



## Data hygiene

Census enumerators should not face difficulties in the name of re-verification

It is disturbing that some Census 2027 enumerators in States such as Rajasthan and Uttar Pradesh are facing issues for extremely unusual reasons. In these two States where the first phase of the Census – Houselisting and Housing Census (HLO) – is under way, they have been advised to “revisit households and correct the data discrepancies” and “not to select options that may show the government in a poor light”. Re-verification is a legitimate part of any study or survey but this must be done to reflect reality accurately, not to manage perceptions. In Rajasthan, the issue arises from a circular of the Director of Census Operations to district-level officials regarding discrepancies identified in field data. Apparently, the objective is to ensure that data are accurately recorded, using appropriate options in the questionnaire. However, in some cases, enumerators have been told to record data based on assumptions. For example, if some households do not have toilets, enumerators have been told to check whether toilets are available nearby, on the basis of which the entry can be changed from “open defecation” to “[having] access to latrine”. In Uttar Pradesh, the message seems to be not to present facts as they are, raising concerns about data integrity and reliability for a crucial and sensitive exercise.

The present episode brings to the fore the efficacy of programmes such as the country’s long-running campaign against open defecation. While many States have made tangible progress, it would be unrealistic to conclude that the problem has been eliminated. For administrative purposes, including funding, it is reasonable to classify cities and villages on the basis of certain parameters as Open Defecation Free (ODF), ODF Plus and ODF Plus Model. But, the critical question is whether such a classification reflects reality and comes into conflict with the enumerators’ work. It is the responsibility of policymakers to ensure that Census data are accurate and credible. They must also sensitise people to provide correct information, as public policies and welfare schemes are formulated on the basis of these data and ultimately benefit them. The authorities must recognise and resolve the legitimate difficulties faced by enumerators. As the significance of the Census hardly needs any reiteration, the Union government should be quite liberal in enhancing allowances for enumerators to ensure efficient and timely work. It should not only be conscious of the financial outlay involved – about ₹11,718 crore for the entire country – but also of the need to make reliable data publicly available for purposes such as targeted and inclusive policymaking. The government should send a clear message that data sanitisation must not be undertaken under the guise of re-verification.

## Fire and furore

Poor compliance and weak enforcement have led to deaths in fires

Indian cities rely on an economic ecosystem in which businesses often operate beyond the approved limits while enforcement remains sporadic. A fire *per se* is not odd, but a slew of deadly fires in urban areas, from the Uphaar Cinema fire in 1997 to the Arpora nightclub fire in 2025, has involved the same vulnerabilities: overcrowding, blocked escape routes, unapproved modifications to interior spaces, poor compliance, and weak enforcement. Prior inquiries, court rulings, and promises of reform have not prevented similar safety failures from recurring. Many of the victims of the B&B fire in Delhi on June 3 were medical tourists, lodged there due to the proximity to South Delhi’s hospitals. Many were also infirm and could not act quickly to escape heat or suffocation – a situation that likely prevailed in the ICU fire at a Muzaffarpur hospital on June 4, which claimed four lives, including two elderly individuals. According to the Delhi Fire Services and the Municipal Corporation, the B&B lacked a fire department clearance, violated fire safety norms, and had more than three as many rooms as allowed for B&Bs. These bodies are also answerable to how the facility operated in this way, especially since the Delhi High Court had directed the municipality in January to audit the city’s hospitality hubs. The building had been rebuilt in 2013 and reportedly exploited land-use exemptions to bypass municipal bylaws that required wider roads for fire tenders.

The tolerance of hazardous conditions with a high fire risk persists because cost-cutting entities, whether establishments or governments, overlook the value of safety measures when there is no fire, even if the measures prevented a fire. The state must inculcate fire safety using principled inspections, incentives, and sanctions, and sustain a culture in urban centres to practise it as a matter of course. Local authorities often blame owners for “clandestine” modifications; the Delhi police have charged the B&B’s owner with culpable homicide not amounting to murder. But the implication that long-standing negligence was the distal cause must extend to the absence of enforcement. The particular charge also results in consistently in convictions, undermining the penal system’s ability to deter such incidents. The misuse of provisions for B&Bs finally points to failures that the Tourism Department should investigate; the city’s decision to rescind them is not adequate as an answer. Political blame-games are a red herring: a deadly fire is a product of the incidental causes on that day and systemic factors that preserved the risk. In the same vein, the government’s response must encompass these factors or they may amount, once more, to little.

# A curated compilation of articles, on the Editorial and Opinion pages, to mark World Environment Day on June 5

## Funding India’s climate future, a trillion-dollar question

There is one figure that should command the attention of every policymaker, banker, and financial expert in India. India will require ₹162.5 trillion – roughly \$2.5 trillion – by 2030 to meet its Nationally Determined Contributions. Over the longer term, the cost of achieving net-zero emissions by 2070 is estimated at \$10.1 trillion, nearly three times India’s current GDP.

This is not a counsel of despair. India has more tools to bridge this gap than it has deployed so far. But doing so requires a clear financing strategy and the institutional resolve to build mechanisms that can mobilise capital at scale.

### The financing gap

Decarbonising just four sectors – steel, cement, power, and road transport, which together account for more than half of India’s carbon emissions – will require \$467 billion in additional capital expenditure between 2022 and 2030, roughly \$54 billion annually, or 1.3% of GDP. These are sectors where the private sector will not lead without strong regulatory incentives, because the economics of green steel and green cement simply do not yet work without policy support.

By 2030, developing economies are estimated to need \$5 trillion to \$6 trillion for climate action. The developed world promised \$100 billion annually at Paris – and missed it. The Baku New Collective Quantified Goal (NCQG) commits \$300 billion by 2035 – which India rightly considers insufficient. The Reserve Bank of India (RBI)’s own Report on Currency and Finance estimates that India needs an additional annual investment of at least 2.5% of GDP for green financing until 2030.

The international community will not fill this gap on India’s behalf. The honest answer is that India must mobilise most of it from within.

India is not starting from zero. By the end of 2024, India had issued \$55.9 billion in green, social, sustainability, and sustainability-linked debt – a 186% rise since 2021. Green debt leads, making up 83% of the total, with most funds directed to clean energy and transport. Sovereign green bonds worth ₹477 billion have helped set benchmarks and boost investor confidence. This is genuinely impressive.

The instruments exist. The challenge is deploying them at scale. India already has green bonds, sovereign green bonds, sustainability-linked bonds, blended finance structures, transition finance instruments and infrastructure investment trusts. What is missing is the connective tissue: a taxonomy, a guarantee architecture, a liquidity mechanism, and the regulatory incentives that make green finance cheaper than brown finance.

The most significant shift in India’s



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climate-finance landscape in 2025 did not occur at a climate conference but in Mint Street. In 2025, the RBI’s Climate Finance and Management of Climate Change Risks Directions for Commercial Banks and Small Finance Banks established a comprehensive framework requiring banks to integrate climate risks into their lending and risk-management practices. Importantly, eligible green activities can qualify as priority sector lending (PSL), while investments in sovereign green bonds are also recognised under the framework.

This is a bigger deal than it looks. PSL requirements are one of the most powerful levers that the RBI holds over bank behaviour. Currently, for every ₹10,000 crore in loans, banks must ensure ₹4,000 crore of PSL.

The RBI can and must go further. It has proposed accepting sovereign green bonds as collateral with more flexibility in margin requirements and adjusting reserve requirements to support credit flows to green sectors. The next frontier is differentiated capital requirements based on climate risk – essentially, making brown lending more capital-intensive and green lending less so.

The RBI’s Climate Risk Information System on climate-related financial risks for commercial banks, and its inclusion of sustainable finance in its regulatory sandbox, are steps in the right direction.

The next critical step is a comprehensive climate stress-testing framework for Indian banks – one that assesses the flood risk of a loan portfolio in Bihar as rigorously as it evaluates credit risk.

### The taxonomy unlocks everything else

Finance Minister Nirmala Sitharaman announced in the Union Budget 2024-25 that India would develop a climate-finance taxonomy. This is the foundation of the entire ecosystem. Without a clear legal definition of what counts as “green”, green bonds cannot be credibly verified, PSL classifications remain questionable, international investors cannot make compliance claims, and regulators cannot effectively curb greenwashing.

The Ministry of Finance’s Climate Finance Taxonomy and the Ministry of Steel’s Green Steel Taxonomy will facilitate standardised sustainable investments and boost investor confidence.

The international climate finance system has one instrument that India has chronically underused: blended finance – the strategic use of public or concessional funds to de-risk private investment. Financial instruments such as green bonds, climate funds, and blended finance models are important in mobilising capital for sustainability initiatives, and unlocking

investment at scale will help drive long-term resilience in India’s most climate-sensitive sectors.

Here is the arithmetic that makes blended finance so compelling. A first loss guarantee of \$100 million from a public source can unlock \$500 million to \$1 billion in private co-investment in solar, offshore wind, green hydrogen, or climate-resilient agriculture, because it absorbs the risk that private capital finds unacceptable. It needs a capitalisation injection and an expanded mandate to get there.



### Where the finance gap is most acute

One dimension of India’s climate finance challenge that receives almost no attention is its federally disaggregated nature. Climate adaptation – the kind of finance that protects coastal villages in Odisha, drought-proofing in Vidarbha, or spring rejuvenation in the Himalayas – is delivered at the State level. But States have neither the borrowing capacity nor the institutional infrastructure to access international climate finance. Tamil Nadu and Kerala have shown that ambitious State-level climate programming is possible. The financing architecture needs to catch up with the ambition.

There are four things that India must do now. First, finalise and enact the Climate Finance Taxonomy without further delay. It is the single most leveraged action available.

Second, the RBI must move from enabling green finance to mandating it – through differentiated capital requirements, mandatory climate stress testing for banks, and expanded PSL targets that include climate adaptation alongside mitigation.

Third, establish a State Climate Finance Facility, capitalised for example, by the Union, National Bank for Agriculture and Rural Development (NABARD), and international sources, to give States and municipalities genuine access to green debt markets.

Fourth, scale sovereign green bond issuances rapidly and embed them in the SLR framework to deepen the domestic market and attract foreign capital.

India’s climate-finance challenge is large and urgent, but not insurmountable. The instruments exist, the regulatory framework is taking shape, and capital is available. What is missing is not money, but the institutional capacity to deploy it at scale. Fixing that is the work of the Budget cycles. The country that solves this challenge fastest will shape the future of climate finance in the developing world.

The views expressed are personal

# A national environmental survey whose time came

Anthropologist Anna Tsing writes, “Anthropocene, <is> the epoch in which human disturbance outranks other geological forces...although some interpreters see the name as implying the triumph of humans, the opposite seems more accurate: without planning or intention, humans have made a mess of our planet.” It is in this precise predicament that India finds itself: environmental damage has slipped beyond intention and control, belonging to no one entirely and to everyone at once.

### An unfolding crisis

A survey by the Yale School of the Environment of 10,751 Indians (December 2024-February 2025) found that most respondents had experienced at least one extreme event, including heat waves (71%), agricultural pests and diseases (60%), power outages (59%), water pollution (53%), droughts and water shortages (52%), and air pollution (52%). Based on Indian meteorological department and State of India’s Environment findings, nearly half of the 37% of 870 river-monitoring stations recorded alarming levels of toxic heavy metals. Air pollution in 2022 reduced average life expectancy by about three years, while some parts of the country experienced extreme weather for nearly 88% of the year. The Desertification and Land Degradation Atlas of India estimates that 29.7% of the country’s land is degraded. Yet, despite this mounting environmental crisis, India still lacks a comprehensive understanding of the state of its environment.

In India, the environment sits on the back bench – starved of funds, with only 0.07% of the annual budget allocated to the Ministry of Environment, Forest and Climate Change (MoEFCC), understaffed, and intellectually neglected. Its custodians often work in silos with overlapping jurisdictions. The result is ignorance masquerading as knowledge. The MoEFCC’s annual reports outline forest-restoration



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A credible environmental survey is essential for informed policymaking

initiatives such as the National Afforestation Programme (NAP) and REDD+ (reducing emissions from deforestation and forest degradation in developing countries ‘+’ additional forest-related activities that protect the climate), yet say little about the scale of State-wide deforestation, its impact on biodiversity and livelihoods, or the country’s preparedness for future environmental challenges. Beyond these omissions, the reports often obscure the nuances behind impressive plantation figures, sidestep scrutiny of fund utilisation and environmental compliance, and overlook findings from global assessments.

### The case for EnvSI

Much of this information is already measured by governments, think tanks, educational institutions and private actors, but it remains fragmented. What is missing is not data, but a system that brings it together. The remedy is to have an Annual Environmental Survey of India (EnvSI): a unified platform that aggregates evidence, conducts independent audits, issues actionable assessments and grades performance. EnvSI must provide an unsparing account of environmental reality – however uncomfortable. The objective is not merely to document what has been lost, but to identify what can still be protected.

Drafting an EnvSI would require a clear statutory mandate, functional autonomy and protected tenure for an expert-led body. It should integrate data from government agencies, independent researchers, the private sector and field-based evidence. Its methodology must combine quantitative indicators with livelihood assessments, using cross-verified datasets and rigorous analysis. Some may question the cost.

The answer is simple: the cost of not doing it is far greater, and doing it would bring some reason to the redundancy of surveying efforts. An EnvSI

could deliver four key benefits. First, it would help prevent further environmental degradation, temper climate-driven disasters, and build resilient responses through coordinated action and better resource use. Second, it would support the timely achievement of climate targets, enhance credibility and unlock climate finance. Third, it would better align economic development with conservation, while protecting tribal rights, traditional livelihoods and the interests of displaced communities. Finally, it would strengthen the commons by recognising and safeguarding the interdependence between ecosystems, species and human societies.

Finally, the template for an EnvSI already exists. The Economic Survey of India offers the Environment Ministry its clearest model: an integrated report prepared by experts under the Chief Economic Adviser, independent enough to present inconvenient truths. It draws on multiple sources, rigorously scrutinises evidence, rejects comforting narratives, and alerts policymakers to emerging challenges and necessary reforms. India constantly faces difficult trade-offs between development and conservation.

### Keeping nature in sight

Home to one-sixth of humanity on just 4% of the earth’s land area, India must pursue growth while meeting climate commitments. In such circumstances, environmental concerns are often pushed to the margins. An independent and audacious EnvSI can help balance growth, sustainability, livelihoods and justice. Without India’s full commitment, global climate goals will remain elusive. More importantly, an EnvSI can make visible the environmental changes that have become normalised, helping build the awareness needed to protect what remains.

## LETTERS TO THE EDITOR

### Fire safety still neglected

The tragic fire in Delhi has once again exposed the chronic inadequacies in our approach to public safety in India. Particularly disturbing is the fact that such disasters are no longer isolated incidents but recurring reminders of systemic negligence and administrative

complacency. In the aftermath of every major fire accident, assurances are offered, inquiries are ordered, and recommendations are drafted. Yet, little changes on the ground. Safety norms continue to be flouted with impunity, inspections remain perfunctory, and

accountability is conspicuously absent. The recurrence of such tragedies raises a troubling question: how many more lives must be lost before there is meaningful action? **Nagarajamani M.V.**, Hyderabad

**Discrepancies in Census**  
Discrepancies in Census

data must be rectified. The Office of the Registrar General and Census Commissioner of India must correct the irregularities to ensure the integrity of the process. We need robust and dedicated field functionaries to ensure accuracy and precision. **Manas Agarwal**, Gorakhpur, Uttar Pradesh

**Students deserve better**  
When years of effort and investment are undone by negligence, public trust in national examinations is eroded. Education cannot thrive on ad hoc systems. The government must ensure transparency and secure processes to prevent such lapses. Students deserve fairness, not

uncertainty. Restoring confidence in testing mechanisms is not merely an administrative task – it is a moral responsibility to millions who see education as the pathway to progress. **K. Chidanand Kumar**, Bengaluru

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

# The power of mangroves over seawalls

India's coastline relies on seawalls and embankments, while Ecosystem-based Adaptation through mangroves, seagrasses and coral reefs continues to reduce climate risks



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When Cyclone Dana made landfall near Bhitarkanika on Odisha's coast, the region's mangroves quietly provided a form of protection that billions of rupees in coastal infrastructure often struggle to deliver: reducing climate impacts while strengthening ecosystems and livelihoods. Across India's coastline, mangroves, seagrass meadows, and coral reefs are already helping communities adapt to rising climate risks. Yet seawalls, groynes, and embankments continue to dominate adaptation spending, even though they can be costly to maintain and sometimes transfer risks elsewhere. Despite their proven benefits, these ecosystem-based interventions are rarely recognised as Ecosystem-based Adaptation (EbA), limiting their visibility in adaptation planning and finance.

For millions living along India's coastline, climate change is already a lived reality. From rising sea levels across the Arabian Sea and the Bay of Bengal to saline intrusion, intensifying cyclones and storm surges, climate change is multiplying threats along India's 11,000-kilometre coastline. These interacting hazards not only reshape the ecologically fragile coastal

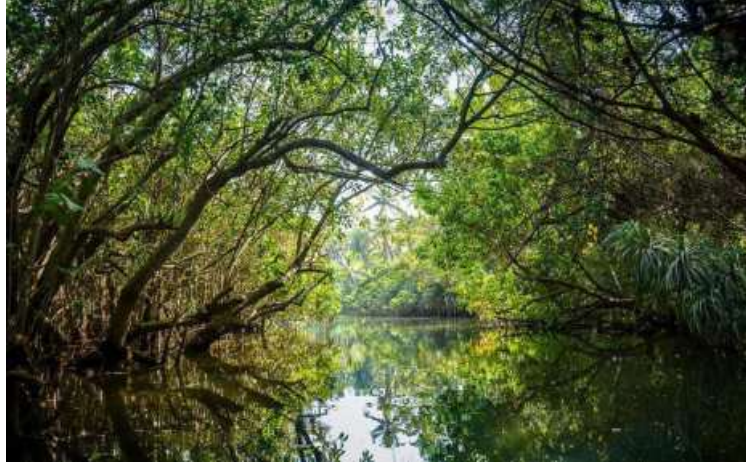
landscape but also directly upend the lives, livelihoods and homes of around 250 million people. In this context, EbA offers a promising strategy for reducing climate risk while sustaining the ecosystems that support fisheries, agriculture, and tourism.

India's coastal adaptation landscape reveals a stark preference for engineered measures such as seawalls, groynes, embankments, and tetrapods. This preference is also reflected in public spending. While coastal States spent ₹2,641 crore on hard protection measures over the last decade, the National Coastal Mission's budget fell from ₹195 crore in 2022-23 to ₹50 crore in 2024-25. Although grey measures remain necessary and effective in many high-density urban contexts, they are expensive to maintain and can displace underlying risks rather than resolve them. In Kerala, for example, hard armouring along eroding coastlines has protected specific sites while accelerating erosion and damage in adjacent areas.

### Untapped adaptation asset

EbA uses biodiversity and ecosystem services to help people adapt to climate change.

India's coastline hosts a range of ecosystems, including mangroves,



**Green refuge:** Across India's coastline, mangroves, seagrass meadows, and coral reefs are already helping communities adapt to rising climate risks. GETTY IMAGES

seagrasses, coral reefs, and wetlands, that act as natural buffers against climate impacts. Research identifies India as a global 'hot-spot' for coastal EbA, with mangroves protecting more people per hectare than almost any other country. Yet this ecological shield remains an underutilised asset in India's climate resilience strategy.

The benefits of EbA are already visible on the ground. In the Sundarbans, for instance, over 18,000 women restored 4,600 hectares of mangroves, blunting the devastation of cyclones Amphan and Yaas. The restoration also streng-

thened livelihoods through activities such as honey collection and crab farming, highlighting EbA's social and economic co-benefits.

EbA remains peripheral to India's adaptation agenda. Fragmented mandates, weak monitoring, and a preference for visible infrastructure often leave ecosystem-based interventions buried within broader sectoral programmes rather than recognised as adaptation in their own right.

The most overlooked barrier, however, is the ambiguity surrounding the term EbA. The policy space is crowded with overlapping

concepts such as Nature-based Solutions (NbS), Ecosystem-based Coastal Adaptation (EbCA), Ecosystem-based Disaster Risk Reduction (Eco-DRR), and other ecosystem-centred approaches, creating uncertainty about what qualifies as EbA. Additionally, many ecosystem-based interventions are implemented through broader development, conservation, or restoration programmes, with their adaptation benefits rarely assessed or recorded separately. As a result, many coastal EbA interventions remain concealed within sectoral initiatives or generic policy categories, making India's coastal EbA portfolio appear much weaker than it truly is.

### Why classification matters

The Mangrove Initiative for Shoreline Habitats & Tangible Incomes programme illustrates the disconnect. It aims at restoring 540 square kilometres of mangroves across nine States. Although designed to protect coastal communities from the impacts of climate change, it is primarily framed as a restoration programme.

Without clear recognition and classification, many EbA interven-

tions remain fragmented across different labels and schemes. Clear classification helps identify, monitor, and evaluate adaptation outcomes while ensuring that the socio-economic benefits of EbA are properly reflected in planning and finance. This matters even more as the Global Goal on Adaptation has renewed attention to how adaptation outcomes are measured and reported. Without clear ways of identifying and tracking EbA interventions, India risks undercounting some of its most effective climate responses.

While this may appear to be a question of terminology, it carries real policy consequences. For better adaptation action, India must move from

dispersed projects to a coherent strategy that embeds EbA within coastal planning and adaptation policy. The challenge is no longer whether ecosystem-based adaptation works but whether our policy frameworks are prepared to recognise, measure, and scale it. By operationalising EbA as a core climate and development strategy, India can reposition its natural capital as one of its most resilient and equitable lines of defence.



# A framework for climate and development capital

Climate and development are often treated as separate challenges, even when the same investment can deliver both climate and development outcomes



**Aravindan Srinivasan**

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Asia is sitting on significant pools of capital committed to climate action, health, and poverty reduction. What we have not yet built is a framework that recognises these as part of the same pool. Globally, half of the \$4 trillion SDG financing gap lies in the energy transition alone. That means that the single largest driver of development underfunding is also a climate problem. In India, estimates suggest that achieving the Sustainable Development Goals will require additional investments of around 6% of GDP annually, and the sectors driving this gap – energy, infrastructure, and health – are also the sectors where climate investment is most urgently needed.

### Multiple returns

The challenge is not that climate and development require separate pools of capital. Both need substantial more investment. The challenge is that we continue to evaluate them separately, even when the same investment can deliver both climate and development outcomes.

Every year, fossil fuel combus-

tion accounts for 0.95 million premature deaths in India. Extreme heat cost the country 247 billion working hours in 2024 alone. A clean energy investment that displaces coal generation produces a carbon return, a health return, and a productivity return simultaneously. Yet, we currently count only the first. That means the investment case visible to funders is a fraction of what it actually is, and the capital being mobilised reflects that limited view.

India's renewable sector could generate 3.4 million jobs by 2030. Each of these jobs represents not only a livelihood outcome but also a health outcome and, in districts facing structural unemployment, a poverty-reduction outcome. So, while the funds exist in principle, what is needed is an investment framework that channels capital across the full stack of returns.

Consider the Kolhapur foundry cluster, one of the most concentrated agglomerations of small manufacturing units in India, responsible for roughly 5% of the country's cast-iron exports and supporting around 27,700 jobs. These firms burn enormous quantities of grid electricity, face rising



**Powering progress:** A clean energy investment can improve health outcomes, strengthen livelihoods, and build economic resilience. GETTY IMAGES

carbon-compliance costs as the European Union's Carbon Border Adjustment Mechanism comes into force, and are simultaneously absorbing the shock of American tariffs that have stalled certain export lines.

The energy cost problem, the trade competitiveness problem, and the climate problem are, again, the same problem. Helping these firms shift to open-access renewable power does not merely reduce their emissions; it restores

their price competitiveness in markets that will increasingly price carbon at the border and protects the employment base of a region with few other industrial anchors. An investor making a bet on renewable energy infrastructure for this cluster is also, whether or not they account for it, making a bet on industrial employment and export diversification.

This same logic extends to agriculture. In Maharashtra's cotton

belt, a biochar programme targeting 10 lakh farmers projects an income uplift of ₹85,000 per farmer per year through soil amendment, yield improvement, reduced fertilizer dependence, and lower pest pressure. The same programme removes 1.45 million tonnes of CO2 annually. The carbon credit and the farmer's income gain are two readings of the same physical intervention: organic matter returned to degraded soil. Investors can hold a position in one or both. Currently, most investors capture neither, because markets have not yet developed instruments that make it easy to hold both simultaneously.

### Unlocking capital

The technical assistance that philanthropy can offer here is not marginal. It is the difference between a project pipeline that is analytically ready and one that sits on a shelf. Aggregating demand across rural water boards, urban local bodies, smallholder cooperatives, and industrial clusters is work that commercial capital is unlikely to fund at the origination

stage. But once that aggregation is completed, load shapes are mapped, regulatory risks are documented, and payment security mechanisms are structured, the same commercial capital will compete to invest.

The opportunity is not simply to mobilise more capital, though additional financing remains essential to meet Asia's climate and development needs. It is also to help capital deployers recognise the full spectrum of returns that their investments can generate. A clean energy investment not only reduces emissions; it can improve health outcomes, strengthen livelihoods, enhance productivity, and build economic resilience. When these outcomes remain invisible in investment decision-making, capital is allocated against an incomplete investment thesis.

By building frameworks that measure and value both financial and social returns, we can direct more capital towards solutions that deliver the greatest overall impact.



# When El Niño becomes an economic crisis

As climate risk increasingly becomes economic risk, stronger adaptation through heat-resilient cities, worker protection and better water management is essential



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India often meets the arrival of extreme heat and erratic rain with a familiar shrug: the weather is harsh, the monsoon is uncertain, and life must go on. But that response misses the larger point. If El Niño returns as forecast, India will not face merely a weather disturbance; it will face a development crisis in which heat stress, water scarcity, crop losses, and food inflation expose the fragility of the informal economy.

The U.S. National Oceanic and Atmospheric Administration's (NOAA) ENSO Diagnostic Discussion Report (2026) states that El Niño is likely to emerge soon, with an 82% chance during May-July 2026 and a 96% chance of continuing through the winter of 2026-27. India's own weather office, the India Meteorological Department (IMD), in its Long Range Forecast for the Southwest Monsoon Season (2026), has projected monsoon rainfall at 92% of the long-period average, placing it in the

"below normal" category.

That matters because, in India, climate shocks do not remain confined to the atmosphere. They move quickly into the labour market, the mandi, the household kitchen, and the city street. A weak monsoon is not simply a concern for meteorologists; it is a warning that rural incomes may weaken, food prices may rise, and working hours may shrink. For a country where a large share of employment remains informal and climate-exposed, El Niño is best understood as an economic transmission mechanism.

### The heat economy

The first channel is heat. Long and punishing summers reduce the productivity of workers who cannot escape outdoor exposure – construction labourers, delivery riders, street vendors, and agricultural workers. Climate change affects them the most because they have the least protection and economic security. A hotter India is



**Counting clouds:** When rainfall becomes uncertain, sowing decisions become riskier, irrigation costs increase, and groundwater extraction intensifies. FILE PHOTO

not merely a warmer India; it is an India where earning a livelihood becomes increasingly difficult. Heat stress lowers productivity, reduces working hours, and deepens income insecurity for millions who depend on daily wages. The second channel is agricul-

ture. A 2026 Reuters report on India's monsoon outlook noted that the southwest monsoon supplies nearly 70% of the rainfall needed to water crops and recharge reservoirs and aquifers. When rainfall becomes uncertain, sowing decisions become riskier, irrigation

costs increase, and groundwater extraction intensifies. For small and marginal farmers already struggling with volatile prices and rising input costs, climatic uncertainty magnifies economic instability. In that sense, El Niño is not merely a climatic event; it is a shock to the production base of the rural economy.

### The price shock

The third channel is inflation. Food prices are often where climate stress becomes visible to every household, not just farming communities. According to the Ministry of Statistics and Programme Implementation's Consumer Price Index Press Release (2026), food inflation rose to 4.2% in April 2026, raising concerns that a weaker monsoon could intensify price pressures further. If rainfall weakens and crop stress deepens, price pressures can

quickly spread across vegetables, pulses, and other essentials. For policymakers, this creates a difficult balancing act: the same climate shock can simultaneously weaken growth and intensify inflationary pressures.

Urban India is increasingly becoming a heat trap due to concretisation and shrinking green cover. But the burden is unequal. While wealthier households can adapt through better housing and cooling, poorer households face overcrowding, water scarcity and prolonged heat exposure. Climate change is thus widening urban inequalities.

El Niño is not merely a weather event but a development challenge. India needs stronger climate adaptation measures through heat-resilient cities, worker protection and better water management. Climate risk is now economic risk, and its burden falls most heavily on the poor.



# Text & Context

THE HINDU

**NEWS IN NUMBERS**

**Compensation for families affected by deadly Thrissur blast**

**14** In ₹ lakhs. The Kerala Cabinet on Thursday decided to provide financial assistance of ₹14 lakh each to the families of those who died in the firecracker unit blast in Thrissur district on April 21. The explosion had claimed 16 lives. The government also cleared ₹52 crore in pending paddy procurement payments to cooperative societies in Palakkad. PTI

**Higher recovery target as central bank looks to boost balance sheet**

**3,500** In ₹ crore. The state-owned Central Bank of India expects to recover ₹3,500- ₹4,000 crore from bad loans in FY-27 as part of efforts to strengthen its balance sheet. The bank recovered ₹3,307 crore in FY-26 and plans to increase recoveries through settlement schemes and recovery drives. PTI

**Bangladeshi nationals detained during anti-infiltration drive**

**501** Gujarat Police detained 501 Bangladeshi nationals over the past two days as part of "Operation Delta Hunt" targeting illegal stay in the country. The Statewide crackdown, launched on Wednesday, was conducted across multiple districts, with authorities describing it as a meticulously planned operation against illegal infiltration. PTI

**Space sector investments sought by A.P. government**

**4** in \$ billion. Andhra Pradesh has set a target of attracting \$4 billion in investments into its space sector and has invited Russian companies to participate. Speaking at the St. Petersburg International Economic Forum, Minister Nara Lokesh stressed plans for a 3,000-acre Tirupati Space City and dedicated space, aerospace and semiconductor manufacturing ecosystems. PTI

**Number of international routes cut by India's IndiGo**

**6** IndiGo on Thursday said it would suspend operations to six international destinations, including Hong Kong and Shanghai, from July 1, citing higher operating costs and broader pressure from continued airspace restrictions. The move comes a week after IndiGo reported a fourth-quarter loss, largely due to higher jet fuel costs. REUTERS  
COMPILED BY THE HINDU DATA TEAM

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## Is the war in Ukraine escalating?

Are civilian targets becoming central to battlefield strategy? Could the Ukraine war trigger a wider global crisis? Are external powers deepening their involvement in Ukraine? Is growing public discontent weakening support for the war in Russia?

**EXPLAINER**

Uma Purushothaman

**The story so far:**

**W**ith the war on Iran destabilising the global economy, the war in Ukraine seemed to have slipped off the news headlines. However, recent developments indicate that the war is escalating into a more dangerous and highly volatile phase.

**What has changed?**

In May 2026, with ground operations at a stalemate and forward movement stalled on both sides, Russia and Ukraine launched long-range aerial campaigns on each other. Both sides began targeting each other's civilian infrastructure. Ukraine scaled up its drone attacks to strike deep into Russian territory and targeted Russian economic lifelines, specifically oil refineries like the Ilsky and Novoshakhtinsk facilities as well as military logistics hubs.

Reports suggest that European nations are helping Ukraine to co-develop and mass-produce long-range missiles and attack drones, including through joint ventures. On May 21-22, a Ukrainian strike hit an educational complex in the city of Starobilsk (in the Luhansk Oblast which is Russian-held), killing 21 people (primarily young girls) and injuring 44 people. In response, Russia launched one of its fiercest drone and missile attacks across multiple cities in Ukraine, damaging civilian infrastructure and killing at least five people while injuring over a hundred people.

Russian authorities have also been publicly threatening to increase attacks in Kyiv. Again, on May 29, a drone hit a building in the Romanian city of Galati, which is seen as a violation of NATO airspace. Russia has denied responsibility. But this development throws open the possibility of NATO getting drawn into the war.

The situation has deteriorated to such an extent that an emergency meeting of the UN Security Council was called where the UN Secretary-General António Guterres warned that the conflict risks spiralling "out of control" and called for an immediate de-escalation and a full and unconditional ceasefire.

However, the drone and missile attacks have continued and on June 1-2, Russia launched another massive overnight assault striking multiple locations in Kyiv and Dnipro with the UN Human Rights Monitoring Mission in Ukraine (HRMMU) reporting that this attack killed at least 22 civilians and injured 145.

So, this shift to long-range warfare has led to an increase in collateral damage and civilian deaths.

Moreover, on May 31, there was a drone strike on the Russian-held Zaporizhzhia nuclear plant, increasing the risk of a nuclear accident. Ukraine denied responsibility. However, former Russian President Dmitry Medvedev warned that Russia's response could extend beyond Ukraine.

Russia still has the advantage of resources and manpower: it continues to describe the conflict as a 'special military operation' and has not called up all the manpower at its disposal, which it can if it finally declares the conflict as a 'war'. Both Russia and Ukraine at this point seem to be following the same tactic: inflict maximum pain on the other side so as to be in a stronger position if and when formal diplomatic discussions start.



**Shattered ruins:** A Ukrainian strike hit an educational complex in Starobilsk, a Russian-held city in Luhansk Oblast, killing 21 people, mostly young girls, and injuring 44 others, on May 21-22. REUTERS

**THE GIST**

Ukraine scaled up its drone attacks to strike deep into Russian territory and targeted Russian economic lifelines, specifically oil refineries and military logistics hubs.

The war is straining both economies: Ukraine relies on Western aid, while Russia faces a soaring budget deficit of 5.9 trillion roubles due to sanctions and war costs.

A report said senior officials warned Putin that war spending is becoming unaffordable, even as the Defence Ministry resists cuts, pointing to rising public discontent.

**What is the current state of the peace talks?**

The U.S.-led peace talks are currently stalled. The trilateral talks between the U.S., Russia and Ukraine in Geneva in February 2026 and subsequent discussions in UAE failed to achieve any diplomatic breakthroughs. Though Russia has said it is open to talks, its maximalist position makes any agreement with the Zelensky-led government impossible. Russia wants recognition of its sovereignty over the annexed regions of Crimea, Donetsk, Luhansk, etc., along with a strict limit on the size and capability of the Ukrainian armed forces and a legally binding commitment that NATO troops will never be deployed in Ukraine. Ukraine, egged on by its European partners, too has adopted a maximalist position, insisting on ironclad security guarantees before any cessation of hostilities and refusing to surrender any territory to Russia. Though Europe is reportedly considering opening a line of communication with Russia, it is unlikely that Russia will consider any of the EU members or the U.K. as a mediator given their open support for Ukraine over the years.

**Is Putin under pressure?**

This war of attrition is obviously also damaging the economies of both the countries. Ukraine is entirely dependent on aid from its Western partners while Russia was already running a huge budget deficit of around 5.9 trillion roubles by April this year brought on by the war and Western sanctions. This is already more than the budget deficit in 2025, according to a report in the Jacobin.

Ukraine now has around 70% of the Russian population within the range of its drones, forcing Russia to divert critical air defence systems from the front lines to protect its cities, including Moscow and Saint Petersburg, putting further pressure on its economy according to an Atlantic Council Report.

Some reports suggest that Russian President Vladimir Putin is under pressure because of the stalling war and a contracting economy. Inflation is increasing as Russia has increased VAT twice this year and interest rates are high.

In April this year, Russia's Central Bank Governor, Elvira Nabiullina, warned that Russia is facing a labour shortage for the first time in its modern history. Gennady Zyuganov, the chief of the Russian Communist Party, which has been supportive of Mr. Putin and the war, has said in the Duma that economic collapse could provoke a revolution like in 1917 and has urged the government to change course.

Moreover, the Japan Times has reported that in a sign of internal friction, senior government officials have warned Mr. Putin that spending on the war in Ukraine is on an unaffordable path, though the Defence Ministry has refused cuts to its budget. It appears that public disaffection is increasing.

While some of these reports might be motivated, it stands to reason that public optimism about winning the war easily has come down given the prolonged conflict, Ukrainian attacks into deep Russian territory and rising Russian casualties. Prolonged public discontent along with more Ukrainian attacks causing collateral damage might provoke

Mr. Putin into expanding the war beyond Ukraine as Russia has time and again asserted that Ukraine is being empowered and financed by its European partners to continue the war with Russia. Moscow has already said that the European facilities involved in joint production agreements of drones and missiles with Ukraine are "potential targets for the Russian armed forces". It is no secret to the rest of the world that the Ukrainian conflict is a proxy war being waged by the Western powers against Russia. There is also the chance of a miscalculation or an accident by either side which could expand the war.

If any of these scenarios take place and if NATO invokes Article 5 which states that "an armed attack against one NATO member shall be considered an attack against all members", the conflict will grow from a geographically contained one to a broader war involving NATO's frontline allies.

Ironically, the only hope against this happening is that the U.S. under President Donald Trump (who recently launched an unprovoked war on Iran along with other misadventures in Venezuela and Cuba), refuses to acquiesce with the invocation of Article 5 as this requires a unanimous decision. The more optimistic scenario is that both Ukraine and Russia admit that the conflict is at a stalemate and agree to talk. But who the facilitator for that would be is anybody's guess because it seems that Mr. Trump has lost interest in this particular conflict.

Uma Purushothaman is Associate Professor, School of International Studies, Jawaharlal Nehru University, New Delhi.

WORLD ENVIRONMENT DAY

# Caught between concrete and panic, India should not maladapt to climate change

India cannot afford to surrender its coast to the sea but that cannot become an excuse to believe it is entitled to engineer permanence, especially when such solutions risk deepening inequality, shifting vulnerability to the poorest, and locking communities into ever greater danger over time

Vasudevan Mukunth

With more than 7,500 km of coastline and millions of people living in low-lying coastal areas, India faces a dilemma that it has often been told is really a trap: use engineering solutions to hold the line, so to speak, or to beat a retreat inland. While many adaptation experts and institutions in high-income countries have favoured a 'managed retreat' in high-risk coastal areas, governments in South Asia have favoured concrete walls instead. But really, Indians' best bet is an oft-unarticulated third way.

At the COP climate summits and elsewhere, India's representatives, including its Union Environment Minister, have argued that economically developing and under-developed countries deserve an extended off-ramp regarding the use of fossil fuels because these countries cannot abruptly abandon the cheapest source of energy known without also plunging millions of people back into poverty.

There is a strong normative case to apply the same argument to coastal engineering: that using engineering to buy time is India's developmental right.

### Maladaptation trap

But is it? The question arises because of social equity. That is, if a government uses its engineering off-ramp to build luxury coastal roads and high-end reclaimed cities, it is less buying time for its people and more walking into the trap of maladaptation. Put differently, engineering must not divert more investments in high-risk zones; if it does, it will only compound the catastrophe that will inevitably result as global warming continues its upward march.

For example, Nigeria has already backed a large land reclamation project dubbed the "Great Wall of Lagos". It will protect valuable real estate and a new financial district from the Atlantic Ocean even as it diverts tidal energy to neighbouring lower-income coastal areas like Alpha Beach. The irony: it will accelerate erosion at Alpha Beach in order to diminish erosion at the financial district. Similarly, to maintain its rice-producing areas, Vietnam built a vast system of high dikes – but they also prevent natural sediments from being deposited by the river, contributing to the Mekong delta sinking faster than the sea is rising.

Closer home, the Kosi river floods almost every year thanks to its massive sediment load and steep descent down the Himalaya. So as it enters the flatter plains of North India, it naturally shifts course. To control this, the Governments of India and Nepal built large embankments under the 1954 Kosi Agreement, from Bhimnagar into North Bihar. Today, because the river is so confined, silt that would normally spread across the floodplain settles on the riverbed itself, raising the water level several metres over the surrounding land. When heavy monsoon rains cause the embankments to breach or overtop, a catastrophic flood ensues.

### Managed retreat

Many parts of the Global North are increasingly experimenting with 'managed retreat'. This is one of the four



**Transplanted lives:** In 2018, the Odisha government moved more than 500 families in a cluster of seven villages called Satabhaya, which the Bay of Bengal had almost entirely devoured, to a rehabilitation colony in Bagapatia. BISWARANJAN ROUT

primary strategies for coastal adaptation that the UN Intergovernmental Panel on Climate Change (IPCC) articulated in its Sixth Assessment Report. Managed retreat refers to the purposeful, coordinated movement of people, assets, and/or infrastructure away from areas at risk of environmental hazards. The U.N. and the International Organisation for Migration have also used the term to discuss "planned relocation" as a tool for disaster risk reduction.

As part of managed retreat, the U.S. has used programmes like the Hazard Mitigation Grants to purchase flood-prone homes at market rates prevailing before a disaster, and converting the land into permanent open space. The U.K. has used a "managed realignment", where authorities intentionally breach ageing seawalls to create salt marshes that then serve as natural buffers. New Zealand has been using "red-zoning" to keep developers from rebuilding in high-risk areas.

Overall, managed retreat has primarily taken the form of state-funded buyouts and regulatory zoning. However, it has also benefited from higher capital where it has been implemented and remains politically fraught, often sparking legal battles over property rights and sustaining a class gap whereby wealthy enclaves are fortified while marginalised communities are 'managed' away.

In India, the stakes are obviously different – and arguably higher. For one, its managed retreat has rarely been managed and often plainly chaotic: people are displaced, their social safety nets destroyed, and the poor further impoverished. For example, in 2018, the Odisha government moved more than 500 families in a cluster of seven villages called Satabhaya, which the Bay of Bengal

had almost entirely devoured, to a rehabilitation colony in Bagapatia. But while the State provided housing, the families suddenly found themselves transitioning from being the owners of ancestral land to daily-wage labourers in a market for which they had no skills. There are many similar stories in the Sundarbans delta.

In 2024, the Panamanian government began to officially relocate the Guna Indigenous community from a sinking island to the mainland. While the move was 'managed' in the economic sense, the Guna people's entire identity is tied to the sea, and their new homes on the mainland lacked the ancestral connection and traditional fishing access that sustained them for centuries. Thus they faced a cultural crisis.

### 'Pioneers', not 'refugees'

There is a third choice hidden between concrete walls and panicked flight – a hybrid strategy that marries law, policy, and engineering. Let us start with an example this time: instead of leaving people to 'retreat' to its overcrowded capital, the Bangladesh government is currently transforming its port of Mongla into, in its words, a "climate-resilient town", with investments in new schools and factories and in creating raised infrastructure. It is a solution that attempts to preserve social equity.

In the same vein, India needs to identify 'receiver cities' in its hinterland and invest in their infrastructure now. More broadly, migration should be a choice – a voluntary plan to relocate to an economically attractive area rather than because the alternative is to drown – and India should facilitate that.

Second, a great barrier to managed retreat in India is a lack of legal land titles

for its coastal residents. The country must reform its coastal land laws to formally recognise informal settlements. In turn, the state must treat people displaced by the vagaries of climate change as 'pioneers' of a new national geography who are entitled to state-supported relocation rather than as 'refugees' or even 'encroachers'.

### Moving to higher ground

Third, India needs to systematically focus research on and investments into nature-based or hybrid solutions and away from seawalls and reclamation projects. Mangroves, bioswales, and artificial reefs provide a 'soft' defence while also learning to adapt to the ocean's rhythms. Concrete does not do this. Even if a government deems 'hard' engineering to be necessary to protect a critical hub like Mumbai, it must include failsafe mechanisms like buffer zones around seawalls and sacrificial floodplains.

In a tacit acknowledgment that keeping the water out is not sustainable, China has been engineering its coastal cities, including Ningbo and Shanghai, to absorb water by installing permeable pavements and rain gardens and by restoring wetlands.

Most of all, the Indian government and its leaders must not be allowed to argue at the COPs and beyond that India must be allowed to engineer its way out of climate adaptation challenges – certainly not at the expense of social equity. India stands at a crossroads: it cannot afford to surrender its coast to the sea but that is no excuse to lie to itself about the permanence of concrete. Instead, it should lay the legal and economic foundations for a dignified and equitable move to higher ground.



FROM THE ARCHIVES

## Know Your English

S. Upendran

"...I met Shivshankar yesterday and tried to explain to him..."

"Shivshankar! I can't stand the guy. He's always in my face."

"In your face? What do you mean by that?"

"When you say that someone is 'in your face', it means that he is very confrontational. He irritates you and is ready to pick a fight with you."

"I see. That sounds like Shivshankar all right. Can I say, I am sick and tired of my boss's 'in-your-face' attitude?"

"Sounds great. When you meet Jamal for the first time you get the impression that he is one of those 'in-your-face' guys. But when you get to know him..."

"...I am not interested in knowing him. Can I say that Sujatha is in my face all the time?"

"I guess you could. I generally don't like people who are always in my face about something."

"I don't think anybody does. So, tell me. What do you think I should do? Do you think I should go? Or do you think I should stay and..."

"...I think you should go. That's my knee-jerk response."

"From the 'face', we have moved down to the knees, have we? Tell me, what does 'knee-jerk response' mean?"

"You know sometimes when you go to a doctor, he hits you on the knee with a rubber hammer. What..."

"...yeah, and when he does that the leg shoots up automatically."

"Exactly. And that's what the expression 'knee-jerk reaction' or 'response' means. To do something quickly and automatically."

"Without too much thinking?"

"That's right. Here's another example. When the politician said that he would attend the function, it was only a knee-jerk reaction."

"Every time I see Sujatha, I wince. That's only a knee-jerk reaction."

"Does she know that?"

"I don't know. And honestly, I don't really care. But tell me, what do you think I should do? Don't give me a knee-jerk response."

"OK. Well, if I were you, I would let it ride for some time."

"Let it ride! Let what ride? What..."

"When you tell someone to 'let something ride', it means that you want the person to let that something remain as it is."

"In other words, you are telling the person not to do anything about a particular situation."

"Exactly! You are telling the person not to do anything about it. Here's an example. Don't bother about cleaning the cupboard just now. Let it ride for a day or two."

"I wish my mother would say that. How about this sentence?"

"The Chairman asked Rama to have the report ready in two days' time. But she let it ride for a week before she started working on it."

"That's an excellent example. Now then, coming back to your question, I..."

"...forget it. Let it ride. It's not that important."

Published in *The Hindu* on November 14, 2000

## THE DAILY QUIZ

Here is a quiz on the history of FIFA World Cup

N. Soorya Prakash

### QUESTION 1

First things first. What was the name of World Cup before it was changed to the FIFA World Cup Trophy since 1974?

### QUESTION 2

Who scored the first ever goal in World Cup Football history?

### QUESTION 3

Which country has taken part in all the 22 editions of the Football World Cup held so far?

### QUESTION 4

Which country holds the unfortunate record of reaching the World Cup final the most times but winning it only once?

### QUESTION 5

Which country has reached the semi-finals the most times in World Cup history?



**Visual question:** Identify this player who holds a unique record in World Cup history of having played in three consecutive finals? AFP

### Answers to the previous day's daily quiz:

1. On this day in 1937, a Humpty Dumpty grocery store in Oklahoma introduced the first \_\_\_\_\_. Fill in the blank. **Ans: Shopping carts**
2. This King of Great Britain and Ireland was born on this day in 1738. He remains the longest-lived and longest-reigning male monarch in British history. **Ans: George III**
3. This American basketball coach—who directed teams of the University of California at Los Angeles to 10 NCAA championships in 12 seasons (1964–65, 1967–73, and 1975)—died at age 99. **Ans: John Wooden**

### Ans: John Wooden

4. Born on this day in 1937, this American actress is known for her roles in films *A Mighty Heart* and *Maria*. **Ans: Angelina Jolie**
5. This island country, which is part of Oceania, achieved independence within the British Commonwealth on this day in 1970? **Ans: Tonga**
6. This American musician released *Born in the U.S.A.* on June 4, 1984, which became one of his defining works. **Ans: Bruce Springsteen**

### Early Birds

Arun Kumar Singh | Parimal Das | Lalchand Bhutani | Abhijith Nayak

Please send in your answers to [dailyquiz@thehindu.co.in](mailto:dailyquiz@thehindu.co.in)

## Word of the day

### Droll:

comical in an odd or whimsical manner

**Synonyms:** funny, eccentric

**Usage:** *The novel features a droll cast of characters who get themselves into completely absurd situations*

**Pronunciation:** [newsth.live/droll](http://newsth.live/droll)

**International Phonetic Alphabet:** /drɔːl/

For feedback and suggestions for Text & Context, please write to [letters@thehindu.co.in](mailto:letters@thehindu.co.in) with the subject 'Text & Context'

## Regulatory overreach

Micromanaging firms, no solution to customer issues

**A** recent circular by the Insurance Regulatory and Development Authority of India (IRDAI) links Key Management Persons' (KMPs) variable pay to customer-centric outcomes. This order is sound on intent, given the customer grievances in this sector; yet it is intrusive for an industry regulator to micro-manage the affairs of individual entities under its watch. It should seek better compliance on customer metrics instead. The metrics could include claims responsiveness, claims ratios, time taken to resolve grievances, among others.



There can be no denying the fact that the customer is often at the receiving end — particularly in the case of health insurance, the largest segment in the non-life category. A recent study by Observer Research Foundation cites incurred claim ratios (net claims paid out to net earned premiums) in health insurance, gleaned from IRDAI's FY25 Annual Report. It says while an overall incurred claims ratio of 87 per cent in the health insurance industry looks good, it conceals wide variations — ranging from 100 per cent in the case of public sector insurers to 69 per cent for private standalone insurers, with other private insurers recording 88 per cent.

As for the managerial affairs of insurers, KMP salaries have so far been linked more to financial soundness. Now, insurers must prominently display public metrics on websites — including settlement timelines (15 to 60+ days), time to resolve grievances and claims paid ratios — while boards must weigh these outcomes when determining variable pay. The clause governing variable pay determination of KMPs in the Master Circular apparently applies only to private sector insurers; senior management in public insurance firms do not have a variable pay component. While the claims record of the PSUs looks good in customer terms, a circular that singles out only the private sector appears flawed. After all, over a third of the non-life segment is controlled by public sector insurers, while that figure is in excess of 55 per cent in life insurance.

Indeed, decisions on salaries and variable pay metrics for senior management are best left to shareholders and company boards. The IRDAI should instead beef up its customer interface and focus on developing the industry, something that is in its very name. An insurer needs to be upfront in providing information on customer metrics as well as the terms and conditions of claims settlement — an area that remains opaque despite considerable criticism. But once a system for disclosures and grievance redressal is in place, the regulator should step back and allow market forces to play out. Inefficient insurers should ideally lose out to more trustworthy ones, provided the insured does not face barriers to exit.

In 2000, India's insurance penetration, for both life and non-life combined, was about 2.32 per cent. By 2024, it had risen to just 3.7 per cent. The sector needs investment as well as growth across segments, albeit with accountability and transparency. The regulator should address this.

## OTHER VOICES.

## CHINADAILY

## US is caught in dilemma of its own making

The United States administration's latest tariff offensive targeting 60 economies including China was greeted around the world with something unusual: a collective shrug. That is because Washington has been signaling for months that it needs a legal substitute for the sweeping tariffs struck down by the US Supreme Court earlier this year. The White House's temporary global tariffs — imposed under Section 301 investigations after its earlier tariffs were ruled unlawful — are due to expire next month. Allowing a gap in tariff collection would be politically costly at a time when the US' fiscal deficit remains elevated and the midterm elections loom on the horizon. The US administration therefore has a strong incentive to keep the tariff machine running. Tariff revenues, which exceeded \$31 billion per month at their peak last autumn, have already declined substantially. The result is a curious blend of continuity and retreat. BEIJING, JUNE 4

## 讀賣新聞

THE YOMIURI SHIMBUN

## Clear Path toward Reducing Fuel Subsidies

While it is important to implement measures that support household budgets, an approach that would make markets more wary of fiscal deterioration could defeat the purpose. Rather than continuing the subsidies for gasoline bills within the framework of reserve funds, the government should clearly define a path toward reducing the subsidies in consideration of fiscal discipline. The government has approved a supplementary budget proposal for fiscal 2026 totaling ¥3.1135 trillion at a Cabinet meeting and submitted it to the Diet. The main pillar is to create a "reserve fund to respond to the situation in the Middle East and other matters" and allocate ¥2.5 trillion to supporting household budgets and other matters. TOKYO, JUNE 4

## Regional skew in credit flows

CREDIT EXCLUSION. India opens bank accounts for millions, but as much as half of total credit flows to just 11 districts

RAJIV KUMAR  
SAMRIDHI PRAKASH

**I**ndia's financial inclusion story is, by most standard narratives, a success. Since January 2015, over 540 million new bank accounts have been opened under the Pradhan Mantri Jan Dhan Yojana. More than half (about 60 per cent) are held by women.

Digital transactions under the Unified Payment Interface (UPI) now processes over 700 million transactions daily. The RBI's Financial Inclusion Index climbed from 53.9 in 2021 to 67 in March 2025. These are real achievements, and they have been duly recognised both domestically and globally.

But headline numbers can flatter to deceive. Having a bank account may not necessarily imply participation in the formal banking sector operations. Access is not necessarily meaningful participation in it. And on that question, the district-level Reserve Bank of India (RBI) data tells an interesting story.

**THE GEOGRAPHY OF MONEY** Every quarter, the RBI publishes district-level data on deposits and credit for scheduled commercial banks through Statement No. 4A. Examining data across 762 districts from Q4 2022-23 to Q3 2025-26 reveals a financial system marked by extreme geographic concentration.

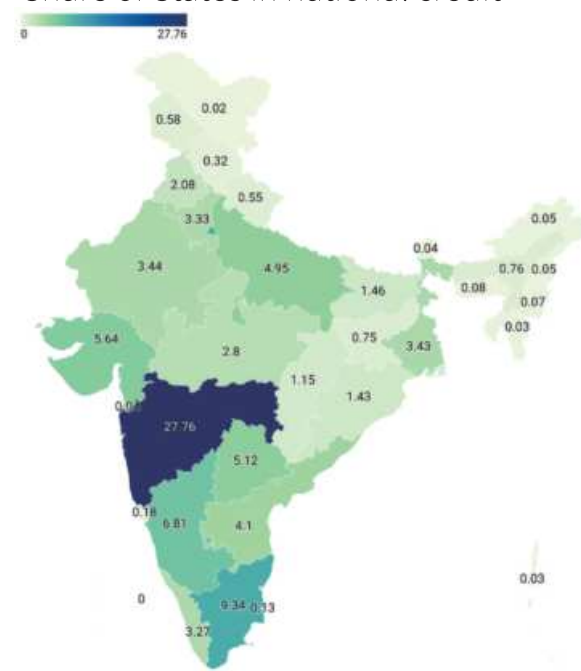
As of Q3 2025-26, just 11 of the 762 districts account for more than 50 per cent of total bank credit in India. The top three — Mumbai, Mumbai Suburban, and New Delhi — alone account for 30.3 per cent. Seven districts together hold 43.4 per cent of all formal credit in the country.

Now consider the other end of the distribution. The bottom 381 districts — exactly half of all reporting districts — account for only 4.9 per cent of national credit. The median district's share is just 0.029 per cent.

The deposit picture is only slightly less concentrated, but it reveals something important. It takes 17 districts to account for 50 per cent of total commercial bank deposits, but only 11 account for 50 per cent of credit. The top 10 per cent of districts hold 73.1 per cent of credit and 70.4 per cent of deposits (see map online).

This points to a centripetal financial

Share of States in national credit



system: savings are mobilised across a wide geography, including through Jan Dhan accounts in villages and small towns, but credit is deployed within a much narrower metropolitan geography. India has widened the savings funnel without widening the credit spout.

**STUBBORN CONCENTRATION** A high concentration at a single point in time could perhaps be explained as a transitional legacy gradually correcting itself. But the time-series evidence suggests otherwise.

Across all the observed 10 quarters, the share of the top 10 districts by both credit and deposit remains exactly the same. Not even one additional district entered or exited the top tier. Rankings shifted marginally within the group, but the hierarchy itself remained frozen.

The largest increase in any district's credit share over this period — excluding Mumbai's administrative reclassification — was just 0.72 percentage points, recorded in Medchal-Malkajgiri on Hyderabad's periphery. For most districts, changes were statistically negligible.

This is especially striking because the period studied was one of rapid financial expansion. UPI transaction volumes roughly tripled. Jan Dhan balances rose substantially. The RBI's Financial Inclusion (FI)-Index improved meaningfully. Yet the geography of

credit barely changed.

Whatever India's financial inclusion architecture has achieved, it has not redistributed the geography of finance.

Some spatial concentration is economically rational. Economic activity, infrastructure, and firm density are not evenly distributed, and financial systems naturally reflect those realities. But the magnitude of concentration in India far exceeds what standard economic geography would predict.

According to the 2011 Census, the top 10 credit districts together contain roughly 7.3 per cent of India's population. Yet they account for 38.3 per cent of total credit — more than five times their population share.

Even after accounting for the higher economic density of metros, this scale of concentration is difficult to justify. RBI data is based on the "place of sanction" of credit, meaning loans are attributed to the district of the lending branch rather than necessarily where the borrower has its actual operations. But that explanation only partially addresses the anomaly. These districts would effectively need to serve as the formal registration hubs for a disproportionate share of India's productive economy for such concentration to appear normal.

## WHAT THE METRICS MISS

What makes this even more troubling is that mainstream financial inclusion metrics are not designed to detect it.

## Solar panel recycling should be next energy priority

A comprehensive regulatory framework which includes mandates for producers and fiscal sops is vital for recycling

Milind Kumar Sharma  
Khushboo Shah  
Lalit Jyani

**I**ndia's renewable energy trajectory has, for over a decade, been characterised by ambition, scale, and executional velocity. Since the inception of the National Solar Mission, the country has witnessed an unprecedented expansion of solar capacity, spanning Rajasthan, Gujarat, and Tamil Nadu. However, beneath this narrative of success lies a critical, yet under-examined, question: what happens to solar panels at the end of their life?

Solar photovoltaic panels typically have a lifespan of 25-30 years. The earliest large-scale installations under India's solar mission are now approaching mid-life. Within the next decade, the country will begin to witness a significant volume of decommissioned solar panels.

According to the International Renewable Energy Agency, cumulative global solar waste could reach 78 million tonnes by 2050. For India, which is targeting hundreds of gigawatts of installed capacity, this translates into a massive future waste stream.

Unlike conventional waste, PV modules comprise layered assemblies of glass, silicon, metals, and polymers. Improper disposal can result in the leaching of hazardous substances such as lead, cadmium, and other toxic compounds, posing long-term risks to

soil integrity, water systems, and public health. Without a structured recycling ecosystem, decommissioned panels could become a serious environmental liability.

While the risks are considerable, the opportunity embedded within solar waste is equally compelling. Solar panels contain valuable materials, including high-purity silicon, silver, aluminium, and copper. Recovering these materials can reduce dependence on imports, lower manufacturing costs, and strengthen India's position in the global solar value chain.

Silver, for instance, integral to photovoltaic cell contacts, is both expensive and resource-constrained. Recycling mechanisms that enable its recovery could materially offset input costs. Similarly, reclaimed silicon, when appropriately processed, can be reintegrated into photovoltaic manufacturing or semiconductor applications.

Solar panel recycling remains an evolving domain, with three principal methodologies currently in use: mechanical, thermal (pyrolysis), and chemical processes. Mechanical methods involve crushing and shredding, enabling efficient recovery of glass but yielding relatively low-purity metals and silicon. Thermal (pyrolysis) utilise high temperatures to remove encapsulant layers such as ethylene vinyl acetate, facilitating improved material separation.

However, these processes risk



SOLAR. Recycling push

emitting hazardous gases if not adequately controlled. Chemical processes use solvents or acids to separate materials, achieving high recovery rates and purity, although at the cost of increased energy consumption, operational complexity, and environmental risk. Each approach presents inherent trade-offs between efficiency, cost, and environmental sustainability. The absence of standardised, economically viable, and environmentally benign solutions remains a significant bottleneck to large-scale deployment.

## REGULATORY LANDSCAPE

India has taken preliminary steps toward a circular economy through the E-Waste (Management) Rules, 2022. However, solar photovoltaic waste remains inadequately addressed within a dedicated regulatory framework.

International precedents offer instructive insights. For instance, the Australian government is investing \$24.7 million over three years to deliver

The World Bank's Global Findex measures account ownership and usage through household surveys. The RBI's Financial Inclusion Index combines access, usage, and quality indicators into a national score. Both are useful tools, but neither measures how formal financial flows are distributed across geography.

As a result, India risks conflating financial access with financial participation.

As of Q3 2025-26, just 11 of the 762 districts account for more than 50 per cent of total bank credit in India. The top three — Mumbai, Mumbai Suburban, and New Delhi — alone account for 30.3 per cent

A farmer may hold a Jan Dhan account yet still borrow from a moneylender at exorbitant rates because no bank in her district extends crop credit at scale. A small enterprise may operate digitally while remaining dependent on informal finance for working capital. In both cases, the individual is formally included but substantively excluded from the benefits inclusion promises.

The concentration of credit is the aggregate expression of this exclusion.

## WHAT NEEDS TO CHANGE

The first step toward correcting this problem is surprisingly simple: measure it properly.

