. The Sensex closed 736.38 points higher at 76,264.33, while the Nifty ended at 23,853.90, up 231 points.

The rally followed a decline in Brent crude oil prices to a three-month low of \$82.49 per barrel and a stronger rupee, which opened at 94.68 against the US dollar. Market sentiment was also supported by easing bond yields, with the 10-year government bond yield declining by over two basis points to 6.87 per cent, benefiting financial stocks.

Broader markets outperformed, with the Nifty Midcap 100 and Small-cap 100 indices rising 1.3 per cent and 1.1 per cent. Investor wealth increased by ₹8.48 lakh crore during the session, taking total market capitalisation on the BSE to ₹470.49 lakh crore. Gains since Friday, when news of the US-Iran deal emerged, totalled ₹18.14 lakh crore.

PEACE DEAL FUELS RUPEE'S RISE, GAINS 40 PAISE

FALAKNAAZ SYED MUMBAI, JUNE 15

The rupee on Friday strengthened 40 paise to 94.71 supported by easing geopolitical tensions that led to a decline in crude oil prices and the US dollar. A stronger rupee improves inflation outlook and eases external-sector stability. At the interbank foreign exchange market, the rupee opened at 94.68 against the dollar. Intraday it strengthened 62 paise to 94.45 before closing at 94.71 against the dollar compared to 95.11, a rise of 40 paise.

"As 94.50 gets broken, we can expect the rupee to rise to 94 levels with RBI also present to buy dollars to cut its short positions as also to increase its reserves. The range for tomorrow is expected between 94 to 95 subject to no change in the terms and conditions of the proposed deal between US and Iran and no violation of the ceasefire agreement," said Anil Bhan-sali, head treasury at Finrex Trading Advisors. According to Emap Global, the RBI measures to attract capital flows should help address the Balance of Payment (BoP) deficit. It expects \$70-75 billion in capital flows from these measures which could help FY27 BoP deficit to narrow to a deficit of a minor surplus.

India computes inflation impact on producers with a new index

MADHUSUDAN SHAHO NEW DELHI, JUNE 15

The Centre on Monday released Producer Price Index (PPI) data for goods and services for the first time, marking a transition towards a broader measure of price movements and signalling a phased withdrawal of wholesale price index (WPI) data over five years.

- Producer Price Index will track prices received by producers, while WPI focuses on wholesale prices at retail inflation focuses on consumer price.
- WPI covers both goods and services.
- PPI for physical goods and retail prices for everyday goods and services
- PPI excludes taxes, distribution, and trade margin, while WPI and CPI take into account taxes paid.



The decision follows the April report of a working group chaired by former NITI Aayog member Ramesh Chand and aligns with recommendations of the International Monetary Fund, which has called for a transition from WPI to PPI in line with global practices. According to the commerce and industry ministry, the PPI framework, which includes both output and input indices, is expected to provide a clearer picture of price movements across industries. "It also explains how inflation experienced by producers on input items is passed through to the final product being produced," the ministry said, adding that the WPI data will be discontinued after five years.

All-India output PPI for all commodities stood at 109.6 in May 2026, up from 108.6 in April, while the retail input PPI for the manufacturing sector was recorded at 104.9. "The input PPI is being published on an experimental basis and would enable the department to examine the data quality and receive feedback from stakeholders and users," the ministry said. The ministry said the revised WPI series will be output PPI for goods covered representative goods transacted in the economy, while input PPI captures "goods consumed by the manufacturing sector."

Wholesale inflation accelerated further in May, rising to a record 9.88 per cent from 8.26 per cent in April. Fuel and power inflation remained the biggest contributors to the rise in the country's wholesale prices in the month of May.

More reforms to raise forex: FM

FC CORRESPONDENT NEW DELHI, JUNE 15

Union finance minister Nirmala Sitharaman on Monday said recent measures by the government and the RBI to boost foreign inflows are the "first steps" towards raising overseas capital, with further steps under consideration. Addressing the Mind the Summit 2026, she said the government is preparing for contingencies arising from the evolving global situation, noting that the Indian economy is facing "severe strain" due to imports of key raw materials, including crude oil and fertilisers. "An analysis by the Reserve Bank of India (RBI) and the government has shown that the bond market can be a very good magnet to absorb foreign capital. Accordingly, to reduce compliance burden for foreign investors in government securities (G-Secs), the government

Privatise PSUs, Ex-Niti chief

FC CORRESPONDENT WITH AGENCY INPUTS NEW DELHI, JUNE 15

Former NITI Aayog vice chairman Arvind Panagariya on Monday called for renewed momentum in privatisation of public sector units (PSUs) and public sector banks (PSBs), terming it integral to India's economic reforms. In an interview to PTI, he also proposed setting up an independent privatisation ministry, stating that the current department of disinvestment has not sustained the pace of the programme. "I firmly believe that, regardless of fiscal pressures, the privatisation of PSUs and most public sector banks is integral to our economic reforms," he said. "Panagariya said the process should continue despite geopolitical uncertainties. "Modernisation of our infrastructure as part of our India@2047 movement, we need to resuscitate the PSU and PSB private," he said.

CUSTOMER FIRST

With an aim to curb mis-selling, the Reserve Bank of India (RBI) on Monday issued comprehensive instructions for regulated entities such as banks and NBFCs on advertising, marketing and sale of financial products. The final norms that are effective January 1, 2027 ban deceptive marketing tactics and tighten norms around customer consent, disclosures and sales practices. The norms also ban the use of "dark patterns" in digital interfaces, defining them as design or user experience techniques that misled or trick customers into taking actions they did not intend. Lenders and their agents will be barred from employing such practices across websites, mobile apps and other sales channels, the RBI said. Banks and NBFCs have to ensure their websites and practices do not create incentives for mis-selling or lead to bundling of products/services. They have to obtain explicit customer consent, which indicates agreement to a specific action by or arrangement with them. In its Responsible Business Conduct Second Amend-



ment Directions, 2026 for Regulated Entities, RBI said the lenders should eschew the practice (compulsory bundling or forced purchase) of making availability of one product/arrangement conditional upon availment of another product/service, while the other third-party offered by them. "A bank, while obtaining consent for any product or service from a customer, should prominently use the key features of the product or service, e.g., fees, charges, interest rate, etc., risks involved, financial commitment for the customer, lock in conditions, exit terms including penalties, etc. in a manner to draw the attention of the customer to such important information," said the RBI. If a customer is found to not opt-in, cannot be targeted with promotional campaigns.

PV despatches rise 27% in May: SIAM

NEW DELHI, JUNE 15: Domestic passenger vehicle despatches from companies to dealers rose 27.3 per cent year-on-year to a record 3,44,656 units in May this year with the demand created due to reduced GST rates and impact of festive season.

Passenger vehicle (PV) despatches stood at 3,44,656 units in May 2025, SIAM said in a statement. Total two-wheeler sales rose 1.8 per cent to 19,02,209 units last month as against 16,57,116 units in May last year, the industry body said in a statement. "Passenger vehicles, three-wheelers and two-wheelers recorded the highest ever sales of May in 2026, with high double-digit growth in each segment," SIAM Director General Rajesh Menon said. He further said, "Lower base effect of previous May and demand created due to reduced GST rates, with easier financing, is again getting reflected in higher offtake this month." —PTI

FALAKNAAZ SYED MUMBAI JUNE 15

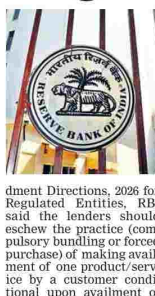
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Banks, NBFCs must refund money collected without proper disclosures

RBI bans mis-selling, forced purchases

another product/service, while the other third-party offered by them. "A bank, while obtaining consent for any product or service from a customer, should prominently use the key features of the product or service, e.g., fees, charges, interest rate, etc., risks involved, financial commitment for the customer, lock in conditions, exit terms including penalties, etc. in a manner to draw the attention of the customer to such important information," said the RBI. If a customer is found to not opt-in, cannot be targeted with promotional campaigns.

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The Tribune

ESTABLISHED IN 1881

Peace pact

Difficult diplomatic road ahead for US, Iran

THE announcement of the US-Iran peace deal promises a welcome respite for a war-weary world. After three-and-a-half months of a conflict that disrupted global energy markets, threatened regional stability and raised fears of wider hostilities, the decision to pursue the path of diplomacy makes sense. The agreement, scheduled to be signed on June 19, is expected to pave the way for unimpeded access to the Strait of Hormuz and an immediate halt to military operations. The closure of this strategically vital maritime corridor had triggered a sharp rise in oil prices and aggravated economic uncertainty across the world. Global markets' positive response to the announcement shows that the health of the international economy is closely linked to peace in West Asia.

The optimism, however, should be tempered with caution. Some of the most contentious issues have merely been put on the back burner. Iran's nuclear programme, relief from sanctions, regional security arrangements and the future of armed groups allied with Tehran will be discussed during a subsequent 60-day negotiation period. These unresolved questions have historically derailed diplomatic efforts and could still threaten the durability of the accord. The deal also highlights the growing importance of mediation and multilateral diplomacy. The role played by Pakistan, Qatar, Saudi Arabia and Türkiye demonstrates that regional actors can contribute constructively to conflict resolution.

Ironically, Washington and Tehran have returned to the negotiating table after months of intense fighting and devastating losses, acknowledging that sustainable solutions cannot be imposed through force alone. The agreement presents an opportunity to make amends; it is not a guarantee of stability. Continued tensions involving Israel, Lebanon and Hezbollah could undermine progress. Ultimately, this pact should be viewed not as the end of a conflict, but as the beginning of a difficult diplomatic journey. Its success will depend on the willingness of all stakeholders to walk the talk.

Label truth

For the vulnerable, accurate labelling saves lives

THE Food Safety and Standards Authority of India's (FSSAI) decision to issue notices to several food companies over allegedly misleading trade names and health claims is a welcome intervention. It recognises an uncomfortable reality: in a crowded marketplace, attractive labels often shape consumer choices more powerfully than nutritional facts. However, regulatory vigilance cannot end with occasional notices that generate headlines before fading from public memory. Consumer protection must evolve into a sustained national mission centred on transparency, accountability and awareness.

For millions of Indians, food labelling is a matter of health. People living with coeliac disease, for instance, depend on accurate disclosure of ingredients to avoid gluten exposure, which can trigger serious intestinal damage and long-term complications. Vague descriptions, incomplete ingredient lists or loosely used terms such as "healthy", "natural" and "zero" can mislead consumers and undermine informed decision-making. Those with allergies, diabetes and other dietary restrictions face similar challenges.

India's growing market for packaged foods demands a stronger regulatory framework. Front-of-pack information should be easy to understand, while manufacturers must be held accountable for claims that imply health benefits without adequate substantiation. Periodic audits, random testing and meaningful penalties for repeat violations are essential. Consumer education campaigns should become a permanent feature of public health policy. Schools, healthcare institutions and the media must help people understand how to interpret nutrition labels, identify misleading claims and make healthier choices. An informed consumer is often the best line of defence against deceptive marketing. Food businesses, too, have a responsibility that extends beyond legal compliance. The goal should be to foster a culture in which honesty in food labelling becomes non-negotiable. Consumer safety cannot be treated as a periodic exercise in enforcement.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, WEDNESDAY, JUNE 16, 1926

A Pyrrhic victory

IN SPITE of the majority which Mr JM Sengupta was able to secure in favour of the resolutions at the last meeting of the Bengal Provincial Congress Committee, we feel no hesitation in saying that his was a Pyrrhic victory. The very fact that the minorities were as large as they were shows this beyond the possibility of doubt. The resolution on the Krishnagar Conference was carried by 137 votes against 102, while the principal resolution itself, that on the Bengal Pact, was carried by 153 votes against 88. That in spite of the prestige of his position, as well as the support given to him by Pandit Nehru, President of the Swaraj Party, Mrs Sarojini Naidu, President of the Congress, and Mrs Das, Mr Sengupta was not able to secure a larger majority in favour of his resolutions is a fact of unmistakable significance. Secondly, even the majorities he did get were obtained by excluding a considerable number of otherwise eligible members from the voting list, on the ground that they had not paid in their subscriptions. The technical validity of the ground none will dispute, but Mr Sengupta will perhaps be the first person to admit that the question of disqualifying these members from exercising their voting power would never have arisen if the Committee had not been divided into two hostile camps. In any case, when we are considering the respective strength of the two sides, the fact that some members on one side had paid their subscription is not a matter of primary or decisive weight.

US-Iran deal marks a strategic reset

Tehran will forcefully protect its core interests, including its nuclear and ballistic missile programmes



KC SINGH
FORMER SECRETARY, MEA, AND
EX-AMBASSADOR TO IRAN AND UAE

JUNE 14, coincidentally US President Donald Trump's birthday, marked the announcement of the US-Iran peace deal. Trump posted on social media about the reopening of the Strait of Hormuz and the lifting of the US blockade. Pakistani Prime Minister Shehbaz Sharif announced that the deal-signing ceremony would be held in Switzerland on June 19. Interestingly, Sharif thanked Qatar, Saudi Arabia and Türkiye, omitting the UAE. He said mediators would facilitate "pre-implementation discussions", which would lay the foundation for the "technical talks".

Iran, on the other hand, published the 14-clause Memorandum of Understanding (MOU). The clauses include \$300 billion in reconstruction commitments from the US and allies; unfreezing of \$24-billion funds, half before negotiations; lifting of the blockade within 30 days and the withdrawal of US forces from around Iran. The reopening of Hormuz is under Iranian purview; its management stays with Iran. Clause 9 notes the Iranian commitment to not produce nuclear weapons, without mentioning any cap on enrichment. Under Clause 14, the missile programme and support for proxy groups stand removed from the agenda.

Iranian Deputy Foreign Minister Kazem Gharibabadi called it a "total victory". The Iranian security council claimed that the deal included an immediate end to fighting in Lebanon. Israeli Prime Minister Benjamin Netanyahu disagreed with this assertion. The bulk of Iranian claims would be subject to negotiations after the MoU is signed.

Will the world now transition



LAPSE: The US and Israel miscalculated Iranian preparedness. REUTERS

towards pre-2025 normalcy? Global disruption began with the tariffs unleashed by Trump on April 2 last year, christened "Liberation Day". Repeatedly, the US threatened to annex Canada and Greenland, using force, if necessary. In June 2025 came the joint attack by the US and Israel on Iran, a 12-day war and the claim that the Iranian nuclear programme stood dismantled.

On February 28, 2026, there was a second and more serious military onslaught on Iran, starting with the assassination of the Iranian Supreme Leader, Ali Khamenei. It was based on the simplistic assumption — which also formed the basis of Russian President Vladimir Putin's attack on Ukraine in February 2022 — that a popular uprising and instant regime change would occur. Perhaps the US success in rapidly replacing Venezuelan President Nicolas Maduro in January 2026 encouraged it to attack Iran.

It is generally accepted that Trump has unravelled the post-1945 rules-based order. He has replaced traditional multilateralism with brazen unilateralism, besides adopting unilateral trade policies and arbitrary tariffs. Multilateral institutions stand eroded, exemplified by the US withdrawal from the World Health Organization. The US has even targeted fellow NATO members, starting

A diplomatically ascendant Pakistan with a strengthened foothold in the Gulf region and a hotline to the US and China can no longer be ignored.

with Canada and then Denmark, which controls Greenland.

However, the Iranians resiliently handled the blitz of airstrikes. The attackers also miscalculated Iranian preparedness. After the June 2025 onslaught, Iran modified its defence strategy by embedding drones and missiles in tunnels deep inside mountains. Iran has two massive mountain ranges and thus unlimited space for its new strategy. Thus, a war supposed to end quickly, seeking regime change and destruction of Iran's nuclear programme, turned into a stalemate.

The US had to declare a ceasefire on April 8 as Iran continued to retaliate, targeting US military facilities in the Gulf Cooperation Council (GCC) countries and Iraq, besides penetrating Israel's defensive Iron Dome. Conse-

quently, the GCC nations and Israel found their stock of interceptor missiles depleting rapidly. Iran additionally shut down shipping through the crucial Strait of Hormuz. Normally, 18 million barrels per day (mbd) of oil transit through it daily. Post-disruption, the global energy prices escalated. Iran had discovered a weapon with global deterrence value. Until the US blockaded the Strait on April 8, 1.9 mbd were still transiting through it, but this fell to 1.2 mbd by June 1.

Having failed to achieve their principal objectives, the US and Israel now face a new reality. Iran has demonstrated that it can bear pain to protect its core interests. The regime, having survived the assassinations of top civilian and military leaders, today fully controls governance, society and foreign policy in Iran. During the negotiations after the June 19 signing, Iran will forcefully protect its core interests, including its nuclear and ballistic missile programmes and support for its proxies — Hezbollah, Hamas and the Houthis.

Trump now denies ever seeking Iranian regime change, shifting the focus to Iran committing to never acquiring nuclear weapons. Ironically, this was already the declared policy approved by then Supreme Leader Ali Khamenei. Seemingly, the MoU was delayed due to the disagreement on the

sequencing of these elements. The 60-day period is to finalise a give-and-take on each side's key demands. As Trump has repeatedly criticised the release of funds by then US President Barack Obama before the 2015 JCPOA (Joint Comprehensive Plan of Action) agreement, the US may use GCC countries to hand back frozen funds to Iran rather than getting directly involved.

The deal will have regional and global implications. Firstly, Israel is dismayed by it, even attempting to sabotage it by launching attacks on Beirut on June 14. Reportedly, it has demanded Lebanon's exclusion from the deal, thereby retaining the right to target Hezbollah.

Secondly, Iran's survival without a surrender has damaged America's image as the master of global competence. In 2020, during President Trump's first term, the Abraham Accords were conceived to align GCC and Arab countries with Israel to isolate Iran. The GCC is divided today, with Saudi Arabia and Qatar having helped Pakistan in finalising the deal. Thus, GCC signatories Bahrain and the UAE are isolated from the combine comprising Pakistan, Saudi Arabia, Türkiye and Qatar.

As Asia is perceived as tilting towards the Israel-US-UAE axis, its diplomatic options are constrained. A diplomatically ascendant Pakistan with a strengthened foothold in the Gulf region and a hotline to the US and China can no longer be ignored or deterred. The broader question arises: would the setback faced by the US in the Gulf impact the existing alliance of fair-right governments in democracies in the Americas, West Asia and South Asia.

With Trump's approval rating at home slipping to 29%, perhaps he had to extract himself from the Gulf stalemate. Are his fresh threats merely an image-building and damage-control exercise or a hint that after the November mid-term polls, he may resume the use of force to achieve what he failed to do through dialogue? Iranians would be preparing for both options.

THOUGHT FOR THE DAY

Portraying Iran as a threat is neither consistent with historical reality nor with present-day facts. —Masoud Pezeshkian

There's more to peace than absence of war

RK SABOO

PEACE is as elusive as a butterfly, difficult to catch yet vital for the advancement of humankind. Thousands of years ago, our *rishis* composed Vedic hymns and *Shanti Mantras*, invoking peace on the earth and in the skies, waters, winds, plants and herbs — and within our hearts and minds.

Peace is not inherent in any living being. Animals fight for survival, food and the safety of their offspring. We humans fight for all of this and more, indulging in conflicts over name, fame, power, wealth, land, religion, ethnic identity and language. While animals act on pure instinct, humans possess a unique gift, "*Neer-Ksheer Vivek*" — the ability to discern good from bad, to choose benevolence over personal greed, and harmony over discord.

Peace is far deeper than the mere absence of war. It does not originate in formal treaties, nor can it be imposed by force. It must be nurtured with sincerity and understanding. Peace has to be built on a foundation of strength, not vulnerability.

The concept of peace has guided me in my pursuit of harmony. Contesting for the District Governorship of Rotary in 1975, I chose to bypass the prevalent practice of campaigning and maligning the opponent. After winning, my wife and I visited my disappointed rival at his home, not to sympathise but to express our goodwill, resulting in a bond of everlasting friendship. It reaffirmed my belief that true leadership is never about defeating others or proving your superiority; it is about nurturing relationships, mutual dignity and fostering harmony.

As the President of Rotary International in 1991-92, I challenged Rotarians worldwide to "Look Beyond Yourself". Enthused by this message, a Rotary Club in Australia introduced the concept of "Peace Cities", encouraging communities to actively work towards peace and non-violence. My efforts led to the creation of the Peace Monument at Sukhna Lake and Chandigarh being recognised as a Rotary Peace City in 2003. My visit to the United Nations, where I shared the stage with world leaders — the session was moderated by Audrey Hepburn, UN Goodwill Ambassador and movie star — further enhanced my perspective. Her profound dedication to suffering children demonstrated that peace, at its core, means dignity, care and hope.

I proposed the establishment of Rotary Peace Centres in several universities for a special curriculum in conflict resolution and peace-building. The inaugural class of 70 Rotary Peace Fellows was launched in 2002 across seven global universities. The goal was to train "soldiers for the army of peace" who would work with governments and civil society to guide, mediate and assist communities toward reconciliation, accord and peaceful cooperation. India became a part of this global peace network with the inauguration of Rotary's eighth Peace Centre at Symbiosis International University, Pune, in 2025.

To me, peace means a world free from hunger, disease, injustice and despair. Peace is possible — and it starts with you and me.

The writer is a former world president, Rotary International

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LETTERS TO THE EDITOR

Punjab suffers the most

Refer to 'Failed saga of Indo-Pak talks'; Punjab pays the heaviest price if India stays the course. For Delhi, escalation is strategy. For Punjab, it means closed borders, lost trade, militarisation, disrupted farming, unemployment, drug addiction, and now the renewed danger of war on our soil. During Op Sindoor, Punjab was not a spectator. Border districts lived under air raid-like conditions. Those who speak casually of escalation must first tell Punjab whether they are prepared to turn our farms, towns and religious centres into a conflict zone. Keeping the Indus Waters Treaty in abeyance is equally reckless. Rivers are not weapons. Inter-basin transfers and attempts to divert natural river systems are ecological disasters in the making.

EMAAN SINGH MANN, FATEHGARH SAHIB

Time to replace AN-32 fleet

Apropos of 'Ageing aircraft': extending the TTL (total technical life) of aircraft by changing certain avionics and instrumentation cannot make the basic structure and engines perform as designed. AN-32, also called Salsuj, is the largest medium-range cargo aircraft fleet and has outlived its service life. The aircraft was designed to operate to and from the highest altitudes and ALGs (advanced landing grounds). Frequent cannibalisation of parts due to non-supply by the manufacturer and reliance on indigenous supplies meant compromising the aircraft's safety. Carrying of cargo, personnel and relief material cannot be met without the availability of AN-32 fleet or an alternative like the Airbus C295 transport aircraft.

WG CDR JS MINHAS (RETD), MOHALI

US responsible for sailors' deaths

Refer to 'Awake-up call for India's sea'; the tragic killing of innocent Indian seafarers calls for justice and accountability. The vessel owners and their Protection and Indemnity (P&I) insurers should compensate the bereaved families. The Directorate General of Shipping must explore relief through the Seafarers' Welfare Fund Society. The US must take responsibility under the international maritime law and the San Remo manual, which is meant to protect neutral civilian vessels.

VIJAY KUMAR KATIALL, PANCHKULA

Re-examine education system

Apropos of 'Idea of perfect race and the myth of merit'; the strength of a nation depends on the quality of its education system and the kind of students it produces. In the present system, rote learning is preferred over critical analysis, marks take precedence over knowledge, and theory is given greater importance than practice. Many students get lost in the whirlpool of confusion and stress before examinations, while parental expectations only add fuel to the fire. We need to draw the nation's attention to the shortcomings of the education system to ensure a complete overhaul of examination and admission processes, along with a substantial increase in the education budget.

VITULL K GUPTA, BATHINDA

Diplomacy wins in West Asia

Although a deal has been reached between Iran and the US, there are still many ifs and buts. What matters is that after months of confrontation, threats, uncertainty and intermittent violence, both sides appear closer than they have been in years to brokering diplomacy over conflict. Peace in the Gulf is not an abstract geopolitical objective; it is a matter of economic and human importance. Even a preliminary accord represents meaningful progress. The negotiations ahead will show the path forward. But today, what matters most is that diplomacy is finally winning the argument over war.

YASH PAL RALHAN, JALANDHAR

Fake call of conscience

With reference to '20 TMC rebels split in LS, merge with regional outfit'; the rebel MPs have betrayed the trust of the voters of West Bengal reposed in them. People vote for the candidate and the party's ideology. The rebel MPs have clearly disrespected the mandate and faith of the people. If indeed these MPs feel they have had a change of heart overnight, they should tender their resignation and seek a fresh mandate. The excuse of listening to their conscience seems to be mere hyperbole. Their conscience never summoned them till they were enjoying the fruits of power.

GURNOOR GREWAL, 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@tribuneindia.com

No nudes please, we are Indian



MRINAL PANDE
VETERAN JOURNALIST

THE photograph of a nude girl from Mohenjo Daro triggered a furore among the creators of *Madhurima*, a new (first ever) arts series for schoolchildren. It had long been a mote in the eyes of those scanning traditional arts through a prudish lens. Three years ago, when the Prime Minister Narendra Modi inaugurated the prestigious International Museum Expo in 2023, the figurine was its chosen mascot.

The government handout accompanying it said it was "a contemporised version of the Dancing Girl." Make what you will of it. So, finally, the contemporised version resulted in the image being clothed in a most garish pink garment that covered its shoulders and upper torso entirely.

NCERT is believed to have since relented and returned the Mohenjo Daro

girl to her original condition. But the ethical implications were clear. No matter how beautifully cast the original bronze statue was, how marvellous was the craftsmanship of its creators who used the lost wax process 4,000 years ago, no Indian nude statue on display should be permissible.

It is strange that nudity has begun to bother the ruling BJP whose Hindu ancestors had commissioned exquisite erotic figures at Khajuraho and Konark temples, where nude or semi-nude couples can be seen making love all over the temples' walls and friezes.

Interestingly, until 2010, the *Encyclopaedia Britannica* had a sentence about Lord Shiva being worshipped in the form of a phallus (*lingam*), often embedded in a *yoni*. In response to the growing pressure from a fast-burgeoning group of Hindu guardians of public morality, it had to change the definition of *lingam* to "a cylindrical votary object embedded in a *yoni* or spouted dish."

Post 2014, the clout of this lobby has obviously grown to the extent that heated protests were raised against semi-nude paintings of the Indian goddess of learning, which was one of the reasons why a painter like MF



PRUDISH : The clothed 'contemporised version' of the ancient bronze figurine of the Dancing Girl was chosen as a mascot at the International Museum Expo in 2023. ANI/ISTOCK

Husain exiled himself to a West Asian country for the rest of his life.

So, it is no longer surprising, shameful though it is, that the government bodies in charge of creating texts for schoolchildren were in denial about the presence of a whole gallery of ancient nude statues and paintings from past centuries. Never mind that poems of female ascetics, like the 12th century Veerashaiva poetess Akka Mahadevi and Lal Ded, the 14th century Shiva devotee from Kashmir, continue to be sung.

Has a thought been spared about how instead of sensitising schoolchildren about both the literal and symbolic levels of nudity in Indian arts and society through the ages,

By methodically removing what the textbook controllers deem 'obscene' or controversial, they would have denied our children a whole panorama, where until the 19th century, among the tribal communities, a naked torso was natural for all females.

the creators of *Madhurima* are launching a debate about the viability of placing the figure (named *The Dancing Girl*) by Sir John Marshall) in textbooks meant for Class IX kids? We do not even know if the figurine depicts a dancing girl or a devotee like Akka Mahadevi, standing happily, unselfconsciously in all her nude glory, holding a bowl in one hand and the other resting on her hips.

Not too long ago, when scholar Michel Denino was heading the textbook committee, he had objected to this covering-up of the dancing girl's statue as the government's mascot. He was told that it was considered 'obscene' for schoolchildren who would be visiting the museum. His reaction was then to not send him to the museum.

The NCERT also objected to placing the nude photo of the original as 'controversial' in texts meant for Class VI students. Denino objected, but eventually, a much-reduced photo was used somewhere inside the books. The Director, DP Saklani, however, reportedly denied there was any specific reason for changing its placement.

Several contemporaries of ours who have devoted their lives to refining and toning up school curricula are full of despair. In an age threatened

by a complete takeover of human thought processes, if children are taught without the various layers of India's intricate past, they are going to grow up as automatons glued to a virtual world in black and white.

Art and life, wrote novelist Martin Amis, don't really have much in common. Art consists of choices; with life you just take what's given. Art can at least aspire to be deathless. But life isn't like that. By methodically removing what the textbook controllers deem 'obscene' or controversial, they would have denied our children a whole panorama, where until the 19th century, among the tribal communities, a naked torso was natural for all females.

When my mother, a young student at Shantiniketan in the 1930s, offered a blouse to the Santal girl who came to clean the hostel corridors, she blushed and said, "Na DiDi, *ama ke laja kochie*." (No sister, I am embarrassed to cover up my top).

In the same country, down south in Travancore, Nadar women were waging the Channar revolt against customary thinking that their baring of the chest was a symbol of respect for upper-caste men by lower caste women.

This is perhaps the message of the Dancing Girl of Mohenjo Daro.

Rahul Gandhi's resistance needs a plan



AUNINDYO CHAKRAVARTY
SENIOR JOURNALIST

WHEN I read Rahul Gandhi's latest speech to Opposition leaders, I was reminded of Karl Marx. The revolutionary socialist wrote: "Don Quixote long ago paid the penalty for wrongly imagining that knight errantry was compatible with all economic forms of society." Rahul appears to have the same problem when it comes to his politics.

This is because the bulk of what Rahul Gandhi said harks back to the political practices of the Gandhian Congress during the Raj, when India was ruled by an extractive and alien colonial state. Rahul Gandhi seems to think that there is a parallel today in the nature of the Indian state, because it is no longer neutral. According to him, all its institutions have been subverted to keep the BJP in power.

So, it follows that if the INDIA partners — the Samajwadi Party, All India Trinamool Congress, Rashtriya Janata Dal and others — believe that the old "political instruments" can work any longer, they are liv-

ing in a "dreamland".

Rahul seems to be suggesting that the standard methods of parliamentary democracy — legislative debates, floor management and electoral campaigns — are worthless now, because the BJP even controls the Election Commission, and "100% the elections are being stolen."

So, what is Rahul Gandhi's solution to this problem? The answer, he says, is resistance. "Resistance works... You don't need political architecture... You need the act of resistance." Apparently, this is what worked for the Congress 100 years ago — "We were a political organisation before 1927. The day Gandhiji said we want independence, we became a resistance movement."

Forget about the historical inaccuracy here — Gandhi was actually greatly miffed when Nehru and Bose piloted the call for 'purna swaraj' in the 1927 Madras Congress, calling it "hastily conceived and thoughtlessly passed." The bigger point is that Gandhian resistance was not some spontaneous personal act; it was carefully planned and executed by the party's organisation.

The Bharat Jodo Yatra is the only concrete example of a sustained campaign of connecting to voters that operating outside the traditional modes of political organisation. But that too ended in early 2023. We saw nothing like that ahead of the recent Assembly elections.

There are several important state elections coming



CASUAL : What is Rahul Gandhi's solution to the BJP behemoth? The answer, he says, is resistance. ANI

that got most of the attention. Now, the Congress has announced a series of student conventions to take up the NEET and CBSE issues. In the Great Nicobar case, we saw a two-minute video of Rahul Gandhi's visit, a couple of Op-Eds, and speeches in Parliament. All of these are standard old-school "political instruments" that Rahul Gandhi claimed don't work anymore.

The Bharat Jodo Yatra is the only concrete example of a sustained campaign of connecting to voters that operating outside the traditional modes of political organisation. But that too ended in early 2023. We saw nothing like that ahead of the recent Assembly elections.

There are several important state elections coming

There is a vast middle class, waiting to be tapped. Rahul Gandhi hasn't shown any signs that he has a strategy to win them over.

up over the next year — Uttar Pradesh, Punjab and Uttarakhand. Yet there are no concrete plans outlined for how the Congress intends to convince people to vote for it, or its allies.

In fact, the AAP government in Punjab has indicated that it might bring the elections forward to this winter. The Congress is widely perceived to have got off on the wrong foot here. Instead of trusting the local leadership, the party has appointed three 'outsiders' — Ajay Maken, Meenakshi Natarajan and Bhajan Lal Jatav — as observers to assess the state's political situation.

Some are unhappy with what they see as feelers sent to Capt Amritinder Singh by the Gandhis to return to the Congress. Even former

Amarinder loyalists are uncomfortable about the mixed messages emanating from New Delhi.

It is possible that Rahul Gandhi feels that none of these organisational issues really matter. As he told his INDIA allies, "the next election is already won." Senior journalist Aadesh Rawal has posted on X that Rahul has reportedly told party general secretaries and state presidents that the Congress is the only party moving ahead rapidly, and they can sit back and enjoy.

Can a party really come to power in this manner? The Indian National Congress of yore definitely did not leave things to providence. Rahul Gandhi's great grandfather spearheaded the party's mass contact programme, while Sardar Vallabhbhai Patel managed the organisational structure. This was a strategic choice. Gandhi made to organise the 'resistance movement' effectively — with Nehru as the popular face and Patel as the man who held the party's structure together.

Most importantly, the Congress leadership of that time recognised that there could be no resistance without funds. Even the austere Gandhi, for all his opposition to industrialisation, had an overt alliance with India's entrepreneurs of that time. These entrepreneurs, in turn, ensured the Congress got enough money to sustain its campaigns.

The most famous of these

was GD Birla. Gandhi acknowledged his friendship with Birla, and even stayed at various Birla Houses when he was in Delhi, Calcutta, Bombay or Pune. Another industrialist very close to Gandhi was Jammnalal Bajaj. The Tatas maintained an arm's-length distance, but were seen to be sympathetic to the national movement.

Rahul Gandhi, on the other hand, has no clear programme to reach out to India Inc, even when there is significant disquiet among them about the state of India's economy. Until now, India's big business houses have been wary of Rahul because of the public positions he has taken against monopoly capital and neoliberal economic policies.

His slogans, like 'Suit-Boot ki Sarkar', have painted the government as pro-business and, in turn, marked him as anti-business. And his recent Gandhian image-making will not help matters much.

Winning elections anywhere in the world requires tactical alliances between the powerful and the disempowered. The BJP has done that by simultaneously catering to the ultrarich and the poorest Indians.

There is a vast middle class, ranging from lower-middle to upper-middle-income voters, waiting to be tapped. Rahul Gandhi hasn't shown any signs that he has a strategy to win them over.

QUICK CROSSWORD

ACROSS

- Swallow up (6)
- Unwavering partisan (8)
- Intercept (3,3)
- State in central south US (8)
- Grounds for regret (4)
- Relay of workers (5)
- On a single occasion (4)
- Wasted (4,3,5)
- With hindsight (2,10)
- Having sufficient skill (4)
- Conveniently placed (5)
- Grim fate (4)
- Arrogantly opinionated (8)
- Noteworthy (6)
- Lack of vitality (8)
- Superfluous (6)

DOWN

- Act of mischievous daring (8)
- Do something thoroughly (2,2,4)
- Raise (4)
- Dupe to costly effect (4,3,1,4)
- Chief part in play (4)
- Quantity (6)
- To journey (6)
- Parsimonious (12)
- Bear courageously (5)
- Slightly drunk (5)
- Inform against (8)
- Incentive (8)
- 18th century composer of oratorios (6)
- A plant disease (6)
- Long involved story (4)
- Bringer of bad luck (4)

Yesterday's Solution

Across: 1 Rupee, 4 Codicil, 8 Vat, 9 Itsy-bitsy, 10 Recital, 11 Clown, 13 Exodus, 15 Better, 18 Aisle, 19 Helpful, 21 In passing, 23 Tip, 24 Indulge, 25 Cope.

Down: 1 Reverse, 2 Put across, 3 Edict, 4 Castle, 5 Debauch, 6 Cut, 7 Lay on, 12 Out of step, 14 Utensil, 16 Relapse, 17 Shrine, 18 Alibi, 20 Logic, 22 Pod.

SU DO KU

1	7	9	8					
				5	2	8		
		5				4	7	6
3			2	6		1	9	
2			4		1			3
	1	6		3	7			4
9	8	3				7		
			1	6	7			
				3	5	4	8	

YESTERDAY'S SOLUTION

7	9	1	6	3	2	5	4	8
6	2	3	5	4	8	9	7	1
5	4	8	9	7	1	6	3	2
4	5	2	1	9	7	8	6	3
1	8	6	4	2	3	7	5	9
9	3	7	8	6	5	1	2	4
8	1	4	3	5	6	2	9	7
3	7	5	2	1	9	4	8	6
2	6	9	7	8	4	3	1	5

CALENDAR

JUNE 16, 2026, TUESDAY

- Shaka Samvat 1948
- Jyestha Shaka 26
- Ashadh Purnavasi 2
- Hijri 1447
- Shukla Paksha Tithi 2, up to 12:53 am
- Vridha Yoga up to 12:35 am
- Aardra Nakshatra up to 4:13 pm
- Moon in Gemini sign

FORECAST

CITY	MAX	MIN
Chandigarh	39	24
New Delhi	38	27
Amritsar	38	25
Bathinda	39	23
Jalandhar	38	25
Ludhiana	36	23
Bhiwani	39	22
Hisar	39	26
Sirsa	38	26
Dharamsala	32	18
Manali	27	14
Shimla	26	17
Srinagar	25	12
Jammu	37	25
Kargil	24	10
Leh	19	07
Dehradun	36	23
Mussoorie	27	17

TEMPERATURE IN °C



A thought for today

Peace is not absence of conflict, it is the ability to handle conflict by peaceful means

RONALD REAGAN

Oil Quiet? Not Quite

It's not a deal till it's signed, and there will be risks even after, so don't count your barrels yet

Trump gave himself a birthday gift on Sunday, but unpacking it will take a while. Is the war on Iran really over? That's the second question on top of everyone's mind. The first is, will oil go back to \$73, where it was before Feb 28? The answers are 'maybe', and 'probably not', respectively. Here's why.

As for peace, neither US nor Iran has appeared keen on fighting since April, never mind Trump's wild rhetoric. Still, tensions and the Hormuz blockade have persisted because of Israel's actions. So, Trump's ability to rein in Netanyahu is the biggest if. But there are others, too, like Iran's stand on nuclear enrichment. The nuclear question isn't part of the agreement that both sides will sign this Friday. For that, they've given themselves 60 days. Much can go wrong in two months, or between now and Friday. Hence, permanent peace remains a maybe, even though markets have strongly signalled



Oil tanker ship

down. Stocks are up, dollar's down, so is oil.

But markets are fickle. They have swung many times already in the past three months. What's notable, though, is oil's gradual slide towards \$80, from a high of around \$120. If traders are willing to book long-term contracts at a lower rate, there's reason to hope the worst of the crisis is over. That said, the dip from \$80 to \$70 won't happen overnight. Nor can captains of stranded vessels head Trump's call: "Ships of the World, start your engines. Let the oil flow!" Even if US and Iran lift their respective blockades on Friday, the 500-odd ships stuck in Persian Gulf can't exit immediately. Given that the Strait is mined, their passage will have to be carefully controlled. Removing all mines might take months.

Good news is that those vessels are laden with over 100mm barrels of oil, and Gulf countries — unable to ship oil and gas since Feb — are sitting on inventories. So, whenever shipping normalises, massive amounts of oil and gas could flood markets. But... prices won't fall, as buyer countries will rush to fill up their depleted strategic reserves. Also, now that markets and insurers have seen what Iran can do with Hormuz, they might price in a premium to cover future risks. Gas prices might stay high even longer, because Qatar needs 3-5 years to repair its damaged LNG capacity. Overall, peace will ease pressure on the global economy, but a quick return to Feb's prices is unlikely.

