The Economist

HOLIDAY DOUBLE ISSUE

DECEMBER 23RD 2023–JANUARY 5TH 2024

FEATURING: *On safari in South Sudan • Global warming and wine*
Penguins and prejudice in America • Shoes and Indonesian capitalism
China's new love of the beach • What tractors tell you about AI
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Contents

Our Holiday double issue

At the end of a year of grim geopolitics and resilient economies, we take stock. Assessing the risks in the Red Sea: leader, *page 10*. How to detoxify the politics of migration: leader, *page 9*. Our country of the year: leader, *page 11*. Which economies performed best, *page 45*. What economists got wrong: leader, *page 10*. Plus 56 pages of festive delights...

The world this year

7 A summary of political and business events

Leaders

9 **A world on the move**
How to detoxify migration politics

10 **Trade and terrorism**
Red Sea, red alert

10 **Errors in economics**
A dismal year for the dismal science

11 **Our country of the year**
The centre can hold

12 **Santa tech**
Make Xmas more efficient

Letters

14 On investment in Europe, Napoleon, funeral cars, spy novels, euphemisms, flying lawn chairs

Holiday specials

A seasonal extravagance
After page 30

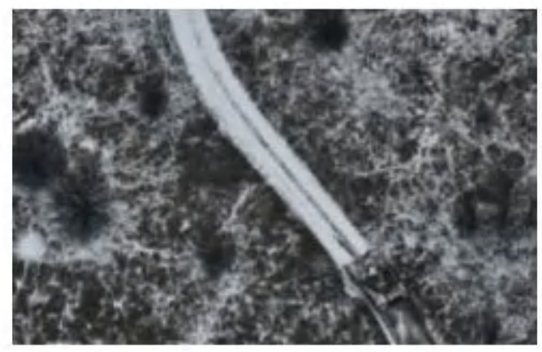
United States

15 Military aid for Ukraine

16 A Jersey success story

17 Reviving Louisiana Creole

18 **Lexington** Tupac or not Tupac?



The Americas

19 Chile's constitution

20 A Mexican boondoggle

Asia

21 China and Myanmar

22 India's unpopular metros

23 Japanese baby-making

Contents continues overleaf

HOLIDAY SPECIALS

DECEMBER 23RD 2023–JANUARY 5TH 2024

Features start after page 30

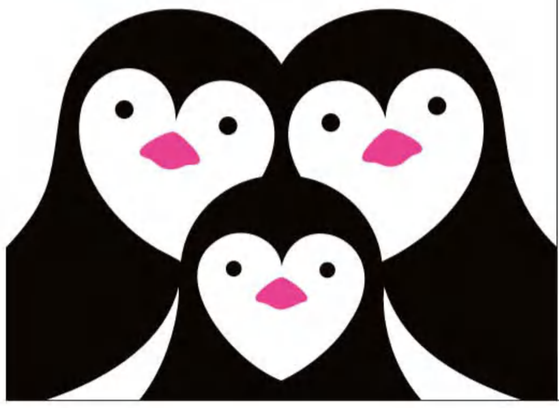
3 GUARDIANS OF EDEN
On safari in South Sudan

6 MAKING AMERICA GODLY AGAIN
Christians' love of Trump

8 GRAPE EXPECTATIONS
How global warming is changing wine

11 A TALE OF FIVE CITIES
How Ukrainians are coping

14 PENGUINS AND PREJUDICE
A parable of modern America



17 FOLLOWING FATIMAH'S SANDALS
E-commerce in Indonesia

20 THE ECONOMICS OF TECHNOLOGY
What tractors tell you about AI

22 BY THE SEASIDE
China's new love of the beach

25 FROM PRISONER TO PRIME MINISTER
Churchill's adventures in Africa

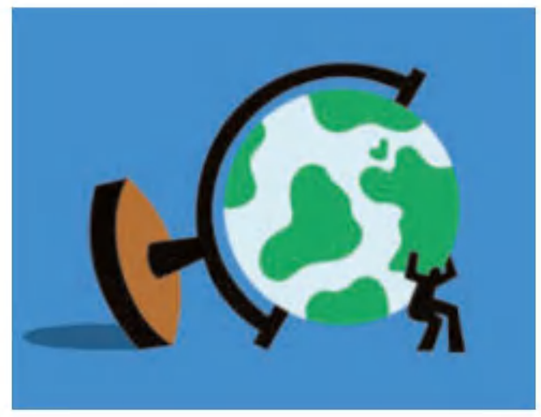
28 ESSAY: THE PRICE OF A WHALE
Where capitalism and conservation meet

34 FROM STAR TO POWER
Why Tamil movie heroes become politicians

37 SISTERS ARE DOING IT FOR THEMSELVES
Famous women DIY-ers

39 THE GREEN MAN'S BURDEN
The moral philosophy of climate change

42 PACIFIC PATHFINDERS
The best sailors in the world



44 DESERT ISLAND DISMAL SCIENCE
Why economists love "Robinson Crusoe"

49 PUTIN'S SHOOTDOWN
The truth about flight MH17

52 DRILLING FOR HYDROGEN
The rush for colourless gold

55 GABON ON THE PRAIRIE
America's last political machine

57 AI AND THE FILM INDUSTRY
Farewell to the lions of Hollywood

China

24 Robots on the rise
25 Jimmy Lai's trial
26 **Chaguan** Repression of ethnic minorities

Middle East & Africa

27 War and peace in the Red Sea
28 Israel's muddled goals
29 Palestinians' Christmas
29 Sudan's war worsens
30 What next for Congo?

Europe

31 An interview with the AfD's co-leader
32 Ukraine's soldier shortage
33 French high heels
33 Euro-budget woes
34 **Charlemagne** Disunited Christmas

Britain

35 Andy Street's mayoralty
36 Recall petitions
37 Beards in the army
38 **Bagehot** At the darts

Business

39 Subsea data wars
41 A feud rattles India Inc
41 A Suez crisis for shipping
42 **Bartleby** Agony uncle returns
44 **Schumpeter** Why Europe wins at luxury

Finance & economics

45 Ranking economies
46 Hong Kong's struggles
47 Carbon offsets
48 **Buttonwood** The cockroach theory of crypto
49 **Free exchange** Where the state comes from

Science & technology

50 Delivery robots
51 Resurrecting ancient viruses
52 A new supersonic engine

Culture

53 The night before Christmas
54 **Back Story** No more heroes
55 A history of eggnog

Economic & financial indicators

56 Statistics on 42 economies

Obituary

58 Eric Freeman, reviver of old Gloucestershire

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to take part in *"a severe contest between intelligence, which presses forward, and an unworthy, timid ignorance obstructing our progress."*

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Less than six months after celebrating the 75th anniversary of its founding, **Israel** suffered its worst-ever terrorist attack. On October 7th Hamas militants crossed from **Gaza** and went on a rampage in the surrounding area, killing 1,200 people, 364 of them at a music festival. Some 240 people were taken hostage. The scale of the attack, the mutilation of bodies and brutal assault of women shocked the world, yet antisemitism surged. Israel launched a war on Hamas in Gaza, flattening swathes of the Palestinian territory and killing 20,000 people, including militants. By the end of the year America was signalling to Israel that it should seek to wind down the conflict.

Before the Hamas attack **Binyamin Netanyahu's** government was already under pressure, as hundreds of thousands of Israelis took to the streets in a wave of rallies to protest against controversial reforms to the judiciary.

God rest ye merry gentlemen

In a historic first, America's **House of Representatives** removed a speaker from office. Kevin McCarthy was brought down by a group of right-wing Republicans who were angry that he had sought Democratic support to avoid a government shutdown (the Democrats then deserted Mr McCarthy and voted to remove him). It took the dysfunctional Republicans a few weeks to choose a new speaker, Mike Johnson.

Donald Trump became the first American president, former or sitting, to face criminal charges in a federal court. The year ended with Colorado's Supreme Court ruling that Mr Trump was ineligible to run in the state's primary because he fanned the insurrection in Washington in January 2021. Mr Trump faces 91 criminal counts across four cases.

Russia's war on Ukraine dragged on. **Ukraine's** counter-offensive against the invaders didn't make much headway, though Volodymyr Zelensky claimed some success in diminishing Russia's naval power in the Black Sea. After Russia pulled out of a deal guaranteeing safe passage of grain exports from Black Sea ports, Ukraine began shipping goods from alternative ports on the River Danube.

Finland joined **NATO**, a poke in the eye for Russia, which thought its aggression against Ukraine would weaken the military alliance. Sweden's bid for membership was still held up by Hungary and Turkey.

Vladimir Putin faced the biggest challenge to his autocratic presidency in a decade when **Yevgeny Prigozhin**, the leader of the Wagner mercenaries, rebelled and ordered his men to march on Moscow, because he thought Russia was mishandling the war. The speed at which his armed troops advanced caught the Kremlin by surprise. Civil war was forecast before Prigozhin abruptly ended his uprising. He was killed in a plane crash two months later. Prigozhin had "made serious mistakes in his life", Mr Putin said archly, soon after the crash.

A lightning offensive by Azeri troops captured **Nagorno-Karabakh**, an enclave in Azerbaijan that has been fought over with Armenia since the collapse of the Soviet Union in 1991. Nearly all of Karabakh's ethnic Armenian population fled to Armenia.

After an aggressive 15 months of tightening and a considerable easing of inflation, the world's **central banks** began a "pause" in raising interest rates. The Federal Reserve has signalled three cuts for 2024. Ueda Kazuo started his term as the Bank of Japan's governor, and is expected to start tightening its ultra-loose monetary policy in 2024.

Generative **artificial intelligence** was all the rage, following the success of the ChatGPT chatbot. Virtually every company rushed out its AI strategy, but the speed at which the technology is progressing raised concerns, and lay behind a corporate clash that ousted Sam Altman as the boss of OpenAI. In a bizarre episode Mr Altman was quickly reinstated after most of the startup's staff said they would quit if he wasn't brought back.

Silver bells

Stockmarkets rebounded after a dismal 2022, boosted by the hoopla surrounding AI. The stock prices of Alphabet, Meta and Microsoft soared, as did those for chipmakers that power the AI revolution. Nvidia's stock rose by 240% in 2023. The drug companies behind new obesity treatments, such as Novo Nordisk, also saw their value balloon. And with the pandemic over, travel companies fared well (though the American government lost track of the many complaints made against airlines). The share prices of Carnival and Royal Caribbean, two cruise lines, increased by 130% and 150% respectively. Tesla's stock rose by 140%.

It was another eventful year for **Elon Musk**, who changed the name of his social-media platform from Twitter to X. He later revealed that X is now worth $19bn, much less than the $44bn he paid for it.

Britain's Conservatives lost four by-elections as voters swung towards the opposition parties, a bad omen for Rishi Sunak ahead of a general election expected in 2024. Labour also snatched a seat from the Scottish National Party, which is losing its iron grip on Scotland. Nicola Sturgeon had earlier resigned as Scotland's first minister. She was later questioned by police about her party's finances.

Come and behold him

Argentina's presidential election was won by Javier Milei, an unconventional self-styled anarcho-capitalist, who immediately slashed public spending and devalued the peso by over 50%. With annual inflation at 161% and interest rates at 133% Mr Milei described the central bank as a machine for "crooked" politicians to print money.

In other elections the party led by Geert Wilders, a veteran far-right politician, came first in the **Netherlands**. **New Zealand** moved to the centre-right by returning the National Party to power; Jacinda Ardern had earlier resigned as prime minister. The centre-right New Democracy party attained a rare parliamentary majority in **Greece**. A right-wing coalition claimed victory in **Finland**. The conservative People's Party thought it had won in **Spain**, but it couldn't form a coalition so the Socialists returned to government, with the support of Catalan separatists in return for a controversial amnesty. In **Thailand** the election victor also did not form a government. The royalist establishment didn't

like the reformist Move Forward party so parliament voted the Pheu Thai party into office instead. The establishment in **Guatemala** tried to derail the victory of Bernardo Arévalo, an anti-corruption candidate. A centre-left coalition won **Poland's** poll, ending eight years of contentious rule by the Law and Justice party. Bola Tinubu won in **Nigeria's** presidential election and Joseph Boakai in **Liberia's**. Daniel Noboa was elected president of **Ecuador**; aged just 35, he is the youngest head of a democracy.

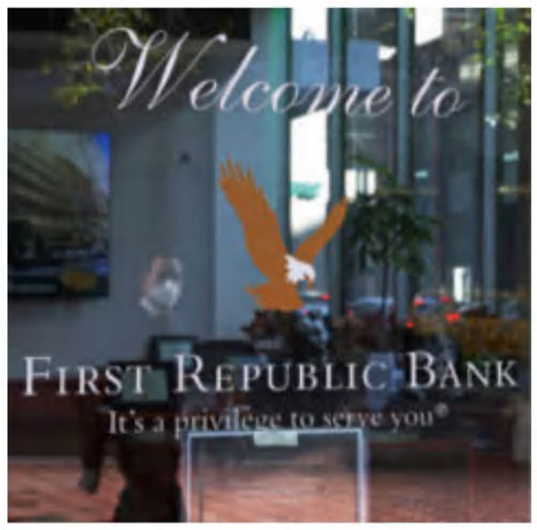
A powerful earthquake that hit **Turkey** caused many Turks to criticise Recep Tayyip Erdogan for the country's lack of preparedness. At least 50,000 died in Turkey and up to 10,000 in Syria. The opposition thought it had a good chance of unseating Mr Erdogan in the presidential election, but in the end he won comfortably.

Earthquakes in Morocco and Afghanistan killed 3,000 and 1,500 people respectively. In Libya the town of Derna was deluged by **floods** when heavy rains destroyed two dams. At least 4,000 people died, but 8,000 are still missing.

Wildfires on the **Hawaiian** island of Maui killed at least 100 people and destroyed the historic town of Lahaina. It was America's deadliest wildfire disaster in a century.

The number of coups in west and central Africa since 2020 rose to eight, when the governments of **Gabon** and **Niger** were taken over by the army. A new genocide emerged in the Darfur region of **Sudan**, as Arab militia slaughtered ethnic African groups there.

Pakistan was engulfed by political turmoil after Imran Khan, who was ousted as prime minister in 2022, was imprisoned on corruption charges that he says are politically motivated. Terrorists carried out more bombings, targeting a mosque in Peshawar and killing 84 people. Later in the year the government blamed Afghan migrants for the wave of attacks and ordered their expulsion from the country.



Markets were rattled by another **banking crisis** that had echoes of 2007-09. The Federal Reserve and other regulators stepped in to protect depositors at Silicon Valley Bank and Signature Bank when the two lenders collapsed. Billions were wiped off banking stocks. Investors remained jittery, and several weeks later First Republic Bank also went down, the second-biggest bank failure ever in America.

Amid the turmoil **Credit Suisse** also went under. It was eventually rescued by **UBS** in an emergency takeover, bringing an end to 167 years of independence. Boosted by its new assets UBS reported a quarterly profit of $29bn, a record for any bank.

Joy to the world

Other business highlights included **Rupert Murdoch** stepping down as chairman of both Fox and News Corporation, handing the reins to his eldest son, Lachlan; **Sam Bankman-Fried** being found guilty of fraud for his role in the collapse of FTX; **Arm** floating on the Nasdaq exchange in the year's biggest IPO; and **Exxon Mobil** buying Pioneer Natural Resources for $60bn, its biggest acquisition since purchasing Mobil in 1999.

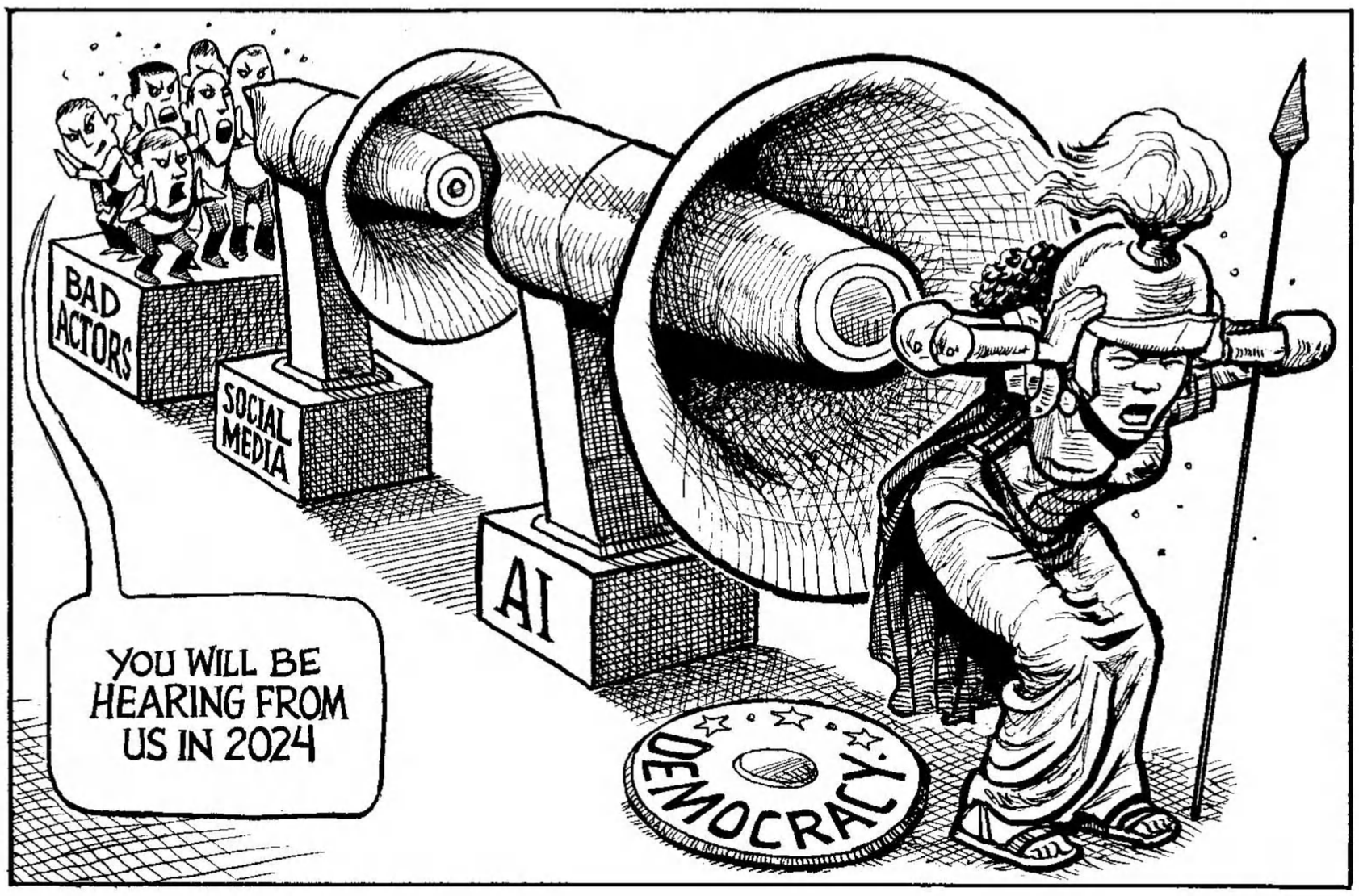
In **Brazil** supporters of the former president, Jair Bolsonaro, stormed the country's Congress, presidential palace and Supreme Court, whipped up by false claims that he had been robbed of re-election in 2022. Luiz Inácio Lula da Silva, the winner of that election, described the protesters as "fanatical fascists".

France suffered its worst riots since 2005, sparked by the fatal shooting of a teenager of north African descent by the police in Paris. Cars were burned and shops looted as the violence spread throughout the country. Earlier in the year widespread protests against the government's pension reforms also turned violent.

China's economy showed signs of recovery at the beginning of 2023, after strict pandemic controls were lifted. But the rebound turned out to be a damp squib. The year was marked by waning exports, defaulting property firms and deflation. Economists pushed back their forecasts of when China would overtake America as the world's biggest economy, if it happens at all.

'Tis the season to be jolly

Film production came to a halt in **Hollywood** as writers and actors went on strike, their first simultaneous union action since 1960. **"Barbie"** was the biggest box-office hit, released on the same day as **"Oppenheimer"**, another huge money-spinner. One movie is a tale of brilliance, hubris and relentless drive and the other is a biopic of the father of the atom bomb.



How to detoxify migration politics

Cooler heads and calmer words are needed, on both the left and the right

EVERY DAY, screens around the world fill with grim pictures from Gaza, where nearly 2m Palestinians have been forced out of their homes. Even larger numbers have been displaced in Congo, Sudan, Syria and Ukraine. Most people feel compassion when they see fellow humans fleeing from bombs, bullets or machetes. But many also experience another emotion: fear.

Seen through a screen, the world can seem violent and scary even to residents of safe, rich places. Many worry that ever-swelling numbers of refugees and other migrants will surge across their borders. Nativist politicians talk of an "invasion".

Fear has curdled rich-world politics. A man who once advocated banning the Koran could be the next Dutch prime minister. Britain's Conservative Party is trampling on constitutional norms to try to send asylum-seekers on a one-way trip to Rwanda. Donald Trump tells hollering crowds that unlawful immigrants are "poisoning the blood of our country".

Some perspective is in order. The vast majority of people who migrate do so voluntarily and without drama. For all the talk of record numbers and unprecedented crisis, the share of the world's people who live outside their country of birth is just 3.6%; it has barely changed since 1960, when it was 3.1%. The numbers forcibly displaced fluctuate wildly, depending on how many wars are raging, but show no clear long-term upward trend. The total has risen alarmingly in the past decade or so, from 0.6% in 2012 to 1.4% in 2022. But this is only a sixth of what it was in the aftermath of the second world war.

The notion that refugees pose a serious threat to rich countries is also far-fetched. Most fugitives from danger do not go far. Of the 110m people whom the UN classified as forcibly displaced as of mid-2023, more than half remained in their own countries. Barely 10% had made it to the rich world—slightly more than the population of London. This is not a trivial number, but it is plainly manageable if governments co-operate. Overall, poorer countries host nine times more displaced people with skimpier resources and less hysteria.

The populist right drums up fears of overwhelming numbers in order to win votes. Some on the left inflame the issue in different ways. Lavishing benefits on asylum-seekers while making it hard for them to work guarantees that they will be a burden, which is why Sweden's anti-immigrant party now has a slice of power. Calling for the abolition of border controls, as some American radicals do, terrifies the median voter. Insisting that everyone should be defined by race and given a pecking order with the majority group ranked last, and then demanding that America admit millions more members of minority groups, is a recipe for ensuring Mr Trump's re-election.

A wiser approach to migration would bear in mind two things. First, moving tends to make people much better off than they would have been, had they stayed put. Those who flee from danger find safety. Those who seek a new start find opportunity. Migrants from poor countries to rich ones vastly raise their own wages and have little or no effect on those of the native-born. Mobility also allows families to spread risks. Many pool cash to send a relative to a city or a richer country, so they have at least one income that doesn't depend on the local weather.