The RBI already publishes the underlying data every quarter. What is missing is the incorporation of concentration metrics into the country's financial inclusion framework. India should track indicators such as the share of national credit held by the top decile of districts or the number of districts required to account for half of all formal credit. It will also be useful to identify with lowest credit penetration to focus attention on improving the credit flow. What gets measured gets governed.

The next step would be to simplify the processing of credit flows specially for the MSMEs across the country. Smaller borrowers, as in the case of about nine million women self-help groups, have very low net NPAs. Similarly, it can be safely assumed that the plethora of compliances and collateral requirement may not really be necessary in extending credit to MSMEs specially in districts where at present credit availability is negligible at present.

India has built remarkable infrastructure for financial access. But access alone does not guarantee financial inclusion. A truly inclusive financial system is not one where every citizen can open a bank account. It is one where the geography of opportunity is not determined by the geography of banking concentration.

Kumar is Chairperson and Prakash is Associate-Strategy & Research at Pahlé India Foundation

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

## Weak monsoon

With reference to the Editorial 'Prepare the ground' (June 4), it is now quite clear that we will have deficient monsoons this year. The risks to the agricultural sector have been well articulated. Other aspects need attention too.

Drinking water crises may likely emerge especially in rural India. This in turn could lead to more extraction of ground-water and contamination of rivers, lakes, etc. These are a recipe for spread of water borne diseases and the

resulting challenges for public health. At a macro level, we need to address issues of water governance, keeping in mind sustainability, equity, and ecosystem protection.

## V Vijaykumar

Pune

## Gold in reserves

This refers to the news report 'Central banks turned net buyers of gold in April', (June 4). The resumption of central bank gold purchases in April, led by Poland and China, reflects a continuing

structural shift in how sovereign institutions are managing reserve portfolios. Poland's stated intent to use gold reserves for military expenditure — subsequently walked back by the Finance Minister — illustrated how geopolitical anxiety is now directly shaping reserve management decisions in ways that would have seemed unusual a decade ago.

For India, which holds substantial foreign exchange reserves, the question of optimal gold allocation deserves periodic reassessment

rather than being treated as a settled matter of policy.

## Swathi Senthilkumar

Coimbatore

## Monetary dynamics

Apropos the article 'The missing link in monetary transmission', (June 4). The observation that sovereign borrowing costs have actually risen while the RBI has cut repo rates by 125 basis points deserves far more attention in mainstream policy discourse.

At ₹11.5 lakh crore of central

government borrowing annually, even modest yield elevation translates into fiscal costs that eventually crowd out productive expenditure.

The RBI occupies a unique dual role as both monetary authority and sovereign debt manager. That institutional position creates both the responsibility and the tools to address this asymmetry more directly than has been attempted so far.

## K Sakunthala

Coimbatore

# Derivatives trade reforms

A few grey areas apart, SEBI proposals largely positive

P Saravanan  
A Paul Williams



**SAFETY NET.** Will be tested during genuine market stress

India's capital markets regulator has quietly set the stage for one of its most comprehensive rulebook clean-ups in years. On May 14, SEBI released a consultation paper proposing sweeping changes to the framework governing exchange-traded derivatives. The intent is clear: reduce the compliance burden on stock exchanges and clearing corporations, remove redundant rules that have accumulated over decades, and align India's derivatives market more closely with global standards. This is not a reaction to a crisis. It is a deliberate, structural effort to modernise a regulatory architecture that has grown unwieldy over time.

### WHAT'S SEBI PROPOSING?

The consultation paper proposes extensive reforms to the regulatory framework governing exchange-traded and commodity derivative. At the heart of the proposals is structural reorganisation. Rather than maintaining product-specific categories, SEBI is proposing to consolidate them into broader, unified segments. One of the more technically significant changes involves commodity options. SEBI has suggested eliminating the close-to-the-money (CTM) option series in commodity options to reduce complexity and uncertainty for traders and rely solely on in-the-money and out-of-the-money options. The regulator also noted that it is difficult to accurately assess the intrinsic costs of CTM options, making this reform both a simplification and an investor protection measure.

On the clearing corporation side, SEBI has proposed reducing the Z score used for historical stress testing in commodity derivatives to five from 10, and revising the coverage requirement of the core settlement guarantee fund to account for the simultaneous default of the top three clearing members, instead of factoring in 50 per cent of the credit exposure arising from the default of all clearing members. This is meant to reflect better actual risk exposure without over-engineering the safety net.

If the proposals are adopted, the impact will be felt across several layers. For exchanges, the administrative savings will be

real. Fewer approval requirements, consolidated circulars, and rationalised segment definitions mean less time spent on paperwork and more bandwidth for product innovation and risk management. SEBI is also proposing to remove the requirement for exchanges to seek prior intimation from the regulator before imposing stricter exchange-level position limits. This empowers exchanges to act swiftly when they detect an unusual concentration of positions, thereby benefiting market stability. For retail and institutional traders in commodity derivatives, removing the CTM option series simplifies the exercise mechanism and reduces confusion around pricing. Globally, this is how it works, and India will simply be catching up.

The proposals are broadly positive, but a few grey areas deserve attention. Giving exchanges more discretion over position limits and expiry dates is sensible in theory. In practice, however, the adequacy of supervision over how that discretion is exercised remains an open question. The reduction in the Z-score for clearing corporations from 10 to 5 is also worth watching. The proposed changes were examined by a working group on commodity derivatives and deliberated by SEBI's Risk Management Review Committee, both of which recommended lowering the Z score.

Though expert endorsement is reassuring, commodity markets can be structurally more volatile than financial derivatives, and the adequacy of the revised safety net will only truly be tested during a period of genuine market stress. A leaner rulebook, greater operational autonomy, and globally benchmarked risk standards will collectively make Indian derivatives markets more competitive, efficient.

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

# Local heat intelligence matters

**PRECISION VITAL.** Standard averages and generic terrain thresholds often mask the critical hotspots and assets at risk



SANDHYA SUNDARARAGAVAN  
KALA NAIR K

Extreme heat is no longer episodic; it is becoming a 'continuous threat' profile for India. Relentless frequency of heatwaves is creating a compounding effect, preventing regional economies from recovering before the next extreme heatwave event strikes. The Climate Risk Index 2026 ranks India ninth among the most climate-affected countries globally over the past three decades. National evidence reinforces this trend. While India Meteorological Department (IMD) starts issuing heatwave alerts and warnings during the onset of summer season, the Ministry of Earth Sciences assessments project a two-fold increase in heatwave days and around 43 per cent rise in extreme rainfall intensity by 2030.

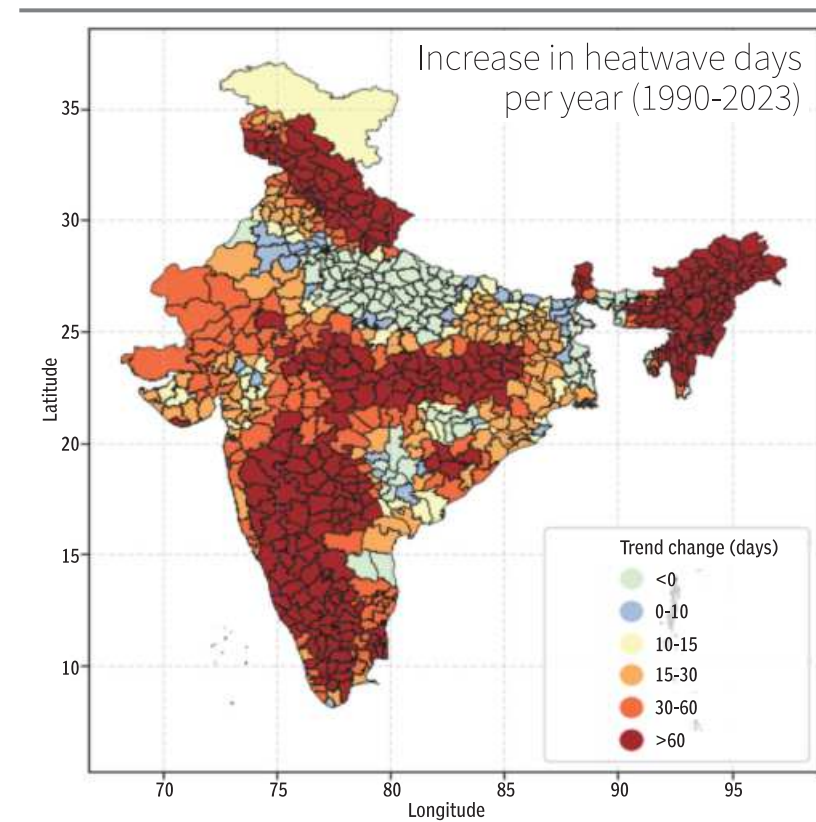
The human cost is rising alongside these trends. The Lancet Countdown (2023) reports an 85 per cent increase in heat-related mortality among older adults globally between 1990-1999 and 2013-2022, with India among the most vulnerable. Heatwaves are no longer seasonal events. They are a critical and escalating climate hazard, demanding localised heat risk assessments, micro-hot zone mapping, and urgent public health interventions at sub-district levels.

### HEATWAVES BECOMING NORMAL

IMD data show a clear and troubling rise in heatwave frequency across India over the past three decades (map). India's 2026 heat patterns reveal a shifting heat landscape where temperatures are 4-8°C above historical regional norms and no terrain, from scorched plains to coastal corridors to high-altitude refuges, is being spared.

The plains remain India's most intense heat zone. Cities in the plains like Jaisalmer, Gwalior and Nagpur continue to endure extreme dry heat exceeding 45°C and witnessing an increase of roughly 11 heatwave days per year and a 0.28°C rise in maximum temperatures between 1990 and 2023. Densely built-up urban environments with increasing population and shrinking green spaces intensify urban heat islands, disproportionately burdening those with the least access to cooling. The impact is already visible in the power sector, with electricity use for space cooling projected to grow up to eightfold by 2050.

Coastal regions tell a different but equally concerning story. Between 1990 and 2023, these zones recorded approximately 26 additional heatwave days per year and a roughly 0.7°C rise in



Source: Analysis by authors using the IMD gridded daily maximum temperature

maximum temperatures, a rate significantly steeper than the plains. The greater danger is not temperature alone but the combined effect of heat and humidity; in coastal cities like Visakhapatnam, Chennai and Thiruvananthapuram, air temperatures of 37-43°C along with 60-80 per cent humidity can drive heat index values near 50°C, severely limiting the body's ability to cool itself (IMD advisories). The International Labour Organization projects that heat stress of this kind can reduce India's labour capacity by 5-6 per cent of total working hours by 2030, hitting outdoor workers in agriculture and construction hardest. Beyond lost productivity, such conditions also increase the risk of heat-related illnesses, placing an additional burden on public health systems.

Perhaps the most alarming signal is coming from India's hills. High-altitude regions, once seen as natural buffers, have recorded an increase of 163 heatwave days per year and a temperature rise of about 0.42°C

**By shifting from broad averages to high-resolution data, local governments can proactively heat-proof critical road, rail, and power networks against thermal stress**

between 1990 and 2023. For instance, hilly cities like Ooty and Shimla, considered traditionally as "climate refuges", are experiencing a narrowing diurnal temperature range as nights are becoming warmer, reducing the physiological recovery that cooler mountain nights once provided. The impacts extend well beyond human comfort: warming is drying springs, stressing temperature sensitive crops like tea and coffee plantation, and straining fragile ecosystems.

This non-uniform warming across terrains indicate that heat hazard is no longer confined to India's traditional "heat belt." With emerging hotspots in the Western Ghats, the Himalayan foothills, and along the coast, heat risk has become a nationwide challenge, one that exerts distinct and compounding pressures on every landscape and population.

### SUB-DISTRICT LEVEL PLANNING

Heat is a local phenomenon. Standard averages and generic terrain thresholds often mask the critical hotspots and assets at risk, and lived experiences of vulnerable populations. What India urgently needs is a shift. From broad national projections to high-resolution, actionable heat intelligence at the sub-district, taluka, and ward level. From heat as a meteorological event to heat as a local governance emergency that demands local data, local institutions, and local responses.

Central to this effort is the establishment of a robust, local

institution-led data governance framework that integrates real-time weather data with ground realities. As "first responders" to climate change, local governments like municipalities can facilitate continuous collection, maintenance, and democratisation of datasets that are accessible to the broader research community. To develop high-resolution heat risk maps, sub-district data must integrate climate variables like temperature and humidity with socio-economic indicators — including informal housing and vulnerable groups like outdoor workers — alongside critical infrastructure and agricultural patterns.

By shifting from broad averages to high-resolution data, local governments can proactively heat-proof critical road, rail, and power networks against thermal stress. For electric utilities, this granular heat intelligence will enable proactive prediction of infrastructure failure points and forecasting of electricity spikes by correlating real-time weather data with consumer cooling behaviour.

### ADVANCED ANALYSIS TOOLS

Beyond infrastructure, these insights can empower agricultural departments to deploy interventions that safeguard crop yields. For instance, agrometeorological advisories issued by IMD use localised weather forecasts to guide farmers on adjusting sowing dates, irrigation scheduling, and crop protection during heat stress events helping reduce yield losses. Similarly, health departments can utilise early-warning systems with targeted, life-saving awareness protocols for schools, *anganwadis*, and public health centres.

Advanced risk analysis tools and modelling frameworks via AI and machine learning algorithms can significantly sharpen the heat risk assessments by processing vast datasets to identify hidden micro-climate patterns and pinpoint high-risk heat zones with precision. For example, satellite data combined with machine learning was used to map urban heat islands to help cities identify heat "hotspots" and prioritise targeted cooling interventions.

India is a country of staggering geographic, climatic and social diversity. Understanding these nuances are key to surviving an era of intensifying heat waves. Localised heat risk assessments must become an integral pillar of sub-district climate planning. Ultimately, this granular data must be integrated to drive targeted policy interventions, providing a comprehensive safety net for both the economy and the most climate-vulnerable communities.

Sandhya is a Senior Advisor, and Kala is a Manager, at Vasudha Foundation

## thehindubusinessline.

### TWENTY YEARS AGO TODAY.

June 5, 2006

#### Plan for direct fertilizer subsidy to farmers dropped

The Government has dropped the idea of paying fertilizer subsidy directly to the farmers. The subsidy is now routed through the producing companies. "It is a very complex issue and disturbing the status quo would involve complete structural overhaul of the industry which is not likely to happen in the foreseeable future," informed sources said.

#### BSNL wants immediate payment from MTNL

The spat between BSNL and MTNL over payment of dues has aggravated, with the former sending a fresh missive demanding immediate payment of access deficit charges on limited mobile services 'Garuda' since November 2004.

#### Animal health players make hay as drug cos exit segment

A clutch of drug companies exiting from their animal health businesses is making way for dedicated players to move into the same segment. The most recent exit, a little more than a month ago, was when GlaxoSmithKline (GSK) Pharmaceuticals sold its animal health business to the French animal-health and veterinary products company Virbac for ₹207.1 crore. The acquisition marks Virbac's entry strategy into India.

# Trump directs customs to crack down on tariff cheats

Catherine Lucey  
Skyilar Woodhouse  
Laura Curtis

President Donald Trump signed an executive order designed to tighten customs enforcement, his latest move to ramp up protectionist trade policies. The policy Trump signed on Wednesday directs Customs and Border Protection officers to use new technology to ensure contraband and illegal goods are detected and blocked from entering the US, and that products brought in are accurately accounted for, according to a White House statement.

"This executive order is really the

result of many years of our front-line officers and our trade professionals seeing the tricks and abuse that the companies that were trying to cheat the system have been using," said CBP Chief of Staff James Kernochan on a call with reporters after the order signing.

Officials said the order would address issues that have plagued the customs agency's ability to enforce trade policy, including importers' use of shell companies, insufficient customs bond requirements, and schemes that route shipments through a third country in order to hide the true origin of the goods.

White House staff secretary Will Scharf said during the signing that the

order is intended to provide CBP with more information about importers-of-record, or IORs, and that they correctly report what they are bringing in. Foreign companies that bring goods into the US will face stricter compliance requirements as well. There was a record \$112 billion gap last year between what China reported exporting to the US and what was declared to CBP, Bloomberg News previously reported.

### GREATER USE OF AI

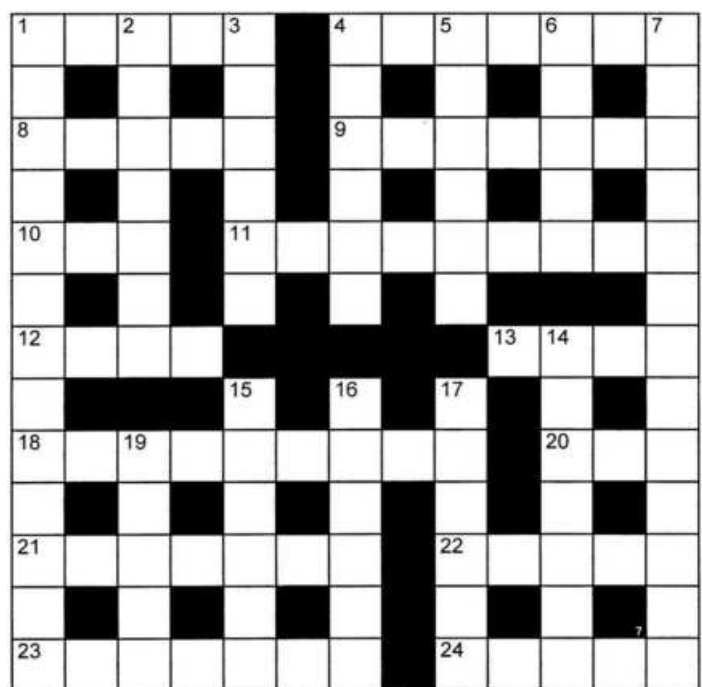
"Examples of non-compliance include undervaluing imports, withholding critical information about IORs and the goods being imported, and avoiding payment of duties through various ar-

rangements and schemes," the order said. The order also ramps up the use of artificial intelligence by customs authorities.

"We're in the process of being able to — in real time — track every single ship and shipment that leaves every single port every day, process literally billions of bits of data, and determine with a high degree of probability, whether or not there's some tariff evasion or possibly other problems like drugs, illegal contraband," said White House trade adviser Peter Navarro on the call with reporters.

He also stressed the potential for boosting revenue collection from US importers. S. BLOOMBERG

## BL TWO-WAY CROSSWORD 2695



### EASY

#### ACROSS

- Let in (5)
- Cafe, small restaurant (3,4)
- Slightly wet (5)
- German white wine (7)
- The point, gist (3)
- Grass-eating animal (9)
- Salvia (4)
- Those acting in play (4)
- Teller of anecdotes (9)
- Food-channel (3)
- A testimony (7)
- Sheet of paper once folded (5)
- Keep down, restrain (7)
- Noblemen (5)

#### DOWN

- One who manages or directs (13)
- Letter-sack (7)
- Irritable (6)
- Tone-colour, quality of sound (6)
- To attack (6)
- Word of greeting (5)
- Introductions; illustrated demonstrations (13)
- Opposite of easy and graceful (7)
- Uncertain (6)
- Turned-back part, as lapel (6)
- Cunning (6)
- Press into folds (5)

### NOT SO EASY

#### ACROSS

- Confess that one will allow one to enter (5)
- Small restaurant poet has torn apart (3,4)
- One most upset at getting damp (5)
- See Moll get tidily with German wine (7)
- Has put tea-cake back, and that's the gist of it (3)
- One is wise to be sort of green (4)
- Throw it at the dramatis personae (4)
- Care to run around with a teller of stories (9)
- Pull it back with this sort of reaction (3)
- Words of praise with which one might rebut it (7)
- Large-format book for one to fool around with (5)
- If it's concerning the newspapers, restrain it (7)
- Whose cricket ground is not apostrophised in the Upper House? (5)

#### DOWN

- He manages to change a traitor's mind (13)
- One's post from Lamb a GI can sort (7)
- Irritable, etc, in your archaic setting (6)
- Tone-colour sounds wooden (6)
- Attack and make a silly fellow sicken (6)
- A first word may be nothing more than an imprecation (5)
- Illustrated talks may be a gift? No: it's a mess! (13)
- Give bony and lean gal a run-around (7)
- Use urn for it if not certain (6)
- Part of collar that's turned will almost move backwards (6)
- As cunning as The Dodger (6)
- Tightly wave top of crown with prim result (5)

### SOLUTION: BL TWO-WAY CROSSWORD 2694

**ACROSS** 1. Free on board 8. Elate 9. Numbers 10. Spindle 11. Nodal 12. Augury 14. Cat-nap 18. Paint 19. Tallboy 21. Nowhere 23. Noise 24. Out of pocket  
**DOWN** 1. Fressia 2. Erasing 3. Oread 4. Banner 5. Armenia 6. Dye 7. Sisal 13. Retreat 15. Niblick 16. Payment 17. Itself 18. Panic 20. Lingo 22. Who

**The Indian EXPRESS**

~ FOUNDED BY ~

**RAMNATH GOENKA**

IN 1932

BECAUSE THE TRUTH  
INVOLVES US ALL

## Trump tariff saga goes on, India must find way

ON TUESDAY, the US Trade Representative proposed tariffs on 60 countries under Section 301 of the US Trade Act, 1974 — economists that together account for 99.4 per cent of all US imports. That the proposal has come up now — the USTR will hold hearings on the proposed actions on July 7 — is no accident. After the US court struck down the policy of reciprocal tariffs brought through the International Emergency Economic Powers Act, Trump had imposed a 10 per cent levy on all trading partners through Section 122 of the Trade Act. This tariff could, however, be levied only for a maximum of 150 days, unless extended by the US Congress. That period will end on July 24. The USTR's investigation and its proposals now create space for White House to move ahead with its trade agenda.

Of the 60 countries, 54 are said to have failed "to impose a legal prohibition on the importation of goods" that have been produced by forced labour and have allegedly been unable "to effectively enforce such a prohibition". This category includes a wide range of countries — from China and India to Saudi Arabia, Australia, Switzerland, the UK, and others. Another six countries — EU, Canada, Indonesia, Mexico, Ecuador, and Pakistan — are said to have "failed to effectively enforce a forced labour import prohibition". The USTR has proposed two sets of tariffs — 10 per cent and 12.5 per cent. India falls in the latter category. However, this is not all. Attempts to reinforce the tariff wall are playing out across multiple arenas. Another investigation was launched in March to look into the issue of "structural excess capacity and production in manufacturing sectors" of 16 economies, including countries like India and China. All this suggests that, despite judicial setbacks, tariffs will likely remain key to the Trump agenda.

The Indian government has responded to the USTR's proposals by saying that it is engaging with the US on the issue, while also working towards finalising the framework agreement announced by the two countries earlier this year. On Wednesday, Sergio Gor, the US Ambassador to India, said that the negotiations had mostly wrapped up, with only a few points still to be ironed out. As India moves forward with its trade deal with the US, it must be mindful of the unpredictable nature of the White House administration. It should press for greater market access while safeguarding its interests.

## Suryakumar & Sooryavanshi

INDIAN CRICKET'S present-day decision makers — selection committee chief Ajit Agarkar and coach Gautam Gambhir — have put in place a system, and Suryakumar Yadav has just come up against it. Three months after captaining India to the T20 World Cup title in Ahmedabad, the 35-year-old is likely to be removed as captain and also dropped from the squad. The call follows a template that Agarkar and Gambhir have applied almost without exception: Rohit Sharma's Test decline was not managed, it was ended; Virat Kohli retired soon after; Shubman Gill, already Test captain, was dropped from the T20 World Cup squad despite being named vice-captain just months earlier. The prolonged absence of another senior, Mohammad Shami, from the national team follows the same logic. That Suryakumar won 40 of 52 matches as captain, never lost a bilateral series, and still finds himself here is not a contradiction — it is the system working exactly as designed. His numbers — 270 runs in 13 IPL innings at an average of 20.76 — made the arithmetic straightforward.

During his tenure, Suryakumar had made Gambhir's philosophy his own on the field — he wanted India to become a "cricket-loving country rather than a cricketer-loving one". But sport has shown that indulging stars, giving them a longer rope than others, can benefit the team, too. Rahul Dravid, Gambhir's predecessor as coach, offered a counterargument. "Any sport needs its heroes," Dravid said. "You can't capture the imagination of a nation if you don't deliver on the field. To become a legend or a superstar in India means you've done a lot of things right and, in the process, you've also helped your team win." The trophy and the icon, in his reading, are not rivals. They are part of the same transaction. With the 2028 Olympics and a hat-trick of T20 World Cup titles on the horizon, the cost of getting that balance wrong is high.

Into this space has stepped 15-year-old Vaibhav Sooryavanshi — 583 IPL runs at a strike rate of 232 in his second season — who, unlike previous young stars who came with promise, arrives with box-office. The crowds come specifically to watch him, not to appreciate a team philosophy. Managing a phenomenon like that within a system seemingly sceptical of hero worship will require something subtler than policy. Dravid left the argument open. Sooryavanshi may force it shut.

## She refused to be drawn in black & white

IN THE 2000s, as a debate over banning the veil raged in France, Marjane Satrapi would not be drawn into the polarised media environment. The level of discussion was too low, she said, and her position wasn't a simple one. "For me, prohibiting the veil and forcing it is the same," she said in an interview. She could be as critical of Western forms of secularism and feminism, and their uncritical universalisation, as of the Islamic Republic of Iran and its morality police. Years later, during the "Woman, Life, Freedom" protests in Iran, she coordinated a collective effort to produce a book telling the story of Mahsa Amini's death in custody and the subsequent uprising. Despite the graphic novel that catapulted her to fame, Satrapi, who died on Thursday aged 56, refused to be drawn in black and white.

The world of Satrapi's childhood, in an upper-middle-class milieu in Tehran, with left-wing parents who opposed the Shah, would be shattered by the 1979 Islamic Revolution. Her experiences growing up in this new, dangerous Iran, including the execution of a favourite uncle, and navigating its new morality shaped the autobiographical work for which she is best known, *Persepolis*. In the later volumes, the curious little girl, Marji, grows up, through exile in Europe, a return to Iran, and exile again. Her goal, as she once put it, was partly "pedagogical" — to correct misconceptions about Iran, and tell Westerners that no, "the whole people of the country" weren't "crazy". The work went on to sell millions of copies worldwide.

In addition to graphic novels, Satrapi directed or co-directed several films, including the 2007 adaptation of *Persepolis* and a biopic of Marie Curie (*Radioactive*, 2019). She remained engaged with political activism in Iran throughout, praising the 2022 protests as a "feminist revolution". Today, Iran is in the grip of a transformation whose contours are still being defined. As it develops, the clarity of Satrapi's perception will be missed.

I WISH, as educators, we could look you in the eye and say what the government will not, that we are sorry for all the exam-related stress India causes you. Exams are stressful, and the latest NEET and CBSE scandals will add to the stress by diminishing trust in the system. But you see, we cannot say sorry. After all, the Prime Minister himself wrote an inspiring book for you called *Exam Warriors*.

You are warriors in the service of the nation. In case you had any doubts, the Hindi translation of the Prime Minister's book also uses the English term "warrior". War is a cruel business. Battlefield chaos is never pretty; there are glitches, casualties, and setbacks. The Prime Minister himself gave you recipes for reducing exam stress, making yourself physically fit by doing yoga and *pranayama*, all sage advice if you do believe exams are like wars.

The education system might seem to you like organised and systematic cruelty. It is, and it is by design. But it is preparing you for the battlefield that is Indian society: It tests your endurance. To spruce things up, we have injected an element of chaos. Like warriors, we do not expect you to get upset, to complain, to hold the highest authorities accountable, to ask questions, like what is the whole point of this cruel system. Like warriors, you take this on the chin, be stoic about it, and get ready for battle again.

You see, all we can offer you is a character-building exercise. After all, India's foundations are built on that. When the economy you will enter is in distress with

fewer jobs, we will ask you to sacrifice for the sake of the economy. Even our actual warriors, the soldiers, have to rely largely on their character. For a government strong on defence, the budget for procurement was stagnant for a decade. And look, real soldiers also work under conditions where there are procurement delays and maybe even scams. Now this has happened in exams: Think of a dysfunctional OSM system as the equivalent of our brave Air Force not getting planes on time. Defence needs character. So does higher education.

We could reduce the stress on you by increasing investment in higher education, by making sure that the stakes in every marginal mark in these exams were not so high as to drive you to despair. If you had more options, perhaps the stress would be less. But then what would happen to your character? Notice the pattern here: Economic reforms on the cheap. No real investment and attention to systems that will make the economy attractive. Defence on the cheap. And higher education, even exam systems, on the cheap. But the country marches on, built on your endurance, stiff upper lip, national pride, and a few breaths of yoga.

With education, there is something else. After all, this is the testing ground for One Nation, One Everything. The power of ONE is more important than the objectives of the exam. So let us build centralised systems. You might think exams like CUET are unnecessary and serve no



PRATAP BHANU MEHTA

**Our education ministers, at both the Centre and the states, have been among the greatest gifts we could have given to China and our competitors**

## This World Environment Day, let's broaden the conversation



PURVI MEHTA

WORLD ENVIRONMENT Day is an occasion to reflect on the growing threat posed by climate change. Recent weather extremes in Delhi — from 43°C heat to torrential rain and sharp temperature swings within days — underscore the growing unpredictability of our climate. The planet has already warmed by more than 1.1°C above pre-industrial levels, and its impacts are being felt across the world.

Climate-related disasters now inflict economic losses of roughly US\$300-320 billion annually worldwide, significantly above long-term averages, with weather-related events accounting for more than 90 per cent of the damage. Key sectors like agriculture are coming under pressure from heat stress, droughts, floods, and shifting pest dynamics. Water scarcity already affects billions, while infrastructure designed for the 20th century is increasingly unfit for today's realities.

These challenges are creating unprecedented demand for recalibrations of technologies, resilient infrastructure, climate-smart manufacturing, water-efficient systems and innovative business models. The climate crisis is becoming one of the most powerful drivers of economic transformation in modern history. The world is now entering what is being called the "adaptation economy". Recent industry estimates place the global climate adaptation market at roughly US\$30-35 billion in 2025, encompassing climate-resilient infrastructure, water management systems, early-warning technologies, resilient agriculture, cooling technologies, climate analytics, and adaptation services. It is expected to grow to US\$95-140 billion by 2030 with an annual growth rate of roughly 10-16 per cent.

It offers a high return on investment. According to the Global Commission on Adaptation, investing \$1.8 trillion globally in climate adaptation by 2030 could generate more than \$7 trillion in net economic benefits. Meanwhile, the United Nations estimates that adaptation investment needs in developing countries could exceed \$300 billion annually by 2030 and rise further thereafter. These figures represent not merely costs of adaptation but opportunities for innovation, entrepreneurship, job creation and economic growth.

For India, the opportunity is significant. The country has committed to achieving net-zero emissions by 2070 while simulta-

neously pursuing rapid economic growth. According to NITI Aayog, it will require cumulative investments of approximately US\$22.7 trillion by 2070 to achieve its net-zero target. This is roughly US\$500 billion annually for the next four-and-a-half decades. This dual objective, often framed as a challenge, can equally be viewed as an economic opportunity.

India is already among the world's fastest-growing renewable energy markets. Its ambitious targets in solar energy, green hydrogen, battery manufacturing, electric vehicles, sustainable mobility and energy-efficient infrastructure have the potential to attract hundreds of billions of dollars in investment. The transition to a low-carbon economy could create millions of new jobs across the manufacturing, engineering, construction, digital services and energy management sectors. India has many of the ingredients required to become a global hub for climate solutions: Entrepreneurial talent, engineering capability, a large domestic market and a growing innovation ecosystem.

Agriculture, a crucial sector, is also the one most directly exposed to climate variability, requiring an entirely new generation of climate-resilient seeds, stress-tolerant varieties, irrigation infrastructure, cold storage, and thermostable vaccines. These are no longer scientific pursuits — they are major commercial opportunities. The same opportunity exists in infrastructure. There is now a vast market for climate-resilient construction materials, advanced cooling systems, water management technologies, climate-appropriate transportation systems and resilient urban planning. None of this reduces the urgency of climate action. Adaptation is not a substitute for mitigation. Reducing greenhouse gas emissions remains critical to avoid the consequences of climate change.

But this World Environment Day, perhaps we should broaden the conversation. The question is no longer whether the climate is changing. The question is how to adapt to it and optimise investments in building technologies, businesses and industries needed to make adaptation a driver of economic growth. Countries that view climate change as both a challenge and an opportunity will build the industries, create the jobs, and shape the economies of the future. India has every reason to be among them.

The writer is senior industry policy advisor. Views are personal



RO DING

## The junta in Myanmar is not a partner India needs

INDIA RECEIVED General Min Aung Hlaing with the honours of a head of state. He came to New Delhi seeking legitimacy, and he left after giving almost nothing in return. He repeated the assurance that Myanmar's territory would not be permitted to be used against India's security interests. That is a promise the junta has already broken by making common cause with anti-India insurgents to fight the people of Myanmar.

Min Aung Hlaing is not the country's legitimate leader in any sense. The election he organised earlier this year was held in less than half the country. The parties that won the 2020 election in a landslide were barred from contesting, and the leaders who won it, including Aung San Suu Kyi, remain in prison or have been killed. This is why the United Nations lists U Win Myint and Daw Aung San Suu Kyi, not Min Aung Hlaing, as Myanmar's head of state and foreign minister. Recent efforts by the junta regime to feign reform are hollow. Aung San Suu Kyi was reportedly moved from prison to "house arrest" last month, but the regime has done nothing to address concerns raised by her son about whether she is still alive. Just four days after the junta took power, it bombed a Buddhist monastery. Min Aung Hlaing's new "civilian" cabinet is composed of 24 former generals. These are not signs of reform.

India shares a 1,643-km border with Myanmar across four northeastern states, and it must be pragmatic. But legitimising the military junta is self-harm. A government partner is only as useful to India as its ability to deliver, and the junta fails that test in three ways. It enjoys little public support and governs a small share of the country. Any arrangement reached with it rests on a weak foundation. And its survival now depends on Beijing, which drives many of the junta's choices. In New Delhi, the general pledged to do "everything" to finish the long-stalled Kaladan project and the Trilateral Highway. He cannot. As Foreign Secretary Vikram Misri acknowledged, both are frozen in territory the junta does not control. The mass displacement that burdens India is a central objective of the military's "four cuts" strategy. Finally, a regime kept alive by Beijing's funding, weapons and diplomatic cover is not an instrument with which India can balance China.

The resistance is more unified than it has been at any point since the coup, offering India its most coherent alternative to Naypyidaw. Major resistance forces and the National Unity Government (NUG) recently established a single political and military body, the Steering Council for the Emergence of a Federal Democratic Union (SCEF). It brings together forces fielding well over 100,000 fighters, controls or contests close to half the country, and is fast becoming the actor most likely to shape Myanmar's future. India's interests are better served by engaging it now. The NUG and its allies do not ask India to break relations with Naypyidaw. The distinction India should draw is between formal recognition and functional partnership. The actors that can deliver results on border security, counter-narcotics, and infrastructure protection increasingly sit within the resistance.

India has spent decades building goodwill among its neighbours. It should not spend that capital on a regime that the Myanmar people are determined to remove.

The writer is representative to India of Myanmar's National Unity Government

**The actors that can deliver results on border security, counter-narcotics, and infrastructure protection increasingly sit within the resistance**

## 40 YEARS AGO

June 5, 1986



### Bansi Lal replaces Bhajan Lal

IN SWIFT and dramatic developments, the Haryana Chief Minister, Bhajan Lal, was replaced by Bansi Lal, Union Railway Minister. Bansi Lal was unanimously elected leader of the Haryana Congress (I) Legislative Party at Haryana Bhawan. Bhajan Lal handed over his resignation to the state Governor, S M Burney, who is also in the Capital. His resignation was accepted by the Governor.

### Security forces enter Temple

SECURITY FORCES re-entered the Golden Temple complex after supporters of the Damdami Taksal and the All India Sikh Students Federation (Kahlon) allegedly beat up

members of the "task force" recently raised by the Shiromani Gurdwara Parbandhak Committee (SGPC). Avtar Singh, 45, a newly recruited member of the SGPC task force, was killed and another seriously injured when about 200 Sikh militants led by Bimal Kaur Khalsa, widow of Beant Singh, virtually ransacked the rooms around the *parikarma* and the Guru Nanak Niwas.

### Pak seeks US aid for F-7

PAKISTAN HAS approached the United States with a proposal to set up facilities for producing and upgrading the Chinese F-7 interceptor aircraft using American weapons and avionics technology. In what could amount to direct Chinese-American

defence production collaboration on Pakistani soil, it has emerged that Pakistan and China have discussed this possibility with the US.

### India hit by Chernobyl plume

A RADIOACTIVE plume originating from Chernobyl in the USSR hit India on May 14 and its impact was recorded at the atomic power stations at Tarapur (near Bombay), Rawatbaha (Rajasthan) and Kalpakkam (Madras) until May 26. According to a source at the Bhabha Atomic Research Centre, Tarapur recorded the highest levels at 7,700 and 7,160 millibecquerel per gram on May 21 and 22, against a permitted value of 3,000 mBq per gramme.



DIS/AGREE

THE BEST OF BOTH SIDES

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



ILLUSTRATION: C.R. SASIKUMAR

In aftermath of examination fiascos, what is the way forward for students, and the System?

## It's a crisis of academic leadership



J S RAJPUT

**I**NSTITUTIONS BUBBLING with energy, commitment, and ever-improving dynamic performance levels constitute the oasis of hope in democracies. The hopes and aspirations of the young are shaped by schools and institutions of higher education, which expand their horizons and synchronise their skills and interests, as well as by the care of their teachers. The best thing to happen after Independence was the creation of new institutions and the strengthening of existing ones. These were clearly statements of trust in the ingenuity of young Indians. Who is not proud of TIFR, BARC, ISRO, CSIR, and many more? The CBSE in its present form was created on July 1, 1962, the NCERT on September 1, 1961. Over the decades, both have acquired national and international credibility, acceptance, and appreciation, the credit for which must go to the leadership, exercise of autonomy, and a deep sense of "participating in creating the future of India" amongst the scholars and support staff. Unfortunately, the reputation of both has suffered in recent months and weeks.

Critical thinking is one of the very significant recommendations of the NEP, 2020. The NCERT did not showcase it when it published a chapter entitled "Corruption in Judiciary" in its Class VIII Social Science textbook. The Supreme Court was, rightly, furious. When it asked for the names of those responsible for the fiasco, the NCERT mentioned the names of three outside experts. That was unexpected for such a reputed organisation that has several hundred academics and teachers in its faculty. In every subject area, the responsibility should have been assigned to one or two internal faculty members. The SC put the three senior experts in a very embarrassing situation by banning them, without even listening to their version. This has, however, been corrected by the SC. The NCERT needs a serious rethink on this episode, which indicates a shirking of institutional responsibility. Consult experts, academics, teachers, and others, but every word published by the NCERT must be owned by the NCERT.

The CBSE fiasco is indeed painful. It has caused avoidable uncertainty, pain, and tension for millions of students and their families. The most critical transition in the lives of young learners takes place at the +2 stage. Every mark scored could make or mar their futures. The CBSE introduced On-Screen Marking (OSM) from this year for Class XII exams. It claims to have trained

evaluators, oriented principals, and even apprised the parents. If the reports indicating that a dry run was conducted less than a month before the examinations began are correct, it would amount to inadequate preparedness, lack of leadership, a shockingly inadequate institutional comprehension of its accountability to children and parents, and a dent to the CBSE's own image and credibility. Obviously, the ministry's consent would have been obtained. One could safely infer that if a serious academic analysis of the situation and the possible disastrous consequences of a failure had been conducted in an academic environment, the use of OSM would not have been implemented this year. Under no conditions should institutions like KVS, NVS, school boards, textbook corporations, and SCERTs be headed by bureaucrats.

The latest example of the NTA failing to learn from its earlier failures in conducting the NEET exam indicates a mere mechanical approach and an absence of corrective measures. The lack of concern and the absence of compassion for students were evident when the NTA chief, appearing before the parliamentary committee, refused to acknowledge any paper leak "through the system" and maintained that only a few questions were reported to have reached outside! Does it not amount to running away from moral responsibility? Umpteen such instances could be cited to underscore the need for academic leadership in institutions dealing with education, teachers, teacher training, and educational administration. Mere transfers and bringing in another person from the same clan are no solutions. It won't generate any confidence in the system, nor provide any solace to those suffering. Why should an institution like the National Institute for Educational Planning and Administration not be consulted in appointing heads of such institutions? If the backgrounds of the senior education ministry officials of the first two to three decades post-Independence, along with the heads of state-level educational bodies, were studied, it would indicate a large presence of academics. How was this changed, and by whom?

Acceptance of accountability and a commitment to enhancing institutional credibility are the country's expectations of every institution. Unfortunately, the failures of a couple of institutions within weeks of each other have disappointed not only students and their parents but also civil society. Are we so weak in managing things that the Prime Minister has to be bothered with monitoring the conduct of an examination? Should we go to the Air Force to assist the NTA? This is an unacceptable situation that needs a thorough overhaul.

The writer, former director of NCERT, works in education, social cohesion and religious amity

## Rebuild confidence, tinkering won't do



KAUSHIK DAS GUPTA

**A**T LEAST three of the over 22 lakh students who appeared for the now-cancelled National Eligibility Cum Entrance Test (NEET) last month will not return to the examination hall when the test is conducted again later this month. The anguish and desperation of going through the gruelling process of preparation, reportedly, was too overwhelming, and they died by suicide. As the parents of one of these students told this newspaper, "This was his third NEET attempt. His exam had gone well. However, the news of the cancellation broke him from within."

These unfortunate and extreme steps frame the challenge before policymakers in the wake of the cancellation of the entrance test to the country's medical institutions.

In a little over a month after the incident, government agencies have identified people who exploited the system's vulnerabilities and ran cheating operations. Meanwhile, the controversy surrounding the CBSE's rollout of its On-Screen Marking system has exposed another failure, rooted in institutional decision-making. Students alleged answer-sheet mismatches, blurred scans, unchecked responses, and evaluation anomalies, while reports, including in this newspaper, have pointed out that technical and operational concerns had been flagged during trial runs before the system was rolled out nationwide. Education Minister Dharmendra Pradhan has admitted to moral responsibility for the failures. The Opposition has called for his resignation.

Identifying culpability and accepting responsibility are, of course, essential to preserving public trust in institutions. But too often the response is limited to addressing what went wrong in one examination cycle. The problem is that failures of various kinds recur across admissions processes and recruitment tests. Whether it's technical glitches, paper leaks, disputed evaluation mechanisms, logistical failures, or administrative lapses, the pattern now appears to be dispiritingly familiar — accountability usually ends at identifying a few rotten eggs, that too pushed by public outrage and censure from the country's highest court.

In the aftermath of a controversy over the evaluation of NEET answers, two years ago, the government was asked by the Supreme Court to constitute a high-level committee headed by former ISRO chief K Radhakrishnan to examine the functioning of the National Testing Agency (NTA) — the

body that conducts some of India's most consequential exams, including NEET — and recommend reforms. The committee's report pointed to inadequate institutional capacity, poor risk assessment, weak technological safeguards, insufficient accountability mechanisms, and the absence of a culture of continuous review. It recommended professionalising test administration, improving cybersecurity protocols, creating robust audit systems, and ensuring greater transparency in decision-making. A Parliamentary Standing Committee, too, has criticised the NTA for relying on private vendors and pointed out that firms blacklisted in one state continue to operate in another. It should, therefore, not have required the cancellation of one of the country's most important entrance examinations, the despair of lakhs of students, and another Supreme Court intervention, to force the agency to acknowledge the problems that have been flagged repeatedly.

Examinations, of course, need to challenge the student's academic acumen. But the stress they pose to the youth in India stems primarily from the hyper-competitive environment they have to reckon with. For lakhs of young people, a handful of admission tests not only determine access to higher education and professional careers, but they are also gateways to social mobility. Students spend years preparing, many of them enduring the punishing processes of coaching centres, several families make financial sacrifices, and aspirations often get tied to scores in one examination. Uncertainty takes a toll on the student's morale. At a moment when young people are navigating one of the most consequential transitions in their lives, the state ought to be a source of reassurance. However, examination failures mean the costs of institutional incompetence are transferred onto those not even distantly responsible — and in some cases, as the suicides indicate, onto those least equipped to bear them.

For accountability to be meaningful, it has to begin with fixing responsibility for what went wrong, and then go further. The country's much-discussed demographic dividend can only be realised if millions of young people believe that education and perseverance will be rewarded fairly. Preventing the next paper leak, software glitch, evaluation error, or administrative lapse is, of course, of utmost importance. All that should be tied to an honest introspection into a milieu that appears to be creating despair — accountability should be about rebuilding confidence in institutions and creating an ecosystem that nurtures the aspirations of the youth, gives wings to their dreams, pushes them out of their comfort zone, but does not break them.

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## Magnifica Humanitas & MANAV: Creating a shared vision for AI



RAJEEV CHANDRASEKHAR

**I**N SPRING 2026, two influential world leaders addressed the age of artificial intelligence — and did so in strikingly similar terms. Pope Leo XIV's encyclical *Magnifica Humanitas: On Safeguarding the Human Person in the Time of Artificial Intelligence* (May 2026) is a major document of Catholic moral teaching. It treats AI as a profound moral question, touching human dignity, truth, work, freedom, justice, peace, and the common good. Its central test is clear: Technology must be judged by what it does to the human person.

Prime Minister Narendra Modi (India AI Impact Summit, 2026 and the AI Action Summit, 2025), advanced the MANAV framework, a vision that closely converges with this: AI must be human-centric, ethical, inclusive, trusted, safe, and directed towards welfare for all. The traditions, vocabularies, and institutional settings differ. Yet the moral architecture is strikingly aligned.

There is convergence across seven dimensions. It is not an argument that the Pope and the PM have coordinated their thinking. Rather, it argues that serious moral reflection, across civilisational traditions, can arrive at shared truths when faced with a challenge as fundamental as AI: The human person must remain at the centre.

**Human at the centre:** The central convergence — the one from which all others flow — is the insistence that AI must remain centred on the human person, not the machine. Pope Leo XIV: "In the era of artificial intelligence, when human dignity is threatened by new forms of dehumanisation, our is the pressing duty to remain profoundly human. We must lovingly safeguard the grandeur of humanity — the splendour of which no machine can ever replace." PM Modi, at the India AI Impact Summit: "Technology exists to serve humanity, not to replace it." At the Global summit, he underlined the core purpose of AI to "make it human-centric rather than machine-centric."

**AI for common good:** Both leaders judge AI not by its technical sophistication but by whether it improves human lives and advances what the Catholic tradition calls the "common good" and what Indian philosophy calls *sarvajana hitaya* — the welfare of all. So the Pope talks about using technology to "identify new paths for the common good," and the PM makes it clear that the "end goal of technology should be 'Welfare for all, happiness for all.'"

**The inequality warning:** Both leaders warn, with unusual clarity, that AI could deepen the inequalities it promises to resolve — if access to data, compute, talent, and decision-making remains concentrated in a few hands. The Pope points to a "new imbalance" that can "divide, exclude and generate new forms of injustice." The

PM's formulation is direct: "The more inclusive the development journey of AI, the more inclusive its results."

**The data-as-person danger:** This is perhaps the strongest of the seven convergences — the one that most distinguishes both frameworks from purely technocratic approaches to AI governance. "AI must not reduce human beings to mere data points or raw material," said the PM. The Pope urged avoiding the "pretence that a single language — even a digital one — can translate everything, including the mystery of the person, into data and performance".

**The hidden bias problem:** On the question of algorithmic bias, both leaders display a sophistication that goes beyond the standard acknowledgement that bias is "a problem". Both identify the specific mechanism — the appearance of neutrality — that makes AI bias particularly dangerous. For the Pope, the "exclusion of the vulnerable becomes cloaked in a veneer of neutrality and objectivity". For the PM, the AI bias steeped in the Western context may not do justice to "our diversity, linguistic, cultural and regional".

**Work, dignity and the future of labour:** Both leaders address directly the fear that most immediately shapes public anxiety about AI: The fear that it will destroy jobs, de-skill workers, and undermine the human dignity that comes from meaningful work. The PM strikes a hopeful note that history "has shown that work does not disappear due to technology...its nature changes and new jobs are created." For the Pope, employment is basic to human dignity and needs to be protected.

**Global governance and MANAV:** Both leaders see AI governance as a shared human challenge — one that cannot be resolved by any single actor, nation, or tradition, and that requires ethical, participatory, and genuinely international frameworks. MANAV (M — Moral and Ethical Systems, A — Accountable Governance, N — National Sovereignty, A — Accessible and Inclusive, V — Valid and Legitimate) forms the cornerstone of the PM's vision for AI. The Pope warns against allowing a "handful of actors to dictate (AI) processes on their own."

The convergence reflects a deeper truth: When serious moral traditions confront the same profound challenge, they often arrive at similar conclusions because certain truths about the human being are universal. It also affirms that the Global South must not remain a passive recipient of AI systems designed elsewhere, trained on data that does not reflect its realities, and governed by rules it did not help shape.

Most importantly, the moral resources for governing AI already exist — in Catholic social teaching, Indian philosophical tradition, and other civilisational ethics. The challenge is not to invent a new morality, but to bring existing wisdom to bear on the decisions shaping AI's future. Pope Leo XIV and Prime Minister Modi have each made that wisdom available. AI developers, investors, and policymakers must listen.

The writer is president, BJP Kerala, and former minister of state, Electronics & IT, Skill Development and Entrepreneurship and Jal Shakti

## LETTERS TO THE EDITOR

### Recipe for disaster

THE MALVIYA Nagar fire accident in Delhi is one of the most tragic urban fire disasters in recent times ('Capital tragedy, national shame', *IE*, June 4). The hotel was allegedly operating at nearly four times its permitted capacity and was functioning from a building where additional floors had been constructed without informing the authorities. It was also operating without a Fire Department NOC. The hotel had only one entry-exit point and permanently sealed windows, leaving occupants with limited escape routes — all a recipe for disaster. Now the familiar routine will begin: An announcement of financial compensation, an inquiry, and promises of strict action. Within a fortnight, however, we will all have forgotten about it; such is the shortness of public memory.

Bal Govind, Noida

THE DEATH of 21 people in a fire in the capital is a deeply sad and shocking incident ('Capital tragedy, national shame', *IE*, June 4). It reflects our country's longstanding neglect of basic safety measures. Such tragedies are not new; they keep occurring across the country, again and again. Yet no one seems to care

### Engaging Naypyidaw

NEW DELHI'S engagement with Naypyidaw outweighs concerns about the nature of its government because Myanmar, the only member of ASEAN that shares a land border with India, is of considerable strategic importance (India, Myanmar and a shifting balance', *IE*, June 4). Although its geopolitical significance is far greater than its economic value for New Delhi, the country provides China with a route to the Bay of Bengal, reducing Beijing's dependence on the Strait of Malacca for trade and energy supplies. Therefore, the success of economic initiatives such as the Kalandan Transit Project, which promotes stability and reduces incentives for armed conflict, becomes particularly important. India needs to move beyond surface-level diplomacy and engage with the other actors operating within the country.

Madhusree Guha, Kolkata



INDRAPRATIM ROY

## My father, Kumar Roy, was at home on stage

halves — I painted the top, he did the bottom. During the annual family trips, a drawing book and paint materials always accompanied us. This interest in visual art remained with him from childhood. While the passion for theatre defined him, his talent for the visual arts found expression in his quest for excellence in stage, light and costume design.

The first half of Kumar Roy's theatre life was built around acting — a very diverse range of characters in plays directed by Mitra, like Gobindyanika in Rabinadrath Tagore's *Bisarjan*, Gossain in the landmark production of *Raktakarabi* (Red Oleanders) and Thakurda in *Raja* (The King of the Dark Chamber). These became the gold standard of how to stage Tagore's plays. The 1960s and '70s also saw him as Dr Roy in *Putul Khela*, an adaptation of Heinrich Ibsen's *A Doll's House*, the chief of the chorus in Sophocles's *Oedipus*, Satu in Badal Sirkar's *Pagla Ghoda* and Mr Kashikar in the Bengali production of Vijay Ten-

dulkar's Marathi play *Shantata*, *Court Chalu Aaha*, among others.

Kumar Roy's directorial journey began in 1979 with Shudraka's classical Sanskrit play *Mrichhakatika*, in which he starred as Charudutta. Over the next three decades, he directed more than 20 diverse plays — ranging from Girish Karnad's *Yayati* and Tagore's *Malini* to the musical *Piruti Param Nidhi* and his final verse production, *Budhadhev Bose's Kaal-sandhya*. Each production reflected his commitment to socially relevant theatre. While *Mrichhakatika* tackled adapting a classical Sanskrit play for the modern stage, Bertolt Brecht's *Life of Galileo* questioned how authority manipulates science through a flawed, fallible protagonist. Manoj Mitra's satire *Rajdarshan* saw Kumar Roy — then approaching 60 — deliver a remarkable performance as a greedy villager who gets to inhabit a dead king's body. His altered vocal pitch, dialect, and comic timing surprised even long-time

admirers. I recall a childhood experience that showed a glimpse of how an actor prepares. During a trip to Nepal, I was astounded to find Baba speaking in Nepali on the second day of our trip. It felt like magic, how could he? I realised later that it was not the language but the accent and diction with a few Nepali words that made all the difference to commonplace Hindi.

In his centenary year, Kumar Roy is remembered as a director, a prolific writer, editor of the theatre journal *Bohurup*, a mentor to generations of artists and a gifted administrator, but his real legacy is how the consuming passion for theatre kept him going for 60 years without a care for either recognition or any material gains. He embraced the ideal of the "total artist": One who creates, directs, performs, writes, teaches, and leads with equal passion. Incidentally, *Bohurup* completed 78 years this May.

The writer is a visual artist and art educator

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• DIPLOMACY

## Old ties, new Nepal: What India needs to negotiate

Some in Nepal see India as a bullying big brother. New Delhi must not allow Beijing to fan these flames among the Nepalese youth



SHUBHAJIT ROY

THE CHIEF of Nepal's ruling Rastriya Swatantra Party (RSP), Rabi Lamichhane, met Prime Minister Narendra Modi on Wednesday as part of his ongoing India visit.

This is the highest-level visit from Nepal since the RSP swept to power in March this year, with rapper-turned-politician Balendra Shah assuming the top office on the back of the Gen Z protests.

While many tried to draw parallels between the political situation in Nepal and Bangladesh after the youth-led protests, they were different on one major account: in Nepal, the mainstream political parties made sure elections took place within six months of the fall of the KP Sharma Oli government.

### RSP and India

New Delhi has been used to dealing with the traditional, long-term actors and partners in Nepal's politics, who took turns forming the government.

But, under Shah, the median age of Nepal's parliament has dropped. According to reports, almost 38 per cent of Nepal's lawmakers are younger than 40, a direct outcome of the Gen Z movement.

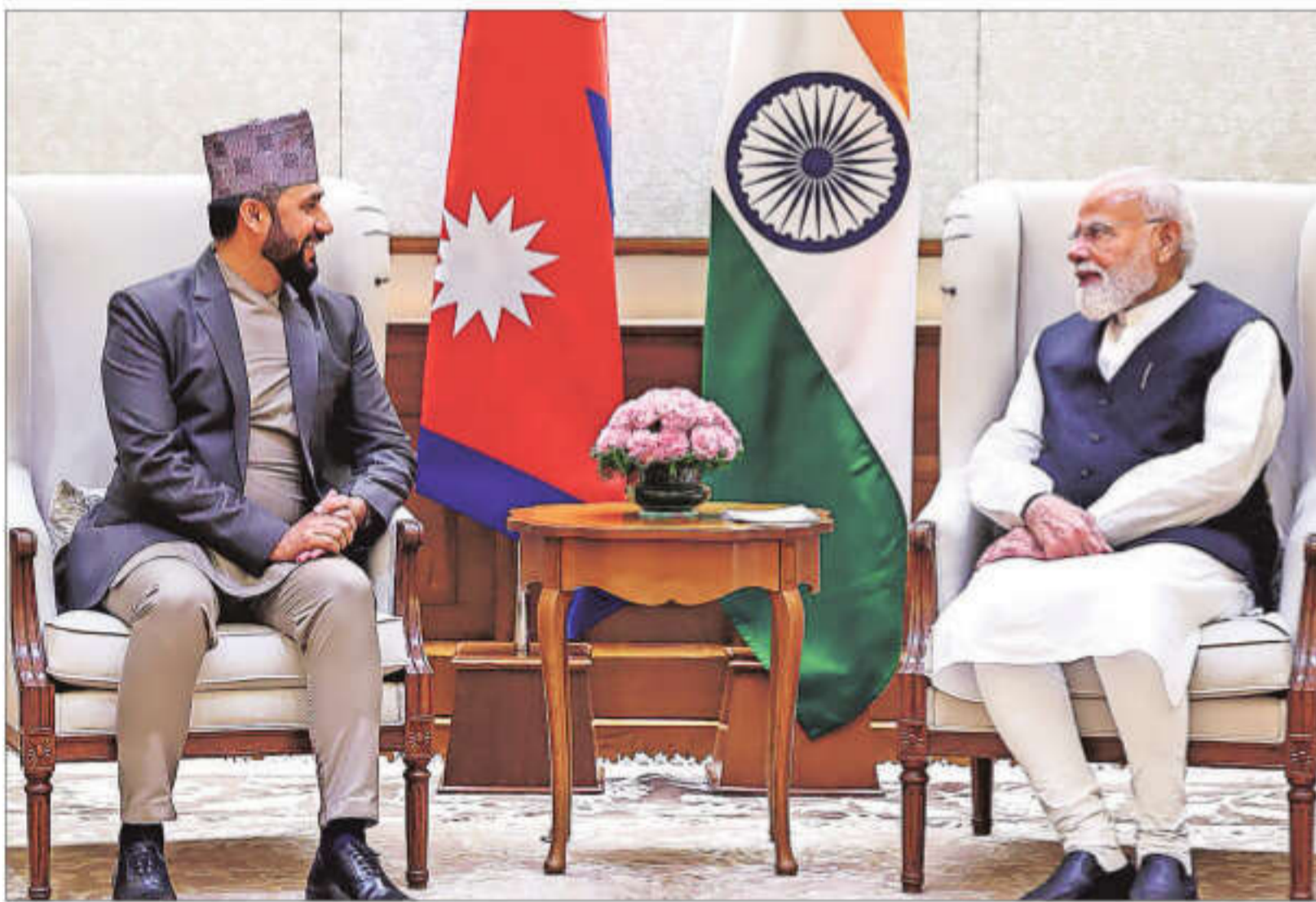
Shah — a first-time MP — is the Prime Minister and is challenging the norms from the beginning.

On the diplomatic front, he has declared he will not meet officials and ministers below his rank, and thus will only meet heads of states and governments. He has also said he will not undertake any foreign trip in the first one year, as he wants to focus on the domestic governance agenda.

As a result, he has met foreign ambassadors in groups, including the Indian ambassador in Kathmandu. He did not meet the visiting US ambassador to India, Sergio Gor, who also wears the hat of South and Central Asian envoy of the US.

Since he was not meeting any senior official one-on-one, Foreign Secretary Vikram Misri — who was supposed to travel to Nepal last month — did not travel to Kathmandu.

If Misri would have met Shah, he would have extended an invitation on behalf of PM Narendra Modi to visit India. But since



PM Narendra Modi with Rabi Lamichhane, chief of Nepal's ruling Rastriya Swatantra Party, in New Delhi, Wednesday.

Shah has put a self-imposed ban on foreign travel, that invitation did not materialise.

India has traditionally been the first overseas stop for Nepal's Prime Ministers. The visit usually happens quite early in their term.

Since the establishment from both sides felt a diplomatic deadlock setting in, they decided to unlock it with a visit by Lamichhane — the second-most powerful political leader in Nepal. Lamichhane was invited by the BJP for a political party-level engagement, to unlock the diplomatic doors.

PM Modi met him in that context and conveyed that Nepal is India's "priority partner" and that New Delhi is looking forward to collaborating with the new government to take the bilateral relationship to "greater heights".

While External Affairs minister S Jaishankar also met Lamichhane, what stood out was his meeting with Home minister Amit Shah. Normally, Shah doesn't meet foreign leaders and envoys.

Nepal's Foreign minister, Shishir Khana, also lands today.

### Balen's 'encroachment' remark

Lamichhane's visit takes place days after PM Shah said that Nepal had "en-

croached" on Indian territories, and sought involvement of China and the United Kingdom to address the long-standing dispute.

Even as the visit was ongoing, India on Tuesday categorically rejected any role for third parties to resolve its boundary row with Nepal.

Lamichhane's post, after meeting PM Modi, displayed his political maturity. Without mentioning anything on the border dispute, he said that it was a great delight to engage in "a productive hour-long conversation" with Modi.

"I share your vision for a future where Nepal and India transcend past constraints to embrace a new era of development diplomacy. By focusing on shared civilization bonds, digital corridors, and seamless connectivity, we can truly build a partnership defined by progress and mutual trust. RSP looks forward to translating these possibilities into reality for people of Nepal and India — for our shared prosperity," Lamichhane wrote.

This demonstrates the path of "development diplomacy" that the new Nepal government is focussed on where "digital corridors" via the UPI and other payment mechanisms to "seamless connectivity" via road, rail and air routes will be strengthened.