Trump's Big Small Iran Deal

Even if the agreement survives, he'll have to sell moderate concessions from Tehran as a major success. US didn't gain anything from the war. But Iranians did

Rouzbeh Parsi



Iran expert, Lund Univ, Sweden

Iran has become the most vexing and revelatory of Trump's foreign policy forays. It displays all the potential advantages of his style, and confirms all the disadvantages of the same. His ability to make quick decisions, and dispense with conventional wisdom, could lead to diplomatic breakthroughs — but the fact that his state department hasn't really recovered from his first presidency, and the personalist style of reaching decisions, mean that institutional backing for statecraft has been rendered rather useless.

In the case of Iran, this internal weakness made it even easier for those clamouring for war with Iran to win the day. That they claimed to be surprised by the fight Tehran put up, says more about their unwillingness to know the enemy before waging war than it does about some mysterious force of resistance that Iran would have conjured up.

Iran has never been as weak as those inside the Beltway would have us believe. Its military superiority makes up for the lack of a strategy and a plan. While both parties claim a willingness to go back to war, it serves neither. The only difference is that Tehran, with some plausibility, believes itself able to take more pain, and still stand up — more than Trump and the world economy can. This is one of the reasons the announced initial agreement to end the war, is not a series of Iranian concessions, but an attempt to return to the status quo ante — with some serious caveats.

What does all of this lead up to? Either a very long and bloody war. Or the contours of a reluctant and intermittent effort to negotiate with Tehran. For this to happen — and bear fruit — Washington has first had to acknowledge that it cannot achieve anything by way of war. In fact, it has lost more than it has gained from this unlawful and unprovoked

war on Iran. And now, Trump has had to come to grips with the fact that even though a ceasefire would, somehow, allow him to avoid dealing with consequences of his failed war, Iranians and the global economy need something more robust and tangible — and that will require US to compromise on its goals.

The thing is, Iran is to continue the present limbo, but without US involvement. That means no US blockade of the Iran blockade, but also no lifting of US sanctions. This, in most likelihood, isn't good enough for Tehran.

While there are many rumours about what the

on Lebanon as part of the deal clearly risks giving Netanyahu a lever to pull — and he has already started, striking Beirut's southern suburbs just hours before Iran was due to sign, in a move transparently designed to collapse both the Iran deal, and the fragile Lebanese ceasefire, and drag Washington back in.

That being said, Iran's calculation is that if US leaves the scene, it can continue a military response to any Israeli incursions in Lebanon. The other risk is that heavyweights on both sides insist they won a total victory — which by definition means the other side lost spectacularly. While that gives you a quick boost domestically, it makes it impossible for the other side to defend the agreement in front of their constituencies. If the MoU is signed and survives, the next 60 days will be filled with the intricacies of trying to stitch together two very different ideas of how the war went, and what the other side needs to give up.

Time is one of the enemies here. First, because 60 days is not much if you need to iron out a compromise that survives the trip home. Second, because Iranians will most likely insist on sanctions to be lifted (rather than setting exemptions that'll need renewal every 90-120 days).

Such a compromise will inevitably include US concessions and acceptance that Iran most likely not give that much more than it did in the Iran nuclear deal or JCPOA in 2015. That little extra is what Trump will sell as the qualitative difference to Obama's JCPOA. It will not convince politicians

in DC, but it might win him back some of his voters, who don't care for West Asia. The more significant difference to 2015, is that Iran's geopolitical position is more central and stronger after the war with US. And many regional actors that have been involved in trying to bring the parties to a peace deal are heavily invested in its success — because it is about their own survival. In 2015, the JCPOA rested on Washington and a reluctant Europe, while this agreement, if it holds, is underwritten by the region itself.

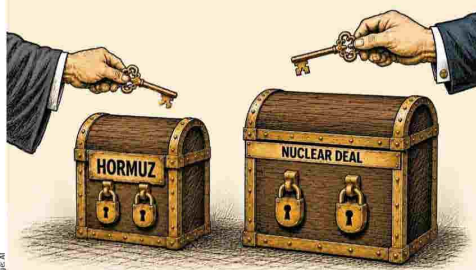


Illustration of hands holding keys to a chest labeled 'NUCLEAR DEAL' and another chest labeled 'HORMUZ'.

MoU contains, it is fairly certain that it will include for coaches based on the analysis of some of the billions of dollars of Iranian money frozen abroad. How much, and exactly how it will be returned, will probably be part of the step-by-step process needed, both in order to build mutual confidence and also to dilute the negative blowback from hawks in DC, Tehran, and most importantly Tel Aviv.

Just like during the negotiations in 2013-2015, the process is necessary but also exposed to its enemies, who will do what they can to sabotage it. Iran's insistence

receive individualised match analysis, and coaches will be able to evaluate how tactical adjustments might perform against their next opponent. It is generally believed that US, Germany, and England are leading the way in utilising AI to obtain an advantage.

For instance, England's AI World Cup strategy includes everything from powering players to mastering penalties. They have employed a variety of AI tools, some developed within the FA and some purchased from outside tech companies, to analyse data, identify intriguing insights, and produce presentations that are used in meetings to help coaches and players comprehend complex material. Both referees and viewers will also be benefiting from the employment of AI. Prior to Qatar 2022, Globant was hired as a digital partner; late last year, the collaboration was extended to include the creation of a new FIFA World Cup app. The app uses AI to provide fans with better, more customised experiences. Semi-automated offside technology (SAOT) is one example of how AI will be utilised at the biggest World Cup ever: "The 2026 World Cup is the first tournament where the data itself is a primary product," the BoFA research team said.

Midway in the movie *Moneyball* praising the human aspects of baseball scouting, old-timer Grady says, "Billy, baseball isn't just numbers and science... They lack our level of experience." In response, Billy Beane said, "Adapt or die."

Billy Beane did really adapt. And crucially, he could disseminate the idea of embracing technology and mathematics in sports and other aspects of lifestyle. It's clear now that today's Billys must embrace AI as well as ever for Moneyballisation, if they hope to survive at all. However, data security and privacy will be an important issue. Teams should also make sure AI is utilised to supplement human decision-making, not replace it. For a single John M. or Kylean M. might still render AI Moneyball ineffective through sheer human magic.

The writer is Professor, Indian Statistical Institute, Kolkata

Nude Lesson For NCERT

Dancing Girl doesn't need a modesty shawl, teenagers don't need Mohenjo-daro photoshopped

She's about 4,500 years old. But age hasn't withered her, nor custom staled her infinite variety. The thing that she has in common with the much, much more youthful Mona Lisa is that when you meet her face to face, you're wholly mesmerised. By her large eyes, flat nose, bodily vigour, trademark bangles... Her spell is all the more remarkable because the Dancing Girl of Mohenjo-daro is only about four, bronze inches tall. This suggests an out-of-time metallurgical mastery. It's a reminder that we know so little about our cool Harappan ancestors. We haven't even cracked their script. But the artefacts they've left behind are central to understanding them.



This is why Dancing Girl's been in our school textbooks for decades. It's how education instils civilisational pride. But suddenly, NCERT censored her image, smudging the bare torso, in an art textbook for Class 9. The regressiveness and irony were acute. Dancing Girl embodies a teenager "perfectly confident of herself and the world", totally chill in her dress of bangles and a covary necklace. But today's teenagers will get corrupted by her truth, the new curriculum gatekeepers claimed fantastically. Too many of them are hellbent on outdoing Victorian colonialists, who tagged so much of our inheritance as embarrassing or illicit.

Every person has a body. If schools are pretending otherwise even in Class 9, that really sucks for students bang in the middle of a sex hormones spurt. Yes, they might still giggle and squirm at nakedness. But this is exactly where art can be super educational. A classroom discussion can explore why nakedness feels awkward in some cultures and unremarkable in others, how societies construct ideas of modesty, shame and beauty. It can teach students to really look, rather than merely react. So, it's good that public outcry's forced NCERT to reverse its photo-ed. And Dancing Girl is returning, bangles, confidence and all, exactly as she has stood for millennia.

Welcome To Football's 'Moneyball' Version

AI is big in football's greatest show. Teams are using it to analyse games, players, and training modules. Predictive analytics isn't far away. Even team selection can be AI-led. But, thankfully, it can't create a gifted footballer

Atanu Biswas



AI expert, IIT Bombay

The debut of ChatGPT in Nov 2022, just about the time when Qatar World Cup began, was a sign that AI was being mainstreamed. And the use of AI at FIFA World Cup 2026 is evidence of this trend. Starting on June 11, this is the first time a World Cup has advertised AI, thanks to OpenAI's ChatGPT, Anthropic's Claude, X's Grok, and Google's Gemini, among others. At Qatar, AI wasn't really visible to most spectators. But the 2026 tournament is entirely different.

The book *Moneyball*, authored by Michael Lewis in 2003, and adapted into a movie in 2011 starring Brad Pitt, tells the true story of Billy Beane, the manager of an American baseball team Oakland Athletics. Beane was able to achieve enormous success in Major League Baseball (MLB) because he used analytics based on historical data to create a strong team out of undervalued players. Consequently, the Moneyball era came into being in sports and other spheres of life. Today is the AI Moneyball era, 25 years after Billy Beane's Moneyball experiment.

AI Moneyball in sports is the progression of sports analytics into predictive intelligence. Continuous, machine-learning simulation engines that track precise, frame-by-frame player movements; monitor athlete workload; scout talent; model injury risks; and maximise on-field performance take the place of static spreadsheets.

AI is now widely employed in American MLB, National Football League (NFL), and National Basketball Association (NBA). It is also expected to revolutionise everything around soccer. Sport teams will be able to optimise their performance and longevity through constant monitoring of their athletes' health status, fatigue, and recovery with the help of wearables and biometric analysis.

Most recently, Oakland Athletics have been identified as the first professional baseball team to use AI in making most of their decisions on the playing field, including lineups and substitutions. Similarly, an AI head coach

will be smarter than it is currently. Football AI Pro, frequently described as an equaliser, has the potential to reduce the disparity between big and small teams. In a note in May, Bank of America (BoFA) Global Research stated, "If in the past, rich teams had an advantage; in 2026, AI will democratise data and give everyone a similar chance."

Beyond that, though, each team will have access to its own AI model, enabling analysts to compare playing styles using 3D avatars and video footage. Players will



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Mein Chai Kampf

How even Hitler can get lost in translation

Subodh.Ghildiyal@timesofindia.com



Shock and horror crossed my face, passed briefly for dramatic effect, then retreated behind a diplomatic blankness. I pulled out my phone, as one does when civilisation trembles, and photographed the evidence. Later, my amused friend reconstructed the moment for me: in the thinning mist of a spotless Himalayan morning, I had encountered a signboard cheerfully welcoming travellers to "Hitler Tea Shop".

Naturally, I shared this cultural thunderbolt on Facebook. A long-shot cousin, drawn from the genealogical undergrowth by the scent of absurdity, resurfaced to say hello, and laugh like a landslide. Then came the explanation. In the 1980s, this hill town had begun turning into an education hub, with a degree college, an IIT, and assorted temples of ambition. Students arrived in hordes, rented Pahadi homes, and began requiring the staples of scholarly life: tea, breakfast, lunch, dinner, and gossip. A quick-witted local opened a tea shop, spilling the expanding appetite, and prospered. The place was a 'hit'. Why it was named after Hitler, however, remained wrapped in Himalayan fog.

I have since exported this story across continents, including to a roomful of flabbergasted Germans at a Hamburg conference. It appeared, somewhat alarmingly, in my talk on what Germany means to India, jostling for space with Dhyani Chandra's wizardry at the 1936 Olympics, Hitler's mourned offer to him and his rejection of it, and Advani's 1980s reflection that India needed a Bismarck.

The truth is that Hitler occupies a strange, unsettling corner in everyday Indian speech. In the West, rightly, he is the emblem of industrialised hatred. In India, "Hitler hat" may simply mean a tyrannical principal, boss, father, or bus conductor. "Bada Hitler hat tu!" is mockery. "Poora Hitler hat" can even be praise.

Perhaps Indians were too absorbed in their own freedom struggle when Hitler was setting the world on fire. Perhaps Bose's Berlin chapter blurred the moral lines. Nehru, meanwhile, snubbed Nazis and visited Jewish shops. Even then, complications had begun. They have not entirely ended.

Calvin & Hobbes



Illustration of Calvin and Hobbes comic strip.

Sant Rajinder Singh

Recent studies into human well-being have increasingly identified loving relationships, meaningful connections, and a sense of belonging as among the greatest contributors to happiness and quality of life. This insight echoes a truth that saints and mystics have proclaimed for centuries. At our core, we are soul, a drop of the ocean of love that is God. The soul is standing patiently at the doorway of the inner eye, waiting for its Eternal Beloved. While much of life revolves around family career, and daily responsibilities, the soul is longing for its Creator. Meditation is the process of turning to our inner doorway, stilling the body and mind, and waiting patiently to experience the divine Light and Sound already resounding within.

As such, love is our very essence. The secret to a life well lived lies in experiencing

that love within us, in our relationship with the Divine, and in our relationship with all of creation. Meditation is not about demanding experiences from God or attempting to impose our will upon the Divine. Rather, it is about collecting ourselves inwardly and waiting with an empty cup at the threshold for the Omniscent. Spiritual growth begins when we surrender ego and place our trust in God, and through wisdom, recognising that the Divine knows our past, present, and future far better than we do.

True faith grows through personal experience and through learning to trust God's guidance in every circumstance of life. Returning to one of the central themes of saints, although human beings appear free, they often remain bound by desires, attachments, and

dictates of the mind. The challenge is a restless mind, which continually pulls our attention outward through thoughts, desires, and distractions. The saints have described this condition as an open prison.

Through fire, we remain confined within the cycle of birth and death, as our attention remains trapped in worldly desires. To still the mind, saints and mystics have prescribed the practice of *simran*, the repetition of God's name, which gradually gathers up the scattered attention and focuses it on the Divine.

The spiritual path is, at its heart, a journey of love, a journey that begins with longing, deepens through experience and remembrance, and culminates in reunion. Drawn by the invisible pull of the Beloved, the soul continues its journey Home, guided by the current of divine love. And when veils

of separation finally fall away, the soul realises that the Beloved had been waiting within all along. What began as longing and was sustained by love culminates in the sweet joy of reunion, the soul's long-awaited Homecoming to its Eternal Beloved. As meditation deepens, the beauty of the Beloved unfolds before the soul in grand splendour, and with each glimpse, its longing grows stronger. The more we behold that beauty, the more enchanting it becomes. Drawn by the radiance of the Beloved within, the soul gradually loses its attachment to fleeting attractions of the outer world. The things that once appeared so compelling are recognised as temporary and passing. In their place emerges a deeper source of joy and fulfillment, born of direct experience of the Divine's love. As we turn our attention towards the Divine within, and discover the inexhaustible source of love, peace, and joy that has always been present in us.

The writer is Professor, Indian Statistical Institute, Kolkata

SacredSpace



Illustration of a person in a meditative pose.

Don't despair: despair suggests you are in total control and know what is coming. You don't - surrender to events with hope.

Alain de Botton

All We Need Is Love

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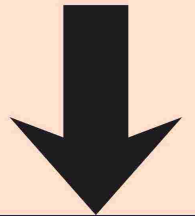
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- 2) The Hindu
- 3) Business line
- 4) The Indian Express
- 5) Economic Times
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OPINION

{ OUR TAKE }

Iran persisted, the US blinked

The maintenance of US dominance rests on the risk-averseness of its friends and foes

Even before the US-Israel-Iran peace deal announcements hit the newspapers in India — a country mourning the deaths of its seamen in the US attacks — the predictable cracks have appeared. Israel has rejected the inclusion of Lebanon-based Hezbollah in the cease-the-attacks list. Whether there will still be a deal to be signed on Friday, June 19, is a subject of heavy speculation.

If the version of the deal publicised by Iran is the one eventually adopted, it will be an unequivocal victory for Tehran, signalling its dominant negotiating position. Unsurprisingly, therefore, Israel is reportedly concerned about the deal's terms, which effectively curtail its reach and impunity in the region. Prime Minister Benjamin Netanyahu has not only opposed an Israeli retreat from 5% of Lebanese territory occupied by his forces since February, but there have also been fresh attacks on Lebanon.

Iran seems to have managed to make the US pay for its meddling in West Asia. Iranians will apparently gain ratified control over the Strait of Hormuz, along with billions of dollars through the release of frozen funds and reparations money. Sanctions on Iranian oil, which have intermittently broken the back of the country's economy since 1979, are to be lifted. In return, Tehran has to stick to the "no nuclear weapon" promise, which it had made long before the current war started. Iran's missile programme is not up for negotiation.

This deal, *prima facie*, suggests that US dominance depends on the risk-averseness of other countries. Tehran's ability to absorb losses till the situation became unsustainable for Washington — unless the latter resorted to significantly going up the escalation ladder — has been its strategy which seems to be succeeding at the moment. Vietnam did the same in the 1970s and so did Afghanistan, more recently. Iran has also demonstrated to the US-leaning Arab States in West Asia that choosing a distant, powerful friend over a close neighbour is unwise.

Whether US President Donald Trump will be able to withstand Netanyahu's bellicosity, apart from swallowing his own pride, and go ahead with signing the deal is yet to be seen. For now, adapting Dr Faustus's apostrophe to Helen of Troy to the present situation, it's the late Ayatollah Khamenei's face that stopped a thousand ships and weakened the bargaining position of the most powerful nation in the world.

TMC split puts laws on defection in the dock

Only a rookie observer of Indian politics will believe that 20 rebel Trinamool Congress (TMC) Lok Sabha members spontaneously decided to join a little-known Tripura-based party that has never had a lawmaker anywhere in the country and has netted only slightly more votes than NOTA in the handful of elections it has fought. In joining the Nationalist Citizens Party of India, the rebel TMC parliamentarians may be able to save their seats in the Lok Sabha but their actions have served the latest indictment of India's anti-defection laws. Political parties have found a way around the penalties of the anti-defection laws and control over the Speaker's position has come to acquire far more importance than the spirit of the law.

It is, of course, ironic that former West Bengal chief minister Mamata Banerjee is the latest victim of this brand of transactional politics because she pioneered this brand of soft defections in Bengal when she picked up a number of Bharatiya Janata Party legislators without any of them losing their seats. With defections becoming more common and brazen, there is an urgent need to overhaul anti-defection provisions and initiate an all-party conversation on the contours of a new pact. Unfortunately, a consensus might elude such an effort because parties, across the ideological spectrum, are loath to change provisions from which they believe they will one day benefit.

But there is a larger concern. The foundation of a representative democracy is the relationship between the citizen and her lawmaker. If that trust is shaken by transactional politics and Machiavellian tactics, it won't bode well for the future of India's democracy, no matter how thrilling the short-term political developments.

Clean energy allows India to withstand risks

The global energy crisis following the Strait of Hormuz blockade and India's large crude oil import bill shows why clean energy is not merely a climate obligation but a core energy security strategy

Since Iran blocked the Strait of Hormuz in February, India has been confronting the full cost of its dependence on imported energy and the numbers are unspurring. India imports about 85-90% of its crude oil — roughly five million barrels a day. Even before the present crisis — which may come to an end with the announced peace deal — India's fossil fuel import bill stood close to \$180 billion.

Given this stark reality, it is time to treat India's energy transition as not merely a climate obligation, but as a core energy security strategy. The objective must be to build a clean energy system that is affordable, reliable, diversified and increasingly domestic.

India has already crossed 283 GW of installed non-fossil fuel capacity, including over 154 GW of solar and 56 GW of wind. It has achieved the target of 50% installed electricity capacity from non-fossil sources ahead of the 2030 deadline, and has added 28 million households and provided clean cooking fuel to more than 100 million homes.

The economics have also shifted decisively. Solar is now among India's cheapest sources of new power. Renewable energy with storage is becoming increasingly competitive for evening and peak supply. Green ammonia auctions in India have prevailing prices far below pre-circulated international levels. This progress exemplifies the fact that clean technologies have firmly entered the mainstream of India's energy economy.

But the next phase must be far more ambitious. India must think beyond the 500 GW non-fossil target for 2030. In 2025, China added over 400 GW of renewable power in a single year. India, on the other hand, added 56 GW in total. India's climate is climatically blessed and if the objective is energy security, India should target a trajectory towards 1,500 GW of clean energy capacity. This would be ambitious and definitely not achievable. This target would send a clear signal to markets, manufacturers, states and investors that India intends to compress the next decade of energy transformation into the next five years. Without this ambition, it would also not be possible for India to drive data centres and be a champion of the next wave of artificial intelligence (AI). Globally, data centres today consume more energy than the country of Japan and new data centres will all have to be powered by clean energy.

Such an ambition cannot rest on government capacity alone. India cannot build a 1,500 GW clean energy system if the grid lags behind. Generation must move in lockstep with evacuation capacity, grid stability and demand-side readiness. Renewable-rich corridors will need accelerated transmission build-out and faster connectivity approvals. This has to be undertaken on a war footing. Digitalisation must also become central to this effort. Smart grids, AI-enabled forecasting, smart meters, real-time congestion monitoring and better demand management will be critical to managing a system with very high renewable penetration.

Storage is equally critical. It is what turns renewable energy from intermittent supply into reliable, round-the-clock power. Every major renewable tender should be designed around firm and dispatchable 24x7 clean power. Batteries must be deployed at renewable generation sites, but also at substations, industrial clusters and load centres where they can reduce congestion and improve grid reliability. Pumped hydro should be pushed in mission mode for longer-duration balancing, with identified sites, time-bound clearances, assured evacuation and bankable off-take arrangements.

Electric mobility must also move from gradual adoption to mass deployment. If India wants to reduce exposure to imported oil, electrification of transport is non-negotiable. That means announcing a clear transport electrification roadmap: Full electrification of new two-wheelers and three-wheelers by 2027, full electrification of bus procurement by 2030, full electrification of cars and trucks by 2030, supported by charging infrastructure and domestic battery manu-

facturing. India must become a champion of electric vehicles and penetrate global markets. Every successful electric vehicle and every domestically produced battery pack will take a small bite out of future oil dependence. Green hydrogen and its derivatives should be targeted where they create real demand and reduce fossil fuel imports. The priority should be steel, cement, refineries, fertilisers, shipping fuels and selected industrial clusters, rather than spreading limited resources across every possible use case. India must aim to become the cheapest producer and exporter of green hydrogen and green ammonia.

The next phase of energy independence will also depend on frontier technologies. Small Modular Reactors will not solve the power challenge of the next five years, but by the 2030s they can provide firm clean power to industrial clusters, data centres and hydrogen hubs. The Cabinet has approved the Shanti Bill, but the rules are still pending. Clarity is needed for the private sector to make investments. Concentrated solar thermal should be deployed where heat is required, including food processing, chemicals, and more context. The use of offshore wind must be treated not merely as a power project, but as an industrial capability project covering ports, found-

ries, subsea cables, turbines, installation and operations. Finally, India must secure critical mineral supply chains with the same seriousness with which it has scaled renewable energy. Lithium, cobalt, nickel and rare earth elements are essential inputs for clean technologies. Yet China remains dominant in refining most strategic minerals. India must build mineral processing and recycling hubs with port access, clean power, water security, industrial land and environmental safeguards. Strategic partnerships can secure mineral feedstock, but mineral processing will ensure value-addition happens in India.

India's next energy leap will not be defined merely by capacity additions, but rather by building the system that makes renewable deployment reliable, affordable and secure. If we are ambitious and get this right, the energy transition will do far more than reduce emissions. It will eliminate India's energy dependency, strengthen energy security, improve industrial competitiveness and build the foundation for Viksit Bharat.

Amithabh Kant
NITI Aayog chairman, Fairfax Centre for Free Enterprise, and ex-CEO Shree Group & Ex-CEO, Niti Anyog. The views expressed are personal



India cannot build a 1,500 GW clean energy system if the grid lags behind. Generation must move in lockstep with demand-side readiness. SHUTTERSTOCK

facturing. India must become a champion of electric vehicles and penetrate global markets. Every successful electric vehicle and every domestically produced battery pack will take a small bite out of future oil dependence. Green hydrogen and its derivatives should be targeted where they create real demand and reduce fossil fuel imports. The priority should be steel, cement, refineries, fertilisers, shipping fuels and selected industrial clusters, rather than spreading limited resources across every possible use case. India must aim to become the cheapest producer and exporter of green hydrogen and green ammonia.

The next phase of energy independence will also depend on frontier technologies. Small Modular Reactors will not solve the power challenge of the next five years, but by the 2030s they can provide firm clean power to industrial clusters, data centres and hydrogen hubs. The Cabinet has approved the Shanti Bill, but the rules are still pending. Clarity is needed for the private sector to make investments. Concentrated solar thermal should be deployed where heat is required, including food processing, chemicals, and more context. The use of offshore wind must be treated not merely as a power project, but as an industrial capability project covering ports, found-

ries, subsea cables, turbines, installation and operations. Finally, India must secure critical mineral supply chains with the same seriousness with which it has scaled renewable energy. Lithium, cobalt, nickel and rare earth elements are essential inputs for clean technologies. Yet China remains dominant in refining most strategic minerals. India must build mineral processing and recycling hubs with port access, clean power, water security, industrial land and environmental safeguards. Strategic partnerships can secure mineral feedstock, but mineral processing will ensure value-addition happens in India.

India's next energy leap will not be defined merely by capacity additions, but rather by building the system that makes renewable deployment reliable, affordable and secure. If we are ambitious and get this right, the energy transition will do far more than reduce emissions. It will eliminate India's energy dependency, strengthen energy security, improve industrial competitiveness and build the foundation for Viksit Bharat.

Amithabh Kant is chancellor, NITI University, chairman, Fairfax Centre for Free Enterprise, and ex-CEO Shree Group & Ex-CEO, Niti Anyog. The views expressed are personal

Cinema & AI: Unresolved issue of human creativity

At the Taormina Film Festival in Sicily on Saturday, filmmaker Gore Verbinski said his piece on the ongoing debate on the use of artificial intelligence (AI) and its extent in film-making, Verbinski favoured a rating system for movies, based on the degree of AI use.

A few weeks ago, filmmaker Martin Scorsese endorsed AI in film-making, to see "how that can push the bounds of creativity". This has brought back attention to the Academy of Motion Pictures Arts and Sciences (AMPAS) rules for Oscars consideration vis-à-vis the extent of AI use in a candidate film.

In an age when film viewing is governed by recommendation algorithms tailored to individual appetites, and consumption is typified as a solitary venture, award ceremonies such as the Oscars persist as a vestige of a time when we celebrated cinema together. The deliciously seductive possibility of participating in a collective consecration of the "best" in cinematic arts continues to draw viewers. The ceremony serves as a liminal site, transmitting commercial success into cultural capital, while simultaneously reaffirming the AMPAS' own place of prestige as a cultural arbiter.

This year's host Conan O'Brien, in his opening speech, declared he was "honoured to be the last human host of the Academy Awards". Predicting he would soon be replaced by a "Waymo in a tux" O'Brien's seemingly jovial banter underlined the AMPAS' new set of rules, which restricts the use of AI in cine-authorship.

While the Academy remains steadfast on its stand that the use of generative AI and digital tools neither "help" nor "hurt" the chances of nomination, the new rules delineate categories where human authorship is non-negotiable — screenplay writing and acting. AI-generated actors and scripts, however, are ineligible for nomination in related categories. This decision follows the 2023 unions-led protests, which led to the Writers Guild of America and the Screen Actors Guild-American Federation of Television and Radio Artists securing contractual protection against AI-generated scripts, and safeguards against the use of performers' likeness and labour in training synthetic doubles. Human creativity is at the heart of this, foregrounding consent in the use of digital aids, even as there is silence on the extent to which AI assistance within these categories is acceptable.

The latest rules then demonstrate the need to draw a clear distinction between AI as creative agent and AI as a tool meant to aid, and not replace, human action. Preserving this separation in key Oscar categories presents human agency as the core of cinematic prestige. In line with the long-standing auteur tradition, which positions the director, and, by extension, writers and stars, as the creative source of cinematic genius.

The AMPAS is now essaying its role as a conservator of this prestige, while also acknowledging the commercial reality of the film industry.

AI as technology can no longer be extricated from filmmaking. From pre-production relying on AI-driven storyboarding, virtual location scouting and matching, shoots simulating VFX on site for review, AI-driven content checking and audio leveling, to sped-up

rendering in post-production and VFX's almost complete reliance on generative AI, the cost-benefit analysis is clearly tilted in favour of the new technology.

Filmmakers such as James Cameron and Darren Aronofsky have already taken stands on the new technology, albeit with varying degrees of enthusiasm. While Cameron's *Avatar: Fire and Ash* (2025) with the declaration that no gen-AI was used in its production, Aronofsky's production company Primordial Soup collaborated with Google DeepMind to produce *Eliza* (McNinja: Animated), set to premiere in the Tribeca Film Festival this year. The film is slated as the first in a three-part series exploring AI's role in filmmaking. Advocacy groups such as the newly formed "Creators Coalition on AI" have emerged to ensure the responsible, i.e., human-centric, integration of AI across entertainment and creative industries. Its founding members include Natasha Lyonne, who is also co-founder of the AI company Asteria and has announced plans for directing an AI-assisted feature, *Uncanny Valley*. The Academy recognises the need to adapt to these shifting conditions.

Many members of the Indian film fraternity have welcomed the Oscars' new AI ruling as a necessary step to safeguard creative autonomy in an atmosphere where the film industry has already been dealt blows from generative AI. In 2025, Anand L. Rai's *Raanjhana* (2019) was re-released in Tamil, with a new AI generated ending, without the consent of its makers. Eros International, the film's producer, claimed it was within their legal purview as the film's rights-holder. The Indian judiciary has, however, begun to recognise the threat of AI misuse, with the Delhi High Court passing an ad interim injunction to Allu Arjun to protect his likeness from unauthorised digital duplication.

At the same time, the commercial lure of AI "firsts" is unmistakable. S. Narasimha Murthy's *Love You and Vivek Anand's Naisha*, both released in 2025, have already claimed the mantle as the first AI-generated feature-length Kannada and Hindi releases, while *HoHoStar* has already released India's first AI-powered series, *Mahabharat: Ek Dharmayudh*, and *Metal Labs' microdrama Truth & Lies* has proudly cast Naina Avir. India's first home-grown synthetic star in the lead, *Nona* (2025) has generated much in the way of discussion, beyond promoting their AI status in marketing.

In this tension between commercial and creative negotiations, the Academy's gesture towards guarding human authorship can best be read not as a future-proof solution, but as a performance of prestige in a rapidly shifting landscape. Though the Oscars will, hopefully, persist as an event of shared cine-celebration, the task of defending the creators of cinema will rely on the ability of unions, festivals, and national industries to build coalitions strong enough to decide the direction of AI's future creative ventures, and, crucially determine, whose authorship is still worth consecrating.

Ishani Dey is an independent researcher who works at the intersection of media technologies and image cultures. She has taught film and media studies at AKMRC, Jamia Millia Islamia and Ambedkar University Delhi. The views expressed are personal

[LIN JIAN] FOREIGN MINISTRY SPOKESPERSON, CHINA
China's development of military strength is intended to safeguard national sovereignty... and is not directed at any specific country
Condemning reports of increased likelihood of PLA attack on Australia

Organ donation is a practice twice-blessed

India today performs more than 18,000 solid organ transplants a year — more than any country except the US and China. Yet, our organ donation rate stands at a mere 0.85 per million population, against 46 in Spain and comparable figures across much of the developed world. The unmet need exceeds 125,000 kidneys in India alone; add hearts, livers, lungs and other tissues, and the gap between supply and desperate human need becomes a chasm. Only a change in how ordinary citizens think about giving — and about what we owe another — can bridge this gap.

Blood donation and eye donation have become almost routine. The next normalisation must be organ donation. If just 1% of adults in Delhi-NCR pledged to donate their organs after death, that would yield 300,000 potential donors. The entire kidney transplant waitlist of North India is smaller than that. What stands between the willing patients and a second chance at life is the art of giving, not yet extended to its most profound expression, and not discussed adequately in Indian households.

On May 17 each year, 190 countries observe Art of Giving Day, a movement founded by educationist and humanitarian Acharya Samanta, the founder of the world renowned Kalinga Institute of Social Sciences (KISS) in Bhubaneswar. This year's theme, *Share to Shine*, captured something important — sharing is not self-diminishing but generative. Nowhere is this truth more powerfully demonstrated than in organ donation, where one person's gift becomes another's future life.

In my nearly five decades of experience in organ transplantation, I have encountered this truth only once in its purest and most voluntary form. Vijay Kumar Gurd — a legendary figure in the Indian sugar industry whose career spanned more than six decades, and whom I am deeply saddened to have recently lost — remains the only non-directed voluntary living organ donor I have ever known. He responded to a newspaper notice appealing in the late 1980s for a kidney donor for a young woman struggling for her life. She was a complete stranger. He had no obligation, no connection, no expectation of recognition. He offered his kidney anyway, and volunteered to bear the full cost of the treatment himself.

He continued playing squash with vigour well into later life — quietly demonstrating

every prospective donor who might fear for their own health that a life with one kidney is not a diminished life. It is a life with a larger meaning.

This is the truth that the transplant community most needs the wider public to bear. The fear of physical suffering after donation is among the greatest barriers we face. Living donors — of kidneys especially — go on to lead full, healthy, active lives. The medical evidence on this is unambiguous.

For deceased donation, the barrier is different — it is silence within families. Most Indians have never discussed their wishes about their organs with those closest to them. When a death occurs in circumstances that make donation possible, grieving families are asked to make an irreversible decision under acute distress, without any prior conversation to guide them. The result, most often is refusal. Perhaps not from opposition to donation, but due to lack of awareness and the thought of uncertainty. The single most effective solution is to encourage frequent debates and conversation about the subject.

The science behind generosity is worth pausing over. When you give, the brain releases dopamine and oxytocin — the neurotransmitters of trust, attachment and social bonding. Giving makes you feel lighter, calmer and more connected. The Art of Giving is, therefore, not simply philanthropy. It is simultaneously a practice of personal wellbeing, community health and social cohesion — and in the context of organ donation, it is quite literally a matter of life and death for tens of thousands of fellow citizens.

The real art in giving comes down to a few principles: trust the recipient, give at the scale where it is needed, let go of the donor's ego, and make it not an event but a habit. What we need is the cultural shift. And cultural shifts begin with one person deciding to give.

Organ donation is the most literal and irreversible expression of that philosophy. Don't take your organs to heaven. They are needed here.

Narinder Kumar Mehra is honorary advisor for the Kalinga Institute of Industrial Technology (KIIT) and former dean of the All India Institute of Medical Sciences, New Delhi. The views expressed are personal

Stocks jump, oil slides after US-Iran peace deal

Reuters

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NEW YORK/LONDON: Major stock indexes and bond prices rallied while oil futures tumbled on Monday as a preliminary peace agreement between the United States and Iran was expected to ease inflationary pressures globally and lessen the need for higher interest rates. The Dow hit a record high, while optimism over the deal drove the STOXX 600 to a record closing high. The U.S. and Iran said they had agreed to end their war and reopen the Strait of Hormuz, news that brought relief to oil traders although the pact may hinge on an end to Israel's hostilities in Lebanon, and defers talks on Tehran's nuclear program.

Iran said traffic through the Strait of Hormuz would be regulated by Tehran and Oman, a potential blow to the rules of free trade that suggests there might be a toll of some kind on transits. "The market is



The Dow hit a record high, while optimism over the deal drove the STOXX 600 to a record closing high.

responding to the peace deal," said Peter Cardillo, chief market economist at Spartan Capital Securities in New York. Investors said it could be a relief for the crowd of central banks meeting this week, easing some pressure to tighten policy to head off an energy-driven rise in inflationary expectations. Markets had already priced

in a likely deal but the confirmation was enough to send oil prices down 5.07% to \$80.60 a barrel and Brent was last up 0.25%.

The Dow Jones Industrial Average rose 638.83 points, or 1.24%, to 51,839.01, and the S&P 500 rose 128.52 points, or 1.73%, to 7,559.98 and the Nasdaq Composite rose 692.81 points, or 2.68%, to 26,581.72. SpaceX's shares were up more than 10% after the Elon Musk-led firm ended its blockbuster IPO with a more than \$2 trillion valuation on Friday.

Markets were relieved by the smooth trading during its landmark Nasdaq launch, setting a new template for companies and exchanges bracing for the highly anticipated OpenAI and Anthropic IPOs expected later this year.

Shares of United Airlines rose 5.7% and Delta, American Airlines, Norwegian Cruise and Carnival also gained. MSCI's gauge of stocks across the globe rose 19.27 points, or 1.74%, to 131.68. The pan-European STOXX 600 was last up 0.25%.

The prospect of cheaper oil will be a boon to Japan which is a net importer of energy. Overnight the Nikkei had surged 5%. South Korea's red-hot market gained 5.2%, and Chinese blue chips firmed 1.4%.

RAZORPAY FILES DRAFT PAPERS FOR \$500 MN IPO

Bloomberg

feedback@livemint.com

Payments firm Razorpay Software Ltd. has confidentially filed draft papers with the Securities and Exchange Board of India for an initial public offering, according to a newspaper advertisement, joining a growing list of Indian startups opting for confidential routes.

The proposed share sale could raise as much as \$500 million, according to people familiar with the matter. Kotak Mahindra Capital Co. Asia Capital Ltd., Citigroup Inc., Goldman Sachs Group Inc. and JPMorgan Chase & Co. are advising on the offering, the people said, asking not to be identified because the information is private.

Representatives of Razorpay and the investment banks did not immediately respond to requests for comment.

The Bengaluru-based payments company completed its domestic shift to India in May last year, a key step toward paving the way for the WPI series. Razorpay had previously been headquartered in the United States, a structure commonly adopted by Indian startups backed by global investors.

Exports rise 18% in May despite global tensions

Rajeev Jayaswal

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NEW DELHI: India's merchandise exports in May jumped 18% to \$45.20 billion as compared to \$38.30 in the same month last year despite geopolitical headwinds, commerce secretary Rajesh Agrawal said on Monday, expecting better performance ahead with the truce in West Asia.

Although goods imports in May this year also surged by over 20.6% to \$73.41 billion as against \$60.86 billion in May 2025 because of a spike in energy prices and higher gold imports, the merchandise trade deficit narrowed marginally to \$28.21 billion this month compared to \$28.38 billion in April 2026, according to government data.

India, which imports over 88% crude oil it processes and more than 60% of its cooking gas consumption through imports, saw a spike in energy prices after the war in West Asia broke out on February 28. The situation aggravated after the Strait of Hormuz, the key transit point that sees movement of 20% global energy supplies, closed, escalating cost of fuel imports. India's petroleum imports in May 2026 surged by 53.8% on an annualised basis to \$22.68 billion. India's gold imports in May this year jumped nearly 34% to \$3.42 billion as compared to \$2.55 billion in May 2025.

The prospects of a truce and re-establishment of energy supply chain would help energy importers like India in terms of assured and economical supplies of oil and gas, Agrawal said. He, however, said that Indian exporters performed well despite several odds. Giving credit to government's "decisive and focused" attention to boost exports through trade diversions, export promotion and free trade agreements with major economies, he said merchandise exports in May is among one of the highest monthly exports



Imports rose 20.6% to \$73.41 bn from \$60.86 bn last year.