Second, recipient countries can benefit from immigration, especially if they manage it well. The most desirable destinations can attract the world's most talented and enterprising people. Immigrants in America are nearly twice as likely to start a company as the native-born and four times likelier to win a Nobel science prize. Less-skilled migrants fill gaps in ageing labour forces and free up locals for more productive tasks (for example, when a foreign nanny enables two parents to work full-time).

A more mobile planet would be richer: by one estimate, completely free movement would double global GDP. These colossal gains remain unrealised because they would accrue mostly to the migrants, who cannot vote in the countries they want to move to. Still, rather than leaving all these trillions of dollars on the floor, wise governments should find ways to share some of them. That means persuading voters that migration can be orderly and legal, and proving that immigrants not only pay their way but enhance the collective good.

So border security should be tight, while the slow process of denying or granting entry is streamlined. A realistic number of workers should be admitted—and selected primarily by market forces, such as visa auctions. Immigrants should be free to work—and pay taxes—but not to draw the same welfare benefits as citizens, at least for a while. Some day, the creaking global asylum system should be modernised and the task of offering sanctuary should be shared more fairly. A provisional EU deal announced on December 20th is a small step in the right direction.

Pessimists on the right argue that more migration will breed disorder, since people from alien cultures will not assimilate. Yet studies find no solid evidence that diverse countries are less stable—contrast homogeneous Somalia with many-hued Australia.

Pessimists on the left say the West will never let in many people or treat newcomers fairly because it is incorrigibly racist. Yet though racism persists, it has dwindled more than many people realise. When Barack Obama was born, mixed-race marriages were illegal in much of America, and many Brits still thought they had a right and a duty to rule other nations. Now a fifth of new American marriages are mixed, and Brits find it unremarkable that a descendant of colonial subjects is their prime minister. British Indians, Chinese-Canadians and Nigerian-Americans all earn more than their white compatriots, suggesting racism is not the main determinant of their life chances.

Westward leading, still proceeding

In the future, climate change may spur people to move more. But this will be gradual, and two forces may have the opposite effect. The shift from farms to cities—a much bigger mass movement than cross-border migration—will slow, as most of the world is already urban. And humanity will grow less mobile as it ages. Today, rich countries have a wonderful opportunity to import youth, brains and dynamism. It may not last for ever. ■

Trade and terrorism

Red Sea, red alert

Houthi attacks pose a grave threat to global shipping. They must be dealt with firmly

FOR THE world to prosper, ships must reach their ports. They are most vulnerable when passing through narrow passages, such as the Strait of Malacca or the Panama Canal. So a recent surge of attacks on vessels in the Red Sea, the only southern conduit into the Suez Canal, poses a grave threat to global trade. The Houthis, militants in Yemen backed by Iran, have fired over 100 drones and missiles at ships linked to more than 35 countries, ostensibly in support of the Palestinians (see Middle East & Africa section). Their campaign is an affront to the principle of freedom of navigation, which is already at risk from the Black Sea to the South China Sea. America and its allies must deal firmly with it—without escalating the conflict in the Middle East.

A hefty 20% of global container volumes, 10% of seaborne trade and 8-10% of seaborne gas and oil pass through the Red Sea and Suez route. After weeks of mayhem four of the world's five largest container-shipping firms have suspended voyages through it; BP has paused oil shipments. The effect on energy prices has been muted, owing to ample supply. But the share prices of container firms have soared, as investors anticipate a capacity squeeze. The cost to ship a container between Asia and Europe has spiked (see Business section). If unresolved, the crisis will cause a supply-chain crunch.

The Houthis' drone-and-missile stockpile, supplied by Iran, is the envy of many armies. They are one of the proxy forces Iran uses to attack Israeli, Gulf Arab and Western interests. In 2022 they launched multiple attacks on the facilities of Saudi Aramco, which is responsible for over 10% of global oil output. It is unprecedented for a militia in a failed state, whose motto promises "Death to America, Death to Israel", to have ballistic missiles capable of flying 2,000km and hitting tankers.

American, British and French warships have spent weeks shooting drones and missiles out of the sky: on December 16th they took down 15. Yet this defensive approach is hard to sustain. Surface-to-air missiles costing millions of dollars are being used against a blizzard of cheap Iranian drones. Only a handful need to get through and ships and their insurers will stay away.

That points to a three-step approach. First, a bigger international naval presence in the Middle East. On December 18th America announced a new task force to patrol the area. Ten mostly Western countries have signed up publicly; nine others, including Egypt and Saudi Arabia, are thought to be helping more discreetly. Others, including India, which depends on Suez and has ships in the area, should come aboard.

At least five American destroyers are now in the Red Sea. The *USS Dwight Eisenhower*, an aircraft-carrier, is poised off Djibouti, its four squadrons of strike aircraft within range of Houthi territory. Its destroyer escorts have some 600 missile-launch tubes between them. For now the task force will play defence. One option is to provide armed escorts for merchant ships, as America did in the Gulf in the 1980s during the so-called tanker wars. But over time this requires too many warships. The task force is more likely to establish a safe corridor, with an air-defence bubble against drones and missiles.

That points to the second step: diplomacy. Saudi Arabia is on the cusp of a deal to extend a ceasefire with the Houthis which could end a war that has devastated Yemen for nine years. It could include commitments to end naval attacks. That might suit America, which is keen to dampen down regional tensions. Its navy is stretched and its carriers are sorely needed in Asia.

Yet diplomacy may fail and the Houthis may not respect any deal: they will surely find it tempting to hold global trade to ransom again. That is why, third, America and its allies must retain the option of strikes on the Houthis. Though malign and reckless, Iran surely does not want an all-out regional war and may be persuaded to rein in its client. But it should understand that if it fails to do so, retaliation against the Houthis is inevitable. ■

Economics

A dismal year for the dismal science

Economists have spent 2023 rethinking their excessive pessimism

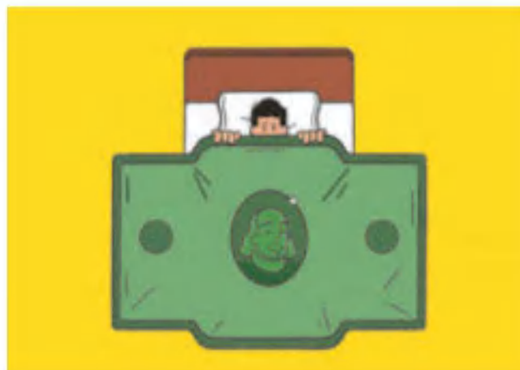
SPARE A THOUGHT for economists. Last Christmas they were an unusually pessimistic lot: the growth they expected in America over the next calendar year was the fourth-lowest in 55 years of fourth-quarter surveys. Many expected recession; *The Economist* added to the prognostications of doom and gloom. This year economists must swap figgy pudding for humble pie, because America has probably grown by an above-trend 3%—about the same as in boomy 2005. Adding to the impression of befuddlement, most analysts were caught out on December 13th by a doveish turn by the Federal Reserve, which sent them scrambling to rewrite their outlooks for the new year.

It is not just forecasters who have had a bad year. Economists who deal in sober empirical work have also had their conclusions challenged. Consider research on inequality. Perhaps the most famous economic studies of the past 20 years have been those by Thomas Piketty and his co-authors, who have found a rising gap between rich and poor. But in November a paper finding that after taxes and transfers American incomes are barely less equal than in the 1960s was accepted for publication by one of the discipline's top journals. Now Mr Piketty's faction is on the defensive, accusing its critics of "inequality denial".

Economists have long agreed that America would be richer if ▸▸

it allowed more homes to be built around popular cities. There is lots of evidence to that effect. But the best-known estimate of the costs of restricting construction has been called into question. Chang-Tai Hsieh of the University of Chicago and Enrico Moretti of the University of California, Berkeley, found that easing building rules in New York, San Francisco and San Jose would have boosted American GDP in 2009 by 3.7%. Now Brian Greaney of the University of Washington claims that after correcting for mistakes the true estimated effect is just 0.02%. If builders disagreed as wildly about roof measurements, the house would collapse.

Think social mobility in America is lower than it was in the freewheeling 19th century, when young men could go West? Think again, according to research by Zachary Ward of Baylor University. He has updated estimates of intergenerational mobility between 1850 and 1940 to account for the fact that past studies tended to look only at white people, as well as correcting other measurement errors. It now looks as if there is more equality of opportunity today than in the past (albeit only because the past was worse than was thought).



A rise in suicides, overdoses and liver disease has reduced life expectancy for white Americans. Angus Deaton and Anne Case of Princeton University popularised the idea that these are "deaths of despair", rooted in grimmer life prospects for those without college degrees. But economists have been losing faith in the idea that overdoses, which are probably the biggest killer of Americans aged 18-49, have much to do with changes in the labour market. New research has instead blamed the carnage on simple proximity to smuggled fentanyl, a powerful opioid.

Other findings are also looking shaky. The long decline in the prestige of the once-faddish field of behavioural economics, which studies irrationality, continued in 2023. In June Harvard Business School said it believed, after an investigation, that some of the results in four papers co-written by Francesca Gino, a behavioural scientist and PhD economist, were "invalid", owing to "alterations of the data". (Ms Gino, who has written a book about why it pays to break rules, is suing for defamation the university and the bloggers who exposed the alleged fiddling.)

What lessons should be drawn from economists' tumultuous year? One is that for all their intellectual discipline they are still human. Replicating existing studies and checking them for errors is crucial work.

Another lesson is that disdain for economic theory in favour of the supposed realism of empirical studies may have gone too far. After the global financial crisis of 2007-09, commentators heaped opprobrium on theorists' common assumption that people make rational predictions about the world; gibes about an unrealistic, utility-maximising *Homo economicus* helped raise the status of behavioural economics. Yet rational-expectations models allow for the possibility that inflation can fall rapidly without a recession—exactly the scenario that caught out forecasters in 2023.

A last lesson is that economists should cheer up. The research that has been called into question this year inspired much pessimism about the state of modern capitalism. But a dodged recession, flatter inequality trends and less despair would all be good news. Perhaps the dismal science should be a little less so. ■

Our country of the year

The centre can hold

Some places showed that populism can be beaten, others that painful reforms can work

HISTORIANS WILL not look back on 2023 as a happy year for humanity. Wars blazed, autocratic regimes swaggered and in many countries strongmen flouted laws and curbed liberty. This is the grim backdrop to our annual "country of the year" award. If our prize was for the resilience of ordinary people in the face of horror, there would be an abundance of candidates, from the Palestinians and Israelis in their bitter conflict to the Sudanese fleeing as their country implodes.

Yet since we started naming countries of the year in 2013, we have sought to recognise something different: the place that has improved the most. The search for a bright spot in a bleak world led some of our staff to despair and propose **Barbie Land**, the fictional pink utopia of a Hollywood blockbuster. But in real life, there are two sets of countries that deserve recognition in 2023.

The first includes places that have stood up to bullying by autocratic neighbours. One cannot say that life in **Ukraine** improved, but the country valiantly continued its struggle against Vladimir Putin's war machine, despite wobbling by its Western supporters. **Moldova** resisted Russian intimidation. **Finland** joined the NATO alliance and **Sweden** will follow soon. In Asia a number of countries held their nerve in the face of Chinese aggression, often in collaboration with America. The **Philippines** defended its maritime boundaries, and the law of the sea, against much bigger Chinese ships. In August **Japan** and **South Korea** put aside their historical grievances to deepen their co-operation. The island state of **Tuvalu**, with a population of 11,000, has just signed a treaty with **Australia** that insures its population against climate change and includes a security guarantee to prevent it from falling under China's thumb.

Our second group of countries defended democracy or liberal values at home. Fragile, war-scarred **Liberia** managed a peaceful transfer of power. So did **Timor-Leste**, which maintained its reputation for respecting human rights and a free press. In some mid-sized countries, such as **Thailand** and **Turkey**, hope flickered as the opposition pushed hard to eject autocratic regimes, but those regimes held on at elections skewed in their favour.

Three countries stand out for turning back to moderation after a walk on the wild side. **Brazil** swore in a centre-left president, Luiz Inácio Lula da Silva, after four years of mendacious populism under Jair Bolsonaro, who spread divisive conspiracy theories, coddled trigger-happy cops, supported rainforest-torching farmers, refused to accept electoral defeat and encouraged his devotees to attempt an insurrection. The new administration quickly restored normality—and reduced the pace of de-

forestation in the Amazon by nearly 50%. Brazil's impressive record was marred, however, by Lula's habit of cosying up to Mr Putin and Venezuela's despot, Nicolás Maduro. As a result, Brazil misses out on the award.

Poland had a remarkable 2023: its economy withstood the shock of the war next door; it continued to host nearly 1m Ukrainian refugees; and to deter Russia it raised its defence spending to above 3% of GDP, giving its stingy NATO peers an example to emulate. The country's biggest problem has been the dominance of the populist-nationalist Law and Justice (PiS) party, which has run the government for the past eight years, eroding the independence of the courts, stuffing state media with lackeys and nurturing crony capitalism. In October voters dumped PiS in favour of an array of opposition parties. It is early days for a new coalition government, led by Donald Tusk, a veteran centrist, but if it does a good job of mending the damage PiS did to democratic institutions, Poland will be a strong candidate for our prize next year.

That leaves our winner, **Greece**. Ten years ago it was crippled by a debt crisis and ridiculed on Wall Street. Incomes had plunged, the social contract was fraying and extremist parties of the left and right were rampant. The government grew so desperate that it cuddled up to China and later sold its main port, Piraeus, to a Chinese firm. Today Greece is far from perfect. A rail crash in February exposed corruption and shoddy infrastructure; a wire-tapping scandal and the mistreatment of migrants suggested civil liberties can be improved.

But after years of painful restructuring, Greece topped our annual ranking of rich-world economies in 2023 (see Finance & economics section). Its centre-right government was re-elected in June. Its foreign policy is pro-America, pro-EU and wary of Russia. Greece shows that from the verge of collapse it is possible to enact tough, sensible economic reforms, rebuild the social contract, exhibit restrained patriotism—and still win elections. With half the world due to vote in 2024, democrats everywhere should pay heed. ■

Christmas innovation

Advances in Santa tech

New technology is helping Santa Claus come to town more efficiently

DEAR SHAREHOLDERS of Father Christmas (FC) Global Inc, 'tis the season for management to update you on the state of the business. Growth in demand continues to be ho-ho-hum. That other implausible global delivery maestro, the stork, has been slacking, so our global customer base has expanded by just 130m infants this year, down from 144m in 2012, bringing the total addressable market to just over 2bn under-15-year-olds. We thus made 2023 the "year of efficiency", like Meta but jollier.

In particular, we invested heavily in our technological capabilities, to streamline operations, avoid supply-chain bottlenecks and contain costs. Start with logistics. We are ramping up use of sidewalk robots, drones and hypersonic jets (see Science & technology section). This provides a convenient way to put Donner, Blitzen and the rest of the herd out to pasture, while burnishing our ESG credentials by dispelling complaints about animal cruelty.

Satellite production sites near big population centres are being equipped with additive-manufacturing tools, popularly known as 3D printers. Like Alstom, a French maker of trains, which boasts of having printed 150,000 spare parts at its depots around the world, we are making our toy locomotives locally. This helps us avoid supply disruptions, such as those causing some competitors problems in the Red Sea. It will also help us avoid overstocking stocking-fillers. Our green footprint is benefiting from advances in the circular economy. Toys that end up broken by Twelfth Night—which in some years is most of them—are increasingly being recycled into raw materials for the 3D printers.

Our new Santa App for iOS and Android offers computer-aided design software for fully customisable gifts. This took inspiration from the system launched in May by Nike for its trainers, and lets us make individualised items at little or no added cost. Forget scientist Barbie: we can do "irritating nine-year-old Jane Smith from Brighton" Barbie. Parents will love it.

Technology is curbing other costs, starting with labour—a blessing in a time of worker shortages. Because 3D printers work autonomously, productivity per remaining pixie has surged. Shortages among service elves are being allayed with the help of ClausGPT, our proprietary chatbot. It can parse incoming correspondence and field complaints. Not loving little Jimmy's new drum kit? We hope ClausGPT suggests earplugs, not violence.

Virtual AI avatars of Father Christmas reduce the strain on our chief executive. Ozempic, the hot obesity drug of 2023, reduces the strain on his health-insurance bill. It also lowers our key-man risk, which independent analysts now put below that for Elon Musk or Sam Altman.

To limit production costs, we have adopted the open-source RISC-V architecture for microchips, which these days feature in most of our products (and everybody else's). This lets us avoid paying licence fees for semiconductors; Nvidia and its shareholders don't need any more presents this year. With the promised phase-out of coal, just agreed at the UN's climate summit, the lumps for the badly behaved should become cheaper, too. Superbrats may even get two lumps.

In the spirit of Christmas disclosure, we wish to highlight a number of risks to our business. Some of our new technologies are dual-use, so government export controls threaten deployment. The spread of solar panels, already covering 4m residential roofs in our biggest market, America, is making landings treacherous. Efforts to insulate homes and substitute heat pumps for fireplaces are leading to access problems.

Snow laughing matter

And we cannot count on Amazon and Alibaba, our chief rivals, to remain on regulators' naughty lists for ever. But we firmly believe that these risks are under control. In the worst-case scenario, we can always fall back on miracles. ■

Imperial College London

CENTRE FOR SECTORAL ECONOMIC PERFORMANCE

The **Centre for Sectoral Economic Performance, supported by the Gatsby Foundation**, is a new joint initiative between the Faculty of Engineering and Business School at Imperial College London - one of the world's leading universities working to solve the biggest challenges in science, medicine, engineering and business.

The Centre will bring together expertise from engineering, economics and management science, to build a national resource to ensure the UK's high-value science and technology-based industries are globally competitive in the 21st century. The Centre will translate rigorous research into strategies and policies that address both firm-level and national competitiveness.

Applications are sought for the inaugural co-Directors from outstanding academics with an Engineering and/or Business School background. The Co-Directors will build and shape this new Centre in London, work with colleagues across academia, industry and government, and direct recruitment of new staff to the Centre, including our inaugural David Sainsbury Fellows (Post-doctoral researchers) and David Sainsbury Scholars (Ph.D. students). They will report to the Deans of the Faculty of Engineering and Imperial College Business School, and the Centre's Strategic Advisory Board. Successful candidates will commence their appointments before 1 October 2024.

For further details contact
Professor James Barlow – j.barlow@imperial.ac.uk or
Professor Robert Shorten – r.shorten@imperial.ac.uk.

Independent Audit and Oversight Committee (IAOC) Members

The Office of the United Nations High Commissioner for Refugees (UNHCR) in Geneva, Switzerland, is seeking applications to fill three vacant positions on its Independent Audit and Oversight Committee (IAOC).

Established in 1950, UNHCR (**www.unhcr.org**) is mandated to lead international action to protect refugees, forcibly displaced communities and stateless people.

The five-member IAOC provides expert advice at both executive level to the High Commissioner and at governance level to UNHCR's Executive Committee, in exercising their oversight responsibilities.

IAOC members must have recent and relevant senior-level experience in finance, audit, and/or oversight. Preferred experience also includes governance, assurance, and risk management, evaluation, ethics, and fraud prevention. An understanding of the organization and UN system operating context and structure would be an advantage. Excellent knowledge of English is required.

To maintain independence, members do not receive a fee for services rendered. However, they receive allowances and reimbursements for expenses incurred to attend 2-3 sessions annually, with each lasting approximately 3-4 days.

For more information on the IAOC, please refer to:
www.unhcr.org/careers/iaoc

Interested candidates should please send curriculum vitae and letter of interest by **23 February 2024 midnight (CET) time** to **hqcareer@unhcr.org**

UNHCR values inclusiveness, diversity, and gender equity.

Deputy Director, Secretary General Private Office

Within the Office of the Secretary General, the Private Office supports and coordinates the Secretary General and Deputy Secretary General's activities in the performance of her/his duties, and orchestrates coordinating efforts between the Divisions and other NATO entities.

The Deputy Director, working in a team with four other Deputy Directors, assists the Director of the Private Office and the Executive Coordinator and has particular responsibility for advising the Secretary General on certain matters relating to her/his assigned portfolio of issues, Divisions and Partner countries. S/he also acts as primary liaison between the Private Office and some Divisions of the International Staff (IS), as well as the International Military Staff, as appropriate.

The Deputy Director is one of five Deputy Directors reporting to the Director and works closely with the Secretary General, Deputy Secretary General and Executive Co-ordinator. The incumbent works closely with senior International Staff and has frequent contact with members of the International Military Staff and national delegations.

If you are interested, please check the vacancy on NATO's official openings website and write the job number as "231442" for more information and to apply.

https://www.nato.int/cps/en/natohq/recruit-wide.htm

In case of any questions, send emails to: **recruitment@hq.nato.int**

The closing date for applications is the **17th of March 2024 at 23:59 CET Brussels Time.**

Capital markets in the EU

Your article on the state of the startup community in Europe ("Partying like it's 2023", December 9th) provided a welcome reminder of the promise of Europe's tech entrepreneurs and Europe's future competitiveness. As a businessperson, I wholeheartedly agree with your conclusion: the best thing the European Union can do to support the startup and scaleup community is to move away from digital-specific regulation and focus more on creating a truly single market. The single market is our best tool to strengthen European competitiveness, especially in a world of severe competition from America and China.

By the European Commission's own estimate, completing the single market would deliver a budget-neutral boost in growth of over €700bn ($767bn) between now and 2030. Hopefully, the forthcoming proposal from Enrico Letta, a former Italian prime minister, to strengthen the single market will receive the political attention and investment it so desperately needs. Aside from easing access to national markets of the EU, consider how a deeper single market would also enable scaleup by facilitating better access to investment funding.

EU capital markets have shown some growth year on year since 2015. In some countries, they are moving in the right direction, but the harmonised EU push is not there. Not least because of the fragmentation of national capital markets, which hinders integration at an EU level.

A well-functioning European capital market would be transformative, allowing small- and medium-sized business to grow, companies and people to invest, citizens to cater for their financial needs and investments to be carried out where they are needed the most. The potential positive externalities in terms of competitiveness, trade and security are self-evident.

For all these reasons, the EU capital markets union, launched in 2015, needs to materialise. Leaders at both the national and EU level need to move beyond lip service and invest the political capital needed to make it happen.

JACOB WALLENBERG
Chair
Investor AB
Stockholm

Napoleon by the numbers

Charlemagne stated that Napoleon killed millions and, adjusted for population, "that is perhaps no less murderous than an Adolf Hitler or Joseph Stalin" (November 25th). There are actually huge differences behind the numbers. The French revolutionary and Napoleonic wars resulted in an estimated 3.5m to 4m deaths, including up to 1m civilians, over a period of some 25 years. Not all of those deaths can be attributed to the *Grande Armée* or to Napoleon personally, since the first round of warfare was initiated by the countries opposed to the French revolution. But certainly a large percentage of that total was the consequence of Napoleon's actions and policies attempting to secure French dominance of Europe through military conquest following his assumption of power.