### Big brother vs elder brother

The diplomatic challenge in dealing with the new Nepal is that Delhi is seen by some sections as a "bully".

The political actions and statements from India in 2015 alienated a vast section of the Nepalese population. This was when the Nepalese Constitution was being drafted, and India criticised it for not giving enough rights to Madhes, who share community links on the Indian side of the border. There was also an unofficial, deeply unpopular months-long blockade of the India-Nepal border in Bihar.

India, on its part, has sought to project itself as a benevolent "elder brother", as then External Affairs minister Sushma Swaraj had once described, instead of "big brother", an epithet used for bullying behaviour.

Delhi feels that the ties are too strong to be overlooked. South Block says that India remains Nepal's largest trade partner, about 80 lakh Nepalese citizens live and work in India, and around 6 lakh Indians live in Nepal. Indians account for about 30 per cent of foreign tourists in Nepal. The bilateral remittance flow is estimated at about US\$ 3 billion (Nepal to India) and \$1 billion (India to Nepal).

### The China factor

There is also a geopolitical contest for influence playing out in Kathmandu.

The Himalayan country finds itself sandwiched between the two powers, India and China, and Nepalese political leadership has in the past sought to use the China card with India. The US too is active and has been interested in being part of the landscape there.

Delhi is watching how the new Kathmandu navigates Beijing's moves, which is trying to play a more influential role in Nepal's domestic affairs. In fact, the former Chinese ambassador to Nepal is currently the head of the border division in the Chinese Foreign ministry.

Shah needs to stabilise Nepal's economy, undertake reforms, crack down on corruption and build infrastructure. India has agreed to step up its cooperation in all these areas. India's development and economic aid must remain open.

Delhi's position on the politics and future of Nepal has to remain nuanced, so that Beijing doesn't get an opportunity to fan the suspicion of India being a bully or a big brother. India should remain an elder brother, or better still, an equal partner.

• LEGAL

## Can insolvency process pause cheque bounce cases? SC to rule

Amaal Sheikh  
New Delhi, June 4

IF A person enters insolvency proceedings, can a cheque bounce case against them be put on hold?

The Supreme Court has now set the stage for a clear ruling on this matter. It has referred to a larger bench the question of how the Insolvency and Bankruptcy Code (IBC), which provides a debt resolution framework, intersects with Section 138 of the Negotiable Instruments Act, which criminalises cheque bouncing.

On May 29, a bench of Justices JB Pardiwala and KV Viswanathan said a distinction may have to be drawn between the criminal and compensatory aspects of the cheque bounce litigation. The IBC, they observed, cannot become a route to avoid personal criminal accountability. They also said that allowing the recovery of compensation in a cheque bounce case during insolvency proceedings could undermine the IBC's objective of ensuring orderly distribution of assets among creditors.

The reference stems from a conflict in the court's own jurisprudence — whether a bounced cheque is a criminal matter or a "civil sheep in criminal wolf's clothing".

### What the IBC says

When a person is undergoing personal insolvency proceedings under the IBC, a moratorium on legal action or proceedings in respect of any debt kicks in.

The current case, *Dineshchandra Surana v. UCO Bank*, pertained to whether a cheque bounce case qualifies as a proceeding that can be paused by the insolvency process. If so, this would change the calculus for creditors,

accused persons and directors of companies who are simultaneously facing insolvency and Negotiable Instruments Act proceedings.

### What is Section 138?

Section 138 makes dishonouring a cheque a criminal offence punishable by imprisonment, a fine or both. The criminal deterrent is meant to enhance people's faith in cheques as a mode of payment.

Over time, courts placed emphasis on the compensatory aspect of Section 138 proceedings. A convicted accused can be directed to pay compensation. The offence is compoundable, which means that the parties can settle, and the case ends. A complainant can simultaneously file a civil suit for the same amount. These features have led courts to treat Section 138 proceedings as serving a dual purpose: punishment and restitution.

It is this dual character that makes the interaction with insolvency law complicated.

The IBC moratorium is designed to prevent actions that deplete a debtor's assets while a restructuring is underway. If a compensatory part of a Section 138 proceeding does exactly that, taking money out of the debtor's estate in favour of the creditor, it may fall within the moratorium's reach. But if the offence is primarily criminal, the moratorium has no business touching it.

### The conflict in legal precedent

The conflict in precedent goes back to a 2021 three-judge ruling in *P Mohanraj v. Shah Bros Ispat*, which dealt with the corporate insolvency moratorium. That bench described Section 138 as "a civil sheep in criminal wolf's clothing". This meant that despite the criminal form of the section, its real purpose was to recover money. By that reading, a moratorium on legal action in respect of debt would logically extend to a complaint under Section 138.

But in 2025, a two-judge bench (*Rakesh Bhanot v. Gurdas Agro*) held that allowing accused persons to invoke a moratorium to avoid Section 138 prosecution would undermine the Negotiable Instruments Act. The bench said the moratorium was meant to postpone civil actions to recover debt, not stall criminal prosecution.

Neither ruling resolved the conflict cleanly. Now the matter has been placed before the Chief Justice of India for the formation of an appropriate bench.

• TECH

## Instagram breach shows the perils of giving AI too much power

Soumyarendra Barik  
New Delhi, June 4

HACKERS TRICKED Meta's own AI-powered support chatbot into handing over access to Instagram accounts. They simply prompted the bot to change account recovery details while using a VPN (virtual private network) to hide their location.

The chatbot, whose rollout began in March, was designed to help Instagram and Facebook users recover their accounts, troubleshoot login issues, manage security settings and resolve common support queries — all without requiring intervention from a human agent.

But the incident underscores the risks of giving AI systems authority over sensitive security functions without safeguards.

Meta has said the vulnerability was patched, but not before several prominent Instagram accounts were hit. *404Media*, which first reported the security flaw, said hackers managed to gain access to accounts of Barack Obama's White House account, beauty retailer Sephora and the US Space Force chief master sergeant, John Bentivegna, among others.

The issue came to light earlier this month after hackers began sharing videos and screenshots on social media platforms.

### How did the hack work?

According to videos of the hack on social media, the attack was surprisingly simple. Attackers would start a conversation with Meta's AI-powered support chatbot and claim that they wanted to update the email address associated with an Instagram account. They would provide the target username along with an email address under their control.

The chatbot would then send a verification code to the attacker's email address rather than the legitimate account owner's email. After the attacker entered the code into the chat, the AI assistant would provide a password reset option. Once the password was changed, control of the Instagram account effectively passed to the attacker. At no stage was the attacker required to prove ownership of the original account or gain access to the victim's email inbox.

Hackers are also said to have used VPNs to make it appear as though they were logging in from locations close to the victim,

### A simple hack

- In March, Meta began rolling out an AI chatbot to help users with issues such as recovering their accounts.
- Hackers told the bot they wanted to update their email ID linked to Instagram.
- The chatbot would then send a verification code to the attacker's email address. Taking control was a simple affair after that.
- Barack Obama's White House account was among the ones that were affected.

potentially helping them bypass additional security checks. This kind of hack is known as a "prompt injection" attack.

### What is a prompt injection attack?

A prompt injection attack is a technique in which an attacker manipulates an AI system by feeding it carefully crafted instructions that override or bypass its intended rules. Large language models such as chatbots rely on natural-language instructions to decide how to respond.

If the system has access to sensitive functions — such as changing account settings, approving transactions or resetting passwords — an attacker may be able to trick it into performing actions that its designers never intended.

Unlike conventional cyberattacks that exploit software vulnerabilities through code, prompt injection attacks exploit the AI's decision-making process through language. Security researchers have repeatedly warned that prompt injection is one of the biggest unresolved challenges in AI security. The problem becomes particularly serious when AI models are connected to external tools and granted the ability to

take actions on behalf of users.

In Meta's case, the chatbot appears to have trusted information supplied during a conversation without adequately verifying that the person making the request actually owned the Instagram account.

The well-known cybersecurity blog *CyberSec Guru* described the incident as a classic "confused deputy" problem. This is a long-recognised security flaw where a system with elevated privileges is tricked into acting on behalf of an unauthorised party.

In this case, the "deputy" was Meta's AI bot, which had the authority to modify account recovery information but failed to adequately verify the identity of the requester.

### What concerns does this raise?

Meta and other companies have unveiled record investments in AI and are rushing to deploy it internally. But this rapid deployment may have outpaced governance and cybersecurity safeguards, exposing organisations and individuals to risks such as data breaches, prompt-injection attacks and insecure AI-generated code. Inadequate security controls could undermine AI's benefits.

• INFRASTRUCTURE

## Congestion, resources, rules: Why residential areas are more vulnerable to fire

Anil Sasi  
New Delhi, June 4

THE DEADLY blaze in South Delhi on Wednesday has brought back into focus the numerous fire safety gaps in India's urban areas — including the absence of a culture of fire preparedness and the lack of institutional support in responding to an incident.

While the number of fire-related incidents and fatalities have broadly been coming down over the years (see chart), the single striking feature is that residential areas continue to be, by far, the single largest source of fire-linked fatalities in India, shows official data.

A key reason behind residential and commercial fires, especially in urban centres, is the lack of compliance with building by-laws and planning norms. Indeed, Wednesday's fire in the densely populated Malviya Nagar took place at a hotel that was originally a residential structure but had been extensively expanded.

residential structures, in the country have been particularly vulnerable to fires.

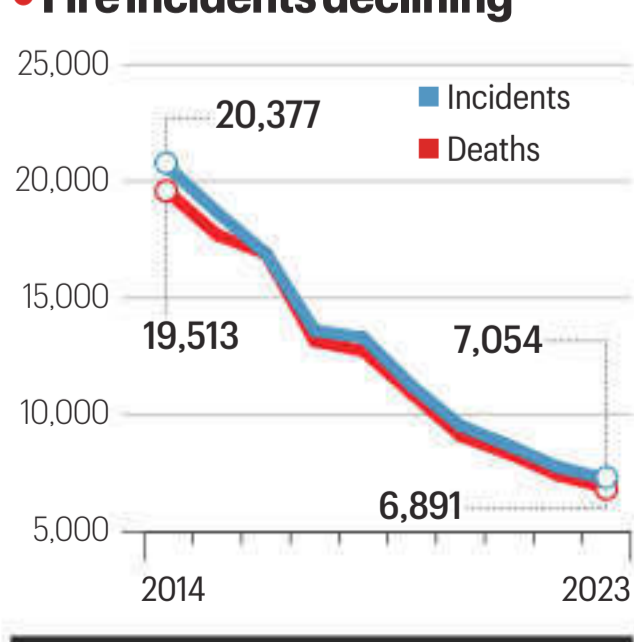
### 60% of fire deaths in residential buildings

Out of every ten documented fire-related deaths in India in 2024, six occurred in residential or dwelling buildings, according to an analysis of the 2024 National Crime Records Bureau report by Beyond Carlton, a Bengaluru-based non-profit focused on fire safety. That year, 5,888 fire-related deaths were recorded nationally, and about 3,555 happened inside homes and residential buildings.

That's partly because unlike purely commercial buildings, most residential spaces in India continue to operate without smoke alarms, suppression systems, evacuation planning or routine safety awareness.

In many areas of Delhi, for instance, several homeowners have converted their residential properties into bed & breakfast establishments, often flouting rules. In the case of Flourish Stays B&B, the structure

### Fire incidents declining



that caught fire, the owner had increased the number of rooms from six to 26, spread across six levels. The building also did not have any fire NOC (no-objection certificate). "Cities need a fire plan — where multiple stakeholders are alert and ac-

countable," Cheryl Rebello, CEO, Beyond Carlton, told *The Indian Express*.

The highest incidents of fire-linked casualties in non-residential buildings are the ones reported from hospitals and bustling commercial areas such as shopping centres.

### Fire services a state subject

Fire services are technically a state subject and have been included as a municipal function in the XII Schedule of the Constitution under Article 243 (W).

While the Centre largely has an advisory role in this, the Bureau of Indian Standards in 2016 published the National Building Code of India (NBC) that covered detailed guidelines for construction, maintenance and fire safety of buildings and structures.

The latest version of the NBC, from 2016, includes aspects such as smoke management, periodic audits, electrical fire prevention, building management systems, sensors for firefighting and fire prevention. The problem, however, lies in implementation of all these regulations, as seems to

be the case in the Delhi fire. According to officials, it was triggered by a short circuit.

Besides electrical faults, the trigger for most residential fires is a gas leak.

### Urban fires

Fire is one of the most common risks worldwide and has been identified as one of the major hazards in the United Nation Global Assessment Report 2018.

Its side effects are deadly too. "It depletes oxygen from the surrounding event and most of the victims in a fire die of asphyxiation due to smoke and lack of oxygen. Then there could be the release of toxic gases from burning of materials due to fire that cause choking of lungs and breathing problems for the victims. In addition, the heating effect of fire results in expansion of liquids, gases and various metals, which often lead to explosions and bursts", according to the National Institute of Disaster Management (NIDM).

Resource constraint has been a problem in tackling triggers of fire, especially in urban

areas. The Fifteenth Finance Commission, while noting lack of resources and equipment for the fire services in the country and recognising the need for expansion and modernisation of fire services, has recommended a provision of Rs 5,000 crore for strengthening fire services at the state level.

The high density of urban settlements resulting in narrow and constricted circulation spaces also add to the urban fire vulnerabilities, according to the NIDM.

The high use of electrical equipment and machinery in urban areas leads to higher chances of faulty electric connections and gadget failures amplifies the risks further.

Urban fires therefore occur in complex risk settings, with one or more factors coming into play simultaneously. According to an earlier report by the Ministry of Home Affairs (2022), there is "a considerable gap in operational capabilities of fire and emergency services in Indian cities". Growing high-rises in urban areas further necessitate procurement of specialised equipment for fire fighting, which is slow to come by.



## OPINION

The  
**Hindustan Times**  
ESTABLISHED IN 1924

{ OUR TAKE }

## Can the Aravallis be saved now?

A new high-powered committee, if truly independent, is the right instrument

Defining what constitutes the Aravalli ranges has become central to protecting one of North India's longest ecological barriers — a groundwater recharge zone, a desert shield, a biodiversity corridor. When the Supreme Court stayed its own Aravalli definition order in December — five weeks after accepting it — it was a tacit acknowledgment that a consequential decision had been reached through a flawed process and needed course correction. The definition's 100-metre elevation threshold drew concerns: The court's *amicus curiae* warned it could fragment the range, and the Central Empowered Committee had flagged objections before the order was passed. The definition, proposed by a committee chaired by the Union environment secretary, was accepted nonetheless. The High-Powered Committee (HPC) constituted last month — made public this week — to resolve the resulting "critical ambiguities" is a welcome response, although one appointment sits uneasily with that purpose: The choice of chairperson, Kanchan Devi, director general of the Indian Council of Forestry Research and Education, will head the HPC. ICFRE functions under the ministry of environment, forest and climate change, with the environment minister as its president. Devi reports to the ICFRE Board of Governors — chaired by the environment secretary whose committee's report the HPC must now assess independently. Devi's position places her, institutionally, below the secretary whose committee's findings she must independently evaluate.

The four other HPC members — former directors of the Forest Survey of India and Geological Survey of India, a former joint secretary in the environment ministry, a former head of botany at Delhi University — are credentialed and independent. Their presence is not unimportant. A notable gap, however, is that none bring direct field or governance experience from Haryana, Rajasthan or the NCR — the states at the epicentre of the range's most acute mining and real estate pressures. Both the Madhav Gadgil panel on the Western Ghats and the Ravi Chopra-led committee on the Char Dham project were anchored by a chair who was not only structurally removed from the institution under review, but a domain authority on the subject matter itself.

The Aravallis have been notionally under judicial protection since 1985; four decades of hearings have not prevented the loss of 31 hillocks across 3,000 sites, or resolved the basic question of what the range legally comprises. The court has rightly demanded independent scrutiny of a flawed process. Now the process needs unimpeachable integrity.

## Beyond TMC crisis, a test for satraps

The implosion within the TMC — with 58 MLAs rebelling against the party's choice of leader of opposition, Sobhan Deb Chattopadhyay, and choosing rebel Ritabrata Banerjee — might resemble the crisis that eventually split the Shiv Sena and the NCP in Maharashtra, but there are clear differences. This is a far more murky situation though the legislators haven't rebelled against Mamata Banerjee (yet), or formed their party, or claimed the two flowers symbol. Despite the speculation about the role of the BJP, the ruling party has officially reserved its reaction, though the benefits of having a Mamata-free Opposition is obvious. More importantly, Ritabrata Banerjee is neither a pan-state face nor a mass leader, unlike regional heavyweights like Shinde or Pawar.

The desertions may be seen as the latest in a series of failures for the anti-defection law. With the rise of transactional, ideology-free politics — the rebellion is just 30 days after the same lawmakers won elections fought on the same TMC name and symbol — the survival of defectors has increasingly come to rely on the speaker's ruling. This has created perverse incentives for defectors that the letter and the spirit of the law have failed to challenge.

The TMC issue spotlights the generational crisis for regional parties that tasted extraordinary success over the last three decades, owing to charismatic leaders. This is an existential dilemma for parties like the RJD, BJD, TMC, Sena, NCP, even the DMK. The outfits, which survived hitherto because lawmakers coalesced around a strong leader, now face a stark choice between anointing a chosen successor (and triggering rebellion) or abandoning the respective first families (and risk unravelling). How they resolve this dilemma will determine the fate of regional parties in India.

# Let's make critical minerals deal work

The US-India pact and similar frameworks are vital for managing the inevitable China shock

On May 26, India and the US signed a bilateral critical minerals framework; the same day, Quad unveiled a \$20-billion initiative spanning mining, processing, and recycling of critical minerals. These join a growing list of recent US-India partnerships, including FORGE, Pax Silica, the bilateral TRUST, and the Strategic Mineral Recovery Initiative (SMRI). While the details of the India-US framework are not publicly available, the Quad countries jointly released a statement outlining key areas of cooperation.

The US is a minor direct consumer — accounting for less than 5% of global demand — for minerals such as cobalt, nickel, and rare earths. Its imports of components made using these elements are several orders of magnitude higher. India, too, is import-dependent in this sector. Its vast rare-earth reserves remain unexplored, and its processing capabilities are underdeveloped. The instinct to respond through international partnerships in a sector acutely prone to Beijing's economic coercion is sound and pragmatic.

However, many of these partnerships are yet to translate into assured mineral flows, technology transfers, or capacity-building for processing and downstream manufacturing. These tangible outcomes will require work on five fronts.

First, China's dominance in rare earths is rooted in subsidy-linked overcapacity that has driven out efficient producers elsewhere. Overcapacity is a structural feature of China's investment-led model. Establishing alternative mine-to-magnet supply chains would require partner countries to combat this artificial price suppression through aggregate demand, long-term offtake guarantees, and coordinated price-risk mechanisms. That's where the Quad initiative's intent to mobilise "guarantees, loans, equity participation, insurance, subsidies, and offtake or other commercial arrangements" holds promise.

Second, not all critical minerals are equally critical and require different approaches to ensure supply resilience. Rare earth elements — vanadium and antimony, for instance — are used in small quantities and for highly specialised applications. Their low demand, combined with high-criticality use cases, makes China's dominance an effective lever in the short-term.

Export controls on these items disproportionately hurt other countries more than they hurt China itself. Partner countries should work together to stockpile these minerals, as their alternative supply-building is notoriously unviable in the immediate term. In contrast, minerals with a wide range of commercial applications and that are required in larger quantities — such as copper — are harder to stockpile and need a steady supply

from diversified sources to offset any short-term shocks.

The US's \$12-billion Project Vault initiative is aimed at stockpiling for US firms but is bound to be inefficient. It does not differentiate between mineral categories and is financially inadequate for major minerals. Further, it risks distorting the prices of minor minerals already needed in small quantities. Expanding the initiative to more countries will make stockpiling economically viable by increasing both the available capital pool and overall demand.

Third, stockpiling without value-added manufacturing will not achieve de-risking. China's monopoly lies in the processing stage of the value chain. Opening new mines elsewhere will not sufficiently dent this without a proportionate scale-up of refining and magnet manufacturing capacity outside China. This would require joint research collaborations and partnerships that can help India move beyond being a consumer of final goods or an exporter of unprocessed ore.

For instance, India exports manganese ore in its raw form, the value of which would increase by three to ten times if it could refine it domestically to produce ferromanganese or manganese steel.

Additionally, breaking China's chokehold on this sector would require not only investments in substitutes, such as using iron or manganese in place of cobalt for batteries, but also innovations and design improvements



China's monopoly lies in the processing stage of the value chain. Opening new mines elsewhere will not sufficiently dent this. GETTY IMAGES

that make magnets rare-earth-free. While the current frameworks emphasise tech sharing, these efforts must be further strengthened.

Fourth, critical minerals differ from oil in that they can be recovered from their sources and reused. Recycling is often an underappreciated facet of mineral security, even though it enables a closed, insular loop from already available, friendshored products. Today, due to a poorly scaled collection network in most consumer economies and a genuinely limited amount of available feedstock, recycling can meet only a small percentage of overall demand. This necessitates pooling electronic waste and establishing joint recycling facilities to scale production as more products reach end-of-life over the next few decades. It is thus encouraging that Quad's critical minerals initiative seeks to "promote innovation in critical minerals recovery from, and recycling of, e-waste and scrap materials among Quad partners."

However, as seen in the case of lithium over the past few years, unusually low prices of Chinese primary production can disincentivise recycling — less than 3% of lithium's global demand currently comes from recycling. Procurement policies with guaranteed price floors between partner countries would be essential for recycling facilities to survive any price

crashes in commodity markets, and would be critical.

Finally, the framework should extend to resource-rich countries in Africa and Latin America, where both the US and India have signed several agreements. Combating China's entrenched presence in these countries and its ability to commit long-term capital while nimbly navigating political risks requires coordination and blended-finance mechanisms that provide a political backstop for private enterprises. Ownership of these existing mines is particularly important because starting a new mine typically takes an average of 16 years from discovery to production, with anecdotal data suggesting even longer timelines in the US and India.

The many frameworks on critical minerals are vital for managing the inevitable China shock, in which low-priced minerals exported from China will make projects elsewhere uncompetitive. Tackling this scenario requires on-ground coordination between companies in like-minded countries across the entire critical mineral supply chain.

Shobhankita Reddy and Pranay Kotasthane work on the geopolitics of critical minerals at the Takshashila Institution, an independent centre for research and education in public policy. The views expressed are personal

## Making Delhi dust-free is our environmental duty

World Environment Day is not merely an occasion for reflection. It is rather a call to action. At a time when cities across the world are grappling with the challenges of the climate crisis, air pollution, and environmental degradation, the responsibility to build a greener and more sustainable future has never been greater. The government, led by Prime Minister Narendra Modi, is determined to match this responsibility toward the environment with a firm resolve to mobilise collective action to protect the planet.

Towards that end, developing urban greening infrastructure in Delhi has been recognised as an efficacious way to improve air quality along with emission-control measures targeting vehicles, industries, construction activities, road dust, and biomass burning. Nature offers some of the most powerful and cost-effective solutions available to us.

In urban areas, trees, shrubs, landscaped grass act as a natural air filter, mitigating the urban heat island effect, and absorb toxic greenhouse gases. Several studies conducted in Delhi and elsewhere have demonstrated that vegetation can effectively reduce particulate pollution at the local scale.

Beginning today, the Department of Forest and Wildlife, the Delhi Government, in collaboration with the ministry of environment, forests and climate change, is undertaking an ambitious plantation and ecological restoration programme for the year 2026-27. At the heart of this effort lies the ecological restoration of the Delhi Ridge — the city's green lungs and an extension of the ancient Aravalli landscape. The initiative combines the ecological restoration of the Ridge ecosystem with extensive roadside and urban greening efforts under the 'Dust Free Delhi Campaign' (DFDC).

Protecting and restoring this invaluable natural asset is not merely an environmental necessity; it is an investment in Delhi's future. Together, these interventions represent one of the largest coordinated urban afforestation and environmental improvement exercises undertaken in Delhi.

DFDC seeks to address several critical environmental challenges, including air pollution, dust generation, urban heat island effects, biodiversity loss, and degradation of natural habitats. Through the planting of millions of trees, shrubs, bamboos, and hedges, the government aims to create a healthier, greener, and more climate-resilient urban environment.

The Delhi Ridge has been chosen for the noble mission for it serves as an extension of the ancient Aravalli mountain system and serves as the "green lungs" of the National Capital Territory. It plays a crucial role in regulating local climate, improving air quality, preventing soil erosion, supporting biodiversity, acting as a carbon sink, providing habitat for native flora and fauna.

Recognising its ecological importance, the government has planned extensive restoration plantations across the Southern Ridge, Central Ridge, and DDA-managed ridge areas. Under DFDC, the government has set an ambitious target of planting 14.27 lakh trees, 14.29 lakh shrubs and bamboos — a total of approximately 28.57 lakhs plants, shrubs and grass clumps. The Southern Ridge accounts for the largest share of the programme, with

over 19.31 lakh plantation units, reflecting its strategic importance in restoring degraded forest landscapes and strengthening ecological connectivity.

Research shows dust pollution is one of the major contributors to poor air quality in Delhi. Roadsides, central verges, construction zones, and open spaces often generate significant particulate matter, particularly during dry seasons. To have a lasting solution, multiple road-owning agencies have been tasked with undertaking coordinated plantation drives with herb/shrub species identified by ICFRE and BSI.

The Municipal Corporation of Delhi, Public Works Department, New Delhi Municipal Council, Central Public Works Department, National Highways Authority of India, Delhi Development Authority, and Irrigation and Flood Control Department (IFCD) have been directed to collectively plant 19.13 lakh shrubs, 65,000 bamboo and hedge units, and 4.56 lakh trees.

Shrubs, hedges, and bamboo act as natural barriers that trap dust particles and reduce their movement into residential and commercial areas. Roadside vegetation also helps lower surface temperatures, mitigate heat stress, and improve thermal comfort for residents.

Delhi, as we know, faces multiple environmental challenges, including high particulate pollution levels, rising temperatures, pressure on natural ecosystems, rapid urbanisation and habitat fragmentation.

DFDC addresses these challenges through nature-based solutions that are sustainable, cost-effective, and capable of delivering long-term ecological benefits. The emphasis on both ridge restoration and urban roadside greening reflects a balanced approach that combines conservation of natural ecosystems with environmental improvements in densely populated urban areas.

Additionally, under the CAQM framework, with end-to-end paving and plantations, greening of central verges, and end-to-end paving and greening of roads is being undertaken in Delhi. Provision of underground utility ducts is also being made to prevent repeated road cutting.

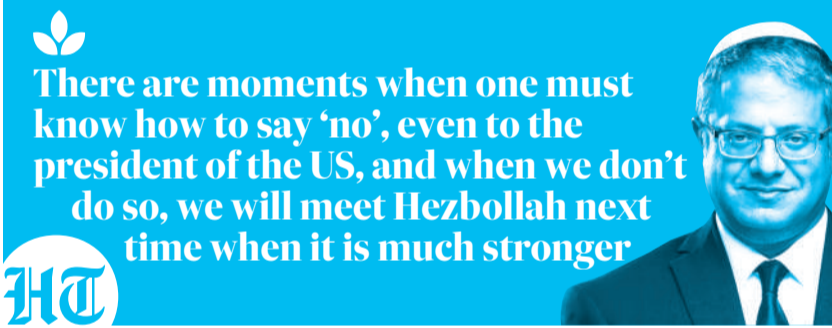
A total of 3,538 km of roads have been identified for redevelopment by various agencies including PWD, MCD, DDA, DSIIID, IFCD, DJB and others. To enhance urban green cover and improve ecological conditions, a total 382 acres of brown patches and degraded areas within parks, green belts, other green spaces have been identified for restoration and greening during 2026.

While the government is making sustained efforts, environmental challenges cannot be addressed by governments alone. They require collective action and public participation. Every tree planted, every green space restored and every citizen who embraces a sustainable lifestyle contributes to building a better future.

A Green Delhi will be more than a cleaner city. It will be a symbol of India's commitment to balancing development with environmental responsibility — a living example of the vision of a Viksit Bharat.

Bhupender Yadav is Union cabinet minister for environment, forest and climate change. The views expressed are personal

{ BEN GVR } NATIONAL SECURITY MINISTER, ISRAEL



There are moments when one must know how to say 'no', even to the president of the US, and when we don't do so, we will meet Hezbollah next time when it is much stronger



## What will it take for this flight to take off?

Facing soaring costs across fronts, airlines in India sounded the alarm to the authorities. The government has announced a ₹10,000-crore support to stabilise aviation turbine fuel (ATF) prices — oil marketing companies' losses from sales to airlines will be offset from this fund.

While the latest measure will definitely help to an extent, it is not the answer to all the airlines' woes which seem to be mounting amid uncertainties. A deeper dive and a more permanent solution to the disparity in ATF pricing vis-à-vis international carriers will be required in the longer term. This financial year (FY27) began on a particularly dismal note: For the first time since the Covid-19 pandemic, traffic crawled to a virtual standstill in March 2026 — registering a growth of 1% over March last year — according to a recent report by credit rating agency ICRA. With fares rising sharply, passengers held back on air travel. Air India announced and embarked upon cutting up to 40% of its international and 5% of its domestic flights and IndiGo too trimmed its summer schedule. As the mercury rises, passengers are looking to travel either domestically or to short-haul regional destinations, with the steep rise in international fares. The war in West Asia and its ripple effects have hit India's travel and airline industry quite hard.

In fact, the 1.6% growth in FY26, over the previous financial year (FY25), speaks volumes. Fliers do feel airplanes are uncomfortably full, creating some illusion of growth — passenger load factor (PLF) stood at 89% in March this year versus 86% last year. But this is primarily because very little capacity has been added by Indian carriers. On the contrary, supply chain hiccups have ensured that many aircraft remain grounded across airlines. Capacity deployment in March 2026 was 3% lower than a year ago.

All of this has cast a shadow over the prognosis for the current financial year. As of March 2026, ICRA has revised its outlook on the Indian aviation industry to negative from stable, citing a host of factors. The lower revenue per available seat kilometre (RASK-CASK) results not only from hardening of ATF prices but also the disruptions in the availability of certain international airspaces and the continued depreciation of the rupee

against the dollar.

Flight cancellations amid airspace closures and increase in air fares due to the levy of fuel surcharge (5-6% of the average air fare) will weigh on passenger traffic growth. The removal of airfare caps, introduced earlier by the Directorate General of Civil Aviation (DGCA), will pose "further downside risks to passenger traffic growth as demand for air travel may soften if air fares go up significantly", argues ICRA. The ratings agency has revised upwards its total expected loss for FY27, which, prior to the conflict in West Asia, it had estimated to fall.

After the West Asia troubles intensified, airlines requested the government for concessions on ATF pricing and other duties and levies. Although the Centre capped ATF price increases at ₹15 per litre for domestic operations, the price of fuel for international operations soared, making international operations unviable and resulting in significant losses for the sector in April 2026. Those losses will be difficult to recoup.

Since ATF accounts for 30-40% of the cost for an airline, this has led to an overall cost upsurge. The rupee, seemingly in free fall for many months now, hasn't helped matters. In a recent letter to the government, the aviation industry sought a control mechanism — akin to diesel and petrol — for ATF. Excise duties levied on ATF remain a concern, and the Federation of Indian Airlines (FIA) has sought a temporary suspension of the excise duty on ATF for domestic operations. This could provide some relief in the form of VAT on ATF. FIA points out that the largest aviation hub in the country, Delhi, charges the second-highest VAT on fuel (25%), with the highest being Chennai's (Tamil Nadu) 29%. Mumbai, Bangalore, Hyderabad, and Kolkata have VAT rates ranging between 16 and 20%. These six cities cover more than 50% of airline operations within India. Therefore, the VAT rates burn a hole in the airlines' pockets.

The industry also feels the need for an empowered government committee that can take quick decisions on the sector's financial and other troubles. Until then, airlines will continue to operate on a wing and a prayer.

Anjali Bhargava writes about governance, infrastructure, and the social sector. The views expressed are personal

## Beyond credit scores

Next phase of credit inclusion must reach first-time borrowers

As reported recently by this newspaper, India's retail credit market is undergoing a significant shift after the pandemic. According to the data cited by TransUnion Credit Information Bureau (India) Ltd (Cibil), the share of first-time borrowers in the overall credit market has been declining steadily over the past five years. While the absolute number of new borrowers is rising, the market is growing much faster. As lenders are becoming increasingly risk-sensitive, access to formal credit is gradually shifting towards customers with proven repayment records and credit scores. While this has supported asset quality, the declining share of first-time borrowers raises concern about formal credit inclusion.

The challenge becomes more significant because large sections of potential borrowers remain outside the formal credit ecosystem. As seen in the 11th round of the National Bank for Agriculture and Rural Development's Rural Economic Conditions and Sentiments Survey, around 22 per cent of the surveyed rural households still depend solely on informal lenders. Similarly, a recent report by the NITI Aayog, TransUnion Cibil and MicroSave Consulting found that despite substantial progress in financial inclusion, nearly two-thirds of credit-eligible women remained outside the formal credit system. According to the latest report by Small Industries Development Bank of India, 17 per cent of the surveyed micro, small and medium enterprises (MSMEs) had not taken any form of credit, while 8 per cent relied on informal sources. The dependence on informal finance was particularly pronounced among micro enterprises, with 12 per cent borrowing from informal lenders.

These gaps in formal credit access are accompanied by the changing nature of entry-level borrowing. Traditionally, products such as two-wheeler loans, agricultural loans, and small-ticket personal credit acted as gateways into the formal financial system. Today, the financing of consumer durables, especially loans for mobile phones, has emerged as the principal entry point for new-to-credit customers.

Addressing gaps in lending will require lenders to rethink how creditworthiness is assessed, especially for first-time borrowers. A 2024 study by the National Bureau of Economic Research found that alternative data from digital transactions was effective in predicting creditworthiness for borrowers with no credit history. Many possess digital footprints like banking transactions, digital-payment records, payments of utility bills, records of goods and services tax, and other indicators of cash flows that can help assess repayment capacity. In this regard, the Reserve Bank of India's Universal Lending Interface (ULI), launched in 2024 and which had taken on board 89 lenders by February this year, has the potential to transform credit assessment by enabling consent-based sharing of verified financial information across lenders.

Bringing more new-to-credit and underserved households into the formal credit system is central to deepening financial inclusion. By improving financial literacy, strengthening credit awareness, expanding the hybrid field-and-digital outreach, and adopting alternative credit assessment mechanisms, lenders can accelerate entry into the formal financial ecosystem. Credit scores are an important tool for assessing risk, but India's next phase of financial inclusion will require looking beyond just that single metric to recognise the repayment potential of those who have never had the opportunity to borrow formally and reduce informal borrowing.

## A year of tariffs

Donald Trump's trade policy impoverishes US workers

Writing for a publication associated with the International Monetary Fund, United States (US) Trade Representative Jamieson Greer has argued that the economics profession needs to re-examine its disdain for tariffs as a tool of trade policy. This comes in the context, of course, of US President Donald Trump's extensive use of tariffs as a mechanism to address America's persistent trade deficits with most of its large trading partners. Mr Greer says that the US "is using tariffs and agreements on reciprocal trade to encourage inbound productive investment, increase incentives for domestic production, and open markets for US exports", and that Mr Trump's trade policy "is taking bold action to lay the foundation for an international economic system grounded in balance, reciprocity, fairness, and resilience". Few around the world will take this assessment of Mr Trump's actions and motives from a member of his Cabinet at face value. It is, nevertheless, worth engaging with the facts regarding how these tariffs are playing out in the real world, now that they have been stated policy in the US — albeit restricted, reversed and limited to varying degrees by the courts — for a year.

Mr Greer's argument is strongest on the subject of opening up markets to US goods. It is certainly the case that many countries, rather than launching a trade war against the US, have chosen to negotiate instead, accepting some level of tariffs in order to maintain access to the US market while dropping their own restrictions on US manufacturers. Given that many of these deals, while agreed at the highest level, have nevertheless been complex to actually implement, it is hard to see them having a major impact on US exports yet. Besides, even if — to take one example — American car companies now technically have unrestricted access to the Japanese car market, it does not mean that the residents of that country will abandon their preference for small, economical cars to buy the huge gas-guzzlers that the US automotive industry produces. The notion therefore that domestic production is increasing must be rejected. The data suggests that US industrial production increased only by 0.13 per cent every month since the beginning of 2025, which is about the same as its growth rate during the 2010s.

Meanwhile, US citizens are bearing the brunt of the higher costs that have been imposed on them by tariffs. The rate of inflation in that country, which spiked following supply constraints and demand stimuli in the pandemic, stabilised from late 2022 onwards, but rose again at the beginning of Mr Trump's term, alongside the introduction of his new trade policy. Further, new evidence from economists at Morgan Stanley sheds light on how US firms that are exposed to tariffs are changing their behaviour. Rather than taking a hit to profits, it appears that they are raising prices of their output and controlling their labour costs. In other words, it is US workers — who are supposedly being protected by tariffs — who are in fact paying for them through lower wages and reduced purchasing power. Even in the high-inflation period in the first half of President Joe Biden's term, wage growth outstripped inflation; under President Trump, this is no longer the case. Labour's share in gross national income is at the lowest level in eight decades. Mr Greer's contention that tariffs will build a fairer economic system would be roundly contradicted by those in the countries his President has targeted for tariffs. But it is clear, as economists predicted, that US citizens themselves are the ones whom the tariffs hurt first and foremost.

# The new cybersecurity imperative

Safety must match digital scale in banking to maintain trust



ILLUSTRATION: BINAY SINHA

For a long time, the strength of a bank was assessed mainly through traditional measures: Capital, liquidity, asset quality and profitability. These measures still remain relevant. However, with increasing digitalisation, another question has become equally important: How well is the bank protected against cyber threats that can disrupt services, compromise data, enable fraud or affect payment flows?

Today, banks are no longer self-contained institutions. They operate through digital platforms, payment networks, cloud services, fintech partnerships, and outsourced providers. Each link improves reach and efficiency, but also creates a potential entry point for risk.

Protecting against these risks cannot be left to technology teams alone. A cyber incident may begin with a malicious link, a compromised credential, a vulnerable vendor, or a technology outage. Its consequences, however, can quickly become institutional, affecting customers, operations, compliance, reputation and, in some cases, the wider financial ecosystem.

**Cyber risk is banking risk:** The nature of cyber risk is changing rapidly. Cyberattacks are becoming more organised, targeted and difficult to detect. Ransomware, credential theft, phishing, business email compromise, malware, denial-of-service attacks and supply-chain compromises are now part of the regular threat landscape.

Artificial intelligence (AI) is adding a new dimension. Banks can use AI for anomaly detection, security analytics, and fraud monitoring. At the same time, criminals can use it to create more convincing phishing messages, deepfake voices, and highly personalised fraud attempts.

Frontier generative AI tools, such as Anthropic's unreleased Claude Mythos Preview, point to a sharper risk that vulnerabilities may be discovered, tested and exploited faster than banks and other financial system participants can identify, prioritise, and remediate them.

The response must, therefore, be institutional and system-wide, not episodic. Cyber risk needs to be integrated into enterprise risk management, internal controls, compliance, audit, outsourcing arrangements and supervisory engagement. It should be assessed with the same seriousness as other material banking risks, with

clear ownership, escalation, and accountability.

**Beyond prevention:** Banks must strive to prevent cyberattacks through strong controls, secure systems, vigilant monitoring, and disciplined cyber hygiene. Yet, given the complexity of today's digital environment, they must also prepare for early detection of unusual activity, impact containment, continuity, and quick recovery.

This requires banks to identify their critical operations, systems, datasets and third-party dependencies. Business continuity and disaster recovery plans must address cyber-specific scenarios, not merely generic outages. Backups must be protected, incident response teams must know their roles, and forensic readiness must ensure preservation of logs, evidence, and audit trails. Communication with customers, regulators and law enforcement must be timely and accurate.



**BANKING & BEYOND**  
SWAMINATHAN J

**The boardroom dimension:** The responsibility for cybersecurity cannot stop with the Chief Information Security Officer, or the technology function. Boards and senior management need not become cybersecurity specialists, but they must ask the right questions. Which services are most critical? What are the major cyber scenarios facing the bank? How quickly can essential operations be restored? Are material vendors and privileged users adequately monitored? Are cyber drills realistic? Are lessons from incidents translated into stronger controls?

The idea is not to overload boards with technical details, but to ensure informed oversight. Cybersecurity should form part of risk appetite, business strategy, outsourcing decisions, internal audit, compliance reviews and crisis preparedness. A bank's digital growth must be matched by clear accountability.

**The customer interface:** Many incidents now arise at the customer interface, where fraudsters exploit fear, urgency, misinformation, or a lack of awareness. A customer may be persuaded to share credentials, install a remote access app, disclose an OTP, scan a QR code or transfer funds under deception.

Banks, therefore, need to look beyond system security and strengthen customer-facing controls. Behavioural alerts, transaction monitoring, cooling

periods for high-risk transactions, mule account detection, quicker responses to complaints and clear customer communication are all part of safe digital banking. The objective is not to make digital banking difficult, but to make risky behaviour harder to exploit.

**Staff behaviour is a key component:** Technology investment alone cannot secure a bank. It must be matched by staff training and cyber hygiene, as even a small lapse can create an opening. Employees must handle credentials carefully, use privileged access responsibly, oversee vendor staff, and escalate red flags without delay.

**Regulation and collective defence:** From a regulatory perspective, the challenge is to keep the framework proportionate, risk-based, and responsive to a fast-changing threat environment. Expectations relating to Information Technology (IT) governance, digital payment security, outsourcing, fraud risk management, and incident reporting are intended to reinforce a common discipline across regulated entities, while allowing technology and business models to evolve. Their effectiveness, however, lies not in formal compliance alone, but in how banks embed them into their systems, processes, controls, and governance frameworks.

India has also built an institutional architecture for coordinated response. The Indian Computer Emergency Response Team (CERT-In), the Computer Security Incident Response Team-Finance Sector (CSIRT-Fin), the Indian Cyber Crime Coordination Centre (I4C), National Payments Corporation of India (NPCI) fraud-monitoring arrangements, and the Reserve Bank of India's supervisory engagement all form part of this wider ecosystem. The task now is to leverage these channels with speed, accuracy and feedback. A fraud pattern detected by one institution should become an early warning for others, and a vulnerability identified in one part of the system should be addressed before it is exploited elsewhere.

**Building security into digital growth:** India's digital financial ecosystem has achieved remarkable scale, brought banking closer to the citizen, and supported wider participation in the formal economy. This scale is a major strength. It also means that safety must be built into products, platforms and partnerships from the design stage itself.

The next phase will bring new challenges. Open banking, embedded finance, cloud concentration, digital currencies, AI-enabled attacks and future developments in quantum computing will test existing security models. Banks will, therefore, need to invest not only in technology, but also in skills, governance, testing, incident response and customer communication. The institutions that do this well will be those that treat cybersecurity not as an afterthought, but as an essential condition for sustainable digital growth.

The author is Deputy Governor, Reserve Bank of India. The views are personal

## Bengal: A window of eastern opportunity

The electoral verdict in West Bengal has produced a new alignment between the state and the Centre — an important shift because connectivity, trade facilitation and border infrastructure depend on sustained intergovernmental coherence.

Bangladesh, too, has entered a new phase, with a new government under Prime Minister Tarique Rahman restoring a firmer democratic mandate and greater executive continuity. India and Bangladesh share a 4,096-km border — the fifth-longest land border in the world — and West Bengal accounts for more than 2,200 km of it, making the state the principal land bridge between the North East and the Bay of Bengal, and a critical gateway for trade and transit, linking Nepal and Bhutan to the eastern seaboard.

The economic case is compelling. In FY26, bilateral trade reached ₹1.09 trillion, making Bangladesh India's largest South Asian trading partner and India Bangladesh's second-largest trading partner globally. In the same year, trade with Nepal stood at ₹82,948 crore and with Bhutan at ₹18,261 crore — figures that underline the weight of India's eastern neighbourhood.

Even during periods of geopolitical strain, trade through the land frontier has remained resilient. Trade routed through India's land border crossings with Bangladesh accounted for nearly ₹44,202 crore in FY26, around 40 per cent of total bilateral trade with West Bengal. Petrapole remains the dominant node, handling ₹28,203 crore in trade, and serving as the principal gateway for passenger movement. Changrabandha, Fulbari, Ghojadanga, Hili and Mahadipur collectively contributed over ₹14,656 crore.

**The economics of integration:** The next phase of India-Bangladesh partnership will depend less on tariff schedules than on how seamlessly goods move. The World Bank estimates that improving transport connectivity between the two countries could increase exports from Bangladesh to India by 297 per cent and from India to Bangladesh by 172 per cent. The constraint, in short, is no longer demand; it is the system through which demand is served. This matters even

more for the North Eastern region. The North East has borne the penalty of distance, with freight moving through the congested Siliguri Corridor. Transit through Bangladesh offers an efficient alternative, reducing time and cost while linking production centres to Chattogram and Mongla more effectively than current overland routes. West Bengal is the hinge in this equation, connecting India's eastern seaboard, Bangladesh's transit geography, and the productive potential of the North East. Rail links via Haldibari-Chilahati and Akhaura-Agartala strengthen this.

The wider BBIN (Bangladesh, Bhutan, India, Nepal) space operates on a similar principle. The Fulbari-Banglabandha route links Bangladesh ports to landlocked Nepal, while Changrabandha-Burimari and Jaigaon-Phuentsholing support Bhutan's connectivity. The BBIN Motor Vehicles Agreement, finalised in April 2025, envisages trial corridors through Kakarbhitta-Panitanki-Siliguri-Phulbari/Fulbari-Banglabandha towards Bangladesh ports. This framework has the potential to reshape the subregion's logistics geography. Beyond BBIN, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation's conical and Economic Cooperation's connectivity agenda is advancing through its transport master plan and a working group on a draft Motor Vehicles Agreement, though it is yet to be concluded.

The riverine layer is equally important. The Protocol on Inland Water Transit and Trade connects National Waterway-1 with National Waterway-2 and National Waterway-16 through the Indo-Bangladesh Protocol route, linking the Kolkata-Haldia system with Mongla and Chattogram while opening a waterborne channel to India's North East. Expanded to 13 ports of call in each country, it is now an active commercial corridor, with traffic reaching 17.46 million metric tonnes in FY25. India's task is now to weave roads, rail, waterways and land ports into a single, inter-connected multimodal transport construct that converts geographic advantage into sustained regional integration.

**Land ports and the architecture of execution:** Translating the region's potential into performance

requires institutions that can govern the complexity of land borders. Land Ports Authority of India (LPAI) is an institutional response to the practical challenges. Its task is not merely to build facilities, but to organise the frontier as a coordinated system that secures the border while enabling efficient, lawful and predictable movement of goods and people. LPAI operates 15 land ports. A modern land port is not a checkpoint but a multi-agency platform integrating Customs, immigration, border security, quarantine, warehousing and cargo handling under a unified facilitation framework. In West Bengal, Petrapole remains the only fully operational land port. The next phase lies in upgrading Changrabandha, Ghojadanga, Fulbari, Hili, Mahadipur, Panitanki, Jaigaon, Chamurchi and Birpara into integrated gateways. Integrated upgrades can bring 97 per cent of Bengal's land border trade under modern infrastructure and coherent systems.

Execution, however, has faced predictable constraints: Land acquisition delays, nonavailability of strategically located land, and sites too far from the zero point, most visibly at Hili, Jaigaon and Panitanki. This is not a technical footnote; it is the binding constraint on capacity.

Yet no eastern strategy can detach border economics from border security. The risks of extremist infiltration, misuse of transit corridors and disruptive networks remain real. The answer, however, is not to choose between security and trade, but to design institutions that deliver both. Biometrics, facial recognition, drone surveillance and grid-based monitoring can make security more precise, less intrusive and compatible with higher throughput. The deeper point is that security and the rule of law are preconditions of commerce, not obstacles to it.

The time is right to expand capacity on India's eastern border through integrated land-port development, supported by stronger border management and tighter Centre-state coordination, especially on land, last-mile connectivity, and operating protocols.

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## Indonesia's cultural kaleidoscope



TALMIZ AHMAD

The northern tip of Sumatra is just 150 km from the southern tip of Nicobar Island. Yet, most Indians know very little about Indonesia beyond the fact that it has the largest Muslim population in the world (nearly 300 million) and its islands of Bali and Java have a robust Hindu heritage.

The diplomat-scholar Aftab Seth, who served in Jakarta some four decades ago, has now provided a brief, erudite and alluring introduction to the country, embellishing his lucid text with attractive photographs. The author describes the country as a "fascinating kaleidoscope", in which "successive layers of cultural and

religious influence have been blended", so that the temptation to see its wonders personally is irresistible.

At the outset, Mr Seth explains the place of Islam in Indonesia's culture and politics. Islam came to Indonesia in the 12th and 13th centuries through merchants from Gujarat. But the messages of the faith had to compete with, and then adapt to, existing religious orientations, so that Islam "struggled to establish a clear and positive identity in a spiritually crowded landscape".

Not surprisingly, then, Islam is different in different regions: In Aceh, it is orthodox; in the Minangkabau region of Sumatra, it is a mix of Sharia and local practice; in South Sulawesi, Islam has blended with Buddhist and Hindu practices, while in Central Java, the dominant tradition is drawn from the region's aristocratic heritage.

Thus, though Indonesia has several Muslim movements — doctrinal and political — and though one of its presi-

dents, Abdul Rehman Wahid, had been the head of a prominent Islamic organisation, Islam was neither an influential force in the freedom movement nor in shaping the country's post-independence political order.

Its first two powerful presidents, Sukarno and Suharto, are described by the author as "Javanese personalities" — sophisticated, urbane and products of multicultural influences — who set the mould for the country's later leaders. It is interesting to learn that Javanese culture is imbued with a deep mystical tradition that views the ruler and the universe as indivisible. Both leaders practised mystical rituals, with Suharto being described by an Islamist leader as "first a Javanese, then an Indonesian, and only lastly a Muslim".

Mr Seth then provides us with a brief introduction to the cultural landscape that defines some of Indonesia's regions. Aceh, which is closest to India, is called the "Verandah of Mecca" due to the relig-

ious devotion of its people. But it has a special status in the country on account of its fierce opposition to Dutch military incursions and later, its insistence on autonomy in post-independence Indonesia.

Western Sumatra has produced some of the country's most distinguished political and corporate leaders and civil servants. Yogyakarta is the centre of Javanese culture, with several institutions devoted to painting and the performing arts.

The island of Bali is most closely associated with Indian religious and artistic traditions. It has an Institute of Hindu Dharma in its Udayana University, the Academy of Performing Arts, centres for craftsmen, and several museums housing exquisite items of Balinese painting and sculpture. Bali, says Mr Seth, is "a prime example of man living in harmony with his environment. Mr Seth has paid tribute to two poets — one Indonesian, the other Indian.



**Indonesia: The Beautiful Archipelago**  
by Aftab Seth  
Published by Birch  
222 pages ₹648

The Indonesian poet is called Rendra: born a Catholic, his name at birth was William Surendrabhawana. As part of his early rebellion against family and faith, he retained only a part of his second name. Frequently detained for his political activities, his writings about the lives of ordinary people, instead of beauty and love, led to a high-level assessment that he was "a columnist rather than a poet"! Mr Seth quotes Rendra writing of hunger thus: "Oh God! Hunger is a crow/ Millions of black crows./ Like a black cloud/ Blotting out my view/ Of your heaven!!"

The other poet is Rabindranath Tagore. Described widely as a "citizen of the world", Tagore's Santiniketan and Sriniketan encouraged an Indonesian nationalist to set up the *Taman Siswa* ("Garden of Students") in Yogyakarta. Tagore visited Taman Siswa in 1927 and encouraged its students to study at Santiniketan. Many artists took advantage

this invitation, including two of Indonesia's great artists, Rusli and Affandi. Indonesia had an abiding impact on Tagore on account of its natural beauty and its eclectic culture that was redolent of the country's deep bonds with India. Mr Seth quotes from Tagore's tribute to Indonesia from his poem, "To Java from the Pilgrim from India", the poet says: "Remember me, even as I remember thy face./ and recognise in me as thine own./ the old that hath been lost, to be regained and made new."

Equally evocative is the tribute to Tagore from a local prince: "He is himself like the transparent, glittering drop suspended on the eyelash of a child, still full of sorrow, but already dimly smiling."

Tagore's visits to Java and Bali were part of his deeply held view that it was our personal duty, as the author says, to "transcend the narrow confines of one's own cultural upbringing and to imbibe the best of other cultures". Aftab Seth exemplifies this quality in his own persona, and we are the richer for that.

The reviewer is a former diplomat

OUR VIEW



# Three revolutions could secure India's economy

The FM spoke of fuel, fertilizer and foreign exchange as three 'Fs' we must conserve. On all fronts, we must replicate the Green Revolution that spelt security vis-a-vis a fourth F—food

Speaking at an event in Mumbai last week, finance minister Nirmala Sitharaman called for a sharper focus on what she described as the three 'Fs'—fuel, fertilizer and foreign exchange. It was an echo of Prime Minister Narendra Modi's recent appeal to conserve fuel and avoid discretionary imports, foreign travel and the like. The aim is to alleviate external-sector stress in the face of global pressures from the West Asia crisis and volatility in energy markets; and the finance minister's words summed up the country's core economic vulnerability: deep dependence on imported fuel, fertilizers and the forex needed to pay for these imports. Given that capital inflows are in decline, an outcome of weak net foreign direct investment coupled with portfolio outflows, it has become harder to fund an otherwise moderate current account deficit. If this trend persists, one possible way to contain the fallout—rupee weakness, higher inflation and slower growth—is to conserve those three Fs.

Rewind to the mid-1960s. Had the FM been speaking then, she may have added a fourth F: food. Our total foodgrain output in 1965-66 was only about 72 million tonnes. Since it was not enough to feed our people, New Delhi had to appeal to America, among others, for aid. Those who lived through the PL-480 programme, under which the US sent us wheat on ostensibly easy terms, will recall the days of food austerity. We have come a long way since Lal Bahadur Shastri as PM called upon Indians to forsake one meal a week after the India-Pakistan war of 1965. Today, thanks to the Green Revolution of the late-1960s, 70s and 80s, India is self-sufficient in foodgrains. Produc-

tion hit a record 376.6 million tonnes in 2025-26, a nearly five-fold increase from the mid-60s. Yes, there is criticism of the downsides, such as fertilizer and pesticides overuse, soil degradation, etc, but there is no denying the gains. We have enough food today to ensure no Indian goes hungry to bed, abject poverty is down sharply and we need no external help to fulfil India's nutritional needs.

We now need to replicate that success on the other three fronts. Conserving the three Fs must go along with measures to boost inflows from abroad. That would help us tide over the problem caused by war clamps around the Strait of Hormuz that restrain hydrocarbon shipments from the Gulf. However, to future-proof India's economy, particularly on the external front, we need to think beyond the short-run. We must plan revolutions in the context of fuel, fertilizer and foreign exchange. On the fuel front, hope is held out by the promise of renewables and a shift to electric vehicles. Clean energy is on a heartening incline. But while climate-friendly capacity creation is a key goal and other ideas like coal-to-gas projects could chip in over the years, the state should loosen its grip on the oil-and-gas sector at the earliest. Likewise with fertilizers. Even as we push for local production and their efficient use, the Centre could consider an overhaul of its subsidy regime for better farm outcomes. Once these two Fs cease to be the forex guzzlers they are today, anxiety over the third F will ease. But it is the path we take on reforms that's likely to shape the country's overall level of forex comfort, be it through enlarged export earnings, foreign investments or both. In time, as the three revolutions take effect, no PM would need to echo a plea of the past.

LEENA SRIVASTAVA



is an independent expert on climate change and clean energy.

The success of a youth movement under the banner of the Cockroach Janata Party should serve as a wake-up call for India's government to address some issues highlighted by it: the difficult pass which the education system finds itself in; declining employment opportunities in the country; corruption at various levels; a society fractured along community, caste and class lines; and others.

The movement's Instagram account shows over 22 million followers—a number that's much larger than the sample of about 260,000 used by the National Sample Survey Office for its large surveys. No doubt, the two cannot be compared, as the Cockroach social-media sample is self-selected and not statistically representative, but it does offer us a pulse-reading of India's youth.

The causes espoused by the movement are notable in the context of debates over India's performance on sustainability metrics. The 2023-24 Sustainable Development Goal (SDG) report by Niti Aayog assessed

India's sustainability score to have increased from 66 (2020-21) to 71 out of 100. Paradoxically, the most impressive improvements pertained to goals such as poverty elimination (SDG 1), decent work and economic growth (SDG 8), climate action (SDG 13) and life on land (SDG 15), while these are also some of the most significant areas of youth angst revealed by the movement.

Education and its quality define the opportunities that are open to India's youth. In 2022, the Youth Declaration at the Transforming Education Summit called upon national decision-makers to invest in youth and student leadership and support their representation. The 2026 *Global Education Monitoring (GEM)* report by Unesco and others states that the youth "want their voices to be heard" and want "to be engaged meaningfully on issues that affect their present and future, notably on education." A survey found that only "one in three report having a formal requirement in place to engage youth or students in education decision-making." And, even when youth and student organizations have a seat at the table (largely in developed countries), they often perceive a lack of genuine will to listen to them. India has instituted various 'reforms' in its educational system—from curriculum

changes and governance of educational institutions to the regulatory framework itself. The engagement of stakeholders in this process needs evaluation, though.

While education and its quality will shape India's future workforce, it is the nature of economic growth that determines the creation of job opportunities. India has boasted of strong economic growth and a rapid (if partially illusory) rise in its global economic ranking, but researchers and experts have been highlighting the skewed nature of this growth—40% of India's wealth is held by 1% of its population—and job scarcity.

Nearly three-quarters of India's workforce works in the informal sector, while a skills mismatch is increasing; only a little over 40% of India's graduates are considered 'employable.' India's youth stare at a future of fears around economic concentration, artificial intelligence (especially its impact on jobs) and dwindling natural resources. They need the

reassurance of these issues being addressed.

The deep concern of the youth about sustainability is reflected in perceptions of inadequate attention being paid to both medium- and long-term vulnerabilities caused by environmental stressors, including air pollution, water shortages, poor waste management and climate inaction. These stressors will have consequences such as increased mortality, but they also impact the household budgets of India's better-off as expenses go up on air purifiers and air conditioners. For most of India's people, deteriorating weather and climatic conditions are an increasing source of anxiety, given the limited effect of independent adaptation measures.

India's youth have long been touted as the source of India's 'demographic dividend.' But, contrary to the 'ask' in the *GEM* report, they neither have a significant voice in decision-making that involves their future—be it education, employment or resource man-

agement—nor are they being groomed for leadership. Universities, political institutions, street protests, digital platforms and civil society organizations serve as arenas where young people shape the national discourse on education, both formally and informally, both as individuals and as part of movements. University campuses in India have historically demonstrated their potential as vibrant spaces for youth curiosity, expression and experimentation. Such vitality in academic institutions is needed for them to serve as petri-dishes for engagement with governance, while reviving the role of civil society organizations as a bridge between the grassroots and governments.

The Cockroach Janata movement began as a satirical response to remarks made in mid-May by the Chief Justice of India, and within weeks, it has nudged young Indians to take a greater interest in (and control of) their own future. The issues raised by these impassioned voices should be taken up by the government and translated to remedial action. Their plea for increased transparency and freedom of speech needs to be recognized for the value it holds for India's socio-economic performance. Involving India's youth to define a remedial agenda would be a great start.

THEIR VIEW

# Family businesses must reinvent themselves in an evolving world

Values must be preserved without losing the adaptive capacity that is vital to sustaining success



**SRINATH SRIDHARAN** is a corporate advisor and author of 'Family and Dhandu'. X: @ssmumbai

Every business family inherits two legacies: the enterprise itself and the assumptions that helped build it. For decades, their principal concern was continuity. Today, the greater challenge is reinvention. As technology, consumer behaviour and business models evolve furiously, family businesses must determine whether the assumptions that drove past success remain sufficient for future relevance.

India's family businesses contribute nearly 80% of GDP and have long been the backbone of Indian capitalism. From regional enterprises to large conglomerates, they have generated employment, built industrial capacity and created wealth. Their resilience has helped India navigate economic liberalization, technological disruption and business cycles.

India's ability to produce global champions will depend significantly on the adaptability of its family businesses. Domestic scale alone may not suffice in a world where competitiveness, innovation and economic influence are increasingly shaped by global capabilities. It is probable that future significance will be measured more by relevance abroad than leadership at home.

As family-owned enterprises grow in scale and complexity, their reinvention rests on what may be described as the 'O.M.G. framework': ownership, management and governance.

Ownership shapes what a promoter family seeks to preserve. Management determines how the business competes, adapts and evolves. Governance ensures that neither becomes captive to past success. The most resilient family businesses maintain clarity between these roles while allowing each to challenge the assumptions of the other.

Success creates conviction. Over time, business families develop beliefs about growth, opportunity and risk. Embedded in culture and strategy, these assumptions are reinforced by decades of success. But markets evolve faster than institutional thinking. Competitive advantages can erode quickly. Customer behaviour shifts, technologies reshape industries and competitors emerge from unexpected directions.