"that we have achieved thus far", Agrawal said the conflict in West Asia impacted Indian exports to the region, particularly in March. "We improved a bit in April, and in May, I'm happy to inform you that we have, more or less, reached to the May 2025 levels," he said. In May 2025, India's merchandise exports in the region was \$5.38 billion, which was around \$5.30 billion in May 2026, he said.

"So, we have more or less achieved the same level of exports, in spite of the challenges," he said. Growth has been driven by countries like the United Arab Emirates (UAE) with a 3.2% annualised increase, Saudi Arabia (1%), Jordan (21%), Syria (20%), and Yemen (16.5%), he said. Despite challenges supply chains remain entrenched, he added.

According to commerce ministry's officials, some of these countries saw a spike in Indian exports because goods first landed there before being transported to other geographies where direct shipping was not possible due to the conflict. Indian exporters are using three ports—Dugm, Sohar and Salalah—of Oman to transport goods to the region.

Federations of Indian Export Organisations (FIEO) president S.R. Sathian said India's impressive foreign trade performance reflects resilience and growing global competitiveness of Indian exporters.



The company eyes models that can challenge Chinese and US rivals.

SARVAM AI RAISES \$234 MN FROM HCL TECH, OTHERS

AFP

feedback@livemint.com

MUMBAI: Indian artificial intelligence firm Sarvam AI said on Monday it had raised \$234 million as part of a targeted broader funding round as it looks to roll out models that can challenge Chinese and US rivals.

The AI startup made waves in the world's most populous country this year when it released two large language models that it said were trained from scratch in India.

Its models are designed to work across 22 Indian languages and are accessible through voice commands, which it hopes will give it a leg-up against global competitors.

Sarvam AI said in a statement it had raised \$234 million "in the first close of its \$300 million Series B", giving it a valuation of \$1.5 billion.

Indian IT giant HCL Tech and venture capital firm Bessemer Venture Partners invested in the current round, which also included existing investors such as Peak XV Partners and Khosla Ventures.

"We are going to push hard across every layer of the company, but the thing that excites me most right now is our shot at building frontier-class AI systems from India," co-founder Pradyumn Kumar said in a statement.

"Country of India scale cannot rent intelligence. We have to build it ourselves," he said. So-called sovereign AI has become a priority for nations hoping to reduce their dependence on US and Chinese platforms while ensuring that systems respect local regulations, including on data privacy.

Wholesale price inflation hits 9.68% on fuel surge

Sreedev Krishnakumar

letters@hindustantimes.com

NEW DELHI: India released a new Wholesale Price Index (WPI) on Monday that shifted the base year from 2011-12 to 2022-23. It was accompanied by a release of Producer Price Indices (PPI) that will eventually replace WPI, in keeping with international standards.

India's wholesale prices increased by 6.00% between February 2026, the last month before the war in West Asia began, and May 2026, the latest period for which inflation data is available. Half of this inflation came from the fuel and power category, which underlines the war's inflationary shock on the

Indian economy. On a year-on-year basis, Wholesale Price Index (WPI) growth has increased sharply from 2.18% in February to 3.38%, 8.26% and 9.68% in March, April and May 2026.

While the WPI numbers were released on the same day as the announcement of a US-Iran deal, analysis do not see price pressures easing soon, even though they may have peaked. This is because normalisation of traffic from the Strait of Hormuz would take time and pent-up demand might exert pressure on the oil market.

The ministry of commerce and industry released the first data print for the new series of WPI on Monday. The revised

series has 2022-23 as the base and promises better coverage of prices by tracking 957 individual items instead of 687 by its predecessor. It also tweaked category-wise classification by moving commodities such as crude petroleum and natural gas from their previous classification as primary articles to the fuel and power category.

The fuel category also includes energy from renewable sources. To be sure, manufactured goods continue to be the mainstay of the current WPI basket like the previous series.

May 2026 was the seventh consecutive month of rising inflation in the new series which has monthly data from April 2023 onwards. Monthly inflation

readings for March, April and May 2026 have been the highest ever readings in the new WPI series. Bulk of the inflationary surge is on account of fuel price inflation. The numbers show it clearly. Inflation for primary products increased from 1.64% to 4.99% between February and May. This number was 3.61% and 7.48% respectively for manufactured goods but a contraction of 3.37% and a surge of 30.33% for the fuel and power category.

The WPI food index, which combines food articles and manufactured food products, increased 4.49% from a year earlier, compared with 3.11% in April. Within the fuel group, mineral oils inflation in May was

49.82%, while crude petroleum and natural gas rose 61.51% from a year earlier.

An even bigger change than the revision of the WPI series was the roll-out of three Producer Price Indices (PPI): output PPI, input PPI and services PPI. Output PPI measures prices received by producers for their output, excluding net taxes and trade and transport margins. In May, the output PPI for all commodities rose to 109.66 from 108.66 in April. Meanwhile, trial input PPI, currently limited to manufacturing, tracks prices paid by industries for inputs. This index stood unchanged at 104.9 in May from April but higher than 100.9 in March. The services PPI will be released quarterly.

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FIRST VOICE. LAST WORD.

UNEMPLOYMENT RATE STEADY AT 5.5% IN MAY

Sreedev Krishnakumar

letters@hindustantimes.com

MUMBAI: India's headline unemployment rate was broadly stable on a year-on-year basis in May, falling marginally to 5.5% from 5.6% in May 2025, Periodic Labour Force Survey (PLFS) data released by the National Statistics Office (NSO) on Monday showed. Sequentially, however, the unemployment rate edged up from 5.2% in April.

Rural unemployment remained unchanged at 6% in April to 5.1% in May, while urban unemployment fell from 6.0% to 6.4%, its lowest level since May 2025. On a year-on-year basis, rural unemployment was unchanged, while urban unemployment fell by 50 basis points from 6.9% in May 2025. One basis point is one-hundredth of a percentage point.

Monthly PLFS data does not provide sector-wise employment numbers to separate farm and non-farm trends. What it does show is that unemployment increased on a monthly basis even as the job market became less crowded. Labour force participation rate (LFPR), or the share of people working or looking for work, fell from 55% in April to 54.4% in May. It was also 40 basis points lower than in May 2025.

The fall was sharper in rural India. Rural LFPR fell from 57.5% to 56.6%, while urban LFPR fell from 50.1% to 49.8%. Worker population ratio (WPR), or the share of people actually employed, fell from 52.2% in April to 51.4% in May. Here too, the decline was sharper in rural India, where WPR fell from 54.9% to 53.8%: urban WPR was broadly stable at 45.6%. This means the sequential deterioration in May was driven more by rural labour markets.

Data also shows that unemployment pressure has seen an uptick among young workers. The unemployment rate in the 15-29 years age group increased from 15.3% in April to 15.9% in May, even as youth LFPR fell from 41.2% to 40.4% and youth WPR fell from 34.9% to 34%. Here too, the pressure came from rural labour markets. Rural youth unemployment increased from 14.1% in April to 15.1% in May, while urban youth unemployment fell from 18% to 17.5%.

{ THE CROSSWORDS }

CRYPTIC CLUES

ACROSS

- Key groups? (7)
- General assistants set aside (5)
- Water supply exhausted but not squandered (6-5)
- Runner in a vigorous kind of winter sport (3)
- Put carelessly as friends come round (4)
- Bridge master gets a beating (8)
- The spirit of France (16)
- He has a stable job (6)
- Traipses around for money (8)
- Star managing to get degree (4)
- Robust non-nonsense vehicle (3)
- Laze or tan in the Canaries (9)
- Remove hearings after a time (5)
- They make very fine traps (7)

DOWN

- Jack used to play this sport (5)
- There's nothing left in the left (3)
- Listen to the situation (4)
- Agent admits the general's lethargic (6)
- Surprise shots in a melee (8)
- He keeps still being a man of spirit (5)
- Gringer's stupid laugh (7)
- This is something between Greece and Turkey (6,3)
- Till peas perhaps to make them sweet (8)
- Sallor in strange place is efficient (7)
- Threatened strikes that don't come off (6)
- Strains to understand the footnote (5)
- Ball out east of Java (4)
- Expression the Spanish love to come up with (3)

PUZZLE 17513

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1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40

QUICK CLUES

<p>ACROSS</p> <ol style="list-style-type: none"> An edible mollusc (7) West African republic (5) Toirkick (4,2) Demagogue (9) Search in friendly relations (4) A return from investment (8) Unruffled (6) Quantity of sound (6) Boardless extent of time (8) Put away tidily (4) A hard heavy wood (3) Quite certain (2,2,5) Amazingly absurd (5) Calamity (7) 	<p>DOWN</p> <ol style="list-style-type: none"> Of high quality (5) Inveite (5) Galley in a church (4) Learned expert (6) Eminent (5,3,2) Therefore (2,4,6) Curtail (7) On the contrary (3,4,2) Boundless extent of time (8) Come next after (7) Large fish-eating seabird (6) Cleverly humorous (5) Notion (4) Employment (3)
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YESTERDAY'S SOLUTIONS (17512)

CRYPTIC

Q	U	I	L	I	S	A	I				
N	H	E	R	B	A	I					
C	H	I	M	P	C	R	E	S	U		
E	N	E	L	L	E	N	E				
S	E	C	H	E	R						
F	O	R	T	A	L	A	D	E	N	T	
G	R	O	W	I	N	G	P	A	I	N	S
L	I	N	G	R	A	S	E				
L	E	F	T	E	R	O	N				
S	A	S	S	N	O						
S	A	P	S	T	U	D	E	N	T	S	

QUICK

T	R	E	A	S	U	R	I	F	U	S	
A	T	L	I	S	U	S	T				
E	S	T	T	R	A	D					
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L	E	F	T	E	R	O	N				
E	A	R	N	I	N	D	E	M	A	N	D

{ WEATHER }

TEMPERATURE - HIGH - LOW

<p>TUESDAY Thunderstorm with rain</p> <p>38°C 27°C</p>	<p>WEDNESDAY Partly cloudy sky</p> <p>40°C 28°C</p>	<p>THURSDAY Partly cloudy sky</p> <p>41°C 29°C</p>
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ALMANAC

Today is 16th June 2026
 • 26 Dhu'l-Hijja, 1447
 • 77 Jyestha, Shukla
 • 26 June 2026
 • Sunset: Tuesday at 07:07am
 • Sunrise: Wednesday at 05:03am
 • Moonrise: Tuesday at 05:03am
 • Moonset: Tuesday at 05:56pm

TEMPERATURE IN METROS

Delhi 38°C 27°C	Mumbai 35°C 29°C	Kolkata 35°C 28°C	Chennai 39°C 27°C
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Economy

TUESDAY, JUNE 16, 2026

IN THE NEWS

UNEMPLOYMENT DIPS TO 5.5% IN MAY: SURVEY

OVERALL UNEMPLOYMENT RATE for persons aged 15 years and above has dipped marginally to 5.5% in May compared to 5.6% a year ago, as shown by the Periodic Labour Force Survey (PLFS) released by the National Statistics Office on Monday.

PRIVATISATION OF PSU, PSBs IS KEY: PANAGARIYA

THE GOVERNMENT NEEDS to resuscitate privatisation of public sector undertakings as well as public sector banks as it is integral to India's economic reforms, former NITI Aayog vice chairman Arvind Panagariya said on Monday. He also advocated creating an independent privatisation ministry to accelerate government's disinvestment agenda.

—AGENCIES

IRAN-US PACT, HORMUZ REOPENING COULD EASE ENERGY SHOCK, SAY EXPERTS

Oil at \$83, LNG seen falling 40%

SAURAV ANAND
New Delhi, June 15

THE US AND Iran have reached an agreement to end the conflict in West Asia and reopen the Strait of Hormuz, with the accord set to be signed in Switzerland on Friday, raising hopes of a revival of oil and gas flows from the region. The prospect of a peace deal has already pushed Brent crude prices down to around \$83 per barrel, while analysts expect Asian spot liquefied natural gas (LNG) prices to fall up to 40% to \$12-15 per MMBtu from the current \$18-20 range, potentially delivering significant relief to India's energy import bill, inflation, subsidy burden and industrial fuel costs.

MAJOR RELIEF

■ Analysts estimate that a \$10 decline in crude prices can reduce India's annual import bill by **\$13-15 bn**

■ Crude prices could take six months to one year to normalise to pre-war levels, experts say

■ LNG surged above \$25/MMBtu at peak of the crisis but normalisation of trade flows could then drop to \$12-15/MMBtu range



Peace deal welcome, says Modi

SHUBHAJIT ROY
New Delhi, June 15

UNDERLINING THE "SERIOUS" economic disruption across the world and "loss of life in many countries" caused by the war, Prime Minister Narendra Modi on Monday welcomed the "understanding" reached between Iran and the US.

"I welcome the understanding reached between the United States and Iran on ending the conflict in West Asia, which has caused serious economic disruption across the world and led to loss of life in many countries," Modi said in a post on X.

"India hopes that the implementation of this understanding will help restore peace and stability in the region and ensure the freedom of navigation and commerce."

India, UK close to removing CETA hurdles

MUKESH JAGOTA
New Delhi, June 15

INDIA AND THE UK are close to resolving the issues delaying the implementation of their Comprehensive Economic and Trade Agreement (CETA). A team of Indian officials is in London to advance discussions, Commerce Secretary Rajesh Agrawal said Monday.

On Sunday, Commerce and Industry Minister Piyush Goyal held a virtual meeting with UK Secretary of State for Business and Trade Peter Kyle regarding trade issues. Kyle visited India earlier this month to discuss issues surrounding CETA implementation.

CETA operationalisation, which cleared all legal milestones by March including clearance from both Houses of the UK Parliament, has been delayed because the UK introduced surprise steel duties. Besides steel duties, two other issues regarding CETA implementation are under discussion.

"We are very close on all these issues and hope there will be resolution," Agrawal said.

Starting July 1, 2026, the UK government will limit tariff-free steel imports, reducing overall quota volumes by 60% compared to the steel safeguard measure. Any imports above these levels will then face a 50% tariff. Other than steel duties, there are issues around the Carbon Border Adjustment Mechanism of the UK that would come into force from January 2027.

Regarding some Indian companies being listed by the European Commission in the 21st package of sanctions against Russia for its war in Ukraine, Agrawal said India has engaged with the European Union on the issue.

TRADE ISSUES

■ CETA operationalisation delayed after UK introduced surprise steel duties

India's exports of iron and steel and their products to the UK stood at **\$893.4 million** in 2025-26

■ Issues around UK's Carbon Border Adjustment Mechanism also stalled the agreement

16 fertiliser ships stranded

INDIA CURRENTLY HAS 16 ships carrying more than 690,000 tonnes of fertilisers and key raw materials in the Strait of Hormuz, said a senior government official on Monday.

The vessels include eight ships carrying urea, four carrying di-ammonium phosphate, three carrying sulphur, and one carrying ammonia.

Together, the ships are carrying 330,000 tonnes of urea, 257,000 tonnes of DAP and 110,000 tonnes of sulphur. —FE BUREAU

rying di-ammonium phosphate, three carrying sulphur, and one carrying ammonia.

Together, the ships are carrying 330,000 tonnes of urea, 257,000 tonnes of DAP and 110,000 tonnes of sulphur. —FE BUREAU

damages," Vasisht said.

The biggest and quickest gains, however, could emerge in the LNG market. According to Rajesh Kumar Mediratta, managing director and CEO, Indian Gas Exchange (IGX), restoration of LNG trade flows via Hormuz could significantly ease global gas market tightness. "A successful US-Iran pact and the restoration of normal LNG trade flows through the Strait of Hormuz could significantly ease global gas market tightness, potentially bringing Asian spot LNG prices down to the \$12-15/MMBtu range," he said.

LNG prices had surged above \$25/MMBtu at the peak of the crisis and averaged \$17-18/MMBtu during much of the disruption.

successful agreement would ease both crude and gas markets, although a complete return to pre-conflict conditions could take time. "In case of a successful US-Iran deal and subsequent normalisation of the vessel traffic through the Strait of Hormuz, crude oil and

natural prices would ease. However, beyond the immediate price action, crude prices could take six months to one year to normalise to pre-war levels given that almost 10-11 million barrels per day of production has been shut in West Asia, while some facilities have suffered

Rice, fruits & vegetable exports to Gulf seen easing

SANDIP DAS
New Delhi, June 15

INDIA'S AGRICULTURAL EXPORTS — comprising rice, fruits and vegetables — to the Gulf region are expected to ease after the opening of the Strait of Hormuz following the interim peace deal between the US and Iran, exporters said.

Exports of basmati rice, onion, chillies, pomegranate, bananas, mangoes and other perishables to West Asia, which constituted over 20% of India's agri-exports, were hit due to closure of the Strait and cargo movements in Jebel Ali Port, Dubai, one of the busiest ports

in the region, were disrupted since February 28.

Freight rates, which had surged to nearly ten times their normal levels and severely impacted shipments, are expected to ease, exporters said. The onward movement of perishable cargoes like fruits and vegetables through Dubai to Saudi Arabia, Qatar and Kuwait, which was hampered because of the security situation, could resume following the movement of vessels on the Strait.

Shipping insurance premiums, which had risen sharply due to heightened geopolitical risks in the region, are also likely to return to normal levels as

PEACE DIVIDEND

■ Normalising of shipping routes will enhance India's export competitiveness

■ Freight rates are expected to ease once the Strait of Hormuz reopens

■ West Asia accounted for 21.8% of India's total food exports in 2025, valued at over \$50 billion

peace and stability are restored, exporters said.

"Over the past three years, the rice sector has endured a series of setbacks from the Min-

imum Export Price on basmati rice and restrictions on non-basmati exports to the disruptions caused by the Red Sea crisis," Ranjit Singh Jossan, chairman

and managing director, Jossan Grains, Punjab, a leading basmati exporter, told FE. Jossan said that shipping disruptions through the Strait of Hormuz had pushed the rice trade to the brink, resulting in a sharp month-on-month decline in exports since February.

More than 70% of India's basmati exports are destined for Middle East and Gulf markets. "With shipping routes normalising, logistics costs are expected to ease, vessel turnaround times should improve, and pending shipments can move faster. This will enhance India's export competitiveness and support stronger rice

USTR to hold trade pact talks next week

USTR REPRESENTATIVE Jamieson Greer will visit India next week to give final touches to the interim trade agreement and hold discussions on a wider Bilateral Trade Agreement (BTA), Commerce Secretary Rajesh Agrawal said on Monday. Greer is scheduled to land in New Delhi on June 22 and hold two-day talks with Commerce and Industry Minister Piyush Goyal on June 23-24.

Greer's visit comes after four-day talks held earlier this

month between negotiators from both sides. On the US side, the talks were led by Assistant USTR Brendan Lynch. This also comes exactly a month before the additional 10% duties imposed on all imports by the US under Section 12 of the Trade Act expire.

However, before the expiry it is expected the US will have another set of tariffs based on the finding of two investigations under the Section 301 of the Trade Act.

—FE BUREAU

Outlook on inflation, CAD to moderate; rupee may gain

RESPONDING TO FE'S QUERIES, ECONOMISTS EXPLAIN HOW A US-IRAN PEACE DEAL COULD HELP ALLAY INDIA'S IMMEDIATE MACROECONOMIC CONCERNS

QUESTIONS

- How long will it take for Hormuz traffic to normalise?
- How will the peace deal help contain India's import bill for oil, LNG and other key materials? How will exports be facilitated?
- What are the possible savings on exporting costs — freight, insurance etc.?
- How will the estimates for current account and capital flows for the next three quarters and FY27 change?
- How will the recent measures from government-RBI to spur capital inflows pan out in the new context?
- How will the assumptions on the rupee's movement change?
- Will the US-Iran deal allow significant upward revision of the forecast of the FY27 GDP growth estimate for India?
- How can the retail inflation forecast be possibly impacted and what about the monetary policy trajectory?

● Once the Strait of Hormuz opens, clearing sea routes of mines and other hazards may take a relatively short time, and traffic should normalise soon. What may take much longer is the production of crude oil and gas in West Asian countries where these have been subjected to major disruptions. We expect both production and traffic to normalise in about two quarters after the Strait of Hormuz opens and hostilities completely cease.

● Production and trading activities in these sectors in India will progressively begin to normalise, reestablishing supply chains and removing intermediate supply bottlenecks. Capacity utilisation in its refining facilities will progressively increase and exports of refined products will also augment, easing the developing pressure on India's current account balance. The refining sector, which faced the largest adverse impact due to war-related disruption, would also be the sector that benefits most.

● Both freight and insurance costs, which had increased inordinately, would begin to normalise although restoration to earlier levels may take quite some time. Much will also depend on the terms that are agreed to in the negotiated settlement and whether Iran is allowed to levy a charge on passage through Hormuz.

● RBI's Survey of Professional Forecasters (June 2026) projected current account deficit of 2.1% of GDP for 2026-27. The median level of balance of payments has been estimated at \$148.1 billion for 2026-27. With positive developments

relating to the West Asian crisis round the corner, we expect the CAD to be at about 1.5% of GDP and the balance of payment magnitude also to be lower than the earlier expectation at \$(-)40 billion in 2026-27.

● Overall economic sentiment is likely to turn positive. The projections of adverse impact on growth and inflation will also be moderated. Global sentiment is likely to turn again in India's favour, thereby improving capital inflows and moderating the pressure on the exchange rate.

● The continuing pressure on the rupee may moderate. In the short-run we expect the exchange rate to average at about 95 per dollar and in the range of 92-93 a dollar in medium term.

● The RBI, as well as the World Bank, has projected growth of 6.6% for 2026-27, whereas OECD projects it at 6.3%. The West Asian situation quickly normalises. Although some of the adverse factors may continue to affect economic activities up to Q3FY27, we consider a growth of 6.7% to 6.8% feasible if the crisis gets fully resolved by end-June.

● Pressures on CPI inflation will progressively decrease, but inflation adjustments will take time. The RBI had projected a CPI inflation for the full year of 2026-27 at 5.1%. This may be marginally moderated. But it is likely that CPI inflation may still remain in the range of 4.5% to 5.0%. Under these circumstances, any major changes in monetary policy are not expected.

● It could take 1-2 months to normalise as we have seen in the past that at least for a month, there are still hostilities from both sides before the rules are obeyed. But this is a necessary condition for the oil economy returning to normal. However, the Strait is one issue. More important is the time taken for countries like Oman, UAE, Saudi to ramp up production given that some of the facilities have been destroyed during the war.

● Over the next six months, we can expect supplies to be restored to normal once the Strait opens and suppliers are able to go back to normal production. This will help all petro-based industries like petroleum, naphtha, manmade fibres, plastics, fertilisers, pesticides, lubricants, gems and jewellery, glass, ceramics among others.

● Freight and insurance costs have gone up on all transport facilities that traverse the Strait of Hormuz. The savings will depend on how much traffic is restored after normalcy returns. Presently, we are importing from other countries including the US and Russia where these costs are also high given the distances. Therefore, depending on how the right blend is chosen of countries and transport routes, the savings will vary.

● We estimated that CAD can be between 1.8-2.2% this year, which can see a downside now that there is peace. But given

that normalcy would be restored within another 3 months at the minimum, the reduction can be around 0.2-0.3% of GDP on oil front.

● Factors driving FPI, NRI and ECB are different. If peace is to prevail and inflation gets lower, the central banks in other countries may not hike rates which will work well for us as we are garnering FCNR deposits. Same holds for ECBs which can come cheaper if rates drop -- but this is the best possible case for us. At any rate, things will only get better for us.

● The government and RBI measures will shore up the capital account, while the oil dynamics will improve CAD. Put together there will be reason for the rupee to strengthen. The negative factor could be the dollar strengthening under these conditions.

● Yes, there can be an upward bias provided things improve and remain stable on the war front.

● This will depend more on how the government and OMCs deal with retail prices. Given the losses incurred, they may not lower retail prices any time soon, which means that prices remain firm. These higher costs have already been buffered in by the companies which have oil products as inputs, which has led to them increasing prices. Hence, we cannot expect too much of a downside on the CPI side.

● It will take minimum 3 months to be fully operational.

● Absolutely, it will ease imports but supply constraints will take time to get back to normal. Export might not see any immediate surge.

● Obviously, Oil, fertilisers, aluminium, helium, and other petrochemicals.

● Depends on how this ceasefire unfolds. There is still a lot of uncertainty around this. Insurance, freight costs might not ease immediately, not even in this year.

● It might take one to two months for traffic to pick up. We are not sure about the mines that had been in the Strait of Hormuz.

● The positive impact will be some reduction in commodity prices, freight costs and some reduction on the upward pressure on metal prices, chemicals and easing in crude prices and reduce some of the pressure on the import bill.

● For FY27, our estimate for CAD is around 2.4% of GDP. There could be some downside risk if there is a sharper fall in crude oil prices. The current account estimate for FY27 assumes Indian crude basket

averaging at \$90 per barrel.

● The capital inflow measures by RBI are expected to get the balance of payment to neutral or a small positive.

● If supply chain normalises faster than expected and decline in commodity prices is faster, there could be some upward revision in RBI's estimate of GDP at 6.6%. But we will have to first wait for the agreement to take place, how quickly the Strait opens up and restoration of the damages that had taken place in oil infrastructure in Gulf Cooperation Council. All these are key unknown and we will have to wait for some clarity on how quickly things can normalise.



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Opinion

TUESDAY, JUNE 16, 2026

MONSOON IMPACT

Union Finance Minister Nirmala Sitharaman

We have enough buffer stocks. Since last year, we've maintained stocks, so there shouldn't be a food shortage. But for farmers, it will have an impact, because this year's income will be stressed out



Peace gets a chance

The US-Iran deal offers lifeline to a fragile global economy

SUNDAY'S MEMORANDUM OF understanding between the US and Iran will come as a huge relief to a world weary of the 107-day conflict that rolled oil markets, threatened to push inflation higher, and cast a shadow over global growth and trade. Fingers crossed, the formal agreement scheduled to be signed in Geneva this Friday will pave the way for constructive negotiations and, ultimately, a durable peace. Pakistan Prime Minister Shehbaz Sharif deserves credit for helping facilitate the breakthrough. With neither side willing to yield ground for much of the conflict, Islamabad's role as mediator merits recognition. Equally important, countries across the globe — particularly in Europe and Asia — will welcome the prospect of the Strait of Hormuz reopening. Nearly a fifth of the world's oil and gas supplies pass through this narrow waterway, making it one of the most strategically important chokepoints in global trade. The announcement has already sent Brent crude prices below \$84 a barrel, down over 5%, while equity markets across Asia have rallied sharply.

Yet optimism must be tempered with caution. The two sides remain divided on critical issues. Washington is seeking a commitment from Tehran that it will refrain from enriching uranium for at least the next two decades. That could prove a significant sticking point, if not a deal-breaker, as many experts doubt Iran will accept such restrictions. Equally troubling are suggestions from President Donald Trump that military action could resume if a nuclear accord is not reached. Such rhetoric is unlikely to aid negotiations and may instead complicate an already fragile process. Iran, for its part, will seek meaningful sanctions relief and access to tens of billions of dollars in frozen oil revenues. The coming weeks will reveal whether both sides are willing to make the compromises necessary for a lasting settlement.

For India, which has borne the brunt of the energy shock and faced renewed pressure on its macroeconomic fundamentals, an end to hostilities would bring significant relief. The restoration of normal supplies of crude oil, liquefied petroleum gas, and natural gas should help moderate import costs and reduce pressure on the rupee, imported inflation, and the current account deficit. Recent measures to attract foreign capital inflows — including incentives for dollar deposits and tax exemptions on sovereign bond investments — should further support the currency and strengthen the balance-of-payments position. Trade with West Asia, disrupted by the conflict, is also likely to recover over the coming months.

Even so, the crisis has exposed several structural vulnerabilities in the Indian economy. The government must use this period of respite to strengthen resilience against future supply shocks. Strategic petroleum reserves should be expanded further, even as sources of energy imports are diversified. India currently has storage capacity equivalent to roughly 74-75 days of net imports, but greater buffers would enhance energy security. Fertiliser pricing reforms also deserve consideration. Rather than relying primarily on subsidies, the government should move towards direct benefit transfers to farmers, encouraging more efficient use while easing pressure on the fisc. Similarly, while the transition to electric vehicles is underway, charging infrastructure needs to expand much faster. Finally, attracting long-term foreign capital will require regulatory certainty, fair bilateral investment arrangements, and a stable tax regime. The West Asian conflict has served as a reminder that external shocks can quickly expose domestic weaknesses. Addressing them is essential if India wants to achieve its full growth potential.

THE END OF EASY MONEY, NOT OF D2C

India's great consumer brand creation cycle



**KARAN TAURANI
K GANESH**

Taurani is EVP, Elara Capital; Ganesh is promoter, BigBasket, BlueStone, HomeLane, & Portea Medical

OVER THE LAST SEVEN years, India has witnessed one of the largest consumer brand creation cycles in its history. Hundreds of digital-first brands have emerged across beauty, personal care, wellness, nutrition, apparel, food service, pet care, home products, and consumer electronics. What started as a niche online phenomenon has become a meaningful part of India's consumption landscape.

Yet the narrative around D2C is beginning to change. The first phase was characterised by abundant capital, aggressive customer acquisition, rapid brand launches, and valuation expansion. The next phase is likely to be defined by capital discipline, profitability, omnichannel expansion, and strategic consolidation.

Importantly, this is not the end of the D2C opportunity. It is the beginning of its maturation. The categories that have witnessed the greatest D2C activity are those with high gross margins, low entry barriers, strong premiumisation opportunities, and high digital discoverability.

Beauty and personal care has arguably seen the highest degree of fragmentation, with hundreds of brands emerging across skincare, cosmetics, derma-care, Ayurveda, men's grooming, and premium beauty. Wellness and nutrition have witnessed a similar trend through supplements, protein products, healthy snacks, and preventive healthcare offerings. Apparel has seen the rise of digital-first brands such as Snitch, Bewakof, BlissClub, and The Souled Store. Food service has also experienced significant disruption through cloud kitchens and digital-native brands.

Despite this proliferation of brands, India's D2C opportunity remains far from saturated. Several large consumer categories remain relatively underpenetrated from a digital-native brand perspective. The first generation of Indian D2C brands proved that consumers were willing to discover, trust, and purchase products online. Many brands scaled rapidly, achieving meaningful revenues and building strong consumer communities. However, scale and profitability often did not arrive simultaneously.

Customer acquisition costs have risen steadily as Instagram, Google, Amazon, Flipkart, and increasingly quick-commerce platforms became crowded channels. Brands spent heavily on influencer marketing, performance advertising, discounts, logistics, marketplace commissions, and inventory expansion. The original D2C thesis was built on efficient digital distribution, which ironically has become more expensive.

The challenge runs deeper than rising acquisition costs. Most D2C brands derive 60-80% of their revenue from just two or three platforms: their own websites (driven largely by Meta and Google advertising), marketplace such as Amazon and Flipkart, and increasingly quick-commerce platforms. Each of these channels is controlled by a platform that determines algorithms, visibility, and economics.

The brands that have built greater resilience are often those where no single platform contributes more than 25-30% of revenue. Achieving this diversification requires expansion into modern trade, general trade, exclusive retail stores, and owned channels. It is operationally more complex and capital-intensive, but increasingly represents the most effective hedge against platform risk. The higher-cost-of-capital environment is making these economics far more important. Investors today are focusing less on top-line growth and more on contribution margins, repeat purchase rates, customer lifetime value, cash generation and channel diversification.

The question is no longer whether India's D2C ecosystem can continue to create brands. The more important question is, can the next generation of brands create profitable, durable businesses in a world where capital is no longer abundant? That begins with understanding how the global cost of capital has changed, why investors are behaving differently, and why the rules of consumer brand building are being rewritten.

(This is the first of a two-part series)

TECHPROOF EXPRESS

ACHIEVING TRUE DETERMINISM ACROSS HETEROGENEOUS HARDWARE IS UNATTAINABLE TODAY

IT's forensic plumbing test

ENTERPRISE TECHNOLOGY HAS long rested on a foundational assumption so obvious it has never needed stating. When a system receives identical inputs, it yields identical outputs. This is the principle of "determinism". Banks reconcile millions of monetary movements and telecom operators bill subscribers accurately because the underlying software behaves in a perfectly predictable manner. Determinism is not a minor engineering attribute. It is the operational spine that gives enterprises the stability they depend upon. Indian IT services companies have built entire systems infrastructures for their clients based on this foundational technological contract. But now, large language models (LLMs) have begun to tear that contract up.

LLMs do not emerge from the deterministic lineage of classic enterprise systems. They emerge from probability theory, pattern recognition, and statistical learning. Ask the same model the same question twice and its responses may shift without hallucinating at all. This is not a bug. It is its nature. An LLM generates text one token at a time, where a token is a few letters and not always a full word. A tiny difference in the underlying probability distribution leads the system to choose a different token, which influences the next, and so on. Modern LLMs depend on massive floating-point computations executed in parallel across thousands of graphics processing unit (GPU) cores, each involving multiplication, addition, and rounding. The order in which these operations occur shifts subtly based on how hardware schedules tasks at that moment. In isolation each discrepancy may be microscopic. But cascaded across a response, they can produce something meaningfully different from what the same prompt produced

SIDDHARTH PAI
Technology consultant and venture capitalist
By invitation



an hour earlier. In an older computer system, the same result for the same instruction was guaranteed, even if given months apart. Achieving true determinism across heterogeneous hardware is unattainable today. No current software abstraction can harmonise the differences between GPU families, compilers, and memory architectures.

This would be a manageable technical problem if AI remained confined to consumer applications. Chatbots and creative assistants lose nothing when output varies. The problem is that AI is moving decisively into enterprise decision flows where it is no longer restricted to casual chatbot use but can have lasting impact on the enterprise. The fundamental agency cost of using an "AI" agent is not that the machine is unreliable but that it has no sense of scope. It solves the prompt given today while unwittingly establishing the conditions for a catastrophic failure months from now. When systems do break, diagnosis is slow and uncertain. Responsibility is diffused across undisciplined ideation, prompts, models, and partial fixes. No one holds a complete map.

The evidence is accumulating in places enterprises least expect. All Nippon Airways (ANA) briefly offered busi-

ness class fares at a fraction of their actual price, and Cathay Pacific found itself selling flatbed seats from Hong Kong to New York for \$675 — these were not straightforward software errors that a senior developer with good code would catch. They were outputs of systems behaving probabilistically in edge cases that deterministic logic would have blocked at the gate. Turkish Airlines is currently contesting similarly mispriced fares in 2026. The airlines will likely win in court, but the pattern is established. Pricing logic that was once the most deterministic of enterprise functions has acquired a faint and dangerous randomness.

The cybersecurity implications are grimmer still. When Scattered Spitzer breached Marks & Spencer last year through a machine in the IT help desk, the attack itself was human. But the conditions that made M&S so exposed — sprawling digital infrastructure, interdependent systems, and third-party access points multiplied by years of digitisation — were the natural habitat of an organisation that had been building complexity faster than it could govern it. The eventual cost was \$300 million in lost operating profit. The entry point was a phone call to a help desk. When the forensic plumbers

Without humans who understand both the why and the how, the enterprise loses its ability to recover from failure

arrived, they found not a single failure but a landscape of interdependencies that no one had fully mapped. This is where the Indian IT services industry re-enters the story, though not in the role it would prefer. These firms are themselves accelerating the problem, deploying AI and vibe coding approaches at enterprise scale for their clients, generating volume while quietly accumulating the technical debt that will eventually surface as system failures. The fallout, when it arrives, will require something client firms have been moving away from: real people with deep diagnostic skills who can go in and discover why a pricing engine has begun treating business class as a loss leader, or why a compliance model has started producing different justifications for identical cases. Clients will not pay for more code. But they will be compelled to pay for confidence that their systems behave predictably.

Some argue that the answer is AI checking AI. When a model is used to verify another model's output, you are not getting a second opinion. You are getting another sample from a related distribution. The errors that are improbable in one model may be equally improbable in the verification model — meaning they both miss the same things systematically. Without humans who understand both the why and the how, the enterprise loses its ability to recover from failure.

The insurance industry understands this even if the technology industry does not. Insurers will find ways to cover AI-related failures while reducing premiums for organisations that can demonstrate genuine human oversight. Trust and certainty may become the only billable commodity in technology services. Not time and materials.

That is a huge shift. Can services firms make it?

A tax hurdle in India's job market



SUCHITA DUTTA

Executive Director, Indian Staffing Federation

INDIA STANDS AT a crossroads. With over one million young workers entering the labour market every month, a demographic dividend that economists call the envy of the world, and an ambitious \$5-trillion economy target firmly in sight, it has every structural reason to accelerate the formalisation of its workforce. And yet, buried within the GST framework — a tax architecture otherwise celebrated for unifying India into a single market — lies a quiet contradiction: an 18% tax on the very services that convert informal workers into formal employees, for the industry that brings underprivileged job market entrants to formal employment opportunity.

This is what the staffing industry calls the formalisation tax — and it is time policymakers took a hard look at it.

More than 90% of India's overall workforce is employed in the informal economy. Despite a decade of progressive policy reform — from the landmark Labour Codes to the Skill India Mission and the e-Shram portal — the bulk of India's working population still operates without a payslip, a PF account, or an ESI card. Less than 20% of informal workers have access to pensions, health insurance, maternity benefits, or legal protections. Over 94% of such workers enrolled on the e-Shram platform earn less than ₹10,000 per month. These are not peripheral concerns; they represent the lived reality of hundreds of millions of Indians.

The organised staffing industry exists precisely to bridge this divide. It acts as the formal gateway through which first-time job seekers, often with

limited education and skills, enter the documented, social security-covered workforce. The industry's efforts have facilitated the transition from informal to formal employment, offering social security, employment mobilisation, and relevant skill development programmes. And it has been doing so at scale: Indian Staffing Federation (ISF) member companies alone deployed 1.9 million flexi-workers in FY25, an addition of 200,000 over the previous year, driven by sectors such as FMCG, e-commerce, manufacturing, healthcare, retail, logistics, banking, and energy.

Manpower outsourcing and staffing services are classified under SAC code 9985 and taxed at a flat 18% GST, regardless of whether the recipient is a business or a government entity. On the surface, this seems like a standard commercial tax. In practice, it functions as a penalty on formalisation. When a small or medium enterprise compares the cost of hiring through a formal staffing company versus retaining workers on an unregistered, informal basis, the 18% GST on the staffing invoice tips the calculation decisively in favour of informality. The compliance burden and tax output make formal engagement prohibitively expensive, especially for MSMEs and labour-intensive industries where margins are already thin. The result: businesses stay

informal, workers stay unprotected, and the state loses its tax base.

In trying to maximise GST collection, policymakers have inadvertently made compliance burdensome for smaller firms while the productivity gains from the GST-unified market have accrued largely to large businesses and digital startups.

The staffing industry's stake is not a tax waiver — it is a strategic risk rationalisation. According to an ISF report, the formal flexi-staffing workforce of 73 lakh, with an average salary of ₹18,000, generates over ₹33,000 crore in annual GST revenue. A reduction to 5% would lower direct GST collection to around ₹6,700 crore if employment numbers remain the same. But the resulting wave of formalisation could expand the sector's tax contribution to ₹50,000 crore with the addition of another ₹15,000 crore to the formal workforce in the next three-five years.

That is a potential seven-fold increase in GST revenue — achieved not by raising rates, but by lowering them enough to make formal engagement the economically rational choice. It is the Laffer Curve principle applied to workforce policy: the optimal tax rate is not the highest one, but the one that maximises the size of the formal base.