The laws that governed the conduct of war were rudimentary by contemporary standards, but those rules that existed were mostly observed by all the major participants in the Napoleonic wars.

The French revolutionary wars were much less destructive than either the second world war or the mass starvation and oppression of the Stalinist regime. Out of a population of approximately 187m people in Europe and Russia in 1800 the estimated 4m deaths in the Napoleonic and revolutionary wars between 1790 and 1815 represent about 2% of the population. In the second world war around 40m to 45m perished in the European theatre of the conflict, including the Soviet Union. That represents approximately 9% of the total population of Europe, including the European part of the Soviet Union, of around 485m people at that time. Stalin's policies resulted in the deaths of an estimated 20m people, most of whom died between 1930 and 1941. That is 12.5% of the Soviet population.

There is no comparison between Napoleon and the genocidal and mass-atrocity policies of Hitler and Stalin.

DR T.D. GILL
Emeritus professor
of military law
University of Amsterdam

One often neglected area of Napoleon's legacy is his sale of the Louisiana Territory to the fledgling United States. Because of that America could expand westward without fighting France. In 1898, Bismarck purportedly said that the most decisive event in modern history was the spread of English in North America, which was helped by Napoleon's decision to sell off land stretching from Louisiana to Montana.

JAMES HORTON
Charlotte, North Carolina

Death and the divas

Art galleries hosting supper clubs ("Sup on that", November 18th) demonstrates the same rational management of under-utilised assets that was used decades ago by Steve Ross, who later became Time Warner's boss. In the 1950s he convinced his father-in-law, who owned the largest funeral home in America, to lease his fleet of limousines for night-time use by Manhattan's high-rollers. The only catch was they had to ensure the cars were returned in time for the next day's funerals.

IRA SOHN
Upper Montclair, New Jersey

Some Christmas reading

As a long-time devotee of spy novels I found no fault with your list of eight of the best (*The Economist* reads, November 24th). Except, perhaps, the fault of omission. Any list of the best spy fiction should include something from the Ashendon stories by W. Somerset Maugham. As with John le Carré and Graham Greene, Maugham knew of what he spoke, having served in the Secret Service and basing the spymaster "R" on Sir John Wallinger, who recruited him.

Also, the Bernard Samson books by Len Deighton have no peer in terms of the consistent development of multiple characters through time periods and events. Both Maugham and Mr Deighton make delightful use of the ambiguities of the profession to weave compelling tales.

STEPHEN GASH
Leicester

Long-winded opinions

Johnson's column on euphemism and exaggeration in language (November 25th) reminded me of a quote from C.S. Lewis's "Studies in Words": "the greatest cause of verbicide is the fact that most people are obviously far more anxious to express their approval or disapproval of things than to describe them."

JOSHUA TOMLINSON
Jacksonville, Florida

Oh what fun it is to ride...

It was great to see "Lawnchair Larry" Walters recognised for his achievement of using weather balloons to take flight in a garden chair (Letters, November 25th). The feat earned him a spoof Darwin Award, which is normally given on behalf of the human race to those who accidentally select out of the gene pool during the spectacular climax of a great idea gone very, very wrong. Luckily Walters did not die, and the award was changed to a special "most at risk survivor".

CHRIS DRAKE
Leicester

Letters are welcome and should be addressed to the Editor at
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Email: letters@economist.com
More letters are available at:
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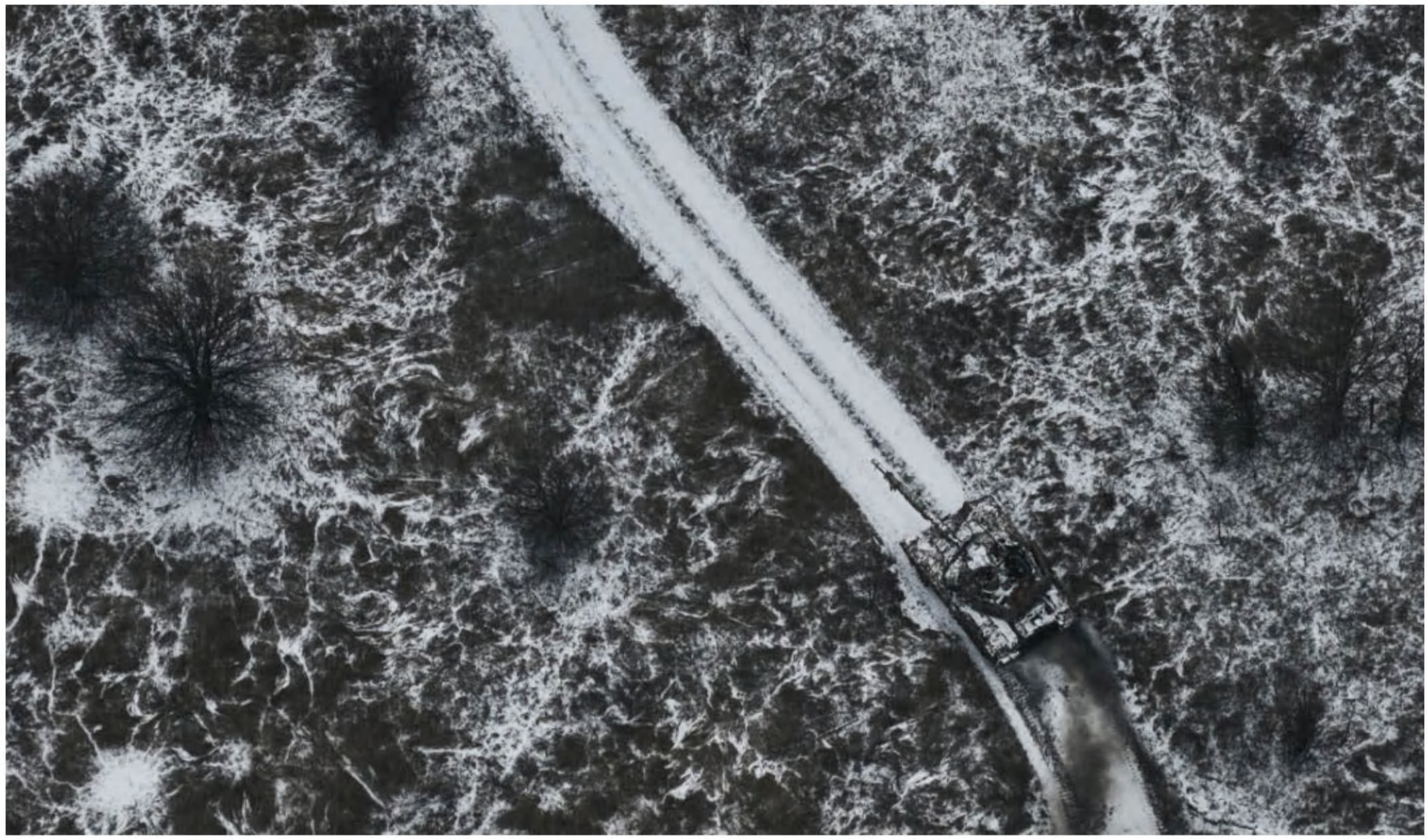


Funding Ukraine

Christmas delayed

WASHINGTON, DC

A clear majority of congressmen support providing more military aid to Ukraine. They are being prevented from voting for it

UKRAINE THIS year officially moved its Christmas state holiday from January 7th, in line with the Russian Orthodox Church, to December 25th, when most of the Western world observes it. But there won't be much to celebrate. A long-awaited and much-needed assistance package from the US Congress will not arrive in time for the new Christmas, and lawmakers appear unlikely to approve legislation in time for the old one either.

Throughout the autumn pro-Ukraine lawmakers on both sides of the aisle, who form a strong majority in the House and Senate, predicted that eventually Congress would authorise more military aid. Important issues with broad, bipartisan support eventually get a vote, the thinking went. Many expected passage at the end of the year, when big spending packages are often cobbled together quickly, allowing their contents to evade scrutiny and legislators to get home for Christmas.

But Mike Johnson, the House speaker, ran for his job with a plan, "to ensure the Senate cannot jam the House with a Christmas omnibus". So far that has meant punting the main legislative debates until early 2024. Mr Johnson has a point that passing weighty bills with no time for serious debate is suboptimal. But House Republicans, mired in perpetual infighting and unable to govern effectively with a thin majority, squandered their workdays.

Back on October 20th President Joe Biden requested $106bn to fund Ukraine's defence, assist Israel's war against Hamas and "counter malign influence" in the Indo-Pacific. The package also included $13.6bn to fund border security, but Republicans wanted policy changes to tackle what has become a real crisis on the southern border. US Customs and Border Protection reported 240,988 migrant encounters at the south-west border in the month that Mr Biden made his request—up from 185,527 a year earlier.

The House adjourned for the holidays on December 14th, but the Senate stayed in Washington and continued negotiations. James Lankford, Chris Murphy and Kyrsten Sinema—Republican, Democrat and independent senators, respectively—have been working with the White House on a compromise. The negotiators insist that talks are advancing. Yet only 61 senators showed up for votes on December 18th, a clear sign that the Senate would not get legislation through before Christmas.

That is cold comfort for Ukrainians who have spent the better part of two years fighting and dying to preserve their independence. The European Union failed to approve a $54bn package for Ukraine the same day that the House left Washington, thanks to the EU's own functionally pro-Putin blocking minority (otherwise known as Viktor Orban). This has direct consequences on the battlefield. Ukraine, which had been firing nearly 250,000 large-calibre artillery shells per month over the summer, soon will be able to fire at only around a third of that rate. Russia—which has taken defence industrialisation more seriously than the West, while also relying on support from pariah states like Iran and North Korea—will see its advantage grow.

Before lawmakers can tackle Ukraine's immediate needs, they are trying to resolve a domestic political problem that has ▸▸

→ Also in this section

16 A Jersey success story

17 Reviving Louisiana Creole

18 Lexington: Tupac or not Tupac?

vexed American politicians for decades. Chuck Schumer, the Senate majority leader, cited progress on December 19th but admitted that border policy is "among the most difficult things we've done in recent memory". Mitch McConnell, the minority leader, said that "getting this agreement right and producing legislative text is going to require some time."

The Senate and White House have not published an outline of negotiations or a basic framework for the compromise. But they are reportedly discussing requiring more mandatory detentions; making it harder to claim asylum; generally granting the federal government more authority to expel migrants; and limiting the ability of the president to allow large groups to enter or remain in the US temporarily. The White House knows the crisis has become a political liability, but the proposed policy changes have not sat well with progressive activists and many Hispanic lawmakers.

Some have even alluded to the gravest transgression in the contemporary Democratic Party: doing something Donald Trump would do. Alex Padilla, a senator from California, warned that "Trump-era policies" would only worsen the crisis. It doesn't help that such changes would be combined with more funding for Israel, which the party's left flank has criticised more as the war in Gaza drags on and the number of Palestinians killed rises.

Meanwhile, many House Republican hardliners have unrealistic expectations of the kind of policy victory they can achieve with only a narrow majority in one chamber of Congress. Mr Johnson, one of the most conservative members of the House, lost support from his tribe by preventing a government shutdown and then passing a National Defence Authorisation Act that eschewed fights over social issues. The retirement of his predecessor and expulsion of another Republican made his job even harder, by shrinking his majority further.

Mr Johnson has previously said he would accept nothing short of the Secure the Border Act of 2023, a hardline bill that includes poison pills like resuming border-wall construction. But Senate Democrats won't support a bill that zero House Democrats backed. Even if the Senate somehow did, that's not a guarantee that Mr Johnson could win over the most unruly elements of his party for a bill that pairs Ukraine funding with immigration policy.

Slow and painful as negotiations have been, the Senate seems determined to pass a bill. The House returns on January 9th, and most of its members would probably accept a bill that could draw bipartisan support in the upper chamber. The question is, as it has been for months, whether Mr Johnson would allow a vote that expresses the will of the majority of the House, even if that majority doesn't include more than half of his caucus.

More than 10,000 Americans have served in Congress. Relatively few are remembered in history. Mr Johnson, an accidental speaker, may become one who is. He consistently voted against aiding Ukraine before taking his current role, but he changed his tune after assuming the speakership and has spoken eloquently about the need to stop Mr Putin's imperialist designs. Will Mr Johnson be remembered as the speaker who defied the will of most Americans and abandoned Ukraine—and also let a border crisis fester—to satisfy the demands of the most radical members of his party? Or will his legacy be as a lawmaker who rose to the occasion, whatever the short-term political cost? He has a long Christmas vacation to decide. ■

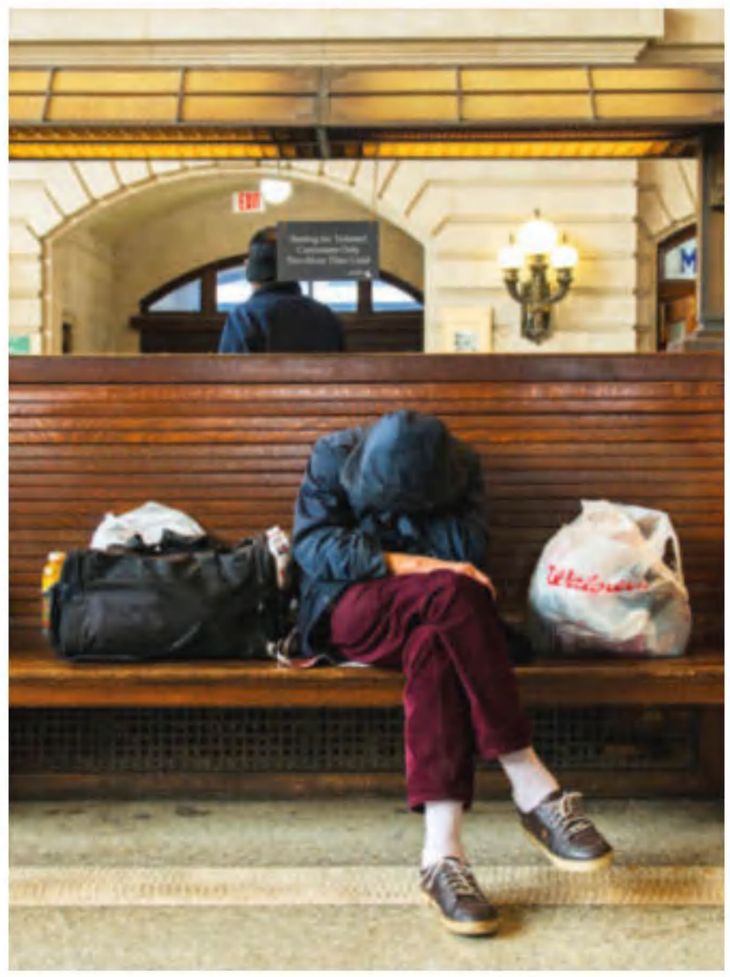
Fixing homelessness

Jersey sure

NEWARK, NEW JERSEY

Newark may have found a fix for chronic homelessness

ON A SINGLE night every January, volunteers all over America search parks, woodlands, subway tunnels and pavements to count those without shelter. It is part of the annual count mandated by the federal Department of Housing and Urban Development. The point-in-time count results were released, at last, on December 15th. Roughly 650,000 people were homeless, a 12% increase over the year before. The count is the highest since reporting began in 2007. The snapshot is useful for spotting trends and attracting federal funding. Most experts agree it is an undercount and often out of date.



In for the count

After seeing their own figures for homelessness increase by 20% between 2022 and early 2023, New Jersey officials were shocked into action. Officials tweaked existing programmes and spent more on rental assistance for those at risk of becoming homeless. More services for people living rough has led to a rise in sheltered homelessness. The state also gathers near-real-time data, rather than taking an annual snapshot. In November New Jersey's Office of Homelessness Prevention released its own figures. They showed unsheltered homeless falling across the state by 23% year on year.

Newark, New Jersey's largest city and home to the state's largest homeless population, recorded the biggest decrease. A year ago Ras Baraka, the mayor, unveiled a plan bringing together state, local and private-sector financial support to reduce street homelessness, improve the shelter system and expand housing and prevention services. Mobile crisis teams, behavioural-health providers, community leaders and the police formed a coalition. It seems to be working. Newark has achieved a 58% reduction in unsheltered homeless since the start of the year.

Luis Ulerio, the director of Newark's Office of Homeless Services, says "there's just been a lot of hard work behind that number." The mayor converted a local primary school into a 166-bed facility. He built transitional housing out of shipping containers, a common sight in the nearby port. A second cluster of containers with supportive services, called Hope Village II, will open soon. The containers have been altered to look like little cottages. One woman who had been living in a nearby petrol station for over a year has been persuaded to move in. A third cluster is in the works. Mr Baraka wants to create a pipeline from shelters to transitional housing to giving section-eight vouchers (a federal housing programme) to getting chronically homeless people into permanent housing.

Legal teams offer free counselling and court representation to people who risk being illegally evicted. The city also provides money for back-rent. Beth Shinn of Vanderbilt University points out that there are "lots of points of intervention", on the theory that it is cheaper to give $200 to help make rent than to pay thousands later. The city also relies on data, updated daily by those working with Newark's homeless. "What we're doing is essentially moneyballing homelessness," says Michael Callahan, head of the state's Office of Homelessness Prevention. Near-real-time data is crucial, he says, in order to pivot interventions in state policy and on the front line—even helping assign which outreach team will work a certain night shift. ■

Louisiana Creole

The fais do do

LAFAYETTE

Young Louisianans are trying to resurrect a culture beaten out of their grandparents

JOURDAN THIBODEAUX has had a job every day since his tenth birthday. These days the dreadlocked millennial flips houses, manufactures pork sausages and raises two little girls. But the project of his lifetime is resuscitating his family's heritage with his voice and his fiddle.

Born of African, French, Native American and Spanish descent in south-western Louisiana, he speaks with an accent your correspondent had never heard. Loss is the subject of his ballads. Young people of the bayous have forgotten their families, he laments in French, and understand only their conqueror's language. Kneeling in a church pew he confesses that he fears it will all die with him: "Tu vis ta culture ou tu tues ta culture, il n'y a pas de milieu," he sings, "You live your culture or you kill your culture, there is no in-between."

The story of that culture dates back to before America's founding. One year after the French settled New Orleans in 1718 the first slave ships docked on Louisiana's shore. Feeding a hungry economy took many hands and after two decades there were four slaves for every free person in the colony. Sugarcane, the region's cash crop, was particularly labour-intensive, which made communication between the Europeans and Africans critical.

Masters learned words from West African languages and slaves picked up on some French. Together they crafted a new hybrid language known as Kouri-Vini, or Louisiana Creole. By the time America purchased Louisiana in 1803 Kouri-Vini had become the language of the swamp, spoken alongside French. Slaves became fluent, working-class whites learned it on plantations and black nannies taught it to children of the wealthy.

Just as the language fused, so too did the people. Because the French—and Spanish, who briefly ruled the colony—were Catholic, they believed their slaves had souls and ought to be baptised (a view generally not shared by Protestant masters). The church's endorsement gave permission for more social integration than in other parts of the South. Masters chased black and native women and passed down land to mixed children. Surnames, like LeBlanc and Broussard, ceased to denote race. Songs melded African syncopation with French melodies. The brutalities of slavery persisted, but Louisianans of all colours came to call themselves Creoles.

Pas possible

During Reconstruction Southern Democrats, opposed to their northern conquerors, replaced Creoles in the legislature and imposed a binary view of race that felt as exotic to south-western Louisianans as the English they spoke. Jim Crow enforced a social order in black and white. Light-skinned Creoles grew uncomfortable with the ambiguity they had always known; some moved away to start over as white.

In 1921 Louisiana's government decreed that English alone be taught in schools. Pupils who spoke Kouri-Vini or French were made to kneel on rice and beaten. Both languages were deemed "foreign", though one was as native as could be. Humiliated children taught their younger siblings English to spare them from punishment. Though there are no official counts, historians reckon the number of Kouri-Vini speakers has probably dropped from about 1m in the 1910s to roughly 5,000 today.

Then, in the 1960s ethnic pride became voguish. Alongside the red- and black-power movements that grew out of civil rights, Louisianans started their own. They called themselves Cajun, not Creole, and it was just for whites who descended from the Acadians, exiles who came to Louisiana from Canada with their own kind of French in the late 18th century. Cajun culture drew tourists who came to taste gumbo and jambalaya and tour the alligator-infested rivers. In 1968 the state launched the Council for the Development of French in Louisiana (CODOFIL) to revive spoken French. By the turn of the century the group was importing young Europeans to teach in new French-immersion schools. But the language still carried a stigma. And though kitschy tourism of their shared culture boomed, black people had no place in it. "Creole was the red-headed stepchild," says Christophe Landry, a historian.

Today a coalition of young people of all shades is bringing back what it means to be from the Louisiana that preceded America, in all its messiness. Mr Thibodeaux, who hunts alligators, is deeply devout and whose French Instagram has nearly 100,000 followers, wants to incentivise local bars to serve patrons in the old languages. Taalib Pierre-Auguste, a 20-year-old from Ascension Parish, lobbies lawmakers to back French and Creole projects. The first indigenous French-immersion school opened this fall. "We are beginning a solemn and unshakable march to finally realise a dream," the revivalists wrote in September. Older folk still warn youngsters not to speak "ghetto" languages in public.

Mr Pierre-Auguste has watched his childhood friends leave Louisiana for better opportunities and worries that the state's new Republican governor will accelerate the exodus. Rising seas and storms also threaten life on the prairies. On a cool evening he sits on the steps beneath the state capitol, the tallest in the country. "Leaving Louisiana is like leaving me," he says when asked if he would consider it. He hopes to run for office and create something for his generation to return to. Without them the culture cannot last. When the elderly who know it best die, there will be nothing authentic left to sell. ■

Jourdan Thibodeaux, cultural conservative

Lexington | Failure to connect

Why young voters are just not that into Joe Biden

As tastemakers, the two previous American presidents could not present a sharper contrast. Barack Obama, with his elegance and irony, still issues year-end lists of the best music, movies and books, each a triumph of accessible urbanity that blends in just enough Lizzo and "Top Gun: Maverick" to help the Abdulrazak Gurnah go down. To Mr Obama's mix-mastery Donald Trump counterposed a signature style of ostentatious kitsch. His braggadocio, his combativeness, his gilded lairs, his manner of associating with women: all these led a *New Yorker* writer, Jelani Cobb, to note as far back as 2015, "in all the ways that matter, save actual performing, Donald Trump is not a politician—he's a rapper."