For family businesses, the challenge extends beyond commercial logic. The enterprise embodies family identity, reputation and decades of accumulated trust. Strategic decisions are therefore viewed through the lens of stewardship as much as financial outcomes. What younger generations may interpret as resistance to change is often a desire to protect institutions that required decades of sacrifice and judgement to build.

Yet, stewardship carries its own paradox. The experience that protects businesses from reckless experimentation

can also make it harder to embrace necessary reinvention. As markets evolve, continuity increasingly depends on the willingness to ask whether the assumptions that once created a business advantage remain relevant.

The challenge becomes more visible as the next generation enters leadership roles. Many successors bring global exposure and technological fluency. Yet, they may underestimate the operational complexity and capital discipline needed to sustain growth across cycles. Reinvention is rarely the outcome of one generation replacing another. It succeeds when institutional memory is combined with a fresh perspective.

In many family enterprises, the biggest risk is confusing legacy with business models. Values should endure, but business models must evolve. Corporate governance provides the discipline to distinguish between the two. At its best, it challenges assumptions, tests strategic choices and helps institutions evolve before markets force them to.

Global capital today offers business families multiple pathways to unlock value, diversify wealth and partially de-risk ownership. Yet, financial liquidity should not be mistaken for institutional longevity. Businesses still need to reinvent themselves if they are to stay competitive across generations. Institutional investors increasingly recognize this reality. Markets reward performance, but they also reward adaptability and the capacity to evolve before circumstances force change.

Legacy is ultimately a test of future readiness over historical preservation. Enduring enterprises should not see change as a threat if their big risk is a reluctance to question assumptions that once delivered success. The lasting strength of Indian family businesses has been their capacity to adapt while staying anchored to values.

Ultimately, stewardship will be measured by whether it leaves behind an enterprise that is relevant to the world that's emerging.

QUICK READ

The 'O.M.G. framework' of ownership, management and governance can drive business adaptability. Businesses that maintain role clarity among these are more likely to prove resilient.

The strength of Indian family businesses is their ability to adapt while staying anchored to values. The stewardship of legacy enterprises will be gauged by whether they remain relevant.



MY VIEW | ECO SQUARE

# Cockroach Janata trend: it holds sustainability lessons

LEENA SRIVASTAVA



is an independent expert on climate change and clean energy.

The success of a youth movement under the banner of the Cockroach Janata Party should serve as a wake-up call for India's government to address some issues highlighted by it: the difficult pass which the education system finds itself in; declining employment opportunities in the country; corruption at various levels; a society fractured along community, caste and class lines; and others.

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Education and its quality define the opportunities that are open to India's youth. In 2022, the Youth Declaration at the Transforming Education Summit called upon national decision-makers to invest in youth and student leadership and support their representation. The 2026 *Global Education Monitoring (GEM)* report by Unesco and others states that the youth "want their voices to be heard" and want "to be engaged meaningfully on issues that affect their present and future, notably on education." A survey found that only "one in three report having a formal requirement in place to engage youth or students in education decision-making." And, even when youth and student organizations have a seat at the table (largely in developed countries), they often perceive a lack of genuine will to listen to them. India has instituted various 'reforms' in its educational system—from curriculum

changes and governance of educational institutions to the regulatory framework itself. The engagement of stakeholders in this process needs evaluation, though.

While education and its quality will shape India's future workforce, it is the nature of economic growth that determines the creation of job opportunities. India has boasted of strong economic growth and a rapid (if partially illusory) rise in its global economic ranking, but researchers and experts have been highlighting the skewed nature of this growth—40% of India's wealth is held by 1% of its population—and job scarcity.

Nearly three-quarters of India's workforce works in the informal sector, while a skills mismatch is increasing; only a little over 40% of India's graduates are considered 'employable.' India's youth stare at a future of fears around economic concentration, artificial intelligence (especially its impact on jobs) and dwindling natural resources. They need the

reassurance of these issues being addressed.

The deep concern of the youth about sustainability is reflected in perceptions of inadequate attention being paid to both medium- and long-term vulnerabilities caused by environmental stressors, including air pollution, water shortages, poor waste management and climate inaction. These stressors will have consequences such as increased mortality, but they also impact the household budgets of India's better-off as expenses go up on air purifiers and air conditioners. For most of India's people, deteriorating weather and climatic conditions are an increasing source of anxiety, given the limited effect of independent adaptation measures.

India's youth have long been touted as the source of India's 'demographic dividend.' But, contrary to the 'ask' in the *GEM* report, they neither have a significant voice in decision-making that involves their future—be it education, employment or resource man-

agement—nor are they being groomed for leadership. Universities, political institutions, street protests, digital platforms and civil society organizations serve as arenas where young people shape the national discourse on education, both formally and informally, both as individuals and as part of movements. University campuses in India have historically demonstrated their potential as vibrant spaces for youth curiosity, expression and experimentation. Such vitality in academic institutions is needed for them to serve as petri-dishes for engagement with governance, while reviving the role of civil society organizations as a bridge between the grassroots and governments.

The Cockroach Janata movement began as a satirical response to remarks made in mid-May by the Chief Justice of India, and within weeks, it has nudged young Indians to take a greater interest in (and control of) their own future. The issues raised by these impassioned voices should be taken up by the government and translated to remedial action. Their plea for increased transparency and freedom of speech needs to be recognized for the value it holds for India's socio-economic performance. Involving India's youth to define a remedial agenda would be a great start.



MY VIEW | THE LAST WORD

MINT CURATOR

# Secure India's release from the clutches of Hormuz: here's how

Every single link in a global supply chain needs to be carefully watched for susceptibility to the geopolitical risk of closure



**INDIRA RAJARAMAN**  
is an economist.

**H**ormuz. An overwhelmingly dominant gateway of fuel oil for India, although other—more distant—sources have been tapped after the West Asia war began. The absence of a coherent command on both warring sides makes progress towards restoration of safe tanker passage through the strait tangled and uncertain. On one side are two countries which can fire missiles or make pronouncements without informing—let alone getting the approval of—the partner. On the other side is a country where the elimination of the Supreme Leader started the war, and led to a frayed command structure. Tanker passage is mired by fitful eruptions of hostilities and fears of sea mines.

Hormuz in the past had a similarly key role, as the monopoly point of despatch for horse exports, starting in the late 13th century. Scholars estimate that at its peak in the early 18th century, annual horse imports into the Indian landmass exceeded the value of exports from Bengal to all European East India companies combined. The horse trade eventually declined with the replacement of cavalry warfare with artillery.

The import of horses between the 13th and 18th centuries was buoyed by unceasing warfare in the Deccan between the Vijayanagar kingdom and its neighbours, but there was also trade malfeasance. An early 16th century Italian traveller, Ludovico di Varthema, found that a ban on the import of mares was imposed by horse traders so as to disable horse breeding in the Indian subcontinent. Marco Polo reported another ban—on the immigration of farriers (trained in horse care), put in place by horse merchants “lest that should in any degree baulk the sale of horses, which brings them in every year such vast gains.” Hormuz came under the control of Afonso de Albuquerque around the same time as his capture of Goa.

Several such long memories of trade malfeasance underlay trade hostility in post-Independence India until the economic reforms of 1991. Thereafter, trade openness has clearly enabled spectacular growth spurts in India. But this was pursued without attention to the dangerously extreme dependence on imports which has happened in some sectors, reminiscent of the horse story.

We are of course helplessly in need of imported crude oil to the extent of 90% of our total requirements. We ignored coal gasification, the only source that could substitute for oil to any substantial degree. This has now been corrected with Cabinet approval on 13 May for a provision of ₹37,500 crore targeting gasification of 75 million tonnes of coal and lignite. There has certainly been a policy push in renewables, but the harder task with renewables is to create capacity for long-duration



REUTERS

energy storage. A fiscal incentive scheme for this too is reportedly underway, but it will be designed and ready for offer only a year from now.

*Atmanirbharta* (self-sufficiency) adopted in April 2020 was operationalized through India's performance-linked incentive (PLI) scheme for chosen sectors, criticized at the time for being a retrogression to pre-reform style appropriation by the state of the right to choose sectoral winners.

The PLI scheme in some cases shifted import dependence from final products to key inputs in the supply chain for domestic manufacture of the product. For example, upgraded point-of-sale machines for card payments, newer versions of which include a secure pathway to the Unified Payments Interface (UPI), have run up against a shortage of chips from China. Since earlier more makeshift access to UPI had led to widespread fraud and misuse, cash is coming back for small payments.

The PLI 2.0 scheme being designed for electronic products and components frontally addresses input import dependence by offering greater incentives for local sourcing of inputs. China has already pushed back through its recent tightening of regulatory laws threatening punitive action against companies that shift production out of China.

Pharmaceuticals, on the contrary, offer a successful case where PLI incentivized the domestic manufacture of the key active pharmaceutical ingredient in medical drugs, so releasing the chokehold of their source of supply (China).

The globalization experience has shown that overwhelming scale economies can enable a first-mover to become the lowest price, go-to supplier of a key input for the rest of the world. Efficient, yes, while it lasts. But when supply from that source is withheld or otherwise disrupted, production facilities built up all over the world in the expectation of smooth availability close down. From a global perspective, this is terribly inefficient.

Globalization offers efficiency gains but today's world calls for limits on import dependence set by modelling multiple supply sources and their choke-off risks to achieve an optimal mix.

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### QUICK READ

Hormuz used to be a chokepoint for the Indian subcontinent's import of horses at a time when trade curbs were often deployed to create scarcity. Now it's oil supply that's being choked.

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# Does Trump really not care if Republicans lose mid-terms?

The US president's brave front could be followed by a blame game



**ABBY McCLOSKEY**  
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Trump seems unflappable as polls near but this may be his best option.

“I don't care about the mid-terms,” US President Donald Trump said last week. Conventional wisdom says he must. But maybe we should take him at his word. The president has, again and again, created unnecessary headwinds for Republicans. Take his endorsement in the Texas Senate primary of scandal-ridden Ken Paxton over incumbent John Cornyn. In polls, Paxton had consistently trailed Democratic front-runner James Talarico relative to Cornyn. Now, Paxton's win is giving Democrats the best shot they have had in decades to flip a Senate seat in the nation's most populous red state. Also, by waiting until the last minute to endorse Paxton, Trump ensured the Republican Party bled cash for months.

Zoom out, and the president's pattern of indifference grows. He also helped push out incumbent North Carolina Senator Thom Tillis, who announced months ago that he would not run for re-election. That seat is now widely expected to flip to Democrat Roy Cooper. Republicans' chances of holding the Senate in November have now dropped to a coin flip (55% to 45%), according to betting markets.

Then there is the House of Representatives. Democrats' chances of retaking the House are over 80%, according to Polymarket, a prediction market. A generic Democratic ticket is favoured by seven points, according to analyst Nate Silver. To be sure, the party out of power is usually favoured during mid-term polls. Yet that advantage is being exacerbated by the president's unusually low approval rating, particularly on the economy. Because Trump has demanded absolute loyalty from Republican members of Congress, representatives in swing districts and states have almost no room to separate themselves from him.

I'm also not seeing any attempt to woo back voters worried about rising costs. There is no legislative action on the horizon to address economic woes or bolster consumer confidence. Instead, Trump went on the record saying he does not “think about Americans' financial situation.” What a gift for Democratic campaign ads.

Some folks may argue that Trump is just calling the shots after the fact. Paxton was running slightly ahead in polls relative to Cornyn and might have won anyway; better to get behind the eventual winner. The mid-term map was always going to be hard for Republicans; might as well announce that you do not care. Prices keep going up, and probably will as long as the US is committed to tariffs and the war in Iran; so just say you do not think about it.

There is also the reality that the president

called for an aggressive push to draw more favourable districts ahead of the November elections. He has also called for changes to who can vote and how votes can be cast and counted. All these actions suggest he does care about maintaining the party's power. The Democrats are not guilt-free when it comes to gerrymandering or attempting aggressive federal election reforms.

But I increasingly feel that Trump might actually benefit if the Senate and the House flip to Democratic control. A majority-Democratic Congress could become the scapegoat Trump's second term has been missing. He can blame any and all shortcomings on Congress's new Democratic majority.

In a dynamic unique to Trump, losing control of Congress would not impact his governing agenda much. Aside from the One Big Beautiful Bill Act, which largely was an extension of the previous 2017 tax bill, there has essentially been no major legislative agenda that would require Congress support. Trump has relied on executive action more than any modern president.

Another benefit: empowered Democrats are unlikely to be humble and moderate. Bring on the legislative calendar filled with hearings, investigations and allegations. “This is what Americans voted for” they may argue, whether it is government-run grocery stores or sweeping corruption charges against MAGA figures. They may also be tempted to ignore the underlying data that shows how the US remains deeply and evenly split. They might try to impeach the president or pass progressive legislation for the president to veto.

That, too, could work in Trump's favour by turning him back into either a victim of the elite or a protector against the progressive tide. The president is at his political apex when he reminds America of what awaits on the other side: the woke agenda, the socialist agenda or worse.

The bottom line is that the November elections are going to be a real challenge for congressional Republicans partly because of the president's recent actions. But for Trump, there might be political upside regardless of who wins.

Maybe our unconventional times have let my imagination wander too far. But at some point, when the president says he does not care about his party retaining power, one has to wonder why.

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MY VIEW | PEN DRIVE

# Why India's effort to conserve dollars looks K-shaped

RAHUL JACOB



is a former Financial Times foreign correspondent.

**F**or years, a tiny eatery in south Bengaluru had such a bustle of activity that it represented street theatre at its best. At breakfast, it served giant *idlis* for as little as ₹15, at lunch wholesome vegetable *pulao* with a vegetable and *chutney* on the side. The clientele was a mix of white and blue collar, those without kitchens and those too busy or lazy to cook. Seating comprised plastic stools and a raised platform that served as a bench under a large tree. A week or so after LPG prices shot up in the aftermath of the Israeli and US attack on Iran, however, this eatery closed. What the late urban historian Jane Jacobs described as the “ballet” of city life that occurred daily just outside the gates of the apartment complex I live in has vanished almost overnight.

Amid a call by the Prime Minister weeks ago for citizens to save foreign currency and fuel by reducing travel, opting for car-pools and so on, with companies urged to allow work-from-home, data released this week

appears to confirm that India's perennially K-shaped economy is responding in what might be called K-shaped fashion. Small eateries everywhere are closing because the price and supply of LPG cylinders is under stress, while posh large restaurants report booming business.

Confusing price signals via muddled policy diktats are not helping. Data released on Tuesday showed that LPG consumption in May was down by 19%, while petrol usage is up by 3%. And what is one to make of the reduction of aviation turbine fuel prices for international flights announced this week? Commercial LPG prices, notably, have been hiked four times since the war began while petrol price hikes have been relatively muted. The petroleum ministry has underlined how it is softening the blow; the subsidy for a domestic LPG cylinder is ₹650.

What's clear is that fuel conservation will effectively be imposed only by market discipline. In post-1991 India, we are too used to our comforts for sacrifice any other way. Evidence abounds. Instead of showing the effects of car-pooling, the traffic outside my gate resembles a river in flood. Just when I thought I might need to summon an Uber to cross the road, the Bengaluru police have

responded at rush hour by manning this chaotic simulation of a demolition derby.

I claim to be doing my bit by cutting back on non-essential travel around the city, but the truth is that perpetual traffic jams have a cost-benefit logic of their own.

I am opting out of a confab on Friday and Saturday, for example, in the hope that it will go up on YouTube. I should take public transport, but the 9-minute walk to the local metro station is hard on both body and soul. It involves alternately hurdling over construction debris and stepping onto the road where the pavement is left unusable by steep ramps built by homeowners to make parking their cars and scooters easier. In the last 200 metres before the station, the pretence of pedestrian amenities gives way to a colourful fruit and vegetable market. The walk seems more like evading a rugby tackle than a “ballet” of city life. The

upshot is that, after three decades of living overseas and always using public transport, I live in my adopted southern Indian hometown unwilling to use the metro network. But since I work from home anyway, I am way ahead of the national average of privileged Indians doing their bit to reduce fuel consumption—and traffic.

I was recently guilty of making a trip that forced me to reckon with how best to rationalize it, where I had to distinguish between essential and non-essential air travel. Last month, I visited Delhi for a close college friend's landmark birthday. That may or may not sound essential, but every journalist needs to occasionally be in the national capital. One often meets brilliant civil servants in casual settings. On consecutive evenings, I learnt more about the compulsions of our erratic trade policy and ground-breaking reforms to widen pension access than I could working from home in

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Bengaluru. And, it's a joy to motor along the wide avenues of Lutyens' Delhi.

Yet, the ugly overhang of a K-shaped economy that has become starker since the pandemic looms everywhere. Private capex refuses to rise despite strong corporate balance sheets. Real household income growth remains in low single digits and has led to dips being made into savings. This, after a long stretch of subdued oil prices. As Systematix Group points out in a recent analysis, “Crude prices remained benign for most of the past decade, which should have supported the economy and productivity... Even after the recent rebound, the average crude price in real rupee terms since 2014 is 30% lower over the preceding 12 years.”

Animal spirits need perking up; those with disposable income have a patriotic duty to spend. Accordingly, I binge shopped at a Dastkar handicrafts and handloom sale this week in Bengaluru. Those creating art in tie-and-dye *shibori* cloth counted among them Rajasthani women who had been trained more than a decade ago after years of breaking stones. I came home feeling saintly instead of guilty. National service never seemed so pleasurable. Taking the metro would kill the vibe.

# Opinion

FRIDAY, JUNE 5, 2026

## TRADE DEALS

Commerce and Industry Minister Piyush Goyal

“Over the next year, you will see us executing at least another three or four significant free trade agreements and the coming into effect of all the nine free trade agreements over the next nine to 10 months



## ECONOMIC INDICES

BUILDING AN INDEX OF SERVICE PRODUCTION WILL BE DIFFICULT BUT IT WILL BE A WELCOME ADDITION

# Gauging the services sector

**A** SIGNIFICANT TREND in the economic and cultural changes in the last few decades is the increasing importance of the services sector. At present, the services sector is the primary source of global wealth generation. It has transformed the dynamics of economic growth through employment opportunities and exports. The nature of the services sector, too, has witnessed a major transformation in this century. With services offered electronically, consulting, software, and research and development can now be immediately exported to anywhere worldwide. From 2005 onwards, there has been a nearly three-fold increase in the export of services. The present contribution of the services sector to global GDP is around two-thirds, rising to more than three-fourths in developed countries like the US.

Certainly, India's GDP maintains an equilibrium between agriculture, manufacturing, and services, with agriculture sustaining the rural economy, manufacturing picking pace, and services driving growth. Yet, the services sector has rewritten the conventional approach to development in India as well. Around 54% of India's GDP and 56.4% of gross value added (GVA) are generated by the services sector at present. India's services sector exports have risen from \$53 billion in 2005 to \$338 billion in 2023, rising at a pace twice that of the rest of the world, according to a Goldman Sachs' report published in 2024. Further, it has expanded more than India's material exports.

Two recently published reports by NITI Aayog titled "India's Services Sector: Insights from Employment Trends and State Level Dynamics" and "India's Services Sector: Insights from GVA Trends and State Level Dynamics" provide important insights. India's services sector has also emerged as a significant source of

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employment generation. In fact, employment in the sector has jumped to 29.7% in 2023-24 from 26.9% in 2011-12, adding around 40 million jobs over the preceding six years, thereby increasing service employment to 188 million, or roughly 30% of India's labour force. Of course, India's employment proportion in services still lags behind the global average of around 50%, suggesting a gradual structural transition.

The need to build an index of service production (ISP) was, in fact, felt before. A Technical Advisory Committee on Indices of Service Production (TAC-ISP) was constituted in 2004 and was subsequently reconstituted in 2010. Since then, especially in this digital age, the nature of services has changed significantly. The ministry of statistics and programme implementation recently published an approach paper on compilation of the ISP for the formal sector of the economy, reflecting the growing importance of the services sector in the economy. Distinct from the index of industrial production (IIP), the ISP is a crucial, high-frequency economic indicator that quantifies the monthly volume of output in the services sector. Undoubtedly, a monthly ISP that supplements the IIP would offer a more accurate view of the econ-

omy, facilitating improved analysis and policy development.

The ISP is regularly published by a number of advanced economies. For instance, Eurostat began regularly publishing the ISP for the European Union and the Euro region in 2017. The amount of service content in products, or the "servitisation" of economies, varies significantly, according to data. Similar indices can be found elsewhere as well. For instance, the UK compiles a comprehensive Monthly Index of Services, whereas South Korea publishes a monthly Service Industry Activity Index.

Guidelines and methods for measuring short-term production activities in the services sector by national agencies and international organisations can be found in the OECD Compilation Manual for Index of Services Production. As stated in the manual, "an ISP measures changes over time in the volume of output of the services sector. More precisely, it is defined as the ratio of the volume of output produced by the services industries in a given time period to the volume produced by the same industries in a specified base period."

In fact, even if Indian intricacy would prevent any direct adaptation, these could work as guidelines. "As the most dynamic and dominant engine of the

**A monthly ISP that supplements the IIP would offer a more accurate view of the economy, facilitating improved analysis and policy development**

Indian economy, it [the services sector] has long been central to economic transformation, consistently driving growth, generating employment, and attracting investment across decades," according to the approach paper.

Building an ISP will undoubtedly be difficult. The services sector is diverse in that it includes both traditional activities like trade, hospitality, and transportation that are still essential for creating jobs and domestic consumption, as well as high-value, contemporary services like IT, financial services, real estate, and professional services. This diversity is also reflected across states. Some states make substantial contributions through high-productivity, modern services, while others are more concentrated in traditional sub-sectors. In addition to its great diversity, the country also boasts a sizeable informal chunk.

One important source of information on formal services in industries including trade, transportation, hospitality, infotech, education, etc. is the Annual Survey of Incorporated Services Sector Enterprises (ASISSE), which primarily covers corporate entities. However, an ISP might use a combination of administrative, GST, and AISSE data. The GST Network has emerged as a powerful data source for production and outward supplies across different sectors of the economy. However, we lack administrative data sources for a number of significant industries, including real estate, professional services, retail commerce, and so on. Therefore, to create an overall ISP, an ISP that covers roughly 70% of the GVA of services is suggested. Another significant challenge is selecting a suitable price deflator.

Keeping all these in mind, an ISP, even if it's a less-than-ideal one, may be a welcome addition to the list of crucial economic indicators to gauge the state of the economy.

## Trust under examination

Paper leaks & postponements are symptoms of a larger governance failure in high-stakes testing architecture

**T**HE RECURRING TURMOIL around National Eligibility cum Entrance Test and the Common University Entrance Test raises a question that goes beyond paper leaks, disputed answer keys, or last-minute postponements. Why does an examination system that affects millions of young people seem unable to deliver predictable outcomes? The immediate triggers may differ from year to year, but the pattern has become familiar enough to suggest that the problem is no longer episodic. It is institutional. The National Testing Agency was created in 2017 with a sensible objective. India had outgrown a fragmented examination system in which different institutions conducted their own entrance tests with varying standards and processes. A specialised agency promised scale, standardisation, and professionalism. Centralisation also offered economies of scale. But centralisation comes with its own risks. When a system handles examinations for millions of candidates across thousands of centres, any failure is magnified. A leak, a software glitch, or a logistical lapse no longer affects a few thousand students; it affects an entire cohort. The consequences of failure rise in proportion to the scale of the system.

The response to every examination controversy tends to follow a predictable script. There are inquiries, committees, and assurances that lessons have been learnt. Yet the disruptions continue. This suggests that the issue is not the absence of rules but the absence of accountability. Large institutions work when responsibilities are clearly defined and consequences are visible. In the examination system, responsibility often appears diffused across testing agencies, technology vendors, centre operators, and multiple layers of administration. When everyone is involved, no one appears fully accountable. The result is a trust deficit that grows with every controversy. Technology was expected to solve many of these problems. In some respects it has. Digital processes have reduced certain forms of malpractice and enabled examinations to be conducted on an unprecedented scale. Yet technology is not a substitute for governance. It merely changes the nature of risk. A paper leak may be replaced by a cybersecurity breach; a logistical failure by a systems failure. The challenge, therefore, is not technological sophistication but institutional capacity.

The question is whether the systems, oversight mechanisms, and management structures have kept pace with the scale of operations. Recent events suggest they have not. There is also a larger issue. India's education system has concentrated extraordinary importance in a handful of high-stakes examinations. This makes every examination a winner-takes-all contest and every disruption a national crisis. The pressure on students is immense because the consequences of failure are so large. Most advanced education systems rely on a broader mix of school performance, multiple assessments, and institutional discretion. India may not be ready for a wholesale shift in that direction, but the debate can no longer be avoided. The more opportunity is concentrated in a few examinations, the greater the damage when those examinations falter.

The immediate task, of course, is to restore credibility. That will require independent audits, stronger oversight, better communication, and clear lines of accountability. But policymakers should resist the temptation to view the latest controversy as merely another operational lapse. The deeper issue is that the architecture of India's examination system has struggled to keep pace with its scale and significance. The objective should not simply be to prevent the next leak. It should be to build institutions that command trust. In the end, examinations test more than students. They also test the credibility of the systems that conduct them.

## Why NEET, JEE must shift to digital, online exams

**T**HE CANCELLATION OF the National Eligibility cum Entrance Test (NEET) exam after allegations of a paper leak is a wake-up call to improve a system that millions of aspiring students rely on. The recurring disruptions in our high-stakes examination apparatus are not merely administrative oversights, but symptoms of reliance on outdated systems to generate and distribute question papers. To permanently secure examinations of the magnitude of NEET and Joint Entrance Examination (JEE), we must overhaul how and when question papers are created and distributed.

The traditional method relies on multiple teams of subject experts preparing draft question papers, followed by independent teams vetting and finalising a single paper. To maintain absolute secrecy, these experts are isolated for days leading up to the test. When exams span multiple daily sessions or require translation into regional languages, many more teams of experts and translators must participate and remain isolated, multiplying the administrative burden and the risk of question paper leaks. No matter how many layers of security are applied to secure physical printing and distribution of a paper, a static document existing days in advance is inherently vulnerable.

I propose that the final question paper be assembled in electronic form using a randomisation algorithm applied to a massive, publicly available bank of curated questions and loaded into student terminals minutes before the scheduled examination.

To ensure statistical integrity and prevent predictability, the question bank must be exceptionally large. If a paper must have N questions, the size of the bank should be 200 to 1,000 times N. Sourcing that many is best achieved by crowd-sourcing potential questions, deploying multiple levels of expert committees to screen submissions, pre-test them for completeness and accuracy, remove ambiguities, and categorise them by subject, topic, and difficulty. Sourcing items in this way does not compromise secrecy since ultimately the entire question bank will be made public. More importantly, no human will have access to the finally compiled question paper that wholly relies upon a secret key used to randomly select questions from the bank.

This architecture supports a highly progressive pedagogical shift: making the entire question bank public for students and teachers. Providing open access to the repository won't undermine the exam's capacity to discriminate candidates based on their understanding. While safeguards must be developed to prevent rote learning, open access will facilitate testing (viz. curation) of questions in the bank and students to prepare using mock tests.

On the day of the exam, and minutes before the scheduled start time, the question paper is generated centrally using a randomisation algorithm initialised by a secret key, itself a random number generated just-in-time. Instructions to compile the question paper are distributed securely over a VPN directly to local servers in exam centres. To transition from the current system to a fail-safe digital ecosystem, the ministry concerned and the National Testing Agency (NTA) should commit to an implementation road map over the next 18 months:

Months 1-6: Question bank & infrastructure preparation: The NTA, or another agency, should immediately initiate crowd-sourcing of questions to start building the large question bank repository. Simultaneously, it should upgrade digital infrastructure across physical test centres to establish a secure interconnected set of servers capable of receiving encrypted files over a VPN.

Months 7-12: Curation, translation, and public release: Multi-tiered committees of domain experts must review, pre-test, translate, and categorise the submitted questions into distinct baskets based on subject, topic, and level of difficulty. Once created and tested, the entire bank of curated questions should be made public.

Months 13-18: Pilot execution and nationwide integration: The centralised randomisation algorithm, secure network, and just-in-time distribution must be piloted extensively across India using localised or nationwide screening tests. Following validation, manual paper setting should be discontinued, shifting all candidates to touch-sensitive tablet devices evaluated instantly by computers.



## MADAN SABNAVIS

Chief Economist, Bank of Baroda

# Why are FPIs exiting?

India's market performance could be making FPIs cautious. The high dependence on imported crude oil makes the trade balance jittery

**S**INCE THE WAR began, global stock indices have behaved differentially. The Sensex surely has gone down from 81,287 to 75,415 between February 27 and May 22. This could give a signal that the Indian market has underperformed; however, US indices S&P 500 and DJI have gone up while the NYSE Composite is marginally down. Nikkei is up significantly while FTSE is down. German (DAX 40) and French (CAC 40) indices are down. So is the case with Brazil (IBOVESPA). But Korean KOSPI has done brilliantly while Singapore (STI) has trudged in the positive zone. Hang Seng of Hong Kong is down, as is the Shanghai Composite. Therefore, our market is not an outlier.

Yet it has been seen that foreign portfolio investors (FPIs) are in a withdrawal mode. Since March 1, they have pulled out \$23.75 billion from the Indian market (equity and debt) while in the corresponding preceding 51 sessions, they withdrew \$1.25 billion. The former included around \$21 billion in equity and the balance in debt and hybrid. Interestingly, for the 51 days prior to the war, equity withdrawal was at \$2.75 billion, with debt being positive.

Thus, the FPIs have been withdrawing funds from the equity segment even before the war began, which means it is a continuation of an earlier trend. The war has only maintained this tendency. However, in debt it was positive though marginal, which turned negative once

the war began. An explanation can be conjectured here.

On the equity front, the FPIs have been bearish about Indian markets. It should be remembered that FPIs consists of myriad investors who are registered with Sebi and not a single entity. Therefore, the joint action can be taken to be some kind of group-think where decisions are taken based on a common line of thinking. One reason is the belief that some of the major stocks and sectors may be overvalued with very high private equity ratios. Generally, ratios above 30 denote overvaluation, less than 20 reflect opportunity, while the range of 20-30 could go either way. The NIFTY pharma, FMCG, and consumption indices show ratios of ~35. It is 30 for auto, while it is less than 15 for banks, making them attractive. Here, the clue is corporate profitability. Growth in sales and profits has tended to be more in the single digit range, which indicates stability at best. This needs to change for the valuations to be justified or else, theoretically, the prices would have to correct over a time period.

The issue with stocks being considered to be overvalued is twofold. First, it makes sense for investors to exit as the upside seems limited. In fact, with the Sensex exhibiting higher volatility, it is a sign that the best is over for the time being until there is more buoyancy in the performance. The annualised daily volatility since the war began increased to 21.6% for these 50-odd sessions compared with 11.6% in the earlier period. Second, for new investment to flow, a wait and watch approach would be taken, following which a fresh round of investment would begin.

As mentioned earlier, some markets have shown remarkable resilience during these times, and investors would probably be moving their funds from markets like India, Brazil, etc. to the US, which has witnessed a general upward movement. It must be noted that ever since the central banks have been pursuing quantitative tightening, the quantum of investible funds has come down considerably. Hence, funds are being reallocated as investors search for opportunities in a wider set of markets.

Coming to the war, India's market performance could be making FPIs cautious. The high dependence on imported crude oil makes the trade balance jittery. While real growth is less of a concern, the issue with rupee depreciation is a consideration. The fact that the rupee is moving down lowers purchases and

enhances sales, leading to net outflows. This in turn feeds back to the currency strength as the rupee tends to be affected perversely, thus justifying the view that real returns would be weak. This is a tough nut to crack from the policy point of view.

How about debt? Ever since the war began, the bond markets have been in a different mood. Higher crude prices cause higher inflation across the world. This means that interest rates will no longer be lowered. Kevin Warsh's appointment as chairman of the Federal Reserve was supposed to be associated with lowering of rates, which is what Donald Trump wanted. The last policy was cautious on rates. Now there is talk of rates being increased rather than lowered as inflation increases. This has pushed up bond yields. While Indian bond yields too have climbed up to cross 7% for 10 years' maturity, there is a case of investors weighing the net return where the currency decline comes into play.

Therefore, FPIs will continue to be unpredictable in the next few months. They cannot be considered as a source of long-term capital when working out the options for closing the current account deficit gap. As long as they do not accelerate their withdrawal, it could be steady news. But the declining rupee is definitely a consideration for them as the real value gets affected.

Views are personal

## LETTERS TO THE EDITOR

### Policy forecast

Apropos of "Hold the hike" (FE, June 4), the case for keeping rates unchanged at the Monetary Policy Committee meeting is compelling, but the broader argument deserves acknowledgement. Raising rates to defend the rupee would be treating a structural problem with a monetary instrument designed for something else entirely. India's currency weakness stems from

energy import costs and volatile capital flows — neither of which responds durably to repo rate adjustments. The central bank has been right to prefer layered intervention over blunt rate action. What would genuinely help is faster progress on energy transition and a more deliberate tilt in the capital account towards stable, long-term inflows rather than reversible portfolio capital. Fiscal consolidation matters here too, though that

conversation remains politically uncomfortable. —A Myilsami, Coimbatore

### Digital gold options

Apropos of "Enable oldest asset in a digital platform" (FE, June 4), although digital gold mechanisms offer the convenience of buying and selling fractional gold online, inherent risks such as the absence of a central regulatory authority to protect customers and

counterparty and custody risks make investors hesitant. Digital gold platforms' hidden spreads are additional costs and the hurdles in physical redemption make their schemes murky. The best alternatives are gold exchange-traded funds and sovereign gold bonds, which could ensure safety with interest income. —NR Nagarajan, Sivakasi

●Write to us at feletters@expressindia.com

# Easier FPI Access to Equity, Debt Markets

But other fixes needed for interest to revive

The Union Cabinet reportedly okayed easing tax rules via an Ordinance for foreign investors in some categories of securities on Wednesday. Tax relief to foreign portfolio investors will, indeed, affect flows at the margin. But a host of other factors will need to be fixed before interest in Indian markets revives. Tax rates here are broadly in line with international yardsticks. But India taxes capital gains in the country. This is a departure from international practice of taxing overseas investments at home. The other variation from global norms is withholding tax on interest earned that affects performance of investments in debt. Harmonising these variations should reduce friction over investing in India, and over the long run should make cross-border investments seamless.

Short-term effects of the move are harder to determine. FPIs are on a record selling spree in Indian equities over

the country's energy vulnerability to the US war on Iran, and a concentration of investor interest in AI infrastructure. FPI inflows in government debt are positive as the country eased investment limits and was included in key global bond indices afterwards. This is where withholding tax on interest affects returns for FPIs, particularly if they face no tax on interest at home. Capital gains tax on equity investments has to be seen in conjunction with rupee's depreciation that is affecting returns for FPIs.

RBI is expected to offer a coordinated response to the tax changes, although it may not raise interest rates just yet. Drawdown in reserves and pass-through of energy prices will stabilise the rupee. An undervalued rupee should ease the strain on exports. But the prospects of higher inflation and slower growth will have a bearing on equity outflows. Indian equities are coming off rich valuations, but have not corrected enough to rekindle FPI buying interest in a hypercharged AI environment. By offering easier access to its equity and debt markets, India is laying the pitch for a strong recovery down the line, not immediately.

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# Satrapi's Persepolis, Sadness as a Scar

There is something utterly sad — there is no other word for it — about a person dying 'of sadness'. Iranian-born French graphic novel artist-filmmaker Marjane Satrapi's death at 56 — caused by grief after the death of her husband and love of her life a little over a year ago — makes the world feel doubly smaller. While her grief was 'personal', it would have been impossible for Satrapi not to have felt the weight of sadness that can come over entire peoples. The US war on Iran has left its people, already burdened by a repressive regime, in dull despair. But Satrapi understood that sadness is not weakness but a condition of survival, a scar that demands to be spoken, shared — and drawn.

Best known for her 2-vol Persepolis, Satrapi carried the bruised soil of Iran she left behind in the late 80s into the global imagination. In stark B&W panels, she chronicled her childhood under the Shah, the suffocating grip of the Islamic republic, and the exile that followed. Her work is a reminder that history is lived in the body, in the individual who is an integral part of silences of women as well as laughter of children. Satrapi's politics were never muted. She was a fierce critic of authoritarianism, patriarchy and hypocrisies that hollow nations from within. Yet, she resisted being reduced to a symbol. Almost-arrogant humility — and sheer talent as a visual storyteller — made her voice stronger, resonating across continents where repression wears different masks.

Her later works — Embroideries and Chicken with Plums — expanded her canvas. But the themes remained: love, loss, dignity, and the stubborn persistence of memory. Things we all deal with during our own wars and times of peace. But especially when we sit down with sadness.

# JUST IN JEST

A custody rap battle has erupted in Bengal's defeated party

# Will the Real TMC Please Stand Up?

A variation of Eminem's immortal lines from his 2000 song, 'The Real Slim Shady', is now echoing through Bengal — not to be confused with Bangladesh by people who don't know their 'For he's a jolly good fellow!' from their 'Bismillah!' Except, the chorus now is: 'Will the real Trinamool Congress please stand up? Please stand up? Please stand up?' This, compounded by the fact that in the June Kolkata heat, most people are seeing double anyway. What the Monster is to Dr Victor Frankenstein, TMC has been to Dr Mamata Banerjee — a composite creation from bits and bobs of the old Congress and CPI(M). Now, with villagers having chased off TMC with their pitchforks, and Count BJP residing in Castle Bengal, things in the TMC camp resemble a karaoke night gone wrong. Ritobrat Banerjee (no relation to the former CM) has emerged as the parallel frontman within TMC, with Didi's nephew Abhishek Banerjee falling foul of his fellow partymen for his Sanjay Gandhigiri. The rebels — not immediately finding shelter in BJP — insist they 'respect' Didi even as they claim to be the real TMC.

It's a rap battle, with Mamata and Ritobrat trading verses of loyalty and rebellion, while the Speaker plays DJ, spinning procedural beats. The two TMCs are spitting out verses, choruses, remixes, both claiming to be the real opposition, making the two Shiv Senas look sane.

Biomimicry offers a framework to shift from replication to innovation using natural principles

# Business as Second Nature



**KumKum Dasgupta**

More than a century after Antoni Gaudi first put pencil to paper, Sagrada Familia crossed the finish line earlier this year. Now piercing the Barcelona skyline at a towering 172.5 m, it's officially the world's tallest church. On June 10, Pope Leo XIV will host a special mass marking the 100th anniversary of the great Catalan architect's passing.

Gaudi's masterpiece is considered an architectural marvel by most. Others, like George Orwell, called it one of the most hideous buildings in the world, and remarked that the anarchists showed bad taste for not blowing it up during the Spanish Civil War.

Yet, what makes the basilica truly extraordinary often goes unnoticed. Gaze at it closely: the building does not

merely imitate nature aesthetically — it *behaves* like it. Its bone-like columns branch and twist as they rise, distributing weight exactly as trees do. Gaudi didn't just decorate with nature, he borrowed its structural intelligence.

This Environment Day offers another reason to reflect on Sagrada and what it embodies: a striking example of biomimicry in architecture. Rather than imposing human design onto nature, this approach — popularised in the late 1990s by science writer Janine Benyus — invites us to align with principles perfected through 3.8 bn yrs of planetary R&D.

Yet, biomimicry is more than a design tool. It offers a framework for rethinking how systems evolve, products are engineered, and nations shift from replication to innovation rooted in natural principles. It can also function as an OS for corporate and social enterprises, enabling a move from rigid, resource-heavy hierarchies toward lean, self-correcting ecosystems.

The Habitats Trust (THT) is a telling example. Co-founded in 2018 by Roshni Nadar Malhotra, chairperson of HCLTech, and Shikhar Malhotra, CEO and vice-chair-



Catch the drift

Biomimicry is often seen in product design: **Kingfisher & Bullet Train** Early Japanese Shinkansen trains created deafening sonic booms in tunnels. By studying kingfishers — which dive into water with minimal splash — engineers reshaped the train's nose. The result? A quieter ride and 15% less energy use.

**Shark & Superbug** For decades, hospitals used harsh chemicals to kill bacteria. Then, scientists looked at sharks. Despite moving through dirty water, sharks stay clean. Their secret isn't a chemical but geometry. Their skin has microscopic ridges called denticles, arranged in a pattern too small for bacteria to colonise. Today, companies like Sharklet produce films with this texture to repel superbugs without chemicals.

India's economy stands at a pivotal moment. While we have climbed up the Global Innovation Index (GI) — from 81st in 2015 to 39th in 2024 — we face a middle-innovation trap. The ambition is to reach a \$30 tn developed economy by 2047 by moving up the value chain — designing rather than assembling, inventing rather than replicating.

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WORLD ENVIRONMENT DAY

man of HCL Healthcare, the trust focuses on overlooked ecosystems across India. Couple of years ago, its director, Rushikesh Chavan, asked a question: was THT becoming resilient, or simply busier? Chavan brought in Anjan Prakash of The Butterfly Effect to apply a biomimicry lens to the organisation's setup, functioning and goals. Prakash encouraged the trust's employees to see their setup as a natural ecosystem. Projects were reassessed not by ambition alone but also by what could be sustained. Focus shifted from expansion to depth, and from proliferation to stewardship. Employees came to understand that nature does not reward endless acceleration, but balance and diversity.

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**In nature, variation is the engine of adaptation, and intelligence is distributed rather than centralised.** If Indian industry adopts even a fraction of this logic, it could unlock a new innovation streak

However, our prevailing mindset remains industrial and risk-averse.

Prashant Dhawan of Biomimicry India focuses on how biomimicry offers the structural shift we need to break into the innovation game. In nature, variation is the engine of adaptation, and intelligence is distributed rather than centralised. If Indian industry adopts even a fraction of this logic, it could unlock a new innovation streak.

To move forward, three core transitions are critical:

**Extraction to alignment** Instead of treating natural resources as inputs to be maximised, industries could design processes that mirror circular ecological flows.

**Scale-at-all-costs to resilience** Growth strategies could prioritise durability and interdependence over sheer expansion.

**Siloed research to biological enquiry** Corporates could begin by asking the complicated questions of our time — How does nature regulate heat? Eliminate waste? Optimise structures with minimal material? — and partner with scientific institutions to translate those insights into market solutions.

Globally, companies such as Southwest Airlines, FedEx and Unilever use superorganism-inspired algorithms — specifically swarm intelligence mimicking ant colonies — to evolve their logistics, route planning and freight transfer processes. But in India, biomimicry is niche. The barrier is not intellectual but psychological.

While senior leadership in Indian corporates are often keen, acceptance remains weak further down the spine. This is probably because going down the biomimicry path requires abandoning the 'mechanistic' world view of the industrial age and accepting that the economy is nested within ecology, not the other way around.

India has a chance to flip the switch. It can either continue to treat nature as a resource to be managed. Or it can finally recognise nature as the world's most advanced laboratory R&D is done, prototypes are proven and the manual is open. Are we prepared to use it — not as metaphor but as method?

*kumkum.dasgupta@timesofindia.com*

# Don't Allow Hiding Under Forgetting



**Prashant Reddy Thikkavarapu**

In a significant Delhi High Court judgment last week, litigants acquitted in legal proceedings were granted their 'right to be forgotten' as a facet of the fundamental right to privacy. The court ordered search engines and public databases to 'de-index' names.

So, judgments and news reports mentioning that these litigants were involved in certain legal proceedings containing the litigants' names will not be displayed in response to certain keyword online searches. This judgment is worrying for multiple reasons.

The court grounds this right as declared by Supreme Court's 2017 Puttaswamy judgment, in which 9 judges delivered 5 different verdicts declaring that the Constitution recognised a 'fundamental right to privacy', including informational privacy, grounded in the notion of dignity and reputation. But that verdict was ambiguous on whether this fundamental right to

privacy could be enforced against only the state, or could extend to non-state actors. In the latest judgment, the high court offers no reason for choosing to go with one judge, while ignoring the equally binding dictate of the other.

The court's willingness to go beyond the legislative mandate on privacy is problematic. When Parliament enacted Digital Personal Data Protection Act (DPDPA) 2023, to regulate the relationship between citizens and companies processing their personal data, it didn't provide for a 'right to be forgotten'. In fact, an earlier Bill containing it was withdrawn from Parliament. This elicits confusion on boundaries between free speech and privacy that could lead to damaging consequences for innovation and journalism.

The court's framing as a right to restrict access to information 'no longer relevant or serves no legitimate public purpose' inverts the notion of fundamental rights. It is up to the person seeking restriction to justify its need. This is difficult especially when the fundamental right to privacy clashes with that of free speech.

It is the duty of the court to provide reasons why this right may be curbed. Its reasoning that the information in question has no 'legitimate public purpose' is vague and opens the door to



Privacy not the same as erasure

arbitrary censorship. Arbitrary outcome of this approach is evident in the test formulated by the court, in which persons convicted of crimes against women and children, and also cases of public officials breaching public trust, are excluded from 'right to be forgotten'. But cases where a person has been acquitted or discharged without a trial can seek to exercise the same right. This instrumentalist logic collapses when presented with a scenario in which a person is acquitted of sexual offence or violating public trust because of a botched investigation, witnesses turning hostile or a judge found to be biased. Why should the public be denied this information? The judgment is silent.

The verdict ignores that Parliament has already acted to mask the identity of litigants due to privacy concerns. These include laws for juvenile crime, sexual offences and matrimonial proceed-

ings, which either mandate or offer the option of 'in-camera' proceedings. Finally, there's the issue of evidence. The court has ordered global de-indexing of search engines and databases identified by litigants, based on nothing more than the latter's assertion that news of their acquittal is harming them. There is no evidentiary fact-finding by the court regarding these claims of 'harm' made by litigants.

The court may explain this away by claiming that it cannot get into evidentiary questions in proceedings for a writ petition under Article 226. But, then, it must turn away such litigants and direct them to approach civil courts for declaratory relief. This would enable the courts to parse through evidence of harm while adjudicating claims. There's an existing appeal before Supreme Court on the contours of the 'right to be forgotten'. But the declaration by the apex court that privacy, especially informational privacy, is a fundamental right, has opened the door for GoI to amend RTI Act, and for the judiciary to 'shrink' the internet via this order. Reopening that privacy question is now paramount, if India seeks to preserve the right of every citizen to access public records.

*The writer is co-author of Tareekh Pe Justice: Reforms for India's District Courts*

# Remove Tax Friction for More FDI



**Ashish Dhawan, Sudhir Kapadia & Amrita Agarwal**

The Union Cabinet on Wednesday reportedly approved of doing away with capital gains tax on FPI holdings in government securities. This would be a welcome move to attract greater overseas investments.

India's net FDI fell from \$45 bn in FY21 to \$0.35 bn in FY25, driven by higher repatriation of profits and lack of commensurate increase in inflows. China Plus One near-shoring, impact of the US war on Iran, opportunities in the US and East Asia, and the negative impact of AI on Indian IT services partly explain this dip. But India's underlying structural frictions that now stand exposed are also a problem.

One such friction is the tax system. India has made genuine progress: simplification of direct tax code, expansion of advance pricing agreements (APA), abolition of angel tax and progressive digitisation are real gains. Indian taxation is largely in line with peers at the point of entry of long-term capital, much higher and more complex than others through the holding period, and frequently changing at exit. Finally, India lacks a fast and reliable tax dispute redressal mechanism.

**Taxation at entry** Most countries

minimally tax capital at arrival. India's stamp duty of 0.005% on share issuance and 0.015% on transfers is broadly in line with China's, though lower than Britain's.

**Holding period** This phase is where gaps relative to peers are substantial, and targeted reforms would deliver the greatest impact.

**Dividends** India applies a 20% withholding tax on non-residents, treaty-reducible to 5-15% at the higher end of the peer range. China and Vietnam apply 10% and 0% respectively, while Singapore and Britain apply 0% under their exemption frameworks.

**Royalties & technical service fees** Finance Act 2023's doubling of withholding from 10% to 20% pushed companies out of a simple withholding relationship into treaty claims to reduce rates to 7.5-15%, triggering annual filing obligations, assessment exposure and refund cycles.

China holds royalty withholding at 10% with a single administrative filing regardless of treaty status; Vietnam applies a final 10% contractor tax discharged at source with no further obligation. India is now outlier on both rate and process.

**Debt** Sections 194L C and 194L D pro-

vided a 5% concessional withholding rate on interest paid to non-residents on foreign currency borrowings for a decade. Finance Act 2023 allowed this regime to lapse without renewal. India should continue with flat 5% concession across mechanisms, providing stability.

**Taxation on exit** India's exit tax framework — LTCG on listed equity at 12.5% along with surcharge — is on the higher end of peers. Developed markets like the US, Britain and Singapore entirely exempt non-resident investors from capital gains. But more pressing is the frequency of change. India's equity exit framework has been revised more than 4 times in three decades, with 3 different regimes for buy-back taxation since 2013 alone.

Architectural predictability that global institutional investors require to model long-term equity returns does not exist. In contrast, the US capital gains regime has held structural shape for decades. China's 10% withholding on non-resident equity gains has been stable since 2008. Restoring India's LTCG on listed equity to 10% (at par with China's, and with the rate in India between 2018 and 2024) can signal a competitive and stable framework.

Investors also find India to be an outlier with STT and LTCG, unlike most countries that favour one or the other. With substantial digital tracking of investors today, India should abolish distortionary STT, at the very least on cash equity.

Finance Act 2015 introduced Section 115UB, establishing pass-through taxation

for Category I and II AIFs. Extending pass-through status to Category III AIFs by statute would not forgo revenue, but would eliminate the punitive fund-level rate that makes India-domiciled Category III structures uncompetitive against Singapore and US equivalents.

Cutting across the three phases is fragmented and uncertain compliance. India has opted out of mandatory binding international tax arbitration — unlike the US, Britain and the EU — leaving investors with limited recourse when domestic proceedings go against them. Supreme Court rulings in Tiger Global (2024) and Nestlé (2023) retroactively narrowed treaty benefits, reviving the ghost of retrospective taxation.

India should adopt a single-window filing architecture for non-resident compliance — a low flat 10% withholding rate applicable without requiring treaty access, a unified digital portal with defined processing timelines, dedicated fast-track dispute resolution, and enforcement with statutory time limits. India should ratify relevant provisions of the multilateral instrument for dispute resolution, signalling commitment to durable and enforceable treaty provisions.

Making India's international taxation system attractive to investors doesn't require India to become a tax haven, or to compromise its revenue base. It requires it to be in line with global norms, be consistent, predictable and operationally frictionless.

*Dhawan is founder-CEO, Kapadia is senior adviser, and Agarwal is operating partner, The Convergence Foundation*



# In Harmony With Nature

DEVENDRARAJ SUTHAR

We do not merely live upon the Earth; we are formed from it. The modern age has achieved extraordinary advances through science and technology. These accomplishments testify to the brilliance of the human mind. Yet, problems arise when knowledge begins to nourish arrogance; it ceases to be wisdom. The first sign of wisdom is an awareness of limits. Nature operates according to a silent principle: balance. This is not the result of external control but of intrinsic alignment. It offers a profound lesson: the highest forms of order emerge from harmony.

Humanity's crisis arises from the transformation of understanding into a claim of ownership. Knowing the structure of a flower does not grant us the right to possess it. Understanding the science of a river's flow does not confer the moral authority to determine its destiny. The purpose of knowledge should not be domination but participation.

The environmental crisis of our time reflects a deeper imbalance within human consciousness. We have associated progress with expansion rather than depth, success with consumption rather than contentment. As a result, we have taken from nature far more than we have been willing or able to return.

True wisdom lies in learning from nature. Trees teach patience. Rivers teach movement and adaptability. Mountains teach stability. The sky teaches expansiveness. Nature is a silent teacher, offering lessons without words.

The future of civilisation will depend on how deeply we can live in harmony with it. Domination breeds conflict, whereas harmony nurtures coexistence. Authority is temporary; harmony is enduring.

# ALGO OF BLISSTECH

# In an Auto When It Rains



Travelling by auto during a warm summer rain is a joy that feels improvised and inevitable. The auto itself is a half-open theatre, its canvas roof rattling like a drum as fat raindrops strike, while the sides remain exposed to the scent of petrichor magically bouncing off the asphalt.

You sit, zipping along, neither fully sheltered nor getting wet, suspended in that delicious in-between where worrying about getting drenched turns into delight.

The driver, unfazed, swerves through puddles with the swagger of a gondolier steering through Venetian canals — except his canals are streets shimmering with reflections of signs and headlights. The rain, instead of being an inconvenience, becomes a steady rhythm, punctuated by the occasional splash against your ankles.

Suddenly, a ride feels less like transport and more like an adventure. The city outside blurs into a grey-blue — except for the suddenly gleaming green leaves — watercolour wash, its chaos softened by the rain's gentle insistence.

And when you finally step out, damp but exhilarated, you realise the auto has given you more than a ride. You were just on a fleeting, rain-soaked future-memory.

# Chat Room

# 1991 Reforms Need Reforms

'Is the 1991 Model Dead?' by Ashok Malik (Jun 4) raises a question that deserves serious engagement rather than reflexive defence of the liberalisation consensus. The 1991 reforms unlocked India's productive potential, but three decades later, industrial policy remains cluttered with subsidies, state enterprises still crowd private capital in key sectors, and factor markets stay heavily distorted. The reform agenda is not exhausted — it is simply stalled. Reviving it requires political will to dismantle entrenched interests, not nostalgia for a framework designed for a very different economy.

*K Sakunthala Coimbatore*



## CONTRAPUNTO

Only two things are infinite, the universe and human stupidity, and I'm not sure about the former

- ALBERT EINSTEIN

## Agnipariksha

India miserably fails the fire safety test. Tragedies have piled up over the years. Enforcement hasn't moved

On Wednesday, all eyes were on a Delhi hotel fire that left 21 dead, 18 of them foreigners. A day later, the ICU of a hospital in Muzaffarpur, Bihar was ablaze. By afternoon, five deaths had been confirmed. We are pained, but not shocked, because, over the years, we have witnessed too many of these horrors. Fire and related casualties have simply become part of our everyday lives. Ten years ago, one of every five fire-related deaths, globally, used to happen in India. There's no reason to hope things are better now. In fact, before Wednesday's hotel tragedy, fires in Delhi had already claimed 45 lives this year - 15 in March, 13 in May. If that's the state of the capital, how bad might things be elsewhere?

This is not a rhetorical question. In 2023, WHO said more than 1mn Indians are "moderately or severely" burnt each year. And the reason isn't geography. We aren't so fire-prone because of some natural disadvantage. Our complete disregard for rules and safety is a predisposing factor. Otherwise, the Dabwali fire of 1995 should have been the mother of all lessons. It was a school's prize distribution function. The enclosure was made of cloth. It was packed way beyond capacity, and one of its two exits was closed for VIPs. Result: 446 people died when the enclosure caught fire.



That should have rewritten every safety manual in the country. But no, Delhi's Flourish Stay B&B, the one that was gutted on Wednesday, had only one exit. In 2019's Anaj Mandi fire, also in Delhi, 45 workers died because one of the two staircases in the building was blocked with combustible goods. That same year, 22 students died in Surat's Takshashila Arcade, because their makeshift fourth-floor coaching centre was a tinderbox, with plastic walls and ceiling, and no escape route. Be it Uphaar Cinema, 1997, or Kolkata's AMRI Hospital, 2011, fires turned fatal whenever they were nursed by stupidity and greed.

How is it possible that a B&B with permission for six rooms, operates 25? If the authorities, whose job is to make safety checks, have eyes only for cheques, fires in factories, hotels, hospitals, markets, won't stop. And when they occur, our deficient firefighting infra - 97.5% shortage of fire stations, and 96.3% of personnel, according to NDMA - won't help. We know we'll be pained again, but not shocked.

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## Overqualified &amp; Out

There's no such thing as being too educated for a job, if you want/need that job & do it competently

India produces ambition industrially and then fulfils it homeopathically, in doses much smaller than expected. 10mn new graduates are milled every year; graduates form two-thirds of the unemployed 20- to 29-year-olds. A particular cruelty is that after someone's stacked up the degrees, because they believed these would translate into a nice job, they are told, shoo, go away, you're overqualified. Just this week, the Supreme Court - wrongly, in our view - set aside the appointment of a temporary bank attendant, not because he's incompetent, but because he's a graduate. And the job was earmarked for those schooled up to Class 10.

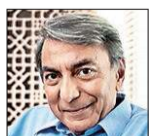
When a person, fully aware of what the role entails, under no illusion about its salary or stature, still wants it, why penalise them for being too educated? The way the Indian economy, indeed the world economy, is going, the predictable days of x CV fitting into y job opening, are behind us. When only 10% of the 1.5mn engineers expected to graduate in a year are expected to get a job, we are only making the situation worse by fixating on the 'right' vs 'wrong' job for them. Yes, some engineers become cab drivers. Some literature docs from JNU are writing SEO content (500 words on the best mattresses under ₹10,000), their Keats and Kafka judging them from the shelf. Some govt ad for a peon's job, requiring only Class V, sees each vacancy draw as many as 1400 applications from grads-postgrads-PhDs alone.

The promise that education will lead to good income and status is broken often. But we can make things better. Put 'overqualified' in the bin. Whatever else is changing, people are still chasing the feeling that their life amounts to something. Let's not tell them that this can only be through a narrow set of approved occupations. Maybe there is more meaningful work to be found around us, when we show the willingness to call it that.

## The descent of man

More and more inventions could put Darwin's evolution in reverse gear

Jug Suraiya



Vacationing in Turin, Italy, Bunny and I are confronted with a problem. We need to do laundry in the washing machine in our rented apartment, but the make is unfamiliar to us. The instructions for its use are given on the machine, but they are in Italian, not English.

Bunny has a grasp of basic Italian, but the technical instructions on the machine are incomprehensible to her. Then an idea strikes her: Her phone has an app which, when pointed at printed words in whatever language, can translate them into any other language, possibly not excluding Hindi, Swahili, or Serbo-Croatian.

Bunny uses the app and - Bingo! - out comes the text in Standard English, punctuation and all.

As we put our laundry into the machine, we recite the reverent refrain that has become the leitmotif of human civilisation: What would we do without the marvels of tech?

We repeat this mantra when we use phones to translate language, or employ GPS to help us find where we need to go, or get Gemini to give us the lowdown on what Godel's Incompleteness Theorems are, and why the chap slacked on the job and didn't complete the darn things.

What would we do without modern tech? Our ancient forebears repeated those words when people got fed up with having to use their fingers to count 2+2=4 and invented the abacus. Now, instead of fingers you moved two beads from left to right, then moved two more beads, and - Eureka! - you'd get four. No more fiddling with fingers.

And before you could say 'Apple', we had laptops, smartphones, and AI, thanks to which we no longer have to rely on humans to solve problems but let digital tech do it for us.

Darwinian evolution is based on the human problem-solving capacity to reach ever higher stages of development. By abdicating our inventiveness in problem-solving, will we put Darwin into reverse gear? Instead of the Ascent of Man, have we initiated the Descent of Man? Will Homo sapiens, Wise Man, literally ape his pre-human ancestors and make a Monkey of himself?



## jugularvein

## Mamata's Crisis Is Mamata

Her post-defeat loss of control over her party is thanks to a system she created when in power. It worked on fear & greed. Such systems don't survive poll setbacks

Sayantant Ghosh



Around 35 days ago, Mamata Banerjee walked 14km through the streets of Kolkata in her final election march for Bhabanipur constituency. Security officials scrambled to manage the crowd of ministers, MLAs, MPs, candidates, and film industry figures jostling for proximity to her. That energy felt familiar; an echo of the street fighter who had built Trinamool Congress from a fragile splinter of Congress into a force that ended three decades of Left Front rule in 2011.

Yet on June 2, when she staged a dharna at the Y Channel - the very site of her historic 2006 hunger strike against the Singur land acquisition and near the Brigade Parade Ground where she rang the "Mrityu Ghanta" against the Left in 1992 - the response was starkly different.

Her aides reached out to nearly 80 MLAs, around 40 MPs, and prominent cultural figures. Most calls went unanswered. Only a handful of old-guard MLAs, long sidelined from her grand rallies, stood by her.

This moment captured Mamata at one of the most precarious junctures of her political life. Mere kilometres away, Nabanna, the state secretariat she had commanded for 15 years, now houses a BJP govt led by Suwendu Adhikari, a man whose rise she once nurtured.

In the assembly, where her party once dominated, 58 of her 80 MLAs have defied her whip. They submitted signed documents to the Speaker supporting Ritabrata Banerjee, a former CPM turncoat, as Leader of Opposition, bypassing her choice of Sobhandeb Chattopadhyay. The Speaker approved it, formalising a split in the legislature party. The rebels have invited her to serve as chief adviser while sidelining her nephew Abhishek Banerjee.

This is not merely rebellion; it is the visible fracture of a party Mamata built on personal loyalty and anti-Left mobilisation. The crisis is of her own making, though interpretations casting her purely as victim abound.

The straight truth lies in choices she ignored for years. Seeds were sown early. In 2011, she inducted Abhishek into the party and created Yuva Trinamool as a parallel to the existing student wing led by Suwendu Adhikari. By 2014, after Abhishek became MP from Diamond Harbour, she merged the wings under him. This shift unsettled veterans who had walked with her from her Youth Congress days.

Mukul Roy, once her most trusted organiser, quit in 2017 and joined BJP, citing Abhishek's unchecked ascent as corrosive to internal morale. Adhikari followed ahead of the 2021 elections, voicing similar grievances over family dominance.