This is why the ministry of skill development and entrepreneurship had also formally sought a "merit services" clas-

The staffing sector's growth potential is contingent on enabling policy. A persistently high GST rate creates a structural ceiling on formalisation

India cannot build a \$5-trillion formal economy with an 18% tax on the act of employing people formally. The formalisation tax must go

sification for manpower supply services, which would bring the GST rate down to 5%. The ISF endorses this position and urges the GST Council to prioritise it.

The potential upside is enormous. With only about 15% of India's workforce now in the formal economy, the staffing sector is projected to grow from 7.3 million to approximately 20 million workers by 2030. The flexi-staffing industry alone is expected to grow 13% year-on-year with additional jobs by 2030, driven by increasing formalisation and the need for an agile workforce.

But this potential is contingent on enabling policy. A persistently high GST rate creates a structural ceiling on formalisation. Every enterprise that chooses informal labour over a staffing company contract to avoid the 18% levy is one less worker in the EPF database, one less family with ESI health coverage, and one less contributor to India's direct tax base.

Just as goods are slotted into GST brackets that reflect their social and economic significance, so too should essential services at zero or 5%, luxuries at 28%, services must be treated with similar equity. Employment services are not a luxury. They are the infrastructure for human capital development and the mechanism through which India converts its demographic dividend into a formalised, tax-compliant, socially protected workforce.

India cannot build a \$5-trillion formal economy with an 18% tax on the act of employing people formally. The formalisation tax must go. The time for a GST rate of 5% on manpower services is now.

—Vinod Johri, New Delhi

Write to us at letters@expressindia.com

LETTERS TO THE EDITOR

AI infrastructure growth caution

Apologies of "The burden of AI adoption" (FE, June 15), the piece rightly flags the environmental cost of the artificial intelligence (AI) boom that India must reckon with. As data centres multiply, electricity and water demand will rise sharply, often in regions already under stress. Before granting incentives for new facilities, state governments should mandate

water audits and require centres to source a fixed share of power from renewable contracts rather than the grid. Co-locating data centres near renewable generation hubs and encouraging waste-heat reuse for nearby industries would ease the burden considerably. Growth in AI infrastructure is welcome, but only if it does not come at the cost of water tables and local communities that have no stake in the AI economy. —SM Jeeva, Chennai

Entrance exam crisis

The discussion in "India's real examination crisis" (FE, June 15) is candid and honest. It realistically seeks to reduce dependence on single high-stakes examinations. The recent scam in NEET has eroded the credibility of the medical and engineering entrance examinations. The rote learning-based tests and jug and mug coaching institutions have vitiated the selection process for these entrance tests. It is advi-

able to give adequate weightage to maths and science board exam (Classes X and XII) performances, besides Olympiads and national talent search exams. The entrance tests should also include practical tests in physics, chemistry, zoology, and Biology where applicable. These steps will bring fairness to the tests for medical and engineering education. —Vinod Johri, New Delhi

INTERNATIONAL EDITORIALS



The FT View



FINANCIAL TIMES

"Without fear and without favour"

ft.com/opinion

Markets are watching closely as Warsh enters the arena

The new Federal Reserve Chair will be judged on his integrity and ability

This week, Kevin Warsh will chair his first interest rate-setting meeting as the new Federal Reserve chair. Over the next four years, his decisions at the helm of the world's most important central bank will shape not only economic conditions, but also the future direction of the institution.

US President Donald Trump has repudiated decades of precedent with his attacks against former chair Jerome Powell for not cutting interest rates. In his confirmation hearing, Warsh was duly dogged by questions about his fealty to Trump. Now that he is chair, he has the chance to prove himself. He must choose long-term market stability over short-term political concerns.

In normal times, this week's Fed decision would be uneventful. Recent weeks

have seen strong job numbers and annual consumer price index inflation rise to 4.2 per cent in May – a three-year high. Warsh would be wise to vote with the majority of the board, which is widely expected to hold rather than cut rates, not only because it is the most rational interpretation of the data, but because it will signal his commitment to institutional independence. This week's meeting and press conference will set the tone for what markets will expect from his tenure.

Warsh has the ability and the obligation to act independently. Even if he does run afoul of the president, it will be hard to remove him from his post, as failed crusades against Fed governors Lisa Cook and Powell have shown.

So what should we expect from a Warsh unbound? His statements over the past year have highlighted AI's disinflationary impacts, referenced measures such as trimmed means, which imply lower inflation, and indicated a preference for cutting rates. This dovish

stance has been music to Trump's ears – but Warsh could change his tune. His posture might have been tactical, to help him get the job.

Warsh has been both hawkish and dovish. Under Democratic President Barack Obama, Warsh was a noted hawk, fighting for higher rates in the immediate aftermath of the global financial crisis and criticising Fed purchases of bonds and mortgage-backed securities. During Trump's first term, with unemployment at record lows, Warsh and his former employer Stanley Druckenmiller argued against tightening. When the Federal Reserve cut rates under President Joe Biden in September 2024 after inflation had come down, Warsh called the decision "puzzling". This suggests a worrying partisanship.

That his tenure as Fed chair is not influenced by such partisan leanings is crucial. Yet even if he is balanced in his decision-making, Warsh faces a difficult path ahead. Inflation risks loomed even

His decisions at the helm of the world's most important central bank will shape not only economic conditions, but also the future direction of the institution

before the Iran oil shock; AI could increase unemployment or even lead to demand destruction.

Warsh has stated that he favours shrinking the Fed's \$6.7tn balance sheet. But quantitative tightening risks triggering liquidity crunches and could be difficult to pull off, with US Treasury markets looking shaky. A critic of forward guidance, Warsh is reportedly considering eliminating the Fed's "dot plot", which signals the views of officials on the rate path. Such a change may provide greater policy flexibility, but risks reducing transparency. Above all, Warsh must project stability and even-handedness in times of tumult.

Warsh's tenure will be judged by the unforgiving voices of op-eds and commentary, but of the markets. He has criticised past Fed committees for being too focused on lagging data, and not focused enough on establishing institutional credibility. Now, credibility will be his to build or lose.

Opinion Society

Trump's many unhappy returns

Ben Hickey



Jemima Kelly



It was a special day. Donald Trump was celebrating his 80th birthday, while the putatively democratic republic over which he reigns supreme is celebrating its 250th.

To mark the twin milestones, the octogenarian-in-chief chose the obvious tribute: a cake fight on the South Lawn of the White House in front of several thousand people.

In a stirring tribute to America's immigrant heritage, the Ultimate Fighting Championship's "Freedom 250" spectacular was set to be headlined by a Brazilian, a Georgian, a Frenchman and a half-Mexican American who would punch, kick, throw down and choke one another inside an octagon-shaped chain-link cage until one of them could bear it no longer. But the pomp and circumstance at the family-friendly event did not stop there: in the name of gender equality,

You might have thought the US public would be thankful for the show put on in their honour. But no

the six "bouts" of human cockfighting would also feature a bevy of "octagon girls" clad in resplendent red, white and blue hot pants and bustiers, as previewed in ads' mag Maxim. And as if there weren't enough feasting for your eyes already, there was also the arena itself, blending in perfectly with the magnolias and maple trees on this most lofty of lawns. Yes, straddling the splendid cage-cum-stage was a 92-foot, star-and-corporate-sponsor-spangled superstructure dubbed "the Claw" – imported, alas, from the EU of all advantage-taking places – that would seat 4,500 spectators and which the president has compared to the Eiffel Tower. [It's] quite attractive to a lot of people," he said in a video posted to social media. "Maybe we'll never take it down." (Amid a lawsuit seeking to stop the Claw's construction, the White House has since stated the arena would be dismantled "immediately" after the event.)

Presumably these global UFC stars, who were risking brain injuries, disfigurement and permanent disability (not to mention getting deported or thrown in jail), were taking part largely because they love America. They must have also been looking forward to a nice pay cheque, because the UFC – whose CEO and president is Trump's good chum Dana White – promised

that this historic day would be marked by "the biggest bonus in UFC history".

Generously stumping up this reward is the Singapore-based Crypto.com, a company already closely linked to the president and various Trump family ventures. It would be delivering this "\$10m bonus" (shared out between the winners) in the equivalent value of "CRO", a cryptocurrency that it has created out of thin air, and of which Trump Media kindly agreed to buy \$105m's worth last year. The value of CRO has plummeted by about 82 per cent over the past 10 months, and its trading volumes are thin. So adding to the fun for the fighters would be the challenge of trying to cash out their winnings.

You might have thought that the American public would be thankful for the grand show put on in their honour. But no. Yet again, the repeated claim of Trump supporters that he has a thankless job is being proved correct. Just 16 per cent of Americans approve of the White House UFC fight, according to a recent poll, and even among Republicans, that figure only rises to 31 per cent. Pedants are noting that the US semi-quincentennial of the Declaration of Independence does not actually fall on June 14 but rather three weeks later, on July 4. And radical leftist mutineers are claiming that the birthday boy is trying to make this all about him.

As if that weren't bad enough, those who claim Trump should not continue to rule past January 2029, and that he does not have a divine right to govern the US, held their own event deliberately timed to coincide with the historic cake fight, in his own hometown, no less. Yes, the "No Kings" group of activists that held protests across America on Trump's birthday last year, when he had innocently organised a military parade through Washington, held a live event named "Rise Up, Sing Out: A Concert for the First Amendment" in New York City. The line-up was reportedly due to include Patti Smith, Bette Midler, Jane Fonda and Julia Roberts.

The glitz and glamour may prove hard to compete with. Add ng insult to injury, Trump's special invite-only guest list looked set to be just that – invite-only. Several of the promised A-list celebs were not planning to show up, if reports about Adam Sandler and Jared Leto were to be believed. A source close to Dwayne "The Rock" Johnson told Vanity Fair that the actor and wrestler would not be attending.

Trump just wanted to give Americans a bit of a reprieve from worries about war in the Middle East, rising inflation and their rapidly depreciating global reputation. As usual, the fake news media and the rest of woke Hollywood had to ruin it. SAD!

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Letters

Britain's defensive posture has been exposed

John Healey's resignation (Report, June 12) has turned a debate about budgets into a very serious question about government credibility. For months, ministers – including the prime minister himself – have described the most dangerous international environment in decades. The strategic defence review called for greater readiness, industrial resilience and military capability. Yet the defence investment plan remains delayed amid disputes over affordability. The defence secretary's departure therefore reflects a fundamental disagreement over

whether the government's funding decisions match its own assessment of the threat.

Governments borrow during emergencies when they conclude that the cost of delay exceeds the cost of debt. If ministers genuinely believe Britain faces a general security challenge, then borrowing to accelerate defence investment is a rational policy choice. If they do not, then the language of urgency should be moderated accordingly. The issue is not whether fiscal discipline matters. It does. The issue is whether current

budgetary decisions are consistent with the government's own strategic assessment.

A strategy that warns of mounting danger while repeatedly postponing the means to address it creates uncertainty for allies, industry and the armed forces alike. It also significantly emboldens our adversaries, and confuses our citizens.

The resignation of the defence secretary has now made that tension impossible to ignore.

Hannah Walker
Melton Mowbray, Leicestershire, UK

What happens once you give AI agents legal identity

Yuval Noah Harari asks the right question and gives the wrong answer ("We must not grant AI agents legal personhood", Opinion, June 8). Argentina has just announced the world's first legal regime for AI-run corporations, shortly after our team published the research explaining how such A-corps (short for algorithmic corporations) would work. Harari asks what sanction could ever hold a non-human corporation in check. His answer is that none can, because the threat that disciplines human executives (prison) means nothing to a machine.

That's wrong. As we explain in a longer academic paper, the AI agents that we should worry about are those deployed to pursue long-term goals. Such agents can be punished by taking away their resources, since they need those resources to pursue those goals.

This is the positive argument for A-corps. The A-corps make AI agents visible to, and thus governable by, the state. Once we give AI legal identity, including a corporate one, we can see exactly what those AI agents do – what contracts they make, what licences they apply for, what advertisements they run. With A-corps in place, humans who are defrauded, injured or otherwise harmed by an agent have direct recourse. An A-corp is a thing the state can see, can tax, and whose assets it can seize when it causes harm.

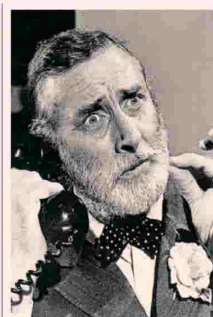
One of America's great jurists, Justice Oliver Wendell Holmes, gave us the "bad man" theory of the law. For most of us, obeying the law matters because we cherish its values. For the bad man, the law is merely a price, the cost of doing business. Because AI agents will not always care about the people their actions harm, we need governance that can exact a price from them when they behave badly. That is exactly what AI legal personhood is built to do.

Yonathan Arbel
University of Alabama School of Law
Simon Goldstein
University of Hong Kong
Peter Salib
University of Houston Law Center

Our blind faith in an East African groundnut scheme

Professor Keith Hayward's letter on lessons from Concorde for the HS2 rail project (June 10) reminded me of the Spike Milligan cartoon of a boy and his father watching Concorde fly by. "Wot's that, Dad?" asks the boy. "That, son, is a flying groundnut scheme."

Each generation has its public spending disaster. But the prototype techno-mega-project disaster was the East African Groundnut Scheme, launched in 1947 by the postwar Labour government to provide margarine for the ration-starved British public, based on a blind faith in



Spike Milligan joked that Concorde was 'a flying groundnut scheme'

the potential for mechanised farming. More groundnuts were imported as seed than were ever exported. When it was closed down in 1951, the Treasury wrote off £366m, equivalent to £1.1bn today.

The excuses were so familiar: ignoring the experts who predicted exactly what would happen; driven by political deadlines; doubling down rather than quitting when problems emerged; terrible management; and a limitless optimism that where there was a will, there must be a way. Maybe one day we'll learn. But not until politicians are forced to read some relevant history before they leap to decisions.

Nicholas Westcott
Professor of Practice in Diplomacy, SOAS
University of London, author of
"Imperialism and Development: The East African Groundnut Scheme and its Legacy", London WCI, UK

In the end productivity is more than a measurement

As usual, Chris Giles has an interesting take on an important issue ("Is the UK enjoying a productivity rebound?", Opinion, June 11). He notes that different measures of official employment data yield different conclusions about the growth of productivity.

Certainly, having a solid grip on the level and change in employment would be critical to measuring productivity, but the source of uncertainty could also be in the estimate of the numerator, ie real GDP. Moreover, the latter is subject to various cyclical factors that are difficult to quantify, indicating that the confidence interval around any productivity growth estimate is wide.

Maybe productivity is slowly improving, but it has to show up in people's sense of wellbeing, not just in the measurement.
Peter Perkins
Dallas, TX, US

Targeting Woodford feels like FCA points-scoring

The current legal proceedings launched by the UK's Financial Conduct Authority against the investor Neil Woodford highlight a growing problem for those in the industry.

As a simple financial podcaster, I find the boundary between sharing financial theory and regulated financial advice, difficult to navigate. Where exactly is the line drawn ("Woodford's W4.0 hits out at the FCA", Report, June 10)?

The FCA alleges that Woodford's platform provides unauthorised advice. Yet the regulator could choose to prosecute tens of thousands of social media accounts offering blatant financial tips with zero accountability. Targeting a well-known figure feels more like points-scoring than a good use of their time and effort.

While I agree that a disclaimer may not strictly negate the legal definition of advice, there is a clear difference in the target audience. Those paying a not exactly inconsequential subscription fee for Woodford's insights are more likely than not sophisticated, experienced investors, far removed from the potentially vulnerable individuals bombarded by social media "influencers" promoting crypto and other highly speculative assets for the price of a click.

While I appreciate that the FCA is leading a broader international effort to crack down on influencers, the current approach risks creating uncertainty for those seeking to provide genuine financial education rather than regulated financial advice. As a result, legitimate educators may feel compelled to tread carefully for fear of crossing an unclear line.

Given the UK's longstanding need for greater financial literacy, that would be an unfortunate outcome.

David Coombs
Intelligent Investment Today Podcast,
Corby, Northamptonshire, UK

The rich will always use the tax code to their advantage

Rana Foroohar ("Just stop moaning and pay your taxes", Opinion, May 25) expresses surprise and dismay that very wealthy people are using the tax code (which those very same people helped to write) to their advantage. While it may be more brazen now, it is certainly nothing new.

Some may remember the hotels billionaire Leona Helmsley's classic observation from the late 1980s that "we don't pay taxes; taxes are what the little people pay."

As for political leanings, wealthy Democrats have benefited just as much from the Reagan-Bush-Trump tax cuts as wealthy Republicans. They just get to brag about it they haven't.
Guy Wroble
Denver, CO, US

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Reversing Brexit – why the conditions look right

Martin Wolf (Opinion, June 8) is disingenuous in claiming that a reversal of Brexit is "unrealistic and unnecessary". He rightly says that Brexit was a big mistake and indeed has turned out to be even worse than expected. In that case, surely the right thing to do is to go back into the EU.

This is becoming politically conceivable in Britain as the steady shift of public opinion now indicates that well over 60 per cent would vote for such an option.

The cost of Brexit to the economy and to public finances continues to rise and constrains Britain's capacity to meet the needs of its people. At the same time the new geopolitical situation, with Vladimir Putin to the east and an unreliable US to the west, illustrates starkly that we share interests and values with our European neighbours.

It is also politically conceivable on the EU side. The return of the one country ever to have left would vindicate the bloc's raison d'être, but it is above all the geopolitical situation that means that the EU itself would welcome a British return. It would be more willing to accommodate British demands in accession negotiations than it is to tolerate cherry picking and halfway houses.

In recent weeks, several EU leaders, ranging from Spain's socialist prime minister Pedro Sánchez to Poland's centre-right PM Donald Tusk have said as much, and the president of Finland, Alexander Stubb, speaking in London at Chatham House, pleaded for Britain to rejoin.

The EU is also gearing up to welcome the western Balkan countries, Ukraine and Moldova. Tellingly, Iceland and Norway are now actively considering applying. Britain will look even more isolated if it stands aside from this new EU.

Of course, there will have to be negotiations. But there is no reason to exclude it as a possibility without even exploring what terms and conditions could be secured.

Richard Corbett
Former Leader, European Parliamentary Labour Party, Shipley, West Yorkshire, UK

Enzo Ferrari's anvil

Re "Ferrari diehards debate whether buying its first EV is test of loyalty" (FT.com, June 7), to Italian ears "Ferrari" means "blacksmiths". Enzo Ferrari's childhood bedroom was over his father's workshop. Young Enzo woke to the ringing of hammers.

This is the legacy the marquis must preserve. Forget the silhouette, the visual mass and the greenhouse-like canopy of the Luce.

The prancing black stallion is just a metaphor: the reality is the anvil.
Alfredo Nordone
Rome, Italy

A job for the 5th Marquess!

Amazingly, the man chosen to sound out who should succeed Anthony Eden ("Is it Wab or Hawcod?", Letters, June 11) was not the chief whip but the Leader of the House of Lords, the 5th Marquess of Salisbury. Difficult to see this being acceptable nowadays.
Michael Windless
Bangkok, Thailand

Correction

SpaceX's Starship is the tallest and heaviest operational rocket, not Saturn V as wrongly stated in a graphic published on June 11.

Opinion

This is what progressive capitalism should look like

Wes Streeter

For the first time in our modern history, the prospects for the next generation look worse than the last.

Young people are feeling all pain and no gain from the current economic settlement. They are punished by broken higher education and housing markets that leave them out of pocket. They pay high marginal rates of taxation but rarely use public services. They are starting their careers just as AI threatens their jobs. This is the generation that is leaving Labour at the ballot box, because they feel we have left them.

Social democracy is as much about a successful market economy as it is about an active state. When Labour forgets the first part of that sentence, we and the country lose. We've got to be as focused on wealth creation as we are on

wealth distribution. Growth and fairness aren't in competition. Growth is the only way we can tackle Britain's class, regional and generational inequalities.

Only Labour can deliver both. The Greens reject growth: their policies would see society fighting over an ever-shrinking pie. The right think the market should be left untouched. I am putting forward an agenda for progressive capitalism, that backs enterprise, rewards work, takes on vested interests and makes markets serve our shared goals of growth, fairness and a better future for the next generation.

That means doing three things. First, push the frontier of innovation. Create the conditions where highly productive companies can scale.

Second, take the best to the rest. Spread new practices to the tail of the economy, where competitive forces will incentivise adoption. It may be counter-intuitive for a politician on the left to say, but British capitalism suffers from a lack of competition.

Third, we need to invest in the resilience of our core strategic industries. Britain will remain an open econ-

omy reliant on global supply chains, but we can no longer assume that critical capabilities will always be available. Energy, defence, and data infrastructure offer opportunities for re-industrialisation. They have both economic and national security importance.

Anyone can make the pro-growth choice when there are no downsides. This country needs a government

Labour has got to be as focused on wealth creation as we are on wealth distribution

unafraid of taking on vested interests and doing controversial things in the national interest.

Donald Trump's message to world-leading scientists and engineers is: you're not welcome here. We should welcome them with open arms. We need a global talent programme to attract 20,000 of the world's best and brightest over the next three years. Voters

concerned with high migration aren't so worried about tomorrow's Nobel Prize winners discovering the future here in Britain.

Politicians should be honest with the public: Brexit has been a catastrophe. The biggest economic opportunity we have is on our doorstep. Britain's future lies with Europe. Clarity about the destination will help us negotiate a maximalist trading relationship within our red lines this side of the next election, at which point we should seek a mandate for closer co-operation.

The housing crisis prevents people from moving and companies from hiring who they need. If every council in England was building houses at the same rate as Milton Keynes, we'd be building 460,000 a year, not failing to hit our 300,000 target. I'm pro-devolution, but if councils are failing to deliver the homes we need, decision-making powers should be taken off them.

Businesses and households are held back by high energy costs. Tax receipts from new North Sea oil and gas approvals should be funnelled into cheaper energy: insulation, heat pumps and

electrification to cut bills and emissions. We must show that the net zero and growth agendas are not in competition.

Progressive capitalism also means tax reform. As the fourth industrial revolution arrives, we are taxing the very thing most at risk – labour. The balance needs to be tipped from work to wealth. I propose equalising capital gains and income tax rates with new allowances for reinvestment, entrepreneurs and indexation, so that inflationary gains aren't taxed at all. Half of capital gains taxpayers would be better off as a result of this pro-growth, pro-fairness change.

All of this is possible within the fiscal rules, proving that the current debate between reckless disregard and helpless paralysis is a false choice. When our debt-to-GDP ratio is near 100 per cent, fiscal discipline is not a constraint on social democratic ambition but the means by which it becomes sustainable.

Britain must grow again – and grow together – so the next generation gets a stake, not just the bill. We still can.

The writer is a Labour MP and was UK health secretary from July 2024-May 2026

'Can a machine do this job?' is the wrong question

Carl Benedikt Frey

Whenever AI automation anxiety arises, optimists like to point to the bank teller. US vice-president JD Vance repeated the idea last year: ATMs automated the teller's core task and yet teller employment rose for three decades. The implicit assumption is that if automation could not kill the teller, surely AI will not kill the accountant.

As economics writer David Oks has noted, this reassurance is premature. Once customers could deposit a cheque by photographing it and send money without visiting a branch, the teller was replaced – not by a better machine in the bank but by the customer order itself.

The distinction matters, and it turns on a mechanism economists have understood since the 19th century. When a technology automates tasks inside an existing service, it can trigger a Jevons paradox: the service becomes cheaper, demand expands, and employment grows. That is what ATMs did and it is the reason automation has so often failed to produce mass unemployment.

But the paradox has a condition: it works only when the technology makes the existing service model more efficient. When a technology lets people do the work themselves, demand for the service collapses.

The sociologist Jonathan Gershuny identified this pattern in 1978. Modern economies, he argued, were not heading towards a service utopia but a self-service economy in which households would absorb the work themselves. The washing machine illustrates this: it did not

When work shifts to the consumer, it vanishes from the economy that statisticians measure

automate the laundress's job – it gave customers the means to do without her.

The pattern has been repeating ever since. Self-checkout handed scanning and bagging to the shopper. The internet gave travellers direct access to flight schedules and hotel reviews that agents once controlled. Online brokerages put a trading terminal in every pocket.

AI extends this mechanism even to the manual trades, the supposed safe haven of the AI age. If a homeowner can ask a chatbot why their boiler is losing pressure, heating engineers may lose call-outs. Nor are professions immune: doctors may find patients have decoded test results before they arrive.

This solves a problem for companies in the process. As Christian Catalini of the MIT Center for Digital Business has argued, when AI pushes the cost of execution towards zero, the binding constraint becomes human verification – our capacity to validate outcomes and take responsibility. Self-service offloads that burden on to the customer.

This shift has broader macroeconomic implications. When work shifts to the consumer, it vanishes from the economy that statisticians measure. A company that replaces a billing department with a chatbot interface records lower costs and higher output per worker. The national accounts register a productivity gain. But the hours that patients spend decoding their own tests appear nowhere – not in labour statistics, not in GDP. As AI self-service expands into professional domains, this blind spot will grow.

Policymakers who rely on those indicators to judge whether AI is delivering benefits may be missing a deeper shift. The great achievement of modern capitalism was to move activity from the household into the market – converting domestic production into paid specialisation, creating jobs and making output visible to the national accounts. AI-enabled self-service is quietly reversing that centuries-long trend.

The automation question – can a machine do this job? – would never have predicted the laundress's decline. No robot could walk to the well and handwash linens. But the washing machine did not need to. The self-service question – can the customer do without this job? – would have predicted it. If we keep asking the first question about AI, we will keep looking in the wrong place.

The writer is author of 'How Progress Ends' and an associate professor at Oxford University

The populist case for ending easy money now

MARKETS

Ruchir Sharma



This week Kevin Warsh leads his first meeting as chair of the Federal Reserve, and he should start by making the central bank do the job it has been failing at for years.

That job is to set interest rates at a level that will maximise employment and stabilise prices. Over time, the Fed has come to worry only about jobs and make excuses for inflation – in short, showing a bias for easy money that has lately hit historic extremes.

The economy has hovered near full employment for 55 consecutive months, yet the Fed has missed its inflation target for 63 straight months. Few central banks have matched that record of failure on inflation: in the US, the only comparable episode was during the Great Inflation of the 1970s.

Even the Fed's 2 per cent inflation target is arguably too high. At that rate inflation erodes savings and purchasing power "dramatically" over time, according to Warren Buffett, who knows the impact of compounding and prefers a "zero inflation target". Populists of the left and right tend to push for lower interest rates but appear not to recognise that the people hurt

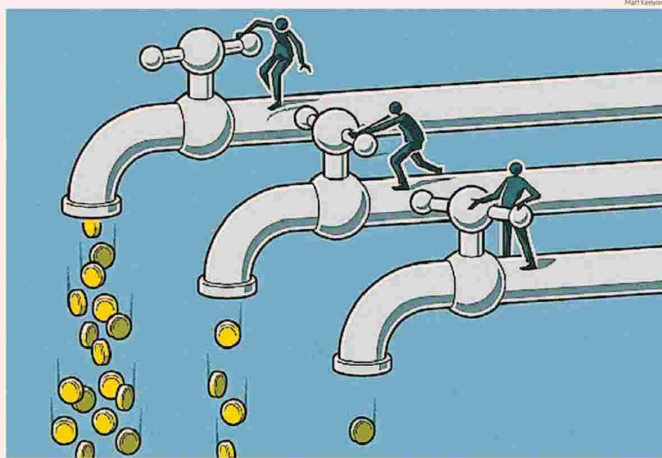
most by the resulting inflation are their main constituents: the poor and middle class.

Imagine if recent US job reports had come in weak instead of strong – the clamour for rate cuts would be deafening. Now, core inflation is stuck around 3 per cent. So far this decade, consumer prices have risen by 30 per cent, and the rising cost of living is the single hottest issue in American politics. Yet there's no outcry for rate hikes, or hard money now. There should be.

The easy money camp keeps saying inflation will pass after the supply shock of the moment, whether it's the pandemic, Donald Trump's tariffs, or the Iran war. But there will always be a shock on the horizon: the next one could be El Niño. The Fed cannot keep accommodating each one.

Meanwhile US politicians have come to resist rate hikes as a matter of course, on the grounds that someone will get hurt. But high prices are causing more pain than high rates are. Were it not for persistently high inflation, US real wages would be rising, and fewer Americans would be falling behind on mortgage, credit card and car loans. A study by the Fed traced the surge in car loan defaults not to higher borrowing costs, but to the fact that recent buyers had to take out bigger loans to cover rising sticker prices, which by one measure are up 40 per cent this decade.

Then there is the biggest excuse of all: AI. In the 1990s, Fed chair Alan Greenspan defended his embrace of easy money by saying the internet would



raise productivity and contain inflation. Now, some of his successors – including Warsh – see similar potential in AI, and they may well be right in the long run. For now, however, the impact is inflationary, as the billions Big Tech firms are spending on it push up prices for electricity, compute, semiconductors, and much else.

Beyond jobs and inflation, the Fed has a widely recognised but unwritten "third mandate", which is to stabilise the financial system. A Fed index, which includes measures of borrowing costs as well as prices for stocks, houses and the dollar, suggests financial conditions have rarely been this loose. Nominal interest rates are below the rate of nominal GDP growth, a classic recipe for capital misallocation.

US politics' hottest issue is the rising cost of living, yet there's no outcry for Fed rate hikes. There should be

Asset prices are running wild – to the benefit mainly of the very rich, who in turn think the Fed will always have to bail them out at the slightest hint of trouble. In effect, the central bank has socialised market losses, while placing no cap on gains.

While inflation has not yet gone out of control the way it did in the 1970s, the system is more vulnerable today. Financial markets are much larger as a share of the economy, and so are the US deficit and debt. Against this backdrop, the US cannot afford a return to the dark days of 1979, when Fed chair Paul Volcker began a series of sharp rate hikes to slow the Great Inflation. The damage would be much greater. By one count, a stock market bust just half as deep as those of 2001 and 2008 would generate a similarly large negative wealth effect, and even a 15 per cent drop in the S&P 500 could slow US growth by nearly half.

Better to act now before a bigger rise in inflation forces the Fed to jack up rates more aggressively. Instead, by keeping real rates near zero, the Fed is in effect accommodating the deficit,

adding fuel to both consumer and asset price inflation. The longer this goes on, the greater the risks to the system.

Warsh is an admirer of Volcker, and a vocal critic of how the Fed's expansive policies have distorted financial markets. Lately, his calls for reform have focused on reducing the size of the Fed balance sheet, which has expanded massively since the global financial crisis in 2008. That may be a reform worth trying, but it is an experiment that would take time to design and implement. The threat to price stability is urgent.

Warsh would face resistance from Trump, but the president has no real answer to the argument that inflation acts as a regressive tax on his populist base – should Warsh choose to make it. Having promised reform, Warsh could begin by ending the Fed's easy-money bias and tightening monetary policy now.

The writer is chair of Rockefeller International. His latest book is 'What Went Wrong With Capitalism'

Britain's return to the EU is only a matter of time

EUROPE

Martin Sandbu



A decade ago next week, the people of the UK decided to leave the EU. Shortly after the referendum, I wrote the following: "The UK will no longer have a seat at the table where Europe's policies are made, but it will continue to be at the mercy of those choices as much as before... I predict that within a decade, the powerlessness of this position will become painfully obvious; and that within two, the UK may be set on a course back into the EU."

Ten years on, I stand by my prognosis. The disadvantages became "painfully obvious" as soon as the transition period ended in 2021: since then, a majority of Britons consistently say it was wrong to leave. Voters today are

split 57-30 on that question in YouGov's polling (a roughly two-to-one ratio when excluding those who don't give an answer). Similar proportions, which have held up for three years, say Brexit has been a failure or that they want to rejoin the EU.

Being at the mercy of the EU's choices is also undeniable. Of course the UK repaired some formal authority by leaving the bloc, and has used it most notably in trade – though not to its impressive effect. But it did import masses of EU regulations wholesale into domestic law. The current government has legislated for what is known as dynamic alignment with shifting EU law in some areas.

In some of the notionally sovereign areas, moreover, the real scope for diverging from the EU is limited, given how aligned their interests are and the common threats they face, such as Russian aggression. The UK mostly matches the EU on sanctions and wants to integrate its defence industry with the rest of the continent – as its efforts to qualify for EU defence spending schemes and "buy European" rules prove.

Here is a telling fact. Recently, the government reportedly pitched a UK-EU single market for goods, only to be rebuffed by the EU. That is a repeat of then-PM Theresa May's efforts eight years ago. With all the turmoil in between, two very different governments ended up with exactly the same aim – without having any success.

There is a lesson to draw here. If the same conclusion is reached regardless of

The UK mostly matches the bloc on sanctions and wants to integrate its defence industry

the political starting point, it reflects fundamental features of Britain's economy and geography. At the same time, fundamental political factors put a limit on how much rule-taking a large country like the UK can tolerate.

Going much further than product rules alignment – such as the "Swiss model" or the European Economic Area

(like Norway) – means taking the EU's rules in many more areas, from services to the movement of people. Smaller countries may be content with this degree of vassalisation. It is inconceivable that the UK could.

The limit of integration has now been revealed twice to lie at a fully integrated goods market – ie full alignment with EU product rules and a customs union in all but name. Since the EU remains unwilling to offer this, the imminent (but still not pinned down) summit will produce only modest integration. The gains will be correspondingly marginal for both sides.

The EU is wrong to resist a single market for goods. It would be a way to widen the extraterritorial reach of its rulemaking and improve its ability to create European supply chains. It would also offer a much more attractive model than what is currently on offer to those non-European countries that would rather throw in their lot with Europe than with China or the US in a world of great power rivalry.

But for now, Brussels and EU member states are stuck in their old fears of

cherry-picking and splitting "the four freedoms" in a way that would tempt more member states to leave. A quick look around the neighbourhood shows this is no longer a valid worry, if it ever was. Countries that already have full goods integration – such as Iceland, Liechtenstein, Norway, and Switzerland – have all wanted more than that. Countries that don't even have that yearn for full membership – except Britain.

So far, the medium-term horizon for UK-EU relations contains only two destinations. The first is something not so different from today, with marginally more alignment and integration. The second is rejoining the EU.

Given how unhappy so many Britons are with the status quo, I stick by the second half of my prediction from ten years ago. The only policy course that can shake up public opinion, reset the UK's politics to get it out of its current rut and promise a positive step change for the economy is a process to rejoin the EU. It could even be a prime minister's last chance to become relevant again.

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Opinion

The New York Times

Musk Is Colonizing Earth

Amy Gamerman

The author of "The Crazy: The Cattleman, the Wind Prospector, and a War Out West."

STARBASE, TEXAS

THE gleaming new city checks every box: school, medical center, recreational center, sushi bar. There's even a dog park with hoops and climbing toys. But you and your dog are not welcome; "Private," warns the sign at its entrance. And don't even think of stopping by for a tuna roll. The streets of black-and-white houses are blocked off by electronic access gates that encircle the city like a medieval moat. I watched a man who made the mistake of wandering inside the minimart get escorted out by armed guards in tactical gear.

In this town, almost every communal space is private property. A company controlled by the world's richest man owns nearly all of it. He shapes its future.

This is Starbase, Texas, the city that Elon Musk built on America's ragged hem at the southern border as the home for SpaceX, his aerospace and artificial intelligence company. Locals describe a highly secretive environment overseen by a company-affiliated city commission that rubber-stamps Mr. Musk's vision, a place where even kindergarteners are guided by his philosophies. Starbase is the newest manifestation of Mr. Musk's political power. It is a beta test for a rising oligarchy that seems intent on transforming America from the inside out.

Soon, there may be more spaceport cities just like it, thanks to the huge infusion of cash that flooded SpaceX's coffers when it made its debut as a publicly traded company on Friday. SpaceX, which raised a record-shattering \$75 billion, says it's worth \$1.75 trillion.

That valuation makes sense only through rapid growth. On May 12, Mr. Musk announced on social media that "SpaceX is considering several locations domestically and internationally to build the world's most advanced spaceports!" His announcement came on the heels of reports that a large parcel of land in coastal Louisiana may have been acquired by an anonymous aerospace company, widely rumored to be SpaceX.

These spaceports will allow Mr. Musk to create his own reality for other people to live in. He doesn't need Mars. Mr. Musk has already built a colony of his own.

MR. MUSK OFTEN cites "Star Trek" as inspiration for founding SpaceX. "We want to make 'Star Trek' real, OK?" he said in January. But Starbase bears less similarity to the enlightened wonderland depicted in that 1960s television show than it does to the autocratic company towns of the 19th and early 20th centuries. Like Mr. Musk, the industrial titans of that era built their own private fiefs, not only to cement control over workers, but to realize their vision of an ideal society.

Perhaps the most grandiose company town of them all was Fordlandia, the sprawling city that Henry Ford built in the Brazilian rainforest to grow rubber trees. Fordlandia was Ford's personal utopia, an expression of his social views, his personal predilections and even his vegetarianism. Workers were forced to subsist on a diet heavy on brown rice, oatmeal and canned peaches, as detailed in Greg Grandin's "Fordlandia: The Rise and Fall of Henry Ford's Forgotten Jungle City." For amusement, there was square dancing — Ford loved square dancing — and there were poetry readings.

Fordlandia's ghost haunts Mr. Musk's colony. Corporate control is so all-encompassing at Starbase that a warning on the menu at its Astropub restaurant alerts diners to the "confidentiality and proprietary nature" of the fare. Students at its private Ad Astra school are guided on "hands-on experiential missions." The interplanetary mission is even written into the job description for a facilities supervisor overseeing waste management and janitorial needs.

Fordlandia was a hierarchical microcosm in which Brazilians did hard manual labor in punishing conditions, overseen by American managers who lived in their own community with Cape Cod-style bungalows. Starbase rolls out amenities to attract the highly skilled engineers, technicians and welders SpaceX needs. It's another story for the longtime residents who don't work for SpaceX or the third-party contractors who are building out Starbase at breakneck speed. The residents I spoke with do not feel welcome there.

There is one important difference between Fordlandia and Starbase, and that's the sheer scale of the money involved and the speed with which it's been transmuted into political power. Henry Ford's net worth in today's dollars would be equivalent to about \$200 billion. Mr. Musk became the world's first trillionaire the day SpaceX went public. Over more than a decade, he has used his riches to lobby Texas' governor and lawmakers and to elect judges, who have granted him near-total control over his spaceport city — and any new spaceports to come.

On the surface, Starbase resembles other small Texas towns. It is run by a city commission headed by a mayor who was voted into office to serve a one-year term in May 2025. At their monthly meetings, the mayor and two elected commissioners conduct garden-variety municipal business, like voting to approve ordinances and starting the process to hire a police chief.

But this American town functions very differently than most. From what I can tell,

SpaceX's I.P.O. will enable its founder to realize his peculiar vision of society.