And yet, as president, Joe Biden has found a way to stand apart from both the DJ and the rapper, and from all other presidents of the modern era: he is leaving almost no cultural imprint whatsoever. John Kennedy may have altered the course of men's fashion by not wearing a hat during his inauguration, but Mr Biden failed to spark a revival of The Staple Singers by including their music on his inauguration playlist. Aviator glasses and ice cream cones, maybe a ride in Delaware on a bicycle, are the pop signifiers, to date, of the Biden presidency.

It would, of course, be patronising to suggest that Mr Biden's lack of engagement with the broader culture, rather than his handling of weighty affairs such as the war in Gaza, is behind his struggle to connect with young Americans. But it cannot be helping. What is clear is that he has a problem, one that encapsulates his overall challenge headed into his re-election campaign. Young voters, who were key to his win in 2020, are just not into him.

No Republican candidate for president has won most voters under the age of 30 since 1988. But a poll by the *New York Times* and Siena College published on December 19th found Donald Trump leading Mr Biden by 49% to 43% among voters aged 18 to 29. That is a swing in this poll to Mr Trump of ten points since July. According to the Pew Research Centre, in 2020 Mr Biden won that age group by 24 points, 59% to 35%.

The polling has been so dismal for Mr Biden, and also so erratic, and confidence in polling has been so shaken in recent years, that a debate has broken out among political obsessives over whether to trust the numbers. Within national polls, subgroups such as young voters comprise smaller samples and so yield larger margins of error. To control for this, a group called Split Ticket in early December aggregated subgroups across numerous national polls. The results showed Mr Biden leading Mr Trump by a diminished but still substantial margin of 16 points among voters under 30, yet by only three points when young voters were defined as those under 34. That is a sign both that there is static in the numbers, and that the danger to Mr Biden's re-election is real.

Republicans sense an opportunity. Joe Mitchell, a former Iowa state representative who runs a group called Run GenZ that recruits young conservative candidates, says what he hears most is that "we had more money in our pockets when Donald Trump was president". But he argues that Mr Trump's cultural heft is an advantage as it has not been since 2016. Mr Biden, he says, has passed more progressive legislation than Mr Obama but is less admired by progressives because he lacks Mr Obama's cachet. By contrast, the indictments of Mr Trump have restored his celebrity gleam. "People were displaying his mugshot in a positive way," says Mr Mitchell, who is 26. "He's up with the Tupacs of the world."

The Republican National Committee has created a "youth advisory council", and it staged its first primary debate in concert with a group for young conservatives. But Republicans have problems of their own. When a college student at that debate asked how the candidates would calm "fears that the Republican Party doesn't care about climate change", most of them ducked for cover. And in mid-December, five of the 16 members of the youth advisory committee quit, citing a problem evocative of the Trump years: a lack of organisation, goals and vision.

The latest iteration of the Harvard Youth Poll found that Americans under 30 did not much trust either probable nominee. But they trusted Mr Trump more on the economy, national security, the Israel-Hamas war, crime, immigration and strengthening the working class. They trusted Mr Biden more on such issues as climate change, abortion, gun violence and protecting democracy.

In that poll, Mr Biden led by 11 points among all young Americans, but he appears to owe most of that support to Mr Trump. Most of those who favoured Mr Biden—69%—said they did so more out of opposition to Mr Trump; by contrast, 65% of those favouring Mr Trump said they felt loyal to him. That underscores the risk to Mr Biden of a third-party candidate siphoning the anti-Trump vote. The Harvard poll showed Mr Biden's lead diminishing substantially when people were also asked about such candidates.

Always being boring, never being bored

Mr Biden's age and lack of cultural effect were advantages in 2020. After the chaos of the Trump years, he was a calming, grandfatherly presence who would never pop up, beet-red and shouting, between images of Taylor Swift and bubble tea in anyone's social-media feed. "America Votes to Make Politics Boring Again," the publication *Politico* declared after that election. On this implicit promise, Mr Biden has not delivered. And the very fact that many of the developments on his watch, such as the wars in Ukraine and Gaza, are beyond his control only reinforces the problem.

This is Mr Biden's real style problem: he does not appear to be in control. Rather than cocooning the president, his aides need to find more ways to present him as a commanding presence. Failing that, they could make more use of the cabinet secretaries and portray Mr Biden as the wise leader of a high-functioning team. Mr Biden has a good case to make, and he needs to make it both on substance and in style. ■

Chile

A constitutional quagmire

SANTIAGO

For a second time Chileans reject a new charter. Now what?

FOR THE past four years Chileans have engaged in a rare democratic experiment. They have twice been asked to vote on a new constitution, and twice they have rejected the product on offer. The discussion kicked off in 2019, when violent protests over inequality rocked the country. Politicians offered citizens the chance to elect an assembly to write a new social contract. But the assembly was dominated by the hard left and alienated most voters. In a referendum in 2022 nearly two-thirds of Chileans voted against the charter. Then the politicians offered citizens the chance to elect an assembly to have another go. This time it ended up being dominated by the right. On December 17th, 56% of voters rejected its proposed text.

The constitutional rewrite was marked by a widespread lack of interest and rising dissatisfaction with politics. According to Roberto Izikson of Cadem, a pollster, most Chileans considered the process this year a "waste of time". Since 2019 Chileans' priorities have shifted from pensions, health care and education to crime, economic problems and immigration. Meanwhile, the unpopular left-wing administration of Gabriel Boric has been unable to pass serious reforms while waiting for the outcome of the two constitutional processes. Many Chileans are losing patience. Only 52% of those polled say that democracy is the best form of government, compared with 64% in August 2021.

On the face of it, the rejection of the draft is a victory for Mr Boric, whose allies did not support the text. A third constitutional process is out of the question for now, allowing the administration to get on with governing. Yet if it is a victory for Mr Boric, it is a bitter one. The president and many of his millennial allies made a name for themselves in part by criticising the current constitution, which was first approved in 1980 during the military dictatorship of Augusto Pinochet, but which has been heavily amended since. Now they must live with it.

The first convention was dominated by scandals. Many of the assembly's 155 members were left-wing independents without party discipline. Their proposed charter was prolix and filled with bizarre clauses, including rights to "digital disconnection" and food that is "culturally appropriate".

When that draft was rejected, politicians tried to avoid another fiasco. Though they gave the go-ahead for another assembly, they put guardrails around it. They agreed to 12 principles that had to be maintained in any new charter, including the independence of the central bank. They convened a commission of 24 legal experts from across the political spectrum to write a first draft. A convention of 50 members would then be elected to edit it.

The experts' commission got to work in March and was a model of consensus-building. The draft proposal retained the current constitution's strong protections of private property while fulfilling long-standing demands of the left, such as one for a chapter on the environment. Verónica Undurraga, the body's president, says it was defined by "political realism".

Such moderation did not survive the election of the assembly. Twenty-three seats on the body went to the hard-right Republican Party, led by José Antonio Kast. ▸▸

→ Also in this section

20 A Mexican boondoggle

Another 11 were won by Chile's traditional right. "In the last convention the majority abused its power and drafted a text beyond the pale for most Chileans," says Loreto Cox of the Pontifical Catholic University of Chile. "This time the Republicans took a text that had consensus and turned it into something much more divisive."

Rather than merely edit the draft, the assembly rewrote it. According to Unholster, a data company in Santiago, the capital, only 23% of the wording from the experts' draft was maintained. Some ideas appear to have been imported from the global culture wars.

The draft included a right to conscientious objection, more limited versions of which have been cited by religious business owners in the United States in order to decline service to LGBT customers. When made the highest law, it "basically gives you the right to exempt yourself from compliance with the law on the basis of your beliefs," says Domingo Lovera, who sat on the experts' commission. The draft constitution also entrenched Chile's restrictive laws on abortion (it is already only permitted in cases of rape, threat to the mother's life or fetal non-viability).

The assembly's draft included numerous populist giveaways. It all but abolished a property tax that most Chilean municipalities depend on for their revenues, as well as including an article that would have allowed Chileans to deduct any "expenditures necessary for life, the care or development of the person and their family" from "corresponding taxes". This could undermine the collection of income taxes, which are paid only by the richest quarter of Chileans and amount to 1.6% of GDP.

LarrainVial, a Chilean bank, compared the move to Liz Truss's attempt in September 2022 to drastically cut taxes in Britain, when she was briefly prime minister. Instead of boosting growth, the bank warned that such unfunded tax cuts could signal the start of a fiscal spiral "reminiscent of Argentina or Greece".

The Republican Party led a polarising campaign focused on Mr Boric's low approval ratings, rather than the contents of the constitution. One video consisted of a single chant: "Boric votes against, Chile votes in favour." Many Chileans balked at such tactics. The share of respondents who say they prefer political leaders who seek consensus over those who defend their stance at the expense of reaching agreements has risen from 59% in June to 70% today, according to the Centre of Public Studies, a Chilean think-tank. Voters tend to be more liberal than the authors of the new constitutional draft, too. Only 15% say they want to ban abortion completely.

Chile could now go in several directions. The first would be positive. To write a new constitution, politicians have had to reduce the quorums needed in Congress to modify the current one. That could now allow Congress to improve the current charter with some suggestions from the experts' report. Indeed, consensus could come back into vogue. On the night of the results Mr Boric said he would prioritise a pension reform that has stalled in Congress for years. It would gradually increase the contribution rate from 10% to 16%, with most of the extra cash going to a common fund. Mr Boric's ambitious tax plan, which seeks to increase revenues by 2.7% of GDP, seems less likely to pass.

The other option is negative. Chile holds local elections in 2024 and general elections in 2025. There are only a few months to enact reforms before parties begin campaigning. If voters believe the next few years will be wasted, as many feel the last four have been on the constitution, they will get fed up. That, warns Mr Izikson, the pollster, could "open the door to authoritarian populism more than ever". ■

Mexican infrastructure

Money down the train

TULUM

The president's latest boondoggle

ON COMING TO power in 2018 Andrés Manuel López Obrador, Mexico's president, promised to boost the fortunes of the poor south-east. His flagship project to do so is a 1,500km (970-mile) tourist railway, known as the Tren Maya, connecting towns, beach resorts and ruins around the Yucatán peninsula, which the president inaugurated on December 15th.

The opening was a bit of a damp squib. Billboards adorned with toucans and lush vegetation along the coastal road between Tulum and Cancún have long announced that the train "is here", but workers in hard hats suggest otherwise. In Mr López Obrador's haste to finish various mega-projects—a refinery, a new airport in Mexico City and an interoceanic corridor in the south—he often opens them half-finished. For now the train is only operating on the stretch between Campeche and Cancún, on a limited timetable. The first journey took over nine hours, far longer than by car.

Platform for growth?

The president says the rest will start operations by the end of February 2024.

The railway's construction has generated some impressive figures. The government says the project has created over 100,000 jobs. It says the train will bring opportunities to out-of-the-way villages and towns by encouraging tourism, as well as by moving locals and freight.

But many analysts doubt the train will boost the economy for long. Many jobs are temporary, linked to laying the tracks. It is unclear how many tourists will use the train. Locals will struggle to afford it: a ticket for the first stretch costs 1,166 pesos ($68), nearly a week's average salary. The government reckons that the railway will cost more than triple its original budget of 120bn-150bn pesos, a huge sum that might have been better spent on basic infrastructure the area lacks, such as roads, drinking water and electricity. José Gasca Zamora of the National Autonomous University of Mexico reckons the government will be subsidising the train for years to come.

Others highlight the damage caused by the construction, including felling trees and inadequately protecting archaeological remains. "It is environmental devastation," claims Gemma Santana of Sélvame del Tren, a protest group. Some indigenous communities along the route have objected to it.

In 2019 Mr López Obrador held a referendum on whether to build the railway. He won, but fewer than 3% of eligible voters turned out. To speed up the process—and, sceptics say, to conceal information—he gave certain stretches of the railway to the armed forces to build. They will also operate it. In 2021 he declared the project a national-security matter, reissuing the decree this year after the Supreme Court struck it down. His railroading may pay off. But the project may yet prove to be a train wreck.

China and Myanmar

Shunting the junta

CHIANG MAI

China is backing opposing sides in Myanmar's civil war

When Myanmar's junta toppled the country's elected government and seized power in February 2021, China called it a "major cabinet reshuffle". After that bloody coup sparked a civil war, in which thousands have been killed, almost two million displaced and the generals' crimes against humanity have mounted, China stood by the generals. It has condemned Western sanctions on Myanmar's army as "exacerbating tensions". As Myanmar's largest trading partner, China has sold the junta over $250m in arms. Yet in late October China appeared to reconsider its interests in its war-ravaged neighbour.

This was illustrated by a major offensive against the army in northern Myanmar carried out by a coalition of ethnically based militias, known as the Three Brotherhood Alliance, which has links to China's security services. Operating close to the border with China, in an unruly jungle area informally considered part of China's sphere of influence in Myanmar, the alliance swiftly became the biggest security challenge to the junta yet. With no discouragement from China—and even modest help, Burmese analysts allege—its forces claim to have seized over 200 army bases and four border crossings that are vital for trade with China.

Inspired by this success, the junta's many other armed opponents—ethnic and political players in an increasingly complicated conflagration—redoubled their attacks, spreading the conflict across two-thirds of the country, according to the UN. Hundreds of thousands of people have been displaced since the onset of the offensive, which is known as Operation 1027, after its start date on October 27th. Tellingly, the Brotherhood Alliance announced that one of its goals was to eliminate a network of online scam operations that over the past three years has sprung up along the Myanmar-China border. A major security concern of China's, these operations are estimated to be behind the trafficking of 120,000 unsuspecting workers to Myanmar, many of them Chinese, and to generate billions of dollars a year in revenue, much of it fleeced from Chinese victims.

By November there was speculation that China had switched sides in the conflict, and that the junta's days were numbered. Signalling their displeasure, the generals permitted their supporters in November to stage rare anti-China protests in several cities. China has since taken steps to reassure the junta. It has conducted joint naval exercises with Burmese vessels. In early December China's top diplomat, Wang Yi, met Myanmar's deputy prime minister, Than Swe, in Beijing. Then, on December 14th China announced that it had brokered a temporary ceasefire between the army and the ethnic militias.

The episode encapsulates China's self-interested, though seemingly conflicted, approach to Myanmar, to the detriment of its 54m people. The dissonance stems from tensions between China's long-term and more immediate interests. In the long term, it has a big economic stake in Myanmar and wants to prevent it veering towards its pro-Western democrats. In the shorter term, China worries about security.

Although India and Russia also do business with the junta, China has by far the deepest economic links to Myanmar. Despite the war, China has pushed ahead with a plan to build a network of roads, railways, pipelines and ports through the country that could give it direct access to the Indian Ocean. China sees this as an alternative to ▸▸

→ Also in this section

22 India's unpopular metros

23 Japanese baby-making

the choke-point of the Strait of Malacca, through which most maritime trade to and from China flows. China has pledged to invest over $35bn in this ambitious project. By contrast, India plans to invest $500m in road and maritime links between its north-east and Myanmar.

China's long-term investment and relative aversion to Myanmar's democrats have made it an ally of the country's army, which has been in power for most of Myanmar's independent history. Yet China's security interests in the country can be more tactical. Ever since Myanmar gained independence in 1948, its government has failed to control its jungly border zone. China, as a result, worries about insecurity spilling across the 2,000km (1,250 miles) of frontier between the two countries. This jeopardises its infrastructure investments, many of which run along the border, and at times flushes refugees and drugs and other contraband into China. The online scam industry is the latest such worry.

The enormous scale of the criminality, and the involvement of Chinese in it as victims and perpetrators, have made it a foreign-policy priority for China. In May, its then foreign minister, Qin Gang, visited Myanmar to demand the junta crack down on the scam industry. Tens of thousands of Chinese nationals had by then been trafficked to Myanmar, imprisoned in large, sweatshop-like compounds, and forced to scam people online through bogus romantic relationships and investment schemes. Those who refuse to comply may be tortured or killed. Yet Myanmar's army, which is both incompetent and believed to have been paid off by the scammers, did nothing to disrupt them. Thus, China appears to have turned to the ethnic militias instead. The members of one of them, the Myanmar National Democratic Alliance Army, are mostly ethnic Chinese; many of these fighters speak Mandarin.

The ethnic armies are not straightforward Chinese proxies. They advance their own interests, including by gaining territory, while aligning themselves with other groups that are less friendly to China, such as Myanmar's increasingly well-organised pro-democracy faction. Yet China has periodically pulled their strings, with the recent offensive apparently a case in point. On December 10th it sought to capitalise on the militias' advance by issuing arrest warrants for ten scam bosses operating in northern Myanmar. Four days later, apparently content that its objective had been served, China brokered the ceasefire.

Now it is again cosying up to the junta, which still controls most of Myanmar's airports, banks and big cities, including the capital, Naypyidaw. Despite Western sanctions, the junta buys fighter jets from China and Russia that enable it to carry out indiscriminate bombing of civilians in areas controlled by its enemies. China will by and large back the generals in Myanmar; sometimes it will support their foes. This divide-and-rule policy is not responsible for the disaster in Myanmar. But it is probably making it worse. ■

Transport infrastructure

Off track

MUMBAI

India's massive metro build-out is failing to attract enough passengers

When Narendra Modi became India's prime minister in 2014, the country's entire metro-rail network spanned 229km (142 miles) in four-and-a-half cities: Bangalore, Delhi, Gurgaon (a satellite of Delhi), Kolkata and Mumbai. That amounted to less than half the length of Shanghai's metro at the time. Yet Mr Modi's government has since presided over a massive metro-rail expansion. By last April India's network covered 870km in 18 cities.

Another 1,000km or so of metro track is under construction in 27 cities. Just under 6km of new track is being commissioned every month. Navi Mumbai, a satellite of Mumbai, became the latest city to boast a metro when its first line opened in November. Yet although the speed and scale of India's metro build-out over the past decade have been impressive, the associated passenger figures are dismal.

Not one of India's metro rail systems has achieved even half its projected ridership, according to a study by Geetam Tiwari and Deepty Jain of the Indian Institute of Technology in Delhi. Only their own city's network, which is the longest and most expansive in India, comes close, at 47%. In Mumbai and Kolkata ridership is a third of what was projected. In most other cities it is in single or low double digits. In gridlocked Bangalore, India's tech-and-traffic capital, a much ballyhooed metro's first line attracts just 6% of its projected ridership. That is despite the fact that the average speed for cars during Bangalore's rush-hour is 18kph, the slowest of any major city bar London, according to TomTom, a navigation-software firm.

The abysmal figures are all the more surprising given the dearth of decent public transport in most Indian cities and the YIMBY-ish local enthusiasm such infrastructure projects tend to generate. The revenue implications of this failure are dire. In keeping with the august tradition of Indian Railways, not a single metro system makes enough money to cover its expenses, according to another study, by Sandip Chakrabarti at the Indian Institute of Management in Ahmedabad.

Fixing the problem is crucial not only from an economic perspective, but also an environmental one. As India's middle class expands, those who can afford to are opting for the relative comfort of private vehicles. The result is worsening congestion and traffic pollution. IQAir, an air-quality monitor, estimates that motor-vehicle emissions account for between a fifth and a third of concentrations of PM2.5—a particularly damaging kind of airborne pollutant—in urban India.

What explains the reluctance of commuters to hop aboard their shiny new, delightfully air-conditioned, metro carriages? For starters, Indian cities are not particularly dense, which means metro lines are not within walking distance for most commuters. Feeder services, such as bus routes, are rarely integrated with metro lines. So taking the metro to work can be complicated and involve walking, buses, ▸▸

Plenty of leg room in the metro

shared autorickshaws and more walking.

A second reason is that metro systems are best suited for longer commutes. In the Indian context, they save time only on trips of 10km or more, reckon Mr Tiwari and Mr Jain. But around three-quarters of trips in most Indian cities are under 10km, and half are under 5km. Metro fares also tend to be high by Indian standards. The last time the Delhi metro raised its fares, in 2017, ridership fell by 15%.

Transport analysts and urban planners say India is backing the wrong horse. Bus services are far cheaper and more flexible for route-planning than metros. They can also be rolled out quickly. The emergence of electric buses has made them a greenish option, too. The best way to maximise these benefits is through dedicated bus lanes, known as a "bus rapid transit system". Yet attempts at building such systems have often failed, owing to poor implementation, half-hearted enforcement, resistance from motorists and a lack of political will. The gulf in attitudes towards buses and metros is easily explained, says Devashish Dhar, whose book "India's Blind Spot" looks at such urban problems: "Buses are not sexy. Metros are sexy."

The result is a slew of expensive transport infrastructure that is failing to attract passengers even as poorer commuters walk in the heat and richer ones idle in traffic. Mr Modi and his advisers have done well to build so many metro lines. Now they need to make them more convenient to use—and improve India's urban bus networks while they're at it. ■

Japanese demography

Reproduction perks

AKASHI AND NAGAREYAMA

A few Japanese cities are bucking the low birth rate

KISHIKI NORIYO pulls up outside a house in Akashi, a city in western Japan, in a truck emblazoned with a heart logo and the slogan: "Diaper delivery: we also deliver kindness." She steps out with two bags of nappies. Higuchi Miki, a young mother, appears at the front door with a baby on her hip. Ms Kishiki is on the front line of a ten-year push by Akashi to encourage its residents to have children. It includes delivering free baby food as well as nappies, free medical care and school lunches. The effort seems to be paying off. Akashi's population has increased for ten years in a row, to more than 300,000.

This makes the town exceptional. Japan's birth rate dipped below the replacement level of 2.1 children per woman in the mid-1970s and has been steadily declining ever since. In 2022 the total number of births dropped below 800,000 for the first time since records began in 1899. Of Japan's 1,800 municipalities, only around 200 have a rising population. According to Kishida Fumio, the prime minister, this has put the country on "the brink".

Even in Akashi, which is an easy commute from the cities of Osaka and Kobe, most of the growth is from migration, not births. The town's birth rate is 1.65. Yet given that the national figure is 1.3, this represents success of a sort. Schools are closing across Japan for want of pupils; Akashi is short of school places.

Many of the obstacles to young Japanese forming families, from high education costs to inflexible family laws, can only be tackled with national policies. But Akashi shows how local communities can make a difference. That starts with improving access to nurseries and day care. Smaller projects such as Ms Kishiki's, which assist parents of young children, also help.

The population of Nagareyama, a commuter town outside Tokyo, is also booming. Over the past decade it has grown by 24%, to 211,000. The opening of an express-train service to Tokyo in 2005 largely explains that. But Nagareyama's commitment to child care—the "utmost priority" of its local government—has also attracted young families. In 2007 the town launched a bus service that picks up children at train stations and takes them to day-care centres. Nagareyama has increased its number of nurseries from 17 to more than 100 in the past 15 years. "Our aim was to create an environment in which parents can continue to work while raising children," says Izaki Yoshiharu, the town's mayor.