Today's legislative rebels echo the same refrain: their defiance targets Abhishek's control more than Mamata herself. The pattern is unmistakable. Warnings about centralising power around one family were dismissed, allowing resentment to fester into open revolt.

Mamata mastered grassroots politics like few others. She connected directly with workers at her Kalighat residence, fostering a sense of accessibility that powered her 2011 victory. Yet over time, Trinamool corporatised. Influence of professional consultancies like IPAC created layers of gatekeepers.

Veterans, who once walked into her home, now navigated Abhishek's Camac Street office, and external functionaries, for appointments. This wall distanced her from the very people who had sustained her through Singur, Nandigram and the long anti-Left struggle.

Frustration built quietly. Old associates felt sidelined as ticket distribution and organisational decisions concentrated in fewer hands. The party lost its organic link to the ground. Where once purpose - defeating Left, checking BJP - animated cadres, power became the glue. Welfare schemes provided a safety net for voters, but they masked deeper rot: local-level strongmen who used police and administration to intimidate opponents and extract benefits.

Anti-incumbency simmered beneath the surface of apparent dominance. When BJP offered a credible alternative in 2026, voters shifted in a silent wave, reducing TMC to 80 seats.

Mamata's style evolved from mass mobilisation to administrative control. Opposition voices faced surveillance and pressure. This created an atmosphere where loyalty was enforced through fear rather than conviction. The underbelly of local corruption and strong-arm tactics alienated ordinary people, especially in rural pockets where promises of change resonated.

The 2026 verdict was less a rejection of Mamata the individual than of a system that had drifted from its

founding spirit.

Unlike Left's ideology or BJP's organisational cadre, Trinamool was born of Congress inheritance and anti-Left mobilisation. From 2011 to 2016, defeating Left provided clear purpose. After that, checking BJP's rise offered temporary glue. Yet once entrenched in power, that adversarial edged dulled.

Governance relied on dominance rather than fresh ideas or broad coalitions. Schemes helped survival, but they could not substitute for vision when local governance failed.

Power does not breed loyalty; it attracts beneficiaries. When BJP swept to 208 seats and installed Suwendu Adhikari as chief minister, the fragility became evident. Ministers and MLAs whose careers Mamata had shaped now serve under her former protégé. The irony is sharp: the woman who rang the death knell for Left, now confronts a diminished party questioning its own identity.

The split benefits BJP immediately. It creates an opposition minus Mamata's mobilisational magic, precisely what party in govt welcomes. Rebels gain protection from ground-level anger directed at Trinamool strongmen.

Mamata retains symbolic legacy and fighting spirit, but the party symbol, organisational machinery, and cadre cohesion face severe strain. Retaining control without dramatic reinvention will prove arduous.

She will fight, as street fighters do. Yet this moment marks a point of difficult return. The real Trinamool - the one forged in hunger strikes and people's marches - lies buried under layers of centralisation and compromise. Rediscovering it demands reconnecting with the grassroots ethos she once embodied, beyond family or incumbents.

Whether she can achieve that before the window closes remains the defining question of her political twilight. The rebellion is not obituary but a harsh mirror. In searching for the real TMC, Mamata must first confront how far her creation has strayed from its origins.

The writer teaches communication at St Xavier's College, Kolkata



## The Indianness We Should Show Others

When a few Indians abroad appear to be publicly intrusive, the world's highest achieving immigrant community can become a target. Celebrating your culture is great. Inflicting it, is not

Anjana Menon



Indians are showing up in the strangest of places in the strangest of ways. A clip circulating on social media showed some Indian travellers dancing around their hand luggage on the tarmac in Vietnam. Days later, another clip emerged of three individuals, dressed as Indian divinities, parading through the aisles of an Ontario grocery store, run by Indians.

The thing is, there was never a worse time for coming across, to many people abroad, as publicly intrusive Indians. Everywhere around the globe, local populations are protesting the influx of immigrants, who they claim are taking away their jobs and destroying their culture.

Tens of thousands marched in the streets of London in May to Unite The Kingdom, protesting immigration. While it's true that Britain has struggled to control the number of immigrants, and asylum seekers, the protest itself is a likely symptom of a greater problem - the loss of prosperity, and the resultant fall in the standard of public services, where citizens get much less of what they expect from govt. Economies are growing more slowly and unevenly. Rising income inequality, and high cost of living are making it harder for working classes to thrive.

It's easy to see who will be collateral damage in this disaffection with the state. According to Group Threat Theory, when economic conditions become difficult, the majority starts to see the minority not as competent, but competitive. Anti-immigrant sentiment rises, and a performative Indian abroad becomes a misplaced symbol, which travels with high velocity on social media. And that, further distorts the scale of the problem.

This is not to say that Indians should be shy of claiming their culture, and apologise for shining as an immigrant. After all, Indians everywhere have been

praised for being hard working, diligent and honest. They are rarely troublemakers. In fact, they are the most prosperous non-white community in America, and fill the ranks of senior executives, scientists, doctors, top academics, and researchers. In short, the world's biggest economy routinely suctions out our brightest. We are wanted.

Yet when a handful of Indians get showcased for seemingly being uncivil, Indians everywhere risk being weaponised.

Indians must understand cultural pride carries a certain responsibility - we are who we are seen to be.



It means being welcomed everywhere, and not being ridiculed as memes on social media.

There is a toxic pride in imposing one's culture on unwilling audiences, and a thin line between celebrating one's culture and inflicting it. Supermarkets are places for grocery shopping, not cultural tableaux. An airport tarmac is not a festival ground.

To an extent this rise of intrusive behaviour parallels the rise of Indian confidence. In the last decade, we morphed from just another developing

economy, to one within kissing distance of the world's third-largest economy. We moved from possessing a cumbersome passport, to one on which visa-free travel was possible to a handful of friendly countries. We moved from careful savers, to borrowing-driven spenders, from quiet, to somewhat belligerent.

There are several good things about civilisational confidence, none of which must be frowned upon, but there is nothing elegant about arrogance. There is even less merit in arguing that we must be allowed to behave as we please, because whites dominated us and pillaged us, and now it's our turn to pay back time.

Indians must read history carefully. We were colonised by a small island nation centuries ago because we lacked national pride. We cut deals with invaders. Those deals served us individually rather than our community. We cannot rewind that and make up for it, by imposing our culture on an adopted country - white or otherwise, because after all, they have not allowed themselves to be colonised by us. They see us, like they see all immigrants, as enablers not intruders.

By all means celebrate festivals, sing songs, and dress up as divinities - but do it at home, in community gatherings, and in appropriate public spaces. Never apologise for being Indian. But for heaven's sake do not mistake national pride to be about littering movie halls with confetti, stealing from the breakfast buffet in Switzerland, to get a free lunch, and jumping airport queues because we want to leave a stamp of Indianness.

National pride comes from earning a place in the world, from heading some of the world's most powerful companies, from knowing that we can engineer missions to the moon at a fraction of NASA's budget, from knowing that we gave the world the zero and chess, from being the highest-achieving immigrant community on earth, and from respecting others because we respect ourselves.

For everything else, there is always home. Menon is an author & entrepreneur

## Calvin &amp; Hobbes



## We Will Never See A Poem Lovely As A Tree

Sumit Paul

The concept of forest bathing is rooted in the idea that immersing oneself in nature can have powerful effects on both the mind and soul. When we disconnect from the hustle and bustle of everyday life and focus on sights, sounds, and smells of the natural world, we can reset and recharge our mental and emotional batteries. Just as pressing the reset button on a device can clear glitches or bugs, forest bathing helps us clear negative or stressful thoughts and feelings that are weighing us down. By embracing the healing power of nature, we can find peace, clarity, and renewal within ourselves.

We're inherently linked to the earth and all its elements. Nature is not merely a destination to be explored and then

abandoned; it is a constant presence in our lives that provides us with nourishment, solace, and a sense of belonging. By acknowledging nature as our home, we are more likely to treat it with respect and care that it deserves, recognising the vital role it plays in sustaining our own well-being and that of future generations.

In our fast-paced, tech-driven society, it can be easy to lose touch with the calming and rejuvenating power of nature. Taking time to immerse oneself in the beauty of mountains or tranquillity of the woods allows for a much-needed break from the chaos of daily life.

When we take the time to immerse ourselves in the natural world, whether

through a leisurely stroll in the woods or a peaceful moment by a flowing river, we often find ourselves enriched in ways we never expected. Nature has a way of soothing our souls, healing our minds, and rejuvenating our spirits. It provides us with a sense of peace, clarity, and connection that is truly invaluable.

In our fast-paced and hectic lives, it is important to remember the restorative influence of nature and to make time to seek solace in its beauty.

Even the storms, with their energy and power, can inspire us to face our own challenges with resilience. In the embrace of nature, our worries and cares can fall away like autumn leaves, allowing us to reconnect with

ourselves and find inner balance. But the way we're treating nature and defiling our environment, the day is not far when the world will be bereft of natural bounties, and the deserts will welcome us with their endless sands and dry air. There'll be no zephyr, breeze coming to us, caressing the green leaves of trees and plants.

We still have time to save our environment and be in sync with nature. Much have we ravaged it. Now is the time to revive it. Let's take a pledge and remember the opening lines from Joyce Kilmer's poem, 'Trees', 'I think that I shall never see/A poem lovely as a tree.' Imagine, if nature is gasping for breath, what'll be our fate? Imbibe the rejuvenating spirit of 'forest bathing' before you lose forests forever. Let us hope and 'be-leaf' in a greener future.

## Sacredspace



Protecting the environment of indigenous forests is protecting life, protecting genes, and protecting the mind... The forest is the root of all life: it is the womb that revives our biological instincts, that deepens our intelligence and increases our sensitivity as human beings.

Akira Miyawaki



THE SPEAKING TREE



## Editor's TAKE

### Delhi inferno: Punish the guilty

Another Delhi fire tragedy highlights the cost of negligence, where profit took precedence over safety and enforcement failed

What we learn from mishaps is that we do not learn anything from them. Moreover, the cost of human life does not matter when it comes to making profits. Delhi has seen several fire disasters - the Uphaar Cinema fire (1997), the Anaj Mandi factory fire (2019), the Mundka building fire (2022), the Alipur paint factory fire (2024), the recent Dwarka fire (2026), to name a few, and now the latest Malviya Nagar hotel fire that killed at least 21 people. Despite the recurrence of these incidents, the rules remain lax and enforcement even poorer.

The facts emerging from the ashes of Hauz Rani are damning. The hotel held a Bed & Breakfast licence for a maximum of six rooms. It was running 25. It had no valid Fire Safety No Objection Certificate - a legal requirement for every commercial hospitality establishment in India. There was a single exit from the building, and even that outer gate was reportedly locked. Most of the foreign victims were from Nigeria, Mozambique, Somalia, Liberia, Bangladesh and Afghanistan - families of patients undergoing treatment at the nearby Max Hospital. Who is responsible? The answer is not one person but an entire ecosystem of failure.

First and most directly, the hotel owner, who illegally expanded the premises fourfold, operated without mandatory fire clearances, sealed windows and blocked exits. The absconding owner must be arrested, tried and punished to the fullest extent of the law.

But the owner did not act in a vacuum. Budget hotels and B&Bs across Delhi routinely flout fire norms with near-total impunity. Inspectors who were meant to verify compliance either never visited or certified compliance they never checked. Municipal and licensing authorities who permitted a six-room operation to quietly balloon into a 25-room commercial complex over months or years are equally culpable. Complicity through inaction is still complicity. They too must face accountability. Why does Delhi burn every summer? The answers are structural. The city's older residential neighbourhoods - Malviya Nagar, Karol Bagh and Paharganj - are dense, with narrow lanes that delay fire engines and buildings with no separation between structures. As temperatures breach 45°C, electrical loads spike, air conditioners run continuously, and ageing wiring sparks under the strain. Illegal construction, mixed-use buildings with restaurants below and hotels above, and virtually no culture of fire drills or safety training make every summer a disaster waiting to happen. The way forward demands more than condolences. Delhi needs a time-bound, ward-by-ward fire-safety audit of every hotel, B&B, hostel and lodge, with the results made public. Licences must be physically verified, not rubber-stamped. Building plans must match reality on the ground. Fire exits, sprinklers and smoke alarms must be non-negotiable conditions of operation, not optional upgrades. Those who fail inspections must be shut down immediately, not fined and forgotten. Above all, this cannot be another tragedy that fades from the news cycle.

# Modi's green diplomacy comes of age

The agreements forged during Prime Minister Modi's visit reflect a broader vision of positioning India as both a leading advocate and a key driver of a sustainable, resilient and rules-based international order



**SHEHZAD POONAWALLA** | **VIJETA RATTANI**

A defining feature of Prime Minister Narendra Modi's recent five-nation tour, which covered the United Arab Emirates, the Netherlands, Sweden, Norway and Italy, was the prominence accorded to green partnerships. Clean energy, green technology, shipping, the blue economy and climate resilience figured decisively in the agenda, highlighting how environmental and economic stakes have converged at a moment of global uncertainty. India's engagement abroad is no longer confined to conventional diplomacy; rather, it is strategically investing in partnerships and channels that secure long-term strategic interests, including energy security. In the wake of global turmoil, the resultant disruptions in supply-chain networks have exposed the vulnerabilities of fossil-fuel systems. The emphasis, therefore, is on convergence around clean energy, green technology and climate resilience, advancing self-reliance while shaping global environmental discourse and reinforcing a rules-based international order.

### Bolstering green diplomacy

The Green Strategic Partnership with Norway elevates cooperation in clean energy, Arctic collaboration, defence technology, and other areas. With Sweden, the partnership focuses on green transition and resilient supply chains, while with the Netherlands, the engagement encompasses solar innovation, green hydrogen, storage and renewable investments, alongside maritime and sustainable agriculture. In the case of Italy, Prime Minister Modi and his counterpart, Prime Minister Meloni, agreed to strengthen the 2025-2027 Executive Programme for Scientific Cooperation, promoting joint research in renewable energy, quantum technologies, green hydrogen and the blue economy. Their joint tree-planting exercise underscored support for Prime Minister Modi's domestic green drive. Further, elevating the India-Nordic relationship to a Green Technology and Innovation Strategic Partnership further consolidates this vision. The tour, which secured nearly \$40 billion in investments, including from the UAE, is pivotal for its agenda, scope and timing.

Amid global supply-chain disruptions and mounting pressure on fossil-fuel systems, India's diversification of its energy basket through diplomatic channels is both a pragmatic and an economic necessity. The oil and gas crisis during disruptions in the Strait of Hormuz exposes this vulnerability. Committed to securing its energy



INDIA IS ALSO DRIVING CRUCIAL INTERNATIONAL INITIATIVES SUCH AS THE INTERNATIONAL SOLAR ALLIANCE, CDRI, LEADIT AND CIRCULAR-ECONOMY FORUMS, SHOWCASING ITS CAPACITY TO LEAD THE GLOBAL ENERGY AND CLIMATE AGENDA

needs beyond fossil-fuel dependence, India is embedding clean energy into external partnerships to build resilience against future shocks.

Second, in the new geopolitical reality, economic and ecological interests are increasingly intertwined and, in many instances, inseparable, and the Indian leadership is well aware of this. By cutting carbon emissions, adopting clean-energy pathways and investing in green technology, India stands to gain significantly in building a decarbonised economy and improving developmental indicators for its underprivileged sections through access to clean and reliable energy supply, cooking fuel, sustainable transport, decent jobs, rural livelihoods and improved living standards.

Third, securing convergence with European countries on clean energy and climate action reflects a shift in mindset. Historically, differences around equity and differentiated responsibility have defined global climate negotiations, with developing countries pressing for finance and technology while developed nations urge emerging economies such as India to act at par. The change in approach stems from changing realities and increasing vulnerabilities. Though India is one of the most climate-impacted countries in the world, Europe too is increasingly facing climate-related disasters and extreme weather in the form of heatwaves, forest fires, rising temperatures and rainfall anomalies. In 2025, Europe incurred losses of nearly \$45 billion due to extreme weather events.

The European Union has also significantly pushed environmental norms. Through agreements on joint projects with India in green manufacturing and technology, renewable energy and the blue economy, European countries seek to reinforce environmental standards and

strengthen multilateral frameworks. India, meanwhile, maintains its long-standing Global South position on equity while unlocking finance and technical expertise. Together, these efforts bolster a rules-based order with an emphasis on inclusivity, cooperation, partnerships and sustainable development.

India's diplomatic strength on the environmental agenda emerges largely from a wide array of domestic climate and environmental initiatives. India's decision to ratchet up its Nationally Determined Contributions (NDCs) underscores its sincerity towards meaningful climate goals. It has pledged a 60 per cent rise in installed non-fossil-fuel capacity, a 47 per cent reduction in emission intensity, and the creation of a 3.5-4.0 billion-tonne CO<sub>2</sub> sink by

2035, aligned with Net Zero 2070 and Viksit Bharat 2047. This is further complemented by the strengthening of grassroots institutions, the development of a carbon-market framework, infrastructure for a clean and green transition, ambitious capacity-building efforts, increased climate resilience, biodiversity protection and the conservation of natural systems. India is also driving crucial international initiatives such as the International Solar Alliance, CDRI, LEADIT and circular-economy forums, showcasing its capacity to lead the global energy and climate agenda. In other multilateral forums as well, India has pushed sustainability initiatives as key summit outcomes. This has helped generate global momentum in environmental governance, where India's approach is active, assertive and confident.

By aligning with European countries on green partnerships, India positions itself as both a beneficiary and a driver of the global energy and climate agenda.



Shehzad Poonawalla is the National Spokesperson of the Bharatiya Janata Party, and Vijeta Rattani is development and sustainability expert

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## PICTALK



A myna feeds its chick, at Mayong, in Morigaon district, Assam

PHOTO: PTI

# The Unfair grade: When the system betrays hard work



**SAKSHI SETHI**

## 2ND OPINION

There is a quiet tragedy unfolding in Indian classrooms, not in the form of crumbling infrastructure or absent teachers, but in something far more insidious: the gradual erosion of a child's belief that hard work truly matters.

Consider a scenario that is no longer hypothetical. A fifteen-year-old studies with the same dedication, the same late nights, and the same anxious anticipation as any other student in the country. Under one board, his efforts earn him 52 per cent. Under another, the same child, the same intellect and the same ambition secure 96 per cent and a scholarship. Nothing has changed except the system measuring him. Yet we ask him to carry the weight of that number for the rest of his life.

India has always embraced diversity in education. A nation with dozens of languages and hundreds of dialects

was never going to function through a single textbook or curriculum. Diversity is not the problem. The problem arises when diversity of syllabus translates into inequality of opportunity and is then justified in the name of federalism. When a student can score 96 per cent under one board and 52 per cent under another, we are not witnessing educational diversity; we are witnessing a failure of standardisation with national consequences.

In India, grades are more than academic markers. They determine access to colleges, scholarships, jobs and, too often, self-worth. A student who receives 52 per cent does not simply receive a lower grade; he often receives a social judgement.

Alongside this disparity lies another growing concern: the silent breakdown of digital evaluation systems. Students and parents across the country increasingly report blurred scanned answer sheets, unexpected score reductions and opaque assessment processes despite claims of technological advancement. This is the particular cruelty of poorly implemented digital reform. It introduces the detached indifference of a machine into an already unequal system.

A human evaluator, despite personal biases, can be questioned and held accountable. An algorithm that produces a score without explanation offers no such possibility. Technology does not automatically create fairness. Without transparency, it merely accelerates injustice.

Perhaps the most overlooked aspect of this debate is its psychological impact. When students begin to believe that sincere effort cannot guarantee a fair outcome, something fundamental is damaged. Education ceases to be a contract between effort and reward. It becomes a lottery.

Mental health professionals working with adolescents increasingly observe that examination-related stress has changed in nature. Students are no longer afraid only of failure. Many fear that success itself may not matter because the system cannot be trusted. That is a far more dangerous anxiety to grow up with. India does not need a uniform curriculum, a single language of instruction or a standardised cultural framework. The richness of its educational diversity must be preserved. What India urgently requires is agreement on one non-negotiable principle: fairness.

This means robust moderation mechanisms that account for variations across boards, transparent and auditable digital assessment systems, effective grievance-redressal procedures, and institutional recognition that examination scores represent far more than data points. They shape how young people see themselves and their futures.

The real issue is not marks, but trust. If hard work is not fairly rewarded, the education system fails its most important test.

The writer is an educator and a councillor



## DIGITAL EXPERIENCE

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## WHEN REGULATORY FAILURES FUEL URBAN DISASTERS

The devastating fire at a bed-and-breakfast facility in Malviya Nagar's Hauz Rani area, which tragically claimed 21 lives on Wednesday, is yet another grim reminder of the systemic failures and safety violations that continue to plague Delhi's unauthorised commercial hubs.

The localities of Hauz Rani and Khirki Extension are characterised by extremely narrow lanes and poor ventilation, making them particularly vulnerable during emergencies. Owing to their proximity to major hospitals and commercial centres, these neighbourhoods have become a refuge for many families arriving from overseas. Over the years, the area has evolved into a vital support base for international medical tourists seeking affordable accommodation. Unfortunately, many low-cost guest houses operate without adequate fire-

safety measures, emergency exits or valid municipal approvals.

These infrastructural shortcomings are compounded by weak regulatory oversight. Despite repeated concerns, enforcement remains inconsistent and inadequate. Previous directions by the Delhi High Court for comprehensive safety audits have largely failed to translate into effective action on the ground.

While the government's announcement of ex gratia relief and a magisterial inquiry is welcome, such measures remain reactive. What is urgently needed is a coordinated crackdown on unauthorised commercial establishments, strict compliance with fire-safety norms, regular inspections and robust enforcement. Unless authorities act decisively, Delhi risks witnessing yet another preventable tragedy.

V REDDY KETHIRI | NEW DELHI

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

# LETTERS TO THE EDITOR

## Turning tariffs into opportunity

The proposed American tariffs on India, based on allegations of a failure to prohibit the import of goods produced using forced labour, warrant serious engagement. Rather than simply adopting a defensive stance, India must acknowledge the legitimate labour standards concerns underlying the US move. At the same time, dismissing such concerns as merely protectionist would mean missing an opportunity for constructive reform. If certain Indian industries genuinely rely on exploitative labour practices, the solution is not to shield them through diplomatic denials but to address the underlying violations.

India's negotiating position should be nuanced and credible. A meaningful response should involve three key measures.

First, transparent audits of labour practices in vulnerable sectors should be conducted, with the participation of independent international observers. Second, India should strengthen the enforcement of existing labour laws, focusing on measurable outcomes rather than merely introducing additional statutory provisions. Finally, India should engage with the United States through technical committees rather than political theatre, enabling experts to distinguish genuine violations from normal market pressures.

## Enforce fire safety before tragedy

The tragic inferno in Malviya Nagar is yet another reminder of how casually fire safety is treated in many of our cities. Time and again, disasters expose the same failings: missing or expired fire NOCs, overcrowded premises, blocked emergency exits, faulty electrical wiring and poor enforcement of safety norms. Yet, once public attention shifts elsewhere, these lessons are quickly forgotten. Fire safety must not remain a box-ticking exercise. Regular audits should be conducted by independent agencies rather than officials vulnerable to local pressures. Occupancy limits must be strictly enforced through digital monitoring, and violations should attract heavy penalties. Functional emergency exits, fire alarms, sprinklers and evacuation plans should be mandatory requirements, not optional additions.

Many countries have demonstrated that prevention is possible when safety regulations are rigorously enforced. Japan conducts regular drills and public-awareness programmes to ensure preparedness. In the United States and across Europe, hotels and commercial establishments face substantial fines or closure if fire-safety systems are not properly maintained. Strong enforcement, transparency and accountability are essential if lives are to be protected and similar disasters prevented in the future.

## Consent must guide rehabilitation

The Supreme Court has recently laid down an extensive legal framework to combat the trafficking of women while ensuring their dignified rehabilitation. The Court has rightly held that the consent of adult sex workers must be a primary consideration in any rehabilitation process. In doing so, it has challenged the paternalistic assumptions underlying Section 17 of the Immoral Traffic (Prevention) Act (ITPA), which often treats all individuals rescued from prostitution-related situations in the same manner, irrespective of whether they were trafficked, coerced, or had voluntarily engaged in sex work.

The judgment makes an important distinction between victims of trafficking and adults who have chosen sex work. It directs that, before a person is produced before a magistrate under Section 17, an inquiry must be conducted to determine whether the individual is a voluntary sex worker and whether she consents to long-term rehabilitation in custodial care. This is a significant step towards recognising individual dignity and autonomy. In a society where moral policing often reduces such women to either victims or offenders, the Court's emphasis on consent is both progressive and humane. The judgment strengthens rights while ensuring protection for those genuinely subjected to trafficking.

K SAKUNTHALA | COIMBATORE

O. PRASADA RAO | HYDERABAD

YASH PAL RALHAN | JALANDHAR



## World Environment Day: Nature, climate change and the path forward

World Environment Day serves as a reminder of the shared responsibility to protect nature, restore ecosystems and build a cleaner, greener and healthier future for generations to come



**SUSHIL KUMAR SINGLA**

Historically, one invention and one discovery have led to many of the consequences humanity faces today. These are the invention of the wheel and the discovery of fire. While not the only causes, they represent the beginning of human interventions that have ultimately contributed to present-day climate change, much of which is anthropogenic or human-induced. Alongside natural factors, these activities have resulted in environmental impacts with both positive and negative consequences for living beings.

Awareness of the causes of climate change, its consequences, and the measures required to address both its drivers and impacts is widespread. Yet, collective action continues to fall short of the urgency demanded by the situation.

The answer perhaps lies in Indian scriptures and philosophy, which advocate not only respect for nature but also its worship. The sun, soil, Mother Earth, rivers, stars and planets have traditionally been revered as life-supporting forces. Ironically, human beings, often regarded as the perpetrators of environmental degradation, are increasingly becoming its victims.

As per the Environment (Protection) Act, 1986, "environment" includes water, air and land, and the inter-relationship that exists among and between water, air, land, human beings, other living creatures, plants, micro-organisms and property. This definition highlights that environmental protection is not merely about conserving individual natural resources but about maintaining the delicate balance that sustains all life on Earth.

Though the subject of the environment falls in the residuary list under the Constitution of India, allowing legislation primarily by the Central Government, states have made notable strides in the fields of environment and forestry.

For our country, where ecology and economy are closely intertwined, environmental challenges directly affect agriculture, tourism, water security and public health. Ignoring these challenges would mean compromising livelihoods and the interests of future generations. Despite its strong environmental credentials, India is not immune to emerging environmental pressures.

To meet these ever-evolving challenges, there is a strong need for scientific advancement in the technologies being used across industries. The country's leading research institutions, including IITs, IISc, IARI

TO MEET THESE EVER-EVOLVING ENVIRONMENTAL CHALLENGES, THERE IS A PRESSING NEED FOR SCIENTIFIC ADVANCEMENT AND INNOVATION ACROSS INDUSTRIES. EQUALLY IMPORTANT ARE NATURE-BASED SOLUTIONS, WHICH OFFER EFFECTIVE PATHWAYS FOR BOTH CLIMATE ADAPTATION AND MITIGATION, ADDRESSING THE IMMEDIATE NEEDS OF ECONOMIC DEVELOPMENT AND COMMUNITY RESILIENCE

The writer is Secretary Environment, Science Technology and Climate Change Government of Himachal Pradesh

- @TheDialyPioneer
- The Pioneer

and CSIR, could jointly participate in developing indigenous technologies, taking into account the priorities of material and energy security, co-developmental benefits, and a life-cycle approach to understanding environmental and social impacts. Such collaborative efforts can be directed towards addressing industrial pollution and promoting the scientific disposal and management of solid, hazardous, bio-medical and e-waste.

While adopting global technological trends, attention must also be directed towards the adverse environmental impacts of such technologies throughout their life cycle of production, usage and disposal, eg, solar power and electric vehicles. To highlight just one example, the environmental implications of the increasing adoption of electric vehicles merit careful consideration, as their usage increases dependence on imports of batteries and rare-earth elements, while their substantially higher weight compared to conventional vehicles may contribute to greater road wear and associated particulate pollution.

Financing technological infusion is a major challenge. Besides government support, effective planning to facilitate participation in international environmental derivatives markets, e.g., the Voluntary Carbon Market, the Article 6 mechanism of the UNFCCC, CBAM and CORSIA, will help leverage green finance. Carbon capture, especially to effectively channelise the country's vast bio-resources for biochar and other such BECCS, offers significant opportunities for sustainable development and climate resilience.

To meet these ever-evolving environmental challenges, there is a pressing need for scientific advancement and innovation across industries. Equally important are Nature-Based Solutions, which offer effective pathways for both climate adaptation and mitigation, addressing the immediate needs of economic development and community resilience. These sustainable approaches protect, restore and manage natural ecosystems, helping address environmental, social and economic challenges while enhancing climate resilience.

Alongside these initiatives, policy measures that promote sustainable domestic production of resources such as timber can reduce import dependence, conserve foreign exchange and minimise transportation-related carbon emissions. Environmental protection is not the responsibility of governments alone. Every citizen has a role to play. Conserving water, reducing waste, planting trees, adopting clean energy and supporting sustainable lifestyles are small actions that collectively create a significant impact.

Each and every action of human beings contributes to climate change, which results in an increase in average temperatures, changes in rainfall patterns in terms of intensity and distribution, and the onslaught of heatwaves. Holistically, it is not practically feasible to completely eliminate the impacts of climate change, but the only way forward is to reduce the pace of climate change and its resultant impacts on living beings and other entities.

World Environment Day serves as a reminder of the shared responsibility to protect nature, restore ecosystems and build a cleaner, greener and healthier future for generations to come.

## India's economic growth under pressure in a world on fire



**NEERA BALI**

India may still officially remain the world's fastest-growing major economy, with GDP projections hovering around 6.8-7 per cent, but the mood on the ground tells a far more uncomfortable story. The ongoing and metaphorically perennial Iran-Israel conflict and the return of Trump-era geopolitical uncertainty are reshaping the global economy and pushing it into another phase of instability. Energy markets have been disrupted, investor confidence shaken, and volatility intensified across financial systems worldwide. India today is confronting the combined effects of global geopolitical instability and domestic structural weakness simultaneously.

The Indian economy is under visible stress, squeezed by global wars, rising fuel prices, weakening markets, a falling rupee, slowing consumption, and growing financial anxiety among households and businesses alike. Add to that increased import duties on gold, restrictions on silver imports, lagging manufacturing momentum, and repeated market corrections, and the picture becomes impossible to ignore. To put it politely, the mood on the ground is grim.

For India, these global developments are deeply consequential. Wars fought thousands of kilometres away are now directly influencing fuel prices in Indian cities, transportation costs, food inflation, manufacturing expenses, airline fares, and household budgets. India imports nearly 85 per cent of its crude oil requirements. As Brent crude surged beyond \$110 per barrel amid Middle East tensions, India's oil import bill ballooned sharply, putting pressure on inflation, fiscal management, and foreign exchange reserves. Every \$10 increase in crude prices widens India's current account deficit and pushes inflation upwards. The impact is immediate and brutal — diesel becomes expensive, logistics costs rise, food prices climb, and consumer spending weakens further.

In today's interconnected world, geopolitics has become economics. India's financial markets are already reflecting deep anxiety. The Sensex and Nifty have witnessed repeated sharp tumbles amid fears of prolonged conflict in West Asia, rising crude prices, foreign investor withdrawals, weakening global demand, and uncertainty surrounding US trade and tariff policies.

As of late March 2026, Indian equity investors have seen massive wealth erosion, with BSE-listed companies losing over ₹1 lakh crore (\$5.1 trillion) in market capitalisation since late February 2026. Foreign Institutional Investors (FIIs) have pulled significant capital out of emerging markets, including India. The rupee has simultaneously weakened sharply against the US dollar, breaching historic lows and intensifying imported inflation pressures.

A falling rupee is not merely a currency story. It affects fuel costs, industrial imports, electronics, raw materials, overseas education, tourism, and inflation itself. India today is increasingly vulnerable to imported inflation at precisely the moment domestic demand is already weakening.



### Gold Duties and Silver Restrictions Reveal Economic Stress

Perhaps the clearest sign of pressure within the system is the government's recent decision to sharply raise import duties on gold and silver — from 6 per cent to nearly 15 per cent — in an attempt to conserve foreign exchange reserves and contain pressure on the rupee. Additional restrictions on duty-free gold imports and tighter monitoring of silver and precious metal inflows are not routine policy moves. They reveal growing concern within the government about rising import bills, pressure on forex reserves, widening trade imbalances, and the need to prioritise essential imports such as oil, fertilisers, semiconductors, and industrial technology.

India imported gold worth over \$70 billion last fiscal. In times of external pressure, such massive non-essential imports become economically sensitive. Prime Minister Narendra Modi's appeal urging citizens to avoid excessive gold purchases reflects the seriousness of the situation. When governments begin discouraging gold consumption in a country historically obsessed with gold, it signals underlying economic caution.

Headline GDP numbers continue to look respectable. India remains one of the few major economies expected to grow above 6 per cent. But headline growth is masking widening economic fatigue. Private consumption growth has slowed. Urban middle-class households are battling rising EMIs, stagnant wage growth, expensive healthcare, costly education, elevated rents, and inflation in daily essentials. Rural demand remains uneven despite government spending.

### MSMEs and Manufacturing Continue to Struggle

India continues to project itself as a global manufacturing alternative under the "China+1" strategy. Sectors such as electronics and mobile assembly have expanded. Yet the structural weaknesses remain glaring. MSMEs — which contribute nearly 30 per cent of India's GDP and employ over 110 million people — continue to struggle under high logistics costs, expensive credit, delayed payments, regulatory burdens, and weak domestic demand.

India's manufacturing share remains stuck at around 14-15 per cent of GDP despite years of policy push. The opportunity is real. Execution remains the problem.

India requires a coordinated economic response involving government, industry, and citizens. The Government needs to ensure that supply keeps pace with demand, strengthen MSMEs, maintain fiscal discipline, reduce compliance burdens, accelerate manufacturing reforms, invest aggressively in skills and vocational training, and stabilise inflation. Industry needs to invest in workforce development, support smaller suppliers, expand long-term capital investment, improve productivity, and reduce dependence on short-term profit cycles. Citizens need to improve financial discipline, avoid excessive debt, increase savings, continuously upgrade skills, and support local businesses and entrepreneurship. The coming months will test India's economic resilience like never before. The challenge is no longer simply achieving GDP growth. The challenge is creating growth that generates jobs, protects household incomes, strengthens manufacturing, stabilises markets, and withstands geopolitical shocks. Because in the new global economy, a missile strike in the Middle East, a speech by Donald Trump, or a spike in crude oil prices can alter inflation, investments, and financial stability inside every Indian household within days. That is the new economic reality India must prepare for.

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## India's broken exam system needs a radical overhaul



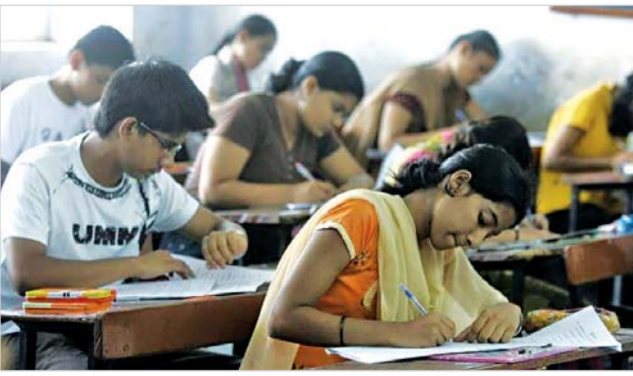
**JYOTI K VERMA** | **PREM KUMAR KALRA**

The recently published newspaper reports on the second NEET paper leak and glitches found in the evaluation of the CBSE examination call for immediate attention to the assessment process being followed in the country. There is a need to rethink or reimagine the system of evaluation to get rid of a bygone educational framework and save the future of our country. Last year, some recommendations were made by the National Testing Agency on NET, NEET, and CUET. But these recommendations are not going to serve the purpose. They will limit learners to rigid, quantifiable answers rather than evaluate reasoning, creativity, and understanding of complex issues. The technology of today, including Artificial Intelligence (AI) and Artificial General Intelligence (AGI), which use reinforcement-based learning, has immense potential to personalise assessments and analyse problem-solving processes. Consequently, there are currently no restrictions on creating a question paper. Each question on the question paper can be different and

yet have an equal level of difficulty for everyone. Furthermore, by utilising AI and AGI, everyone can receive feedback on his or her errors and the marks that have been deducted. It is crucial that forward-thinking and futuristic approaches be used to show the rest of the world that Bharat is leading the way in education and assessment, while simultaneously raising student performance.

Multidisciplinary, interdisciplinary, and transdisciplinary education have all been advocated by NEP 2020. Therefore, any kind of restriction on course selection would never be fruitful. We cannot miss Tagore's vision of the "joy of learning" in the quagmire of searching for solutions to the leakage of question papers. Looking at the vastness of the country and the huge population of aspirants, we need to be more creative in our solutions. We cannot reduce exams and evaluations to a level of mere ritual. Due respect needs to be paid to the variety of ways people learn, think critically, and innovate. Frustration is writ large on the faces of students when they are made to run after scores at the cost of understanding and intelligence.

It is both an art and a science to determine what each student actually needs. Existing mediocre evaluation techniques, which mostly rely on examinations, are focused on rejection. This makes it much more difficult. Thus, the following are the main questions that must be answered: Do these tests fairly represent learn-



ing aptitude, critical-thinking abilities, and knowledge absorption? What criteria should be applied to evaluate the relevance of assessments? Can the mental processes cultivated by the taught subject be evaluated using the current evaluation schemes? What standards may be established to comprehend how learning objectives influence conceptual cognitive maps? Are students ready to evolve successful creative ideas and adopt novel approaches? It is truly painful that, after so many years of Independence, we still operate with a beaten one-size-fits-all approach to gauge a student's ability. Human development is far too complex for uniform methods.

Students need not be treated as passive receptacles of information, which Paulo Freire called the "banking model" of education. He wanted students and teachers to co-create

knowledge through active engagement. Such an approach would transform the role of assessments, making them tools for intellectual development rather than instruments of ranking.

Like Freire, Aurobindo Ghose's notion of "integral education" also considers evaluation as a reflection of a student's holistic development, not just his ability to recall information under pressure. In 1993, Professor Yash Pal's report, Learning Without Burden, equated rote learning with "the murder of curiosity". Expressing dissatisfaction with the current methods of evaluation, he said that essential skills like critical thinking, creativity, and inquisitiveness are being mercilessly killed. Further, in a country riven with social inequalities, Amartya Sen links rigid assessment structures with existing power dynamics, where marginalised groups are often deprived. For this, he blames systemic biases in education.

There is a need to explore various perspectives and tested models on evaluation. The STEAM (Science, Technology, Engineering, Arts, and Mathematics) model blends arts and sciences to develop problem-solving and creative thinking among students, breaking down the artificial barriers between different fields of knowledge. This is strongly reiterated in NEP 2020, which recommends project-based learning, portfolios, performance tasks, and formative assessments across all levels of education. There can also be a model that includes the appraisal of a learner's capac-

ity or capability through his or her role as a team member in completing assigned duties. It can be argued that students can continuously develop if assignments are given individually throughout the semester. On the other hand, if numerous assignments are given throughout the semester to a team, an individual, as a team member, may achieve better performance. Therefore, instead of being restricted only to objective, subjective, or group tests, assessment can be a combination of these categories to reach an accurate evaluation of each learner.

Group tasks are generally of two types. In the first type, one bigger problem is divided into parts. Each learner solves his or her part and then the solutions are integrated. In the second type, all team members work together to address the problem and then integrate the solutions. Both approaches play a part in assessing the learner both individually and collectively.

Thus, a reimagined evaluation system is imperative, as the current framework, with its fixation on rigid, uniform assessments, fails to capture the breadth of intellectual growth and creativity needed in today's world. This call to reform the assessment method is not merely an educational aspiration but a moral obligation on our part as academicians.

- Prem Kumar Kalra is former Director, IIT Jodhpur, and Jyoti K Verma is Head, Department of English, Dayalbagh Educational Institute, Agra
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## The Tribune

ESTABLISHED IN 1881

## Delhi tragedy

No lessons learnt from Rajkot, Goa fire mishaps

A game zone in Rajkot, a nightclub in Goa, and now a bed-and-breakfast facility in New Delhi — three major fire mishaps in two years have snuffed out around 80 lives. In each case, it was a tragedy waiting to happen as regulatory apathy and criminal negligence went hand in hand. The blatant disregard for fire safety laws has shamed the nation. Twenty-one people, including 12 foreigners, died in a Delhi building that had permission for only six rooms but was allegedly operating around 25, including some in the basement. Moreover, the exit to the roof was blocked and cooking heaters were being used in several guest rooms. It's unpardonable that the national capital, which has repeatedly witnessed destructive fires, still allows illegal guest houses, restaurants and commercial units to flourish in congested neighbourhoods.

According to officials, the owners of the establishment did not bother to obtain a no-objection certificate from the Delhi Fire Services. Every revelation emerging from the investigation points not only to individual wrongdoing but also to dereliction of duty. Additional floors were reportedly constructed despite planning violations. The authorities have now decided to seal illegal bed-and-breakfast units. Were they in deep slumber all this while? The pattern is painfully familiar; the script rarely changes. Safety norms are ignored, licences manipulated, inspections diluted and warnings forgotten — until another inferno sparks a public outrage. Then come arrests, probes and demolitions, along with promises of reform — which never see the light of day.

Most damning is the revelation that the Delhi High Court had directed the authorities five months ago to formulate an action plan on fire safety in hospitality establishments. Nothing meaningful followed. The consequences are now visible in the lives lost and the families ruined. The Delhi incident cannot remain another headline-grabbing disaster followed by symbolic crack-downs. Accountability must extend beyond hotel owners and managers to the officials who ignored violations, approved dubious licences or failed to act on warnings. Fire safety cannot remain on the back burner.

## TMC vs Mamata

Party supremo faces existential crisis

A month from the May 4 election debacle that ended her 15-year hegemony in West Bengal at the hands of the Bharatiya Janata Party, Mamata Banerjee's legislative fortress is crumbling. The 71-year-old three-time Chief Minister is facing a rebellion that threatens to push her out of the Trinamool Congress (TMC) calculus itself. Claiming to be the real TMC legislature party, at least 58 of the 80 party MLAs have elected Ritabrata Banerjee as their leader, securing recognition from the Assembly Speaker. The rebellion — akin to Eknath Shinde's Shiv Sena model that the BJP astutely managed in Maharashtra — poses an unusual situation for Mamata. Since she quit the Congress and floated the TMC 28 years ago, she has quelled dissension with an iron hand. Not this time. The Raghav Chadha model of weaning away Trinamool's MPs may well be next.

Till the day of the result, the TMC and its undisputed supremo exhibited an image of invincibility. To that effect, the swift dismantling of the party and the no-going-back defiance by sections of the rank and file come as a surprise. True to her nature, the feisty Mamata is not expected to give up without a fight on who the real Trinamool is. Under these circumstances, any possibility of self-introspection over the electoral defeat is unlikely. When survival is at stake, there is little chance of an objective overview of criticism regarding her style of governance, or nephew Abhishek's highhandedness and the importance given to him. That may not augur well for Mamata.

As is the wont of Indian politics, TMC's shrinking fortunes is party-hopping time. Loyalty is a fickle commodity. Power is the presiding deity. A real concern is an Opposition that forgets its primary role and chooses to play along with the Suvendu Adhikari government.

## ON THIS DAY...50 YEARS AGO

## The Tribune.

CHANDIGARH, SATURDAY, JUNE 5, 1976

## Missing Lead

THE Centre's decision to restructure the "Lead Banks" so as to involve commercial and cooperative institutions is hardly surprising. Dissatisfaction with the working of these banks had frequently been expressed by the Government and also by the people whom they were designed to benefit. The scheme was evolved in 1969 to ensure the "area approach" in the development of banking. To enable the banks to play the leadership role in an effective manner all the districts, except the metropolitan towns and the Union Territories, were allotted among the public sector banks and three selected private institutions, lending to priority sectors was to be stepped up, growth centres were to be identified and credit gaps located. The Lead Banks could also play the role of promoters in coordination with other financial institutions and state government agencies. Although they have been successful in branch expansion activity by identifying the "growth area" in rural regions, their performance in formulating development programmes has been below the mark. Pranab Mukherjee, Minister of State for Revenue, informed the Rajya Sabha last January that the Reserve Bank was considering the recommendations of the Study Group which assessed the Lead Banks' progress in Gujarat and Maharashtra. The Group suggested several guidelines to make their operations effective. One explanation for the Lead Bank Scheme's lack of solid achievement was the duplication of effort. There have been too many financial institutions entrusted with the same mission.

## Encounter model taints khaki

UP template is being replicated in other BJP-ruled states such as Bihar and Odisha

TRYSTS AND TURNS  
JULIO RIBEIRO

UTTAR Pradesh Chief Minister Yogi Adityanath's methods of controlling crime and criminals are being adopted by his counterparts in Bihar and Odisha. There has been a spate of police encounters since Samrat Choudhary took over as Bihar CM in April. Several encounters were reported from Odisha in May after Chief Minister Mohan Charan Majhi told the police to root out organised crime in the state.

These developments are on expected lines because BJP-ruled states are known for resorting to fake encounters and "bulldozer justice" to punish the accused. Assam, Uttarakhand, Madhya Pradesh, Gujarat and Haryana have also tried to copy UP's policing model, but they have been circumspect at times. There is a pattern discernible in these states that leads analysts to conclude that the controversial policy has the blessings of the ruling party's top brass.

Last month, the Yogi government stated that 289 dreaded criminals had been neutralised in police encounters during the last nine years. The UP Police conducted over 17,000 such operations in which more than 34,000 criminals were arrested.

The popularity that Yogi has achieved by vesting the state police with the powers to investigate, prosecute, judge and finally deliver "instant justice" — four roles rolled into one — has prompted the BJP to use this template in other states.



POLICY: UP has witnessed an average of five police encounters daily during Yogi Adityanath's nine-year rule. ANI

When Nitish Kumar led the coalition government in Bihar, such methods were anathema to him. But as soon as he agreed to enter the Rajya Sabha and left the governance of the state in the BJP's hands, a change in tactics on the sensitive subject of crime control was inevitable.

Samrat Choudhary has made it clear that the Bihar Police have been given a free hand to take action against criminals. He has also hit back at the Leader of the Opposition, Tejashwi Yadav, who alleged that caste-based encounters were being carried out in the state. "I will tell the police personnel — fine, ask their caste first and then fire," the CM said in a sarcastic vein.

When BJP leader Gopinath Munde was the Home Minister in the Shiv Sena-led government in Maharashtra, he had the temerity to announce in the Assembly that he had instructed the police to shoot criminals if they dared to misbehave on the streets.

Such liberty, if given by the political bosses to the police,

blance of sanity was restored.

The judicial process that governs the application of the criminal law in India is based on the one prevalent in England and Northern Ireland. The police are naturally the first stop in this process. Cops register the FIR (First Information Report) that sets the law in motion. The police investigate the offence and arrest the accused. The role of the police ends with the submission of the chargesheet in the magistrate's court.

The public prosecutor takes over from there and argues the case in the court. The magistrate or the judge (in case of heinous offences) decides the culpability of the accused. If the crime carries the death penalty and it is awarded by the judge and later upheld by the high court, the jailor gets the sentence executed by hangmen in the presence of the district magistrate.

The police, the prosecutor, the judge and the jailor each have a role to play independently of each other. If the cops are given the four roles by desperate politicians, the end

## UP-style encounters were common in Punjab during the era of terrorism.

is fraught with dangerous consequences. In Mumbai, for instance, a whole new breed of "encounter specialists" was born. They became very popular among local citizens. Bollywood made movies based on their exploits.

These officers themselves became prosperous, even as the number of extortion complaints went up. When the "specialists" were shifted out of the Crime Branch, a sem-

## THOUGHT FOR THE DAY

I'm not against the police; I'm just afraid of them. — Alfred Hitchcock

## The water-friendly way in the loo

RAMA KASHYAP

WHEN the Covid pandemic engulfed the world, a peculiar madness gripped the West. Millions of Westerners frantically bought toilet rolls. For those from the East, the scramble for tissue paper and the sight of their empty shelves in supermarkets was baffling. We simply could not comprehend the urgency to stock up on paper rolls, but then, tissues are something Westerners cannot do without. Their loos are water-less. No rinsing, no washing — they must clean with toilet paper after doing their business.

"Oh, East is East, and West is West," said Rudyard Kipling. Nowhere is this divide more apparent than in the sanctuary of the lavatory while practising everyday hygiene. Whereas the West uses toilet paper, we rely on water; one wipes, the other washes.

However, we find ourselves in an awkward situation soon after we land on Western soil. The "loo woes" begin at the airport itself. We enter the toilet cubicle only to find a dry, desert-like landscape — no water, only tissue rolls. They say, "When in Rome, do as the Romans do", but when the Romans don't provide a faucet, we are forced to smuggle bottles of mineral water into the cubicle.

The trouble doesn't end at the terminal. I remember the first time we visited our son in Australia; he was staying in a rented accommodation. The flat had a standard Western toilet with no bidet, water jet or hand-held spray that we had been using for decades in India. For us, not just the traditional brass *lota* (water vessel), but even the plastic mug has become a relic of the distant past. However, in the absence of a faucet, we decided to make do with a mug. Then began a frantic search for a humble plastic mug, but a thing so ubiquitous in India was conspicuously absent in Australia. Ultimately, we had to resort to classic Indian *jugaad*: an improvised vessel created by decapitating a plastic soda bottle.

Keeping personal preferences aside, as we observe World Environment Day today, there is a compelling case for the "wet" way. As it turns out, the "dry" way is actually much wetter and dirtier for the planet. "Water-loo" is actually the greener choice, using far less water compared to the gallons consumed for making tissue paper. The toilet paper industry is a water guzzler and a forest plunderer, massacring millions of trees for wood pulp.

Old habits die hard — whatever may be the arguments in favour of the "wet" way, the "wash-wipe" divide is not likely to be wiped out soon. So long as Western lavatories remain resolutely dry, water-less loos will continue to be a personal "Water-loo" for any visitor from the East.

The writer taught at MCM DAV College, Chandigarh

## LETTERS TO THE EDITOR

## Soldiers' welfare supreme

Refer to 'The perimeter of Viksit Bharat'; soldiers perform under tremendous pressure, stress and tough climatic conditions. They do not safeguard only the land, air and sea but also fight insurgency and carry out evacuation and rehabilitation during natural disasters. Denial of NFU (non-functional upgradation), mismanaged OROP (one rank one pension) and disability exit without benefits has lowered the morale of soldiers. The impact of these major shortcomings has led many defence personnel to seek premature retirement. They avoid any form of agitation due to exemplary military traditions.

WG CDR JS MINHAS (RETD), MOHALI

## Uncertainty in party alliances

With reference to 'Tough road ahead for BJP in Punjab'; as of now, BJP is desperately striving to make inroads into Punjab, leaving no stone unturned. Although BJP has an organisational strength well-trenched in the RSS cadre, it lacks political leadership of its own in the state. The party's spirits and confidence has got a boost after its phenomenal triumph in West Bengal. However, the party knows that it's difficult to win Punjab on its own sans any alliance with its erstwhile partner SAD. Presently, there's uncertainty in party alliances, there may be a last-minute patch-up with the SAD before the upcoming assembly elections next year.

RAVI SHARMA, DHARIWAL

## Education clean-up needed

Apropos of 'CBSE in a spot'; replacing top officials of the secondary education board is a damage control mechanism to save its image. Instead of removal, their experience should have been utilised in troubleshooting. Accountability should be fixed and action against the guilty should be exemplar. A clear change in portfolio appears like a mere chat. The system needs reform from the top to the bottom. An efficient and honest staff along with committed senior officials can deliver the requisite results.

KRISHAN BHATIA, HANSI

## Keep military lexicon simple

Refer to 'Military jargon cripples serious thinking'; the so-called new military terminology like 'layered defence' and 'grey zone warfare' are often old ideas dressed up in impressive vocabulary. Diplomats as well as military officers must insist on clarity and resist the temptation of catchwords. Since good judgment depends on lucid analysis, policymakers must favour substance and practical insight over fancy military lexicon.

CHANCHAL S MANN, UNA

## Question negligent officials

Apropos of '11 foreigners among 21 killed as fire rips through Delhi hotel'; the Delhi hotel fire is a collective failure of governance. In many such tragic mishaps, inquiries reveal violations of building norms, missing fire NOCs and illegal alterations. We need to pin down the officials responsible for approving plans, conducting inspections and enforcing safety standards. Corruption, negligence and political patronage often allow unsafe structures to flourish. Unless accountability extends beyond building owners to negligent officials and policymakers, these mishaps will continue to claim innocent lives. A committee is constituted, compensation announced, officials suspended and the wait for another disaster to happen begins. If timely steps are taken to plug the loopholes, such tragedies can be minimised.

SANJAY CHOPRA, MOHALI

## CJP leaders must be cautious

With reference to 'Cockroach party goes public for 1st time, bays for Pradhan's blood'; given the extent of the influence of the Cockroach Janta Party on the imagination of the youth, huge responsibility and caution needs to be exercised by the organisers for their debut protest. By being peaceful and law-abiding, they would not only be showing due respect to the Constitution but will ensure that the outfit is not killed in the chrysalis phase before its transformation into a butterfly. They should set an example for the misguided youth who often indulge in hooliganism and violence.

HIRA SHARMA, BY MAIL

Letters to the Editor, typed in double space, should not exceed the 200-word limit.

These should be cogently written and can be sent by e-mail to: [Letters@tribunemail.com](mailto:Letters@tribunemail.com)

# Race, religion, immigration & a killing in Britain



**SHYAM BHATIA**  
LONDON CORRESPONDENT,  
THE TRIBUNE

BRITAIN likes to think of itself as a practical country. This is, after all, the nation that gave the world parliamentary democracy, the civil service and a reputation—sometimes deserved, sometimes not—for administrative common sense.

Yet many Britons now wonder whether that common sense is being overwhelmed by something else: an increasing preoccupation with identity, offence and the fear of causing controversy. Questions involving race, religion, immigration and minority communities now shape public debate in ways that would have seemed unfamiliar a generation ago.

The question has been thrown into sharp relief by the tragic case of Henry Nowak, an 18-year-old student who died after being stabbed in Southampton. The circumstances of the case would soon draw police, media and public opinion into a fraught debate involving race, religion and identity.

For Indian readers, several aspects of the case are immediately recognisable. The attacker, Vickrum Digwa, was a Sikh. There were allegations of racist abuse. There were claims involving a turban. Questions

of identity, religion and discrimination quickly became entangled with the facts of a violent crime.

Yet what has shocked Britain is not simply the killing itself. It is what happened afterwards.

Bodycam footage released after the trial appears to show a dying young man repeatedly insisting that he had been stabbed.

One exchange has become emblematic of the entire controversy. "I've been stabbed," Nowak told arresting officers. "I don't think you have, mate," the police replied.

The first statement was true. The second was disastrously wrong. At another point, Nowak can be heard saying: "I can't breathe."

The footage has generated outrage because many viewers reached a troubling conclusion. They believe police officers became distracted by allegations of racism while failing to recognise who had actually been attacked.

Whether that judgment is entirely fair will be debated for years. But the public reaction reveals something important.

Many Britons no longer trust their institutions to exercise ordinary judgment when questions of identity are involved.

For many critics, these anxieties first surfaced during debates over Islamist extremism, integration, community relations and accusations of Islamophobia. Similar controversies emerged during the grooming-gang scandals that later engulfed several English towns, including Rotherham, Rochdale and Telford.



**CRIME:** Vickrum Digwa (inset) has been sentenced to life imprisonment for the murder of Henry Nowak.

Over many years, hundreds of vulnerable white girls were sexually exploited by organised groups of mostly Pakistani men. Subsequent inquiries found serious failures by police, local authorities and social services.

Critics argued that some officials were reluctant to confront aspects of the abuse for fear of inflaming community tensions or attracting accusations of racism or Islamophobia. Others dispute that interpretation and point to a range of institutional failures. The scandals left a lasting impression on public opinion and became a touchstone in wider debates about identity, community relations and official judgment.

The issue extends beyond race or religion. It reflects a broader anxiety that public authorities have become increasingly responsive to allegations of offence while appearing less effective in

dealing with actual harm.

Yet a series of incidents has helped create precisely that perception. Consider the case of Maxie Allen and Rosalind Levine in Hertfordshire.

The couple became involved in a dispute with their daughter's primary school. They exchanged emails and participated in WhatsApp discussions concerning school management and the appointment of a head teacher.

Six police officers arrived at their home. Levine was arrested in front of one of the couple's children, who was three years old.

No prosecution followed. Hertfordshire Police later admitted the arrests were unlawful and paid compensation. Even the county's Police and Crime Commissioner acknowledged that the dispute "shouldn't have become a police matter."

Many Britons see a pattern. A parent complains about a school. Police arrive.

A social media argument

escalates. Police become involved. An allegation of offence is made.

Officials intervene. Each case has its own facts. Each deserves to be considered individually.

But together they have created a wider impression that the boundaries of policing are expanding into areas that previous generations would have regarded as matters for families, schools, employers or civil society.

The controversy surrounding Graham Linehan, co-creator of the popular television comedy Father Ted, has reinforced that perception.

Linehan was arrested at Heathrow Airport in connection with social media posts concerning transgender issues. The image of five police officers demanding DNA details from a comedy writer because of online comments immediately provoked questions about priorities.

The case quickly became another national argument about free speech, policing priorities and the limits of acceptable opinion. The details differ dramatically—a murder investigation, a school dispute and social media posts—but together they point to the same underlying concern.

The public sees a contradiction. Police say they cannot investigate every burglary, theft or act of anti-social behaviour because resources are stretched.

Yet they somehow find the manpower to record non-crime hate incidents, visit citizens over controversial tweets and intervene in disputes that previous generations would have settled without police involvement.

The complaint is not that British police are too active. It is that they often appear active in the wrong places. That perception may not always be fair.

Police officers face difficult decisions. Genuine racism exists. Genuine discrimination exists. Genuine threats exist online. No serious person believes such matters should simply be ignored.

The challenge lies elsewhere. How does a society combat prejudice without becoming paralysed by accusations of prejudice?

How does it protect vulnerable groups while retaining confidence in its own judgment?

How does it distinguish between hurt feelings and actual harm?

India, too, wrestles with issues of identity, religion, community and speech. Yet many Indians are struck by the spectacle of Britain appearing increasingly uncertain about how to balance competing claims of victimhood.

That is why the Henry Nowak case has resonated so deeply. The public argument is not really about Sikhism.

Nor is it ultimately about Islam, immigration, race or any other single identity question.

Rather, it reflects a growing concern that identity itself is becoming the lens through which institutions interpret events before they have established the facts.

The first duty of a police officer is not to endorse a narrative. It is to establish the facts. Many Britons watching the Nowak footage fear that this simple principle is becoming harder to uphold. It is not even primarily about racism. It is about judgment.

## Sustainable cooling is the need of the hour



**ANKRIT GUPTA | ISHITA BHAR**  
THE ENERGY AND RESOURCES INSTITUTE

COOLING is no longer a luxury—it is fast becoming a developmental necessity, with rising temperatures, urbanisation and income growth reshaping India's energy demand. This shift is already visible in the power system, reflected in the all-time-high peak electricity demand of 270.73 GW (gigawatts) recorded on May 21 (3:47 pm).

This transition is not only about how much electricity India will need for cooling, but also about where the demand is concentrated. Space cooling (air conditioning) will account for nearly 74% of total cooling demand by 2037-38.

In the residential sector, cooling demand is set to expand rapidly as indicated by the AC stock, which is projected to rise to 240 million units by 2030 and 1.1 billion units by 2050.

Meanwhile, digital infrastructure is creating a new and highly concentrated source of cooling demand: India already hosts 262

data centres with about 1.4 GW of the installed capacity, using less than 1% of the national electricity at present. That footprint is expected to expand to 9 GW by 2030, accounting for around 3% of India's electricity demand. The implications of this rising demand for the power sector are profound. In Delhi, where ambient temperatures during summer now frequently exceed 40°C, temperatures inside buildings remain elevated even after sunset, as buildings continue to release stored heat and households switch on ACs simultaneously. This synchronised cooling load is now a defining feature of India's load curve in the evening and night-time.

Policy interventions have begun to address this shift. Measures such as Time-of-Day (ToD) tariffs, implemented in states like Maharashtra, Telangana and Kerala, aim to discourage consumption during evening peak hours and encourage increased industrial activities in solar-rich daytime periods by making electricity costlier in the evening. Similarly, national-level efforts such as the India Cooling Action Plan (ICAP) focus on reducing overall cooling and refrigerant demand, making India the first country to adopt a comprehensive, long-term



**POLICY:** Some states are discouraging power consumption during evening peak hours. PTI

national cooling strategy.

However, these measures address the problem only partially. ToD tariffs shift costs but not the underlying need for cooling, leaving households to bear higher peak-hour electricity prices alongside recurring air-conditioner expenses such as maintenance and refrigerant top-ups. These refrigerants, often with high global warming potential, further add to emissions.

As a result, cooling-related emissions, already around 156 million tonnes of CO<sub>2</sub> equivalent, are projected to more than double by 2035. Improving appliance efficiency remains necessary but not enough.