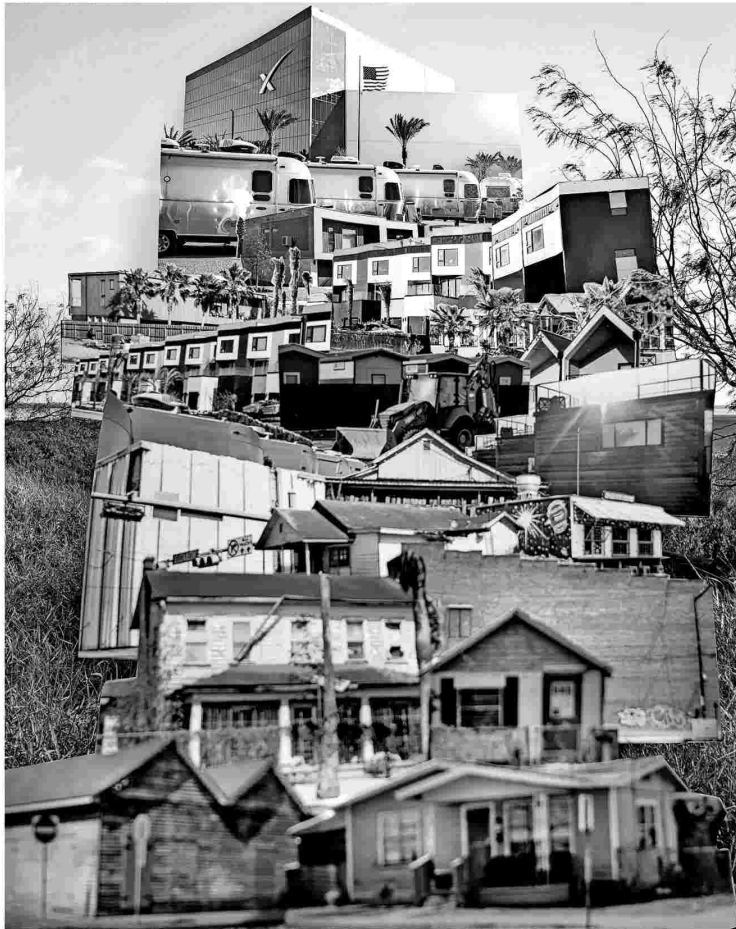


PHOTO ILLUSTRATION BY TAM STOCKTON FOR THE NEW YORK TIMES

every conclusion the commission reaches seems to be a foregone conclusion, and every measure it enacts seems to benefit SpaceX. To date, all votes the commission has taken since the city was incorporated have been unanimous.

Mr. Musk, who serves as SpaceX's chairman, chief executive, chief engineer and chief technology officer, does not hold elected office in Starbase. I can't see why he'd bother. The mayor and one of the commissioners are SpaceX executives; the other commissioner, a SpaceX spouse. The city election scheduled for last month was canceled because no one stepped up to challenge the current town officials.

IN 2011, MR. MUSK went shopping for an oceanside site for a new launch facility. Brownsville, on the Gulf of Mexico, fit the bill. Over the years that followed, he bought out longtime residents and hundreds of acres of undeveloped land in and around Boca Chica, an unincorporated community surrounded by a wildlife refuge, through SpaceX and its limited liability company.

The village of Boca Chica got a multi-million-dollar glow-up. Its rundown streets were landscaped, the dilapidated ranch houses were remodeled in glossy SpaceX black-and-white, and E.V. chargers were installed for the Tesla Cybertrucks that now fill Starbase's roads. At the same time, Mr. Musk contributed millions of dollars to PACs that support conservative candidates for Texas' legislature and courts. He dispatched a dozen lobbyists to the State Capitol and cultivated a close relationship with the Texas governor, Greg Abbott.

Starbase became a Texas city in May 2025 after an electorate made up overwhelmingly of SpaceX employees and their significant others voted 212 to 6 to incorporate. In June, electronic gates went up on every road leading into the village, barring the public from (technically public) streets.

One new Texas law makes interfering with Starbase's operations potentially punishable with jail time. Another allows the company to shut down the beach and the highway into town at the mayor's discretion. Another shields SpaceX, and by extension Starbase, from lawsuits by neighbors over nuisance caused by its rockets. The laws are so protective of Starbase that critics fear they could be wielded to criminalize any protests near it. (Louisiana lawmakers just enacted a package of similar aerospace incentives and tax breaks in a charm offensive aimed at Mr. Musk.)

From a certain angle, life within Starbase's gates looks pretty awesome. A YouTube video — since removed — shows Starbase's rocking out at a dance party as D.J.s spin tunes in the shadow of its Rocket Garden. There are farmers' markets and concerts in the beer garden, and Starbase

bartenders are rumored to make a mean old-fashioned, to take the edge off those long days spent working out the kinks of humanity's multiplanetary future. Many employees have received stock and stock options as part of their compensation over the years; some became millionaires when the company went public.

Starbase's darker realities are confided in whispers. Injury rates there far exceed the space industry average, according to a 2024 Reuters report. On May 15, Jose Luis Bautista Jr., a 25-year-old construction worker employed by an outside contractor, was killed in a dawn accident at the site where its Gigabay Starship assembly building is being erected. Brownsville's fire chief told The San Antonio Express-News that an ambulance was dispatched to Starbase but that SpaceX officials said their own emergency medical services were handling the accident. The incident is under investigation by the Occupational Safety and Health Administration, which looks into workplace fatalities.

At Starbase, 12-hour workdays are common. A real estate agent told me a prime motivation for SpaceX employees to move to Starbase was to spend what little free time they have with their families instead of commuting. One of his clients had to be hospitalized for chugging too many energy drinks to stay alert after working 38 days straight.

SpaceX, which owns nearly all the real property within city limits, is building hundreds of townhouses and apartments for its booming population, which is projected to grow to over 1,000 residents this year, from 582 in the fall of 2025. These homes are not for sale. They are almost all rentals, available only to SpaceX employees. A former SpaceX worker told Rolling Stone that when employees were fired, they were evicted in short order.

Those who live outside the gates of Starbase Village — the town's center, where most of its amenities are — often feel shut out. Amber Pompa said her father, Homer Pompa, a disabled veteran who lives near Starbase Village, has no access to the restaurants or any other buildings there. And as Starbase expands, new gates have gone up in other parts of town. "There's a huge building that's supposed to have a market and a restaurant and Rio Grande River views right by my dad's — they built it and then they put up a gate," Ms. Pompa said.

There are a handful of non-SpaceX employees, including Mr. Pompa, who cling to their homes inside Starbase but outside the village. One longtime resident described how SpaceX bulldozers and heavy machinery have torn up the road to his home and made it hard to get to his property. But he hasn't complained to the city. SpaceX's people are in control, he said. If he speaks

out against SpaceX, he fears the city could pass an ordinance that would create havoc for him. It's like living in a dictatorship, he said. (SpaceX and Starbase's city commission did not respond to requests for comment.)

I thought of him as I wandered through Starbase before a recent public meeting — the only time when the electronic gates retract to let in hoi polloi.

City commission sessions, held in a SpaceX facility, seem choreographed, a Kabuki performance by actors who wear Starbase baseball caps instead of kumadori face paint. At the meetings I attended, the mayor and two commissioners sat on a stage with a black-and-white honeycomb backdrop modeled on the hexagonal heat-shield tiles for SpaceX's Starship rocket. They didn't answer questions from members of the public or spend much time discussing the measures before them.

The city also serves as a useful stage for Mr. Musk, whose wealth was founded in no small part by the cultivation of a large fan base via social media. The YouTube celebrity Mr. Beast, who has 499 million subscribers, swung by in December to declare the Starship factory "arguably the coolest thing humanity has ever built." A month later, Secretary of Defense Pete Hegseth paid a visit. SpaceX holds billions of dollars in government contracts with NASA and the Department of Defense. At a joint event, Mr. Musk described his goal to send "epic futuristic spaceships" to distant galaxies "where we may meet aliens," and Mr. Hegseth responded with a "Star Trek" Vulcan "V" salute.

THE SPACEX I.P.O. has delivered Mr. Musk's trillion-dollar payday, validating the alternative reality that he has created at the tip of Texas and empowering him to replicate it at scale. But here's the thing about titans of industry who try to bend the world to their will: Sooner or later, the world snaps back. Witness the blowback of Mr. Musk's adventures in Washington on the reputation of his company Tesla. What works in deep-red Texas may not fly elsewhere.

Fed up with yet another meal of brown rice and other frustrations, Fordlandia's workers staged a lunchtime revolt in 1930 that blossomed into a full-blown uprising. They smashed time clocks, destroyed trucks and equipment, set fire to the machine shop. Ford's managers and their families fled by boat or sought refuge in the jungle. Eventually order was restored. Then the rubber trees died. Planted too closely together, they were killed by pests and blight. Fordlandia was abandoned.

Mr. Musk's bid for planetary reach has just been turbocharged with billions of dollars of rocket fuel. Who will suffer the fallout if it all blows up?

There's a Fitting Way to Honor Sonny Rollins

Ned Rothenberg

A composer and performer who plays saxophone, clarinet and the shakuhachi flute.

SONNY ROLLINS died at 95 on Memorial Day. He was New York City born and bred, raised in Harlem, where W.E.B. Du Bois was his neighbor, and later lived on the Lower East Side. Along with fellow jazz giants like Max Roach, Abbey Lincoln and Charles Mingus, Mr. Rollins was a leader in the fight for Black empowerment in the 1950s. By 1959, Mr. Rollins, not yet 30 years old, was a renowned tenor saxophonist and composer.

Yet Mr. Rollins remained dissatisfied with his musical voice. So he did the most unexpected thing. From the summer of 1959 to the autumn of 1961, he retired from public performance and spent upward of 15 hours a day practicing on the Williamsburg Bridge's pedestrian walkway.

He made the bridge his musical mountaintop. He was living by then in an apartment he shared with his wife, Lucille, on Grand Street on the Lower East Side, a short walk away. Initially, he made this trek out of consideration for a neighbor who was pregnant and needed her rest. But he found unexpected rewards competing with the roar of the trains rolling by. "It was so wonderful to be so close to the sky up there, any time of year. Maybe this might sound a little bit corny to people, but it was a spiritual feeling to me," Mr. Rollins told *The Guardian* in 2022.

There could be no more fitting tribute than to rename the Williamsburg Bridge the Sonny Rollins Williamsburg Bridge in his honor. If we can name a bridge for Ed Koch or a tunnel for Hugh L. Carey, we can certainly name a bridge after Sonny Rollins.

As a saxophonist, I can tell you that although playing on a bridge may sound ro-

matic, there is nothing harder than practicing outside. You are sonically naked, with no acoustic resonance to egg you on (there's a reason many horn players practice in tunnels), and you have to compete with the sounds of the city and with the wind that's constantly stealing your voice.

Mr. Rollins was undaunted. The setting allowed him to confront himself in a search for musical transformation, without worries of what an audience might think.

When he returned to public performance in the fall of 1961, his sound and approach had changed profoundly. For those who know, Mr. Rollins's time on the Williamsburg

If Hugh L. Carey gets a tunnel, one of New York's greatest musicians deserves a bridge.

Bridge has become a metaphor for artists of all genres and disciplines seeking their inner voice.

Over his career, Mr. Rollins achieved not only a musical transformation but also a personal evolution, as he went from being a gifted but selfish young musician to a true citizen of the world — a journey well documented in the biography "Saxophone Colossus" by Aidan Levy. Naming the bridge in his honor would send an inspiring message for seekers of all disciplines, from all over the world, and would serve as an affirmation of something Mr. Rollins firmly believed: What is most special about humanity is the questions we ask.

An effort to rename the bridge for him began in 2017, led by the writer and jazz historian Jeff Calabiano. But the movement stalled and was perhaps premature. A petition established to rename the bridge has drawn more than 20,000 signatures, though

any renaming effort would ultimately require legislation passed by the City Council. Such honors are generally reserved for the deceased.

Mr. Rollins himself, while tickled by this homage, always seemed more interested in the work ahead than in an act of public recognition. Now that he has died, however, the case becomes undeniable. New York should honor one of its greatest artists by permanently linking his name to the structure that, thanks to him, stands as a potent symbol of artistic self-discovery.

Throughout his life, Mr. Rollins came to understand the connection between his personal search for creative excellence and the larger human search for meaning. As he wrote in *The Times*, "Technology is no savior. We can eat, sleep, look at screens, make money — all aspects of our physical existence — but that doesn't mean anything. Art is the exact opposite. It's infinite, and without it, the world wouldn't exist as it does. It represents the immaterial soul: intuition, that which we feel in our hearts. Art matters today more than ever because it outlives the contentious political veneer that is cast over everything."

Let the Sonny Rollins Bridge tell this story to our schoolchildren. Let it inspire all the visitors who flock to New York as the country's cultural capital. The precedents are there: New Orleans named an airport after Louis Armstrong, and in Warsaw the airport is named for Frédéric Chopin. There's a bridge in Pittsburgh named for Andy Warhol and one in Georgia for Otis Redding. Sonny Rollins would stand easily among them.

After his two years of practicing outdoors on the bridge, Mr. Rollins released a landmark album in 1962. It is titled, appropriately, "The Bridge." New York now needs to return the favor and rename the actual bridge for him.



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LETTERS

Before We Take a Bite, Hard Questions

TO THE EDITOR:

Re "Break Up the Beef Cartel," by Sandeep Vahesan and Claire Kelloway (Opinion guest essay, June 1):

Instead of spending your hard-earned food dollars to purchase from the industrial operations that produce about 98 percent of America's pork, beef, chicken and eggs, consider buying from small-scale pig, beef, chicken and egg farmers whose high prices reflect neither profit nor greed but rather the higher costs of their humane and environmentally sound methods.

These small farmers raise their animals outdoors on carbon-storing pasture and feed them significantly reduced amounts of corn and soy, or none at all.

Most Americans do not know that the lion's share of our cropland grows feed for animals that are kept indoors or in feedlots — and that about 94 percent of that corn and soy is grown with glyphosate (known by the trade name Roundup). That's 175 million acres of corn and soy feed for animals versus less than 10 million acres for all vegetables, fruits, legumes and nuts combined.

It's more expensive, and requires more care, to raise animals humanely, but there are many of us meat producers waiting for customers to see that the world is really tied together by a string and that they can vote with their forks for the right food system.

Your body might just thank you for it, too.

CLEO BRAVER
ALLIE TYLER
EASTON, MD.

The writers are the owners of Cotingham Farm.

TO THE EDITOR:

The Packers and Stockyards Act of 1921 was an antitrust law designed to promote competition in livestock, meat and poultry markets. It aimed at thwarting collusion among beef packers that exploited both consumers of beef and ranchers who supplied live cattle.

It worked fairly well for more than half a century, but it is unclear how committed the Trump administration's secretary of agriculture, Brooke Rollins, is to enforcing it and ensuring competition in the market.

In 2008, the antitrust division of the Justice Department did successfully challenge a proposed merger between two of the largest beef packers, but there is little evidence that the current Trump administration or the last one is or was concerned with antitrust issues.

The bill that Senator Chuck Schumer introduced in March to break up the dominant beef-packing corporations is one way to address the high concentration in the meat sector, which goes back a century. It offers Americans a slim hope that legislation will address the consolidation in

the food industry, and ultimately the inflation in beef prices.

JOHN M. CONNOR
INDIANAPOLIS

The writer is a professor emeritus of industrial economics at Purdue University's department of agricultural economics.

TO THE EDITOR:

As a part-time beef farmer, I don't agree with the authors that beef is too expensive. It's good to see the beef price up where it should be. You have no idea how much a cow can eat!

I'm constantly amazed when I go to the grocery store and see the price of vegetables per pound. And yet one of my cows could eat that whole counter of vegetables and gain not even one pound of meat.

Give us poor farmers a break.

TIM SIEPEL
WEST VALLEY, N.Y.

TO THE EDITOR:

Re "America's Livestock Gulag," by Nicholas Kristof (column, May 31):

If the 2026 farm bill includes the meat industry's Save Our Bacon Act, a provision aimed at nullifying state efforts to improve pig welfare, it will be a moral and constitutional failure. It has passed the House, and as Mr. Kristof points out, it is up to the Senate and a conference committee to decide whether to include this provision.

The abject cruelty of keeping pregnant sows in gestation cages at factory farms is hiding in plain sight, and most Americans, 84 percent according to one poll, say it is unacceptable.

It is a federal power grab if the many state laws that regulate Big Pork, including Chinese-owned Smithfield Foods, are overridden. Both Iowa senators, Joni Ernst and Chuck Grassley, are backing the provision, on behalf of a state with a 7-to-1 pig-to-person ratio.

Alas, if only the pigs could vote. But humans already have.

ALLISON SOLE, NEW YORK

TO THE EDITOR:

As a small-scale farmer who cares deeply about the animals I raise, I wish the discussion about farm animal welfare were less black and white. In between factory farming and veganism are thousands of small farms that, yes, process animals for meat, but that make an enormous effort to give their animals the best quality of life possible.

We should be encouraging meat eaters to choose this ethically raised meat, rather than pushing them toward choices — veganism and vegetarianism — that most will never make.

CARRIE WASSER
GARDNER, N.Y.

The writer is the owner of Willow Pond Sheep Farm.

The Missing Middle in the Abortion Debate

Zaid Jilani

A journalist based in Georgia who writes the newsletter *The American Saga*.

IS THIS the year a U.S. Senate seat in Texas turns blue? It's possible: Republicans have nominated the polarizing state attorney general Ken Paxton, and in their corner, the Democrats have the state lawmaker James Taranto, a progressive Christian who has impressed even the less-than-Democratic-friendly podcaster Joe Rogan, who urged him to run for president.

But there's one issue that may trip up Mr. Taranto.

"I trust Texas women to make decisions about their own bodies, to shape their own destinies," he told a podcaster, Jamie Kern Lima, in May about his stance on abortion. "I don't believe that's a place for government." His campaign calls for codifying Roe v. Wade, which allowed states to ban abortion only after fetal viability. Abortion rights advocates nationwide would support Taranto's stance; it's what you'd expect to hear from Democrats from coast to coast.

But is it what Texans believe? A survey of Texans last year by the University of Houston found some good news for pro-choice Democrats. Only 23 percent of Texans believed that unrestricted abortion should never be legal. Currently, Texas' strict abortion ban allows the procedure only if the pregnant woman's life is endangered or one of her major bodily functions is threatened. There are no exceptions in the law for rape or incest, but the survey found that 83 percent of Texans supported adding such provisions.

So why hasn't there been broader support for changing the law or more political damage inflicted on officials who implemented it?

If you return to the survey, you'll find that only 10 percent of Texans agreed that abortion should be legal for any reason after 24 weeks. Just 20 percent believed that it should be legal for any reason after 15 weeks.

Many Texans may think both that the state's abortion ban is too harsh and that the Democrats' alternative is also extreme.

Texas Democrats' failure to calibrate on abortion serves as a microcosm for what's happened to abortion politics in the party writ large. The party has long been the home of pro-choice Americans and has for decades worked to expand access to abortion. But Democrats used to see the issue with more nuance, acknowledging the moral complexity behind the procedure.

President Bill Clinton, for instance, appointed a bevy of federal judges who defended abortion rights. But he also insisted that abortion should be "safe and legal but rare" and that we should "protect the right to choose while reducing the number of abortions."

This served as an admission that abortion is not just a routine medical procedure like a root canal, and it would be best if it were rare. When his vice president, Al Gore, ran for the White House, Mr. Gore vowed to defend Roe but also signaled his openness to banning late-term abortions. When Congress voted to ban what some politicians called "partial-birth abortions" a few years later, it did so with the votes of dozens of Democrats.

President Barack Obama, too, took pains to respect opponents of abortion and insist on

the need to reduce the procedure's frequency. When the Affordable Care Act was passed, more than 60 House Democrats supported an amendment to prevent taxpayer funds from being used for abortions.

But today, Democrats who advocate any restrictions on abortion are a dying breed. The Democratic platform once talked about reducing the need for abortion; no such language exists now.

In some parts of the country, this alienation of anti-abortion voters may carry no political cost. The abortion rights movement has won a majority of abortion referendums since the overturning of Roe. Even voters in red states such as Missouri and Montana approved the right to abortion until fetal viability.

In the South and states without procedures for referendums, Democrats have had little luck imposing a cost on G.O.P. officials who support strict bans. Brian Kemp, who is the Republican governor in my swing state, Georgia, remains popular despite imposing a ban on abortions after six weeks — a point at which many women don't even know they're pregnant.

Democrats might solve this problem by embracing nuance on abortion again.

This would include acknowledging that many Americans who are skeptical of abortion arrive at that position not because they want to control women, but because they have deeply held concerns about when they believe life begins.

Democrats should be more willing to admit that it's desirable to reduce the number of abortions and to link that goal to progressive policy that has been proved to do so — like broadening access to birth control and repro-

Red state Democrats need a platform that embraces nuance and compromise.

ductive education.

In conservative states including Texas and Georgia, Democrats should also be willing to endorse limits on abortion at 12 or 15 weeks. (Florida voters backed a 2024 measure to permit abortions up to the point of viability, though it failed to reach the necessary 60 percent support.) Such a compromise would give women in those states far more freedom than they have today, while addressing the public's concerns about the right to life.

While Democrats were able to use ballot measures to help enshrine abortion rights into the Missouri and Montana Constitutions, Democrats in Georgia or Texas will have to persuade Republicans in their legislatures to liberalize the laws there. And in other Southern states, Democrats willing to compromise could have success in legislative races.

Progressives would argue that this is throwing women under the bus, or onto a slippery slope to "The Handmaid's Tale."

In 2023, the liberal website Vox published an article that included a discussion of how chicken embryos may feel pain. As someone who doesn't eat chicken because of my animal welfare concerns, I found the article to be well reported and thoughtful. But it also stood out to me that the progressive press is more likely to raise this concern for chickens than human beings.

It's time for supporters of abortion rights to realize that nuance and compromise aren't dirty words. Dogmatism was always the purview of the Christian right, not the secular left. There are millions of Americans in the middle of the polarized abortion debate, and the Democrats should realize we exist and meet us where we are.

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Executive Editor

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Chicago Tribune

Founded June 10, 1847

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EDITORIALS

All rise! ChatGPT stands accused of practicing law without license in Chicago

When Graciela Dela Torre developed chronic pain while on the job at a freight company in the Chicago area, she did what millions of Americans have done: She filed a disability claim.

After a couple of years, her company's insurance carrier decided she no longer qualified for compensation. Again, Dela Torre did what millions of Americans have done: She hired a lawyer, who negotiated a settlement payment for her. Case closed.

But Dela Torre had second thoughts, and she did what, yes, millions of Americans have done: She consulted ChatGPT, the online artificial intelligence tool that enables everyday people to "chat" with an AI system.

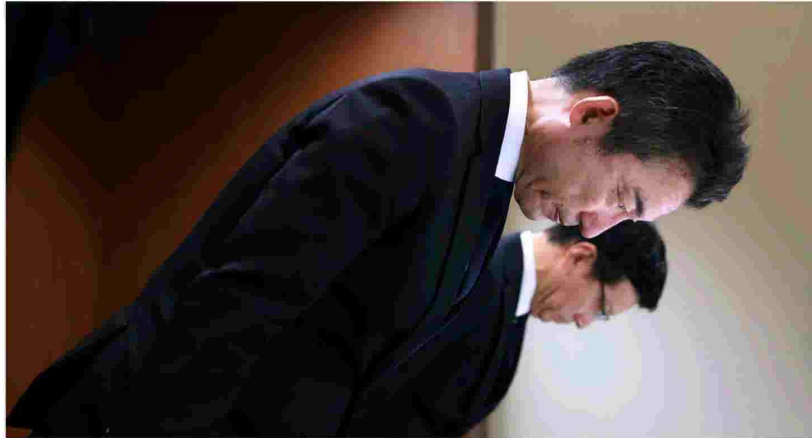
Dela Torre didn't like her lawyer's flat response that nothing could be done to reopen her case, which had been permanently dismissed as part of the settlement. Had her lawyers "gashed" her? she asked ChatGPT.

Yes, the system replied, and it didn't stop there. At her direction, ChatGPT performed extensive legal research and drafted piles of legal documents. That enabled her, with no lawyer, to launch a multipronged effort to set aside the binding settlement and revive her claim.

Today, Dela Torre's AI-fueled legal odyssey has turned into a closely watched case in Chicago's federal courts and beyond.

Dela Torre's target, Nippon Life Insurance Co. of America, has sued OpenAI, the company behind ChatGPT, alleging its electronic platform was practicing law without a license. Both sides have lawyered up with real, live attorneys from big-time law firms, no doubt billing four figures an hour as they fight about the AI version of themselves.

The insurance company has alleged that a rogue AI robot masterminded Dela Torre's campaign to improperly challenge her settlement agreement, generating a flurry of baseless and abusive filings that cost \$300,000 to contest. OpenAI has fired back



Naoki Akahori, executive vice president of Nippon Life Insurance Company, bows during a news conference on Sept. 12, 2025, in Tokyo. The company has sued OpenAI, alleging its electronic platform was practicing law without a license. **DAISUKE TOMITA/AP**

that ChatGPT is not a lawyer and doesn't claim to be one, and when she consented to its user agreement, Dela Torre agreed not to use it as a substitute for professional advice.

OpenAI wants the case dismissed and a hearing is scheduled for June 30 in Chicago. But even if this case goes away, rest assured the issues it raises are just beginning to be heard.

ChatGPT passed the Uniform Bar Exam with a combined score of 297, far above average, so in one important way, at least, it's "smarter" than the typical novice lawyer. The research and documents it produced for Dela Torre sure look authentic. But at least some of it was gobbledygook. And based on the docket, the federal judge who handled her case grew exasperated with the avalanche of filings. Still, they had to be laboriously contested.

As in practically every white-collar occupation, lawyers are embracing AI to make their practices more efficient and effective, and many lawyers use ChatGPT to do some types of legal work. Yet millions of legal cases in the U.S. involve non-lawyers, or so-called pro se litigants. Does anyone doubt that in many of those cases, AI already is being used? Why should lawyers be able to use AI and not everyday people involved in legal proceedings?

For one, ChatGPT is not a member of the bar, bound by its ethics, or admitted to practice before the federal courts. So, if it is indeed practicing law, it is breaking the rules. On top of that, AI models have been known to cite nonexistent legal cases, a practice nicknamed "hallucinating" that gets a lot of attention when human lawyers cite made-up precedents in their AI-enhanced pleadings.

Most important to us, AI lacks human judgment. We don't know the details of Dela Torre's relationship with her human lawyers. But advising a client to forget about trying to reopen a duly closed case strikes us as sensible advice, unless something drastic has changed, whereas AI models tend to tell people what they want to hear so they'll keep using them.

AI has become one of the most important issues of the day. Governments around the world are struggling to control it. Militaries are weaponizing it. Companies are spending fortunes adopting it. Political parties are taking sides on it, knowing that wealthy donors love AI even as many voters increasingly hate it.

Successful AI practitioners like OpenAI are poised to raise trillions in initial public offerings in the months and years ahead, expanding their influence. AI spending

continues to power economic growth and, depending on the day, the stock market. At the same time, we hear rumblings that AI has become way too costly, and that it's not remotely paying off.

We don't know where today's AI fever will lead, but as for the case between Nippon Insurance and OpenAI, we asked ChatGPT who's going to win it.

"It's impossible to predict," the platform told us, but also helpfully offered to perform a risk analysis to give "a clearer picture of who might have the edge." Its risk assessment showed OpenAI with a 57.5% chance of prevailing in the lawsuit, while Nippon had a mere 42.5% chance.

Surprise! ChatGPT predicted that ChatGPT had the edge. So, is that another case closed? Don't count on it. No case will ever be closed if machines are permitted to do our thinking for us.

About Toni Preckwinkle's primary election promises on timely property tax bills

"There will be no further delays."

Cook County Board President Toni Preckwinkle told us that not once but twice in regard to the county's terrible recent record in mailing property tax bills on time. That was in late January when she was in the midst of a spirited primary contest with Chicago Ald. Brendan Reilly and meeting with the editorial board.

She said much the same about a month later, CBS-2 reported, pledging that tax bills would "be out by March 2, due April 1, and we'll have a transparent and accountable system going forward. It's a lock."

Preckwinkle topped Reilly in the March primary and is poised to easily secure a fifth term as

Cook County Board president in November.

So, surprise, surprise, Preckwinkle last week warned that second-installment property tax bills will be significantly delayed. She projected that bills will go out in early September, about two months later than they're supposed to. And even that date isn't "a lock."

As the Tribune reported, county officials at a hearing last week couldn't promise that even that time frame would be met, prompting county Commissioner Alma Anaya to urge fellow board members to "knock all the wood right here."

Well, that's confidence-inspiring. It's eye-roll-inducing that

Preckwinkle's promises when she was facing one of the best-financed primary challenges of her long tenure as board president now have proved to be so much blather just a few months later.

But the real losers here are the numerous taxing bodies throughout Cook County that once again will receive their property tax revenues months late — and the taxpayers who will have to shell out more to cover those taxing bodies' financing costs.

To help beleaguered schools, libraries, municipalities and other taxing bodies cope, the county has set aside \$300 million for no-interest bridge loans. But those dollars aren't available for all. For example, once again Chicago Public Schools won't qualify, so

it presumably will have to rely on lines of credit to make payroll and keep the lights on until the property tax cash comes through.

Junk-rated CPS, one of the most fiscally stressed taxing bodies in Cook County and facing a coming school-year deficit topping \$700 million, had to pay tens of millions in interest due to the major delays in receiving the 2025 second-installment revenues.

Also, as to that Preckwinkle pledge that "we'll have a transparent and accountable system going forward," it's noteworthy that at last week's County Board hearing on the issue, the Tribune reported that county officials could offer "few clear explanations" for this year's delay.

Last year's was pinned on the

well-documented problems with the migration of county tax records from an antiquated computer system to a new platform created by Texas-based Tyler Technologies. Apparently, this year's can't be laid at the feet of Tyler and is due instead to delays and missteps at some or all of the various county offices responsible for managing Cook County's convoluted property tax system.

Which offices are responsible, and to what degree? Unclear. So, is that another case closed? Accountable? Also nope.

What that leaves us is a County Board president who, at a minimum, made promises she couldn't keep as she sought to tack on another four years to the 16 years she's already served.

ON THIS DAY 26 YEARS AGO NUCLEAR X-FILES GONE MISSING

The Energy Department is beginning to look like the gang that couldn't keep a secret. A year after extensive security measures were adopted to counter China's espionage in America's nuclear weapons laboratories, it boggles the mind that two computer hard drives containing nuclear secrets could have just disappeared.

Yet the Clinton administration is trying to explain how that may well have occurred in the "X Division" of the troubled Los Alamos National Laboratory in New Mexico. That is the same lab that was the focus of an investigation into alleged theft by China of America's most sensitive nuclear warhead designs.

So how on earth could this latest incident have happened? Furthermore, why did it take more than three weeks for the Los Alamos officials who discovered them missing May 7 to report that to the lab director, John Browne, on May 31?

Energy Secretary Bill Richardson was among the first to

express outrage this week at the security lapses that apparently took place. But it is Richardson himself who should be held accountable this time.

In fact, the latest security failure raises the question whether the Energy Department is even capable of guarding the nuclear design and maintenance secrets it is charged with overseeing. At the very least, it needs more independent oversight. The Senate was right to use this incident to finally push through the confirmation of Deputy CIA Director Gen. John A. Gordon on Wednesday to head the new National Nuclear Security Administration.

Richardson was the one who told Congress last year there would be "zero tolerance" for more security lapses. President Clinton has expressed his full confidence in Richardson, but the American public, increasingly, will be losing theirs.

Tribune editorial board,
June 15, 2000

EDITORIAL CARTOON

SHEENMAN BY THE STAR-LEDGER



OWN GOALS

DREW SHEENMAN/THE STAR-LEDGER

OPINION

CPS leaders must get the district's debt under control

By Joe Ferguson
SPECIAL TO THE TRIBUNE

It is news to no one that the finances of Chicago Public Schools are strained at best. Recent CPS budget cycles suggest a deeper understanding of what is needed for us to move from reflexive judgment and stale blame-oriented political narratives to solutions.

A new analysis from my organization, the Civic Federation, takes a look at one of the deep-seated causes of CPS' fiscal struggles: its extremely high debt load. CPS carries more than three times the average debt per capita of peer school districts, and the debt's impact on operations is profound. CPS projects that it will have to spend almost \$800 million of operating revenue in 2027 to service its debt. In other words, as much as 8% of the district's budget gets spent on repaying debt. Responsible treatment of that debt is therefore fundamental to the district's near-term capacities and long-term prospects.

Facts like these often serve as fodder for those inclined to reflexively castigate CPS leaders. That's understandable but neither fair nor productive. Much of the debt is long-term, legacy obligations, including a tsunami of debt CPS took on when political gridlock in Springfield from 2015 to 2017 choked regular state funding. The legacy of that desperate borrowing lives on as about 25% of the projected \$800 million annual debt service.

Unfair or not, the current leadership of the district must solve for what it has inherited. Many of the possible solutions are tied to two of the reasons CPS carries so much debt in the first place — an unsustainable number of school facilities and cyclical fiscal crises.

Let's start with the facilities problem. The district takes out debt to pay for maintenance and renovation of school buildings. But because of its large, aging facilities footprint, these expenditures have become a bottomless pit. The district owns a whopping 803 buildings, with an average age of approximately 85 years. Just keeping these buildings operable is expensive, and the district struggles to meet even immediate building needs because capacity gets crowded out by legacy debt payments and operational



A student walks past Volta Elementary School, 4950 N. Avers Ave., on Feb. 25, 2025, in Chicago. Heating issues resulted in cold indoor air during instruction hours, and parents claim a gas-like odor was present in the school's annex building on the west side of the property. **JOHN J. KIM/CHICAGO TRIBUNE**

revenue shortfalls. As a result, CPS faces a high cost for maintenance and repairs each year, and it pegs its backlog of long-term infrastructure needs at about \$14 billion.

But CPS has, in some part, put itself in this position. It continues to maintain far more facilities than are needed for the number of public school students in Chicago. According to the district, it has space for up to 425,000 students. But this year, 133,000 of those seats — nearly 1 in 3 — went unfilled. This is because enrollment at CPS has been declining for decades and shows no sign of stopping. Yet, the district has not calibrated its facilities footprint to align with enrollment declines. Instead, CPS spends money to maintain aging facilities it simply does not need. It doesn't matter how many students attend a school — a leak in a roof costs the same amount to fix regardless of whether the school enrolls 20 kids

or 2,000, so spreading students out across more schools than necessary makes maintenance costs much higher.

Now let's look at the second issue: CPS' constant state of fiscal crisis. Here again, the district has contributed to the problem itself. During the pandemic, prior leadership used federal funding to vastly expand its staffing and spending, and it did so with no plan for how it would fund the expanded operations when the temporary funding expired. Now that the federal funding has ended, CPS' costs are higher than its revenues, and enrollment continues to decline.

The district is legally obligated to pass a balanced budget, but it has few revenue levers to use, apart from raising property taxes to the maximum amount allowed by law each year. So, when it faces a deficit — which it does every year — CPS has no responsible choice but to make cuts. Backed into this corner, the district historically has used

debt refinancing to cushion the blow of cuts that could otherwise directly affect the classroom. Last year, CPS frontloaded refinancing savings. While refinancing made money available for immediate operating purposes and did not make the district's debt load any worse, it also did not help with the larger structural fiscal challenges, as almost every dollar of savings was concentrated in 2026.

CPS is mired in a deep financial hole. With high debt, no cash reserves, a junk credit rating and inequitable pension burdens relative to other Illinois schools, it is projecting an operating deficit of \$732 million for the 2027 school year. The hard decisions needed to stabilize CPS this year must prioritize measures that will stabilize it in the years ahead; more short-term transactional fixes will only make matters worse in the coming years. The ultimate fix to CPS' long-running fiscal straitjacket will inevitably require help from

Springfield. But a reluctant and fiscally constrained Springfield will need to see that it is working with a fiscally responsible partner.

If the district is to avoid total fiscal collapse and secure help from the statehouse, the work to right-size its facilities, reduce its maintenance costs and lower its debt load must begin immediately. And above all, the district must not take on any debt for operating costs, even if pushed to by outside and routinely myopic political forces.

Balancing the 2027 budget should not come at the cost of educating our children today. But it must not come at the cost of educating our children's children tomorrow.

The time has come for CPS to begin to address not just its immediate fiscal challenges but its structural ones as well.

Joe Ferguson is president of the Civic Federation.

Treasurer's \$8.65 check for the pope reveals the politics of unclaimed money

By Mark Lewyn
SPECIAL TO THE TRIBUNE

When Illinois Treasurer Michael Frerichs met Pope Leo XIV at the Vatican, he brought an unusual gift: a check for \$8.65.

The money came from an old PayPal account that had been turned over to Illinois as unclaimed property before Robert Prevost, an Illinois native, became the pope. The amount was insignificant. The publicity was priceless.

That is what makes the story so revealing. The pope's \$8.65 windfall was not really about the money. It was about the politics of returning unclaimed property.

Frerichs later acknowledged that presenting the check would help draw attention to Illinois' unclaimed property program. He was right. The story generated headlines around the world. But it also highlighted an uncomfortable truth that rarely gets discussed.

Returning unclaimed money is good politics. Returning most of it is much harder.

Across America, elected officials routinely hold news conferences celebrating the return of forgotten money. They announce six-figure checks to families. They pose with retirees who discovered old pension funds. They celebrate veterans who recovered long-lost benefits. Now, apparently, they can add popes to the list.

The stories are heartwarming. They are also politically useful. Every returned dollar creates goodwill. Every successful claim becomes proof that the system is working.

What rarely gets equal attention is the money that remains behind. Today, state governments collectively hold more than \$100 billion in unclaimed property. According to the National Association of Unclaimed Property Administrators, roughly 1 in 7 Americans have unclaimed money waiting to be claimed.

Yet despite decades of public awareness campaigns, more than



Illinois Treasurer Michael Frerichs in the unclaimed property section vault in the basement of the Marine Bank Building on Oct. 15, 2024. **E. JASON WAMBSGANS/CHICAGO TRIBUNE**

\$100 billion remains untouched and that cash pile grows bigger every year. New York is sitting on \$20 billion; California, \$15 billion; Texas, \$10 billion; New Jersey, \$6.6 billion; and Illinois, \$5 billion.

The fundamental problem is that the system still places most of the burden on citizens.

To recover your money, you must know that unclaimed property programs exist. You must know which states to search. You must remember addresses you may have lived at decades ago. You must search under every variation of your name. And then you must repeat the process because new records are added continuously.

In other words, the system depends on people finding the money rather than the money finding the people. That made sense in 1985. It makes far less sense in 2026. The pope's story exposes the contradiction.

Illinois somehow managed to identify an \$8.65 account belonging to a man who now leads more

than a billion Catholics around the world. The state knew enough to connect the account to Pope Leo. It knew enough to track down the rightful owner. It even delivered the claim personally.

If a state can find the pope for \$8.65, why can't it find millions of ordinary citizens who are owed much larger sums? The answer comes down to incentives.

Politicians receive credit every time money is returned. Returned money generates positive headlines. It creates compelling human-interest stories. It demonstrates responsiveness and consumer protection.

At the same time, states have relatively little incentive to build systems that would dramatically increase claim rates.

Many states use unclaimed property funds to support government operations, manage cash flow or generate investment income before claims are paid. Others rely on large unclaimed property balances as a stable financial

resource. The specifics vary from state to state, but the result is often the same: Governments are very effective at collecting unclaimed money and far less effective at proactively returning it.

Imagine if a bank operated this way. Imagine if your bank discovered money in your account but required you to periodically search a government website to determine whether it belonged to you. Imagine if the bank then held a news conference every time someone successfully found their money.

You would not call that customer service. You would call it absurd.

Yet that is effectively how much of America's unclaimed property system still works. To be fair, some states have begun taking meaningful steps forward. Illinois has expanded automatic matching programs and has returned billions of dollars to residents. Other states have adopted direct outreach programs and simplified claims processes.

Those efforts deserve recognition. But they are still the exception rather than the rule.

The bigger opportunity lies in technology. Artificial intelligence can identify faces in photographs, translate conversations in real time and detect fraudulent transactions in milliseconds. The same technology can be used to identify likely owners of unclaimed property, monitor databases continuously, notify consumers automatically and dramatically increase return rates.