Lack of child care is endemic across Japan. The central government has made some improvements in this regard, reducing the number of children waiting for a nursery place by 90%. It has also introduced tax and other economic incentives to encourage people to reproduce. But, as scattered examples like Akashi and Nagareyama suggest, making a real difference requires a more fundamental shift.

Kato Hisakazu of Meiji University reckons Japan "needs to foster a culture that is generous to children". Efforts to build more child-care facilities are often blocked by locals who worry about increased noise. When Soup Stock, a popular restaurant chain, started offering free food for babies last April, it encountered a fierce online backlash from people who objected to the prospect of sitting next to crying infants.

Tanaka Yumi, a mother of two in Nagareyama, says young Japanese parents are used to receiving a "cold look" from their unsympathetic neighbours. But the abundance of young families in the town and the supportive policies of its local administration provide reassurance, she says. "I have many friends in Nagareyama who decided to have a second or a third."

Akashi's pro-child efforts are intended to drive the same cultural change. Morioka Kazumi of the town's child-care department says the nappy deliveries are more about "alleviating loneliness" than the goods themselves. Ms Higuchi, the young mother, appreciates that. "It's nice when someone checks on me," she says. "It makes me feel I'm on the right track." ■

Lesser-spotted Japanese mothers and babies

Robots

Xi-3PO

BEIJING

As its population shrinks, China hopes to become a robot superpower

CHINA'S FIRST attempt at building a humanoid robot did not hit the mark. The machine produced in 2000 by a team at the National University of Defence Technology looked like a walking toaster. It had googly eyes and cannon-like protuberances near its crotch. Called Xianxingzhe, or Forerunner, it was mocked in neighbouring Japan, which at the time boasted far sleeker robots. Japanese netizens described it as China's secret weapon—designed to make its enemies die of laughter.

China has stuck with it, though. In November the government published a plan calling for the mass production of humanoids by 2025. The country's love of robots goes beyond those that can walk and talk. Last year half of all the industrial robots installed worldwide were fitted in China, according to the International Federation of Robotics, an industry body. It is now the fifth most automated country in the world when measured by robots per worker. Motivated by pride and pressing demographic challenges, China is on a mission to become a robot superpower.

Many of the country's newly installed robots are mechanical arms that can be programmed to weld, drill or assemble components on a production line. But last year China also produced over 6m "service robots", which help humans with tasks apart from industrial automation (see Science & technology section). Such machines scoot around warehouses, moving boxes. Others clean hotels. At a restaurant in the southern city of Guangzhou meals are cooked and served by robots.

Some of this may seem gimmicky, but to the Communist Party led by Xi Jinping robots are serious business. Officials believe China fell behind and was humiliated by Western powers in the 19th century in part because it did not embrace technological revolutions happening elsewhere. Now China aims to stay ahead of the game. Whereas officials once used steel production as a gauge of economic advancement, today they look at the number of robots installed, says Dan Wang of Hang Seng Bank.

China's impressive economic growth in recent decades was a result of three main factors: a soaring urban workforce, a big increase in the capital stock and rising productivity. Today, though, less new infrastructure is needed. And the working-age population, those between 15 and 64, is shrinking. It is projected to drop by over 20% by 2050. Earlier this year the government released a list of 100 occupations for which there is a shortage of labour. Manufacturing-related positions accounted for 41 of them. A surfeit of young and cheap workers once did these jobs; now wages are higher and workers less abundant.

As a result, Mr Xi has made boosting China's productivity a priority. The government sees robots playing a big part in this effort. For years it has pushed industry to go from being labour-intensive to robot-intensive. Provinces have spent billions of dollars helping manufacturers upgrade in this way. China's experience during the pandemic reinforced this mindset. Endless lockdowns caused factories to close and Western firms to reconsider their sup- ▸▸

→ Also in this section

25 Jimmy Lai's trial

26 Chaguan: Fearing Genghis Khan

ply chains. When all of the controls were lifted in 2022, a wave of covid-19 again disrupted businesses as workers fell ill. With robots, health is not a concern.

Many of the challenges faced by factories apply to agriculture, too. The average Chinese farmer is in his or her 50s. Few young people want to take their place in the fields. Countries that face similar predicaments often import either their food or cheap labour. But China is paranoid about food security and uninterested in immigration. Robots could be the answer. Some aspects of agriculture, such as milking cows, can be automated fairly easily. Others are trickier, but appear possible on a small scale. The south-western city of Chengdu has developed an unmanned vegetable farm which could, in theory, produce ten harvests a year.

In time, robots might replace ageing workers. They might also play a role in caring for them. China has far too few professionals looking after its 8.1m care-home residents. A plan from the National Health Commission, published in 2021, called for developing smart elderly care. Some of it is aspirational, such as providing frail people with electronic exoskeletons to aid their movements. But simpler robots could be used to help old folk bathe or stand up. China's tech giants are looking into the challenge. In 2022 iFlytek, a big artificial-intelligence firm, said it wanted to send robots into the homes of seniors to offer companionship and health management. Residents of a care home in Shanghai are kept happy by a robot that zips around singing revolutionary songs from their youth, according to local media.

What would make the government happy is if China's robotics industry became more self-sufficient. Local firms still rely on foreign companies for parts and know-how. China is fearful of being shut out of Western markets, for good reason. America has blocked Chinese firms from buying advanced semiconductors and the equipment used to make them (robots require chips, but usually not the most advanced kind). So the government has been trying to stimulate robotics research. In August the city of Beijing announced a 10bn-yuan ($1.4bn) fund for robot development.

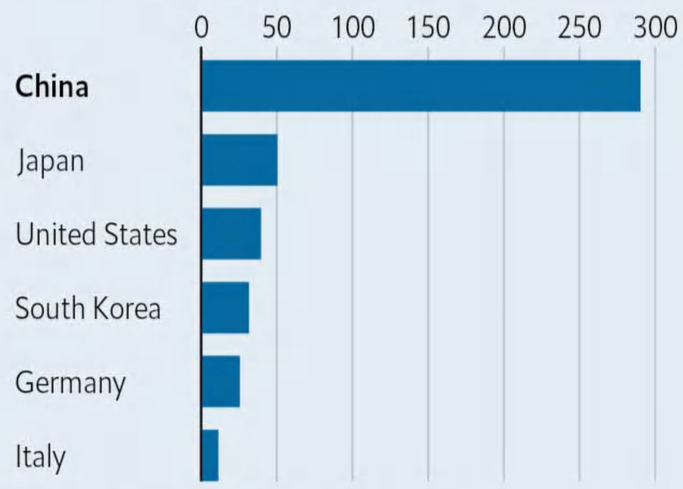
Such efforts are having some effect. Last year 36% of the industrial robots China installed were made at home, up from 25% in 2013. Shenzhen Inovance Technology, a big Chinese firm, builds robots that are used to make LED lights and mobile phones. It may be able to source all of the components it needs from Chinese companies within five years, says Zhu Xingming, its chairman.

For most Chinese robotics firms, though, self-sufficiency is still some way off. That is part of the reason why the government is pushing the development of humanoids. These may not be very practical or affordable in the near term. But officials hope the process of manufacturing them will create a domestic supply chain.

One thing the government does not have to worry about is much pushback against its plans. Surveys suggest most Chinese people think robots will create more jobs than they destroy. China, it seems, is a land of techno-optimists. It helps, of course, that independent labour unions are banned. ■

Automation nation

Industrial robot installations, 2022, '000



Source: International Federation of Robotics

Jimmy Lai

Democrat in the dock

HONG KONG

An unfair trial begins in Hong Kong

IT HAS BEEN more than three years since the police in Hong Kong arrested Jimmy Lai and stuck him in Stanley Prison. But as Mr Lai stood in court on December 18th, facing charges of sedition and colluding with foreign forces, it felt like the culmination of a much longer saga. The pro-democracy media tycoon has spent decades challenging the administration in Hong Kong and the national government in Beijing. They, in turn, consider Mr Lai a traitor and have been relishing the chance for more payback.

Revered by many Hong Kongers for his bravery, Mr Lai has led a rags-to-riches life. At the age of 12 he escaped Mao Zedong's China by stowing away on a boat. Once in Hong Kong he worked his way up from factory dogsbody to clothing impresario and media mogul. The government in Beijing forced him out of the garment industry in 1994 after he wrote a column in one of his magazines calling Li Peng, China's prime minister at the time, "the son of a turtle's egg" (a rather nasty insult).

In 1995 Mr Lai founded *Apple Daily*, a popular tabloid that mixed tittle-tattle with criticism of the government. By 2021 the authorities in Hong Kong had had enough. Acting under the national-security law, they froze the paper's assets, raided its offices and arrested several of its leaders. (People across Hong Kong queued to buy the paper's farewell edition.) The charges against Mr Lai are based in part on articles in *Apple Daily* that called for international sanctions against Chinese and Hong Kong officials. Prosecutors argue that this amounted to collusion with foreign forces. Six of the paper's former staff members pleaded guilty to the charge in 2022.

The government in Hong Kong has gone to great lengths to ensure that Mr Lai's trial goes its way. It prevented him from appointing his preferred barrister, a Briton named Tim Owen. (The fight over that contributed to the trial's being delayed for months.) Paul Lam, Hong Kong's justice minister, insisted that Mr Lai be tried not by a jury, but by three judges approved by John Lee, the city's chief executive (this is now the norm in national-security cases). Chris Tang, the security minister, has already proclaimed that the proceedings will prove Mr Lai is "bad". The government likes to boast that it has a 100% conviction rate in national-security trials.

In 2022 Mr Lai was sentenced to five years and nine months in prison for fraud, a verdict denounced by human-rights groups. Now he looks set to spend the rest of his life behind bars. America, Britain and the European Union have condemned the trial. Mr Lai's legal team hopes this will help. But the defendant is said to be reconciled to his fate.

A brave face

Chaguan | China's rulers fear Genghis Khan

Repression reaches one of China's quirkiest ethnic communities

HARSHNESS IS A crude metric for judging an unelected regime. To keep power, lots of rulers will crush dissent with an iron fist. A more subtle measure involves thoroughness. Dedicated autocrats use cold, patient repression to bring even the meek and unthreatening into line. Their aim is to snuff out any belief—no matter how harmless—that might divide subjects' loyalties.

This grim trend may be seen in the Communist Party's handling of China's ethnic minorities, a diverse bunch who between them make up around 9% of the overall population. Since Xi Jinping took power in 2012, such groups have lost many of the limited privileges granted to them and faced aggressive campaigns to assimilate into mainstream Chinese culture.

Apologists present Xi-era policies as tough but rational responses to threats. The government's actions in Xinjiang are indicative. To defend China's cruelties in the region—including mosque demolitions, re-education campaigns, the jailing of poets and the surveillance of millions of Uyghurs and other minorities—officials play up the dangers of Islamic extremism.

National security is also used to justify an intensifying campaign to assimilate ethnic Mongolians who live in China's northern region of Inner Mongolia. New laws mandating the use of the Chinese language over Mongolian in schools and public institutions aim to "safeguard national sovereignty". When protests greeted similar changes in 2020, the local government responded by making the rules stricter. Citing Mr Xi's calls for "ethnic solidarity", the authorities have banned some history books and closed memorials to Genghis Khan, the founder of a dynasty that conquered tracts of Eurasia and ruled China between 1271 and 1368. Defenders of such hardline policies note that Inner Mongolia is a border region, sharing ties of language, religion and history with an independent, democratic country next door, Mongolia.

Revealingly, though, the Xi era has seen moves to smother traditions that pose no conceivable challenge to national security. Chaguan recently travelled to one of the oddest places on China's ethnic map, the Xingmeng Mongolian Township of Yunnan province. This rural township of about 6,000 people lies in the lush, tobacco-growing hills of southern China near the border with Vietnam—about 2,500km from the grasslands and deserts of Inner Mongolia. Locals claim descent from Mongolian armies, initially led by Kublai Khan, grandson of Genghis, that conquered the region in the 13th and 14th centuries. In their telling, some soldiers stayed on after their Mongol overlords were defeated and driven back north by Ming-dynasty emperors. After an early flurry of intermarriage with local women, these "Yunnan Mongolians" reputedly settled down as fishermen and carpenters in five villages.

Today locals praise their ancestors for stubbornly declining to marry outsiders, thereby—they insist—preserving traces of Mongolian language and dress for over seven centuries. Declaring himself a descendant of Genghis Khan, a village elder admits that he married a woman from China's Han majority, "so my daughter is only half Mongolian". To the elder, a longtime party member, his child is fully Mongolian nonetheless, because she "inherited the spirit of the Mongolian nation".

Xingmeng's history was rediscovered in the 1950s, a time of Sino-Soviet amity, by party officials and ethnographers, as well as by envoys from the Soviet-controlled Mongolian People's Republic. Alas, as Mao Zedong led China deeper into paranoid isolation, ethnic minorities with ancient traditions and links to foreign lands became the target of attacks. After China broke with the Soviet Union and sank into the frenzies of the Cultural Revolution, terrible violence reached Inner Mongolia. Tens of thousands of ethnic Mongolians were killed, accused of treason and feudal thought. Far to the south in Yunnan, minorities were attacked in a "Political Frontier Defence" campaign aimed at border counties. Xingmeng avoided the worst violence, older locals relate, though a temple and ancestral clan halls were damaged. Some temples survived because they had been turned into schools.

After Mao's death in 1976 Xingmeng enjoyed something of a golden age, as history was harnessed for economic development. Teachers visited from Inner Mongolia to give language lessons at the primary school. Cement replicas of nomads' tents, horse sculptures and other Mongolian touches appeared. A damaged temple was restored in 1985 as the "Three Saints Temple", housing statues of Genghis and Kublai, as well as Mongke (Kublai's brother). A Mongolian folk festival, called Naadam, was held every three years. It began with ceremonies honouring those royal ancestors.

No stately pleasure-domes here

Not this year. No worship of Genghis Khan was allowed as the latest Naadam began in Xingmeng on December 15th (though early that morning some locals quietly slipped into the temple to light incense before the Khans' impassive statues). At the opening ceremony, a parade featured cloth and bamboo models of fishing boats, shrimp, clams, dragons and a large, dancing white elephant. Missing was a cloth and bamboo model of Genghis Khan on horseback, which appeared at the last Naadam in 2017.

A few years ago Xingmeng's schools stopped offering Mongolian language lessons. The state has also reduced the number of bonus points given to ethnic-Mongolian students taking university-entrance exams. Pointedly, at the Naadam opening ceremony local leaders hailed Xi Jinping Thought and the ethnic unity of the Chinese nation. In Xingmeng's cobbled back alleys, your columnist heard wistfulness and fatalism about the new Naadam, rather than revolt. Asked about the changes, an old man said: "All nationalities should unite, and all Chinese should listen to what the party says. Isn't that how it works with political issues in China?"

It takes an implacable regime to hear such words and still detect a need for stricter controls. China has such a regime. ■

The Houthis

War and peace in the Red Sea

DUBAI AND JERUSALEM

Attacks on shipping threaten to upend Saudi talks in Yemen

NOT LONG ago the Saudis might have welcomed a Western show of force against the Houthis, a Shia rebel group that has fought against a Saudi-led coalition in Yemen since 2015. Yet today, as America forms its own coalition to stop Houthi attacks on commercial shipping, it is the Saudis urging caution: they fear efforts to escape their war in Yemen could be spoilt.

Since mid-November the Houthis have attacked at least a dozen vessels in the Red Sea, either by firing missiles and drones, or by attempting to hijack them. Stirred up by the war in Gaza, the group claims it targets ships with ties to Israel. But its attacks seem increasingly random. One missile strike in December hit a Norwegian-flagged, Indian-crewed tanker carrying vegetable oil from Malaysia to Italy.

Many firms have decided to avoid the area. Since December 15th, four of the five largest shipping companies—CMA CGM, Hapag-Lloyd, Maersk and MSC—have halted passages through the Red Sea. On December 18th BP, a British oil-and-gas giant, said its tankers would avoid the route. Insurance costs have soared. This will have sharp consequences for the world economy: about 10% of seaborne trade passes through Bab al-Mandab, a narrow strait between Africa and the Arabian peninsula.

It will particularly hurt Egypt, which collected a record $9.4bn in revenues from the Suez Canal in the fiscal year to June 30th. Those fees are one of its main sources of hard currency. The government has tried to play down the impact of the Houthi attacks. Osama Rabie, the head of the Suez Canal Authority, says that only 55 vessels diverted their course between November 19th and December 17th, compared with 2,128 that passed through the canal. But that mostly reflects a time before big shippers started to avoid the Red Sea. Next month's figures will probably be worse.

→ Also in this section

28 Israel's muddled goals

29 Christmas in the Holy Land

29 Sudan's war worsens

30 What next for Congo?

The Houthis have received arms and training from Iran, and their campaign against shipping fits a broader Iranian strategy of using its proxies to hamper Israel. But Western and Israeli officials are not sure Iran is directing individual attacks. American officials say they are keen for China to play a diplomatic role. They hope it will urge Iran to rein in the Houthis. China is the largest buyer of Iran's oil, taking nearly 1.5m barrels a day (nearly half of its total output), which gives it leverage in Tehran; and it needs safe passage through the Red Sea for trade with Europe.

A multinational task force led by America's navy is already operating off the Yemeni coast to try to deter the Houthis. In recent weeks American, British and French warships have all intercepted Houthi drones and missiles. This is making the Saudis nervous. After the Houthis seized Sana'a, Yemen's capital, and much of western Yemen in 2014, a Saudi-led coalition invaded to remove them from power and restore the internationally recognised government. The war became a quagmire. The Houthis still control most of Yemen's population, while secessionist rebels, backed by the United Arab Emirates (UAE), hold sway across the south.

The Saudis have been desperate to end their role in the war (the UAE withdrew most of its troops in 2019). They agreed to a two-month truce with the Houthis in April 2022 and then extended it twice. Though the truce ended officially in October 2022, it remains largely in effect: violence in Ye- ▸▸

men is well below pre-truce levels. Both sides have spent months talking about a peace deal, and the Saudis have offered a few gestures to the Houthis, such as easing their naval blockade of Yemen and allowing more flights into Sana'a.

Diplomats say the parties are now close to agreeing on a "road map" to make the ceasefire permanent and end the war. Hans Grundberg, the UN's Yemen envoy, is shuttling between them to finalise the details. The first phase would probably focus on economic measures. The Houthis have long demanded that the internationally recognised government pay public-sector salaries in areas they control, something the Saudis have refused to allow. Under a new road map, which could be announced in the next few weeks, the kingdom would probably permit such payments.

That puts Saudi Arabia in the awkward position of urging American restraint against its old foe. The kingdom seethed when Joe Biden decided in 2021 to remove the Houthis from America's list of foreign terrorist organisations. But now, as members of Congress urge the Biden administration to reverse its decision, the Saudis are quiet. Western officials say putting the Houthis back on the list would shred the road map: for example, the Saudis could not facilitate salary payments to a group under blanket American sanctions.

The Houthis hope that their attacks on shipping will give them more leverage in talks with Saudi Arabia, and that fighting on behalf of the Palestinians will boost their popularity in Yemen. They may be right about the former—but the latter could prove a miscalculation. Their campaign has undeniably had an impact on Israel. Revenue at the Israeli port of Eilat is down 80%, and the cost of shipping goods to Israel is rising. But Eilat handles only around 5% of Israel's seaborne trade; most of it goes through Ashdod and Haifa on the Mediterranean. The Houthis will raise costs for Israeli consumers, but they are far from placing the country under siege.

The consequences could be much worse in Yemen, which imports more than 80% of its food. Most of that comes through Hodeidah, its main Red Sea port. Ships will now either avoid calling there or charge higher prices to reflect their own soaring cost of insurance. One Yemeni businessman says his freight rates have increased by more than 50% since the Houthis started their attacks.

That will mean higher food prices in a country where most people already cannot afford to eat: the price of a basket of staple foods in Yemen has increased fourfold over the past five years. Around two-thirds of Yemenis rely on aid to survive. The Houthis are not so much blockading Israel, in other words, as they are blockading their own desperately poor country. ■

Hostages in Gaza

A dangerous muddle

JERUSALEM

Every option is fraught with danger

THE DEATHS on December 15th of three Israeli hostages in Gaza, who were misidentified as members of Hamas and shot by Israeli soldiers, highlights how Israel's dilemmas in reconciling its objectives in its war with Hamas are growing ever more acute. To the desperate families of the remaining hostages it seems clear that their loved ones may pay the ultimate price.

After Hamas's attack on October 7th, Israel vowed to demolish the Islamist movement militarily, end its rule over the Gaza Strip and rescue 240-plus hostages taken by Hamas and other Palestinian groups. Since then, the Israel Defence Forces (IDF) has dropped tens of thousands of bombs onto the territory and sent over four divisions of troops into the coastal enclave.

Yet only one hostage has been safely recaptured as the result of an Israeli raid. Around 130 are still being held. Finding and freeing them in a war-zone where around 20,000 Palestinians—a majority of them civilians—have been killed is proving impossible. Nearly half were released in a prisoner exchange during a truce in late November. But Hamas is demanding the release of many more of its own prisoners in Israel and a much longer ceasefire if it is to free any other hostages.

The Israeli government's position on further negotiations over hostages looks confused. Binyamin Netanyahu, the prime minister, at first ruled out resuming the Qatari-brokered talks with Hamas. He also stopped David Barnea, the head of Mossad, the intelligence agency, who is also Israel's main negotiator, from flying to Doha, Qatar's capital. But two days later Mr Barnea met Qatar's prime minister in Europe.

The endless wait

For the moment Israel is resisting pressure for another ceasefire. The IDF says it needs more time to destroy Hamas's extensive tunnel network under Gaza, where many militants are still hiding. The far-right parties in Mr Netanyahu's coalition are adamantly opposed to another truce.

But Israel's other war aims look increasingly muddled, too. Mr Netanyahu insists in public that "Gaza will neither be Hamastan nor Fatahstan": the latter refers to the group that runs the Palestinian Authority in the West Bank. Yet puzzle-solvers in the Israeli government have been discussing—albeit unofficially—alternative ideas for Gaza's post-war future which do involve Fatah and the Palestinian Authority.

It is also unclear how Israel plans to provide basic aid to the 2m-plus Palestinians trapped in Gaza. "If the IDF is to continue its campaign against Hamas in Gaza, there has to be a serious plan for taking care of the humanitarian needs there as well," says an exasperated Israeli security official. "But the political paralysis means this is happening too slowly."

Immediately after the massacre of Israelis on October 7th, the government declared that it would not let any supplies enter Gaza from Israel. Aid would have to go through Egypt. Some food, water and medicine would be allowed in, but no fuel.