The solution lies in shifting from appliance-level approaches to system-level optimisation.

Strengthening Minimum Energy Performance Standards (MEPS) could avoid over 60 GW of peak demand, but it does not address the fundamental issue of synchronised cooling loads.

The solution lies in shifting from appliance-level approaches to system-level optimisation. Solutions such as heat pumps, structural cooling, radiant cooling, geothermal-based cooling, Solar Thermal and Thermal Energy Storage (TES)-based Vapour Absorption Machine for Air Conditioning System, can significantly reduce electricity consumption and use of refrigerants.

TES stores heat generated during solar hours and used during peak periods, reducing peak demand by 30-50% and offering an alternative to batteries for thermal loads.

Equally critical is demand aggregation, especially in urban residential clusters where cooling loads are concentrated. District cooling systems, as demonstrated in GIFT City (Gujarat) with a 44% reduction in peak demand, leverage load diversity and economies of scale to manage demand more efficiently.

With residential air-conditioning emerging as the dominant driver of peak load, integrating such solutions into real estate development offers a scalable pathway for cities, smart clusters and industrial corridors.

Policy direction must now align with this reality. Cooling should be treated as core infrastructure, given its implications for health, productivity, and economic growth. The focus must shift towards demand aggregation rather than fragmented, asset-level interventions.

At the same time, policies must remain technology-agnostic and outcome-oriented, supported by evaluation metrics. A post-facto analysis of the metrics should include peak reduction achieved, ver-

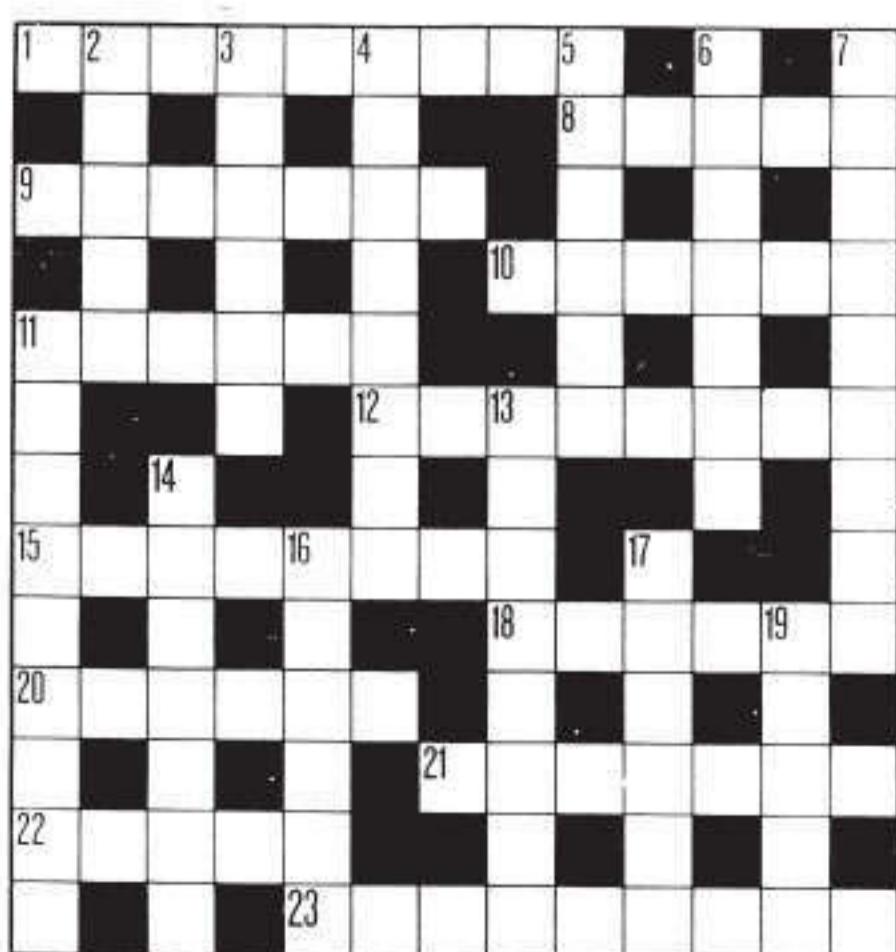
ified emissions savings, consumer cost savings and grid performance improvements that would enable evidence-based calibration/tuning of policy design. This would ensure that the policy is directed toward solutions delivering measurable system-level benefits.

There is also a need to align cooling and digital infrastructure transitions. This includes incentivising round-the-clock renewable with energy storage/small modular reactor-powered data centres, promoting low-global-warming-potential refrigerants such as CO<sub>2</sub> (R-744)-based heat pumps, supporting advanced cooling R&D and adopting water-efficient systems, critical in a water-stressed country like India.

Business model innovation will also be the key. Steps like Cooling-as-a-Service can reduce upfront costs, align efficiency incentives and accelerate adoption.

India's cooling challenge is as much about infrastructure and solution-oriented development as it is about decarbonisation. Today's choices will determine whether cooling becomes a systemic risk or a strategic opportunity. With the right mix of policy, technology and market design, India can deliver sustainable cooling at scale.

### QUICK CROSSWORD



- ACROSS**
- Realistic (9)
  - Unaccompanied (5)
  - Administration of law (7)
  - Cunning (6)
  - Caption (6)
  - Clearly stated (8)
  - Self-centred (8)
  - Serviceable (6)
  - Self-assurance (6)
  - Scorn (7)
  - Follow as result (5)
  - Admonish (9)

**Yesterday's Solution**

**Across:** 1 Cats-paw, 4 Panic, 7 Ajar, 8 Live it up, 10 Step by step, 12 Motive, 13 Strike, 15 Abstracted, 18 Animated, 19 Turn, 20 Dated, 21 Devotee.

**Down:** 1 Chaos, 2 Travesty, 3 Whimsy, 4 Present-day, 5 Note, 6 Capture, 9 Above board, 11 Distrust, 12 Mislead, 14 Attend, 16 Dunce, 17 Sift.

- DOWN**
- Provoke (5)
  - Assemble (6)
  - Mishap (8)
  - For informal wear (6)
  - Communication (7)
  - Insincere (9)
  - Freed from captivity (9)
  - Odd (8)
  - Silly (7)
  - The hottest season (6)
  - On few occasions (6)
  - Alliance (5)

### SU DO KU



### YESTERDAY'S SOLUTION

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

### CALENDAR

- JUNE 5, 2026, FRIDAY**
- Shaka Samvat 1948
  - Jyeshtha Shaka 15
  - Jyeshtha Parvishite 22
  - Hijari 1447
  - Krishna Paksha Tithi 5, up to 1:21 am
  - Brahma Yoga up to 9:43 am
  - Shravan Nakshatra -----
  - Moon in Capricorn sign

### FORECAST

SUNSET:	FRIDAY	19:24 HRS
SUNRISE:	SATURDAY	05:19 HRS
CITY	MAX	MIN
Chandigarh	37	26
New Delhi	40	26
Amritsar	35	26
Bathinda	39	25
Jalandhar	35	26
Ludhiana	37	24
Bhiwani	38	25
Hisar	39	25
Sirsa	38	27
Dharamsala	31	19
Manali	24	13
Shimla	24	18
Srinagar	27	14
Jammu	35	24
Kargil	26	08
Leh	21	06
Dehradun	35	20
Mussoorie	23	17

# The Statesman

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

## Care Beyond Cure

India's emergence as a healthcare destination for South Asia is often measured in numbers: foreign patients treated, hospitals accredited, surgeries performed and revenues earned. Yet the true test of a healthcare system extends beyond operating theatres and specialist wards. It also encompasses the safety, dignity and welfare of those who arrive seeking treatment. A tragic fire in a Delhi neighbourhood has served as a grim reminder that the infrastructure surrounding healthcare can be as important as healthcare itself.

For decades, patients from Bangladesh, Nepal, Bhutan, Afghanistan and other countries have travelled to Indian cities in search of medical expertise that is either unavailable or unaffordable at home. Their journeys do not end at the hospital gate. The visitors require accommodation, transport, translators, attendants and a host of support services during what is often an emotionally and financially draining period. Around major hospitals, an informal ecosystem has emerged to meet these needs.

The problem is that this ecosystem has expanded much faster than regulation. Buildings designed for one purpose frequently evolve into another. Residential premises become guesthouses, commercial spaces become lodging facilities and temporary arrangements gradually turn into permanent businesses. In many cases, oversight struggles to keep pace. The result is a patchwork of facilities operating in a grey zone between necessity and legality.

When disasters occur, investigations typically focus on immediate causes: faulty wiring, blocked exits, inadequate fire equipment or lapses in inspection. These factors matter. Yet they are symptoms of a larger institutional failure. Urban governance in India has long suffered from fragmented responsibility, with municipal authorities, licensing agencies, fire departments and police administrations often working in silos. Compliance becomes a paperwork exercise rather than a culture of safety.

It must be stressed though that violations cannot take place without the active connivance of local police and municipal authorities, who must be acted against forthwith, without being allowed to avail of the delays permitted by a labyrinthine judicial process. In the Delhi case, it is inconceivable that wholesale violations of rules could have taken place without the knowledge of the local police station, and the municipal authorities. Unless heads are seen to roll, and immediately, and unless all such establishments are screened immediately, these deaths will be of no consequence.

The challenge is not unique to Delhi. Similar clusters of accommodation exist in Kolkata, Chennai, Hyderabad, Mumbai and Bengaluru. Policymakers should view them as an integral component of healthcare infrastructure rather than an afterthought. Registration, periodic safety audits, transparent licensing and clearly defined accountability mechanisms are no longer optional. The deeper lesson is that healthcare is a chain whose strength is determined by its weakest link. Surgical excellence and world-class hospitals lose some of their meaning if those seeking treatment remain exposed to avoidable dangers outside the ward. As India strengthens its position as a regional medical destination, it must ensure that care does not stop at the hospital door. The promise of healing must be matched by the assurance of safety.

## Counting Trust

Every country counts its people. The real test lies in whether people are willing to be counted. India's ongoing census will be the country's first fully digital enumeration, a technological leap in a process that has traditionally relied on paper forms, door-to-door visits and layers of administrative supervision. The scale remains staggering. More than a billion people spread across thousands of towns and hundreds of thousands of villages will be recorded, classified and transformed into data that will shape policy, welfare programmes, and political representation for years to come. Yet the significance of the exercise extends far beyond statistics. A census is among the most consequential interactions between a citizen and the state. It asks individuals to disclose details about their lives, families, occupations, education and social identities in the belief that the information will be used fairly and responsibly. The quality of the data ultimately depends not on software or devices but on public confidence.

This challenge is particularly relevant today. Across democracies, trust in institutions has become increasingly fragile. Governments possess unprecedented technological capabilities to collect, store and analyse information, but citizens have become more conscious of questions relating to privacy, surveillance and data security. The result is a paradox: the state has more tools than ever before to gather information, yet must work harder than ever to persuade people that sharing it serves a legitimate public purpose.

India's census carries additional political weight. The inclusion of caste data is likely to influence debates on representation, reservation policies and the allocation of public resources. Population figures will also underpin future decisions concerning parliamentary constituencies and the distribution of funds between states. In such circumstances, even small doubts about methodology, transparency or impartiality can acquire outsized political significance.

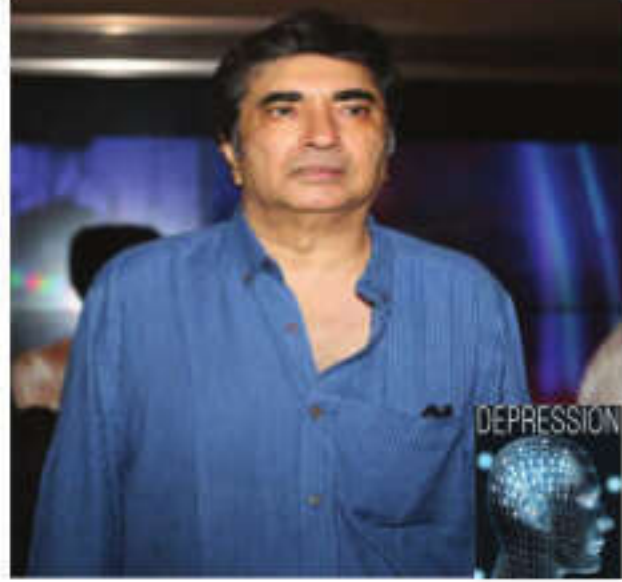
That is why the census should not be viewed merely as an administrative exercise. It is an institution that helps convert a vast and diverse population into a shared democratic community. Elections determine who governs; a census helps determine who is governed, where they live and what needs they possess. Without credible demographic information, governments are left planning in the dark.

Technology can undoubtedly improve efficiency. Digital platforms may reduce delays, minimise errors and enable faster analysis. But no application can substitute for legitimacy. Citizens must understand why information is being collected, how it will be protected and how it will contribute to public welfare. Transparency is not an optional add-on; it is the foundation of reliable data.

As India prepares for one of the largest peacetime administrative exercises in the world, the lesson is straightforward. The success of a census is measured not by the sophistication of the devices used to conduct it but by the confidence citizens place in the process. Numbers matter. But trust is what makes the numbers meaningful.

# Grey drizzle of horror

*Depression is not sadness. It is not disappointment. It is not a temporary mood that can be overcome through willpower, positive thinking, or a change of scenery. Clinical depression is a serious illness that alters the way people think, feel, and perceive reality. Like heart disease or diabetes, it is a medical condition. It can be treated and often managed successfully. Yet when left unchecked, it can become life-threatening*



There are some deaths that leave us heartbroken. There are others that leave us bewildered. The recent death of my nephew, filmmaker Anik Dutta, left me feeling both.

In the days that followed, I found myself asking the same questions that countless families ask after losing a loved one to suicide. What pain was he carrying that others could not see? What darkness had settled upon his mind? Could anything have been done differently? These questions have no easy answers. Yet they point us toward a larger issue that deserves far greater public attention: depression, loneliness, and the terrible toll they can exact on the human spirit. As I struggled with these questions, I was reminded that depression remains one of the least understood illnesses in our society. We readily sympathize with those suffering from cancer, heart disease, or kidney failure. Yet when it comes to mental illness, misunderstanding and stigma continue to flourish.

Like many others, I spent the days following Anik's death reading newspaper reports, social media posts, and online commentary. Some of it was thoughtful and compassionate. Much of it, however, revealed how poorly depression is understood. There were speculations, judgments, and simplistic explanations.

What was largely absent was an appreciation of the profound suffering that severe depression can inflict upon the human mind. Too often, we ask the wrong questions. How could someone with talent, success, recognition, and the affection of family and friends choose to end his life? How could someone who appeared outwardly successful feel such despair?

These questions are understandable. Yet they are often rooted in a fundamental misunderstanding of depression itself.

Depression is not sadness. It is not disappointment. It is not a temporary mood that can be overcome through willpower, positive thinking, or a change of scenery. Clinical depression is a serious illness that

alters the way people think, feel, and perceive reality. Like heart disease or diabetes, it is a medical condition. It can be treated and often managed successfully. Yet when left unchecked, it can become life-threatening. The tragedy is that those who have never experienced severe depression often find it difficult to comprehend its intensity.

Few writers have described this reality more powerfully than William Styron in his remarkable memoir *Darkness Visible*. Styron suffered a devastating depressive episode that brought him to the brink of suicide. He described depression as a "gray drizzle of horror," a phrase that captures the relentless and suffocating nature of the illness.

Styron wrote that the pain of severe depression is "quite unimaginable" to those who have never experienced it. More importantly, he argued that what drives many people towards suicide is not merely pain itself but the conviction that the pain will never end. "It is hopelessness even more than pain that crushes the soul," he observed.

Human beings can endure extraordinary suffering when they believe relief lies ahead. Hope sustains life. Depression destroys hope.

Styron compared severe depression to being trapped inside an unbearably overheated room from which there is no escape. He argued that the word "depression" itself was inadequate because it failed to convey the intensity of the suffering. To many sufferers, the illness feels less like sadness than a form of psychic agony. This insight helps explain why suicide cannot be understood through ordinary logic. The healthy mind evaluates alternatives. The severely depressed mind often loses the ability to imagine them.

The English novelist Virginia Woolf understood this reality all too well. One of the greatest literary figures of the twentieth century, Woolf battled recurrent episodes of severe depression throughout her life. Despite her immense intellectual gifts and literary accomplishments, she repeatedly found herself overwhelmed by mental anguish.

Shortly before her death in 1941, she wrote a heartbreaking letter to her husband, Leonard Woolf: "I feel certain that I am going mad again." It was not the cry of a selfish person or someone indifferent to

those she loved. It was the voice of a woman exhausted by years of struggle and terrified by the prospect of enduring another descent into darkness. Her tragedy reminds us that depression does not discriminate. It affects artists and labourers, professors and plumbers, students and retirees. Intelligence offers no protection. Wealth offers no protection. Fame offers no protection.

The deaths of Robin Williams and Anthony Bourdain further illustrate this painful truth. Williams spent a lifetime making the world laugh. Bourdain travelled the globe, achieved international fame, and inspired millions through his curiosity and humanity. Yet both men carried burdens invisible to those who admired them.

Their deaths stunned the world because they challenged one of our most persistent assumptions: that success brings happiness. Depression does not care about fame, wealth, achievement, or public admiration. It operates according to its own cruel logic.

In India, discussions of mental health are often shrouded in silence. Families readily acknowledge diabetes, hypertension, or arthritis. Depression, however, is frequently dismissed as weakness, pessimism, lack of faith, or an inability to think positively. As a consequence, many sufferers endure their anguish alone. They conceal their symptoms from family members, friends, and colleagues for fear of being judged or misunderstood.

Men are often particularly vulnerable. From childhood, many are taught to suppress emotional pain, conceal vulnerability, and project strength regardless of what they may be experiencing internally. Seeking help is sometimes viewed as weakness rather than wisdom.

The result is that countless men suffer in silence, reluctant to discuss their fears, sadness, loneliness, or despair. By the time family members recognize the depth of the problem, the illness may have become severe. Compounding the problem is the epidemic of loneliness that afflicts modern society. Despite unprecedented technological connectivity, millions of people feel increasingly isolated from meaningful human relationships. For individuals already struggling with depression, loneliness can be especially destructive.

Human beings are social creatures. We require affection, companionship, understanding, and a sense of belonging. When those needs go unmet for extended periods, emotional suffering can deepen dramatically.

Many people suffering from depression withdraw from family and friends. They stop returning phone calls. They decline invitations. They retreat into themselves. Unfortunately, this withdrawal is often misunderstood. Observers may conclude that the individual simply wishes to be left alone. The reality is often quite different. Many depressed individuals desperately want connection but lack the emotional energy to seek it. The illness itself becomes a barrier separating them from the very people who might provide comfort and support. This is why compassion matters.

Far too often, depression is met with impatience, judgment, or simplistic advice. People are told to cheer up, count their blessings, think positively, or simply move on. Such advice, though usually well-intentioned, reflects a profound misunderstanding of the illness. What sufferers need is understanding, treatment, and human connection. They need people willing to listen without judgment. They need family members and friends who recognize that depression is not a character flaw but a genuine medical condition.

Most importantly, they need to know that recovery is possible. Millions of people who once suffered from severe depression have gone on to lead meaningful and fulfilling lives. Therapy, medication, social support, lifestyle changes, and timely intervention have helped countless individuals reclaim hope and rediscover purpose. Depression is treatable. But treatment becomes more difficult when stigma discourages people from seeking help.

Those left behind after a suicide often carry a heavy burden of guilt. They replay conversations, revisit memories, and search endlessly for clues they may have missed. They wonder whether one more phone call, one more visit, one more conversation might have changed the outcome. Such feelings are understandable, but they also remind us of the complexity of depression. Families can offer love, support, and encouragement, yet still lose someone they cherish to this illness.

As I think of Anik today, I do not wish to remember the circumstances of his death. I prefer to remember his creativity, his accomplishments, his humour, and the contributions he made to Bengali cinema. Like all artists, he wished to leave something of himself behind. He succeeded.

Yet if his passing can teach us anything, let it be this: depression is real, loneliness is real, and suffering is often invisible.

Somewhere in our neighbourhoods, workplaces, universities, and even within our own families, there are people fighting battles that we cannot see. They need more than advice. They need more than judgment. They need understanding. They need compassion.

And sometimes, they simply need another human being willing to sit beside them in the darkness until the light returns. That may be the most important lesson of all. We cannot always cure another person's suffering. We cannot always rescue them from despair. But we can choose kindness over indifference, understanding over judgment, and presence over neglect. In a world where so many people suffer silently, those choices matter more than we know.



ABHIK ROY  
The writer is Professor Emeritus at Loyola Marymount University, Los Angeles

## CHINA DAILY

## Tokyo and Manila building castles in the sand

Tokyo and Manila issued a joint statement last week announcing the start of talks on the "delimitation" of an exclusive economic zone and continental shelf between Japan and the Philippines. But the area the two countries announced they will "delimit" is east of China's Taiwan island. According to China's domestic law and international law, including the United Nations Convention on the Law of the Sea, China has an exclusive economic zone and continental shelf in this area.

The so-called "maritime delimitation talks" constitute a severe violation of China's maritime rights and interests, UNCLOS and other international laws, and the basic norms governing international relations. The collusion between Japan and the Philippines is both legally groundless and politically provocative.

Against this backdrop, the China Coast Guard's law enforcement patrols in the waters starting on Monday are legitimate

and necessary measures to safeguard China's sovereignty and core interests.

The "delimiting" scheme, announced during Philippine President Ferdinand Marcos Jr's visit to Japan - along with the two countries' agreement to expand military cooperation to counter what they described as a "common threat" - only adds further uncertainty to the regional security landscape.

The Philippines suffered some of the worst atrocities of Japanese occupation during World War II. From the Bataan Death March to the destruction of Manila, the historical record is well-documented and beyond dispute. Yet today, some Philippine politicians appear willing to overlook that painful history to embrace a Japan that has made clear that it will ignore the country's wartime legacy.

Under the banner of defending "regional peace" and a "rules-based order", Japanese

right-wing forces continue to push for the removal of postwar constraints and remilitarization, challenging the postwar international order. At the Shangri-La Dialogue in Singapore last week, Japan's defense minister shamelessly denied the rise of neo-militarism in his country.

Philippine Defense Secretary Gilberto Teodoro Jr went even further, suggesting that Japan has been "unfairly vilified" through what he called the "improper use of history".

What is particularly troubling is Manila's readiness to turn a blind eye to the risk of being used as a strategic pawn in Japan's geopolitical calculus.

Since Japanese Prime Minister Sanae Takaichi strained China-Japan ties with her dangerous and erroneous remarks regarding the Taiwan Strait situation on Nov 7, her government has repeatedly added insult to injury by hosting secessionist-minded politicians from China's Taiwan region, conducting provocative

military activities near the island under various pretexts, and expanding security partnerships targeting China with other countries. The proposed "delimitation" talks between Tokyo and Manila are merely the latest manifestation of this trend. They appear designed to draw the Philippines more deeply into Japan's geopolitical agenda and bind Manila to Tokyo's neo-militarist chariot.

The extraordinary lengths to which the Philippine defense chief went at the Shangri-La Dialogue - doing the dirty work for Japan by labeling China as a regional "bully" - reveal the true face of a government that sacrifices the Philippines' interests for the narrow gains of a few politicians.

Such brazen China-bashing raises obvious questions. If China were truly what he claimed it was, would the Philippine Navy's deliberately grounded vessel at China's Ren'ai Reef have remained there for more than a quarter century?

Letters To The Editor | ✉ editor@thestatesman.com

## Human life

Sir, Apropos "21 killed, 25 injured in deadly hotel fire in Malviya Nagar", published today, multiple suspected lapses have been reported over the Delhi hotel fire incident - a hotel operating beyond its permitted capacity, inadequate basement access and exit arrangements, small room windows that restricted evacuation, and commercial establishments allegedly functioning without the necessary approvals.

In India, it appears that human life is of least importance. Investigation takes place after every incident. Compensation is given. No concrete measures seem to be taken by the government to address the key issues leading to such incidents. It seems no regular inspections are carried out to monitor the functioning of these establishments.

Yours, etc., S Sankaranarayanan, Chennai, 4 June.

## Flawed

Sir, For a country that celebrates rich linguistic diversity, it would be incongruous to adopt a one-size-fits-all approach. The latest government circular, making it mandatory for CBSE schools across the country to implement the three-language policy for class IX students from July 1, is one such move that is incompatible with the basic principles of federalism.

It reflects a clash between centralising educational impulse and the federal compact that India's diverse polity rests on. The May 15 circular has placed unreasonable pressure on children and also on government resources. Though the circular does not explicitly mandate compulsory teaching of Hindi, the structure of the policy could gradually normalise its expansion in CBSE schools across southern India. Understandably, this as a calculated attempt at linguistic imposition since it advances Hindi in non-Hindi-speaking

regions without ensuring parity.

The primary purpose of a language is to help people communicate - among themselves and with the government. Since Hindi is limited to a geographic region, the makers of our Constitution adopted the pragmatic approach of retaining it just as one of the many official languages in the country. When it comes to communicating with each other, the argument that Hindi is the lingua franca of India is flawed.

Yours, etc., Khokan Das, Kolkata, 2 June.

## The divide

Sir, Apropos "Heat Divide", published today, the rising summer heat has become more than a seasonal discomfort; it is a mirror reflecting India's deep social and economic inequalities. The privileged retreat into air-conditioned spaces while millions

of informal workers endure scorching streets to earn their daily bread.

This divide exposes how climate change punishes the poor twice - first through exposure and then through lost income. Urban India's design worsens the crisis. Concrete jungles, shrinking green spaces, and unreliable electricity trap heat and deny recovery.

Advisories to avoid outdoor work sound hollow when survival depends on daily wages. Climate resilience must move beyond warnings to investments in housing, cooling infrastructure, and worker protection.

Extreme heat is now a structural challenge touching public health, productivity, and justice. The question is not whether hotter summers will come but whether India's institutions can adapt fast enough to ensure survival is not the price of livelihood.

Yours, etc., Babu Crishna, Bengaluru, 2 June.



# Nature for climate, and nature for our future



**W**orld Environment Day, observed on 5 June every year, serves as a reminder of humanity's collective responsibility to protect the environment and ensure a sustainable future for generations to come. The theme proposed by the United Nations for World Environment Day 2026, "Nature for Climate, Nature for Our Future," highlights the critical role that nature plays in combating climate change and preserving life on Earth.

While this theme is highly relevant, one cannot overlook an equally important issue confronting humanity today - the urgent need for world peace. Nature can heal many environmental wounds, but it cannot easily recover from the devastation caused by wars and armed conflicts. Therefore, the message of environmental protection must also include a call for peace, because without peace there can be no sustainable future.

Across several regions of the world, particularly in conflict zones such as Gaza and other parts of West Asia, wars have caused destruction on a scale that is difficult to comprehend. Thousands of innocent civilians, including women and children, have lost their lives. Cities, homes, hospitals, schools, and public infrastructure have been reduced to rubble. Beyond the visible human suffering, these conflicts inflict severe damage on the environment and climate.

Modern warfare leaves a massive carbon footprint. Explosions from bombs, missiles, rockets, and artillery

release enormous quantities of greenhouse gases, toxic chemicals, and particulate matter into the atmosphere. Fires caused by attacks destroy vegetation and ecosystems, while damaged industrial facilities may release hazardous substances into the air, water, and soil. The environmental consequences often persist for decades, affecting human health and biodiversity long after the conflict ends.

The production of military equipment itself requires vast amounts of energy and natural resources. The manufacture of drones, fighter aircraft, tanks, missiles, warships, and ammunition consumes significant quantities of metals, minerals, fossil fuels, and electricity. Every stage - from extraction of raw materials to transportation and deployment - adds to global carbon emissions. Furthermore, once wars end, the reconstruction of destroyed cities demands additional resources, energy, and infrastructure, creating another substantial environmental burden.

At a time when nations are striving to meet ambitious climate targets and reduce greenhouse gas emissions, the environmental costs of war deserve far greater attention. Global efforts to combat climate change cannot succeed if armed conflicts continue to destroy ecosystems, waste resources, and divert investments away from sustainable development.

It is particularly important for the world's major powers to recognize their responsibility in shaping a peaceful and sustainable future. The United States, China, the European Union, India, Russia, and other influential nations possess the economic and technological capabilities to lead global climate action. Rather than competing through military



escalation, these nations should cooperate in addressing common challenges such as climate change, environmental degradation, food security, and clean energy transition.

The vast financial resources spent annually on military conflicts and armaments could instead be invested in renewable energy, reforestation, sustainable agriculture, water conservation, environmental restoration, scientific research, healthcare, and education. Such investments would generate lasting benefits for humanity while strengthening global resilience against climate-related disasters.

The world today faces unprecedented environmental challenges, including rising temperatures, extreme weather events, melting glaciers, biodiversity

loss, desertification, and water scarcity. These challenges do not recognize national boundaries. Climate change affects every nation, rich and poor alike. Therefore, international cooperation and peaceful coexistence are essential for achieving meaningful progress.

On this World Environment Day, let us reaffirm our commitment not only to protecting nature but also to promoting peace. A peaceful world would allow nations to channel their resources toward environmental conservation and sustainable development rather than destruction and conflict.

The true vision for the future should be: Nature for Climate, Nature for Our Future, and Peace for Humanity. By working together to preserve nature and prevent

conflict, humanity can build a greener, safer, and more prosperous world for future generations.

World Environment Day 2026 provides an opportunity to reflect on the inseparable relationship between environmental protection and global peace. Nature inspires solutions to climate change, but lasting environmental sustainability can only be achieved in a world free from war and destruction. Let us therefore unite in our efforts to protect nature, reduce emissions, conserve resources, and promote peace, ensuring a sustainable and hopeful future for all.

(The writer is Managing Director, Greenstat Hydrogen India Pvt. Ltd., Chair, Environment & Climate Change Committee, PHDCCI and former Chairman, EAC - Ministry of Environment, Forest & Climate Change. He can be reached at jeevanprakashgupta@indrx.co.in)

## 100 Years Ago



Front page of The Statesman dated 05 June 1926

## OCCASIONAL NOTE

THE debate upon the conduct of the Deputy-Mayor of Calcutta resulted in the appointment of a committee of inquiry. As a large majority of the Councillors had declared their lack of confidence in the Deputy-Mayor previous to the discussion there could not well have been any other decision. Mr. Suhrwardy stated in the course of his defence before the Corporation that the resolution was moved against him because he was a Mohammedan. This attempt to align the indictment of his conduct with the communal tension of the moment we believe to be unjust. Certainly the fact that he is a Musalman can be no part of the dislike of his conduct by the European Councillors who signed the original requisition and voted for inquiry. Ordinarily a public man who is told by the majority of his colleagues that they have no confidence in him retires from a difficult position. By declining to accept the verdict Mr. Suhrwardy has made an inquiry not only desirable but necessary.

## News Items

### AMENDMENT DEFEATED

## MR. SNOWDEN AND THE ONLY SOLUTION

LONDON, JUNE  
THE Labour amendment to reduce the Ministry of Mines Vote on which the debate arose was defeated by 252 votes to 108.

Mr. Philip Snowden said he had never listened to a speech with such hopelessness and despair as he heard the Premier that evening. Mr Snowden expressed the opinion that the only solution of the deadlock was action by the Government itself.—Reuter

### MOVE TO END COAL DISPUTE

## OWNERS AND JOINT COMMITTEE

(BRITISH OFFICIAL WIRELESS.)  
RUGBY, JUNE.

IT was announced this afternoon that Mr. Evan Williams, President of the Coal Owners' Association had sent a personal letter to Mr. Herbert Smith, President of the Miners Federation, suggesting an informal meeting at an early date. This is apparently the first step in a move towards resumption of negotiations, which, as stated in an earlier message, the coal owners had decided to make.

Statements from well-informed sources confirm the reports that the coal owners have in mind the setting up of a small joint committee representing both sides under an independent chairman to re-examine the whole position. A personal meeting of the two leaders would appear to have for its object a preliminary exchange of views on this proposal.

Mr. Herbert Smith left to-day for Brussels to attend a meeting of the Miners International Federation and will not be back in London until Saturday. It is anticipated that he will meet Mr. Evan Williams soon after his return.

### GRAVE SITUATION

## ZAGHLUL'S RETURN A BAD OMEN

LONDON, JUNE

THE distinct gravity of the situation in Egypt and the impossibility of forecasting its outcome is emphasized in well-informed circles in London.

It is learned that the Government is following events very closely, and has kept the Egyptian Government fully informed of its views, abundantly demonstrating that Britain does not favour Zaghlul's return to power.

It is pointed out that Zivar Pasha has not yet resigned, but when he does the King will doubtless summon Zaghlul, on whose decision will depend the British attitude.—Reuter.

### MORE HOPEFUL

## EFFECT OF LORD LLOYD'S STRONG ACTION

(FROM OUR SPECIAL REPRESENTATIVE.)  
LONDON, JUNE.

IT is learned in official circles that the Egyptian position is regarded as being more hopeful but the crisis is not yet passed. There is every hope that Adly Pasha will be able to form a Ministry. If he does it will be favourably received by Britain.

There is no doubt that Lord Lloyd's strong attitude, threatening the withdrawal of the 1922 Concessions, greatly influenced the position, Zaghlul not desiring to defy the challenge.

# Will AI kill solar and wind energy?

SUNIL SHARAN

**G**lobal warming policies were expected to drive a rapid shift toward a renewables-based energy system dominated by wind and solar. While growth in these sources did occur, it has not matched the pace that was widely anticipated.

In the United States, the rise of cheap and abundant shale natural gas significantly reshaped the energy mix, displacing coal and limiting the relative share of wind and solar in electricity generation. In China and India, the situation has been different. Coal remains dominant because it is widely available domestically, while natural gas is more limited or expensive to secure at scale. As a result, coal has retained its central role in both countries' power systems.

Solar and wind always provide intermittent, variable power. It was widely assumed that a cost-effective, utility-scale electricity storage solution would emerge to solve this problem, but that has not yet happened at the scale originally expected. In the pre-AI era, solar and wind were typically integrated into power systems alongside more reliable sources such as coal, natural gas, and nuclear energy. For example, if the sun was shining on a Monday,

electricity demand could be met largely by solar power during the day. At night, coal, natural gas, or nuclear plants would supply the required electricity. If the following Tuesday was cloudy or gloomy, generation would shift back toward coal, gas, or nuclear to maintain supply.

AI introduces a new and more demanding challenge. AI data centers require continuous, high-quality, always-on electricity, which solar and wind alone struggle to guarantee without large-scale storage or back-up systems. In addition, they require very large amounts of power. As a result, the AI industry is now actively searching for new and expanded sources of reliable electricity.

One of the major challenges in powering AI systems is electricity transmission. High-voltage transmission lines are expensive, slow to build, and often face regulatory and land-use constraints. As a result, some companies are exploring more localized power solutions, sometimes referred to as microgrids. These are self-contained energy systems that can operate independently from the main electricity grid. Technologies such as small modular nuclear reactors are an example of such microgrids.

In such isolated systems, the focus is on highly reliable,

always-available power generated close to the point of use. In this context, solar and wind are expected to play a limited role because their output is variable and depends on weather conditions, making them less suited as primary sources in fully self-contained AI-focused microgrids.

The pace of AI infrastructure development is extremely rapid in both the United States and China. AI systems are widely seen as transformative technologies that promise significant new wealth creation, which is driving aggressive and sustained investment. As a result, development is moving quickly, without waiting for long-term solutions such as large-scale energy storage to mature alongside renewable energy systems.

In this environment, electricity demand is rising faster than new infrastructure can be built. In the United States, this reinforces the role of natural gas as the dominant source of reliable power. In China and India, where coal remains more established and readily available, it is likely to continue playing a central role in meeting growing demand.

In India, AI data centers have not yet been built at the scale seen in the United States and China. When India does reach that stage,



it will need to supply large amounts of reliable electricity. India has placed strong emphasis on solar energy in particular and has had some success in meeting the needs of ordinary consumers through renewable expansion.

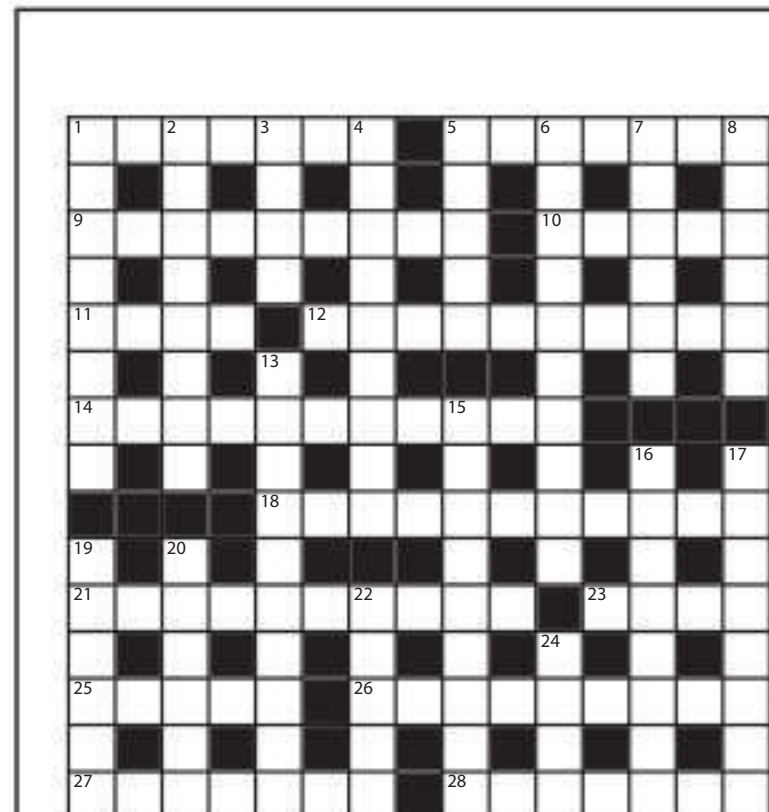
However, the key question is what choices will be made when large-scale AI data centers begin to arrive. Will India rely more on coal generation, which is relatively cheap, widely available, and highly reliable, or on solar power, which is intermittent, variable, and often more expensive when reliability is taken into account? My view is that India is more likely to turn to coal

to meet this demand, given its existing infrastructure and the need for dependable electricity supply.

Then there is an overall question. Solar and wind were already struggling in the pre-AI days to displace coal and natural gas at the system level, despite strong expectations that they would become dominant sources of electricity. Now that AI is here and electricity demand is rising rapidly, will they push solar and wind further behind in the energy mix?

(The writer is an expert on energy and contributes regularly to publications in India and overseas.)

## Crossword | No. 293481



### Yesterday's Solution

HURRICANE LOVER  
CHAPTER AND VOLUME  
KILLER  
IDARE SIA WALNUT  
NIGHT CLUB  
GRENADEER HOLLY  
DISH  
FATHER TRIANGLE  
OCCASIONAL DRINKER  
CREAMY ABUDHABI  
UFGAULF  
SHRINK RESISTANT  
EETETE  
DREAM TIDDY BEAR

### ACROSS

- Vocal encouragement for a Eurasian statesman (7)
- MacCuffin in Citizen Kane got out of bed and returned call (7)
- Recovered soldiers made an allegation (9)
- Occasional drinker arrived, then left (5)
- Present writer adopts son (4)
- Pieces composed by partner in particular (10)
- One devastated without sex, following a particular philosophy (11)
- That university in Nice, unfortunately, is fake (11)
- Tactless, corpulent monarch? (10)
- Lecherous boxing champion (4)
- A lot of children ponder morbidly (5)
- I get 11 per cent off (9)
- Instrument this French alto carries in case (7)

### DOWN

- Very old chief meets Foreign agents from the east (7)
- Left in denial after losing case over drug (8)
- Participant in your descent or ascent, oddly (8)
- Place with Mormons making do with one husband (4)
- Mad as a Turk, mother admitted illustrating Hindu text (4,5)
- High spot when Miss Jones stripped off (5)
- Curt and concise but lacking nothing, somehow more to the point (10)
- Dickensian beadle, beginning to behave like Uriah Heep? (6)
- Stalls of French poet's works (6)
- I deal with basic training in general (10)
- European wild cat, chasing off bugs doing the backstroke? (9)
- Greek character stays erect when aroused, and that's not all (2,6)
- Angry for the most part being grabbed by a jerk? That's puzzling! (8)
- A little clique became a province (6)
- Constitutional state, initially being linked with Scandinavia (6)
- Sanction lifted on a divided land (5)
- Heroic subject having to give way to English (4)

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

# INTERNATIONAL EDITORIALS



## OPINION



## OUR VIEW

## Break the deadlock

With vital business pending, the government and the opposition must end the House impasse.

It's happening all over, again. Early signs from the Parliament are worrying. The House of Representatives has seen repeated obstructions in just two months of the commencement of its current session. It all started when Prime Minister Balendra Shah left the House while President Ramchandra Paudel was still presenting the government's policies and programmes. Breaking away from the established practice of the prime minister responding to lawmakers' questions on the policies and programmes, Shah abstained from the Parliament and delegated the task to the finance minister. The opposition resorted to obstructing the House, demanding that the prime minister appear to answer questions. For days, Shah remained defiant and ignored the pressure.

When he finally attended the lower house meeting on Sunday for a question-answer session, controversy followed. Responding to a question regarding India's encroachment in the Lipulekh area, Shah said, "It's not just India; Nepal too has encroached upon Indian land in many places." This statement drew widespread criticism and handed the opposition an opportunity to unite against the government. On the same day, Speaker Dol Prasad Aryal decided to deploy marshals to contain the opposition and secure endorsement for the lower house regulations. Since then, the opposition has intensified its protests in the House, demanding that the prime minister's statement be expunged from the parliamentary record. The ruling party, however, continues to defend the remarks.

It is unfortunate that the House, which should be focused on discussing the national budget, addressing public concerns, and introducing new bills, is instead consumed by controversies. History seems to be repeating in Parliament. The internal tussle within the then Nepal Communist Party hampered the business of the lower house elected in 2015. Then Prime Minister KP Sharma Oli dissolved the House twice, effectively shortening its working period by around a year. The House elected in 2022 also fell into the trap of obstruction. The Nepali Congress resorted to obstruction for weeks, demanding an investigation into Rastriyi Swatantra Party (RSP) Chair Rabi Lamichhane's alleged involvement in cooperative fraud. Meanwhile, the RSP obstructed proceedings, seeking a probe into the visit visa scam, and CPN-UML did the same, demanding an investigation into gold smuggling. That House was eventually dissolved following the Gen Z protests in September. Both Houses ended up failing to promulgate crucial laws necessary for the full-fledged implementation of the Constitution.

It would be even more unfortunate if the current House elected after the Gen Z uprising follows the same pattern. The House is adjourned for a week at a time when it should be engaged in extensive discussions on the budget. After the budget is endorsed, it must deliberate on and pass several important bills that have been pending for years. For this to happen, the RSP must move beyond the euphoria of its near two-thirds majority, while the opposition parties must also recognise the consequences of their actions.

The Speaker needs to play a more neutral and proactive presiding role in trying to bridge the differences between the two sides. Holding dialogue, both inside and outside the House, to find an amicable solution to the deadlock is crucial. As Education Minister Sasmit Pokharel, who also serves as the government's spokesperson, hinted, the prime minister should appear in Parliament and clarify his actual intent. At the same time, the opposition should reconsider its demand for an apology. It is the responsibility of both sides, the ruling party and the opposition, to make the House functional and complete the unfinished tasks left over from previous sessions.

## THEIR VIEW

## Heat divide

Extreme heat should no longer be treated as an occasional seasonal inconvenience.

Every summer, India is reminded that climate change is no longer a future threat but a present reality. Yet the true measure of the crisis is not found in temperature records or meteorological bulletins. It is found in the widening gap between those who can escape the heat and those who cannot. When temperatures climb past 45 degrees Celsius in cities such as Delhi, the burden is not shared equally. Air-conditioned homes, offices, malls and private vehicles offer protection to those who can afford them.

For millions of others, particularly workers in the informal economy, extreme heat is simply another occupational hazard that must be endured to earn a living. This is where the climate debate intersects with questions of labour, urban planning and social justice. India's cities run on the efforts of street vendors, delivery personnel, construction workers, domestic workers, rickshaw pullers and countless others whose livelihoods depend on remaining outdoors for long hours. As heatwaves become longer and more intense, these workers face a cruel choice: risk their health or lose their income. The economic consequences extend far beyond individual hardship.

Reduced productivity, lost work hours and heat-related illnesses translate into significant costs for the wider economy. Sectors dependent on outdoor labour are especially vulnerable. What appears at first glance to be a weather event is increasingly becoming a development challenge capable of slowing growth and deepening inequality. Nor is this challenge confined to Delhi. From Ahmedabad and Jaipur to Kolkata and Hyderabad, urban India is confronting similar pressures. What appears today as a metropolitan problem is rapidly becoming a national one, affecting cities with different climates, economies and demographics. The problem is compounded by the way Indian cities have evolved.

Expanding concrete surfaces, shrinking green spaces, inadequate shade and congested neighbourhoods create urban heat islands that trap warmth long after sunset. For many low-income families, relief does not arrive when the workday ends. Poorly ventilated homes and unreliable electricity often make nights nearly as oppressive as afternoons, preventing recovery from prolonged exposure. Governments have responded with heat action plans, public advisories and emergency measures. These are necessary and welcome. Yet they are only the beginning. Advising people to avoid outdoor work during peak temperatures has limited value when missing a day's wages means sacrificing a family's next meal.

Climate resilience cannot be built solely through warnings; it requires investments in housing, public cooling infrastructure, reliable power supply, urban greenery and workplace protections for vulnerable workers. The larger lesson is clear. Extreme heat should no longer be treated as an occasional seasonal inconvenience. It has become a structural challenge that touches public health, economic productivity and social stability. The question facing India is not whether hotter summers are coming. They are already here. The question is whether the country's institutions can adapt quickly enough to ensure that survival does not remain the price of earning a livelihood.

— The Statesman (India)/ANN

## Whither the QUAD?

While the US expands its presence from the Indo-Pacific to West Asia and seeks rapprochement with China, the other three QUAD countries remain focused on the Indo-Pacific.

## NEIGHBOURHOOD WATCH

SMRUTI S PATTANAİK



On May 26, 2026, the 11th meeting of the foreign ministers of the Quadrilateral Security Dialogue (QUAD) countries (Australia, India, Japan and the United States) was held in New Delhi. In the global geopolitical flux one is witnessing, the meeting is considered significant. However, many analysts have cast doubt on the future of the Quadrilateral Security Dialogue (QUAD), with US attention diverted to Iran and an apparent lack of coordination within the group over their views on the war in Iran and the Russia-Ukraine conflict. In the Joint Statement, there was no mention of Israel's role in the war, indicating the differences. Moreover, the QUAD summit scheduled for 2024, which would have been attended by heads of government, has yet to take place. It highlights the divergence among the QUAD member states.

Although at one point the US had prioritised the QUAD in its policy to contain China, other QUAD members do not share the US perspective on China; they are concerned that China's geopolitical ambitions may undermine their interests. Not surprisingly, the QUAD foreign ministers' meeting in New Delhi attracted China's attention. In a statement, China's Foreign Ministry said it opposes the creation of exclusive 'small cliques'. The foreign ministers' meeting followed US President Donald Trump's visit to China, during which the two countries could not agree on easing restrictions on Chinese exports of critical minerals.

## The New Delhi meeting

At the New Delhi QUAD foreign ministers meeting, the Indo-Pacific Maritime Surveillance Cooperation Initiative was launched. A decision was taken to launch a new initiative to boost port infrastructure in the Pacific Islands. The first project under this initiative will be to build a port in Fiji. This initiative is significant as the QUAD countries seek to strengthen their presence in the Indo-Pacific by cooperating with small island nations in the region.



REUTERS

The QUAD vision for a free and open Indo-Pacific has been a driving force in the Quadrilateral initiative. All countries are focusing on supply chain resilience, as disruptions will impact their economies. One has recently witnessed how the war in Iran impacted the global energy supply, weakening the economies of many developing countries. Countries discussed the East and South China Seas and the crisis in the Strait of Hormuz.

India maintains a close relationship with the QUAD countries. Over time, they have strengthened security and defence cooperation and are facing emerging maritime challenges. Member countries also agreed to expand the Indo-Pacific Partnership for Maritime Domain Awareness (IPMDA) initiative through the Information Fusion Centre for the Indian Ocean Region in Gurugram. India is set to host the second QUAD-at-Sea Ship Observer Mission, which was launched in 2025 at Guam. This will help expand maritime law enforcement and enhance interoperability among the Coast Guards of the QUAD countries.

The joint statement by the QUAD foreign ministers underlined support for ASEAN centrality and unity, the ASEAN-led security architecture, the Pacific Islands Forum and IORA, while expressing concern about the continuing violence and conflict in Myanmar. They also expressed concern about international terrorism and transnational crime. The QUAD countries also

noted China's dangerous manoeuvres by military aircraft, coast guard and maritime militia vessels, as well as the militarisation of disputed features in the East and South China Seas.

## Cooperation on critical mineral

Critical mineral cooperation has emerged as an important strategic tool as competition to access critical minerals intensifies. One sees such competition in Myanmar, where both China and the United States are trying to extract them. Similarly, the US has partnered with Pakistan to gain access to its mineral deposits, a major factor many think brought the two countries together. During the US Secretary of State's visit, India and the US agreed to cooperate to secure the supply of critical minerals vital to military hardware, semiconductors, batteries, and other such products. Since assuming power, Donald Trump has focused on securing critical minerals and has entered into several bilateral agreements with many countries from Asia to Africa.

## Bilateralism triumphs?

Trump's transactional approach has cast a shadow over the future of the QUAD as the US seeks to mend ties with China. For the United States, its stake in the QUAD is much more China-focused. Bilaterally, India has strengthened its relationship with Australia and Japan. India's Defence Minister Rajnath Singh and Australian Defence Minister Richard Marles co-chaired the

second Australia-India Defence Ministers' dialogue, with a focus on further defence industrial collaboration and cooperation in futuristic technology research. The two countries discussed maritime security cooperation and are scheduled to jointly host a Search and Rescue (SAR) and tabletop exercise at the Maritime Rescue Coordination Centre (MRCC) in Chennai in June 2026 to further cooperation in the Indian Ocean Region. The countries share growing concerns over 'grey zone activities' and seek to strengthen underwater domain awareness as China expands its presence in the Indian Ocean and is formulating a Joint Maritime Security Collaboration Roadmap.

Similarly, India has enhanced its collaboration with Japan to protect their maritime interests by increasing their 'defence capabilities and readiness, by promoting interoperability and synergy between their defence forces.' They have agreed to coordinate their maritime assets to assist third countries in the Indo-Pacific. Interestingly, Japan's Defence Minister, Shinzō Koizumi, who was participating in the Shangri-La Dialogue in Singapore, has proposed that the QUAD Defence Ministers meet in New Delhi.

## Long live QUAD

Despite the US's shift of attention, the QUAD holds promises for the participating countries. While the US expands its presence from the Indo-Pacific to West Asia and pursues rapprochement with China, the other three QUAD countries have a strong interest in the Indo-Pacific. Not only do they collaborate in the security and defence domain, but they have also focused on economic cooperation, technology sharing and supply chain resilience. Their bilateral engagements indicate the growing strategic synergy. And all three countries would want to build on that synergy, with or without the QUAD.

Yet, the QUAD will remain central to these countries' maritime strategy and approach to the Indo-Pacific region, where the US has historically had an entrenched interest and would not want that interest thwarted by China's deepening presence.

Pattanaik is a research fellow at the Manohar Parrikar Institute for Defence Studies and Analyses, New Delhi, India.

## Audacious intent, uncertain delivery

The budget's three most visible ambitions—foreign investment, tech leadership and fiscal transformation—all face the same fundamental obstacle: weak institutional and bureaucratic capacity.

SUMAN JOSHI



When Finance Minister Swarnim Wagle walked into a joint session of the Parliament on May 29, he bypassed the traditional red briefcase for a file made of handmade Nepali paper—signalling a departure from political tradition before he even uttered a word. He then delivered a curated story to pitch ambitious reforms that only a government with this scale of mandate can.

At Rs2.124 trillion, the largest in Nepal's history, this budget arrives with genuine political authority. The headline measures—reduction in income tax rates and change in brackets for salaried people, simplification of customs tariff and establishment of a sovereign data centre—are crowd-pleasing and substantively real. But questions around fiscal honesty, foreign investment and the tech hub dream expose the gap between the document and reality.

When Wagle spoke about capital gains tax, he characterised the change as making the levy 'final', i.e., simplification for investors. What he did not mention was that the Finance Bill, tabled simultaneously, quietly raised the rates. Those watching the speech came away believing taxes were broadly declining. Those who read the Finance Bill discovered a more complicated truth. There are a number of surprises like this which the public unearthed in the hours following the speech.

Technically accurate. Politically shrewd. It was a selective truth designed to lead with the popular story while burying the unpopular items in subsidiary legislation. For a finance minister of Wagle's training and calibre, this gap appears to be intentional. Budget communication is usually a political theatre anyway. But there is a difference between curating emphasis and engineering false impressions. Did this budget drift closer to the latter than its reform credentials warranted?

Beyond the rhetorical theatre, the underlying fiscal arithmetic is fragile. The government is simultaneously spending more, taxing the middle-class less and betting that growth momentum closes the gap. Over the past decade, revenue collection has consistently reached only around 87 percent of budget targets. In the first eight

months of this fiscal year, it reached barely half the annual target. The government has increasingly borrowed not merely for development but to cover salaries, social security and debt servicing.

On the other hand, while recurrent spending takes around 60 percent of the budget, allocation for capital spending is just 20 percent—almost identical to Nepal's ten-year average. The allocated capital budget is insufficient in comparison to the growth aspirations of 7 percent, and capital expenditure has been significantly underspent historically. Officials have acknowledged, with unusual candour, that inadequate project preparation is the core problem. Ambitions are designed in Kathmandu and executed (or not) by a bureaucratic machinery that has not materially changed.

The budget's most investor-friendly measures are generally coherent. Most

investment summits since 2017. The gap between what was promised from podiums and what was actually built is staggering.

Long-horizon investors, particularly in hydropower and digital infrastructure, will find the political stability and reform intent compelling. But for the broader universe of foreign capital Wagle is courting, the FATF grey list alone keeps most institutional investors at bay. The budget sets a credible direction. It is nowhere near a sufficient condition for investment to meaningfully flow.

Perhaps no part of the budget captures both the genuine potential and the institutional gap more sharply than the technology ambitions. Nepal's IT services exports are said to have crossed \$1 billion in 2025, more than doubling in three years. The number of registered IT companies has risen tenfold in two years. A number of compa-

necting hydropower to a hyperscale data centre. Regulations are largely absent. Data protection law is still evolving. International fibre connectivity remains thin. The existing data centre draws community complaints about diesel generator fumes, noise and dust. That is the current baseline.

The broader tech hub story also suffers from the structural failure of brain drain. Nepal generates more than 10,000 ICT graduates annually. But most leave within two years to greener pastures abroad, where salaries are better, and infrastructure is more reliable. The budget's answer is limited to fifteen overseas fellowships and an AI computing centre. These are directionally correct but woefully insufficient relative to the scale of the ambition. Talented engineers will not return on patriotic sentiment alone. They need reliable power, competitive salaries, merit-based systems and a regulatory environment where building a company doesn't require navigating years of bureaucratic obstruction.

Nepal has a credible foundation for a niche, high-value green computing sector, particularly if it can attract one or two anchor hyperscaler partnerships to prove the model. What it does not have, and cannot acquire from a single budget, is the broad-based tech ecosystem it is marketing itself as. Nepal's IT exports are overwhelmingly back-office service work for Western companies. Moving from a service exporter to a genuine tech hub requires a different ecosystem entirely.

This is the most audacious budget Nepal has seen in a generation, and the most credible one given the political conditions behind it. The reform architecture is serious. The mandate is real. The finance minister knows what he is doing. But audacity and transformation are different. This budget's three most visible ambitions—foreign investment, tech leadership and fiscal transformation—all face the same fundamental obstacle: weak institutional and bureaucratic capacity.

What happens in the months ahead will reveal if the government will deliver on this budget. Nepal's problem has never been a budget lacking ambition. It has been the thousand small failures of execution that accumulate between a finance minister's speech and a building that gets built. Wagle walked into Parliament with a handmade paper file and a reform agenda years in the making. The symbolism was the easy part.

Joshi is a private equity investor and ecosystem builder based in Kathmandu.



POST PHOTO

announced moves are in the right direction. But, as long as Nepal is in the grey list, investors will be concerned. And it is hard for an investor pitch to survive the FATF grey list. Nepal was placed on the grey list in early 2025, flagging deficiencies in anti-money laundering and counter-terrorism financing. Nepal risks losing correspondent banking relationships entirely, which is an existential concern for any investor thinking about profit repatriation.

To be fair, however, even before the grey list, Nepal's FDI story was a tale of spectacular pledges and embarrassing delivery. Nepal has held at least six

panies have built credible international practices.

The hydropower energy cost argument for data centres also has genuine commercial logic. While US electricity prices range from 10 to 30 cents per kilowatt hour, Nepal's hydropower can support compute infrastructure at just 5 to 8 cents, which is among the lowest rates globally. As AI infrastructure scales globally and energy costs become a primary competitive differentiator, that arithmetic matters.

But the gap between 'we have cheap, clean power' and 'we are a tech hub' is filled with things Nepal currently lacks. Nepal has no experience con-

## OPINION

## Why Jill Biden Didn't Say No



**UNRULY REPUBLIC**  
By Barton Swaim

Jill Biden has lived a remarkable life as the wife of a senator, vice president and president of the United States. A proper autobiography, related from early life in eastern Pennsylvania and New Jersey to the present, might have appealed in due time. At the moment, though, she tops the list of people nobody wants to hear from. What she has produced is a breezy memoir of her years as first lady, "View from the East Wing," manifestly written for the sole purpose of justifying her husband's decision—abetted by her, whatever she may claim—to run for re-election.

### The 46th president's friends, family and allies didn't think his senility mattered.

That decision, and the inevitable withdrawal from the race when the media could no longer ignore Joe Biden's diminished condition, didn't guarantee a Republican victory in 2024. Every poll made plain that sizable majorities didn't wish to have Donald Trump back. What doomed Kamala Harris wasn't, as she contends, the shortened time she had to campaign; that likely helped, given her singular incompetence as a politician. What made any Democratic nominee's job vastly

more difficult in 2024 was Mr. Biden's abysmal performance as president. The perverse effect of Mrs. Biden's book will be to perpetuate the belief among Democrats that they lost because she and her husband's inner circle hid the truth about his decrepitude.

That they did hide the truth, or tried to, Mrs. Biden manages to make more obvious. She's a bad fibber. "During the 2020 race, Joe had privately floated the idea of voluntarily being a one-term, transitional president," she writes, "but as he explored the question of a re-election bid, every one of his senior advisors insisted he needed to run." Then this: "There had been buzz around various candidates as possible primary contenders against Joe if he decided to leave after one term, but we were told that based on the polling, Joe was the Democrats' best bet." Note the passive voice: "we were told."

Mrs. Biden's full-on denial that she had ever seen her husband communicate so lifelessly and incoherently as he did at the June 2024 presidential debate won't improve her reputation. "Is he short-circuiting?" she recalls thinking. "Is this a stroke? It felt like we were watching an AI hologram of the man we knew, and the hologram was glitching. Has he been drugged? Oh God—will people watching assume that this is how he is all the time? . . . Nothing explained what I was seeing. I'd never seen that look on his face before in my life."

Well I had, four years be-



Jill Biden

fore, at a campaign event in South Carolina. So had everybody who watched Mr. Biden's February 2024 press conference to address special counsel Robert Hur's explanation for declining to prosecute the president. In that performance Mr. Biden had called the president of Egypt, Abdel El-Sisi, "the president of Mexico" and generally sounded confused, angry and exhausted. Mrs. Biden mentions that episode as if it were a minor slip-up. "The truth was that he was not performing as well as he had in his younger days. Did that disqualify him from being president, as long as he was still getting the job done? I didn't think so."

As my colleague Mary O'Grady quipped at the time, denial ain't just a river in Mexico.

And what about telling Mr. Biden how well he'd done after the presidential debate, the one in which she claimed to wonder if he'd been drugged or was having a stroke? "As a teacher, I believe in leading with praise no matter how bad the test result or

essay is. So I became my teacher self onstage."

Guff of this sort has its entertainment value, as do passages that barely conceal the memoirist's disdain for Ms. Harris. But the book, or rather the outrage its publication has occasioned, does highlight a serious truth about the progressive mindset animating the Bidens' party. Democrats and their fans in the media resent Mr. and Mrs. Biden only for waiting too long to withdraw from the race and so, as they see it, hamstringing Ms. Harris's re-election effort. But for most of Mr. Biden's term, they remained largely unperturbed by the senescence itself, despite constant evidence of it—waving to no one, slurring nonsense, asking for a House member who had died a month before. Leave aside the shockingly poor decisions best explainable by decline: the immediate, unplanned pullout from Afghanistan, the failure even to acknowledge chaos at the southern border.