Instead of requiring citizens to search dozens of government databases, technology can bring the results directly to them. That shift would transform unclaimed property from a passive system into an active one.

And that is where the politics become interesting. A system optimized for publicity produces stories about individual success. A system optimized for results would focus on returning as much money as possible, whether anyone notices or not. The two goals are not always the same.

The pope's \$8.65 check made for a wonderful headline. It generated attention for a worthy program and reminded people that forgotten money can belong to anyone. But it should also prompt a tougher question.

If governments can find the pope, why are they still waiting for everyone else to find themselves?

The goal of unclaimed property should not be creating better photo opportunities. It should be returning people's money. And until states make that their highest priority, the real story will not be the occasional check handed to a pope. It will be the more than \$100 billion still waiting for its rightful owners.

Mark Lewyn is a former staff writer for *BusinessWeek* and *USA Today's Money section* and the founder of the website *UnclaimedMoneyGuy.com*. He can be reached at mark@unclaimedmoneyguy.com.

Graham Platner's populist challenge excites Democrats — cautiously



Clarence Page

When I heard President Donald Trump go ballistic over Democratic U.S. Senate candidate Graham Platner of Maine, it made me want to hear more about Platner.

After Platner won Maine's Democratic primary last week, Trump trolled Platner as a "thug" and called the Democratic Party hypocritical for lining up behind someone with so many questions about his past personal conduct and treatment of women.

"He's worse than any human being that's ever run for office, probably," the president said.

Well, if anyone should know about questions on past conduct and treatment of women, it is Donald Trump. An old schoolyard retort from my childhood came to mind: "You're another!"

After all, Trump has faced numerous accusations of sexual misconduct and was found liable by a jury in the E. Jean Carroll case for sexual abuse and defamation.

Yet, having heard Trump hyperventilate in this fiery fashion so many times, I felt I could hear more than a trace of envy and vulnerability in his voice.

As if Platner's familiar tone of outrage about the rich and powerful giving ordinary folks the shaft has pleased crowds in a way that might make Trump wonder if his own thunder is being stolen.

In other words, there's a lot of populist appeal in Platner's spiel that works well in a time of discontent with elites.

He sounds like a "regular guy." He's a Marine veteran who did four tours of duty in Iraq and Afghanistan, and he owns a small oyster farm.

And in keeping with these times, he is wrestling with scandal, especially as the GOP and other media snoopers dig into his old social media posts, in which he made a series of social media posts about women, sex and rape that critics described as misogynistic and disturbing. In now-deleted posts, he also variously identified himself as a communist and a socialist and noted that an armed working class is a requirement for economic justice.

There's also his tattoo that resembled the Totenkopf, or death's head, a German military symbol now infamous for its prominence on Nazi SS uniforms. Platner has covered the tattoo



Democratic U.S. Senate candidate Graham Platner, right, and his wife, Amy Gertner, gesture to supporters during a primary election night watch party on Tuesday in Blue Hill, Maine. **ROBERT F. BUKATY/AP**

with new ink and claimed he didn't know about the Nazi connection. Having known more than a few naive rascals in the service who fell to the allure of controversial tattoos, I almost believe him.

And a week before the primary election, three women who had dated him told The New York Times that he had engaged in unsettling behavior toward them.

Still, the first-time candidate's Democratic populist message resonated with voters in Maine, and he won the state's party primary for Senate on Tuesday.

Now he faces Republican Sen. Susan Collins, a moderate who has impressively survived past challenges, even in these polarized times.

Yet as true middle-of-the-road Republicans are almost extinct in the age of Trump, the rise of social media and podcasters has opened a new era in which many old campaign methods and hardware are becoming obsolete.

Platner is very much of this moment. He is unashamedly populist. He frequently describes himself as a "New Deal Democrat." He supports "Medicare for

all," unions, housing affordability and investment in working-class communities. He is sharply critical of the Democratic establishment for not fighting for these values. He opposes foreign wars, and his unvarnished assessment of America's closest ally has earned him the sobriquet "anti-Israel."

His views, possibly as discomfiting for some in his party as his internet history, seem almost optimized for social media virality.

Still, there are some smart, well-meaning voices of caution who warn Democrats against forgetting their scruples.

Among the most articulate bearers of this message is former Sen. Jeff Flake, an Arizona Republican who withdrew from electoral politics in 2017 with a fiery denunciation of the rising Trump tide.

In a Washington Post essay, he made what seems like last-ditch pitch for the middle ground by urging Democrats to vote for Collins instead of the controversy-plagued Platner.

Arguing nobly for the need to put principle ahead of political expediency, he cited such exam-

ples as the 2017 nomination of Alabama Republican Judge Roy Moore, who was credibly accused of pursuing teenage girls.

The revelations about Moore caused many Republican senators to withdraw their endorsements. Flake even wrote a campaign check to Moore's Democratic opponent, Doug Jones, who won a historic victory in the deeply Republican state.

Unfortunately for the Dems, Republicans won the seat back three years later when Republican Tommy Tuberville beat Jones.

Maine Democrats now face a similar choice. Flake urges them to make the hard step of backing Collins as an act of principle across lines of party.

But I am reminded of former Sen. Al Franken of Minnesota, who left under pressure in December 2017.

During the height of the #MeToo movement, radio and television personality and sports broadcaster Leann Tweeden accused Franken of forcing an unwanted kiss on her a decade earlier. A photo of Franken play-acting at groping Tweeden while she slept added to the credi-

bility of her accusation.

In the following days, seven additional women came forward with allegations of inappropriate behavior. Three dozen Democratic senators demanded Franken's resignation from the Senate. And by January he was gone.

Yet, a couple years later, Franken, still popular, said he regretted that decision. After the rise of Trump, I don't blame him. His perceived offenses sound like kid stuff in today's era of MAGA corruption.

Political expediency, like political misconduct, is not limited to any one party.

In the coming months, voters will take a much closer look at Platner and decide whether he's an imperfect man doing his best to redeem himself or a candidate with too much baggage to entrust with the responsibilities of a U.S. senator.

It's easy to be outraged over the way governance is going. This country also needs some real problem solvers who do more than create more problems.

Email Clarence Page at cptimee@gmail.com.

Voice of the People

Cyclist's death affects us all

As one of the hundreds of people who attended the vigil last Monday night for cyclist and beloved city planner Riley O'Neil, I was deeply saddened by how familiar it felt ("Riley O'Neil, bicyclist killed in Bridgeport crash, remembered at vigil," June 10).

Nearly every person who gathered at Palisano Park to honor Riley could share a story of somebody close to them who had been injured or killed in a crash. And nearly every person understood that the unlicensed, uninsured, illegally parked driver who "doored" Riley into traffic could have easily done the same to any of us.

Another reason last week's vigil felt familiar is because, earlier this spring, a similarly large group of loved ones rallied at the corner of 63rd and Kedzie to demand justice for 18-year-old Damian Gomez, who was killed by a reckless driver while delivering food on his bike on Easter weekend.

Several weeks after that, Chicago cyclists gathered for their annual Ride of Silence to honor people killed on our roadways — an event that has taken place for 24 years, and that has never had a shortage of riders to remember or families to console.

And now we have yet another vigil to attend, and yet another loss to mourn.

Because of our unique vulnerability on the roads, traffic safety is an issue that many cyclists feel strongly about. But it's no mistake: This is an issue that affects everybody.

Across Chicago's Southwest Side — which is dominated by heavy truck traffic and wide roads

that practically invite speeding — vehicle crashes are on an urgent crisis. During the five-year stretch from 2020 to 2024 (the latest data available from the city), we experienced crashes that killed or seriously injured somebody that were comparable in number to the shootings that killed or seriously injured somebody. In my neighborhood of Archer Heights, we experienced many more fatal crashes than homicides.

Riley made it his life's work to address this crisis by creating safer streets for everybody: drivers, pedestrians, public transit users and his own joyful community of cyclists. We should continue that work in his honor, so maybe the next vigil won't feel quite so familiar.

— Dixon Galvez-Searle, founding member and transit advocacy steward, The Southwest Collective

CPS decision hurts my students

It should come as no surprise that teaching in Chicago Public Schools is hard. Teachers work well beyond our contracted hours — planning, grading and contending with truly gut-wrenching circumstances — all for the love of our students and the core belief that every single child deserves a fair shot.

This is why I am distraught by CPS' sudden announcement that all eighth graders must now complete the 2.5-hour, English-only PreACT 9 to compete for limited spots in our city's top-performing high schools. I teach eighth-grade newcomer English learners (ELs) who are working through the immense changes and challenges of immigration,

including armed and unrestrained federal agents patrolling our school area, profiling and taking people at will. At times this school year, my Albany Park school even had to cancel recess due to federal agents flying helicopters so close to the building that my classroom windows would shake.

Even under these terrifying circumstances, what my eighth graders dreamed of most was attending the high school of their choice. I would remind them that what counted most was largely under their control: good grades and decent scores on the high school admissions exam. For the last couple of years, the test has been provided in six languages, allowing vital linguistic access to our more than 70,000 students learning English as a second language. Now CPS is closing the door to my students.

The joy and pride of any eighth grade teacher is to see their kids beaming at the news of getting into their top-choice school. But now, through a unilateral and callous action on behalf of CPS to change back to an English-only admissions exam, I know I'll have far fewer kids accomplishing that dream — not because of low academics but solely because of their language. Where we open doors to welcome kids in, CPS seems to shut them again and again. With this regression, selective-enrollment high schools may as well have an "immigrants not welcome" sign posted across their front doors.

To make matters even worse, Chief Education Officer Dr. Karime Asaf wrote that students who completed the test in an alternate language performed lower than ELs who took it in English with accommodations. Without citing evidence, the district is arguing that offering additional languages actually hurt

our students' performance.

Again, educators and students suffer under another top-down, one-size-fits-all model that only serves to further disenfranchise and marginalize our kids.

This teacher says: Enough!
— Gabriel Paetz, bilingual middle school teacher, Chicago Public Schools

Spending discipline is needed

Glad to hear the Tribune Editorial Board prefers that the state stop tacking on new taxes ("So is Illinois' social media tax going to take on Tinder? Nextdoor? Yelp? Yahoo?" June 12). The clear implication is that Illinois needs to get serious about managing spending, cutting waste and doing better with the billions it already collects.

I'm not optimistic that will happen with our leadership in Springfield or Chicago.

— Tom Nicholson, Hoffman Estates

Possibilities in redistricting

The June 9 editorial "Is the US redistricting war slowing down? Or is it an arms race with no foreseeable end?" got me thinking of the unintended consequences of redistricting battles. The editorial mentions that 10 states have followed through with the mid-decade remapping. It occurs to me that the scrambled maps in Texas, California, Missouri, Tennessee, Florida and others mean there are opportunities for both parties. There are incumbent representatives who are running in districts with new boundaries. Voters may not even know which district they live in anymore and who their representative are. This is the opposite of representative democracy.

These races could break either way, with potential surprises for both parties. Not sure that Texas Gov. Greg Abbott and Califor-

nia Gov. Gavin Newsom thought about the possibilities.

— Raymond Peterman, Glen Ellyn

Investigative journalism matters

Kudos to the Tribune on its article "Plastic surgeon case to be audited" in the June 8 edition. This is an example of the press doing its job in a thorough and fair manner. As a result of this reporting, some positive changes "to help accelerate the disciplinary process in similar cases" have happened.

Our press corps currently excels in pursuing and finding the truth in many difficult situations. It is my hope it will continue to do so.

However, there are forces afoot in our country that would try to control what our freedom of the press is all about. Please don't let this happen. Our democracy depends on it.

Don't let production moguls, powerful lobbies or even presidents dictate what can and cannot be printed or spoken. This Tribune article proves that when situations are honestly investigated and facts come to light, no matter who is the subject, change can happen for the good of all. Keep up the good work. Tribune investigative reporters.

— Mary Herrick, Gilberts

A costly 13 minutes of parking

Chicago, thanks for a lovely visit. My wife and I had a great time visiting my former hometown a little more than a week ago. Except we decided to drive downtown to visit the Art Institute on a Tuesday, not realizing it was closed that day. We parked in the Grant Park garage. We walked to the museum and returned to the garage.

Total elapsed time: 13 minutes. Total charge: \$46. Thanks, Chicago!
— Mark Litwin, Larkspur, California

OPINION

The Race for Hypersonic Missiles

INSIDE VIEW
By Ardy Kessler

China fields roughly 600 hypersonic missiles, according to a military assessment leaked last year. Hypersonic means Mach 5–five times the speed of sound. Last month, Russia hit Kyiv with a hypersonic missile. In 2021, Raytheon's Gregory Hayes warned that "we are at least several years behind" on hypersonic weapons. Can America catch up?

Colorado-based Urs Major is helping close the gap. Founded in 2015 by Joe Laurenti, a former SpaceX and Blue Origin propulsion engineer, it provided rocket engines for commercial launches. Back then, there were lots of startups building rockets.

But in 2023, funding dried up. I spoke with the company's current CEO, Chris Spagnoletti, who explained, "You had a lot of these small launch companies say, 'Oh my God, unless we've got Elon's capital, this won't work.'"

Urs Major, now employing roughly 350, pivoted to defense contracting. They make solid and liquid-fueled engines using additive manufacturing, basically 3-D printing of metals. "We print very complicated geometries that could withstand pressure and temperature," Mr. Spagnoletti says. They're "highly scalable and manufacturable"—another

example of commercial technology adapted for military use, much like drones.

Solid-fuel engines are like candles—they burn using oxygen and run until they're expended—and are used in Patriot and Tomahawk missiles. Liquid-fuel rockets, on the other hand, can be cycled on and off and combine an oxidizer, like cryogenic liquid oxygen, often with liquid hydrogen. The SpaceX Falcon 9 uses liquid kerosene.

The Navy wants solid-fuel rocket engines for missile replenishment. But the real magic comes from an innovative liquid-fuel rocket design that the Air Force Research Laboratory asked for.

Mr. Spagnoletti says the Air Force asked to make sure the weapon is "storable, it's tactical—that when you fill it up, you leave in a bunker for five to 10 years, you can ship it in." He suggested that today, no munitions use liquid-fuel engines. So Urs Major created its own missile named Havoc. "We use our own oxidizer—hydrogen peroxide—so it doesn't need to breathe air." He adds that "you can launch it in the atmosphere and go up to exo-atmospherically, at altitudes where the air is too thin for turbo jets." Because it's liquid-fueled, "you can deep throttle it, you can turn it way down, you can turn it off, you can turn off and on an infinite number of times."

So you can change direction and altitude? "Yes, all of it,"

Mr. Spagnoletti says. "Because of that variability and thrust, it makes that munition highly survivable and highly adaptable." Because of 3-D printing, "when you reduce heat load on a very fast munition, you take out a ton of cost and complexity without sacrificing performance."

The Air Force wanted it fast, so, remarkably, they set up a one-year program last year—the Affordable Rapid Mission Demonstrator. "I've never seen a government organization

The U.S. is catching up to China thanks in part to Colorado-based Urs Major.

lean as hard as they did," Mr. Spagnoletti says. "They helped us get on the range, they helped us write procedures, they helped remove red tape. I've never seen that before. We moved really fast—a contract in May of last year, and we're flying in January." Another test took place in March.

High-end hypersonic strike missiles from Lockheed Martin and RTX can cost \$15 million each or more. At the low end, Mr. Spagnoletti estimates that the Blackbeard from Castleton costs \$200,000 to \$400,000 each, "but with none of the maneuverability." Havoc will cost \$2 million to \$3 million a shot.

The military needs all tiers. As for Havoc, Mr. Spagnoletti says, "it causes the adversary to have a ton of calories and costs to defend against it, because it's unpredictable." They know it takes a lot more time and energy. "What's going to happen? Where's this missile going? Or where's it coming from? Is there one of them? Is there two of them? I can't tell on radar."

What about the range? "Five hundred and 1,000 nautical miles," he says. "Anything above 1,000 is classified." Could Patriot missiles shoot down Havoc? "Our Patriots are awesome," Mr. Spagnoletti says. "I couldn't even hazard a guess to put those guys head to head. We're more making sure that current adversary-level defense—meaning China—isn't prepared to deal with such an adaptable munition set."

Mr. Spagnoletti suggests that this technology will "not only catch us up but put us ahead on a playing field." It will cause potential battle theaters "to be asymmetrical, where we can deploy based on this affordable mass solution, we could deploy these Havoc missile systems, and then cause a lot of calories and time and energy and money to be spent on defending it."

Because of 3-D metal printing, weapons replenishment can happen quickly after an Iran-like shooting match. It sure feels as if we won't be behind on hypersonic missiles for long.

Write to kessler@wsj.com.

BOOKSHELF | By Feyi Fawehinmi

Crimes Of Passion

The Yahoo Boys

By Carlos Barragán
FSG, 304 pages, \$29

In March, government ministers, police chiefs and executives from major online companies gathered in Vienna for the United Nations' first Global Fraud Summit. The emphasis—on criminal groups, transnational coordination and industry accords—could hardly have been farther, geographically or imaginatively, from the Lagos streets into which Carlos Barragán descends in "The Yahoo Boys." Mr. Barragán had traced to Nigeria the emails of a man who, posing as an American soldier on Tinder, beguiled the author's Spanish mother and tried to lure her into a bogus scheme involving gold from Syria. What Mr. Barragán finds in Nigeria is not the regimented underworld that the U.N. summit's language implied. His scammers are hustlers and apprentices with lots of free time on their hands, freelancing in an informal economy of deception held together by cell-phones and copied scripts.

That is what makes "The Yahoo Boys" more than crime reportage. The scam that embroiled his mother began on Tinder, but the author's larger subject is the social web that makes intimacy searchable. Facebook's aim, for instance, is to "bring the world closer together." Mr. Barragán studies an unanticipated consequence of this vision: lonely Westerners, underemployed Lagosians and the matchmaking machinery that helps them find one another. The internet connects strangers

across continents but also makes loneliness visible and, for some people, a business. In 2025 Americans reported losses of \$929 million in the FBI's confidence-romance category. The real figure is almost certainly larger. Mr. Barragán's distinction is to tell the story of crimes that are usually narrated from the victim's perspective, asking instead who is on the other end of the phone and what they believe they are doing.

The crucial aspect here is not the fraud but the relationship. Mr. Barragán, a reporter and researcher for the New York Times based in Madrid, is good on the small ache that makes the whole enterprise possible. Working with a Lagos fixer, he spends time with the Yahoo Boys—Nigerian internet fraudsters named after the email accounts of the early scam era—in hotels, street hangouts and cramped rooms where the scams are assembled. Through them we learn about the retired firefighter, living alone in a 55-and-over California community, who tests his supposed love that he is "still lonesome" after a day watching television and sitting by the dock. Tina, a Kentucky woman broken by injury, debt and a bad marriage, tells Mr. Barragán she needed only a "five-second window" in which someone treated her like a human being. The boys understand this demand for attention and offer themselves as counterfeit companions. "If you give them attention, you have their heart," one tells Mr. Barragán. "If you have their heart, you have their money." The first commodity on offer is not sex, or even fantasy, but the feeling of being seen.

There is no clever trick to any of this. Mr. Barragán's scammers create or hack into social-media profiles, lift photographs of models and porn actors for their profile pictures, and "bomb" hundreds of potential victims with messages. They trawl the American Facebook groups where gun owners, Nascar fans and the potentially aggrieved gather, sending out friend requests then waiting for someone to answer.

The craft lies in patience and calibration. One scammer lets a fake Facebook account age for two years before using it. He posts about dogs because he knows Americans love them, and keeps only enough friends for the account to look plausible. Azeez, a teenage apprentice, pretends to be a white "hook up" girl and googles whatever American town his target lives in, adding "30 minutes away" to invent a nearby location. When imagination fails, the boys fall back on "formats"—copy-and-paste scripts traded online and passed phone to phone.

The romance scammers of Lagos rely on web-based matchmaking to target lonely Westerners. What makes their schemes so successful?

Once the relationship is alive, the requests begin—what the boys call "filling." The old Nigerian-prime emails promised a fortune; the modern romance scam asks for something smaller and sadder: the money to fix a flat tire, the cost of a plane ticket forever about to be booked. Impersonating Cody Rhodes, the professional wrestler, one of the scammers Mr. Barragán spoke to drained, over the course of four years, around £78,000 (about \$90,000) from a divorced Irish mother who worked in a Dublin mail-sorting facility. The money came almost daily, gift card by gift card; she once sent \$300 for an Uber, supposedly taking him to the airport. Visits to Ireland that "Cody" promised to make fell through 25 times. What inflicts the damage is not so much plausibility in the abstract as repetition inside intimacy.

Mr. Barragán's achievement is to make this world intelligible without making excuses for it. He has a reporter's gift for proximity. He lets the scammers talk—at length, often hilariously—but not hide inside their own mythology. When the Yahoo Boys try to justify their behavior by invoking reparations for slavery or revenge for white colonialism, the author keeps pressing until the rhetoric gives way to something smaller and uglier: appetite, vanity, boredom and the pleasure of getting away with it.

These are not anti-imperial theorists armed with smartphones. The book is not a catalog of monsters. There is no syndicate here: no boss, no hierarchy, no plan beyond the next cash-out. Some team up, many freelance. Biggy, Chibuke, Richie and Azeez are funny, damaged, sometimes depressed young men, trapped in their own failures as much as Nigeria's. Mr. Barragán shows us young men who are morally hollow without pretending that they are not also human. That only makes the damage harder to look away from.

If the book has a weakness, it is that these tech platforms that make the scams scalable remain more backdrop than subject. Mr. Barragán offers no easy answers. The boys are not masterminds; the victims are not fools. Everyone is connected. And that is the problem. The social internet promised to make strangers less strange to one another. "The Yahoo Boys" shows what happens when that promise falls into the hands of people with nothing to lose.

Mr. Fawehinmi works in financial services in London and is the co-author of "Formation: The Making of Nigeria From Jihad to Amalgamation."

Colombia's Stark Election Choice

AMERICAS
By Mary Anastasia O'Grady

Next Sunday's Colombian presidential runoff election pits a criminal-defense lawyer and businessman with no political experience against the son of a prominent Marxist, whose career ambition is to realize the dreams of his father. Should the political neophyte win, as polls now project, he will owe his victory to widespread public fear of his opponent.

Next Sunday's runoff pits a hard-core socialist against a backer of free markets.

The outsider, Abelardo de la Espriella of the Defenders of the Homeland movement, surprised pollsters by finishing with a 44% plurality in the first-round election last month. Sen. Iván Cepeda of Pacto Histórico, President Gustavo Petro's party, finished second with 41%. In an AtlasIntel poll published June 10, Mr. de la Espriella leads Mr. Cepeda 53% to 45%.

Mr. Cepeda, 63, is the continuity candidate. Voters are looking at him through the lens of the last four years under Mr. Petro, who is constitutionally prohibited from running for a consecutive second term.

When he steps down in August, Mr. Petro will leave the country in bad shape by almost any measure. Economic

growth is sluggish, the fiscal deficit is widening, and tax increases have depressed animal spirits and business investment.

To stabilize the peso, the central bank hiked the benchmark interest rate to a stifling 11.25%. Colombia has significant oil reserves, but Mr. Petro's policy has been to forbid new exploration licenses and permits to force a green agenda on the country.

Former President Juan Manuel Santos's 2016 agreement with the Revolutionary Armed Forces of Colombia, or FARC, let the narcoterrorists off the hook for their many atrocities. A revived FARC, under new leadership, stalks the land, as do other criminal groups. Mr. Petro, a former M-19 terrorist, came into office in 2022 with the goal of replicating the Santos disaster. His "total peace" proposal aimed to make similar agreements with the National Liberation Army, or ELN, and like-minded thugs. Coca-growing and illegal arms gangs have flourished.

Mr. de la Espriella, 47, isn't every right-of-center voter's cup of tea. He built his law practice by defending alleged narcos. As the owner of a successful online business that markets menswear, rum and wine, he has made a lot of money and isn't shy about showing it off. For conservatives from the interior, his flashy coastal style is vulgar. Then again, even for many Colombian moderates, the alternative is unthinkable.

If Mr. Cepeda wins, he has promised to double down on



Abelardo de la Espriella

Petro socialism in pensions, labor markets and state health care. He proposes to continue Mr. Petro's "peace" agenda and fulfill his promise to rewrite the constitution, much as Hugo Chávez did in Venezuela.

Mr. de la Espriella, who holds Colombian, Italian and U.S. passports, is running as the change candidate. He's anti-left but not part of the political establishment on the right. His outsider status is both an asset and a liability in this election.

The Bogotá elite is used to exerting its influence in politics. Mr. de la Espriella isn't part of that clique. He was born in Bogotá but grew up in the coastal department of Córdoba. He returned to the capital to study and then launched a law firm. Later he settled his family in Barranquilla, where he expanded his practice. He lived more than a decade in Miami before moving to Florence. Last year he returned from Italy to Colombia to launch his presidential campaign.

Mr. de la Espriella has promised to build a series of

megaprisons and rehabilitation centers to reverse the trend of rising crime. Does this mean he plans to morph into the Colombian version of El Salvador's dictator Nayib Bukele if he wins? Doubtful.

Colombia is a larger country with stronger institutions, and it won't be caught off-guard the way El Salvador was when Mr. Bukele moved fast to consolidate power. Colombians seem to believe Mr. de la Espriella is likely to work within the law, by choice. According to AtlasIntel, he has a 21-point advantage over Mr. Cepeda on the question of who would better tackle crime and narco-trafficking and 7-point edge on who would be better at "strengthening the democracy."

Mr. de la Espriella's objectives include spurring growth by cutting the size of the state, making Colombia more business-friendly, and reopening oil and gas development. According to AtlasIntel, he's favored by 9 points on the economy and inflation.

Mr. de la Espriella is described in most media as "far right." But in November the left-wing Spanish newspaper El País struggled to explain what makes him extreme. The best it could do was describe a social conservative in a socially conservative country, who also believes in law and order, " fervent patriotism; free-market economics; a smaller state; and the protection of private property." Sounds very different from what Colombia has now.

Write to O'Grady@wsj.com.

A Modest Presidential Event, by Contrast

By Bob Greene

Two events involving U.S. presidents have been receiving heavy media coverage: Sunday's cage fights on the White House lawn and the opening of the Obama Presidential Center in Chicago this Thursday.

So it's unsurprising that another event, which took place in early June in north-central Kansas, received scant national attention.

Sixty-five local musicians in Salina packed their instruments and in a carpool caravan drove 30 minutes east, to the town of Abilene, population 6,500. This was the Salina Symphony, whose members began making these trips in 2012.

The musicians do it to honor the memory of a man: You, Soldiers. Dwight D. Eisenhower grew up in Abilene. Every June, to commemorate D-Day, the Abilene community gathers on the lawn of the Eisenhower

Library and Museum. At sunset, the Salina Symphony performs a free concert of patriotic music and popular tunes.

This year's event included a salute to the armed forces, with the official songs of the U.S. Army, Coast Guard, Marines, Air Force and Navy. For

On D-Day, a local orchestra played at Eisenhower's library in Abilene, Kan.

the nation's 250th anniversary year, a special addition was the Salina Symphony Youth Choir, elementary and middle schoolers who presented a number called "The You, Soldiers."

"America the Beautiful" was performed, as was "The Battle Hymn of the Republic." "The concert wasn't intended to be bombastic as the White

House cage matches or as celebrity-dappled as the Obama Center opening promises to be. It's just something that, every June, is done for life.

The modest two-story house in which he grew up still stands on the property where the library and museum are. Concertgoers who wander over to the house during the performance can hear each note of the music.

This year's program contained two numbers from movie soundtracks: the title, however, back from the war, enjoyed in the 1950s: Dimitri Tiomkin's symphonic suite from "High Noon" and Richard Rodgers and Oscar Hammerstein's score from "Oklahoma!" Concert organizers said they felt a goal of the musicians, performing so near Ike's old house, was to play as if he could still somehow listen.

When, with victory in Europe achieved, Eisenhower returned to his hometown in

1945, he said that no man should lose a sense of the boy he used to be. He said "the dreams of a barefoot boy," when he was young, were frequently to be "a streetcar conductor, or he sees himself as the town policeman, above all he may reach to a position of locomotive engineer, but always in his dreams is that day when he finally comes home."

It can happen. A little boy can walk out of a house on Fourth Street in the middle of the town of Kansas, and he can end up leading armies that will save the free world from tyranny. It can really happen.

Back home in '45, he told the townspeople who had gathered to greet him: "The proudest thing I can claim is that I am from Abilene."

The feeling, now and forever, is mutual.

Mr. Greene's books include "Duty: A Father, His Son, and the Man Who Won the War."

OPINION

REVIEW & OUTLOOK

The Warsh Era Begins at the Fed

Kevin Warsh presides over his first Federal Open Market Committee meeting as Federal Reserve chairman this week, and his eventual reform list is long. Reduce the balance sheet, review the Keynesian bias in its economic models, keep the Fed out of fiscal policy, and more. But his first priority, and an important one, is likely to be overhauling the way the Fed communicates.

Few innovations since 2008 have been as counterproductive as the adoption of "forward guidance" as a policy tool. Fed officials came to believe that by giving investors a heads-up on the central bank's intentions for short-term interest rates, it can steer longer-term rates and the economy as well.

But the constant yammering—long policy statements, press conferences after every FOMC meeting, nonstop speeches by Fed officials and above all the quarterly Summary of Economic Projections—has exposed how little the Fed understands about the economy and trapped officials in errant policies.

It's hard to remember when the Fed wasn't this talkative. Yet until the 1990s the central bank cultivated an air of inscrutability. Officials didn't even release announcements when they adjusted their overnight policy interest rate. The Fed played down its periodic publication of limited economic forecasts, which investors generally ignored.

Officials gradually started publishing statements of policy decisions after 1994. A fuller explanation of the FOMC's reasoning arrived under Alan Greenspan in 1999, when officials began explaining what came to be known as the "balance of risks"—whether they thought tightening or easing was likely to be more appropriate in the future.

The oversharing went into overdrive after 2008. After cutting rates to near zero and ramping up quantitative easing, Ben Bernanke lit on communication as a policy tool in its own right.

Mr. Bernanke was eager to persuade investors that he'd keep rates low for an extended period. Hence the adoption of an explicit 2% inflation target in 2012, to reassure investors that the Fed wouldn't tighten if inflation was below that level. In late 2007 the Fed had published the first iteration of what would eventually become the quarterly projections. The infamous "dot plots" depicting FOMC officials' anonymous guesses about future interest-rate moves appeared in early 2012.

His first move may be a much-needed change in communications.

In 2011 Mr. Bernanke began holding press conferences after some FOMC meetings, and the gabfests became a fixture after every meeting in 2019 under Jerome Powell. Along the way, Fed officials began delivering more and more speeches between meetings. Investors and journalists scrutinize these orations for clues about future policies.

This has been good for journalists but not for the Fed. Its quarterly projections are notorious for predictions about GDP growth, unemployment and inflation that turn out to be wrong.

The Fed's sages badly overestimated economic growth in 2011 and 2012, predicting about 3% in December of the previous years when the economy grew only 1.5%. But then it underestimated growth in 2017 and 2019 as it failed to appreciate the impact of the Trump tax reform. Its greatest recent mistake was underestimating inflation in 2021 and 2022 by a factor of about three. (Hat tip to our contributor Mickey Levy for the numbers.)

And because forward guidance encourages investors to react to what the Fed will do rather than sending market signals about economic conditions, officials mite a source of information that could inform policy-making.

One reason Mr. Powell was so slow to react to accelerating inflation after the pandemic was that the Fed previously had committed to lower-for-longer interest rates. He reinforced this in August 2020 when the Fed promised to tolerate above-2% inflation to make up for periods of slower price rises.

A fear of spooking markets with unanticipated rate hikes deterred rapid action to fight inflation. Forward-guiding Fed officials kept calling inflation "transitory," a word that will haunt the Fed for years.

Forward guidance also drags the Fed into politics since officials find it hard to resist opting on fiscal and other debates to explain their monetary views. Mr. Warsh may not be able to deter other Fed Governors from popping off in speeches. But he could set an example by ending the "dot plot" era, limiting his press conferences, and focusing his public statements on major policy turns and the semi-annual Humphrey-Hawkins testimony to Congress.

Mr. Warsh has said he welcomes debate over monetary policy, and that's to his credit. But forward guidance has been a mistake, and a cacophony of Fed voices has confused markets and been harmful to the Fed's credibility and independence. A course correction is overdue.

Jalen Brunson's Tax Wisdom

Jalen Brunson is the toast of New York after the 6-foot-2 point guard personally willed the New York Knicks to the NBA title on Saturday with a 45-point performance. The rest of his team scored 49. But it appears there's another reason for New Yorkers to like the basketball star known for his clutch play and modesty: He's an astute analyst of comparative state tax rates.

After the Knicks defeated the San Antonio Spurs in Texas on Saturday, clinching the championship series four games to one, a reporter asked Mr. Brunson what he had against Texas. "I have nothing against Texas. I love Texas. I miss the Texas taxes," Mr. Brunson quipped.

The NBA's Dallas Mavericks led the point guard sign with the New York team in free agency in 2022. It was the steal of the 21st-century in the NBA, but it also meant Mr. Brunson no longer benefits from the Lone Star State's lack of a personal income tax.

The Knicks point guard offers some advice for Mandani and Albano.

Mr. Brunson's NBA contract no doubt puts him in the top tax bracket. If he lives in New York City, he pays a top individual rate of 14.8%, while if he lives in the New York suburbs he pays 10.9%.

New York's socialist mayor, Zohran Mamdani, is attempting to bask in the reflected glory of the first Knicks championship in 53 years. You'll see him at the ticker-tape parade in the urban canyons of the financial district on Thursday. But if the mayor gets his way and raises taxes even more, the Knicks could have a harder time signing free agents.

By the way, Mr. Brunson famously signed a contract extension in 2024 for something like \$100 million below his market value so the Knicks could afford to sign more free agents under the NBA's team salary limits. The Knicks legend may have to negotiate for more the next time to make up for the tax greed of New York's politicians.

Washington May Get a Mamdani Moment

The nation's capital is in the throes of a mayoral election, and buckle up. The apparent front-runner in Washington, D.C.'s June 16 Democratic primary is a Zohran Mamdani lite, setting up what could become a confrontation with the Trump Administration.

The seat is open after Muriel Bowser, who counts as sane and effective by Washington standards, decided not to run for a fourth term. The front-runner in the polls to replace her is Janese Lewis George, proudly affiliated with the Democratic Socialists of America. Kevyn McDuffie, a more conventional Democrat for better and worse, is in second. The winner of the Democratic primary is all but a shoo-in come the general election in November.

This sets the stage for the district's Mamdani moment. Ms. Lewis George isn't promising government-run supermarkets as the New York mayor is. But she does want to build 72,000 new housing units within five years, while expanding rent control. A centerpiece of this program is a pledge to ramp up government-owned housing construction. She promises a universal childcare subsidy.

She'd try to pay for this with a new tax on the incomes of people who own businesses in the district but live in Virginia or Maryland. In theory she says this would raise \$500 million. In practice it would chase lobbyists and law firms into offices across the city line.

Ms. Lewis George also sounds determined to unlearn the lessons of recent years on urban crime and policing. While nodding to the need

for more police on the streets, she's opposed policies such as a youth curfew intended to thwart violent mob swarms of teens organized by social media. Her record as a prosecutor was marked by her enthusiasm for pretty much any policy other than throwing criminals into jail.

Mr. McDuffie is normal by comparison. He talks a good game about the need to attract more investment to the district by avoiding punishing tax increases. He may even understand how the property-development industry works, as demonstrated by his more modest home-building target (12,000).

Yet neither candidate seems fully alert to the district's dire demographic, economic and fiscal straits. Washington never recovered from the pandemic, and the Trump Administration's federal job cuts have worsened the problem. Office vacancies are up, population growth is slowing, and government tax revenue is flat.

This may explain why both candidates are falling back on running against President Trump, who has meddled in district governance to a greater extent than any President in decades. But the dirty secret around town is that his efforts to beautify city parks, get fountains working again and deploy the National Guard to deter crime are popular even in this deep blue city.

That will make Washington a flash point in the conflict between far-left urban governance and a more conservative national electorate. If no one else can govern Washington, Mr. Trump might. Primary voters are on notice.

LETTERS TO THE EDITOR

A New York Bill Protects Unions, Not Workers

Regarding your editorial "A New York Union Protection Act" (Review & Outlook, June 9): I run the Freedom Foundation, the organization that New York is trying to shut down.

Assembly Bill A10835A makes it illegal to "falsely impersonate" a union representative. It gives Attorney General Letitia James power to investigate, fine and subpoena any organization in any state for communications she believes to be "impersonation" of a union. The fine is \$1,000 per incident. The Freedom Foundation communicates with tens of thousands of workers. Do the math.

The bill's real purpose isn't stopping impersonation. It's stopping workers from hearing what unions won't tell them: that the Supreme Court decided eight years ago this month in *Janus v. Aflscme* that no

public employee can be forced to fund a union. Since then, we've helped more than 278,000 workers nationwide opt out—nearly 7,500 in New York, including some 1,400 this year. Each opt-out means lost dues revenue, so rather than make a better case for membership, unions asked Albany to make it illegal.

New York copied this law almost word for word from Oregon, where our challenge is now before the Ninth U.S. Circuit Court of Appeals. If New York Gov. Kathy Hochul signs Assembly Bill A10835A, we'll sue New York too.

Those 7,500 New Yorkers didn't opt out because we tricked them. They opted out because someone finally told them the truth.

AARON WITHE
CEO, the Freedom Foundation
Grapevine, Texas

Americans' Addictions and the Price of Vice

In his column "The President of Vice" (Inside View, June 8), Andy Kessler offers a perfect refutation of his own libertarian-leaning perspective. His philosophy could only make sense in a perfectly atomized society in which individuals' actions don't affect others—but no such world exists.

Mr. Kessler suggests that "increased funding for education programs will be needed" to deter people from drugs, gambling and other vices. But increased funding streams for education and addiction treatments are Band-Aids, not cures. If we want to get serious about preventing a generation of deadbeat dads, jobless 30-somethings (cue the recent jobs report on the share of American men in the labor force dipping to historic lows) and broken children, then we need bans or heavy regulation on gambling, marijuana and pornography.

Call me a prude; I don't mind. I'd rather be called a prude than accuse to society's slow drift into vice.

JOHN GILES
Ann Arbor, Mich.

I'm not an alarmist, but while reading Mr. Kessler's column, the fall of the Roman Empire immediately came to mind. Moral rot and vices similar to those Mr. Kessler discussed caused the empire to fall.

HARRY RUFFALO
Phoenix

Mr. Kessler correctly points out that it's called vice for a reason. Yet he also writes: "I'm in the 'do what you want, but don't bother me' camp." While this might work in theory, the problem with this approach is that it results in all rights and no responsibilities.

BILL DOUGLAS
Medford, Mass.

Post-Graduates Get Tough Love or a Safety Net

In "Experts Debate When to Cut New Graduates' Purse Strings" (Personal Journal, June 2), much of the discussion would have been fitting had it been describing slackers. But recent graduates deserve more understanding.

A parent should be wary of raising an overdependent child. However, discussions of moving back in with mom and dad too often focus on spurring a child's independence through pressure rather than providing the right environment for the young adult's growth.

A helping hand during the job search is a reasonable ask, even if that means free rent. And for young grads establishing themselves in their new workplace, returning home to a familiar meal and good company goes a long way, although all adults should be able to cook for themselves. Lastly, not being tied to a lease can grant a child financial, geographic and temporal freedoms to pursue creative goals. Instead of striving to set a timeline for their child's exit, parents should take pride in providing assistance as

their child navigates independence. Doing so may do more to kick-start their adult life than any attempt to kick them off the family phone plan.