Since then, fuel has begun to trickle in. On December 17th Israel's cargo-terminal with Gaza at Kerem Shalom was reopened. Before the war around two-thirds of shipments into Gaza passed through this crossing. Opening it has increased the capacity for sending desperately needed supplies, but Israel is still insisting that any aid comes on a circuitous route via Egypt, rather than directly through Israel, which is much quicker and more efficient.

Among Israel's Western allies, Britain, France and Germany are now pushing for a ceasefire. On December 17th the British and German foreign ministers called for a "sustainable" one, but did not suggest a date and accepted Israel's view that Hamas should not be allowed to run Gaza.

Pressure from Israel's key ally, America, to end the war is still mainly behind the scenes. But Mr Netanyahu is increasingly frank about his rift with the Americans. He presents himself as a defiant defender of Israel's interests, hoping to shore up his shrinking nationalist base and keep his far-right partners on board. But his focus on his own political survival at the expense of a coherent plan for Gaza means the fate of both Israeli hostages and Palestinian civilians in Gaza looks bleak. ■

Christmas in the Holy Land

Cancelled

JERUSALEM

Christian numbers in Bethlehem and Jerusalem continue to dwindle

THIS YEAR'S nativity scene in Bethlehem depicts a baby swaddled in a Palestinian *kefiyeh* (a chequered headdress) resting on a heap of rubble. It is hard to spot the wise men, frankincense, or myrrh. The war in Gaza has prompted a drastic scaling back of celebrations in the West Bank. No banquets, no traditional parades of Boy Scouts, no pilgrims. Bethlehem is silent. Christmas in the land where Jesus Christ was born has, in effect, been cancelled.

Gaza's dwindling community of Palestinian Christians has been hard hit since October 7th. At least 16 were killed in an air raid that damaged the church of St Porphyrius, Gaza city's oldest. Pope Francis called Israel's actions in Gaza "terrorism" after a Christian mother and daughter were shot dead as they sheltered in a church compound. Church leaders say half of Gaza's Christians have fled since the war began.

Instead of Christmas carols, barber shops in Jerusalem's Christian quarter are blaring out non-stop coverage of the horrors in Gaza on the Al Jazeera TV channel. "No one is in the mood for celebrating," says Munther Isaac, pastor of Bethlehem's Lutheran church. "But maybe we are praying even more."

Even before the latest war the fortunes of Christians in the West Bank, including Jerusalem, were fast declining. Gaining permits from the Israeli authorities to travel in and out of Bethlehem and Jerusalem is unpredictable, even for the clergy. Moreover, say Christians, a violent Jewish settler movement is bullying them more and more—with impunity. Cut off from Jerusalem by Israel's separation wall and by a string of settlements, Bethlehem is isolated.

Jewish settlers in the Arab eastern side of the old city of Jerusalem are only about a thousand strong. But they have become more aggressive and are implanting themselves more strategically to isolate both Christian and Muslim Palestinians in the city and its vicinity.

Meanwhile the Armenian community is fighting what it says is an "existential battle" to keep part of its domain in the old city. A land deal with an Israeli developer "puts the Armenian presence and Christian presence in Jerusalem in danger", says the Armenian patriarchate. Bulldozers have already moved in.

Yousef Daher of the World Council of Churches in Jerusalem explains that if a Palestinian Christian in Jerusalem marries a West Banker, the spouse cannot live in the city without a permit that can take a decade to get. But if the couple move to the West Bank, any residency rights in Jerusalem may be forfeited. Before the war in 1967, some 24,000 Christians lived in the city. Now there are only 9,000.

"The mindset in Israel is that Jerusalem is ours," says Daniel Seidemann, an Israeli lawyer and expert on the city. "It's the most serious crisis since 1948." The exodus of Palestinian Christians looks unlikely to be reversed, he suggests: "You'll probably find more Jerusalem Christians living in Illinois or Michigan than in East Jerusalem."

Sudan

A nightmare worsens

DAKAR

A supposed haven falls into the hands of a genocidal militia

THE GUNFIRE on the outskirts of Wad Madani, one of Sudan's biggest cities, began at dawn on December 15th. Panicked civilians began to flee. The attack by fighters from the Rapid Support Forces (RSF), a paramilitary force, was met with air strikes by the Sudanese Armed Forces (SAF), the regular army. After a brief lull in which the SAF claimed victory, gun-toting militiamen then stormed into the city centre. As they did so, SAF soldiers abandoned their posts and slunk away to the south.

The fall of Wad Madani, about 200km south-east of Khartoum, the capital, comes five years after pro-democracy street protests erupted that eventually forced out Sudan's long-time dictator, Omar al-Bashir. But Sudan's political transition was derailed in 2021 by a coup staged jointly by the RSF and the SAF. In April their edgy alliance collapsed into civil war. Some 7m people have been displaced within Sudan. Another 1.4m have fled to neighbouring countries, many to Chad, after genocidal violence against the Masalit, a black African tribe, by the RSF and allied militias.

The latest fighting is worsening a humanitarian catastrophe. As many as 300,000 people have fled Gezira state, of which Wad Madani is the capital, in just four days, the UN estimates. Many are fleeing for a second time, since nearly 500,000 people had escaped there, mostly from bloody chaos in Khartoum. Cities farther south, where they may now flee, may not be safer for long. Those remaining in Wad Madani fear atrocities by the RSF, which has a record of carrying out massacres and rapes, and air raids by the SAF.

Wad Madani was also an important staging-point for sending aid and was one of Sudan's few remaining medical hubs. No longer. Scores of badly disabled babies who had been relocated from Khartoum after their orphanage had been caught in the fighting are again in desperate need.

The city had been considered an SAF stronghold. That it fell so swiftly piles the pressure on General Abdel Fattah al-Burhan, the SAF's head. After the city's fall, rumours swirled of a coup against him, which the SAF seemingly sought to deny. Instead the SAF announced an investigation into why its troops fled the city.

In fact the army has been in retreat for months. General Burhan himself left Khartoum for Port Sudan, in the north-east, while the RSF seized control of most of the ▸▸

big cities in Darfur, in the west. "SAF has essentially not won a major battle of this war," explains Alan Boswell of Crisis Group, a think-tank, who is based in Nairobi. One reason for the RSF's success is backing from the United Arab Emirates (UAE), which has reportedly been shipping weapons to it via Chad. (The UAE denies this.) Egypt, which General Burhan hoped would prop up his side, has failed to keep pace, in part as a result of its own mounting economic woes.

Many worry Sudan could end up like Libya, split into chunks controlled by rival factions. It could get even worse. The RSF may try to seize much more of the country, perhaps all of it. What may be left standing in Sudan is unclear, cautions Mr Boswell. The RSF's next move may be to try to seize all the major southern cities.

Still, the RSF could get bogged down in the south. And the SAF is not its only rival. In November many feared a big battle for el-Fasher, the capital of North Darfur state. That has not yet materialised, despite some skirmishes, in part because other former rebel groups announced that they would defend the city from the RSF.

Diplomacy has plainly foundered. On December 9th a regional summit failed again. Talks may have a chance if the RSF gets stuck or if it surges dramatically forward and the SAF is forced to sue for peace. Even then, a deal would be hard to strike. Western governments have been distracted by crises elsewhere. Regional ones have been just as ineffective. "There hasn't been a major ceasefire push since the first few weeks of the war," laments Mr Boswell. "It's been a giant mess." ■

Congo's election

The hard part comes next

KINSHASA

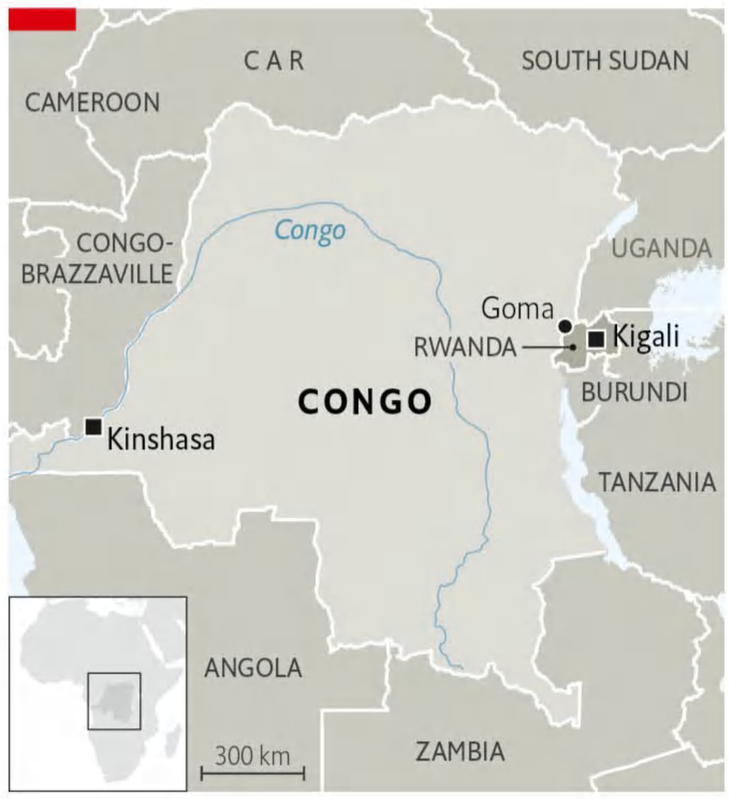
Congo's next president, whoever it is, faces a staggeringly hard task

ON DECEMBER 20TH, as *The Economist* went to press, millions of Congolese were queuing to vote. The much-criticised electoral commission will probably claim that the very fact of holding a general election on time in a country four times the size of France should itself be considered a triumph. Yet as Moïse Katumbi, a leading opposition candidate, angrily puts it: "Which type of election?"

Some 1.7m voters in the east will not cast a ballot because of conflict there. Many others elsewhere may be disfranchised. Crucial papers for reporting the results across the 75,000 polling stations arrived so late in Kinshasa, the capital, that the government had to beg the UN peacekeepers it has spent years scapegoating and other countries such as Angola and Egypt to provide planes to fly the papers around the country. The illegibility of millions of voter cards will add to the chaos. Though the results are almost certain to be disputed, the president is meant to be sworn in on January 20th.

Whether it is Félix Tshisekedi, the incumbent, or one of his opponents, he (not she) will face a monumental task. After nearly three decades of war in the east, some 7m people are displaced. Under the guise of chasing former perpetrators of the genocide of 1994, Rwanda has been backing the M23, a rebel group in eastern Congo, where it has also sent troops (Rwanda denies both accusations). So a first urgent question for the incoming president will be what to do about Rwanda. The M23 is only about 30km from Goma, a big eastern city. America, worried that a proxy war could turn into a brutal direct one, recently brokered a temporary ceasefire which it hopes to turn into longer peace talks.

Yet the politics of peace is extraordinarily complicated—and getting more so. To widespread astonishment a new political-military alliance was recently announced between the M23 and Corneille Nangaa, who headed Congo's electoral commission at the 2018 election. Back then, he declared Mr Tshisekedi the winner despite leaked official data suggesting that another opposition candidate, Martin Fayulu, had won handsomely.



Peace talks have failed in the past. Even if a deal is struck between Congo and Rwanda, strife in the east could persist. A dizzying array of other armed groups operate there, including one linked to Islamic State. To secure a broader peace, the new man must decide whom to rely on for help.

Long-deployed UN peacekeepers are slowly leaving. So is an ineffective east African regional force, in theory to be replaced by one from southern Africa. Soldiers from Uganda and Burundi have also been operating in Congo under bilateral agreements but that may complicate matters. "You think you've got Rwanda and Congo fixed up, but then Uganda is a really important element...and then you've got Burundi," sighs a Western diplomat.

Adding to the mix of men with guns are the *Wazalendo*, Swahili for patriots, a mishmash of government-backed militias with a record of bloody mayhem whom Mr Tshisekedi nonetheless calls heroes. Some 1,000 Romanian mercenaries also operate in the east. Mr Tshisekedi insists they are instructing his army, not directly fighting.

Improving the economy is the new president's second tough task. Despite strong growth thanks to high mineral prices, the number of Congolese living in extreme poverty, some 60m in a population of 100m or so, has been rising. How to make the mining boom improve wages and pay for roads and hospitals rather than go on chandeliers and filling politicians' bank accounts? One hope, shared by Mr Tshisekedi and Mr Katumbi, is to process more minerals within Congo itself. But that would require reliable cheap electricity in a country where about 80% of the people have none at all. The perennial hope is the Grand Inga Dam, a huge hydropower scheme, but Nicolas Kazadi, the country's finance minister, admits that the project does not even have a timeline.

Many hope for real action on another pervasive problem: corruption. In July the government suspended the licence of the country's first gold refinery just days before it was to start producing, saying it did not respect its "societal obligations". Around the same time the government expanded its own gold joint venture with Primera Group, based in the United Arab Emirates, where the gold is refined. The government denies any wrongdoing.

Many Congolese bigwigs operate in a web of facilitation fees and patronage. The country must redefine more tightly the meaning of corruption, says Willy Mulamba, who chairs Congo's banking association. The faith of young people in politics and democracy has been savagely eroded. "For years we've been in the same mess," complains Shishi, a Congolese rapper. "People come to us and say 'We're going to change this country'," he explains. "But they've lied to us a lot." ■

Alternative for Germany

The blue queen

BERLIN

Alice Weidel's laments over the decline of Germany, and broadsides against immigrants, strike a chord among voters

FROM HER sixth-floor office next to the Bundestag, Alice Weidel looks west over the Tiergarten, Berlin's most famous park. At its centre rises a column celebrating Prussia's defeat of Denmark in 1864. Glinting at its top strides Victory, a version of the winged goddess modelled on the then-crown princess of Prussia, a daughter of Britain's Queen Victoria.

With her pulled-back blonde hair, erect posture and simple, crisp business attire, Ms Weidel carries the air of a queen-in-waiting. As the co-leader of the Alternative for Germany (AfD), the furthest-right of the country's seven main political parties, her influence has been steadily rising. True, the party, which was launched in 2013 and represents itself with the colour blue, fields just 78 of the Bundestag's 736 MPs. It controls none of Germany's 16 states, and just three small municipal governments. A majority of Germans say they would never vote for it. The other leading parties have all sworn to shun it.

Yet in the 19 months since Ms Weidel rose to the top, the AfD has more than doubled its share of national voting intentions, to well over 20%. That makes it Germany's second most popular party, behind the opposition centre-right Christian Democrats (CDU) but ahead of all three parties in the coalition government. A recent poll suggests that Ms Weidel is more popular than Olaf Scholz, the chancellor.

In elections to the European Parliament in June the AfD is expected to surge far past its current nine seats, echoing a continent-wide trend that has boosted right-wingers from Sweden to the Netherlands to Italy. In September three eastern German states will vote; the AfD leads in all of them. After the next Bundestag elections, due in 2025, Ms Weidel and her co-leader, Tino Chrupalla, though almost certainly not the monarchs, will at least be kingmakers.

Regal bearing aside, the 44-year-old Ms Weidel seems a paradoxical figurehead for the AfD. The party is male-dominated; women make up just one in nine of its MPs compared with 35% across all parties. Mr Chrupalla seems more typical: like many AfD voters, he is an eastern German and proudly working-class. He embodies the resentment against elites that has powered the party through the turbulence of covid-19, high inflation and war in Ukraine.

Ms Weidel comes from a well-to-do family in a small west German town. She is armed with a PhD in economics, and tends to prefer the controlled arena of the boardroom or studio to flesh-pumping through crowds. Her career trajectory before politics was rocket-fuelled. She worked for Goldman Sachs, a global investment bank, as well as Allianz, an insurance giant, before starting a private consultancy. Openly gay, Ms Weidel lives primarily in Switzerland. She and her partner, a Swiss filmmaker with Sri Lankan origins, are raising two sons, aged seven and ten.

Besides press scrutiny, Ms Weidel and her party are under official surveillance in three German states. "I find it really absurd ▸▸

→ Also in this section

32 Ukraine's soldier shortage

33 French women and high heels

33 Euro-budget woes

34 Charlemagne: Disunited Christmas

that Stasi spies read my private correspondence and can listen to my phone conversations although I am an elected opposition leader," she says. Especially, she adds, since her "cardinal sin" is to call for Germany to have secure borders. "Apparently if you don't say open borders for everybody, then you're in this far-right corner!"

In Ms Weidel's telling, most of Germany's problems can be traced to what she calls deeply irresponsible immigration policies, particularly the welcome given by Angela Merkel, chancellor from 2005-21, to an influx of refugees from Syria's civil war and other migrants. "I believe politicians must point to the negative sides of certain population groups of Muslims," she says. "Crime rates have gone through the roof and people from this context, above all Afghans, followed by Iraqis and Syrians, have by far the highest crime burden."

She also faults immigrants for Germany's poor showing in a recent PISA study comparing education across countries. "The level is automatically reduced if they come from a non-[German]-linguistic, non-[German]-cultural and educationally uneducated context," she says, citing a big recent brawl in a Berlin school involving boys she describes as Middle Easterners.

Over one-quarter of Germany's 85m people now have some form of immigrant background. Yet police records show that rather than rising after the migrant surge, the country's overall crime rate dropped steeply between 2016 and 2021 before going up slightly last year. European rankings of public safety place Germany unremarkably in the middle of the pack. Foreigners do make up a growing proportion of schoolchildren, and tend to score lower than native Germans in tests. But PISA results show narrower differences in neighbouring countries with similar proportions of immigrants, suggesting that Germany's problem may lie with its school system rather than the ethnicity of pupils.

Yet Ms Weidel's mix of alarmism, nationalism, claims of persecution and denunciations of immigration plays well to a growing number of Germans, and not only to the AfD base. One sign of this was a recent shift by the CDU, the party of Mrs Merkel. A new CDU manifesto issued on December 10th pointedly replaced the phrase "Islam belongs to Germany" with wording that welcomes Muslims "who share German values".

This surely pleased Ms Weidel, although she also seems to suggest that it may be too late. Germany has already lost its *Leitkultur*, or "leading culture," she sighs. And after Mrs Merkel opened a path to ruin, the country's current left-of-centre coalition has accelerated the decline. "We'll have to see what's left of the country when they are done," she says, daintily replacing her empty teacup in its saucer. ■

Ukraine

Rough draft

KYIV

Ukraine's army is struggling to find enough good recruits

THEY CAME from a variety of backgrounds, but the new recruits shared one thing: after rudimentary training in western Europe, none of them thought they would be deployed to an assault unit at the hottest section of the Ukrainian front line. Some had signed up voluntarily, expecting to be given places in units that suited their profiles, as drone operators or artillery men. Others were plucked from their villages with little warning. One older recruit didn't even have a chance to pick up his false teeth. After less than a week in the trenches of the Donbas, in eastern Ukraine, the platoon of 20 had been reduced by six. Three had been killed in action, three seriously wounded.

This is one of the worst stories, though far from isolated. Ukraine is desperately looking to plug its front lines against new attacks. But what lawyers describe as a "deployment lottery" is straining the recruitment process. Army chiefs are struggling to fill places with the willing; some are resorting to conscription raids on gyms and shopping centres. Few who are signed up this way make good soldiers. "We're seeing 45- to 47-year-olds," complains a senior officer. "They are out of breath by the time they reach the front line."

Recognising the problem, in September Ukraine's defence ministry began work on a new mobilisation strategy. Illarion Pavliuk, a spokesman for the ministry, says part of the puzzle lies in the army's success: many citizens no longer view the war in the existential terms they did immediately after Russia's invasion in February 2022. "Some mistakenly think there is someone else who can do the job for them," he says.

December 19th 2023
Russian-controlled
Russian operations*
Claimed as Russian-controlled
Ukrainian advances†
*Russia operated in or attacked, but doesn't control
†Since May 1st 2023 Sources: Institute for the Study of War; AEI's Critical Threats Project

The reforms aim to give those who are wavering more choice: new recruits can, more or less, sign up for a specific role. A new digital register will improve the ministry's understanding of Ukraine's manpower. There will be a clearer system of rest and rotations. Eventually, volunteers will be mobilised for a finite period, not indefinitely, as they are now.

There are several examples of successful recruitment campaigns into individual units. The 3rd Assault Brigade, created nine months into the war as a branch of Ukraine's special forces, is perhaps the most visible. Skyscraper-sized adverts in Ukraine's cities glamorise life as one of the brigade's stormtroopers, slaying goblin-like caricatures of evil. But no less important is the brigade's reputation for competent command, good equipment and low attrition rates.

Russia, too, is having difficulty mobilising the troops it needs. Its tactic of hurling vast numbers of men at defended positions, often without proper equipment, can mean daily losses as high as 1,000 men. But the fundamentals point to a gargantuan challenge for Ukraine. With a pool of potential soldiers about four times greater, Russia looks favoured in the long run. In its prisons and poorest areas, joining the army seems a reasonable option. Elsewhere the Kremlin has been able to meet its minimum needs by recruiting secretly for a full-scale war that it still pretends is not happening.

Meanwhile Ukrainian critics of the government in Kyiv charge that the country is only "pretending to mobilise". Viktor Kevlyuk, a retired colonel who oversaw the implementation of mobilisation policy for the western half of the country from 2014—when Russia first invaded—to 2021, says Ukraine risks falling into a trap. Russia will step up its mobilisation after its presidential election in March is over, he thinks.

Vladimir Putin has already signed an edict to increase the size of Russia's armed forces by 170,000. Colonel Kevlyuk argues that Ukraine must respond with a nationwide mobilisation of industry, government and resources. The often decadent lifestyles of those enjoying safety in Kyiv need to change, he thinks. "This is not a time for imported smoked salmon."

Throughout the war Volodymyr Zelensky has resisted the maximalist urgings of his soldiers, much to their chagrin. His top generals have, for example, pushed to lower the age at which non-reservists can be called up, which currently stands at 27. But Mr Zelensky has pushed back. "He wants to ▸▸

do the right thing by Ukrainians," says a high-level government source. "He doesn't want to be a dictator."

Tough decisions lie ahead. For Colonel Kevlyuk, the army is a beast that must be fed: "We have no choice, other than to be bloodthirsty," he says. But some officials prefer a more consensual approach. The high-level source predicts media campaigns promoting national sacrifice and warning that Russia continues to pose an existential threat. "If we lose, it will be bad for all of us," he says.

The task is to convince potential recruits. "Conductor", one of the men deployed to the ill-fated unit in the Donbas, says he is committed to serving his country, "but only in a way that can be useful". In the meantime he is occupied "24/7" in securing a transfer away from the assault forces. "You can't just write people's lives off like this," he says. ■

Euro-budgets

How to fund it

Europe is struggling to find the money

THE EU'S 27 members have spent freely since early 2020 to support their economies and citizens through a global pandemic, a war on their doorstep and an energy-price surge. Back in 2020 richer northern EU members reluctantly signed up to a debt-funded recovery fund worth €806bn ($880bn, some 5% of EU GDP in 2022) that mostly benefits the south and east of the union. But high interest rates have bent these plans out of shape.