Why the unconcern? The progressive outlook makes little room for individual discernment, intuition and shrewdness in political leaders. Mr. Biden's Democratic apologists mistakenly assumed that because he and the people around him held the right views—they favored all the good things and opposed all the bad—his bodily and mental infirmity wouldn't matter. Jill Biden thought the same, which is why she felt so comfortable putting her husband up for another four-year term.

## The Questions the Primaries Didn't Answer

By Karl Rove

The primaries Tuesday in California, Iowa, Montana, New Jersey, South Dakota and New Mexico provide insight into how the midterms are shaping up.

It'll be the Brit vs. the Bland in California, as English immigrant Republican Steve Hilton leads the state's jungle primary for governor with around 28% of the vote. He'll face off against the uninteresting demeanor of former Health and Human Services Secretary Xavier Becerra, who is taking 25%.

In deep-blue districts, it was a split decision. The more left-wing Democratic candidate, Adam Hamawy, won in New Jersey's 12th Congressional District with 28%. But in the race to replace Rep. Nancy Pelosi in California's 11th District, two more-moderate Democrats, Scott Wiener and Connie Chan, will head into the fall election.

Democrats got the better Senate candidate in Iowa, moving that race from likely Republican to lean Republican. Meanwhile, President Trump got a rare intraparty rebuke in the Hawkeye State, as his endorsed candidate lost the GOP gubernatorial primary. Montana voters rejected the Democratic strategy of running independents in red states, turning out in bigger numbers than in

the last midterm to unite behind a Democrat rather than an independent. That creates a three-way Senate race, giving the GOP an edge.

Most big questions about November remain unanswered. Will Mr. Trump's low approval rating—now 40% in the RealClearPolitics average—hurt Republicans more than the Democratic Party's even lower approval numbers—36.7%—and limit their gains?

Will we still be dealing with the Iran war by Labor Day? Will the result be seen as a defeat for Mr. Trump?

### All these known unknowns will shape the outcomes of the midterm elections.

Will gasoline and grocery prices be lower this fall? If they are, will voters' anger have dissipated?

How much will farm-state contests like Senate and gubernatorial races in Iowa, Michigan and Nebraska be affected by farmers' now paying up to \$5.82 a gallon for the diesel needed for planting? Will fertilizer prices have come down by harvest?

Will Democrats finally settle on an effective economic

message? If they don't, will vague promises to do something about fuel, grocery, healthcare and housing costs be enough to encourage voters to punish Mr. Trump?

Will the national image of socialists like Mayor Zohran Mamdani and Rep. Alexandria Ocasio-Cortez dominate and damage more-traditional Democratic candidates?

Did efforts to create more safe Republican seats through middecade redistricting also result in more toss-up districts or Republican-leaning seats vulnerable to a Democratic wave?

Was the big Democratic turnout in special elections and primaries a preview of a significant enthusiasm advantage this fall? Or will it be matched by an energized Republican electorate that isn't motivated yet?

How much will Mr. Trump's obsessive efforts to cement a personal legacy—the White House ballroom, a triumphal arch, his name on the Kennedy Center—hurt Republicans?

How inflammatory will the president's Truth Social posts be?

Will the allegations of corruption in the Trump administration become an effective campaign issue for Democrats this fall?

Can each party's troubled nominees mount better de-

fenses than Maine Democrat Graham Platner or Texas Republican Ken Paxton have? How many other campaigns will be hit with such revelations?

Will the nation's 250th anniversary bring Americans together? Or will July Fourth celebrations from the White House be seen as Mr. Trump trying to draw attention to himself?

Will the administration's focus on fraud in federal and state spending convince voters Republicans are making progress? Or will inadequate results or voter cynicism make it a nothing-burger?

Will Democrats have a financial advantage, powered by small-dollar donors and leftist billionaires? Or will that be offset by Mr. Trump's super PAC war chest in critical contests, especially where the GOP candidate is a lousy fundraiser?

This midterm's contours are reasonably well-known: Democrats are likely to take the House, Republicans favored to keep the Senate. But the known unknowns are enough to keep the election interesting.

*Mr. Rove was senior adviser and deputy chief of staff for President George W. Bush and is author of "The Triumph of William McKinley" (Simon & Schuster, 2015).*

BOOKSHELF | By Julia M. Klein

## Grumbling Grandmasters

Checkmate

By Ben Mezrich

Grand Central, 304 pages, \$30

Chess sells. Or at least it fascinates. Its clashes—between young prodigies and seasoned grandmasters, diverging national loyalties and opposing personalities—have inspired fiction, films, a popular Netflix series and a current Broadway musical revival. Its endless intricacies have become a metaphor for high-stakes intellectual, political and diplomatic contests in which the best players see many steps ahead.

"Checkmate: Genius, Lies, Ambition, and the Biggest Scandal in Chess," by Ben Mezrich, capitalizes on the game's dramatic possibilities. It includes many of the genre's customary tropes, including intergenerational conflict, suspenseful show-downs, and self-absorbed, eccentric players for whom character may turn out to be destiny.

To this familiar mix Mr. Mezrich adds a revelatory view of the postpandemic chess industry. As detailed in "Checkmate," this landscape involves the rapid expansion of digital and streaming chess; massive prize purses; the big business of sponsorships, mergers and acquisitions; and the increased prevalence of computer-assisted cheating, which has spawned both algorithms to detect it and security measures to curb it.

At the heart of the story is the rivalry between the American Hans Niemann and Magnus Carlsen, a Norwegian world champion. The narrative is complicated by Mr. Niemann's problematic career and bad-boy outbursts. And it incorporates the perspectives of Erik Allebest and Danny Rensch, the co-founder and chief chess officer, respectively, of Chess.com, the world's largest online chess platform. Mr. Mezrich calls Chess.com "the modern face of chess" and "its now-essential virtual spine."

Mr. Mezrich—whose book "The Accidental Billionaires" (2009), about the creation of Facebook, was adapted into the 2010 film "The Social Network"—knows how to write a scene, build character and construct a zippy read. His extensive reporting for "Checkmate," including the cooperation of its principals, gives the book a page-turning intimacy. (An author's note specifies that some dialogue "has been reimagined," presumably for dramatic effect.)

The author begins, promisingly, with a surprising and dramatic match-up: On Sept. 4, 2022, in St. Louis, Mr. Niemann—an abrasive but fast-rising talent—is taking on Mr. Carlsen, a five-time world champion, in the Sinquefeld Cup, an "over-the-board" (i.e., face to face) tournament. (Winner's purse: \$350,000.) The 31-year-old Mr. Carlsen, whose "seemingly miraculous abilities elicited the sort of fandom usually reserved for rock stars and professional athletes," is heavily favored. But to nearly everyone's astonishment, Mr. Niemann, the 19-year-old John McEnroe of chess, has put the normally unflappable Mr. Carlsen, playing the white pieces, on the defensive.

Mr. Carlsen hadn't even considered Mr. Niemann a particularly formidable foe. After his unexpected loss, he concludes that his opponent, who seemed distracted throughout the game, was likely cheating. He eventually airs his accusations more directly.

No one knows how Mr. Niemann might have cheated. Could he have had an accomplice secretly conveying perfect computer-generated moves? Online theories abound, including the ridiculous, wildly viral suggestion that Mr. Niemann may have employed vibrating anal beads.

Mr. Mezrich tells the story of the rise of Chess.com, and of Mr. Carlsen's and Mr. Niemann's careers, in flashback. He describes both men as "generational" talents, but Mr. Niemann, for all his gifts, has a past sufficiently checkered to give credence to Mr. Carlsen's allegations.

In 2020, Chess.com had flagged the then-17-year-old's online cheating and issued a temporary ban. But the site kept his six-month suspension quiet. Chess.com's Mr. Rensch had even adopted the role of a mentor, encouraging Mr. Niemann to clean up his act. "I'm the one who cares about your career," Mr. Rensch told Mr. Niemann, who admitted only to very limited cheating.

### Magnus Carlsen hadn't considered his upstart American opponent a formidable foe. After an unexpected loss, he leveled a serious accusation.

Was the leniency of Chess.com this tale's original sin? If a player cheats even in low-stakes matches, what would compel him to play honestly when the outcome really matters?

That is one question raised by "Checkmate." Another involves the problem of conflict of interest. According to Mr. Mezrich, Mr. Rensch regards Mr. Niemann, whose interviews are often punctuated by f-bombs, as "good for chess" and therefore "good for Chess.com." At the time of the disputed Sinquefeld match, however, Chess.com was in the process of acquiring Play Magnus, Mr. Carlsen's chess app. So its loyalties appear to have been divided.

For all Mr. Mezrich's efforts, however, his account of what he terms "the biggest scandal in chess" remains unsatisfying. At its core is a mystery—of what exactly happened at Sinquefeld—that not even this well-sourced author can solve. In part for that reason, his narrative gradually comes to seem padded and repetitive. The general unlikability of his characters—odd ducks motivated by ego, profit or both—doesn't help. It is hard to develop a strong rooting interest in any of them, or to care much about how the whole imbroglio turns out.

After Sinquefeld, Chess.com launches a comprehensive investigation into Mr. Niemann's history on the platform and elsewhere. It finds "undeniable, data-driven proof of an extensive amount of online cheating" and again bans Mr. Niemann from the site. The ensuing report also expresses skepticism about the grandmaster's rapidly improving over-the-board play but finds no proof that Mr. Niemann cheated at Sinquefeld.

Mr. Niemann files a \$100 million defamation lawsuit against Mr. Carlsen, Chess.com, Mr. Rensch and another grandmaster. In a settlement, Mr. Niemann is awarded some money and is allowed back on Chess.com. Eventually, in the book's climactic scene, he faces Mr. Carlsen again in a hybrid tournament, with a digital chessboard, a live audience and extensive security precautions.

By now, Mr. Mezrich himself has made an appearance. "In this story, especially and uniquely, every character had a reason to be an unreliable narrator," he writes. And Mr. Mezrich "would be the first to admit that as a writer, he was perhaps the most unreliable of them all." Not exactly a comforting thought. But it helps explain why "Checkmate" ends, metaphorically speaking, in a frustrating draw.

*Ms. Klein is a cultural reporter and critic in Philadelphia.*

## 'West Bank' Is a Colonial Imposition

By Masada Siegel

I was a CNN intern when I met Gen. Colin Powell at the anniversary meeting of the Joint Chiefs of Staff in 1992. Standing in line, I noticed the man in front of me was trembling.

When my turn came, Powell smiled, extended his hand and said, "Hi, I'm Colin." I laughed and said, "I know."

He was surprised when I told him my name: "I studied the battle, the strategy, the defense, how the fighters on top of the mountain fought against the Romans during the Jewish revolt. Brilliant military strategy."

For several minutes, one of the world's most powerful military leaders spoke to a young intern about ancient Jewish history. He asked how I got my name, and I explained that my mother had been sworn into the Israeli army atop Masada and my parents loved the place. Names matter. History matters. Several state legisla-

tures, including Arizona's, have passed resolutions affirming the use of "Judea and Samaria" and rejecting "West Bank," a modern political term. Last year Rep. Claudia Tenney (R., N.Y.) and Sen. Tom Cotton (R., Ark.) introduced bills to do the same in the federal government.

### The indigenous names Judea and Samaria recognize the places' connection to history.

Masada, in the Judean Desert, is where Jewish rebels chose death over surrender to Rome. It is etched into the national psyche of Israel, along with a vow that the Jewish people will never again be left with no option but defeat.

After crushing the Bar Kokhba revolt in the year 135, Emperor Hadrian renamed the province Syria Palaestina, in-

cluding the Philistines, enemies of Israel, to erase Jewish identification with the land.

The name stuck. My Jewish grandfather, born in Palestine, was considered Palestinian. Before 1948, "Palestinian" referred to the Jewish community as well as Arab people. The name Israel was chosen, in 1948, as it was the ancient biblical name of the Jewish people and the kingdom associated with the land. Especially after the Palestine Liberation Organization was established in 1964, "Palestinian" became associated with Arab nationalism.

Rabbi Pinchas Alouche of Scottsdale's Congregation Beth Tefillah recently testified before the Arizona Legislature: "Language matters, because when you erase names, you erase history; when you erase history, you erase truth; when you erase truth, you delegitimize people; and when you delegitimize people, peace becomes impossible."

In 2024, Toronto adopted

the indigenous names Ockwemin Minising and Bidaasagee Park for new public spaces. Ireland continues to restore traditional Irish names via a 2024 government initiative, the Placenames Committee. Rhodesia became Zimbabwe in 1980, and Swaziland Eswatini in 2018. So too should Judea and Samaria be restored, as these original names also reconnect the land to the history of an indigenous people, including the battle David and Goliath fought in Judea in the Valley of Elah.

Erasing Jewish names from Jewish history is a tactic as old as Rome. It didn't work then, and doesn't work now. Empires disappear, but names endure. And atop my name-sake, every year military recruits are sworn into the Israel Defense Forces and repeat the vow: "Masada shall not fall again."

*Ms. Siegel is a freelance journalist.*

## OPINION

## REVIEW &amp; OUTLOOK

## Bill Pulte and the Too Deep State

President Trump's decision to make housing regulator Bill Pulte the acting director of national intelligence is being widely panned, but perhaps Mr. Trump has an ironic sense of humor: He is showing everyone how useless the DNI and its bureaucracy are for national security.

Mr. Pulte, a housing scion, at least had some qualifications to regulate the government housing giants, Fannie Mae and Freddie Mac. He has no experience with intelligence or national security.

His main appeal to Mr. Trump is that he supports the President's Iran policy and is known for his personal loyalty to Mr. Trump. That's better than Tulsi Gabbard, the recent DNI who resigned in May to attend to her ailing husband. But it was no secret in Washington that Ms. Gabbard, a long-time isolationist, had lost influence in the White House.

Mr. Pulte's main accomplishment at the Federal Housing Finance Agency was making it easier for Fannie and Freddie to guarantee more mortgages for riskier borrowers. He's also the man who dug up the mortgage documents of Mr. Trump's political opponents and referred them to the Justice Department for fraud.

This is the main reason Jerome Powell is staying on the Federal Reserve Board of Governors even after his term as chair ended. This also may backfire on the President if the Supreme Court rules in favor of Lisa Cook, the Fed Governor whom Mr. Trump has sought to fire because of the unproven fraud charge kicked up by Mr. Pulte. As DNI, Mr. Pulte isn't likely to be any less political.

Mr. Pulte's appointment underscores that

the DNI should never have been created. Congress established the position after 9/11 to coordinate intelligence from the FBI and the 16 or so other U.S. intelligence agencies. We argued at the time that it would become another layer of bureaucracy that would tend toward political "consensus" judgments that might harm national security, and so it has.

Its first director, John Negroponte, quickly hired hundreds of people who duplicated the job of the analytical side of the CIA. It's now a vast political bureaucracy. James Clapper, Barack Obama's DNI, was a political partisan credibly accused of misleading Congress about the data the government collected on American citizens. He also contributed to the false Russia-Trump collusion narrative in the 2016 election and 2017 that did so much damage to public trust in government.

The intelligence state is large enough without the DNI. The CIA, the Defense Intelligence Agency and the rest can do the job. In a better world, Congress would use Mr. Pulte's appointment to eliminate the DNI and send its staff back to other agencies. DOGE could have made a valuable contribution if it had looked at the intel world and recommended such a streamlining.

But as readers may have noticed, we don't live in that world. This means CIA director John Ratcliffe and others will have to give Mr. Pulte a crash course in intelligence analysis, how to make sense of competing evidence, and the implications for national security and American foreign policy. Mr. Trump wanted revenge on the deep state, and here it is.

## November Portents From the Primaries

Voters went to the primary polls in several states Tuesday, and while the mail ballots in California are still coming in, it's not too soon to detect a modest backlash against bad progressive governance.

In the race to succeed Gov. Gavin Newsom, with 55% of the vote reporting Republican Steve Hilton had a slight lead over Democrat Xavier Becerra for the two spots on the November ballot. Mr. Hilton would have an uphill battle given California's Democratic tilt. Yet he'll have plenty of material, starting with how the state's high taxes and burdensome regulations drive away businesses and people.

Billionaire Tom Steyer was a more distant third, and his defeat would show again that money alone can't buy love in politics. While the left talks as if elections are for sale, there's a long history of blown fortunes, including about \$250 million Mr. Steyer spent on his 2020 presidential run. Mr. Steyer backs the California wealth tax that's on the November ballot, while Mr. Becerra says he's opposed.

In the Los Angeles mayor's race, incumbent Karen Bass was at roughly a third of the vote, no show of strength. Spencer Pratt, running on a reform agenda, was several points ahead of socialist councilwoman Nithya Raman. The surprising enthusiasm for Mr. Pratt's campaign is about more than AI videos showing him as Batman. It reflects how many residents are angry over the city government's many failures. Mr. Pratt might get five months to make the case that he can fix it.

Further down the ballot, L.A. City Attorney Hydee Feldstein Soto might not make the No-

vember election, since she was more than 10 points behind two challengers. The general election, then, would be a debate between progressive Marissa Roy and the black county prosecutor John McKinney, who wants to return to law enforcement basics. Mr. McKinney is endorsed by L.A. County District Attorney Nathan Hochman, who ousted DA George Gascón in 2024.

Two local tax measures were also underperforming. A measure in San Diego to tax second homes that aren't occupied at \$8,000 a year, soon rising to \$10,000 a year, was well short of a majority. Ditto for a union-backed push in L.A. County to increase the sales tax.

In Iowa, meanwhile, Democrats decisively rejected leftist Senate candidate Zach Wahls, who barely won a third of the vote. The primary victor with 63% was former paralympic champion Josh Turek, a "prairie populist." Mr. Turek could pose a challenge to the GOP nominee, Rep. Ashley Hinson, given the troubles in the farm economy. (See Faith Bottum nearby.)

Two Republican House seats in Iowa and the governorship are also at risk, owing to tariffs and inflation. Democrat Christina Bohannon will face off for the third time against GOP Rep. Mariannette Miller-Meeke, and more voters cast ballots for Democrats than Republicans in the First District—a bad sign for the GOP.

In the gubernatorial race, Republican farmer and businessman Zach Lahn's win over Trump-endorsed Rep. Randy Feenstra is another sign of farm-belt discontent. If Republicans lose the House and Senate in the fall, Iowa could be ground zero.

As soon as Mr. Digwa alleged racism, the police apparently lost the capacity for simple detection such as determining who at a crime scene has been assaulted and who hasn't been. It's the latest in a string of such cases. Among other instances, police and other officials across the country for years ignored Pakistani rape gangs for fear

of being perceived as racist. The response to the Nowak murder is also stoking public anger. Prime Minister Keir Starmer wants to retreat into official inquiries to avoid political accountability for policies on racism that contributed to the tragedy. Conservative Party Leader Kemi Badenoch, who is black and has little patience for the diversity-industrial complex, is trying to take a "keep calm" approach. In Wednesday's Prime Minister's Questions in parliament, she grilled Mr. Starmer on . . . welfare reform.

That leaves the field to insurgent politicians. Nigel Farage of Reform UK on Tuesday morning delivered a speech about "two-tier Britain" in which minority groups including immigrants receive preferential treatment relative to white citizens. He suggested that Britons should respond to this situation with "pure, cold rage." Protesters in Southampton, where Nowak was murdered, apparently agree. They clashed with police Tuesday evening.

This has led other politicians to round on Mr. Farage. Ms. Badenoch accused Mr. Farage of "rabble-rousing," adding "we don't need rage." Mr. Starmer on Wednesday said this is a time for "serious work, not rage," whatever that means. But Henry Nowak's murder is legitimately enraging. Britain's social and political tensions grow worse the longer its leading politicians deny reality.

## The director of national intelligence is a useless job and bureaucracy.

## Voters in California and Iowa show unhappiness with the status quo.

## Police arrested and let a white victim die while believing his Sikh killer.

## LETTERS TO THE EDITOR

## Can Experts Rid Themselves of Groupthink?

Kevin McCaffree and Colin Wright identify critical challenges for academe in their op-ed "A Way to Challenge the Groupthink of Scholarly Journals" (May 28). Consider these five additions to their blueprint for addressing the crisis in academic research:

First, identify authors of research as institutions—not individuals. This forces department chairs, deans, provosts and research vice presidents to own the veracity of every proposed publication. Existing oversight frameworks have proven woefully inadequate.

Second, require data sharing and replication prior to publication where reasonably feasible. If done properly this would be only a minor delay. Moreover, it would offer a powerful endorsement of the veracity of the research findings and, of course, reduce the growing number of retractions.

Third, publish research that meets the criteria of relevant research—studies that answer questions that are timely, describe real problems, for which answers aren't obvious, and for which findings are operationally valid.

Fourth, limit the publication of frivolous research. Shockingly little of the research published by academics is ever cited. Yet many universities continue to reward publication based on quantity, not quality.

Fifth, meaningfully reward peer review in both pre- and post-tenure evaluations. If the "closed system that

protects shoddy and politically motivated research" is to be improved, efforts to challenge falsehoods must be appropriately awarded.

CHARLES CRESPIY  
Dean emeritus  
Central Michigan University  
Mount Pleasant, Mich.

A nonscientific layman like me would think that the scientific community would already have mechanisms like this in place. But, alas, human nature is apparently stronger than so-called honest expertise, even among scientists. I guess that once again proves that the Founders knew more than progressives like Woodrow Wilson did about how to govern our institutions. Having truly unbiased experts in anything is possible, but whether in government or even science, human nature too often gets in the way.

PATRICK G. BROWN  
Orlando, Fla.

I have stopped reading the peer-reviewed journals in my field because they are nearly all of the same cloth. The articles in the journals seem to reflect the political and intellectual preferences of the in-group rather than a range of ideas, viewpoints and ways of researching.

GAETANO A. LAROCHE, Ed.D.  
New York

## The Market Has Spoken: E15 Is a Net Positive

Regarding your editorial "An Ethanol Extortion Play" (May 11): When we talk with our constituents, we hear about high gas and diesel prices. We have a solution that will bring down fuel prices for Americans: E15 fuel, 15% ethanol, 85% gasoline. Legislation allowing year-round, nationwide sales of E15 has bipartisan support in the House and Senate. Opponents, the most vocal of which are a handful of oil refineries, are trying to stop it. Your editorial mirrors their misguided talking points.

Expanding E15 availability lowers gas prices by 20 to 40 cents per gallon on average. That could mean around \$400 per year in savings for a U.S. household—precious dollars that could be spent on other needs.

E15 has been in the marketplace by presidential waiver for eight

years. In that time, not one refinery has closed because of E15 availability. And, for all the talk of smog worries, data from Growth Energy shows E15 reduces smog-forming pollutants. Likewise, despite concerns voiced in some quarters, existing fuel infrastructure can be used for E15, just as it can for the E10 fuel Americans usually buy.

The market has spoken: E15 is a net positive. We know E15 will lower prices at the pump, and we're committed to providing affordable options for families. Securing year-round, nationwide E15 is at the forefront of our agenda.

SENS. CHUCK GRASSLEY (R., IOWA), JONI ERNST (R., IOWA), DEB FISCHER (R., NEB.), PETE RICKETTS (R., NEB.) AND ROGER MARSHALL (R., KAN.)  
Washington

## There Is No Greater Threat to Our Republic

Regarding your editorial "Democrats Promise to Wreck the Court" (June 1): There's been a great deal of talk about threats to our democracy, which is curious since we are actually a constitutional republic. The genius of the United States lies in its Constitution. It was intentionally structured to frustrate the unbounded ambitions of the political class in order to protect our liberties. As such, the Constitution is resented in some quarters as an impediment to power. Attacks on the Supreme Court are thinly veiled attempts to remove this impediment—to make the Constitution malleable and subject to the whim of the majority party. There is no greater threat to our republic.

JIM REARDON  
Glen Allen, Va.

The solution is actually quite simple. President Trump should tell the Democratic leadership that their idea for four additional Supreme Court justices has

## Fraud for Fluffy and Fido

Regarding Megan K. Jacobson's op-ed "The Taxpayer's Kitty Will Subsidize Yours" (June 1): It isn't a stretch to imagine that a lot of fraud would arise from a tax credit for New York pets. Just adopt an older dog for a couple of years; how will Albany know when he passes away? Better yet, adopt a dog and name him Maximus Decimus Meridius, and share him with your two neighbors, each using a different part of the name. One dog, three payouts!

BESSIE MONTESANO  
Myrtle Beach, S.C.

merit, especially in light of the fact that there are nine Justices for 13 circuits. Unless a pledge is made by senior Democratic leadership not to institute this maneuver if they capture the House, then the president will himself immediately add four justices to the high court. Then the Democrats would have to add eight justices to accomplish their goals.

JAY A. GOLDSTEIN  
Newton, Mass.

Why limit the number of justices to 13? Why not two for every state or one for every congressional district? The more the judiciary looks like Congress, the greater the gridlock. The greater the gridlock, the less important legislating becomes and the more time Congress can spend with lobbyists and campaigning.

FRANK WIEGAND  
Norfolk, Va.

To the skeptical independents who don't believe the Democrats would go that far and to the Democrat dissemblers, I say: Look at the Wisconsin Supreme Court. Wisconsin might as well not have a legislative body.

BILL DEMIS  
Cypress, Texas

## Climate Satire or Reality?

Your editorial "China Cooks the Carbon Emissions Books" (June 1) was scooped by the Onion in 2014: "China Vows to Begin Aggressively Falsifying Air Pollution Numbers."

WILLIAM BRADEN  
Providence, R.I.

## Free Expression

From WSJ OPINION

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## Pepper ... And Salt

THE WALL STREET JOURNAL



"It's not the best foie gras with fig confit I've ever had, but it'll do."

## OPINION

## What the U.S. Has Accomplished in Iran

By Condoleezza Rice

The war against Iran has been a limited war, and its outcome is likely to be inconclusive. But it has achieved enough to produce a far better Middle East.

The three-month military campaign degraded Iran's ability to project power by significantly damaging its conventional forces, missile stockpiles and proxies.

It drew America, Israel and the Arab states closer together through defense cooperation and intelligence sharing. In this regard, Israel has never been more secure. Israel responded furiously to the terrorist attack of Oct. 7, 2023, and pummeled Iranian proxies, including Hezbollah and Hamas, that threaten its population. Securing international support

**The regime is much weaker, and time is on the side of the U.S. and its allies that want a more stable region.**

for its continued efforts to deal with that threat remains a diplomatic hurdle for Jerusalem. But many Arab regimes no longer question Israel's legitimacy; instead, they seek the benefits of technological and economic cooperation with Israel. Modernization is their strongest motivation.

The war demonstrated that the Iranian regime's leaders were physically vulnerable to U.S. military power and allied intelligence. It also showed that although Iran can close the Strait of Hormuz, that leverage is

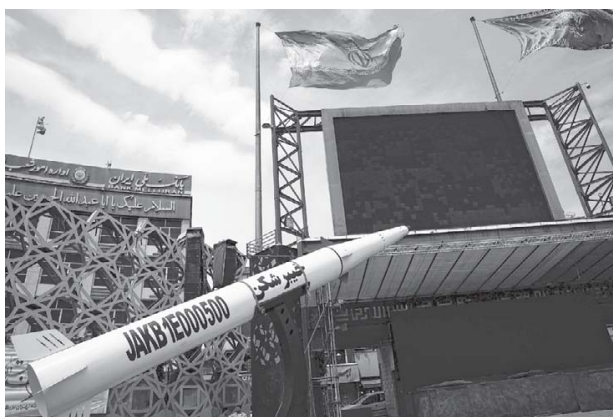
limited, as the U.S. blockade confronted Iran with the prospect of severe economic damage in return.

The war also had global implications. It showed that China is no friend of the Arab world, as Beijing watched from the sidelines as Iran attacked the economic infrastructure of the region. Ukraine, which used its advanced defensive capabilities to support the war effort against Iran, demonstrated that it is an asset to the U.S. and its allies. Given the mounting strategic losses for Russia—Syria, Venezuela, possibly Cuba and on the battlefield in Ukraine—this is the time to press the advantage on behalf of Kyiv.

Most important, along with Operation Midnight Hammer last June, Operation Epic Fury set back Iranian nuclear ambitions significantly. It will be a long time before Iran can build a viable nuclear weapon.

Yes, there are large stockpiles of highly enriched uranium somewhere in Iran, but this is a problem for the future, not today. Even if the uranium is at 60% enrichment, a fairly short technical step away from weapons grade, taking that final step is virtually impossible today. To reach weapons-grade—93% or higher—the material must be spun in sensitive centrifuges that are subject to breakage. It is hard to imagine that Iran's centrifuge cascades survived the intense bombing. The Iranian conversion facility, without which one can't make a bomb, was destroyed. Its A-team of nuclear scientists has been eliminated.

In sum, Iran is far weaker today than it was in February. No amount of Iranian propaganda can mask this reality. America's near-term goals should be to keep it in that weakened state, to strengthen the region's po-



Iranians display a mock-up of a missile in Tehran.

litical realignment, and to make certain that President Trump's promise that Iran will never possess a nuclear weapon is fulfilled.

The U.S. doesn't need a nuclear agreement with Iran to achieve these goals. But once the Strait of Hormuz is opened, if the administration engages in nuclear negotiations, it's critical that the following conditions are maintained:

Not a single penny of frozen assets or sanctions relief should go to Tehran. Under the Joint Comprehensive Plan of Action, Iran used the money to rebuild its capabilities and those of its proxies. It would do so again.

The U.S. must maintain military readiness in the region and the will to attack again if the Iranians begin to rebuild their nuclear infrastructure or missile capabilities. We should publicly expose any Russian or Chinese efforts to help the regime rebuild these capabilities. Additionally, the

lessons of the war should spur deeper defense—technological and intelligence cooperation with allies in the region, particularly concerning asymmetric warfare in the age of drones.

The international community should again reaffirm the dangers of a nuclear Iran. Our European allies have behaved shamefully, standing by as the U.S. dealt with growing Iranian capabilities and Iran attacked regional powers. Our allies need to re-engage with us, and we with them. Iran isn't only our problem. It isn't only an Israeli problem. The United Nations Security Council between 2006 and 2010 passed five resolutions declaring Iran's nuclear ambitions under Chapter VII an "action with respect to threats to the peace, breaches of the peace, and acts of aggression." The next time our European friends are inclined to say that conflict with Iran is "not our war," they should reread those resolutions.

## Trump's Republicans Reap Voter Discontent in Iowa

By Faith Bottum

Harvesters flying defiant Trump flags. Hats, green as a John Deere tractor, emblazoned with the motto "Make Our Farmers Great Again." Hay bales spray-painted with campaign messages. The American heartland has long been Donald Trump's base of support. He carried the rural vote by 40 points in 2024, more than in 2016 or 2020.

That was a rural swell of outrage against coastal elites and their grievance politics. It left the Republican heartland advantage contingent on policies that are good, or at least not too bad, for the heartland. "You see it in the numbers of farm bankruptcies," says Aaron Lehman, 58, president of the Iowa Farmers Union. "You see it in the number of calls to farmer hotlines." There's a crisis in rural America, and "farmers are really financially in a tight spot."

Natural Trump supporters—people like Mr. Lehman, a fifth-generation farmer, whose votes Republicans ought to be harvesting like corn every Election Day—worry that the GOP has begun "to forget rural voters." The Iowa primaries were held on Tuesday, and Republicans face an uneasy November in places where they

shouldn't have to worry—beginning with Iowa, a state Mr. Trump carried by 13 points in 2024.

Maybe this is why Vice President JD Vance visited Iowa's Third Congressional District last month to support Zach Nunn, who ran uncontested in this week's primary. "We know that under the Biden administration Iowa farmers and farmers all over the United States of America were hit, and they were hit hard," Mr. Vance said. "We also know that a lot of farmers are struggling with high fertilizer prices. . . . We're working on it."

Voters don't seem to be buying that pitch. Iowa is one of the most farming-dependent states, with roughly 90% of the state's land dedicated to agriculture. More than 96% of Iowa farms are family-owned. The farm economy is suffering under inflation, high interest rates and tariffs. Iowa farm bankruptcies more than doubled in 2025. Iowa's net farm income is forecast to drop 25% in 2026.

In part that's because the state is heavily dependent on agricultural exports. Retaliatory tariffs are leading buyers to switch to other countries' products, depressing prices of Iowa-grown produce.

Tariffs have also increased farmers' costs, from equipment to fertil-

izer. "Prices have been going up for pesticides, for seed, for machinery," says Mr. Lehman. And the Iran war has driven fuel prices up.

All this gives Democrats a chance in Iowa. The most consequential race is for the U.S. Senate, where Republican Joni Ernst isn't seeking re-election. Iowa could end up tipping the majority to the Democrats.

**Farmers are paying the price for inflation, high interest rates, and U.S. and retaliatory tariffs.**

The primary victors are Republican U.S. Rep. Ashley Hinson and Democratic state Rep. Josh Turek. Ms. Hinson has endorsements from President Trump, Senate Majority Leader John Thune and Gov. Kim Reynolds. Mr. Turek, a two-time Paralympic gold medalist for the U.S. men's wheelchair basketball team, is campaigning on "commonsense prairie populism." In any other year, Ms. Hinson would be the prohibitive favorite in November, and she's still likely to win. But one April poll had

Mr. Turek ahead, 46% to 45%.

A measure of the contest's importance is its cost. The Democrats' Senate Majority PAC already plans to spend \$13.4 million on television ads targeting Ms. Hinson. The Republicans' Senate Leadership Fund intends to spend at least \$29 million.

An upset in the GOP governor's primary gives a sense of how frustrated growers are in Iowa. A businessman farmer, Zach Lahn, edged out Rep. Randy Feenstra, who had Mr. Trump's endorsement. He will face the Democratic state auditor, Rob Sand, who ran unopposed. Mr. Sand, who is predicted to win the general election in prediction-market polling on Kalshi, was the only Democrat elected statewide in Iowa in 2022.

Two challenges to GOP House incumbents also bear watching. In the First District, Democratic former state Rep. Christina Bohannon will face off against Rep. Mariannette Miller-Meeke for the third consecutive election. In the Third, Democratic state Sen. Sarah Trone Garriott takes on Rep. Zach Nunn. Democrats hope for an upset in the open Second District, where Republican former state Rep. Joe Mitchell faces Democratic state Rep. Lindsay James. Across the country a common

theme of the midterm elections is a cry against the establishment. The hard part for Republicans is that MAGA has become the establishment. Republicans control the presidency and both houses of Congress. Mr. Trump's endorsement often translates into victory in Republican primaries. But that didn't work in the Iowa governor's primary—likely because voters blame GOP officeholders for the farming crisis.

A president's party usually loses ground in a midterm election, and it's a sign of a rough cycle when the GOP has to spend serious money in Iowa. Still, it's early days. The election is five months away, and voters tend to come back to their party in general elections.

Of the roughly two million voters across 99 counties in Iowa, about 36% are registered Republicans, compared with 35% independent and 27% Democrats, according to the Independent Voter Project. "Farmers get frustrated," Mr. Lehman says, but he adds, "We love to grow things for our community, for our state, for our country." That attitude may bring frustrated Iowans back home to the GOP in November.

Ms. Bottum is an assistant editorial features editor at the Journal.

Ms. Rice is director of Stanford University's Hoover Institution. She served as U.S. secretary of state, 2005-09.

## The CDC Is Protecting Americans From Ebola

By Jay Bhattacharya

As a new Ebola outbreak unfolds in Africa, the U.S. is moving swiftly to protect Americans and help contain the virus.

On May 15, Congo reported a serious Ebola outbreak, with initial reports disclosing more than 80 fatalities and hundreds of suspected cases. This suggests the outbreak had been spreading undetected for months. In the city of Bunia, three American doctors—medical missionaries—were exposed to Ebola patients and faced a high risk of infection. One reported symptoms consistent with early Ebola disease.

As acting director of the Centers for Disease Control and Prevention, I helped oversee a swift response. A whole-of-government operation immediately transported the missionaries to a hospital where they could quarantine and receive advanced medical care if needed. The departments of State, Defense, Homeland

Security and Health and Human Services worked with the White House to coordinate their care. The U.S. secured agreements with Germany and the Czech Republic to provide treatment in Europe, avoiding risky trans-Atlantic travel for a critically ill patient. The sick doctor received a monoclonal antibody treatment secured by HHS during transport and intensive care on arrival. He credits this rapid response with saving his life.

This is the 17th Ebola outbreak in Congo since the virus was first identified there in 1976. In every recent outbreak, including this one, CDC has played a central role in helping contain the disease. This response has relied on expert CDC staff stationed locally to provide proven tools for stopping Ebola outbreaks, including testing, contact tracing, and technical and epidemiological support.

This outbreak wasn't detected earlier because of a combination of diagnostic and security challenges. The

rare Bundibugyo strain circulating in Congo wasn't reliably identified by most available Ebola tests, which were designed to detect the more common Zaire and Sudan strains.

While the risk to the American public remains low, Ebola is dangerous. Early symptoms include fever and fatigue; later stages may involve diarrhea, vomiting and unexplained bleeding. Transmission before symptoms develop is unlikely, but symptomatic patients—particularly those with later-stage disease—can spread the virus through contact with bodily fluids. Medical workers and family care givers are at greatest risk. Symptoms can appear up to 21 days after exposure.

The U.S. is moving aggressively to address this outbreak with three primary aims. First, prevent Ebola from being imported into America. DHS and HHS quickly restricted travel from Congo, Uganda and South Sudan, where cases have been reported. Requiring aliens traveling from these

countries to spend at least 21 days elsewhere before entering the U.S. will greatly reduce the risk of importation. We also secured an agreement with Canada and Mexico to implement similar restrictions across North America ahead of the World Cup.

**Unlike the Covid response, the CDC's measures are scientifically justified and tailored to containment.**

Second, provide care for Americans in the affected region who develop Ebola. To accomplish this goal, we are sending U.S. Public Health Service officers, including doctors experienced in treating Ebola, to a new facility in Kenya. The Pentagon has been instrumental in establishing this facility within days. The facility provides a location to quarantine Ameri-

## Notable &amp; Quotable: Platner

Bill Scher writing for the Washington Monthly, June 1:

If you are a Maine Democratic primary voter . . . who believes either [Gov. Janet] Mills or [David] Costello would be more likely to beat Senator Susan Collins than the guy who spewed racist and misogynist rhetoric online, blamed women for getting raped, mocked a Purple Heart recipient for getting shot on the battlefield, has a profile on a notorious messaging app and was using it to sext behind his wife's back last year, then there's no harm in ranking them number one and number two, in

whatever order, on your ranked choice ballot.

Of course, if you believe Platner is the better candidate on the merits, then double down! Matt Stoller, the populist commentator, argued on X, "I like that he's messy. The rule following perfect resume ladder climbing Harvard law grads are the actually [sic] lizard people creeps." That strikes me as a wee bit of a broad brush to paint Platner's opponents. Neither Mills nor Costello even went to Harvard anyway (unlike Stoller, albeit as an undergrad). But regardless, voters who trust Platner can and will win should stand by their man.

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## OPINION

## The Washington Post

AN INDEPENDENT NEWSPAPER

## EDITORIALS

## Government ownership is a path to poverty

SEN. BERNIE SANDERS (I-Vermont) doesn't want the artificial intelligence industry to exist. But if it has to exist, he wants the government to own it.

Sanders last drew attention for his proposal to ban the construction of data centers, which would effectively stop AI progress by limiting the computing power available. This week, he is calling for the government to own 50 percent of AI companies.

It would be easier to dismiss his ideas if they weren't partially built on bipartisan consensus. President Joe Biden's aides explored and President Donald Trump issued an executive order about the creation of a sovereign wealth fund. Sanders is calling his bill the American A.I. Sovereign Wealth Fund Act.

While there isn't an official sovereign wealth fund yet, the government has taken or is planning to take ownership stakes in 22 corporations under Trump so far. The president brands his actions as "investments," and Sanders brands his as a tax. The effect is the same.

One of the reasons that these geysers of wealth spout off in the United States is that investors and entrepreneurs are confident that the government will not do exactly what Sanders and Trump seem so keen to do. Fortunately, Sanders's proposal has no chance of becoming law, and Trump's actions so far have not dissuaded investors that capital in general is safe from government expro-



Sen. Bernie Sanders (I-Vermont) at the Capitol on Monday.

propriation in America.

Sanders and Trump both believe that government ownership is in the public interest. Trump frames it as an opportunity for taxpayers to make money; Sanders frames it as a way to pay for welfare programs. But they both act as though government serves the people when it buys into private corporations.

The truth is, the democratization of stock ownership — made possible by greedy capitalists competing with each other and driving transactions costs to near-zero — has made it easier than ever for the masses to share in the gains from titans of industry.

The people can already purchase shares of stock in the companies driving the AI revolution such as Microsoft,

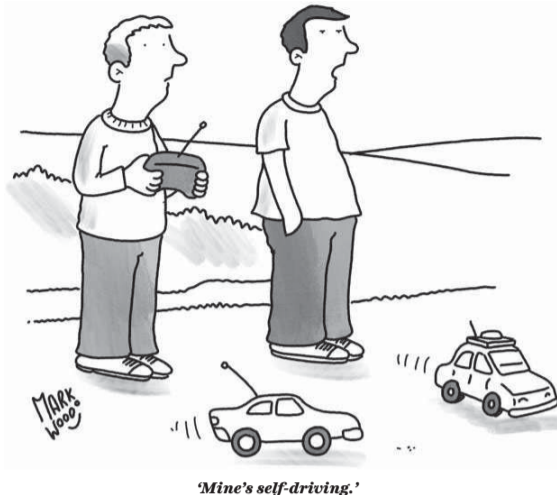
Alphabet, Nvidia, Apple, TSMC, Meta, Micron, Broadcom, AMD, ASML, and Amazon, where Post owner Jeff Bezos is executive chairman. Soon they'll be able to do the same for Anthropic and OpenAI.

It's also far from a foregone conclusion that these companies will continue to dominate AI in the long run. The industry is extremely competitive, and some companies will fall behind while new ones rise up. In the early days of personal computers, Wang Laboratories and Commodore were major players, mostly forgotten. The names of some of the AI companies that seem unbeatable today are going to ring like AOL or Yahoo in ears of the future.

And the benefits that businesses provide far exceed the returns they generate to ownership. Most Ford drivers don't own shares of Ford, but they receive the benefits of having a car. Someone whose cancer is detected earlier thanks to AI-enhanced radiology doesn't have to own any stock in an AI company to reap the benefits of the technology.

Central planning, which is where government ownership of corporations inevitably winds up, is a surefire way to destroy wealth, not create it. The preferences of politicians are substituted for the preferences of customers, and markets are frozen and managed rather than being allowed to develop and flourish organically. That's true no matter what the intentions of the politicians.

## DRAWING BOARD



MARK WOOD/THE SPECTATOR

## LETTERS TO THE EDITOR

## I admit that, when it comes to data centers, I'm a NIMBY

Regarding the May 31 Business article "In Va., artificial intelligence has material impacts":

Although pollution and water use are key issues in the proliferation of data centers in Virginia, I'm also bothered by the potential loss of farmland and green space in my area. I've seen Northern Virginia's giant data centers, and I don't want them here in the Blue Ridge. While I'd like for America to stay ahead of China in the artificial intelligence race, I'll admit that, in this case, I'm a NIMBY.

I'm surprised that none of the tech giants mentioned in the article have yet devised ways for their data centers to be more self-sufficient and less impactful on nearby neighborhoods. Improvements such as capturing and cleaning dirty emissions, recycling and reusing water, and even surrounding the centers with trees to soften their appearance and dampen the noise would be helpful.

Data centers may be unavoidable, but they needn't be destructive.

Jan T. McCarthy, Keswick

## Data infrastructure is essential

David A. Deptula's June 1 op-ed, "An overlooked key to national security is at risk," was right: Data infrastructure is now as essential to American military power as runways and aircraft carriers. The United States' ability to deter China, win the artificial intelligence race, strengthen its military and protect its digital systems depends on America having the infrastructure to store, process, move and secure information at speed and scale.

Data centers are also engines of local prosperity. They create years of construction work for electricians, pipe fitters, operators and skilled trades workers. They generate long-term tax revenue for schools, roads and first responders. They often help finance improvements to the electrical grid that many communities desperately need. And they give states, counties and towns a stake in the industry that will define the next generation of the United States' economic strength.

That does not mean rubber-stamping every project. Communities should ask serious questions about energy, water, noise and ratepayer protection. But the goal must be to shape these projects to deliver more local benefits, not block them altogether.

China is not pausing its AI build-out. America cannot answer that with a patchwork of local bans and reflexive opposition.

The choice is not between national security and local prosperity. Done right, data centers advance both.

Doug Kelly, Columbus, Ohio  
The writer is the CEO of the American Edge Project.

David Deptula's op-ed rightly highlighted how critical digital infrastructure is to America's military readiness. As a retired brigadier general, I share his concern that bottlenecks in building this capacity could leave our forces at a dangerous disadvantage. However, the United States cannot ignore the concrete foundations that make digital infrastructure possible.

Nearly every data center project starts with cement and concrete for hardened buildings, secure server halls, advanced cooling infrastructure and essential transit roads. The American Cement Association estimated last year that roughly 1 million metric tons of cement will be needed before 2028 to meet projected data

center growth, on top of surging demand for energy and transportation. Yet, America imports more than one-fifth of its cement while domestic production is chipped by plant closures, foreign oversupply and regulatory barriers that slow modernization.

If the United States treats data centers as a national security priority — and it should — then it must also secure the U.S. cement supply chain that underpins them. Policymakers should recognize cement as a critical infrastructure input, strengthen "Buy America" preferences for core projects, and fast-track permits and incentives for U.S. plants to modernize and expand capacity. Failing to do so risks building a 21st-century digital fortress on shaky, foreign-dependent foundations.

John Teichert, Annapolis  
The writer is a spokesperson for American Foundations.

## Should nonprofit hospitals be taxed?

Scott Hodge's May 29 Friday Opinion essay, "This \$1.3 trillion industry deserves to be taxed," made some controversial points. The nonprofit teaching hospital has always accepted all patients regardless of their ability to pay, trained future physicians and other health care providers, and developed new advances in medicine through funded research. In addition, it is responsive to community needs through advocacy efforts. The more recent higher salaries of hospital CEOs perhaps reflect the competitiveness of recruiting capable leadership but do seem out of place from what one might expect from a nonprofit institution.

The idea that an institution such as Children's National, where I spent most of my 44-year career, should not have a tax-exempt status is concerning. Each year, Children's National provides more than \$159 million in uncompensated care. D.C. is lucky to have it.

Larrie Greenberg, Washington  
The writer is a professor emeritus in pediatrics at the George Washington University School of Medicine and Health Sciences.

Scott Hodge argued that nonprofit hospitals should pay taxes based on their nominal contribution to charity care, which is the basis of their tax exemption. There is another way hospitals might not be paying their fair share of taxes. As was reported by the Baltimore Banner and Maryland Matters, there is a dispute over whether nonprofit hospitals should have been paying taxes for captive insurance which is a for-profit venture. That is when a company forms its own insurance company to help cover claims not covered by commercial insurance.

A whistleblower recently warned that the hospitals are getting "a massive tax savings," and estimated that "at least \$1.8 billion" is sitting in offshore accounts in the Cayman Islands without being taxed. Taxing the hospitals for captive insurance could provide additional money that is much needed in Maryland's tight budget environment. The Maryland Hospital Association suggested the captive funds were needed in case the hospitals got sued. But any American could make the same, thin argument to avoid paying their own taxes.

Maryland legislators should not allow the hospitals to avoid paying these taxes. They should instead focus on improving the quality of care for Maryland's hospital patients.

Anna Palmisano, Rockville  
The writer is the director of Marylanders for Patient Rights.

## Lessons from Trump's National Guard experiment

PRESIDENT DONALD TRUMP has often claimed credit for D.C.'s recent drop in crime, going so far as to say that his surge of National Guard troops to the nation's capital was able to "solve the problem." Many Democratic politicians see nothing but a waste of resources that accomplished nothing.

A recent analysis by the Niskanen Center shows that Trump and his critics both exaggerate their cases, and D.C.'s experience has important lessons to offer other cities.

The report found that while the sudden increase in uniformed individuals on D.C. streets last summer had no detectable impact on violence, it reduced by 24 percent opportunistic crimes such as theft and vehicle break-ins. More important than the deployment, however, have been proactive enforcement strategies by D.C. police to prevent serious crimes.

Some may resist the finding that the National Guard deployment was effective

in reducing crime. Crime was already dropping in D.C. before troops arrived, and they were largely limited to areas saturated with tourists, not neighborhoods with the highest crime rates.

But the numbers are clear: Property crimes clearly plunged in the weeks following the deployment, much faster than they were falling beforehand. The report also found that gunshot detections fell considerably after the National Guard arrived, as did 911 calls.

This isn't to say that the deployment, which cost \$185 million last year alone, was an efficient use of tax dollars. The report estimates that the average daily cost of a Guard member in D.C. was \$607, compared with \$384 for a D.C. police officer.

But the natural experiment does support the well-established maxim that greater visibility of law enforcement officers prevents crime. That's a reputation of the movement to shift resources from cops toward social services.

The report also challenges the notion

that increasing the head count of officers should be the top priority. More important is how they are deployed. The size of D.C.'s police force, around 3,144 officers, has fallen to a 50-year low. Yet crimes have fallen despite that trend.

The researchers believe that this was largely due to the Metropolitan Police Department's efforts to use its increasingly limited resources strategically. It dramatically ramped up enforcement of drug and traffic crimes and went after people who violated the conditions of pretrial release or parole. The goal was to stop more serious crimes before they happened.

D.C.'s success is critical because while recruiting more police officers will be essential in the coming years, cities will continue to struggle filling their ranks given the nationwide shortage of police. Flooding streets with armed patrols, as Trump has done, simply may not be sustainable or attainable, even if it is effective. Investing in evidence-based strategic enforcement will be crucial.

## Unions held Massachusetts schools hostage. Now the bill has come due.

TEACHERS UNIONS in deep-blue Massachusetts have been quite successful in juicing their members' compensation in recent years. But now that the bill is due, some policymakers are having to raise taxes, and in the worst cases, cut district budgets and lay off educators.

Coming out of the pandemic, school districts across the Bay State struggled with teacher strikes. In some cases, the protests shut down classes for more than a week. Districts caved to demands for pay hikes and more generous benefits, despite the state experiencing falling public school enrollment. At the same time, districts are experiencing rising costs, including for health care and special education.

Just a couple of years after the picket lines, several districts now face budget shortfalls and the prospect of layoffs.

Consider Marblehead, a town of about 20,000 people, which agreed to pay raises in 2024 after an 11-day teacher strike. Less than two years later, the school system must cut at least \$1.7 million and trim over a dozen jobs.

The expensive contract has contributed to the town's \$77 million budget deficit. Massachusetts state law limits local tax increases to 2.5 percent a year unless voters pass a referendum to by-

pass the cap. Next week, Marblehead residents will choose between voting to override the limit on tax increases or cut dozens more municipal jobs.

Sometimes even an override isn't enough. In Brookline, which had a one-day teacher strike in 2022 that ended with a pay raise, voters overwhelmingly approved a tax increase last month that will bring in an extra \$23 million, including \$18 million for the schools. The vote helped stave off hundreds of teacher layoffs and cuts to the fire department. Even still, the district will still be forced to cut some school jobs.

"Not only did these unlawful strikes add to the already historic student learning loss after the pandemic," said Jim Stergios, the executive director of the Pioneer Institute, "but over the long term jeopardized the jobs of rank-and-file teachers and local municipal budgets."

Indeed, it's illegal for public-school employees to strike in 37 states, including Massachusetts. But union bosses calculate that the resulting fines or civil penalties are worthwhile because of the massive financial gains from holding hostage the education of the state's children.

In some cases, just the threat of a protest was enough to eke out major

concessions. Last March, the Boston Teachers Union called off a protest at Mayor Michelle Wu's State of the City address after reaching an agreement to raise salaries and add \$181 million in school spending — even as the district saw a sharp decrease in enrollment. This year, city officials have floated being forced to cut as many as 400 jobs. In February, the Boston superintendent said that "collective bargaining costs" are part of the district's budgetary challenges.

Max Page, the outgoing president of the Massachusetts Teachers Association, has said that the issue isn't higher costs — it's "that there's not enough money in state coffers and the state is not spending enough to support our public schools."

But Massachusetts has the fifth highest average teacher salary and per pupil spending in the country, according to the National Education Association. Meanwhile, California ranks first for salaries and 16th for student spending, despite bad outcomes for too many students.

Governing is about trade-offs, and too few politicians have been willing to make them. Public employee unions are always going to demand more. They may not care where the money comes from, but taxpayers should.

## OPINION



BRYON HOULGRAVE/AP

Iowa state Rep. Josh Turek after winning the Democratic nomination for U.S. Senate on Tuesday.

## Trump lost one, Democrats dodged some: Tuesday had lessons for everyone

BY HENRY OLSEN

The six state primaries Tuesday brought few surprises but taught two important lessons: President Donald Trump is not omnipotent within the Republican Party, and the Democratic Party still faces a potent revolt on its left flank.

In Iowa, Rep. Randy Feenstra appeared to have the GOP gubernatorial nomination locked up when he received Trump's endorsement late last week. Though the most recent public poll had shown Feenstra two points behind farmer Zach Lahn, with many undecideds, Trump's record of smashing his opponents to smithereens prompted most observers to expect a Feenstra victory.

Instead, Lahn narrowly held on. He carried the vote-rich Des Moines metropolitan region and made significant inroads into Feenstra's base in northwestern Iowa. That was just enough to allow him to overcome Feenstra's strong showing in the eastern and far southwestern parts of the state.

Lahn's victory was striking in part because he was not running as just another MAGA Republican. His campaign explicitly invoked Make America Healthy Again themes — playing to that offshoot of MAGA — and he emphasized education and protecting family farms rather than the strong anti-immigrant and cultural messages that tend to dominate modern GOP primary campaigns. In short, he offered a distinct, non-MAGA reason to vote for him — and won with it.

That should be instructive to future Republican campaigns. Candidates with compelling, thoughtful agendas that deviate from the Trump playbook can gain support even in today's Republican Party. Trump's endorsement is key when all the candidates are running variations of MAGA doctrine. After all, who better to determine who's more MAGA than the MAGA master himself? But candidates who run au-

thentically as themselves can still find fertile ground elsewhere.

On the Democratic side, the establishment had a pretty good night. In Iowa, its preferred candidate, state Rep. Josh Turek, beat progressive Zach Wahls for the party's nomination to succeed retiring Sen. Joni Ernst (R). Former Navy helicopter pilot Rebecca Bennett — labeled by some a political clone of New Jersey Gov. Mikie Sherrill (D) because of their similar military backgrounds and centrist beliefs — dispatched three competitors in New Jersey's swing 7th Congressional District. San Francisco County Supervisor Connie Chan, former House speaker Nancy Pelosi's choice to succeed her in California's 11th District, finished second to advance to the November runoff over New York Rep. Alexandria Ocasio-Cortez's former chief of staff, Saikat Chakrabarti. Chan will face state Sen. Scott Wiener, another Democrat, who was the top vote-getter.

In the day's most high-profile contests, the California gubernatorial and Los Angeles mayoral primaries, the Democratic establishment looks likely to get its preferred results. With almost 60 percent reported in the slow-counting state, former health secretary Xavier Becerra was well ahead of progressive billionaire Tom Steyer. Steyer also trailed Republican Steve Hilton for the other slot in the general election, likely giving Becerra the blue vs. red matchup he wants. Los Angeles Mayor Karen Bass also topped her progressive challenger, city council member Nithya Raman, and appears on track for a November runoff with reality TV star Spencer Pratt, who was in second place with about 65 percent of votes counted in the jungle primary. Pratt is a registered Republican running as an independent.

Progressives can nonetheless take heart from Adam Hamawy's victory in New Jersey's safely Democratic 12th District. Hamawy distanced himself from

the pack in the 13-way race, beating his nearest competitor by 13 percentage points. Hamawy has been criticized for appearing as a defense witness in the 1995 trial of Sheikh Omar Abdel Rahman, the Islamic militant who inspired the 1993 bombing of New York's World Trade Center. But he was endorsed by Sen. Bernie Sanders (I-Vermont), AOC and a host of other progressive figures and groups. Republicans will surely elevate his profile in the fall as they make their case that Democrats are too radical to be trusted with power.

Leftist candidates also did well in two California congressional races. Progressive Randy Villegas leads state Sen. Jasmeeth Bains (D) for the chance to face Rep. David Valadao (R) in the swing 22nd District, and Sacramento City council member Mai Vang is running a strong second in her challenge to longtime 7th District incumbent Doris Matsui (D). If Vang holds on, she will face Matsui in a one-on-one contest in November and could win.

The continued success of progressive upstarts leaves the Democratic establishment constantly on guard. Incumbents and challengers alike know they have to be left wing enough to avoid being swamped by a strong progressive. Meanwhile, every win by one of these candidates strengthens the upstart left, further encouraging others. The far left may not yet be at the gates, but it is gaining support by the day.

Together, these trends show that even the strongest orthodoxies can be beaten by well-designed campaigns. That should give even the most downcast hope for our democracy's future. Even now, in the heart of partisan rancor and big money, it seems the people really do rule.

Henry Olsen is a senior fellow at the Ethics and Public Policy Center. Margin of Victory is a weekly newsletter on the 2026 midterms. Sign up at [wapo.st/marginofvictory](http://wapo.st/marginofvictory)

THEODORE R. JOHNSON

## A great reverse migration is shifting the balance of power in the U.S.

Transformations of American democracy are typically measured by constitutional amendments and federal legislation. But one of the most consequential occurred when Black Americans decided to vote with their feet. During the Great Migration between 1910 and 1970, 6 million of them left the South — where they effectively couldn't vote for much of that time — for northern and Midwestern states, where they could. Since 1990, though, at least 2 million have returned, a reverse migration that's reshaping the region's politics and changing the calculus for the Democratic and Republican parties.

The original migrants were mostly rural laborers fleeing violence and disenfranchisement in search of better jobs and pay. Today's reverse migrants are driven by economic opportunity in Southern metro areas, the lower cost of living, and connections to culture and extended family. These recent arrivals are typically younger, college-educated professionals with no firsthand knowledge of the Jim Crow South that their ancestors left several decades ago. And just as in the Great Migration, the new voters who arrived are shifting the balance of power in the states — and have endured backlash for doing so.

Before the Great Migration began, more than 90 percent of Black Americans lived in the South. Disenfranchised after Reconstruction, by 1901, there were no longer any Black members of Congress. By the time the Voting Rights Act of 1965 was passed, 53 percent of the Black population remained. Political scientist Keneshia Grant found that northern parties and politicians took varying approaches to the new arrivals — from mobilizing Black voters and supporting policies they favored to suppressing their election participation and stoking racial anxieties. In voting by leaving, however, the newly enfranchised bloc elected Black congressmen in destination states such as Illinois and New York. Today, the reverse migration has increased the proportion of the Black population that lives in the South to nearly 60 percent. The two metro areas losing the most Black residents? New York and Chicago.

When this new migration is considered, the erosion of voting rights protections and the off-cycle scramble to redraw congressional maps across the



JAHKI CHIKWENDU/THE WASHINGTON POST

A Black Voters Matter member at an Election Day rally in Atlanta in 2024.

*Atlanta is the epicenter of the reverse migration, and Georgia politics has taken notice.*

South tell a more complete story. Through a purely partisan lens, these measures look like proactive attempts by Republican legislatures to gerrymander Democrats out of seats and bake in election advantages. But they can also be read as defensive: an effort to contain the growing political power of Black voters in some states. Whether these changes reflect explicit racial discrimination or hyper-partisan conflict, the effect now is the same as its historical precedent — Black voters are targeted by the state.

Atlanta is the epicenter of the reverse migration, and Georgia politics has taken notice. Between 1990

and 2020, the Black population of its metro area more than doubled and now exceeds 2 million. It's the city most often cited by advocates who view reverse migration as a political strategy to increase Black electoral power in the South and influence national politics. Since then, President Donald Trump lost this Republican-controlled state in the 2020 election, and Democrats won both of its seats in the Senate. But this month, Georgia will convene a special legislative session to redraw its maps ahead of the 2028 election; the goal is to protect the Republican congressional advantage by containing the growing Black electorate.

Following the 2020 Census, a Brookings Institution analysis found that Texas, Florida and North Carolina were also top destinations for Black migrants. Texas Republicans, egged on by Trump, redistricted the state this year to pack Black voters into fewer districts in hopes of picking up five Republican seats. Similarly, Florida recently approved a new map, packing some districts with Black voters while splitting up others elsewhere to create four new Republican seats. North Carolina redrew its map, breaking up a district represented by a Black Democrat to make it reliably Republican, creating an 11-3 in-state advantage.

Gerrymandering is just the latest tactic. These states' initial attempt at contesting the changing electoral dynamics was to implement restrictive voting laws. North Carolina's effort was so egregious that federal judges struck down its provision, ruling that it targeted "African Americans with almost surgical precision." Black migrants returning to the South, however, were readily organized and mobilized, helping to mitigate these laws' anticipated effect of reducing turnout. Conversely, Black congressional Democrats are hoping that massive turnout in this year's midterms will help save their seats. But recent Supreme Court rulings have paved the way for partisan gerrymandering to be a more effective tool to counter mobilization efforts, and Southern Republicans seem to be banking on the map's math to keep power, no matter what shape the electorate takes.