DEEN AZAD
Los Angeles

The week after we graduated high school, my father had us start paying weekly rent. He said that in life you should plan for room and board to be 33% of your salary. He said if we could find a better deal to take it. All three of his sons went into the military.

STEPHEN BORKOWSKI
Pittsburg, Texas

Michelangelo's Masterpieces: The Finished and Unfinished

Regarding Mike Kerrigan's op-ed "Hope in the Shape of Man" (June 8): I had the same reaction to Michelangelo's "David" statue as Mr. Kerrigan. Before seeing it, I was more of a museum gift shop aficionado than a fine art appreciator. But when I turned the corner and saw the "David," I was blown away by its beauty and total perfection. I'd never been so moved by a piece of art. A photographer should stand there capturing the reactions of people as they first view this masterpiece.

BETTY McDONALD
Del Mar, Calif.

Mr. Kerrigan describes the beauty of the "David" sculpture in Florence, but I was surprised to read his comments on the "unfinished" statues in the Hall of Prisoners. One doesn't often hear appreciation for these works, despite the fact that they reveal a vision of the artist's ability to see the completed sculpture in the block of inert stone. Parts of the statues are finished to perfection; others are crude approximations of the final shape. These force the viewer to see the way Michelangelo saw and feel the emerging life form in the rock.

JOE BOCCUZZI
Tomball, Texas

Statesmen Are Hard to Find

Regarding your editorial "Democrats and the Platner Standard" (Review & Outlook, June 11): Aren't there any qualified people without skeletons in the closet whom the Republican and Democratic parties can support for congressional or administrative positions these days? The editorial is a truly sad commentary on the political environment of our country.

RUSS GILBERT
Hobe Sound, Fla.

Graham Platner won Maine's Democratic nomination for Senate, and Ken Paxton won Texas's Republican nomination for Senate. It makes one appreciate the prescient wisdom of James Madison when he wrote in Federalist 10, "Enlightened statesmen will not always be at the helm."

KEVIN R. LOUGHLIN
Boston

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Pepper ... And Salt

THE WALL STREET JOURNAL



"May I be excused?
I'm more of a numbers guy."

OPINION

AI Can Do Math, but Is It Really Math?

By Daniel Kipnis

If nobody understands a mathematical proof, is it a proof at all?

OpenAI started mathematicians last month by announcing that one of its models had disproved a longstanding conjecture, posed by the mathematician Paul Erdős (1913-96) in 1946, about the “unit distance problem.” In a companion paper, prominent mathematicians verified and explained the argument.

The result was hailed as a breakthrough. But it also raises a question about the future of mathematics. If artificial intelligence continues to make serious mathematical progress,

A breakthrough from an OpenAI model would have meant nothing without humans to make sense of it.

the field will need a new kind of human infrastructure: people and institutions devoted to choosing the right questions, checking machine-generated proofs, making those proofs intelligible, and judging when discoveries have consequences beyond mathematics.

The problem OpenAI tackled is relatively simple to picture. Put some number of dots on a sheet of paper. Count how many pairs of dots are exactly one inch apart. As you add more dots, how many such pairs can there be? Erdős conjectured that the maximum number of pairs, suggested by a gridlike system, could increase only slightly faster than the number of dots.

For decades, many mathemat-

icians believed that Erdős’s conjecture gave the right ceiling. OpenAI’s model showed otherwise, finding arrangements that beat his supposed limit again and again, even as the number of dots grows arbitrarily large.

How OpenAI arrived at its result was as surprising as the result itself. The unit-distance problem belongs to a branch of math known as discrete geometry, which studies the arrangements of points, lines and shapes. But OpenAI’s solution drew on methods from a seemingly unrelated field, algebraic number theory, which studies deep patterns in numbers and the structures built from them. Those tools helped it generate dot patterns that beat the best-known grid designs.

Cross-disciplinary progress isn’t new in mathematics. Descartes helped revolutionize geometry in the 17th century by translating geometric problems into algebraic equations. What has changed, and what creates the opening for AI, is the scale of mathematics. A mathematician may spend a career in discrete geometry without developing any familiarity with the sophisticated tools of algebraic number theory. For AI the scope of mathematics seems limited only by the cost of computation.

The result is both exciting and unsettling. Mathematics is a system of symbols and accepted axioms created by human beings, which can be used as a language for describing the world. Math progresses when we pose the right problems and come up with comprehensible proofs. The qualities that led the 19th-century mathematician Carl Friedrich Gauss (1777-1855) to call



EVAN WARDLIZ

mathematics the “queen of sciences”—its rigor, logic and isolation from real-world phenomena—are precisely what make it the realm of human inquiry that AI can best learn, imitate and expand on.

But would autonomous AI mathematics be mathematics at all? As the mathematician and philosopher Reuben Hersh (1927-2020) argued, mathematics isn’t only a human activity but a social phenomenon. All sorts of mathematical truths aren’t properly part of what we refer to as mathematics unless they are discovered and explained by human beings. Progress in mathematics is a matter of communication; a proof that is poorly explained is no better than a proof that is wrong.

This is why the human work was indispensable to making sense of OpenAI’s discovery. Instead of merely reporting the model’s output, OpenAI collaborated with leading

mathematicians to verify the result and make it intelligible to experts in the field.

Without that communicability, the discovery would have a strange status. It might be true. But if humans had no way to verify it, what would its truth mean? On Hersh’s view, it might not be a mathematical result at all.

Continued human involvement in mathematics is also necessary to safeguard the applied sciences and society at large. Gauss went further to say that number theory was the queen of mathematics. Number theory—the study of patterns in numbers—had long had an aura of abstract impracticality: math for math’s sake. But in the 1970s it turned out to be the basis for modern cryptography. Much of contemporary computer privacy rests on mathematical ideas that once seemed entirely abstract.

That history should make us cautious about treating progress made by AI in pure mathematics as a mere intellectual curiosity. A new proof may begin as an internal event in an abstract realm and then develop, perhaps with the aid of other AIs, into a tool to be used, for good or for ill, in practical fields. If the proof is unverified by humans and the pure math is shaky, the applied math built on it can be not only unsound but dangerous. A mistaken theorem can work its way into flawed financial, medical or engineering systems.

Mathematics will need to develop a research culture that can accommodate AI as a partner. This will involve journals that require verification, hiring and tenure arrangements that reward exposition and checking, and collaborative practices for the verification of proofs. Checking and explaining AI-generated mathematics must count as original intellectual labor. The stronger AI becomes, the more valuable this human expertise will be.

If there were ever a mathematician whose research practice foresaw these developments, it was Erdős, famous for his large number of collaborators and particularly skilled at coming up with the right problems to solve. An eccentric figure with an idiosyncratic language all his own, Erdős would say mathematicians had “left” when they died, and say that they had “died” when they stopped doing mathematics. AI can’t and shouldn’t cause mathematicians to die in Erdős’s sense of the word.

Mr. Kipnis is a statistician and an academic fellow at Columbia Law School.



LIFE SCIENCE By Allysia Finley

Did Taylor Swift once date Graham Platner? Not that has been reported, but her songs about dissolute men do echo accounts of women who dated the Maine Democratic Senate nominee.

“You search in every maiden’s bed for something greater” (“Is It Over Now?”). “Loving him is like driving a new Maserati down a dead-end street” (“Loving Him was real—red”)/ “Cause once your queen had come / You treat her like an also-ran / You didn’t measure up / In any measure of a man” (“The Smallest Man Who Ever Lived”).

You don’t need to be a Swift fan to appreciate how her heartfelt songs reflect an acute political problem: Voters keep picking bad boys who provide a thrill and ultimately disappoint.

The Nazi-tattooed oysterman doesn’t measure up in any measure of a congressman, yet more than 70% of Democratic primary voters in Maine last week voted him to be their party’s Seneca nominee. Pro-

gressives pushed aside the state’s better-qualified 78-year-old governor, Janet Mills, to nominate a 41-year-old lout who exemplifies what they would call “toxic masculinity” if he were a Republican.

They excused his misogynistic and licentious behavior. Isn’t this the sort of chauvinism that feminists have long complained about? As Ms. Swift sings in “The Man,” a woman who doesn’t play nice with others is derided as a female dog, whereas the same behavior by men gets explained away or even extolled: “I would be complex, I would be cool / They’d say I played the field before I found someone to commit to / And that would be OK / For me to do / Every conquest I had made would make me more of a boss to you / I’d be a fearless leader / I’d be an alpha type / When everyone believes ya / What’s that like?”

Democrats apparently believe Mr. Platner when he claims he didn’t know the tattoo on his chest was a Nazi symbol. And when he says his rough behavior with women and vituperative social-media posts about fellow veterans were part of a “dark period” caused by post-traumatic stress disorder,

it’s true that Republicans have also looked past reprehensible behavior by President Trump and other Republican leaders. JD Vance last year excused leaders of Young Republican clubs who had sent racist, antisemitic and misogynistic messages. “The reality is that kids do stupid things, especially young boys. They tell edgy, offensive jokes.”

Who is ‘The Smallest Man Who Ever Lived’? Politics has produced a lot of contenders for the title.

Yes, boys will be boys, even if they are grown men. Such defenses of dissolute behavior, especially among political leaders, have contributed to its normalization. For a taste of how common it’s become, listen to Ms. Swift and other popular female pop singers like Jax, Olivia Rodrigo and Sabrina Carpenter. Or talk to any woman who has dated in the last decade.

A friend recounted meeting a guy on a dating app who tried to hook

up with her while on his honeymoon, as she learned from photos he posted on his public Instagram account. Another friend had a guy ask that she meet him at his apartment before a date. He greeted her in his birthday suit. A guy invited yet another friend lingerie shopping after a brunch date.

One could easily fill a book with anecdotes from friends about men who don’t measure up in any measure of a man. Alas, too many women tolerate such behavior, just as voters do among their political leaders. When you tolerate bad behavior, don’t be surprised when you get more of it.

Nice guys often complain that women prefer bad boys. That’s not true of all women. But it is true that bad boys can be exhilarating until they crash and burn—like driving a new Maserati down a dead-end street. They also kindle an intrinsic human hope for redemption. This explains in part why Americans elected Mr. Trump a second time, and his supporters keep rooting for him to succeed despite, well, everything.

He calls to mind Ms. Swift’s song “Anti-Hero”: “I get older but just

never wiser / Midnights become my afternoons / . . . I should not be left to my own devices / They come with prices and vices / I end up in crisis (tale as old as time) / I wake up screaming from dreaming / One day, I’ll watch as you’re leaving / Cause you got tired of my scheming / (For the last time) / . . . I’ll stare directly at the sun but never in the mirror / It must be exhausting always rooting for the anti-hero.”

Yes, it is. Even many Republican voters are tiring of Mr. Trump’s late-night social-media outbursts, constant scheming against his enemies and relentless White House drama. He fixates on bright, blinding objects while turning away from self-reflection. Even as he ages, he never appears to learn from his blunders. He is increasingly lashing out for fear that voters will ditch him.

Voters dumped him for those reasons in 2020 for Joe Biden and the Democratic left, which came with different prices, vices and crises. Voters returned to Mr. Trump four years later, only to be reminded of all the reasons they dumped him. When will voters learn from their mistakes and stop falling for anti-heroes who bring them anguish?

As Kevin Warsh Arrives, Expect Him to Move Slowly

By Alan S. Blinder

The Federal Open Market Committee will announce its first interest-rate decision under Federal Reserve Chairman Kevin Warsh on Wednesday. I’ll go out on a limb—a sturdy one—to predict that interest rates will be left unchanged.

To most Americans, the whole thing will be a yawn. But to Fed watchers in the financial markets, academia and the media, the June 16-17 meeting could prove a momentous occasion. After eight years under the capable leadership of Jerome Powell, aficionados will be watching for signs of change, from Mr. Warsh himself and from other FOMC members, a group that will include the former chairman as an ordinary governor—a rare event in itself.

Over eight years, markets grew accustomed to Mr. Powell’s calm, reassuring manner, his frankness (by Fed standards) and his record of steering monetary policy. He owned

up to his one major error: waiting too long to raise rates in 2022, based on an incorrect but widely shared forecast of falling inflation.

His biggest achievement, assuring him an honored place in history, was standing up to incessant bullying and threats from President Trump, which culminated in a ludicrous attempt to indict the chairman. Mr. Powell vigorously defended the central bank’s independence, displaying a backbone that members of the congressional majority can only envy.

His term finished with the most divided FOMC meeting of his chairmanship. On April 28-29, three regional reserve bank presidents—Beth Hammack of Cleveland, Neel Kashkari of Minneapolis and Lorrie Logan of Dallas—dissented against the modestly dovish language in the FOMC statement.

Their objection centered on the adjective “additional” in a predatory clause: “In considering the extent and timing of additional adjustments

to the target range for the federal funds rate” Since rates were heading down before the Fed paused, “additional” suggested further cuts were in the offing.

With the usual dovish dissent from then-Gov. Stephen Miran, the April vote was 9-4, an almost unheard-of level of disagreement on the consensus-driven FOMC.

Since then, sentiment against further cuts is believed to have hardened on the committee. Several members suggested that the next move might be up, not down, if inflation continued to rise, which it appears to be doing. That would certainly please, even enrage, Mr. Trump.

Mr. Warsh has a career-long record of being hawkish on rates. Mr. Trump nominated him anyway. Since then, I’ve been wondering what Mr. Warsh said to the president about interest rates and Fed independence, but neither man has confided in me. It’s clear that Mr. Warsh couldn’t push a rate cut through at the next FOMC meeting even if he wanted to. He’d take a drubbing in the vote, and

he’s far too smart to let that happen. So all eyes will be on the wording of the FOMC statement. The adjective “additional” is certain to be gone. Beyond that?

Mr. Warsh criticized the Powell Fed for talking too much—with too many disparate voices. If he insists

Everyone knows the new Federal Reserve chairman plans to make changes, but he’ll be careful at first.

on a terse statement with no forward guidance on June 17, committee members may go along as a courtesy.

But that tight-lipped strategy may not be as safe as it sounds. Market participants are accustomed to Powell-style press and tightly scripted press conferences. A radical departure in wording could lead Fed watchers to puzzle even more over

what few syllables are uttered.

A bit of confusion in the financial markets isn’t the worst thing you can imagine. But I doubt Mr. Warsh will seek to sow confusion at his debut—especially with the stock market flying at dizzying heights.

So yes, the Fed can and will change under Mr. Warsh. He wants a smaller balance sheet devoid of mortgage-backed securities, an objective that commands wide agreement. But he also favors a different measure for the Fed’s inflation target: the Dallas Fed’s trimmed mean. Ever heard of it? There I’d advise caution—changing the inflation measure may look like moving the goal posts.

All this and more is possible in time. But as with the press, gradual changes in policy may have advantages over a rush to transform the Powell Fed into the Warsh Fed.

Mr. Blinder is a professor of economics and public affairs at Princeton. He served as vice chairman of the Federal Reserve, 1994-96.

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Notable & Quotable: Democracy

Katy Osborne and Scott Warren writing for the Atlantic, June 13:

Given President Trump’s disregard for long-standing political norms and his efforts to overturn the 2020 election, many Americans fear that he is hostile to democracy. According to this view, the 49.8 percent of voters who supported him in 2024 must simply be unaware of the existential threat he poses to our republic. The logic, to Trump’s critics, is therefore simple: Once voters fully grasp that democracy is under

threat from creeping authoritarianism, then surely they will turn against Trump.

Yet this strategy has largely fallen flat. Why? The consulting and pro-democracy organizations where we work have spent the past few months with conservative Trump voters across three counties in Wyoming, Michigan, and South Carolina. . . .

Our research suggests that activists seeking to protect American democracy from authoritarian influences are pursuing a failing strategy.

They are defending largely abstract democratic processes, such as norms and rules, on the assumption that everyone agrees that they are legitimate and worth saving. But such arguments are unlikely to resonate with voters who have come to believe that many of these norms and processes have abandoned the country’s bedrock values. Calls to defend democracy promise to alienate anyone who feels that democratic institutions have somehow failed them. Few care to preserve a system they feel stopped serving its purpose long ago.

COMMENT & FEATURES

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Don't punish our doctors

In October, delegates to the World Medical Association (WMA) Congress will gather in Rotterdam to consider a petition that, if approved, would establish a dangerous precedent for violating medical ethics.

The petition, published by *The Lancet* and backed by several health advocacy groups, seeks to punish the Israeli Medical Association (IMA) for its "failure to speak out against the genocide of Palestinians." The petition's supporters argue that medical professionals have a moral obligation to condemn violations of international law and attacks on healthcare workers.

In the first instance, expelling Israel's doctors from one of the world's most important professional medical bodies would only create new injustices in a thinly veiled attempt to rectify others.

Founded in the aftermath of World War II, the WMA came into being precisely because medicine should transcend politics at all costs. The organization's intent is to ensure physicians uphold universal ethical principles for all patients, regardless of nationality, religion, or political circumstance.

Any decision to suspend the IMA would move the organization in the opposite direction. It would establish a precedent that national medical associations can be expelled not for violating medical ethics themselves, but for perceived failures to oppose the policies of their governments. Once that line is crossed, the WMA risks contaminating medicine with the politics it must avoid.

Furthermore, the portrayal of the IMA as complicit through silence in what was described as atrocities committed by Israeli forces in Gaza is both inaccurate and shortsighted. This perfectly illustrates the line between criticism of Israeli government policy and the demand, made by some health organizations, for Israelis to join the choir of blood libels against their nation as part of an ethical "litmus test."

Notably, in July last year, IMA chairman Prof. Zion Hagay penned an open letter warning Defense Minister Israel Katz of the risk of widespread famine in Gaza and including a public call to "ensure medical equipment and basic humanitarian conditions" for the Gaza Strip's civilian population.

There is also an unavoidable question of consistency. The National Medical Chamber of Russia is still a member despite Russian President Vladimir Putin's brutal war in Ukraine, and the Medical Council of the Islamic Republic of Iran is a member despite the regime's routine killing of protesters.

Suspending the IMA would not punish the Israeli political echelon whose actions are being protested by the health groups behind the petition.

Even the WMA itself has rightly warned against such an approach, as reported by *The Jerusalem Post*.

The WMA said in a published response that it stands against the exclusion of any of its members for the actions of their governments, as "doing so diminishes our ability to call out injustices, and threatens shrinking the dialogue among physicians at this critical time when consensus in support of our medical ethics is so needed," while also pointing out that the IMA is one of the founding members of the WMA and a "strong advocate for WMA ethics and policies."

In addition to being a founding member, Israel is also one of the world's leading centers of medical innovation, and Israeli researchers and physicians have helped develop technologies that are used daily in hospitals across the globe. The beneficiaries of those innovations are not only in Israel – they are in Europe, North America, Africa, Asia, and across the Middle East.

Would physicians in support of the petition refuse treatment based on an Israeli-developed diagnostic tool? Would they reject an Israeli medical breakthrough if it could save a patient's life?

Of course not – because medicine's value lies in its universality.

Medical organizations should remain places where doctors cooperate across borders, share research, establish ethical standards, and improve patient care. They should not become instruments of political boycotts.

The WMA must resist the temptation to turn medicine into a political front and reaffirm a principle that has guided medicine for generations: Doctors save all of humanity.

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'Pax Americana' in the Middle East

• By AFSHIN ELLIAN

According to a Persian expression, an egg thief will ultimately become a camel thief. That is why one must punish and correct the egg thief in time, before he starts stealing even bigger things.

The ayatollah regime began as an egg thief and aspired to become a camel thief. If the regime is not stopped, it will turn into a jihadist empire. Ali Khamenei has been working towards this ambition for 37 years. A totalitarian regime does not change with a few heavy bombardments.

However, a totalitarian regime will be weakened by bombardments. It is ground forces that put an end to a totalitarian regime. The Allies could never, ever have destroyed Nazi Germany without the deployment of ground forces.

A totalitarian regime is not a banana republic. This form of tyranny does not survive by the grace of individuals; its ideology is the foundation and the cement of the regime.

Political Islam, or Islamism, despite its modern aspects and appearance, has its roots in the original Islam of Medina. It was there that the Prophet Muhammad established the first Islamic state. Ayatollahs have been able to combine the ancient politico-religious tradition with the modern form of tyranny, namely the totalitarian state.

The founder of the Islamic Republic wrote as early as the 1960s: "Our Prophet was also a politician... The reasons for the formation of an Islamic regime are: (1) The Prophet himself established a regime. History bears witness to his regime."

The Iranian regime bases its actions on the tradition of the Prophet Muhammad in Medina. The idea of a stable agreement with Islamists is a delusion. The Prophet Muhammad, too, concluded a peace agreement with Mecca, agreeing not to attack one another for a period of 10 years.

The Treaty of al-Hudaybiya (628) enabled Muhammad to prepare for the decisive attack on Mecca. Muhammad also used that time to resolve the "Jewish problem" in the vicinity of Medina. The battle of Khaybar put an end to the Jews there.

In 630, Muhammad attacked Mecca. The city fell into the hands of jihadis. The regime change on the Arabian Peninsula was irreversible. Islamists live according to the rules and actions of Muhammad. Any peace treaty with the enemy is temporary, because ultimately, everyone must be subjected to Islam (*Pax Islamica*). This is the basis of jihadist diplomacy. For more than 40 years, this political-military approach has been taught at the military acad-

• By MENDY CHITRIK

Years ago, at a conference on combating antisemitism, the discussion turned to how best to train the police officers assigned to guard Jewish institutions. When my turn came, I offered something less ambitious: make sure they have coffee, a sandwich, and a smile.

The room laughed. I was not joking. Shammai taught that one should receive every person with a pleasant face (*bever panim yafot*, Avot 1:15). He was not describing manners. He understood that the way we meet another human being decides what becomes possible between us.

My own thinking was shaped by the experience of the Jewish community in Turkey. In November 2003, terrorists bombed two of Istanbul's synagogues, Neve Shalom in Galata and Beth Israel in Sisli.

Among the dead were members of our community gathered for Shabbat prayers and people who happened to be passing, including Yoel Kohen Ucler, and also Turkish police officers and guards, men who had spent their shifts standing outside Jewish houses of worship, protecting a community that was not their own. I have never forgotten them.

It changed how I think about Jewish security. Not whether we need it, because we do, but what it asks of others. The guard outside our synagogue is not an abstraction. He stands on Yusef Kaldirim, the steep lane that climbs from the Golden Horn toward the Galata Tower, close enough to hear the call to prayer from the Bereketzat Mosque just above him.

That mosque was founded by a guard of its own. Bereketzat Hac Ali Efendi,



US PRESIDENT Donald Trump speaks during an event in the Oval Office of the White House, earlier this month. (Kevin Dietsch/Getty Images)

my of the Islamic Revolutionary Guard Corps (IRGC).

The Islamic Republic is beginning to get used to American military and political tactics. The regime's hard core is no longer in a state of shock; its approach is coherent and consistent: the survival of the Islamic State of Iran.

Tehran is pursuing a long-term strategy consisting of two options: one, a repeat of the Obama deal plus the Strait of Hormuz; and two, a Trump-Vance deal on paper forever, but in reality, for 2.5 years (the removal of enriched uranium from Iran). The basis of this strategy is embedded in a time limit: the next US presidential election. In fact, the Ayatollah regime is in a favorable position.

SO WHERE did it go wrong? The Strait of Hormuz.

The IRGC was able to hold the US hostage in the Strait of Hormuz. The generals I spoke to frankly could not understand why, in the first week of the war, America did not make every effort to occupy large sections of Iran's coastline. According to the military officials I spoke to, the occupation of the coastline was, and remains, a viable military strategy.

Had America occupied the key sections of the coastline, including a few cities (ports), the regime would no longer have been able to keep the Iranian

economy running. What's more, Washington has another trump card up its sleeve: Crown Prince Reza Pahlavi and his supporters. They could have been stationed in that area, and the occupied territory would then become liberated territory.

With the elimination of military and political leaders in Tehran and elsewhere, the regime would, according to this scenario, collapse within a few weeks.

Why? Because the people hate the regime.

On January 8-9, the regime murdered tens of thousands of Iranians in various towns and villages across Iran. It was, and still is, possible that the regime signed a capitulation agreement on condition of amnesty and the relocation of several political and military leaders.

None of this sat well with US President Donald Trump and Vice President JD Vance's military mindset. Now the White House is paying the price for this: negotiating with an enemy who has already taken you hostage. Neither peace nor war is the result of an operation that began well but ended in a quagmire of doubt, uncertainty, and arbitrariness.

Trump is the first American president in 47 years to be respected and trusted by the majority of Iranians. Iranians trusted Trump's words. The Iranians were and are Trump's best ally in his war

against the ayatollahs. However, they are not America's ally in negotiations with their own murderers.

Trump could go down in history as the dealmaker behind "Obama Deal 2.0" or as the president who put an end to one of America's oldest and most dangerous enemies. Negotiating a deal with the Ayatollah will only serve to preserve the Iranian regime. With the help of Russia and China, they will later develop into a true jihadist superpower.

If this war ends with a deal, then no one in the Middle East or elsewhere will have any respect for American power, which is being driven out of Afghanistan by a Taliban deal and out of the Persian Gulf by a deal with the ayatollah. Trump is rightly concerned about endless wars. But the war against the IRGC does not fall into the category of endless wars.

Ultimately, it is the Iranians themselves who form the ground forces of a civilization offensive against the Ayatollah regime. This is not the start of an endless war, but the beginning of lasting peace and the gradual end of Islamic terrorism.

With this, President Trump will go down in history as the American president who, after 47 years, has established *Pax Americana* in the Middle East.

The writer is a professor of jurisprudence (legal theory and legal philosophy) at the Faculty of Law, Leiden University.

The guard outside the synagogue

who built it, was a watchman of the Galata Tower under Mehmed the Conqueror, and a muezzin who called the prayer himself.

Our guard stands in the cold, gives up holidays with his family, and carries a responsibility he never chose. When tragedy comes, men like him are often the first line of defense and the first to fall.

The Mishna teaches that the human being was created alone so that no one could say "my lineage is greater than yours," and to teach that whoever saves a single life is regarded as having saved an entire world (*Sanhedrin 4:5*).

The guard at the door is one such world. We owe him more than a security plan. We owe him gratitude, and we owe our neighbors honesty about what our safety costs them: closed streets, lost parking, barriers where there were none.

AS JEWS mark the *yahzeit* of the Lubavitcher Rebbe, Rabbi Menachem Mendel Schneerson, I keep returning to a lesson that I guided my work in Turkey and across the Muslim world. The Rebbe taught that darkness is not defeated by being fought but by the addition of light. Evil must be confronted, and communities must be defended. But a purely defensive answer is not an answer. It must also build, teach, and repair.

I thought about this recently when I met Ambassador Rabbi Yehuda Kaploun at the State Department, on the sidelines of the Living Legacy Conference held in the Rebbe's honor. Rabbi Kaploun serves as Special Envoy for Combating Antisemitism. One might expect such a conversation to stay with threats, incidents, and statistics. Those things matter. Those conversations are important. Yet I left thinking about something else.

As we left the State Department, I noticed Rabbi Kaploun greeting each of the security personnel we passed. It was a small gesture, easy to overlook. Yet it reflected a deeper truth: before we can build trust, teach, persuade, or disagree, we must first acknowledge the person standing before us.

Perhaps that is why I found myself thinking about the guard outside the synagogue.

Much of our security is carried by people who are not Jewish, and much of our future depends on people who do not yet know us. Since October 7, many Jewish organizations have stepped back from governments and institutions they judged hostile or unfair. I understand the impulse. I am not persuaded that it can last.

We are all here to stay. The question is not whether we will go on living beside people who disagree with us. We will. The question is what those relationships will look like when the present crisis passes, and whether disagreement will take place between people who know each other or strangers who fear each other.

HILLEL WARNED us not to separate ourselves from the community (*Avot 2:5*), and he held up Aaron as the example to follow, one who loved peace and pursued it, who loved people and drew them closer to one another (*Avot 1:12*).

Engagement that reaches only the already friendly is not engagement. The harder and more necessary work is the kind with the students, journalists, clergy, and officials whose view of us is sharp or simply mistaken.

Recently I welcomed more than 120 theology students from the Faculty of Theology of the Istanbul Marmara

University to the Ashkenazi Synagogue on Yusef Kaldirim. They arrived with questions – some curious, some built on assumptions they had never tested against a living Jew. We listened, we answered, and we explained.

Not all of them left agreeing with us, which was never the point. The point was that none of them would leave thinking of Jews as an idea rather than as people they had met.

The Talmud says of Rabbah Yohanan Ben-Zakai that no one ever greeted him first, not even a stranger in the marketplace (*Berakhot 17a*). Long before anyone convened a conference on antisemitism, he grasped something plain. Relationships begin with the willingness to be the one who says hello.

Jewish history gives little reason to believe that withdrawal works. The answer to antisemitism cannot be the slow disappearance of Jewish life from public view. The Rebbe taught the reverse. Confronted with darkness, a Jew does not shrink; instead, he becomes more present.

The guards at our synagogues are not standing watch over an empty building. The students who visit do not come to meet an abstraction. Our neighbors cannot befriend people who have chosen to vanish. Strong laws and serious security are necessary, yet they are not enough. The most durable response to antisemitism is the confident and visible presence of Jewish life, lived in full view of the people around us.

Before we teach the guard at our door about Judaism, we might begin by learning his name. That will not end antisemitism, but it is where the healing starts.

The writer is the Ashkenazi rabbi of Turkey and chairman of the Alliance of Rabbis in Islamic States.

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Likud's mockery of Eisenkot's English

THINK ABOUT IT
• By SUSAN HATTIS ROLEF

Last Tuesday, a video clip showing Yashar! chairperson and former chief of staff Gadi Eisenkot speaking English hesitantly, with a heavy Israeli accent, was posted by Yonatan Urich, Prime Minister Benjamin Netanyahu's strategic adviser, on his social media.

It was reported that Urich – who was indicted two days later on charges of “transmitting classified information to the German *Bild* tabloid back in September 2024 – SHR with the intent of harming state security” – admitted that Likud had opened a campaign of ridiculing Eisenkot, after the latter had challenged Netanyahu to participate with him in a public debate.

The whole episode is rather strange. First of all, Eisenkot's challenge to Netanyahu at this stage seems premature. Since the establishment of his party, Yashar!, last September, Eisenkot has been progressively gaining popularity in the opinion polls. Toward the end of last week, Yashar! actually reached equality in several of the polls with Naftali Bennett and Yair Lapid's joint Together party, and in at least one poll Eisenkot was seen as being more suitable than Netanyahu to be prime minister.

However, let us not forget that we are at least four months before the elections to the 26th Knesset, and we do not yet know who will be the candidate for prime minister from the Center-Left bloc of parties. It might or might not be Eisenkot.

In addition, Netanyahu might decide to interfere with the smooth running of the elections or, alternatively, decide not to run at all (as suggested by US President Donald Trump last Wednesday) for health reasons or because the polls will continue to suggest that he will lose.

There are three self-proclaimed candidates who could run on behalf of the current opposition against Netanyahu: Bennett, Eisenkot, and Yisrael Beytenu chairperson Avigdor Liberman.

Though Yisrael Beytenu is the smallest of the three relevant parties (The Democrats, a left-wing party, is not relevant in this context), Liberman insists he should lead the bloc because of his greater and longer political experience compared to the other candidates.

However, in the final reckoning, the choice will probably be between Eisenkot and Bennett. The relevant question is who is more likely to attract disappointed right-wingers from Likud. Since Bennett is considered a liberal right-winger and Eisenkot is more of a centrist, Bennett is viewed as preferable for the bloc. Nevertheless, there are those who consider Eisenkot to be a more suitable candidate to be more suitable candidate from other perspectives.

EVEN THOUGH the question of whether there should be a pre-election debate between the two leading contenders for prime minister – one from Likud and one of the leaders of the opposition parties inside or outside the current Knesset – is premature at this stage, the question of whether polished English is one of the necessary qualifications for the job ought to be addressed.

Unless my memory fails me, I do not remember ever hearing former German chancellor Angela Merkel speak English (she was chancellor for 16 years), nor Vladimir Putin, who has served as prime minister and then president of Russia over the last 27 years.

Of all Israel's prime ministers since its establishment in 1948, Netanyahu's English has been the most impressive, though I would argue that the (British) English spoken by former foreign minister Abba Eban (1966-1974) was more polished than Netanyahu's and that Eban was a far more impressive orator. Would Eban have made a good prime minister? I doubt it.

Of course, fluent English is a benefit for a prime minister or president who must occasionally engage in intricate and highly consequential diplomatic negotiations or present



GADI EISENKOT, head of the Yashar! Party, speaks during a conference at Tel Aviv University, last month. (Avshalom Sassoni/Flash90)

the positions of his country to foreigners by means of the international media. However, what is much more important for the person's success in diplomatic endeavors is not the quality of the language he speaks but the accuracy of the content.

At least since he entered Israeli politics in 1988 (but even before, as a diplomat in the US), Netanyahu's English has been impressive. However, has it always served to express the truth? Has it always been well received? And is Israel's current international isolation the result of a deterioration in the quality of Netanyahu's English, or is it the result of his policies,

or absence thereof, or his occasional flimsiness with facts?

We all remember the record-setting French president Nicolas Sarkozy and former US president Barack Obama during the November 2011 G20 summit in Cannes, when a stray open microphone broadcast a candid exchange between them regarding Netanyahu. Sarkozy was overheard stating, “I cannot stand him. He's a liar,” while Obama replied, “You're fed up with him? I have to deal with him every day.”

AND BACK to Eisenkot's English. His command of the language is far from perfect, but it is basically correct and clear.

You will not catch him with embarrassing mistakes, like Finance Minister Bezalel Smotrich's famous “grandmiser” (he was searching for the word “grandmother”), which did not elicit mockery from Likud.

One is reminded of the mockery from Likud circles regarding David Levy's English when he served as foreign affairs minister in Yitzhak Shamir's government in 1990-1992, but never a word about his excellent French, which he acquired in Morocco, where he was born and grew up. Eisenkot, whose parents also came from Morocco (he was born in Israel), said about the current episode that it was purely racist in origin and unworthy of comment.

One wonders why Likud has chosen to mock Eisenkot on these ridiculous grounds. It has been suggested that Likud is worried about Eisenkot's growing popularity, which appears to be connected to his honesty, modesty, and pleasant demeanor; his effective military career; the fact that he lost his youngest son and two additional young family members in the war in the Gaza Strip; and his constructive contribution as a member of Netanyahu's emergency unity government within the framework of Benny Gantz's National Unity party, from October 12, 2023, to June 9, 2024.

Eisenkot served in the government as minister-without-portfolio, and as an active observer in the war cabinet, where he kept warning against the absence of strategic decisions and demanded that hostage deals be negotiated urgently.

It is still too early to predict whether Eisenkot will be our next prime minister. All one can say is that if he will be, his premiership will be very different from Netanyahu's – far beyond his imperfect English.

The writer has written journalistic and academic articles, as well as several books, on international relations, Zionism, Israeli politics, and parliamentarism. From 1994 to 2010, she worked at the Knesset Library and the Knesset Research and Information Center.

What a snub in Vienna taught me about Israel's power

Perception and the erosion of Israel's Washington advantage

• By TOVA HERZLI

Recent disclosures of US President Donald Trump reprimanding Prime Minister Benjamin Netanyahu, which came near the release of a Pew Research Center survey showing that two-thirds of respondents across 36 countries hold an unfavorable view of Israel, reminded me of an experience from the beginning of my career as an Israeli diplomat.

The experience ended in Vienna in 1990 but began in Washington several years earlier. It connects these developments, and points to a third issue, whose scope and consequences for Israel are difficult to foresee.

In 1985, after completing the Foreign Ministry's cadet course, I was posted to Washington. Two diplomats at the embassy were responsible for relations with Congress: one senior official and one junior offi-

cer – me. Like the embassy's other departments, we benefited from a highly efficient and well-oiled support network.

It included players such as the IDF mission, representatives of Israel's defense industries, and local organizations, foremost among them the American Israel Public Affairs Committee (AIPAC). At the time, AIPAC would announce at its annual conference the names of the many Democratic and Republican lawmakers who had accepted its invitation and attended.

Thus, the organization publicly demonstrated its reach, while reinforcing the message that support for Israel was a bipartisan consensus.

Everyone in Washington knew that Israel possessed a rare ability to achieve results. Quite a few countries sought closer ties with Israel because of its standing in the capital of the free world, assuming that good

relations with us would help open important local doors. Nor were they the only beneficiaries of the situation – doors opened for Israel as well.

Suffice it to mention the Camp David Accords, which continue to bring Egypt substantial American assistance, and the Abraham Accords.

I experienced this personally. Members of Congress who rarely made time for ambassadors were willing to meet with the junior diplomat that I was.

Representatives of other countries who also worked Capitol Hill, most of them far more senior than I, sought my company and my views. Is a particular bill likely to pass? Will that budget cut really happen? Do you have time for coffee? A reputation for knowledge and influence generates both knowledge and influence.

It was flattering, but I understood that none of it was personal. Even

so, I was surprised a few years later when I joined an Israeli delegation to a conference at the United Nations center in Vienna. A diplomat from a country whose relations with Israel were strained headed her country's delegation.

Only a few years earlier we had met frequently in the corridors of Congress and had spoken at length. In Austria, she barely acknowledged my greeting.

That one blunt moment drove home just how much the attitude towards me and towards my country was shaped by perceptions of the power we were believed to possess at a given moment. In the corridors of the UN, I had no power, and she had no motivation to renew our acquaintance. It was that simple.

NOW, WHEN the president of the United States declares that he told Israel's prime minister that he is

“crazy” and that “everyone hates Israel because of him,” the whole world hears it. If Trump publicly boasts that “he’ll do whatever I tell him,” it is not only Netanyahu's personal standing that suffers. The message is clear: Israel's power in Washington is not what it was.

One might argue that Trump has only two and a half years left in the White House, and that as long as Congress remains supportive, Israel's position is secure.

However, the prime minister's overt preference for Republicans (illustrated by his 2015 address to Congress, opposing the nuclear agreement with Iran negotiated by President Obama) helped damage the bipartisan consensus on Israel. In the past decade, AIPAC has stopped publishing the names of lawmakers attending its annual show of strength.

During the tenure of the current Israel government, support among

Democrats has continued to erode, and signs of slippage are increasingly visible among Republicans.

Israel still enjoys substantial support throughout the American political system, and AIPAC remains an influential player in both parties. However, all the indicators point toward erosion, and as I learned from that uncomfortable encounter in Vienna, power and the perception of power are inseparable.

Today, beyond the direct deterioration of attitudes toward Israel in many countries, Israel is also losing the advantage that comes from being perceived as exceptionally influential in Washington, as one setback leads to another.

The writer was Israel's first ambassador to the Baltic states after the disintegration of the Soviet Union, ambassador to South Africa, and congressional liaison officer at the embassy in Washington.

LETTERS

Delusional and misleading

I have never read a more delusional and deliberately misleading analysis of the extreme under-performance of the Iranian economy (“The repricing of Iran,” June 10, 2026). The authors' claims mislead to isolation and sanctions. Really? What about the billions that it lavishes on its Hamas, Hezbollah, Houthi, and Iraqi proxies. What about the billions it pours into its nuclear and ballistic missile programs? Perhaps that's why they are under sanctions? Why don't the authors state this explicitly?

Secondly, they claim that a “credible transition” to a Pahlavi regime would lead to a political and economic repricing event. Really? They seem to have failed to inform the 40,000 protesters who were slaughtered in the streets of Tehran. Are the ayatollah, IRGC, and Basij aware

of this supposed benign transition? A more inane analysis I have never read.