At a summit on December 14th and 15th all countries bar one reached an agreement on how to top up the EU budget to pay for more financial support for Ukraine (a pot of €50bn over the next four years), as well as higher interest rates on EU debt and extra support for countries facing a surge in the arrival of refugees. The compromise was less generous than the European Commission, the bloc's executive arm, had hoped for, but it was enough to win almost everyone's agreement.

The lone opposition came from Viktor Orban, the prime minister of Hungary. He had just given his tacit agreement to opening membership talks with Ukraine, after the EU released €10bn of funds earmarked for Hungary that had until then been frozen as a punishment for his rule-of-law abuses. His price for approving the larger fiscal package is probably for the EU to unblock Hungary's remaining and still-frozen €20bn. But his leverage is limited. Ideas being floated to get around his veto include using the European Stability Mechanism (ESM), the euro zone's bail-out fund which has plenty of spare capacity. If Mr Orban's bluff is called early next year, he may well fold.

Finance ministers, meanwhile, are still trying to sort out a different fiscal mess. The euro zone's byzantine deficit rules were barely workable before the covid-19 pandemic. They were too complex, put overly onerous demands on highly indebted countries and led to procyclical budget cuts without making much if any allowance for green investment. When the pandemic struck, the rules were suspended to allow countries to spend freely, and have not been enforced since. With their return due at the start of 2024, they were in desperate need of an upgrade.

The commission had proposed rules that would give it more power and that would stick less slavishly to numerical targets. Countries would agree to adjustment plans to bring down debt and commit to investments and reforms that would boost growth. But Germany wanted to require countries to lower their deficits and debt by set minimum amounts each year. As *The Economist* went to press, France was expected on December 20th to give in, after much back and forth, under the rather self-serving condition that these new measures would not fully apply before President Emmanuel Macron's term is over.

Over-prescriptive rules can indeed be a problem, as Germany itself illustrates. In November its constitutional court ruled various accounting gimmicks to be illegal under the country's strict deficit rules. The governing coalition has since then put together budget cuts and tax increases to plug the gaps—at a time when Germany's economy is stagnant and the country should be investing heavily. Sometimes, muddling through is not enough. ■

French style

Heeling power

PARIS

Why French women no longer wear stilettos

THE HIGH-HEELED shoe, popular among men in pre-revolutionary France, is losing favour among women on the streets of Paris. The once familiar click of stiletto on cobble is giving way to the silence of rubber soles. Today fashion writers offer French women advice on "*les chunky boots*": heavy, black, grooved-sole footwear. Trainers, once derided in the *beaux quartiers* as an American abomination, are now a daily feature in Parisian cafés and offices. Nearly half of French women, according to a poll, do not know how to walk in high heels. What is going on?

Modern France helped to make the female high heel iconic. Roger Vivier, a French designer, is considered to be the godfather of the stiletto, having designed the *aiguille* (needle) heel back in 1954. He was the first to insert a metal rod into the heel, stiffening its structure and stretching the female silhouette. The brand still calls stiletto heels "tools of unstoppable seduction". Christian Louboutin, a French luxury designer, gave the 10cm-high heel a twist with his famous red-soled stiletto, a pair of which goes for around €800 ($870).

Today's disappearing French high heel is explained in part by covid-19 and the way working from home has spread *le look casual*. It may also mark a form of post-#MeToo rebellion. A younger generation is turning against the stiletto's figure-deforming nature—nodded to in the film "Barbie", whose star's feet no longer fall flat when relieved of her heels.

During the festive season the high heel—or at least a block version of it—may be enjoying a revival. But this could be fleeting. On the French high street, the trend seems entrenched. "*Oh là là, non!* That's over," says a Parisian shoe-shop manager when asked if she sells many stilettos, waving at the limited range she has relegated to an upper shelf. "Women want comfort," says an assistant at another store. "What matters is that you can wear flat chunky boots with an elegant dress, and still be chic."

Le style nouveau

Charlemagne | Bah humbug to integration!

As Europeans turn festive, the continent looks less united than ever

NEVER CALL a Swede as the sun sets—absurdly early—on Christmas Eve. For at 3pm the country collectively stops in its tracks to watch a bit of televisual lore. Since 1959 the public broadcaster there has served up much the same hour-long show of Donald Duck and other vintage Disney cartoons to the nation's children and their nostalgic parents. Despite being over six decades old, *Kalle Anka*, as it is known, is among the most-watched shows of the year. Such is its centrality to celebrating Christmas that Swedes living abroad were once known to smuggle versions out on VHS tapes; now YouTube serves up the antique quacking on demand. Sitting down to watch old American cartoons has become as archetypally a part of Swedish national culture as extended paternity leave and couples having blazing rows at IKEA.

New dads getting time off and flatpack marital strife have long since become a pan-European phenomenon, if not a global one. By contrast the Christmas traditions dear to Swedes have remained firmly national affairs, shared only with a couple of Nordic neighbours. A political scientist yet to sign off for the holidays would find much to ponder here. Even as Europe has come together in myriad ways—a common currency across much of the continent, a single set of EU parliamentary elections every five years, a shared horror at the prospect of a second dose of Trumpism—its most intimate moments seldom cross national borders. For much of the year Europe looks like a continent melding into a union, one set of chemicals regulations at a time. But when it comes time to unwind during the festive season, Greeks, Italians and Lithuanians retreat into their national cocoons.

Beyond a decorated fir tree, twinkling lights and children tearing into gifts, little else is common at Christmas. For God-fearing Poles and Portuguese the birth of Jesus is at the heart of the whole affair; not so for secular Danes and Czechs. (In all circumstances, supposedly Christian celebrations borrow heavily from pre-existing pagan rituals to mark the winter solstice.) Even the date on which Christmas is celebrated varies. Orthodox Christians in the east often mark the day according to the Julian calendar, on January 7th. For those of the Gregorian persuasion, the split is between feasting on the evening of the 24th, as many northern Europeans do, or the day of the 25th, more typical in the south of the continent. The decision can come tinged with geopolitics. Ukraine used to be a January 7th country, alongside Russia. This year it changed by law to become a December 25th one, in line with the EU countries it hopes to join.

To focus on the day of Christmas itself is to ignore the vital run-up and its aftermath. December 5th is a meaningless date to Portuguese or Irish children. But for Dutch ones (and Belgians, Luxembourgers and others a day later) it marks the all-important visit of Saint Nicholas—and an early trove of presents for children thoughtful enough to leave a carrot in their shoes for his horse to munch on. Scandinavians mark the feast of Santa Lucia a week later, with processions of singing youths, one of whom wears a precarious crown of lit candles. The French have one last dose of gluttony on January 6th, when the three wise men arrived in Bethlehem, with a *galette des rois*, an almond-flavoured cake featuring a hidden porcelain charm. On the same date a witch known as La Befana, a mostly unknown acolyte of the trio, delivers yet more goodies to kids in Italy. Her broom-flying powers apparently do not extend to reaching neighbouring Austria or Slovenia.

Europeans keen to mesh their continent into one ever-closer union are likely to conclude their neighbours are a touch weird. Catalans in Spain feed a hollowed-out log for two weeks before inducing it to poop out small presents on Christmas Eve. Poles and some other central Europeans prepare a table with a spare setting, to symbolise those that could not make it home, or might unexpectedly pop by. Brits attend pantomimes, theatrical performances at which Z-list celebrities ("Oh yes they are!") indulge in cross-dressing and try to rile up the audience ("Oh yes they do!"). Swedes burn an oversized straw goat. Angela Merkel, then Germany's environment minister, once used Christmas as an opportunity to show off her housewifely thriftiness by being pictured ironing soon-to-be-reused sheets of wrapping paper. Her fellow Germans on New Year's Eve watch *Dinner for One*, a black-and-white piece of British slapstick comedy that few Brits have ever heard of.

No place like home

Does this cacophony of celebrations matter? The EU's motto is "united in diversity"; the idea is to allow for a wealth of national customs to co-exist peacefully. Even the most standardisation-mad Eurocrat would hesitate to devise a single menu or television schedule. What little Yuletide harmonisation exists comes from two sources Europeans usually resent. One is Germany, which gave advent calendars, decorated trees and quaint Christmas markets to its neighbours (before invading them repeatedly). The other is America. Although Swedes watch Disney cartoons, much of the rest of the continent sits down in front of *Home Alone*.

Elie Barnavi, an Israeli historian, once bemoaned what he called the "frigid Europe" method of EU integration: a continent whose leaders have focused on converging all that is economic and rational, but gave little thought to the cultural and the heartfelt. That approach means the countries in the EU are good at trading widgets or building border-crossing motorways, but their people still think of the rest of Europe as a place that is not really home to them. Can a continent whose people share no affinity in celebrating their most important holiday ever be said to be a true union? Charles de Gaulle quipped that it was impossible to govern a country blessed with 246 types of cheese. Building a continent with so many Christmas traditions will be harder still. Something to reflect on as the Poles enjoy their carp, the French their *foie gras*, Swedes their eels and the Greeks some stuffed cabbage leaves. ■

The Midlands engine?

Brum, brum

BIRMINGHAM

An impressive mayor lacks the tools to transform the region

ANDY STREET'S management tips are conventional enough. As the boss of John Lewis, a high-end department-store chain, he was "obsessed with the details" and taught his 70,000 employees that "every interaction matters". The method seemed to work: sales rose by 50% in his decade in charge from 2007. In 2014 *Management Today*, a trade magazine, named him "Britain's most admired leader".

Since 2017 Mr Street has turned to a tougher task: running the West Midlands Combined Authority (WMCA). The region spans three cities—Birmingham, Coventry and Wolverhampton—and almost 3m people. It is Britain's most populous urban area after London. Fifty years ago it was an industrial powerhouse, churning out more than 1m cars a year. Its fortunes have since slumped. In September Birmingham council, the largest of seven within the combined authority, went bust.

Along with Andy Burnham in Manchester, Mr Street is the most high-profile figure in an experiment in English devolution that now extends to ten cities and regions. A moderate Tory, he has squeezed money from Conservative-run ministries. His business career makes him an ideal interlocutor for investors ("he speaks our language", gushes one attendee at a meeting with housebuilders, architects and investors in Wolverhampton earlier this month). His pragmatic, consensual style has proved popular with voters. They probably could not have hoped for a better-equipped first mayor. And yet he has barely begun to move the dial.

The productivity of the Birmingham urban area is 14% below the national average. It has hardly budged in two decades. Economic inactivity is higher than almost anywhere in the country. Investment has increased since Mr Street took over. But success is spotty. Many boroughs are run down and cut off from opportunity. Whereas Barcelona, Hamburg and Lyon help to propel their nations' economies, Britain is held back by the weakness of its second-tier cities.

The West Midlands' first problem is that it is constrained from above. Take public transport. In September Birmingham's tram line was extended: sleek blue-and-grey carriages run every ten minutes or so from Wolverhampton to Edgbaston. Yet that upgrade had been discussed for almost two decades; and almost everywhere else remains poorly connected. Three-quarters of people drive to work; the city is even more jammed than London. Those without cars rely on snail-like buses.

Local politicians are not blameless: almost all, including Mr Street, reject the idea of a congestion charge. But cities outside London have been starved of the funds needed to benefit from agglomeration. Half of graduates living in and around Birmingham cannot commute to the city centre within 45 minutes, according to the Resolution Foundation, a think-tank.

Mr Street has gradually won control over funds for transport, housing and adult skills. But his entire budget is still just £880m ($1.1bn), a rounding error in a Treasury spending review. Because Britain's mayors have little ability to raise their own ▸▸

→ Also in this section

36 Parliamentary recalls

37 Beards in the army

38 Bagehot: At the darts

money, nearly every pound must be solicited—Mr Street calls this "begging-bowl politics". In Lyon, which has four metro lines and six tramways, the transport authority alone has a budget similar to Mr Street's; half of it is raised through local taxes, says Tom Forth, a transport wonk.

Mr Street is also constrained from below. Seven local authorities—Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton (see map)—agreed to create the mayoralty in 2016. They did so with the proviso that they would hold onto power themselves. Each has a place on the combined authority board; many decisions need two-thirds approval. The councils also kept a grip on planning policy, the critical lever for determining land use. The mayor's office was designed as a "big tent with nothing in it", says Max McLoughlin, leader of the Greens on Solihull council.

Mr Street gamely talks up the benefits of "collective endeavour". In reality the region is often less than the sum of its parts. In 2018 the Labour-run councils in the WMCA blocked Mr Street from using his main revenue-raising tool, a "mayoral precept" that would be levied on top of council tax (he has not tried again). A plan to reopen a commuter line connecting Birmingham's suburbs with the city centre has been complicated by Birmingham council's decision to sell off adjacent land.

Large cities should link dense housing to jobs via mass transit. Mr Street's lack of control over spatial planning makes that hard, says Paul Swinney of the Centre for Cities, a think-tank. In pushing brownfield development the mayor has made a virtue of necessity: several councils have blocked the kind of building on the green belt that might attract commuters. Four of the seven local authorities have not brought forward for development enough land to keep up with housing needs.

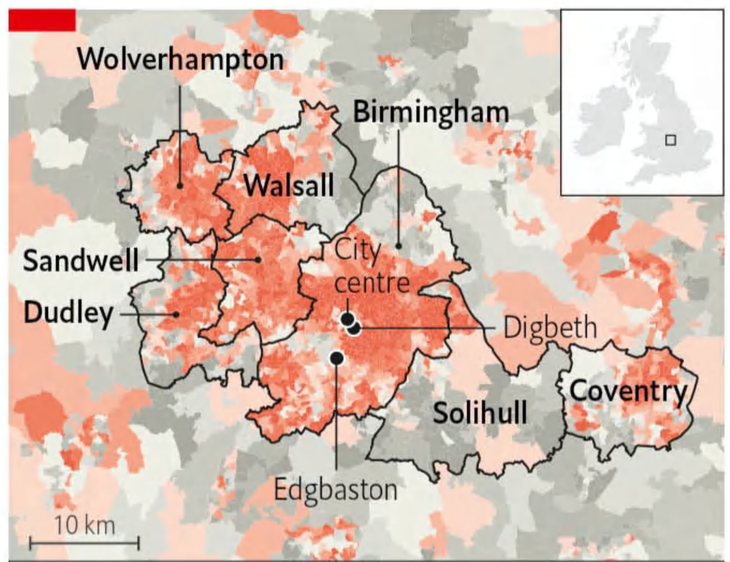
The design of the WMCA causes other problems. In October it won the right to create an investment zone where firms will benefit from tax breaks and direct funding. To keep everyone happy the goodies have been split among three sites, reducing the benefits of clustering. Forging a new institution was always going to be tough. Unlike Barcelona or Hamburg, Birmingham was never a true second city with a regional government, points out Richard Vinen of King's College London. Nor is "West Midlander" a cohesive regional identity.

And if one of Mr Street's successes has been sweet-talking investors, the woeful state of Birmingham council could sour things. Facing a £760m (£960m) bill for a long-neglected equal-pay claim, the council will begin slashing services and selling assets next year. A shoddy IT system means councillors cannot even see how broke their administration is. The mayor has been urging businesses to "keep the faith".

Turning around a region that has struggled for four decades was always going to take time. Walk around and you will see pockets of success. Birmingham city centre is clean and vibrant: Goldman Sachs, HSBC and Deutsche Bank have opened or expanded offices since the pandemic. HS2, a high-speed rail line, has already brought investment; Mr Street still hopes that a northern connection to Manchester, binned by Rishi Sunak, will be built.

In Solihull advanced manufacturing is growing despite Brexit. In Digbeth a creative quarter is booming, centred on a studio opened by the creator of "Peaky Blinders", a show about Brummie gangsters. "The bits of the economy that were doing well are doing a bit better," says Adam Hawksbee, a former adviser to Mr Street now at Onward, another think-tank. In October Messrs Street and Burnham secured a big concession from Whitehall: the right to be treated like a department with a single budget, rather than having to bid for money from dozens of different funding pots.

Yet patience and attention to detail will not be enough. For Britain's second-tier cities to be transformed, they will need greater control over spatial planning and, in particular, the ability to raise more money locally. Only then will they have the means to become more productive and the incentive to grow. Mr Street is running for a third term in May. But to make a real difference, he needs more power. ■



West Midlands, indices of multiple deprivation
By decile, 2019
Most deprived — Least deprived
Source: National statistics

Awards Matthew Holehouse, our political correspondent, won the award for comment journalism at this year's British Journalism Awards. Christopher Occhicone won the photojournalism category for his work in Ukraine for 1843 magazine; Sophie Pinkham, also of 1843 magazine, won the travel-journalism award.

Parliamentary misdeeds

The power of recall

WELLINGBOROUGH

How British voters remove their misbehaving MPs

THE BRITISH constitution is an adaptable thing. Today's innovations can fast become a familiar part of the landscape. Take recall petitions, a device introduced in 2015 whereby locals can vote on whether to fire their MP and force a by-election.

One such petition has just been held in Wellingborough, a town in Northamptonshire. It felt much like a municipal election. Locals headed to one of nine polling stations, signed a piece of paper and put it in a ballot box. On December 19th it was announced that 10,505 signatures had been collected—13.2% of the electorate, more than the 10% needed to fire Peter Bone, the seat's Tory MP. A by-election will take place next year; Mr Bone is eligible to run again as an independent.

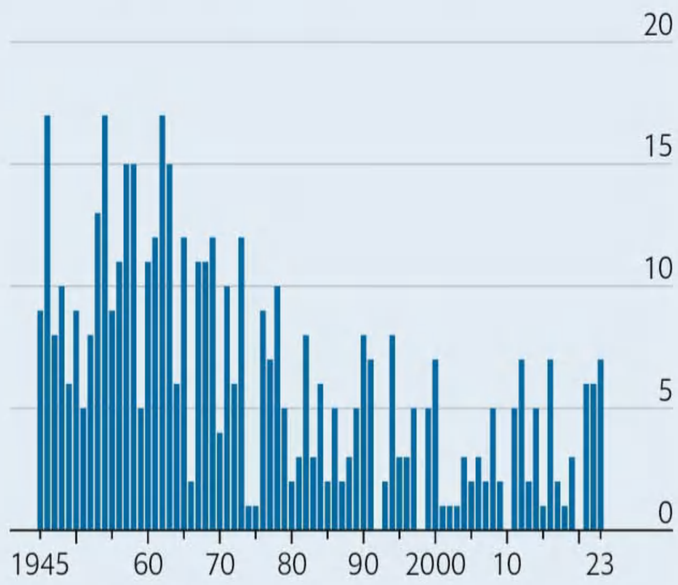
Recall petitions were brought in by David Cameron's coalition government to help clean up politics after the MPs' expenses scandal. A petition is triggered if MPs receive a prison sentence (they are automatically booted out if they are locked up for more than a year), are convicted of fiddling their expenses or get suspended from the Commons for more than ten sitting days after a disciplinary investigation.

In Mr Bone's case, he had long been regarded as an eccentric backbencher—someone obsessed with the EU and the BBC who would raise questions in Parliament on behalf of "Mrs Bone". A report by a parliamentary watchdog into the treatment of a member of staff cast him in a much more sinister light. He allegedly walloped his assistant over the head when displeased; he would ask for massages, the report said, and exposed himself on a trip abroad. The report found him to have been bullying and sexually inappropriate; MPs voted to suspend him for six weeks. Mr Bone says the claims against him are false and the investigation procedurally flawed.

The trickle of people going to the polling station at the Castle Theatre on December 18th did not suggest a town in uproar. Most had made up their minds on Mr Bone long ago. "He's made us look quite foolish," said Lorraine Redden, a Labour voter. Ma- ▸▸

Vote count

Britain, parliamentary by-elections



Source: House of Commons

deleine Robinson, a 19-year-old student, was pleased to be casting her first ballot to fire Mr Bone, whom she never liked.

When recalls were introduced, some critics said the scheme was too onerous to be effective. Instead, recall petitions have become a bit of a fixture. Wellingborough's is the fifth since 2016; all but one has resulted in a by-election. Another four MPs quit the Commons before a petition could be organised against them; they included Boris Johnson, a former prime minister. The number of by-elections each year is still far below post-war highs, when unhealthy MPs often died in office (see chart), but recalls have prompted several recent by-election blows to the Tories.

The rise of recalls reflects a subtle change in the nature of an MP's lot. Historically it was seen as a public office, with MPs fulfilling the role more or less as they saw fit and answering to voters every five years. Increasingly, it is seen more like a salaried job, with MPs scrutinised by something akin to a human-resources department and fired if they fall short. If Labour wins the next election, this professionalising trend will continue: the party wants to ban MPs from holding "second jobs".

Recall petitions have another effect: they tip by-elections in favour of challenger parties. The six-week petition period gives them a head start. They can canvass locals and boost the profile of their candidate while the hapless incumbent can only sit tight and hope the petition fails. During the recall earlier this year of Margaret Ferrier, a Scottish National Party MP who breached covid-19 rules, Labour hoovered up potential voters' data with an e-petition called fireferrier.com and won the subsequent by-election.

Another recall petition now looms in Blackpool South. Scott Benton, its Tory MP, was recently caught in a cash-for-influence sting by a reporter pretending to be a gambling lobbyist. Mr Benton is appealing against a 35-day suspension. For the Tories, recalls mean bad memories. ■

Facial hair

Of whiskers and weapons

The British army mulls allowing beards

"IT IS TIME to modernise," was the message from Grant Shapps, the defence secretary, in an interview with *The Times* earlier this month. Mr Shapps was talking not about weaponry or strategic doctrines, but facial hair. The Army Board, a management committee for the service, is pondering whether to end a century-long ban on beards for soldiers.

At present serving soldiers are usually allowed to grow a beard only with the permission of their commanding officer; such permission is typically granted only on religious grounds. There are a handful of other exemptions. The Goat Major—actually a corporal—who tends the Royal Welsh regiment's goat is allowed to have facial hair. So is the goat, which is technically a lance-corporal. (Britain is like this.) Everyone else is expected to be clean-shaven.

The Royal Navy, plainly a bunch of woke progressives, has long embraced (full) beards; the Royal Air Force has allowed them since 2019. Army traditionalists have no truck with such nonsense. "I do not think a group of men marching with beards looks nearly as smart as a group without," harrumphed a retired colonel in the *Telegraph* recently. The morning wet shave "adds to fighting spirit". Some argue that beards impede the effective use of gas masks, although there is little concrete evidence for that assertion.

Furry impressive

The British army has not always been pogonophobic. Indeed, soldiers helped to usher in the Victorian beard craze of the 1850s to 1880s. During the Crimean war in the mid-1850s, a ban on beards was relaxed due to the extreme cold weather and the difficulties of shipping in shaving soap. This conflict was also the first to be extensively photographed. As images of whiskered soldiers were transmitted back to Britain, full beards, which had been out of fashion since Tudor times, became associated with martial virtues. By 1860 the army was actively requiring moustaches.