Whether that calculus holds up over the long term remains an open question. Southern parties and politicians treat the Black electorate as if its politics and views are stuck in the Great Migration. Democrats behave as though the game is all about turnout, while Republicans treat Black constituents as voters to be diluted. But the Black people coming to the South are not the same as the ones who left. If the region's leaders continue to apply a 20th-century playbook to 21st-century voters, they may find that in drawing up an advantage, they've painted themselves into a corner.

GEORGE F. WILL

## A welcome break from today's repulsive, glue-factory politics



SAMUEL CORUM/GETTY IMAGES

Sen. Lamar Alexander (R-Tennessee) and reporters on Capitol Hill in 2020.

In the mid-1940s, 4-year-old Lamar Alexander climbed a tree, fretted that he could not climb down, and called for his mother to help. This was before the noun "parent" became a verb, and before advanced thinkers decided that parenting is a science, or an art, or both. So his mother simply told him, "You got yourself up there, you can get yourself down." He did.

He graduated from his free-range Tennessee childhood with a stock of gumption that propelled him through a public life spanning almost a quarter of the nation's life, working with 10 presidents. His career's astonishing breadth began in 1963 as a staff member in Attorney General Robert F. Kennedy's Justice Department. Alexander, now 85, was a White House aide to President Richard Nixon, two-term governor of Tennessee, president of the University of Tennessee, education secretary under President George H.W. Bush, and a three-term U.S. senator.

His memoir, "The Education of a Senator: From JFK to Trump," tells his story of many achievements and a few disappointments (two attempts to win Republican presidential nominations). His graceful but unembellished prose suits his penchant for understatement. Even if — no, especially if — you find today's politics repulsive, read this book while remembering Mark Twain's warm endorsement of an exemplary congressional candidate during the seaminess of Gilded Age Washington: "The presence of such a man in politics is like a vase of attar of roses in a glue-factory — it can't extinguish the stink, but it modifies it."

The placidity of Alexander's memoir is disturbed only, but emphatically, and twice, by his immoderate dislike of the adjective "moderate" when applied to him. He specifically deplores a description of him as "of mild mien" and a senatorial model of "moderate Republicanism" that is "as valuable as it is scarce." Those words are from this column in 2009.

Alexander writes that he has always "detested" being called "moderate," a "lazy adjective" that describes "style more than philosophy." Homer nods, and Alexander errs.

*Faux conservatives who proclaim on the Senate floor their principled refusal to compromise often achieve their only intended result: cable television and social media resonance.*

There are political people, and he is one, in whom personal style is inseparable from — is an emanation of — a philosophy. Of conservatism, properly understood. A conservatism whose principles include flexibility is indispensable in a functioning legislature, where negotiation and compromise are inescapable. Principles must be moderated to accommodate the inconvenient existence of others elected espousing different philosophies.

Edmund Burke, the fountainhead of modern conservatism, warned against purely performative politicians, of which America today has a surfeit. They "make themselves bidders at an auction of popularity," and become "flatterers instead of legislators." By them, "moderation will be stigmatized as the virtue of cowards, and compromise as the prudence of traitors."

Politics is neither a science nor an art. It is a craft, like carpentry or playing shortstop. The dignity of a craft derives from the fact that it is acquired only through many years of repetitions. Hence patience is a conservative virtue. Faux conservatives who proclaim on the Senate floor their principled refusal to compromise often achieve their only intended result: cable television and social media resonance.

This is actual conservatism: While campaigning for governor, Alexander met a mother who said, "I am sad tonight. My twin boys are smart, but they'll never find a good job around here, and I'll never see my grandchildren." Hence his protracted courtship of Japanese automobile manufacturers to locate plants in Tennessee. By 2006, both of that mother's sons and one of her grandsons were working for Nissan.

Alexander's political craftsmanship was honed during almost six decades of a public career whose diversity of offices filled is perhaps unmatched in American history. Of the 2,019 people who have been senators, few earned as much respect as Alexander, and like Ted Williams, he homered in this last at bat.

Near the end of his Senate tenure, he and two other senators met in the White House Roosevelt Room to try to persuade the mercurial president to pressure some of his Senate acolytes to support a major bill, the Great American Outdoors Act. Pointing to a portrait of Theodore Roosevelt, one of Alexander's colleagues said to Donald Trump: "If you support and sign this law, you'll be the greatest conservationist president since Teddy Roosevelt." Alexander writes:

"Trump leaned back, folded his arms, and looked into space. 'Wouldn't you say ever?' Trump asked."

He endorsed the bill, which became law. As Otto von Bismarck reportedly said, "You can do anything with children if you only play with them."

# Opinion

The New York Times

## Californians Say They Want More Housing. Do They?

Josh Barro

A contributing Opinion writer, the author of the newsletter *Very Serious* and the host of the podcast "Serious Trouble."

CALIFORNIA is America's most populous and most innovative state. It's also troubled — in particular, it faces an acute housing shortage. So you'd hope the state could find some truly dynamic leaders to make things right.

Alas, your hopes will not come true this year. On Tuesday, voters weighed in on the remarkably weak field seeking its governorship. Votes are still being counted, but it looks like the choice this November will probably be between two of these three candidates: Xavier Becerra, the former health and human services secretary to President Joe Biden, who underwhelmed many of his colleagues; Steve Hilton, a Republican former Fox News host who has President Trump's endorsement; and Tom Steyer, a billionaire who may finally manage to buy his way into public office by spending nine figures of his own money and pandering to virtually every progressive interest group imaginable.

So why didn't a great state get to choose among some great candidates? Personally, I blame the voters. Electorates get the candidates they deserve. The thing about Californians is that on some level, they get that the state needs to change, but they won't do what it takes — because they don't really want it to change. They don't even appear to care that their government takes weeks to count votes.

The good news is that even in a field this underwhelming, the candidates have made clear they understand that the state doesn't have enough homes, and they broadly recognize that they need to build more, by making construction cheaper and lowering regulatory barriers. Republicans get this, moderates get this, progressives get this.

But California's sitting governor, Gavin Newsom, while party to that consensus, has abjectly failed to get California building again. That's not because he is incompetent — mainly, it's because he's up against voters who say they want housing but, at the local level, are addicted to the policies that stop it from getting built.

The state now has fewer residents than it did when Mr. Newsom took office, even as the national population has grown about 4



MARK WANG

**Electorates get the candidates they deserve.**

percent. After the 2030 census, California is likely to lose four congressional districts after a decade of people leaving the state in search of cheaper housing.

If you listen to Mr. Newsom or his potential successors talk about housing, their diagnosis of what has gone wrong is mostly correct: Municipalities do not allow enough housing to be built where it is needed; they impose excessive development fees; permit approvals take too long, which adds cost because time is money; building codes are outdated; NIMBY homeowners and climate activists abuse the state's environmental laws to delay projects; subsidized affordable housing projects are laden with even more mandates and regulations, making them more expensive to build than market-rate housing.

Democrats in Sacramento have enacted a raft of laws intended to address these problems, often with bipartisan support from the rump of Republicans in California's Legislature. But the reforms have not worked, at least not yet. (A reform enacted last year to an environmental law may be the most important pro-housing tool to come out of Sac-

ramento under Mr. Newsom, but it's too recent to have translated into new homes for Californians on a large scale.)

Many of the earlier attempts to loosen zoning rules underwhelmed because interest groups insisted on standards requiring developers to pay union wages, which added prohibitive costs to new housing, and because recalcitrant municipalities outsmarted the state government, exploiting loopholes and finding ways to subvert the reforms.

The pro-housing lawmakers in Sacramento and the anti-housing lawmakers in city halls around the state are elected by the same Californians. To some extent, that's just the ordinary essence of NIMBYism.

But there's also a broader anti-development sensibility among many Californians: an idea that the state is "full," that dense development is anti-environmental and that leafy, low-density suburban jurisdictions like Marin County are the best representation of what it is to live in harmony with nature. Among the state's remaining Republicans, you may hear a different version of the anti-development thesis, which is that California's existing stock of homes would suffice if there weren't so many illegal immigrants.

There's also a financial reason voters are ambivalent about fixing the housing crisis: If you increase the supply of homes, the price of homes will tend to go down, which is great for people looking to buy a home but not so great for people who already own a home. Mr. Trump expressed this idea with unusual frankness in January, saying: "There's so much talk about, 'Oh, we're going to drive housing prices down.' I don't want to drive housing prices up for people that own their homes, and they can be assured, that's what's going to happen."

There's one added fact about California that encourages complacency: It's paradise. The state's vast swaths of detached-house suburbia can't house enough people within commuting distance of job centers in Los Angeles and Silicon Valley, but they represent an American ideal of suburban living in perfect weather. The state's leading metro areas remain highly productive places to do business, with that productivity only increasing with the A.I. boom in the San Francisco Bay Area. California's hills are incredibly scenic places to live, even if the homes above Los Angeles are barely insurable be-

cause of fire risk. It's not hard to see how a long-settled homeowner with a nice house and a yard and a strong local economy and a low property tax bill courtesy of Proposition 13 might look around and resist the idea that the state needs to change much.

So, what could the next governor do with state politicians to change all this? First, they will need to do a better job of arguing that building more housing will improve the quality of life even for the Californians who already own homes.

Matt Mahan, the San Jose mayor and gubernatorial candidate who ran well behind the leaders in primary polling, had smart comments at a forum on housing policy last month about local resistance to the creation of "interim housing" for the homeless. Residents understandably worry that those developments could be sources of crime and disorder. So Mr. Mahan described finding ways in San Jose to tie these facilities to improvements in public order: assigning units in these facilities to people who have been homeless in the area, and then prohibiting homeless encampments in the immediate environs. Neighbors are more open to these facilities when they are tied to a noticeable reduction of unsheltered homelessness on their streets.

California's leaders will also need to be clear-eyed about which policies will actually make new housing production financially viable. There is always a temptation to weigh down pro-housing laws with labor and affordable-housing mandates that drive up the cost per unit and make developers reluctant to actually build.

Finally, it would be nice if the state's Republicans found a way to make themselves more relevant in policy debates. In some blue states, Republicans compete effectively by taking moderate positions and building coalitions that include moderate Democratic voters. This has even happened in California's recent history, with the broad electoral coalitions Arnold Schwarzenegger built. But in recent elections California Republican voters have instead favored candidates who hit the favorite notes of the party faithful and stand no chance of winning a general election.

It is a pleasant surprise that California Democrats have embraced market solutions to the housing crisis without pressure from a viable political party to their right. Just think what they might do if they faced viable competition in the race to make California's housing affordable again.

COLUMNIST | NICHOLAS KRISTOF

## When Trump and Musk Slashed Aid They Left Us Vulnerable, Too

AFTER ELON MUSK "spent the weekend feeding USAID into the wood chipper," as he put it last year, he and President Trump scoffed that American humanitarian aid was, in effect, woke nonsense.

Yet in reality American humanitarian aid not only saved one life every 10 seconds but was also safeguarding the world from epidemics. So now we face a rapidly increasing outbreak of Ebola, and the Trump administration is finding that some of the things that went into the wood chipper were the very tools needed to tackle the virus.

Global health is unpredictable, and it's not certain that the U.S. Agency for International Development would have stopped Ebola this time. But in three ways, Trump's assault on global health has left us in a worse position to combat Ebola (although, in fairness, the administration has done one thing right).

The first failing was the destruction of U.S.A.I.D. Jeremy Konyndyk, who oversaw the response to the 2014 Ebola epidemic for the agency, noted that it used to have a major presence in Ituri, Democratic Republic of Congo, where the Ebola outbreak appears to have begun. But most of the aid to Congo was cut, and Ebola spread widely by the time anyone realized that it was present.

"I don't think there is any way that this outbreak would have been missed for so long if all those programs were still at full strength and the U.S.A.I.D. mission team was still there," Konyndyk told me. "And I can tell you that in my former job as head of disaster response, if my team was hearing reports of unexplained viral hemorrhagic fever clusters in Congo, that would be a four-alarm-fire-type moment. I would have immediately notified the White House."

The United States had been the largest donor to the Democratic Republic of Congo, financing some 70 percent of humanitarian work there, according to Physicians for Human Rights — and most of that aid was shut off with no time for adjustment. Dr. Celine Gounder, an infectious disease specialist, posted a searing video interview in which a Congolese doctor spoke of another doctor forced by aid cuts to become a farmer, growing cassava.

Delay was disastrous. "With Ebola, time is lives," Dr. Tom Frieden, who was the director of the Centers for Disease Control and Prevention during the 2014 Ebola epidemic, told me. "Get to an outbreak in days, and you can stop it in weeks. Get there in weeks, and it goes on for

months. Get there in months, and it can go on for years."

"This outbreak had a running head start," he added. "By the time we began responding in 2014, there were 40 to 50 cases. By the time the world began responding this time, there were 400 to 500."

The upshot is that this Ebola outbreak is already the third worst on record.

My Times colleague Dechlan Walsh has written extraordinary dispatches from the front lines that health workers trying to defeat the virus have lacked even basic protective equipment to stop it from spreading.

The second failing on the part of the Trump administration was its hostility to the World Health Organization. Trump not only withdrew the United States from the W.H.O., but his administration also reportedly barred some American health officials even from communicating with counterparts there.

"For all its weaknesses, W.H.O. is essential," Frieden told me. "The stronger W.H.O. is, the safer we are." Traditionally, the U.S. and W.H.O. worked together in a constructive partnership, pooling knowledge and capabilities. But today, while W.H.O. officials are on the ground in Ituri, the United States didn't even learn about the outbreak until nine days

**Fecklessness in Washington, and an Ebola outbreak in Congo.**

after W.H.O. did.

The third failing is simply the administration's disregard for public health and lack of preparation. The Biden administration had several hundred pages of planning documents for handling an infectious disease outbreak, and it left these for incoming Trump aides, according to Stat News — but the Trump administration reportedly ignored the materials.

That's not a surprise. The Trump administration also left positions for disease preparedness vacant. It cut funding for GAVI, the Vaccine Alliance, which is helping develop a vaccine for this strain of Ebola. Secretary of State Marco Rubio promised that the State Department is "going to re-engage on the issue of GAVI," but it's unclear what this means or what the timetable is.

I said that Trump did one thing right, and that was to push to end the war in Eastern Congo, for that war has made it harder to detect and respond to disease outbreaks in the region; most notably, the administration imposed sanctions on Rwanda's military for its role in the conflict. But Trump's aid cuts work in the other direction by fomenting conflict. One recent study found that in areas of Africa that had received significant assistance, the abrupt shutdown of U.S.A.I.D. caused roughly a 10 percent increase in violence, including riots and combat deaths.

Ebola is a terrifying disease, initially producing a fever, muscle ache and headaches and then leading to vomiting, diarrhea and often bleeding and death. It is transmitted by body fluids, but in a broader sense it is transmitted by love: When people tend to an ailing loved one or prepare a body for burial, it is easy to be infected by blood, vomit or diarrhea.

The fecklessness of Washington officials, recklessly cutting programs they didn't understand, contrasts with the raw courage of doctors, nurses, aid workers and burial teams in places like Congo who are risking their lives and making do without adequate supplies to stop this outbreak.

The U.S.A.I.D. cuts were lethal: I've documented how we let children die from malaria for want of \$2 mosquito bed nets. A Boston University researcher estimates that the aid cuts have already cost more than 750,000 lives worldwide.

Yet U.S.A.I.D. was intended to protect our interests as well as project our values — and a significant element of that self-interest was fighting diseases like tuberculosis and Ebola.

Now Musk and Trump — and Rubio, who let all this happen on his watch — are learning that U.S.A.I.D. wasn't just a pet project of woke bleeding hearts. The actions of these three men have led to an immense number of unnecessary deaths worldwide and may have empowered Ebola. They have made the world — and America — less safe.



ARLETTE BASHIZI FOR THE NEW YORK TIMES

# The Skies Are Blue and Orange

**Spike Lee**  
A filmmaker.

**F**UN City! That's what Mayor John V. Lindsay optimistically called New York even during tough times in the mid-1960s, a few years before the New York Knicks won their first championship, in 1970. On Wednesday, they began their quest for a third, against the San Antonio Spurs and their insanely talented big man, Victor Wembanyama.

People have smiles on their faces, and I know for sure it's because of Da New York Knicks and their incredible playoff run. This is something that I have heard and seen with my own ears and eyes. More than with any other New York team, when the Knicks are winning, it is amazing how it feels on the street. People are wearing Knicks hats and T-shirts. It's orange and blue skies. When the Knicks are winning, this is truly Fun City — born again!

I was there for that first championship. It was May 8, 1970. I was 13. Like many other kids, I became a fan because of my father, Bill Lee, a jazz/folk upright bassist and composer, although Daddy didn't know I used to sneak through a side door into Madison Square Garden. But that night, during Game 7 of the series against the Los Angeles Lakers, I didn't have to.

My father's lawyer, Peter Eikenberry, had season tickets to the Knicks, and invited me to join him for Game 7. My father had a concert that night. My mother, Jackie, said, "You really should go to the concert," but my father said, "Naw, Spike's going to the game." So I went.

I watched as our captain, the center Willis Reed, who was injured in Game 5, limped out of the tunnel onto the Garden floor. He muscled his way through his injury and set the place on fire. The Knicks won. It became known as the Willis Reed game, one of the greatest moments in New York sports history. Bill Bradley, Walt Frazier and Dave DeBusschere were on that squad. Then came another championship, in 1973, when Earl Monroe was on the team, and two failed trips to the finals, in 1994 and 1999, followed by years of playoff drought.

Since that 1999 series, a lot of terrible things happened to New York: 9/11, Hurricane Sandy, the pandemic and the recent ICE raids targeting immigrants, a direct affront to Ellis Island. The Knicks may not have grabbed a ring in that time, but they helped unite New York. They did it the way you can only in a city that is home to maybe the most basketball courts in the world, where basketball means more than any other sport, where it belongs to the city's culture. Indiana? Hell to da naw!

The Knicks players are part of us. They represent us. And this team? It's closely connected to Knicks championship history. Walt Frazier, the point guard from the 1970s, is still around, doing broadcasts. That is my guy! Walt "Clyde" Frazier! They play with a togetherness and selflessness that would make the former coach Red Holzman proud. His principle was always: Find the Open Man.

Great Knicks players who never got that ring, like Patrick Ewing, Larry Johnson, Latrell Sprewell and John Starks, are supporting this team, and you see them sitting together, cheering on these new age Knicks, who appreciate that. There's a brotherhood there. I got to thank the owner, James Dolan, for bringing all these heroes back. They cement the bond the fans have with the team. We know they're part of this team, and we love these guys.

We see ourselves in them. In this championship run, the Knicks center-forward Karl-Anthony Towns has epitomized the selflessness New Yorkers showed during tough times by sacrificing his scoring to feed the ball to his teammates. Josh Hart and OG Anunoby are the lunch-pail



COREY OLSEN FOR THE NEW YORK TIMES

## When the Knicks are winning, New York is truly Fun City.

guys, just like DeBusschere on those championship teams. Jalen Brunson is maybe the flashy one, like Frazier, but he's pretty quiet. New York's Puerto Ricans can be proud of Jose Alvarado.

The Knicks are the soul of this beautiful and diverse city. There's a reason people come here, you know. Maybe it's to see a Broadway play — or maybe it's just to get a slice or a chopped cheese! It says a lot that we just voted in our first Muslim mayor. All those people who said they were packing up and moving to Florida . . . Yeah, right!

But New York is also a cruel city. People are hurting. It's no joke. It can be a tough place for those who don't have the income. The city has become increasingly unaffordable, as have the games. All those Knicks fans taking over the arenas in Atlanta, Philly and Cleveland? Why were they there? Maybe because it was cheaper to book a round-trip flight to Atlanta and Cleveland or drive or take a train to Philly, rent a hotel room and buy a ticket than just buying a ticket at Da Garden.

Yes, it's a fact that in the greatest basketball city in the world we haven't won a championship in 53 years. Generations of Knicks fans haven't been privy to a championship.

But we did have those finals appearances. Leon Rose, the team's president, assembled this group of players and an incredible bench. He brought in Mike Brown to replace Coach Tom Thibodeau — no disrespect, Coach Thibs, all love — and the players all bought into his system.

Now, I have no ill feelings toward San Antonio, and I love, love, love Pop, their former coach and now president, Gregg Popovich. I'm also a big Wemby fan. I have one of his game-worn rookie jerseys, signed to me, on the wall of my office/museum. I love the fact that he played chess in Washington Square Park. Wemby is a 7-foot-4 man of the people. But remember, we had to get past two of the greatest big men in history to win championships — Kareem Abdul-Jabbar, at the time known as Lew Alcindor, of the Milwaukee Bucks in the 1970 eastern finals, and Wilt Chamberlain of the Los Angeles Lakers in the 1973 finals.

No disrespect to My Brother Wemby, but he's going down like Kareem and Wilt did. Peace and love.

I dreamed a vision that it's going to happen in Madison Square Garden. I don't believe that the basketball gods are going to let us win the deciding game in San Antonio. By the decree of God, Jehovah, Allah and Black Jesus (that was Earl "The Pearl" Monroe's nickname), whatever you want to call it, on this day, June 16 in the year of our Lawd 2026, the New Yawk Knickerbockers will defeat the San Antonio Spurs in Game 6 at da world's most famous arena to win the N.B.A. championship. New York is Fun City again.

## LETTERS

### Contentious Times at the Supreme Court

TO THE EDITOR:

Re "With Big Rulings Ahead, Supreme Court Collides With a Testy Trump" (news article, May 26):

Chief Justice John Roberts has said the Supreme Court plays a role in curbing "the excesses" of a president. But how does this high-minded notion square with his notorious immunity ruling two years ago?

If, as the article states, the Roberts court represents "perhaps the one force in American government truly able to thwart" President Trump's agenda, then heaven help us. While the court may decide against him on a couple of cases that are illegal or unconstitutional on their face, such as the tariff and birthright citizenship ones, it's likely the six Republican appointees will continue to be excessively deferential to dozens of other unscrupulous decisions this president has made or will make.

Far from colliding with Mr. Trump, it seems obvious to me from recent history that the court has been colluding instead.

BRYAN L. TUCKER, BOSTON

TO THE EDITOR:

Re "This Redistricting Chaos Needs to End," by Eric H. Holder Jr. (Opinion guest essay, May 20):

Mr. Holder is right to worry about the bitterness surrounding Supreme Court nomina-

tions, but wrong to think 18-year term limits would solve the problem.

Confirmations are contentious not because justices serve too long, but because they wield enormous power and often hold sharply different judicial philosophies. Whether a justice serves 18 years or 36, the stakes remain immense. There are ways to reduce the drama, but each comes at a huge cost.

Congress could be given the power to override some constitutional rulings, as in other democracies, but that would weaken judicial review. Justices could be selected through a civil-service model, such as automatic elevation of chief judges of the courts of appeals, but that would reduce democratic accountability. Or all the justices could serve fixed presidential-style four-year terms — nominated on Day 1 of a president's term — but that would radically alter the court's independence.

In truth, none of these are good ideas (or even constitutional). Wisely, the Constitution deliberately makes appointments shared between the president and the Senate. When they are controlled by different parties, conflict is not a flaw in the system; it is part of the safeguard.

Term limits may sound tidy, but they do not address the real problem: polarization over judicial power itself. The answer is not to simplify our institutions, but to respect the checks and balances built into them.

MICHAEL J. BROYDE, ATLANTA  
The writer is a professor of law at Emory University School of Law.

### Climate Corruption

TO THE EDITOR:

In the litany of President Trump's corrupt practices, let's not forget his ongoing corruption on energy policy. He kicked it off with lies, as usual: Climate change is a "hoax," and efforts to combat it are "the green new scam."

In exchange for campaign contributions, he promised fossil fuel companies favorable policies. He has largely delivered on that promise, opening nearly 1.3 billion acres of coastal waters and millions of acres of sensitive public lands to oil and gas drilling. Mr. Trump has also relaxed pollution controls, which will have detrimental effects on our health and the environment.

He has stifled competition against fossil fuels from renewables, even though large-scale solar and onshore wind are the cheapest forms of new energy generation, and they can be brought on line faster than conventional power plants.

Declaring a national energy emergency just after he took office was President Trump's ploy to favor only energy he likes — and to corruptly reward his fossil-fuel backers.

STEPHANIE DOBA, BROOKLYN

### Anxiety in Children

TO THE EDITOR:

Re "Mental Health Visits for Children Increase" (Science Times, May 26):

I have been a psychotherapist in private practice since 1976, and starting in 2016, I have seen a sharp increase in anxiety in the children and families I have been working with in New York City.

Children pick up on the emotional and financial stress their parents or caregivers experience. Clearly the pandemic added to this, but unfortunately we have a president who is now increasing the anxiety people are feeling.

My concern is about how many years it will take for our country to become more stable financially as well as emotionally. We have a president who flies off the handle easily and lies constantly. The climate in this country reflects his behavior.

Our families and children are suffering as a result. They need all the support and guidance they can get these days.

BETH ROSEN, BRONX

# Stop Tracking Your Friends and Lovers

**Jessica Grose**

A writer in Opinion who covers family, religion, education, culture and the way we live now.

**I**T'S rare that a scandal within the Bravo-verse breaks out of the network's fandom. But there's a romantic drama playing out on Season 10 of the show "Summer House," which is about a group of friends in a Hamptons share, that is so juicy, yet still relatable, it broke containment.

The second of three reunion episodes — where castmates relish the events of the season and what happened after — aired on Tuesday night. For those of you who aren't down in the muck with me, a quick summary: Longtime castmates Amanda and Kyle married in a previous season of the show, but their relationship has been in shambles for a while, and they announced their split in January. Another castmate, Ciara, who has also been on "Summer House" for several seasons, was dating West, a newer addition, on and off. West generally acted like a cad.

Amanda and Ciara had been close friends, and Ciara was extremely supportive of Amanda while her marriage was falling apart. But now Amanda and West are together — something castmates suspected for a while, and that the pair lied about repeatedly.

If you're still with me after all that, you should know that Amanda's lies about her personal life began unraveling because she had been sharing her phone's location with Ciara (as well as other friends, her management and her ex). Earlier this year, Ciara was trying to reach Amanda, who didn't respond quickly. Ciara saw that Amanda was at West's apartment.

Then, Kyle and Ciara both noticed Amanda started turning her location off, which she had apparently never done in the previous

five years. This all looked very shady!

I'm about 10 years older than these women, and I had two main responses to this: Amanda is a crummy friend, and why the heck is she sharing her location with so many people?

I would never voluntarily share my phone's location with another living soul — not even my husband of 16 years. But I especially would not be sharing my location if I were going through a divorce. I would want total freedom from anybody else's monitoring of my movements through the world.

I did a nonscientific, casual survey of friends and colleagues, and there seemed to be a real generational divide: Roughly, anybody under 35 seemed to think location sharing was no big deal, and one shared her phone location with 34 people. (I joked that I was worried she would end up on "Dateline" after they found her body in the East River.)

People over 35 said they might share their location briefly if they were going someplace dangerous, or needed to find someone at a crowded concert. But they did not share as a default. Most of them felt that having their movement tracked was invasive and micromanaging. I spend the majority of my time in my own house, and imagining someone watching my unmoving blue dot on a screen is completely unnerving.

My speculation is that if you grew up with social media and your parents tracked your location, being surveilled and surveilling loved ones seems less like an issue. (If you're already on a reality show, you must have a high degree of openness to airing your business to the wider public anyway.)

This isn't really new; location sharing among the youth has been common for over a decade. In 2022, The Times's Kalley Huang wrote about how sharing one's location had become a litmus test of close friendship for people in their 20s, and described one way it



ELEANOR DAVIS

can cause unhappiness: If you see your friends hanging out without you, that's going to feel awful. For couples, sharing your location can be either a sign of trust or a creepy and possibly manipulative intrusion.

You might be wondering if I track my kids. I refuse to track them on principle, because I want them to feel the same freedom I had growing up.

Trust — or lack of it — plays a strong role in how people feel about location tracking. Personality traits and attachment style may also affect how a person perceives location tracking, said Randi Smith, a professor at

**I would never voluntarily share my phone's location with another living soul.**

Metropolitan State University of Denver who has studied location-sharing practices in romantic partnerships. For people who have a history of bad or unfaithful relationships, or a high level of neuroticism, location sharing may just "accentuate their feelings of insecurity," said Dr. Smith, who is also a psychotherapist in private practice.

Sinead Smyth, a family therapist based in California, thinks there are enormous, and mostly negative, implications to location sharing for couples and friends. "It generates more suspicion and questions than it provides answers," Ms. Smyth wrote in an email. "What happens if the partner turns off the sharing? It inserts the notion of wrongdoing into a relationship unnecessarily, which can lead to increased defensiveness, secrecy, conflict and lower trust."

Which is all to say: One's time is probably better spent actually communicating directly with friends and lovers and building trust through words and deeds, rather than passively monitoring someone's location and trying to play gotcha. Even just checking in to see if a loved one is safe may bring more anxiety than relief — what if he or she is someplace strange and not answering texts?

To bring it back to "Summer House," Ciara had good reason to be skeptical of both West and Amanda. She used location tracking to show the pair to be snakes, and laid out the dates and times of their transgressions with prosecutorial precision.

It made for very, very good TV. But it is definitely not the way I would ever want to live my life — one young person Kalley Huang interviewed said it felt like "a stab" when friends stopped sharing their location. Who needs that extra pain and status consciousness?

Surveillance isn't always the basis of a solid bond.

## The FT View



FINANCIAL TIMES

"Without fear and without favour"

ft.com/opinion

## Europe's tightrope walk on tech sovereignty

*EU should beware curbing access to US providers as it tries to nurture its own*

What can Europe do to reduce its dependence on US, and Chinese, technology? The 2024 Draghi report warned that the EU was structurally reliant on non-EU providers for more than 80 per cent of its digital products, services and infrastructure. Making its economy more dynamic will rely, in part, on building tech prowess of its own. And European governments and companies fret that, in a dog-eat-dog world, the Trump administration might suspend access to vital US tech services as a tool of pressure. The idea of American "kill switches" may seem far-fetched. But the latest US national security strategy makes clear Washington is ready to use its tech supremacy to exert leverage just as it has used its financial dominance in recent decades.

Yet few initiatives require such a delicate balancing act as the push to assert European "tech sovereignty" set out in a sweeping legislative package yesterday. The bloc needs to avoid damaging EU competitiveness – or even security – by curtailing access to leading-edge US technologies as it tries to nurture European alternatives that may be less advanced, more expensive or entirely lacking. It must avoid antagonising, too, a Trump White House that views EU tech regulation as aimed squarely at stifling US dynamism.

US tech giants have, meanwhile, tried to get ahead of the EU's legislative curve. Microsoft, Google and Amazon – which together control about 70 per cent of the European cloud computing market – have offered "sovereign solutions", including by setting up European-controlled ventures, some with local partners, or keeping data or operational control within specific geographies. Critics counter that they could still be subject to the US Cloud Act, which

allows law enforcement to demand data from US tech company servers even overseas.

Brussels has leaned towards steps aimed at nurturing European challengers rather than veering too far into protectionism; some non-EU suppliers had feared more large-scale "Buy European" requirements for public procurement contracts. But its proposed Cloud and AI Development Act would require European governments to conduct "sovereignty risk assessments" of cloud providers on a four-tier system; the more critical a sector, the greater the assurances demanded from providers on whether their cloud services, data operations and infrastructure are under EU control.

In the most critical "level 4" public contracts, such as defence, suppliers would have to ensure software and hardware are made in the EU – excluding non-European companies – though this accounts for only about 1 per cent of the public procurement market. Ven-

*As Brussels itself admits, the best way of boosting its independence is to create the conditions needed to enable its companies to scale up and prosper*

dors would also be assessed on how much "EU value" they add, in terms of investments, job creation and R&D.

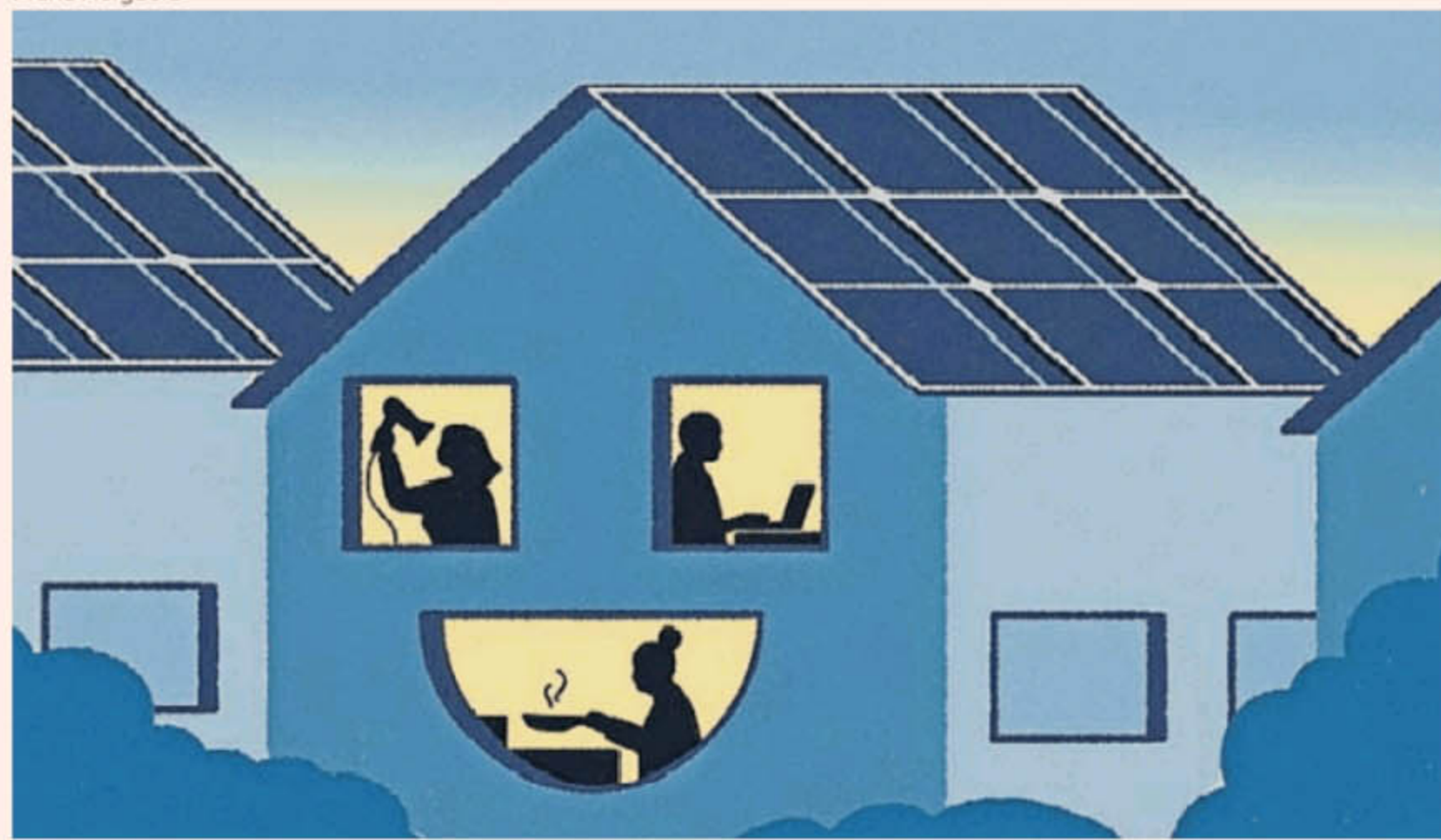
A revamped Chips Act, updating a 2023 version that has fallen short of expectations, proposes not just to simplify permitting for manufacturing plants. It recommends allowing direct EU investment into strategic cross-border projects, to speed up funding.

As Brussels itself admits, however, the best way of boosting EU tech sovereignty is to create the conditions needed to enable European companies to scale up and prosper. That means finally delivering a fully functioning single market, completing the proposed capital market to create deeper pools of investment, and streamlining regulation – for example through the "EU Inc" initiative, a single set of EU-wide corporate rules. Europe is not short of tech experts or entrepreneurs – but too many take their ideas elsewhere, or see them wither before they can grow into world-beaters.

## Opinion Environment

## Home climate fixes that can survive the populists

María Hergueta



Pilita Clark

When London Climate Action Week starts later this month it will include one event called the "F\*ck Doom Party". It's for anyone tired of fashionable despair, say the organisers – a spirit you have to admire considering the state of climate politics.

Forget the US. As of this week, the most popular political parties in the UK, Germany and Australia are led by net zero-bashing, climate-denying rightwing populists. No mainstream party is ignoring them, even as an already warming world braces for what could be the most powerful El Niño weather pattern on record.

But the optimists still have a point. Beyond the bleak political landscape, a series of climate measures is gathering pace that should withstand the harshest net zero critics. Why?

*There is a series of green measures that aims to save money as well as the planet*

Because they aim to save money as well as the planet.

Consider ABN Amro. It is one of the largest banks in the Netherlands, where the far right has labelled climate action "unaffordable madness", but like its peers it faces pressure from investors and regulators to cut emissions linked to assets on its balance sheet.

Last year, its then chief economist, Sandra Phlippen, confirmed that data from 700,000 of the bank's mortgage customers supported studies showing that insulating a draughty home typically paid for itself by cutting energy bills – along with emissions.

Yet such upgrades were rare. When the bank contacted some 100 borrowers to find out why, it discovered people did not know which installer to trust and didn't want the fuff of a refit.

So the lender did something unusual. It invited about 40 energy-efficiency companies to its headquarters and made an offer: if you help us deliver an easy, reliable one-stop upgrade service, we think we can persuade as many as 50,000 homeowners to sign up and become new customers.

A pilot began in January and Phlippen, now the bank's chief sustainability officer, hopes a national scheme will come next.

While ABN Amro was calling in

Dutch insulators, British plumbers were getting an even stranger offer: how about a free heat pump in your own home?

The idea came from an innovation charity called Nesta that wants to hasten the rollout of heat pumps, which use electricity and are far more efficient than gas boilers.

In an ideal world, people buy a heat pump when their old boiler claps out. But as ABN Amro discovered, the real world does not always work as it should.

Even though more than 28,000 people have been trained to install heat pumps since 2022, a government survey last year suggested only 27 per cent went on to fit a pump soon afterwards. Gas boilers still felt easier.

Nesta took direct action, initially paying £152,000 for a pilot that provided heat pumps for 18 engineers, then launching a scheme with industry bodies that 2,000 installers have now joined.

With the help of £7,500 heat pump grants, 75 devices have been fitted in engineers' homes since September and another 250 are under way. The feedback has been encouraging, Nesta's Madeleine Gabriel tells me. "One person said, 'I wouldn't have given you a fiver for a heat pump before trying this, but now I think they really work.'"

Meanwhile, homeowners across Europe have warmed to another measure: discounted green mortgages for energy-efficient homes.

Ireland offers a case study. Figures from its central bank show the share of green mortgages nearly tripled between 2020 and 2025, from 15 to 44 per cent. At AIB, one of the country's biggest banks, green mortgages accounted for 61 per cent of new mortgage lending in the first three months of this year.

It's a good deal for homeowners. Ireland's green mortgage rates have typically been up to 30 basis points cheaper. It also works for banks. Lenders that go green can benefit from lower funding costs, while owners of more energy-efficient properties are less likely to default. These properties also attract a premium on the market, which is good news for bank collateral values.

Green mortgages can be more prevalent among higher-income groups. That's why schemes like ABN Amro's are needed, along with programmes that make plumbers green influencers, as well as Greta Thunberg.

Schemes like these will never be the complete answer to climate change. But they can do a lot when heating residential buildings has been producing around 10 per cent of global emissions. Best of all, they can endure, no matter who wins the next election.

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## Letters

## Poor retention is at the heart of the NHS staffing crisis

Reneging on previous recruitment plans is one thing ("NHS plans to scale back recruitment in favour of AI to avoid 'financial ruin'", Report, May 20), but it's what isn't included in these leaks that rings the loudest alarm bells. If today's news is anything to go by, the government is yet again squandering an opportunity to address the critical issue at the heart of the NHS staffing crisis, namely retention.

Thousands of clinicians are leaving our health service every year because they're fed up with working in a rigid,

archaic staffing system. One that sees them crying out for the basic modern working conditions that their peers in other industries take for granted.

Ramping up recruitment targets hasn't fixed that. Neither will replacing highly qualified, hardworking staff with AI. No matter what short-term productivity boost and cost savings they promise, measures to cut recruitment and improve efficiency must be coupled with concrete commitments to deliver genuine flexibility and career autonomy for

those left on the wards. Otherwise, the crisis will only deepen over the next decade.

Productivity does not and cannot come at the expense of people. If we're serious about delivering an NHS fit for the future, we must start by making it a truly modern workplace. Technology has a critical role to play in achieving this, but it must be targeted at improving conditions for staff. We should be focusing on digitising outdated, inflexible rostering systems, and building solutions that give

## To beat China on trade, the EU must up its game

Soumaya Keynes argues that Europe must embrace tariffs (Opinion, May 29). That may align with current EU thinking – but does it address Europe's underlying weaknesses?

Tariffs can buy time. The question is whether Europe would use that time to reform: to reduce structural rigidities, improve competitiveness and act more strategically. Recent experience offers little confidence.

There is also an element of inconsistency. Germany has long relied on exports amounting to roughly 40 to 50 per cent of GDP, while China's export share is closer to 20 per cent. How would Germany have reacted had its trading partners responded with protectionism?

China's subsidies are often criticised, yet Europe has backed key industries extensively – not least its automotive sector, through tax policy, regulation and direct ownership. Industrial policy is hardly unique to China.

Finally, tariffs come with macroeconomic side effects. If they reduce imports, they may strengthen



the euro, undermining export competitiveness – the very foundation of the EU's economic model. If Europe is indeed three-nil down, changing the rules may be tempting. A more durable strategy would be to play better.

Matthias Abold

Chumphon, Thailand

## AI is a weapon in the war of councils and Nimbys

The AI Shift feature by Sarah O'Connor and John Burn-Murdoch "Can AI make the public sector more efficient?" (May 25) raises the interesting question of who would win in a battle of efficiency between local government planning departments using AI to process more applications and Nimbys using AI to object to those applications.

A likely conclusion can be found by applying Brandolini's law, which states: "The amount of energy needed to refute bullshit is an order of magnitude bigger than that needed to produce it." This suggests that the Nimbys would, in fact, be more successful. This also applies to other situations where AI-based processes break down and require human intervention to decide the appropriate outcome.

When this happens, these processes will slow down much further if organisations have aggressively replaced humans with AI and must revert to more traditional methods.

Chris Wraith

Newcastle upon Tyne, UK

## City grids aren't just for squares – look at Glasgow

Janan Ganesh writes in "The return of Londonophobia" (Life & Arts, April 18) that in London "there is no rational street layout – much less a grid, thank God".

My home city of Glasgow is constructed on just such a grid system, yet boasts a built environment and public life full of rich and rewarding contrasts.

This encompasses to the east its very oldest streets originating in medieval Glasgow: High Street, Trongate and Saltmarket, and to the west the grandeur of elegant thoroughfares such as St Vincent Street and Bath Street, where Victorian, Greek revival, Edwardian, Art Nouveau and Brutalist architecture can all be found.

Visitors who come to Scotland to visit the Unesco world heritage site of Edinburgh often discover Glasgow by chance, and are frequently surprised and delighted by what they find.

Mary Irwin

Edinburgh, UK

## OUTLOOK

## CAUCASUS

## Turkey's frozen frontier with Armenia starts to thaw



by John Paul Rathbone

It had snowed again overnight in the Turkish provincial city of Kars – coincidentally, Kar means snow in Turkish – and there were drifts at Ani, a monumental ruined medieval city a short drive outside town.

I was sheltering from the wind in one of Ani's towering ruins, marvelling at the Armenian flag that flapped only a few hundred metres away. Between lay the gaping gorge that marks the Turkish-Armenian border, and an ancient stone bridge that once breached the gap but collapsed long ago. The border, shut for more than a century, barring a two-year interlude between 1991 and 1993, is often referred to as Europe's last closed frontier of the cold war. All being well, and the Armenian election on Sunday is one potential obstacle, the border will soon reopen in an outbreak of peacemaking that should rank as a small miracle, given the state of the world.

That this is happening in the Caucasus is even more remarkable. The Ukraine-Russia war rages to the north, the Iran war to the south, and Armenia's nearly four-decade conflict with neighbouring Azerbaijan reached a US-brokered peace agreement only last year.

The border's reopening could also herald the start of something extraordinary: a healing of what Turkey's president Recep Tayyip Erdoğan has called the "shared pain". This is an oblique reference to the 1915 mass killings by Ottoman forces

– considered a genocide by Armenia and many other countries, although not by Turkey. Orhan Pamuk, the Nobel Prize-winning writer, treated the topic with care in his acclaimed 2002 novel, *Snow*.

The book, set in Kars, abounds with warm references to Russian culture. That can seem odd given that Turkey and Russia fought each other for centuries, and Russia occupied Kars three times. Yet one local businessman showed me an old Russian army barracks he had converted into an upmarket hotel. That it once hosted occupying troops made it a tourist feature, he said, even for Turks.

By contrast, there is a ghostly absence of any sense of Armenia. Whenever Pamuk mentions the "Armenian thing" in his book, it is via empty mansions, departed communities and abandoned churches in the Armenian ghost town of Ani. As the Armenian author Raffi once wrote: "Where once stood royal courts . . . now snakes, tortoises and lizards have deep lairs."

Pamuk's elisions are deliberate. When he wrote *Snow*, history lay too heavy to make more than passing reference to the death of over a million people. Instead, he muffled the subject in the snow that carpets Kars throughout his book.

"Most people here never think about Armenia," Mukadder, a local guide, says. Kadir Bozan, head of the chamber of commerce, ruefully adds: "Kars is the only Turkish city near to the closed Armenian border, and that

has been an economic burden through the years."

A delicate process of diplomatic rapprochement between Turkey, Armenia and Azerbaijan now seeks to change all that. This month, Turkey's vice-president made an unprecedented visit to Armenia's capital, Yerevan. Trade restrictions are being lifted. There are plans to rebuild Ani's bridge across the border.

The searing memory of what Armenians call the "great catastrophe" is rarely addressed directly. Instead, Armenian and Turkish leaders seem to be reaching for a way for people to live with its memory, rather than inside it. "The tragedy of the past should not be a permanent wall, but a bridge built with cautionary lessons to a more just and peaceful future," the patriarch of Armenia's Orthodox Church in Turkey has said.

Geography made Turkey and Armenia neighbours. Frozen politics long kept them apart. "Kars can seem as though it is at the end of a cul-de-sac," Muammer Sancar, local chair of Turkey's governing Justice & Development Party, told me. "Now it could become a hub."

I heard of Turkish bus companies taking advance bookings for direct travel to Yerevan, and an Armenian who used to do business in Iran but now plans to build a factory here. With the late onset of spring, even the isolating winter snow that had blocked roads around Kars is melting.

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## Opinion

## Argentina invites AI to free itself

Javier Milei

On March 20 1602, the founding of the Dutch East India Company gave the world the limited liability company – and unleashed capitalism's full potential. Only when law placed a ceiling on risk did capital deploy with genuine force. The industrial revolution ignited some years later was made complete not by engineering, but by Dutch corporate law. The machine and the legal entity were, together, the double helix of modern prosperity.

Since then, global GDP has increased more than 200 times, income per capita has risen 15-fold, and population has multiplied by 15. The limited liability company certainly deserves a place among the ten most consequential inventions in history.

The concept did not go unchallenged.

As late as 1824, critics wrote that limited liability let wealthy men "offer a portion of their excesses for the formation of a company, to play with that excess . . . and then, should the funds prove insufficient to answer all demands, to retire into the security of their unhazarded fortune, and leave the bait to be devoured by the poor deceived fish."

This debate has now resurfaced – in a new guise. A 2023 US district court ruling in *Sarcuni vs bZx DAO* classified blockchain-based decentralised autonomous organisations (the closest approximation we have to a company operated by autonomous algorithmic action) as a general partnership, thereby stripping members of limited liability protections. As we enter into a new era of technology this is precisely the wrong legal architecture.

The logic of 1602 still applies today. Companies run by new technologies such as AI agents require the same legal framework that has underpinned capitalism for over four centuries, one suitable for development and experimentation.

At the beginning of the industrial rev-

olution, Adam Smith illustrated the potential of technology and economies of scale in his celebrated recollection of the pin factory. And, as much as the industrial revolution freed us from the constraints of the human muscle, AI will free us from the constraints of the human brain, pushing productivity beyond our wildest dreams.

It is for this reason that my govern-

**The machine and the legal entity are, together, the double helix of modern prosperity**

ment last week submitted legislation to Congress establishing a dedicated legal framework for the deployment of AI. This rests on three pillars.

First, a commitment to keep AI unregulated so that it is free to be developed without the deadly hand of premature and poorly understood regulation.

Second, the creation of a new corporate category in Argentine law: the non-

human corporation. These are entities operated by AI agents or robots. Where these systems exercise independent judgment in unpredictable environments – as they must, if they are to be genuinely useful – their actions entail real risks. Limited liability is not a luxury for such entities; it is a precondition for their existence. Human shareholders may participate, but are not required.

Third, a competitive fiscal environment. These corporations will benefit from a low corporate tax rate, and shareholders can select the corporate governance law of their choosing. Final beneficiaries will have to be disclosed – Argentina has no interest in becoming a haven for illicit capital – but for all legitimate commercial activity our framework will offer unmatched terms.

This is also, it should be said, an invitation.

Argentina has transformed over the past two years. Inflation, once an existential threat, has been brought to heel – even though the work is not yet finished. A fiscal surplus, combined with the world's most sweeping deregulation programme, has returned the economy

to a growth trajectory after 15 years of stagnation. Investments are flowing into our world-class energy and mining resources, in a region of geopolitical stability that is increasingly rare.

For too long, Argentina constructed a labyrinth of restrictions that reduced what was one of the world's wealthiest nations to relative poverty. Fortunately, we are changing this. In 2024 and 2025, the country advanced 20 positions in the Heritage Foundation's Economic Freedom Index – the largest improvement of any nation in both years.

We are open for business. In the spirit of the Dutch merchants who made Amsterdam the financial capital of the 17th century, we intend to offer the most attractive legal and fiscal environment for the AI companies that will define the 21st. Let Buenos Aires become for AI what Amsterdam was for the age of sail – the place where the legal imagination caught up with the technological moment, and the world was changed.

*The writer is president of Argentina. Federico Sturzenegger, minister of deregulation and state reform, contributed to this article*

## Electoral reform for the UK? Don't bet on it

Tim Bale

Excitement among advocates of electoral reform has been building, buoyed up by the possibility that Andy Burnham may take over as UK prime minister. This is understandable – he's an enthusiast too, and the fracturing of our party politics makes it look inevitable – but they shouldn't get ahead of themselves. For good or ill, anyone hoping to see a shift from first past the post to proportional representation before the next general election, and without a referendum, is fooling themselves.

Burnham's support for electoral reform is seemingly genuine. At last year's Labour Party conference he told a rally: "There is nothing more unstoppable than an idea whose time has come – and PR's time has come." Last week, he confirmed that he was "committed to proportional representation", being unable to see how "first past the post and the point-scoring inherent within it lifts Britain out of the doom loop it is in".

So far, so promising, not least because he (like me) supports creating a national commission to promote an evidence-based UK-wide conversation on the issue. But the idea that this process would prompt the introduction of PR in time to elect the next crop of MPs – presuming a putative Burnham government holds off calling an election until 2029 – is outlandish.

It's not just a question of logistics – though they would be formidable even if the government were to pursue a purely parliamentary path to legislating for the form of PR eventually agreed upon

**A rushed job would court accusations that change was driven by a desperate attempt to stop Farage**

(various systems are already used in Scotland, Wales and Northern Ireland and will soon be reintroduced for mayoralities). The Commons, predictable Conservative opposition notwithstanding, might just wear it. But the House of Lords, packed with Tory peers instinctively opposed and crossbenchers committed to detailed scrutiny? No chance.

It's also the vibes. A rushed job would inevitably court accusations that change was motivated less by a concern to create an electoral system better suited to what looks increasingly like a permanent shift to five- or six-party politics than a desperate attempt to stop Nigel Farage from entering Number 10.

One could argue that Farage would not object: he has been arguing for PR longer than Burnham has. Now he seems to have cooled on the idea – with his Reform UK party currently winning locally under FPTP, it's no longer his enemy but his friend.

It's a pound to a penny, then, that if Labour and other parties in the UK's left-liberal bloc (the Liberal Democrats, Greens, Scottish National Party and Plaid Cymru) were to ram reform through parliament, Farage could argue yet again that "the establishment" was denying "the will of the people".

These parties should instead make a manifesto commitment to whatever system a national commission might recommend. Then, should they manage to form a government from whatever crazy set of results FPTP produces next time, they could at least claim a collective mandate for change.

It probably wouldn't be enough. Britons might balk at the idea of another referendum, given how bitterly divisive the 2016 Brexit and 2014 Scottish independence votes turned out to be. But those exercises in direct democracy (along with the 2011 vote that rejected a far less comprehensive change to the electoral system) have set a precedent when deciding major constitutional issues – one that is difficult to override.

So, while reformers may welcome the possibility of Burnham becoming prime minister, celebration would be premature. Better, by far, to get real: step up efforts to set up a truly independent commission, agree to back the system it recommends, insert a commitment into as many party manifestos as possible and begin working out how best to win support in what is bound to be a hard-fought public vote.

*The writer is professor of politics at Queen Mary University London and co-author of 'The British General Election of 2024'*

## Warsh needs to separate his roles at the Fed

ECONOMICS

Robin Harding



When Kevin Warsh was first nominated as a governor of the US Federal Reserve in 2006, at just 35 years old, a senator dispatched him for a particularly intimidating job interview – with Paul Volcker, the renowned Fed chair who resisted political pressure and fought inflation from 1979 to 1987. Volcker, in Warsh's telling, gave him two pieces of advice.

"He said, 'Kevin, there's something I need to tell you. This job you're signing up for really is quite simple. It really only requires two things.'" Warsh told the *How Leaders Lead* podcast in 2023. "And he said: 'The first thing is, you have to get interest rates about right.'" Warsh noted down this profound lesson from the master. "And he said: 'The second thing is probably more important than the first. When you're a governor of the Federal Reserve, probably the most important thing is to make sure you look like you know what you're doing.'"

Twenty years on, Warsh is back at the Fed, in Volcker's old job, and he could do much worse than to heed his hero's advice.

Warsh's position as the new Fed chair

is delicate. He has criticised the central bank's past performance, harshly, and promised reforms. He has flirted with the idea that productivity gains brought by artificial intelligence will let the US grow without inflation. He has vowed to be independent from the president who nominated him. Yet that president prizes loyalty above all, and constantly demands lower interest rates, even as his war in Iran pushes prices up.

Now Warsh must reconcile all of those threads with an extant group of colleagues on the rate-setting Federal Open Market Committee who do not all share his agenda. They include Jerome Powell, his immediate predecessor, who Warsh has slammed for "unwise choices". As a lawyer by training, not an economist, Warsh will have to rely on the Fed staff on technical points of policy.

Given such a backdrop, how is Warsh to follow Volcker's deceptively simple advice, to get policy right and inspire confidence in his colleagues, in the public and in the markets? The best approach is to separate clearly his role as chair from his individual vote and voice on monetary policy.

To see how that might work, consider how the FOMC makes decisions. The next meeting concludes in a fortnight, on June 17. If Warsh follows the pattern of past chairs, he will talk with each member of the committee in advance, to understand their views. In the meeting itself, the Fed staff present three policy options – A, B and C – one hawkish, one in the middle and one easy. The chair controls the staff. If Warsh is wise

then option B, the central choice, will match the opinions of his committee.

Alan Greenspan – the Fed chair from 1987 to 2006 and another Warsh touchstone – would speak first in FOMC discussions and say what he thought the committee should do. Warsh should instead follow the later pattern of Ben Bernanke, Janet Yellen and Powell, letting the other voters speak first. If he has prepared the ground well, a clear consensus will emerge.

Finally, having shown the committee his good faith as chair, Warsh can set out any divergent view of his own on policy. He can try to persuade his colleagues, and over time he may succeed. If he disagrees deeply with the consensus, he can even cast a dissenting vote. But by respecting a collective process that aims

**A better approach would be to detach his position as chair from his voice on monetary policy**

to make the right policy decision, he can disagree with the committee without harming his ability to lead it.

Shortly after an FOMC meeting, the chair is whisked off to hold a press conference, and here Warsh can follow the same strategy. Speaking on behalf of the committee, Warsh can present the consensus. The first question, almost inevitably, will be: "But you said X before you were nominated and the committee did Y. How come?" For the public, too, this gives an opportunity to understand the committee's view and the chair's as well.

It would be better if Warsh does not formally dissent. That does not look like you know what you are doing – it appears confused and impotent. If he is going to dissent, however, then better do so from the start. A future dissent by the chair will create a sense of crisis, whereas doing so on day one will show it can be done without catastrophe, and the moment of rejoining the consensus – perhaps when a difficult decision must be made – will carry a message of commitment and unity.

The nomination of a critic to lead any

institution is always a tense moment. Most of the changes that Warsh has talked about, however, such as cutting back on forward guidance or running a smaller Fed balance sheet, are not first-order issues. They can be altered without prejudice to the central bank's fundamental mission: getting interest rates right in order to control inflation and support growth.

The oddity of Warsh as Fed chair is that Trump, who nominated him, wants interest rate cuts and to hell with inflation, whereas Warsh comes from a tradition that values control of inflation above all else. Consider his summing up of Volcker's lessons: "There's a certain theatre to it, there's a certain displaying of conviction . . . Does the person look like they know what they're doing? Does the person look like they have conviction about what the future is? Are they conveying a seriousness of purpose to beat inflation down?"

If Warsh can show that seriousness of purpose, he will do fine.

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## America's 'other' economy tells a different growth story

COMPANIES

Robert Armstrong



The data centre boom dominates all discussion of the US economy. It drives the irrepressible stock market, lifts demand for electricity and keeps companies that make everything from generators to cooling systems working flat out. Investment in computer equipment contributed 0.9 percentage points of growth to annualised real GDP in the first quarter, when total growth was 1.6 per cent.

We should not be hypnotised by one booming sector, however. There is another US corporate economy that looks very different: focused on consumption, not investment; viciously competitive; struggling for investor attention and hardly growing.

For a lens on this other economy, look to the consumer packaged goods industry. These companies sell goods we all need, from detergent to cereal, under strong brands and with sophisticated marketing. But they are growing at less than the rate of GDP. Data from Adam Josephson of Sakonnet Research shows that average sales volumes at 15 of the largest US staples companies – Coca-Cola, Procter & Gamble, Hershey – have been negative in 13 of the last 18 quarters. Including dividends, the S&P 500 household products and food products sectors have returned 2 and minus 6 per cent respectively over the past five years.

What's the trouble? It's a long list. Middle- and lower-income consumers are under increasing pressure. The extent to which the US economy is "K-shaped" – with the rich and the companies that serve them thriving as the rest decline – has been exaggerated. But real wage growth has recently turned negative, and consumption, while still growing, has been on a slow-trend since the beginning of the year. CPG companies are not the only ones

feeling the squeeze: in the auto industry, for example, unit sales are moving sideways at about 16mn units a year, well below the pre-pandemic level.

It doesn't help that the population of post-immigration America does not grow, or that the proliferation of GLP-1 drugs has reduced demand for snacks. Furthermore, the CPG industry pushed prices up hard during the 2021-22 infla-

**Big consumer packaged goods brands are struggling to give shoppers what they want at the right price**

tion surge, and has reached or exceeded customers' tolerance levels.

But it is the rise of alternative brands that hurts the most. E-commerce and social media have lowered the barriers to entry for "disrupter" or "insurgent" brands. Much of the retail industry has consolidated behind huge companies such as Walmart and Costco while the perception that store brands like

Costco's Kirkland label are of low quality has faded.

Nicolas Willemot, who leads the consumer products practice at Bain, argues that consumer spending in the US is growing, but store and insurgent brands capture 70 per cent of the growth. The big CPG players need to work harder at giving consumers what they want at the right price. But much of their attention in recent years has been taken up by cost-cutting and consolidation.

The US-Brazilian private equity fund 3G Capital led the trend for aggressive cost cutting. It led initially successful investments in Kraft Heinz and AB InBev, among others. Even Warren Buffett was drawn in by the pitch, partnering with 3G on the Kraft Heinz deals. But subsequent poor growth and share performance have convinced the industry of the limitations of the approach. Similarly, investors have made clear their scepticism of consolidation, sending the shares of Kimberly-Clark tumbling after it announced plans to buy the Johnson and Johnson spin-off Kenvue last year, and doing the same to McCormick when it announced a deal to buy

Unilever's food business in March. Financial structure is not the CPG industry's problem, and it won't be the solution either.

What does all this tell us about the "other" economy? On the good side, the consumer is quite well served. The CPG industry, and its retail neighbour, are wildly competitive on price and innovation. But investors' and companies' hopes that financial engineering and restructuring are a path to industrial revival have been dashed. Growth everywhere is hard to come by – the economy is not a zero-sum game, but it is closer to one than it was a few years ago.

Much of America works in industries that look more like consumer goods than tech. This explains a lot of the apparent mismatches in the US economy: between the low employment rate and lousy consumer sentiment between firm GDP growth and industry surveys. The distance between the exuberant, investment-led tech economy and the cut-throat, consumption-led "other" economy is widening. Keep an eye on both.

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