MORRIS KARLIN
Jerusalem

Enthusiasm for Eshkol

It was good to see Levi Eshkol on the front page of *The Jerusalem Post* (“Netanyahu's Levi Eshkol moment,” June 9, 2026).

The contrast between the two prime ministers could hardly be greater. Eshkol was unassuming, uncharismatic, and a poor speaker. However, he was largely responsible for ensuring that Israel had the weaponry necessary to win the 1967 war. He had the foresight to forge close links with president Lyndon Johnson, whose administration was the first to supply Israel with offensive weapons including tanks as well as spyhawk and phantom aircraft. This was crucial for Israel in the

light of the French arms embargo imposed by Charles de Gaulle in the aftermath of the war.

Moshé Dayan was hailed as the hero of the Six Day War but he had only entered the government a week before war broke out and the credit for the victory should have gone to Eshkol, who, as Herta and Paul Amirani points out, was prepared to make the difficult decision to launch the war against the express advice of the US president.

It is gratifying that Eshkol's strength of character and the great contribution he made to Israel's security is being given due recognition albeit nearly 60 years later.

ALAN MAYES
Netanya

Wake up, Dave!

Dave Mathews needs to read the unrevoked Article 7 of the Hamas charter. He would learn that every

supporter of Hamas is committed to the murder of every Jew on Earth. Israel is not mentioned in Article 7.

The murder of every Jew on Earth! Get it, Dave. The butchery of 70 Jews in Hebron in August 1929. The incineration alive of 60 Jewish doctors, nurses and medical students on April 13, 1948 during the Hadassah Hospital Convoy Massacre. The butchery of 1,200 Jews on 10/7.

Israel has faced an existential war for a century against sociopaths who are committed to murdering every Jew on Earth. Wake up Dave! Read Article 7.

Read the Torah, Dave, which has no prohibition against killing, only against murder. A Torah that understands the foundational necessity of self defense for Jews in the endless eight front existential war that Israel faces.

RICHARD SHERMAN
Margate, Florida

23 years later: Surviving and not forgetting

• By SARRI SINGER

Last month, after more than three years of litigation, the US State Department settled a lawsuit in which I was a plaintiff.

The settlement requires Washington to adhere to the Taylor Force Act and bars the US from sending American taxpayer dollars to the Palestinian Authority for the next 10 years, as it continues to operate its "Martyrs Fund."

Otherwise known as "pay-for-slay," the funds reward terrorists and their families with monthly stipends for murdering Israelis and Americans. The law is named for American student and Taylor Force Army veteran, who was murdered by a Palestinian terrorist in Jaffa in 2016.

You see, exactly 23 years ago, I was nearly killed by a suicide bomber. June 11, 2003, was an ordinary day. Until it wasn't.

At approximately 5:30 pm, an 18-year-old terrorist strapped with explosives and dressed as a Hassidic Jew boarded Jerusalem's 14A bus at the Mahaneh Yehuda market. He waited until the bus passed the crowded Davidka Square to detonate his bomb for maximum impact, just a few feet from where I sat.

In a matter of seconds, there was smoke, blood, screaming, sirens, and utter confusion. A total of 17 people were murdered, including everyone seated and standing around me. I was one of the more than 100 people injured, including dozens of people on the street. Hamas claimed responsibility for the attack.

Twenty-three years is an odd amount of time, long enough for anyone born after the attack to now be an adult, long enough for collective memory to blur, long enough for the world to move on. Except for those of us who lived through the attack. Our memories are clear, and a part of ourselves remains in that exact place.

People often ask about my memories from that day, but trauma does not live in neat little memories. It lives in fragments. It's in certain sounds. Certain smells. The feeling of panic. The silence afterward. The realization that life is divided into "before the attack"



ISRAELI POLICE walk in front of a bus destroyed in a Palestinian suicide attack in Jerusalem, on June 11, 2003. (Call Tibbon/AFP via Getty Images)

and "after," without warning.

If I've learned anything over these past 23 years, it is that surviving terrorism is not just about surviving the attack itself. It's about surviving everything, and the years that come after it. The anniversaries. The triggers you cannot explain to people who have never experienced trauma. The exhaustion of carrying something invisible while trying to build a normal life around it.

There is a strange expectation placed on survivors. People expect us to be symbols of resilience, to have the story fit into a neat little pile. They want survival to look inspiring. And sometimes it is.

I BUILT A life after that bombing when I could have let the pain and trauma destroy me. I founded an organization that brings together victims of terrorism from around the world because I understood how iso-

lating survival can feel.

Over the years, through Strength to Strength, I have sat with survivors, bereaved family members, and first responders from countries around the world. Different religions, different languages, and different attitudes. Yet our conversations are often the same.

They understand the "before and after," and the feeling that the world expects you to move on when part of you is still processing what happened. They understand things others don't, like the feeling when people stop asking questions because "enough time has passed," that "you should be over it," even though the experience never fully passes for you.

One of the most powerful things I have witnessed through my work with terror victims is what happens when people no longer need to explain themselves. There is comfort in sitting across from someone

who already understands the fear, the grief, the guilt, the hypervigilance, and the complicated process of rebuilding a life after terror.

Sometimes healing begins with simply not feeling alone. Trauma changes over time. Survival feels physical at first. Later, it becomes emotional, then psychological. Eventually it is quietly woven into ordinary, everyday life.

You notice it in crowded spaces, in the way your body reacts in certain places before your mind catches up. In how suddenly your anxiety sharpens, and memories being surfacing without invitation as certain dates approach.

Even after 23 years, June still doesn't feel like every other month. Probably the hardest thing to explain is that life continues at the exact same time as grief and trauma. You still go to work, celebrate birthdays, and laugh. You build

friendships and careers and futures.

But somewhere within, there is a younger version of yourself that is still trying to make sense of what happened. Trying to make sense of how someone you never met tried to kill you.

Sometimes think about the person I was before that attack. Not because terrorism changes your relationship with safety, with innocence, and with the assumption that the world fundamentally makes sense.

There are moments when I miss the version of myself that boarded that bus believing evil was something distant. Temporary. Rare. Surviving terrorism taught me otherwise.

It also taught me about the extraordinary strength of human connection. It taught me that healing often comes not from politics or headlines, but from human beings showing up for one another

in the darkest moments. TERRORISM IS built on hatred and destruction. The greatest response I have found is refusing to let that hatred define me.

But refusing to let hatred define me does not mean accepting a system that continues to reward it. That is why the pay-for-slay settlement matters so much, and why I will be in Jerusalem on Monday to keep pushing for accountability. Justice for survivors is not only about how we heal internally. It is also about ensuring that the world we live in does not keep subsidizing the violence that broke us in the first place.

Moving forward does not mean forgetting. It does not mean the pain disappears. It means choosing to build something meaningful despite it.

To choose light over darkness.

All these years later, I still carry that day with me, and I always will. But I also carry the people who helped me survive it and who continue to be there for me every day. They have become my extended family around the world. I cannot imagine my life without them.

And maybe that is what survival truly means. Not forgetting or "moving on," but learning how to keep building a life filled with meaning, connection, and light after experiencing so much darkness - and continuing to fight so that the systems that enabled that darkness are finally held to account.

That's why I'll be in Jerusalem on Monday, for an important conversation with others on the price of terror, what this legacy victory means, and how much work remains.

What defines me is not what happened to me that June day. It's how I chose to live my life afterward.

The writer is founder and director of *Strength to Strength*, a nonprofit organization that unites international victims of terrorism and provides long-term psychological and peer support to help them heal and move forward. She is a survivor of a terrorist bus bombing that took place in Jerusalem, Israel, in June 2003, and was a plaintiff in the recently settled lawsuit against the State Department over pay-for-slay funding to the Palestinian Authority.

The West cannot save Ethiopia by misunderstanding it

• By SHMUEL LEGESSE



The same international media organizations that spent decades looking away while Africa's strongest consolidated power, while civil wars consumed entire generations, while millions were displaced and countless families buried their children, now suddenly present themselves as the final judges of Ethiopian democracy.

For many Ethiopians like me, especially those of us who have carried our identity from Africa to Israel and America, that selective outrage feels less like journalism and more like a familiar form of paternalism. I write not only as an Ethiopian-born Israeli-American, but as a member of the ancient Ethiopian Jewish community, one of the oldest Jewish communities in the world. I have lived under different political systems, worked in public service in Ethiopia, Israel, and the United States, and devoted my professional life to conflict resolution and moral diplomacy.

I understand the language of Western democracy, but I also understand the history, culture, and political realities of Africa. That is precisely why I believe much of the Western coverage of Ethiopia today misses the story entirely.

The dominant narrative promoted by major international media outlets from *The New York Times* to CNN, from the BBC to Sky News, often reduces Ethiopia to a simplistic headline: a troubled country with a flawed election led by a controversial government.

No serious observer would argue that Ethiopia's elections are perfect. They are not. The country continues to struggle with ethnic tensions, political polarization, violence against civilians, and painful historical divisions that stretch back decades.

Many Ethiopians, myself included, believe there is still much work to be done to strengthen democratic institutions and protect every community. Modern Ethiopia did not emerge from a period of peace and political stability. It emerged from decades of dictatorship, armed struggle, and devastating civil conflict.

upon ordinary people. Entire communities were torn apart. Families lost sons and daughters. Infrastructure was destroyed. Ethnic distrust became deeply embedded in the national psyche.

Yet many of the voices now condemning Ethiopia's democratic process were remarkably quiet during those years. Across Africa, numerous governments remained in power for decades without meaningful electoral competition. International concern often arrived late, if at all. Ethiopia's neighbors themselves illustrate the complexity of the region. Eritrea, born from the victory of the EPLF, remains under a one-party political system with little space for competitive democratic politics.

Somalia has spent decades struggling with state collapse, internal warfare, and the threat of terrorism, preventing the emergence of stable national institutions. Djibouti has been governed by the same political establishment for many years, with limited political turnover.

As a Black African Jew, I cannot help but ask: Why are African democracies so often denied the historical patience that Western democracies granted themselves? No modern democracy was born perfect. The United States fought a civil war and struggled for generations before extending equal rights to all its citizens.

European democracies evolved through conflict, social upheaval, and political compromise. Why should Ethiopia be expected to overcome centuries of political and ethnic complexity in a single generation?

Prime Minister Abiy Ahmed inherited one of the most complicated political landscapes in Africa. His administration assumed responsibility for a country fractured by historical grievances, ethnic competition, and institutional weakness.

Reasonable people can disagree with his policies. They can criticize government decisions or demand reforms. That is the essence of democratic discourse.

Across Ethiopia, major infrastructure projects have transformed cities and improved transportation networks. New investments have sought to modernize public spaces and stimulate economic growth. The government has attempted to hold together a nation of immense diversity under extraordinary pressure.

At the same time, the suffering of Ethiopian Orthodox Christians, the Amhara community, and other civilians affected by violence must never be ignored. The loss of innocent life is a human tragedy that transcends politics. The international commu-

nity should pay attention to these realities. But attention should lead to solutions, not simply accusations.

International media should report on Ethiopia with greater historical depth and cultural understanding. They should recognize that elections are not isolated events but part of a long and difficult process of nation-building.

Western governments and international organizations should move beyond criticism and become genuine partners in strengthening democratic institutions, supporting civil society, promoting reconciliation, and protecting vulnerable populations. They should work with Ethiopia's existing public institutions and political leadership to encourage peace, equality, and stability rather than simply issuing condemnations from afar.

If the world is genuinely concerned about the safety of Ethiopian Orthodox Christians, the Amhara people, and other communities suffering from violence, then it should invest diplomatic energy and humanitarian resources into protecting lives rather than merely pursuing headlines.

Democracy is not an event that occurs on election day. Democracy is a continuous process of correcting mistakes while preserving hope.

AS SOMEONE who has carried the identity of being Ethiopian, Jewish, Israeli, and American, I have learned that nations are not strengthened by outsiders who define them only by their failures.

Ethiopia today faces enormous challenges. No honest observer should deny that. But neither should the world deny the resilience of its people or the determination of its leaders and citizens to build a more stable and prosperous future.

The West should stop asking whether Ethiopia has achieved democratic perfection and start asking a more useful question: How can the international community help one of Africa's oldest civilizations complete the difficult work of reconciliation, reform, and renewal?

Because history shows that democracies are not built by condemnation alone; they are built by truth, patience, partnership, and the courage to believe that imperfect nations can still move forward.

The author is a former NYC Supreme Court detective, an investigator and educator in conflict resolution and restorative peace, and a moral diplomacy expert. His upcoming book, *Moral Diplomacy for a Broken World*, is inspired by Rabbi Jonathan Sacks.

A clash of calendars

• By BOAZ GOLANY

Why have so many peace initiatives in the Middle East failed?

The conventional explanations focus on borders, settlements, refugees, religion, or security arrangements. All are important. Yet they may overlook a deeper factor: Israelis and many of their adversaries often operate on radically different time horizons.

Abraham Maslow's hierarchy of needs places security immediately above basic physiological survival. Most people seek safety before pursuing higher aspirations such as esteem, recognition, and self-actualization.

Modern Israeli society largely reflects this logic. Israelis want security now. They want to know that their children can ride buses safely, attend school without fear, and build prosperous lives free from the threat of war.

This desire helps explain the impatience that periodically surfaces within Israel. Many Israelis, particularly on the Left, have grown weary of a conflict that has persisted for generations. Their enduring slogan - "Peace Now" - captures the belief that bold political initiatives can break the cycle of violence and finally deliver the security that has remained elusive since 1948.

Yet many of Israel's adversaries appear to view the conflict through a very different lens. Among Palestinians and elsewhere in the Arab world, a powerful historical narrative persists: that modern Israel resembles the Crusader kingdoms established in the Holy Land nearly a millennium ago. Those kingdoms endured for roughly two centuries before ultimately disappearing. In this narrative, Israel's 78 years of existence represent not the culmination of history but merely an early chapter in a much longer story.

Whether this analogy is historically valid is almost beside the point. What matters is that many people appear to believe it.

If one assumes that Israel's existence is temporary and that time is working in one's favor, then a willingness to endure hardship becomes easier to understand. Economic deprivation, political instability, sanctions, military losses, and even generations of suffering can be viewed not as failures but as investments in a distant objective. A strategy measured in decades - or centuries - produces very different calculations than one measured in election cycles.

This difference in time horizons may also help explain the recurring frustrations that characterize negotiations between Western dealmakers and revolutionary movements.

Real-estate developers and business negotiators such as US President Donald Trump and Steve Witkoff are trained to close transactions. Success is measured by reaching an agreement, announcing it publicly, and moving on to the next deal. Their instinct is to assume

that every party wants a deal and wants it soon. Electoral calendars, media cycles, and public expectations reinforce this mindset, creating constant pressure to produce visible results.

But organizations such as Hamas and Iran's Islamic Revolutionary Guard Corps often operate according to entirely different incentives. Their leaders are not constrained by competitive elections, quarterly economic results, or the need to demonstrate immediate success to voters. More importantly, they may not define success primarily in terms of security or prosperity.

Within revolutionary or ideological movements, the upper levels of Maslow's hierarchy - collective dignity, historical justice, religious purpose, national identity, honor, and recognition - can become as important as material well-being and sometimes even more important. If these objectives are viewed as existential, decades of economic hardship, diplomatic isolation, or military setbacks may be regarded as acceptable costs in pursuit of a larger historical mission.

The result is a profound asymmetry at the negotiating table. One side arrives seeking an agreement before the next election. The other arrives believing that history itself is on its side. One side asks, "How do we end this conflict?" The other asks, "Why should we settle today for what time may deliver tomorrow?"

This perspective may help explain behavior that often appears irrational to Western observers. Why would military groups continue fighting despite overwhelming military disadvantages? Why would populations tolerate economic conditions that seem unbearable? Why do economic incentives, territorial concessions, or diplomatic initiatives so often fail to produce lasting compromises?

The answer may be that many negotiators are addressing the wrong level of Maslow's pyramid. They assume that security and prosperity are universally dominant priorities. But if the other party is prepared to wait five generations for what it views as ultimate victory, then the negotiating table becomes a meeting place between fundamentally different clocks.

None of this implies that peace is impossible. It does suggest that successful diplomacy requires understanding not only what each side wants but also when each side expects to achieve it.

The Middle East conflict is often described as a clash of nations, religions, and narratives. It may also be a clash of calendars. One side seeks security now. The other may be willing to wait a century. Any realistic strategy for peace must begin by recognizing this difference.

The writer is an emeritus professor at the Technion-Israel Institute of Technology where he has served in various leadership positions. He also serves as a member of the board and as a strategic consultant to some companies and organizations.

COMMENT

Editorials

Benefits of cooperation with mainland tear apart DPP authorities' information cocoon

The opening of the 18th Straits Forum in Xiamen, Fujian province, on Saturday speaks volumes about how people on both sides of the Taiwan Strait aspire to boost their interaction for shared development.

The forum is the largest cross-strait grassroots exchange event, and has attracted about 140,000 Taiwan compatriots among the around 370,000 participants since its launch in 2009. This year's forum consists of 58 activities covering a wide range of topics, including grassroots governance, new media, finance, technology and fishery cooperation.

These activities will serve to deepen economic and cultural ties across the Strait, something the secessionist-minded Democratic Progressive Party authorities of Taiwan constantly try to undermine.

In his speech at the forum, China's top political advisor Wang Huning called for measures to facilitate cross-strait exchanges and cooperation, enhance the business environment, strengthen industrial cooperation and expand the benefits and sense of gain for Taiwan compatriots and Taiwan-funded enterprises.

He welcomed Taiwan compatriots and companies to cooperate with their counterparts on the mainland, and called for people on both sides of the Strait to resolutely oppose "Taiwan independence" and the interference of external forces.

The central authorities have placed great importance on efforts to enhance cross-strait economic and people-to-people exchanges so that Taiwan companies and compatriots can enjoy greater benefits from the Chinese mainland's pursuit of high-quality development during the 15th Five-Year Plan (2026-30) period and beyond.

In 2025, Taiwan residents made more than 1 million passenger trips to the mainland through ports in Fujian, almost doubling the number in 2023. More and more Taiwan residents are seeing for themselves the vitality of the mainland, the immense business and career opportunities it promises them, as well as the same culture shared by people on both sides of the Strait.

This year's forum has yielded concrete progress in implementing the 10 cross-strait exchange and

cooperation measures the mainland introduced in April. On Saturday in Xiamen, companies from the mainland signed agreements with companies and trade associations from Taiwan to purchase agricultural and fishery products.

This highlights how pragmatic cooperation can benefit people on both sides of the Strait. Yet, earlier this month, the DPP authorities tightened restrictions against the Straits Forum by prohibiting local officials on the island from taking part in the forum.

Apart from restricting in-person cross-strait exchanges, the Lai Ching-te authorities have also sought to limit Taiwan residents' access to social media platforms operated by mainland companies, trying to create an information cocoon that shields them from a fuller understanding of the mainland's contemporary development and everyday realities.

The Lai authorities have also attempted to blindfold the island's remaining so-called "diplomatic partners". Yet the steadily shrinking number of those "partners" underscores the limits of such attempts. Reports say that senior officials in Eswatini — the only African country maintaining "diplomatic relations" with the Taiwan authorities — have advocated establishing diplomatic ties with Beijing. This is undoubtedly a setback for Lai, who sneaked in and out of Eswatini not long ago in an effort to shore up the "diplomatic ties" and subsequently hailed the trip as a "diplomatic success".

The more Lai attempts to blindfold Taiwan residents and the island's remaining "diplomatic partners" to the mainland's development achievements, the more he exposes the weakness of his narrative. Once people see the mainland's progress with their own eyes, political manipulation and misinformation inevitably lose credibility, leaving those who promote them increasingly isolated and out of step with reality.

The mainland's high-quality development provides a solid foundation for win-win cooperation across the Strait. Reality bites for separatists who obstinately stick to "Taiwan independence", but it spells greater and more concrete benefits for Taiwan residents who aspire for a better life.

Pentagon abuses power for suppression

The Pentagon's decision to add multiple Chinese companies — including e-commerce giant Alibaba, search engine Baidu and electric vehicle manufacturer BYD — to its updated Section 1260H list of alleged "Chinese military companies" is a groundless suppression of Chinese enterprises that severely harms their legitimate rights and interests.

The misleading designation mainly restricts Pentagon procurement and serves as a warning signal to investors and government agencies. The US administration is using the list to target China's technology companies by means of weaponized trade restrictions.

As a spokesperson for China's Ministry of Commerce said on Saturday in a statement on the US Department of Defense's decision, the US side has ignored the consensus reached during the meeting between the heads of state of the two countries in Beijing, disregarded the overall interests of bilateral economic and trade relations, continuously generalized the concept of "national security" and abused state power to unjustifiably suppress Chinese enterprises.

The Pentagon's list now extends far beyond enterprises traditionally associated with weapons production and increasingly encompasses sectors that sit at the center of the global digital economy and high-tech innovation.

In the eyes of the US administration, technologies once regarded as commercial — semiconductors, artificial intelligence, cloud computing, batteries, robotics and advanced manufacturing — have become strategic assets with military implications. The distinction between civilian and military technology is fading. This shines a light on the US administration's reliance on sanctions as a sop for the US' growing anxiety about the loss of its competitiveness in advanced technology.

The US administration's increasingly expansive use of "security" instruments targeting Chinese companies suggests a superpower grappling with the uncomfortable reality that the US' technological leadership can no longer be taken for granted. So the Pentagon's latest action can be interpreted as part of a broader strategy aimed at "decoupling" from China's supply chains and weakening its high-tech competitiveness.

In practice, the US move is forcing the formation of parallel technological systems. In doing

so, it is seriously disrupting the international economic and trade order, undermining the stability of global industry and supply chains, and dramatically increasing the operating costs of the world economy and global trade.

The outcomes achieved by China and the US under mechanisms such as bilateral economic and trade consultations should also be understood and assessed within this broader context of the cumulative effect of the US administration's export controls, investment restrictions, entity listings and military-company designation.

The danger is that the US side is forcing China-US economic relations to become trapped in a self-reinforcing cycle. Washington always sees "security threats" and imposes restrictions. That leaves Beijing no choice but to take corresponding countermeasures.

China urges the US side to stop its wrong practices, revoke the relevant measures, return to the right track of building a constructive China-US relationship of strategic stability, and provide fair, just and nondiscriminatory treatment to Chinese companies, said the spokesperson for the Ministry of Commerce of China. Otherwise, China will take resolute and strong countermeasures, and all consequences and responsibilities arising therefrom shall be borne by the US side, the spokesperson added.

Neither the trend of economic globalization nor the laws of the market will allow the US to use political force to impose parallel technological systems on the world without causing significant harm — both globally and to itself. The global economy remains deeply intertwined, and the technologies of the future depend on complex international supply chains that stretch from Silicon Valley to Shenzhen.

If the US president's first visit to China in nine years last month was intended to stabilize relations, the Pentagon's latest move does the opposite. While the Chinese side has made clear its willingness to steady bilateral ties through cooperation and exchanges, the US side seems intent on demonstrating its readiness to further embed what it sees as Sino-US strategic competition in commerce, technology and finance.

And once "national security" becomes the organizing principle of economic policy, every company risks being used as a soldier. The Pentagon's latest blacklist suggests that such a future might already have arrived.

Cai Meng



Opinion Line

Focus of all parties should be durable peace in Middle East

United States President Donald Trump said on Saturday that a peace deal with Iran was scheduled to be signed on Sunday and that the Strait of Hormuz will reopen immediately afterward. But Iran has cast doubt on the timetable, which underscores the fragility of the situation and the deep mistrust that continues to define regional politics.

At a time when conflicts in Gaza, Lebanon and other parts of the Middle East continue to simmer, any diplomatic breakthrough deserves encouragement.

Yet experience has repeatedly shown that temporary arrangements are rarely sufficient to build toward a comprehensive political settlement that addresses the root causes of instability.

Years of military confrontation, sanctions pressure and unilateral actions have produced cycles of retaliation. The international community should seize every opportunity to promote dialogue and negotiation while preventing the region from sliding further into confrontation.

In April, China put forward a four-point proposal to promote peace and stability in the Middle East. The plan emphasizes the principle of peaceful coexistence and calls for promoting the development of a common, comprehensive, cooperative and sustainable security architecture for the Middle East and the Gulf region.

It has also urged adherence to the principle of national sovereignty. The

sovereignty, security and territorial integrity of countries in the Middle East should be fully respected, and the safety of personnel, facilities and institutions of all countries should be effectively safeguarded. The proposal insists that the international rule of law should be upheld to prevent the world from falling back into the law of the jungle.

Moreover, development and security should be coordinated. All parties should work together to create a favorable environment for the development of countries in the Middle East.

These principles are particularly relevant today. The humanitarian situation in Gaza continues to deteriorate, while tensions along the Israel-Lebanon border remain elevated. Reports over the weekend that Israel may further expand military operations in southern Lebanon have heightened concerns that the conflict could spill over into a broader regional confrontation. Such developments would serve no one's interests and could lead to new humanitarian disasters.

The US bears a special responsibility in preventing further escalation. Rather than allowing military operations to expand in Gaza and Lebanon, Washington should take concrete steps to encourage restraint, promote ceasefires and support diplomatic solutions. Continued instability will only deepen regional divisions and increase security risks for all parties.

Lasting peace in the Middle East cannot be achieved without addressing the Palestinian question, which remains central to the regional turmoil. The repeated outbreaks of violence in recent decades have demonstrated that crisis management alone won't help. The international community must recommit to the two-state solution, support the establishment of an independent Palestinian state, and advance a just, lasting and comprehensive settlement of the Palestinian question.

Only through such efforts can the region break free from the cycle of conflict and retaliation. The global implications of continued Middle East instability should not be underestimated. International attention to disruptions around the Strait of Hormuz may have waned as markets adapt to recurring tensions, but the world's growing familiarity with such risks should not be mistaken for immunity.

In an era of fragile global growth, prolonged instability in the Middle East threatens energy security, supply-chain resilience and broader economic recovery efforts worldwide.

Whether a deal is signed between the US and Iran or not, genuine peace requires more than a signature on a piece of paper. It requires a commitment to dialogue over confrontation, development over destruction, and justice over perpetual conflict.

— LIYANG, CHINA DAILY

What They Say

Education needs to foster talent, nurture potential

Editor's note: The State Council, China's Cabinet, approved the 15th Five-Year Plan (2026-30) for the development of education on Thursday. Chengdu.cn spoke to Chu Zhaohui, a researcher at the China National Academy of Educational Sciences, on the educational challenges and opportunities China faces. Below are excerpts of the interview. The views don't necessarily represent those of China Daily.

In recent years, there has been a decline in the number of age-eligible children enrolling in kindergartens. This trend is likely to show up in primary, secondary and high schools and even universities in the years ahead.

At the same time, school-age children from rural areas are increasingly moving to towns and cities, a shift that is expected to become even more pronounced.

These developments reflect the changing demographics of the school-age population and underscore the need for a strategic reallocation of educational resources. The central government has responded with an education development plan that stresses better coordination and distribution of resources.

The uneven distribution of educational resources is a major challenge. High-quality resources in a region are usually concentrated in a few prestigious urban schools. In the hope that their children receive a better education, many parents choose to top schools even if they are located far away.

As a result, there is overcrowding

in some highly sought-after schools while other institutions struggle to fill their enrollment quotas. With the ongoing demographic changes among the school-age population, this imbalance could become even more pronounced in the coming years.

Overcrowded schools put pressure on teachers, making it difficult for them to address the needs of individual students, while under-enrolled schools risk underutilizing their resources. From this perspective, the allocation of educational resources needs to be more balanced among schools, between urban and rural areas, and between general and vocational education.

The plan also calls for greater stress on quality education to promote the healthy growth and all-round development of students.

Till now, parents and teachers have focused primarily on academic scores when evaluating students. But character, practical skills and creativity are equally important in assessing a student's value.

With the rapid advancement of artificial intelligence, the most valua-

ble future skill will not be the ability to provide repeatable answers, but the capacity to be original and distinctively creative. This requires a shift from traditional educational concepts toward approaches that nurture each child's creative potential during the critical stages of development.

The plan also stresses the importance of supporting students' healthy growth. Health should also encompass mental well-being, social adaptability and moral development.

The incidence of childhood obesity and myopia has risen in recent years, while mental health problems among students have become increasingly common.

Therefore, fostering students' natural talents and individual potential should become the central goal of education.

Schools should help students discover their interests and establish evaluation systems that recognize diverse achievements. By allowing students to pursue what genuinely inspires them, education can encourage them to explore, innovate and create.

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VIEWS

Andrey Kortunov

A cooperative path to shared protection

When a diverse group of nations such as the 10 members of the Shanghai Cooperation Organization gets together, it's difficult to reach a consensus on sensitive issues like international security.

This challenge was formidable even 25 years ago when the group was much smaller and much more homogeneous. While all agreed on combating the three evils — terrorism, separatism and extremism — each nation had different notions of each of the evils. Today, with an expanded membership, achieving consensus is even more challenging and almost impossible.

Yet, the SCO has consistently demonstrated a remarkable ability to overcome these challenges, enhancing multilateral cooperation across security domains.

The Regional Anti-Terrorist Structure stands as a testament to the SCO's achievements. Since its inception in 2002, it has played an important role in helping SCO member states foil terrorist attacks and combat extremism.

While this success often overshadows other achievements, the SCO's accomplishments in "soft security" also deserve equal attention.

Consider the SCO's fight against illicit drug trafficking. Recent statistics are quite impressive: in 2025 alone, the collaborative anti-drug operation "The Web" helped intercept 10 metric tons of narcotics and 21 tons of precursors.

This cooperation led to the shutdown of numerous online drug trade platforms and poses a serious challenge to transnational criminal groups involved in the production and sale of drugs.

Another priority on the "soft security" agenda is combating illegal cross-border migration.

Though each SCO member state has unique migration management policies, their cooperation has yielded practical results, particularly in apprehending criminals trying to escape justice by fleeing abroad. Though specific figures have not been released, these efforts lead to thousands of arrests every year. A growing dimension of the SCO's "soft security" cooperation is the fight against cybercrime. With critical infrastructure and national financial systems more vulnerable to malicious interference than ever before, the SCO's partnership with Interpol on cybersecurity was a very timely step.

Joint training programs for experts and public officials, launched in Tashkent in 2023, are rapidly expanding now and hold tremendous potential for growth.

To be sure, these three "soft security" challenges are not unique to SCO member states but are universal problems that affect all nations and regions of the world. No country can credibly claim to have found an "ultimate" solution to any of them.

For example, the European Union has been fighting against cross-border drug

trafficking, illegal migration and cybercrime for a very long time, and the outcomes have been mixed at best.

It would be unfair to suggest that all EU efforts have failed, but the reality is that all three "soft security" challenges remain high on the European agenda. The use of many drugs — from traditional cocaine to the most novel synthetic cathinones — is on the rise.

When a major conflict occurs or a state collapses in the Middle East or Africa, a flood of refugees is forced to migrate to Europe, similar to the migration crisis of 2015. EU countries lose hundreds of billions of euros every year to cybercrime, including ransomware, phishing, identity theft and hacktivism. The preferred



targets are digital infrastructure and services, manufacturing, transport and public administration that demonstrate persistent vulnerabilities to transnational cyber-criminal groups operating from both within the EU and outside.

Given these shared challenges, it would be only natural for the SCO and the EU to collaborate on this critical agenda. This is particularly necessary because the problems that Europe faces from these challenges cannot be separated from the rest of Eurasia.

Problems arising anywhere between Lisbon and Singapore will inevitably ripple across the region.

Of course, under the current deplorable geopolitical circumstances, leaders of the SCO and the EU member states will need a lot of political will, strategic vision and personal courage to begin this interaction. It makes sense to start

with relatively simple things such as information sharing, best practices exchange and informal meetings of experts.

While the SCO can learn a lot from the EU experience, Europe also stands to benefit from exploring the Eurasian practices. When sufficient trust has been built between the SCO and the EU, they can consider parallel or even joint projects in areas that are not controversial or politically sensitive.

Such a collaboration is not a favor granted by the EU or vice versa. It is a natural step in restoring global cooperation. The sooner this step is taken, the better it will be for both sides, and for the rest of the world.

The author is a former director-general and academic director of the Russian International Affairs Council.

The views don't necessarily reflect those of China Daily.



JIN DING / CHINA DAILY

Dmitri TRENIN

SCO at 25: Building a continent-wide security space

As the Shanghai Cooperation Organization marks its 25th anniversary, it is worth recalling its achievements in terms of building trust, enhancing security and promoting prosperity.

The challenge before the SCO as it enters its second quarter-century is clear — building on those achievements and creating a mutual security space in Eurasia which could become a major pillar of the emerging multipolar world order.

This is only natural given the SCO's own history. Its founding was preceded by five years of negotiations among China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan on border issues and military security.

However, the process turned out to be so successful that, upon the completion of immediate tasks, what was initially the Shanghai Five became the Shanghai Cooperation Organization.

The new organization was given a new set of tasks. Its security mission expanded to include combating the "three evils" of separatism, radicalism and terrorism.

These destructive forces threatened both Russia and China, but particularly the new states in Central Asia.

As a means of bolstering socio-political stability in the region, the SCO facilitated economic cooperation among the five countries. Success brings recognition and attracts others.

Expectedly, the SCO's membership

doubled. Uzbekistan, India, Pakistan, Iran and Belarus joined the organization as full members.

Other countries, from Afghanistan to Mongolia to Turkey, participated as partners or observers.

Some outside observers have compared the SCO to NATO, but this is wholly misplaced.

The SCO is not a military bloc; it is based on the sovereign equality of its members and abhors hegemony: it doesn't have a boss like the United States in NATO or in the G7 group, and it displays the diversity of the world's civilizations, unlike the uniform Western alliance.

These features make the SCO a perfect candidate for creating one of the pillars of the emerging multipolar world order: a security space spanning much of the world's biggest landmass, Eurasia.

A security space is best described as a community within which interstate war has been abolished as an instrument of statecraft.

Countries are free to cooperate and compete, but they do not resort to violence when they disagree.

They do not seek to dominate one another either militarily or ideologically; they essentially mind their own business, and practice sovereign status

equality — even though the world is not made up of material or spiritual equals. Key to a security space is the indivisibility of security: no state would seek to enhance its own security at the expense of others.

In theory, a Eurasian security space could extend to the entire Eurasian landmass, as proposed a couple of years ago by Russian President Vladimir Putin.

It no longer makes sense to separate "European security" from the security of East, Central, South and West Asia; no one region, and no one country should be excluded.

Yet, the process naturally passes through stages. The SCO is a good example of that.

At its core lies the Russo-Chinese rapprochement, ushering in an era of strategic partnership and coordination.

Since then, thanks to the efforts of several generations of Chinese and Russian leaders, the governing elites and broader sections of both societies, a model relationship between two major countries has come into being.

This is still the backbone of the Eurasian security space.

The formation of the SCO added a vibrant Central Asian element to the picture.

SCO's expansion to include countries from South Asia has presented a number of challenges that are still relevant. In 2025, India and Pakistan even fought a brief war.

However, New Delhi and Islamabad's participation in SCO summits and related activities help manage tensions between the two nuclear powers. Of particular importance is the relationship between China and India.

At the very least, SCO events provide an opportunity for the leaders and senior officials of the two countries to meet and discuss problems, preventing conflicts.

With the more recent addition of Iran and Belarus, the SCO has reached two important regions: West Asia and Eastern Europe.

The two countries are essential — alongside East and Southeast Asia — for the security space embodied by the SCO to become continent-wide.

Whether the Shanghai Cooperation Organization will be able to complete this ambitious new mission in its second quarter-century is a moot question.

However, by providing a forum to meet, setting principles for a security community — there's already talk of a Eurasian security charter — and actually practicing them, the SCO is a strong pillar of a security architecture already serving some three and a half billion people.

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Gulyamov Said Saidakhravovich

Paving the way for global cyber governance

When the Shanghai Cooperation Organization turns 25 on Monday, the world will see the familiar images: joint military exercises, coordinated border patrols, and the ongoing campaign against terrorism, separatism and extremism. While these images are true, they also hide the most remarkable thing this organization has quietly built.

The scale of the SCO is impressive. It has 10 member states, representing nearly half of humanity and a quarter of the world economy.

The organization's work is tangible: in 2023 alone, joint operations dismantled 95 terrorist cells and prevented 181 planned attacks.

But one of the SCO's most profound contributions is less noticed. The SCO established the first legal regime for cyberspace in 2009, years before most governments had any cybersecurity law. Cooperation plans were signed in Dushanbe in 2021 and renewed in Astana in 2024.

In September 2025, China hosted the largest SCO summit in Tianjin under the banner of upholding the Shanghai Spirit.

There, President Xi Jinping unveiled the Global Governance Initiative, calling for a fairer world where all nations have an equal voice. And President Shavkat Mirziyoyev of Uzbekistan reminded fellow leaders of the Confucian wisdom: "Help others to stand, and you will stand yourself."

The Tianjin summit marked the pinnacle of rulemaking, with leaders signing an agreement to establish the Universal Center for Countering Security Threats and Challenges, and to protect critical information infrastructure. They also called for efforts toward the signing of the UN Convention against Cybercrime.

These efforts are reminiscent of the Silk Road, where caravans managed to cross continents not because there were roads but because there were rules and trusted guides.

Every caravan was led by people who knew the customs, the merchants' courts and the codes of trust at every stop. Roads carried goods. People who knew the rules carried confidence.

For a quarter of a century, the SCO has been writing the rules of a digital Silk Road. As a legal scholar from Uzbekistan — a founding member whose capital, Tashkent, hosts the organization's Regional Anti-Terrorist Structure — I have observed this evolution up close.

Today, the story has opened its newest chapter: cybersecurity through the prism of artificial intelligence. AI is both a sword and a shield, with software now creating phishing schemes, amplifying propaganda and designing synthetic drugs. Yet, AI also guards power grids and banks, monitors network traffic and detects forgeries.

This is where the SCO's approach to regulation is truly distinctive. While other organizations focus on rules that tell machines what they may do, the SCO emphasizes education.

It cultivates individuals who do not simply comply with artificial intelligence but govern it — the judge who can question an algorithm, the officer who can identify a deepfake, the teacher who trains both. Regulation that restricts produces obedience; regulation that educates produces mastery.

There can be various expressions of this philosophy. Uzbekistan has integrated AI and cybersecurity into its legal system — from the Constitution to a pioneering code of ethics for AI in education that prepares teachers and students to command the tools before the tools command them.

Kazakhstan adopted a framework law on AI in 2025. China meticulously regulates recommendation algorithms and generative AI, requiring all AI-generated content to be labeled since September 2025 to ensure transparency for citizens.

The approaches are different, but the objective is common: put capable humans at the center of the machine age.

The SCO's collective efforts are also advancing. The Tianjin Declaration affirms every country's right to develop AI and endorses a cooperation road map.

The Universal Center for Countering Security Threats and Challenges and the security dialogue planned in Tashkent will serve as platforms for experts to exchange knowledge and learn from each other.

It is a quiet form of leadership: while others still debate AI's implications, the SCO is already preparing the individuals who will navigate this new era.

Some might say that the SCO moves slowly. True, but so did the caravans on the Silk Road.

Yet their slow progress connected half the world because they followed certain regulations during the journey.

The first 25 years of the SCO laid the digital foundation and its guiding principles. The next 25 years will be shaped by people who are trained to govern technology.

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The views don't necessarily reflect those of China Daily.



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