According to Alun Withey, a historian at Exeter University, this happened at a time of growing worry that "British men were becoming weedy as more and more of them were working in offices". Nothing could be more manly than facial hair.

Many also believed that not shaving offered health benefits. In 1854, more than 400 members of the Dublin police force petitioned to be allowed to join the beard movement on the ground that "almost all, if not all, diseases of the respiratory organs are in great part, if not altogether, caused by the practice which obtains of shaving off the beard." Beards were even thought to bring productivity gains. An article in the *British Medical Journal* in 1861 calculated that America lost 36m working days each year to shaving.

Prior to the 1850s beards had been a rarity in Britain. Now bristles sprouted everywhere. The full-bodied "cathedral" or "patriarch" beard, of the kind sported by late Victorian statesmen, was the favoured style of the elites. Beard fashion spread to the lower social classes, too. For a research project, Dr Withey studied the photographs of prisoners at three Victorian jails, taken soon after their arrest, and found that 58% had some form of facial hair. Almost three-quarters of their beards were "chin straps"—long sideburns meeting underneath the chin, without a moustache.

The beard craze petered out in the 1890s as fashions shifted, better razors became available and doctors took to warning against facial hair (a damp beard was thought to spread germs). Beards became the preserve of older men as the young rejected the fashions of their fathers. The army was slower to adapt. The requirement for moustaches lasted until 1916; some regiments maintained a stockpile of artificial ones for those unable to grow their own. Only the recruitment of ever younger men during the first world war, and fears about the close fit of gas masks, led to the regulations being reversed.

A decision on whether to allow beards again is expected soon. Mr Shapps thinks it is "ridiculous" that the army is turning away potential recruits because of facial hair. The Victorians would agree. ■

Bagehot | The banter-industrial complex

What the world's darts championship says about Britain

For two weeks from mid-December, a walk up the hill to Alexandra Palace, a venue in north London, is a trip through a lager-soaked fever dream. At one point a squad of human traffic cones waddles past. Next comes a gaggle of men dressed as condiments. At a bus stop, four judges wait for the next W3 service.

The Professional Darts Corporation (PDC) world darts championship has become an end-of-year institution, a debauched collision of fancy dress and elite sport. For a fortnight each year, a corner of the British capital is transformed into a place where it is always 11.30pm on a Friday night. Inside the venue a confused bottle of Heinz tomato ketchup looks for his seat. Two monks hurry by, carrying eight pints between them. On stage a first-round match between Stowe Buntz, a goateed American, and Kevin Doets, a Dutchman, takes place in front of a semi-oblivious crowd. Before long, a chant begins. Oompa Loompas, nuns and traffic cones stand up, arms wide, and yell: "Stand up if you love the darts."

Darts sits squarely in the middle of Britain's banter-industrial complex—the laddish industries of drinking, gambling and sport that have found a profitable niche and infuse the country's culture. At "Ally Pally" the darts is a melting pot, albeit still a very male one. "Where else would a young plumber or banker rub shoulders with... Prince Harry?" wonders Barry Hearn, the sports impresario who turned the championships into a juggernaut, in his autobiography. At the darts men from all levels of society rub together—just blokes in fancy dress in a peculiarly long queue for a toilet cubicle, even though urinals are free. Banter is the great leveller.

Mr Hearn likens darts to "working man's golf". Alexandra Palace feels more like a working man's Wimbledon. Both offer class tourism. At Wimbledon everyone pretends to be posh; at the darts accountants pretend to be massive lads. For strawberries and cream during a fortnight of sport on the telly in the summer, substitute a 29-year-old dressed as a traffic cone during a fortnight of sport on TV in the winter. Each offers the same form of escape.

Unlike the tennis, however, this is not an event for purists. Darts is a sport doused in irony and then dipped in lager. It has always had a natural bathos, given that it involves throwing a 20-ish gram dart at a target 237cm away. It manages to be at once difficult, dramatic and fundamentally unimpressive. The sport leans into this contradiction. Each player has a nickname and entry music, aping professional wrestling. "Rapid" Ricky Evans, a player built for comfort rather than speed, emerges to the soundtrack of "Merry Christmas Everyone" by Shakin' Stevens; he wears a shirt with a large cartoon of himself as Santa. The competition is almost incidental. In a queue containing a bearded nun, a pair of Ali Gs and a man dressed as a jockey, the only person to attract strange looks was a man wearing a replica shirt of Joe "The Rockstar" Cullen, the world number 14.

Yet the sport is stronger than ever. Big money helps. Top players can earn millions over the year. The eventual winner of the title at Ally Pally will take home £500,000 ($635,000). The PDC started life as a breakaway organisation in 1992, attracting players who felt underappreciated and, more importantly, underpaid by the more stuffy British Darts Organisation. (The Premier League, England's top-flight football league and the country's most successful cultural export, began with a similar logic the same year.) Greed has been good for both sports. The more people pay, the better the contest; the better the contest, the more people will pay. Sky Sports once paid £100,000 for the rights to televise darts; now it costs them about £10m per year. With an audience of 4.5m last year, Sky Sports' viewing figures during the tournament will be bettered only by the Premier League. Banter sells.

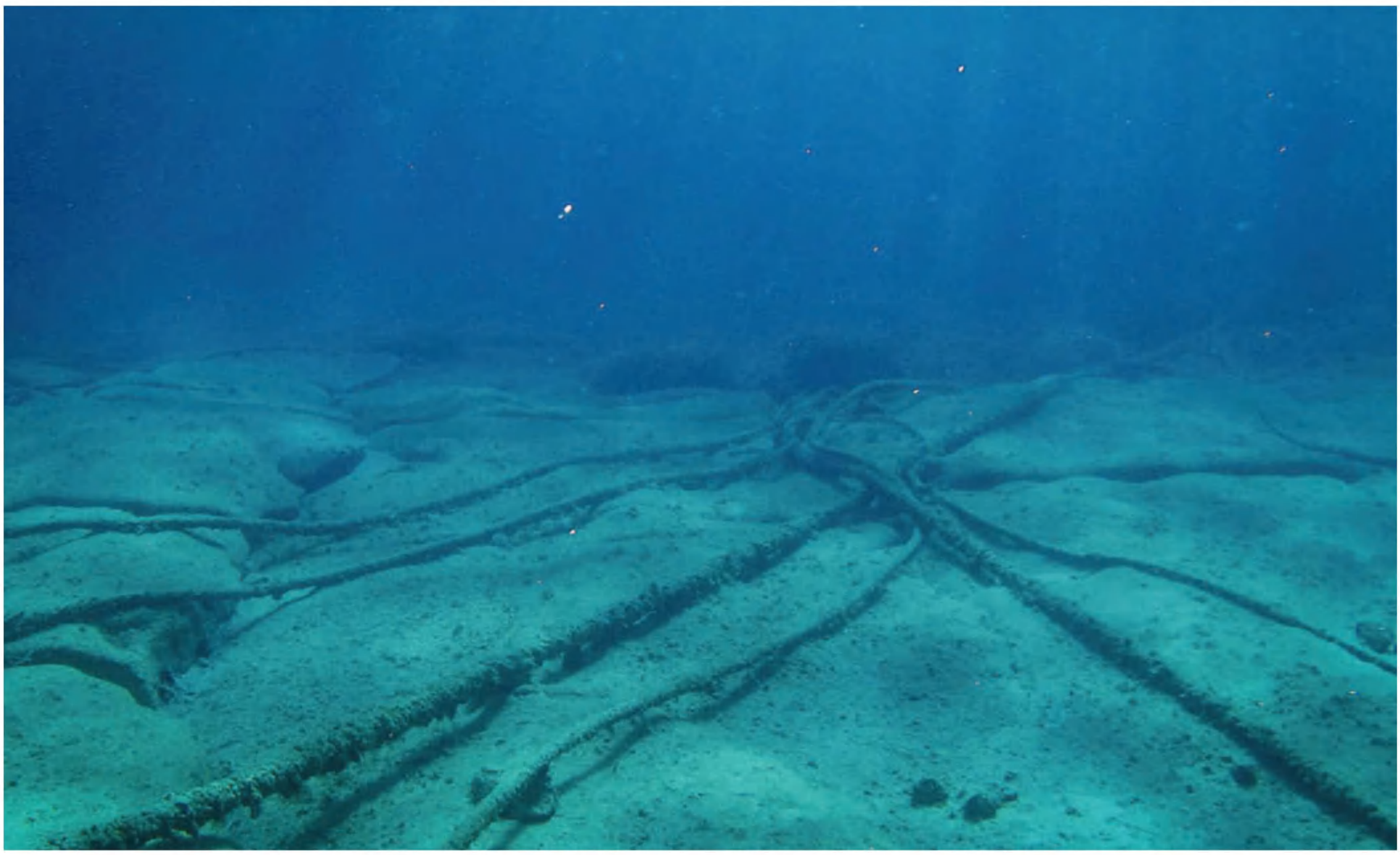
To the naked eye, darts is a dreadful spectator sport. At 45.1cm in diameter, the board is practically invisible from the back of the hall, never mind the darts themselves. The sport becomes spectacle only on television. In Alexandra Palace the throng watches on big screens, making the venue a bit like the world's drunkest living room. Without the crowd, however, the show would not work. The organisers know this. When a man dressed as a princess accidentally poured a pint over someone dressed as Toad from Super Mario, the moment was shared by the PDC's official social-media accounts: "Only at the darts."

The lad economy

Like any canny business, the banter-industrial complex is alive to changing social mores. In 2016 a former world champion was sacked from a commentary gig after a rant about victims of an abusive football coach. "I would have went back and sorted that poof out," he wrote. "Dart players tough guys footballers wimps." In 2023 a "kiss cam" started out as a firmly heteronormative exercise, zooming in on the few women in the crowd; it ended with two men in sombreros in a passionate embrace to roars of approval.

A predecessor tournament was known as the Embassy, after its cigarette sponsor. Players received a stipend of 200 cigarettes per day. Now the sport's premier event is plastered with warnings about prostate cancer. Paddy Power, the bookmaker sponsoring the jamboree, is donating £1,000 to a prostate-cancer charity for each 180 (the maximum possible score for three darts). Players implore watching 50-something men to go for a test ("And speaking of checkouts, here's another checkout that all us men should do"). From Big Tobacco to Big Prostate in a generation.

Only tighter regulation can threaten Britain's banter-industrial complex. A sport synonymous with drinking and supported by bookmakers is a little anachronistic in an era in which "public health" concerns and environmental, social and corporate governance investing are in vogue. But other enjoyable sins are determined to avoid the same fate as tobacco. And even the most puritan of politicians are leery of pursuing popular industries. Lucky everyone loves the darts. ■



Digital infrastructure

4,000 terabits under the sea

Big tech and geopolitics are reshaping the plumbing of the internet

WHEN THE navies of Britain, Estonia and Finland held a joint exercise in the Baltic Sea earlier this month, their goal was not to hone warfighting skills. Instead, the forces were training to protect undersea gas and data pipelines from sabotage. The drills followed events in October when submarine cables in the region were damaged. Sauli Niinisto, the Finnish president, wondered whether the Chinese ship blamed for the mischief dragged its anchor on the ocean bed "intentionally or as a result of extremely poor seamanship".

Submarine cables used to be seen as the internet's dull plumbing. Now giants of the data economy, such as Amazon, Google, Meta and Microsoft, are asserting more control over the flow of data, even as tensions between China and America risk splintering the world's digital infrastructure. The result is to turn undersea cables into prized economic and strategic assets.

Subsea data pipes carry almost 99% of intercontinental internet traffic. TeleGeography, a research firm, reckons there are 550 active or planned submarine cables that currently span over 1.4m kilometres. Each cable, which is typically a bundle of between 12 and 16 fibre-optic threads and as wide as a garden hose, lines the seabed at an average depth of 3,600 metres. Close to half have been added in the past decade. Newer ones are capable of transferring 250 terabits of data every second, the equivalent of 1.3m cat videos. Data may be stored in the cloud, but it flows under the ocean.

Since 2019 demand for international internet bandwidth has tripled to more than 3,800 terabits per second, estimates TeleGeography. The boom in data-hungry artificial intelligence may strengthen this trend. Synergy Research Group, a data firm, predicts an almost three-fold increase in big cloud providers' data-centre capacity over the next six years. To connect these data centres to the internet, between 2020 and 2025 the data-cable industry will install 440,000km of new subsea lines.

One big shift has come from big tech. Until the early 2000s subsea cables were mainly used for transporting voice traffic across the world. Telecom operators like BT and Orange (formerly France Telecom) controlled most of the capacity. By 2010 the rise in data traffic led internet and cloud-computing giants—Amazon, Google, Meta and Microsoft—to start leasing capacity on these lines.

As their data needs surged, the tech firms began investing in their own pipes. In 2012 the four companies used around a tenth of international bandwidth; nowadays they claim almost three-quarters. Big tech's deep pockets ensure that projects are completed. According to Submarine Telecoms Forum, an industry body, only about half of all announced cable systems actually get built—unless they are backed by tech firms, in which case they almost always do.

Big-tech-backed cables account for almost a fifth of the $12bn in planned investments in new systems over the next four years. Amazon and Microsoft part-own one and four networks, respectively. Meta owns one cable system outright and is an investor in another 14. Google is the most ▸▸

→ Also in this section

41 A marital feud shakes up India Inc

41 A Suez crisis for shipping

42 Bartleby: Our agony uncle returns

44 Schumpeter: Europe's luxury win

aggressive—the search giant directly owns 12 of its 26 cables. This year it completed Firmina, a $360m project that stretches more than 14,000km from the east coast of North America via Brazil to Argentina.

Dedicated cables allow the tech giants to avoid competing with others for third-party bandwidth, and to react quickly to changes in user demand and to any problems (if a cable on a route is damaged, data can be redirected to another one of the firms' lines). Alan Mauldin from TeleGeography points out that being owner-operators also gives the tech giants the luxury of designing routes that meet their specific needs. Most telecom carriers rely on public "landing stations"—which connect the cables in the sea to customers' data centres on land. By owning their cables, the companies can plug these more directly into their own data centres, speeding up traffic.

Their bandwidth and speed is further enhanced thanks to clever technology, which ownership makes easier to deploy. In 2019 Google introduced an innovation ("space division multiplexing") that increased the number of fibre threads in a cable from 16 to 24. This year it went further, doubling the number of "cores"—clusters of fibre threads—in its new TPU cable system that links Taiwan, the Philippines and America, increasing capacity while lowering the operating cost per bit.

All this is transforming the business of data cables. Having begun as large buyers of bandwidth from telecom companies, big tech is now leasing capacity on some of its cables to telecom operators. Legacy telecom firms are happy with this arrangement, since they face constant pressure from consumers for more capacity but, unlike big tech, they are desperately short of capital. As for the specialist companies which supply the equipment and lay the cables, these are go-go years.

Like many other global industries, the data-cable business is also being entangled in the tech contest between America and China—a second big shift. Take the Pacific Light Cable Network (PLCN). The 13,000km data pipeline was announced in 2016, with the backing of Google and Meta. It aimed to link the west coast of America with Hong Kong. By 2020 it had reached the Philippines and Taiwan. But last year America's government denied approval for the final leg to Hong Kong, worried that this would give Chinese authorities easy access to Americans' data. Hundreds of kilometres of cable that would link Hong Kong to the network are languishing unused on the ocean floor.

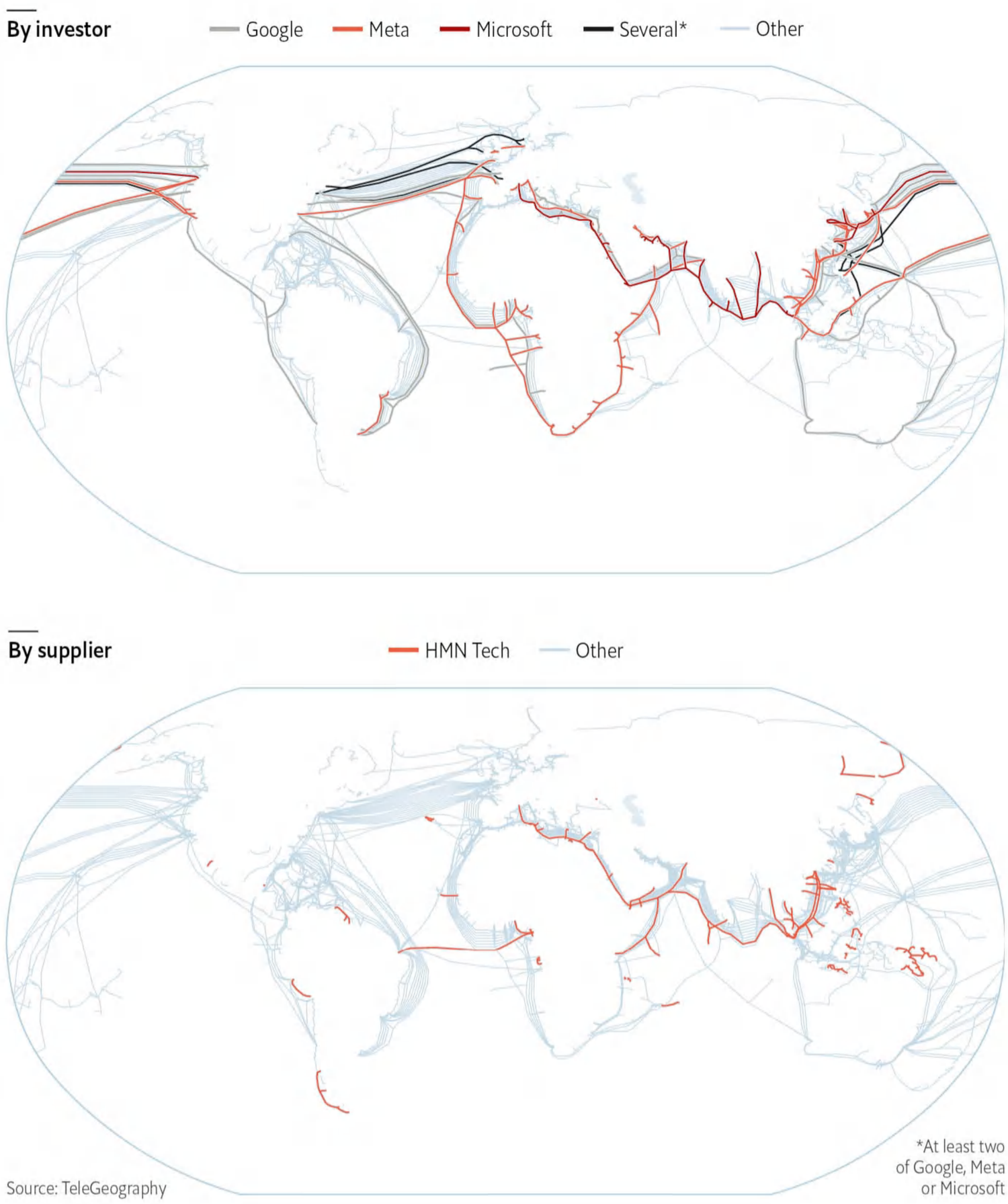
America is stymieing China in another way. Laying cables at depth is a complicated job. Only a handful of contractors have the required chops. Three—Alcatel Submarine Networks from France, NEC from Japan and SubCom from America—receive more than 80% of the spending on cable construction. HMN Tech, a Chinese challenger spun out of Huawei, China's telecoms-gear champion, claims 9% of new annual construction spending. But amid Sino-Western tensions, new cables that have links to America, which is to say most of them, avoid HMN Tech as a supplier. Telecoms executives say they are discouraged from using HMN. In 2022 a lucrative contract for SEA-ME-WE 6, a 19,000km line owned by a group of telecoms operators including India's Bharti Airtel and Singapore's SingTel, and linking South-East Asia to Europe, was awarded to SubCom, even though HMN's bid was reportedly lower.

China is responding by charting its own course. PEACE, a 21,500km undersea cable linking Kenya to France via Pakistan, was built entirely by Chinese firms as part of China's "digital silk road", a scheme to increase its global influence. Reuters reported that this year three Chinese carriers—China Telecom, China Unicom and China Mobile Limited—are investing $500m in a cable network that connects China and France via Singapore, Pakistan and Egypt. The project, to be built by HMN Tech, will compete directly with SEA-ME-WE 6.

Despite the growing Sino-American rivalry, from 2019 to 2023 bandwidth between the two has grown by 20% a year. American and Chinese mobile operators, which also rely on cables, continue to increase network connectivity in each other's territory. The necessary licences are, however, getting harder to secure.

In March America's Federal Communications Commission issued a proposal that would require licensees to provide more information about who owns them. It also acknowledged concerns that the presence in America of physical infrastructure of China Telecom is "highly relevant to the national-security and law-enforcement risks". All this is making the route taken by bits and bytes more circuitous than before, and thus costlier. If transpacific tensions continue to mount, those routes may one day vanish altogether. ■

Active and planned submarine-cable systems, December 2023



Source: TeleGeography

*At least two of Google, Meta or Microsoft

Business in India

Seeking independence

MUMBAI

An ugly marital feud shakes up Indian corporate governance

A COMMON FEATURE of family business is friction, to put it politely, between relatives. When the business is a multi-billion-dollar concern and the feuds carry a whiff of scandal—think the Redstones at Paramount Global or the Bettencourts at L'Oréal—they spawn best-sellers or Netflix documentaries. India, where family firms generate an estimated 79% of GDP, has no shortage of similar drama. The latest could produce something rather less frivolous—better corporate governance.

The dispute in question involves Gautam Singhania, the classic-car-loving billionaire chairman of Raymond, a conglomerate spanning everything from men's suits to car parts, and his wife, Nawaz Modi, a yoga teacher with ties to Bollywood and author of "Pause, Rewind: Natural Anti-Ageing Techniques". The long-simmering spat erupted into the open after Ms Modi was locked out of a company Diwali party by Mr Singhania in November and posted about it on YouTube. This and other related videos, including one in which Ms Modi alleges her husband physically abused her, have together notched up over 1m views. In some Ms Modi gets the support of her father-in-law, Vijaypat Singhania, who created Raymond before handing control to his son in 2015 and subsequently being kicked out of the company and the family home.

Although Ms Modi has not filed for divorce, she is demanding 75% of the family's 49% stake in Raymond for herself and the couple's two daughters. In a statement, Gautam Singhania said, "I have chosen not to comment on the reports in media about matters pertaining to my personal life as maintaining the dignity of my family is paramount to me." He has assured employees that business would go on as usual. Investors are unconvinced that it will. Since September Raymond's market value has declined from $1.7bn to $1.4bn, even as the Indian market as a whole has soared.

So far, so scandalously familiar. Where the Raymond saga differs from similar dust-ups, in India and elsewhere, is in its potential impact on business more broadly. In an unusual move, Institutional Investor Advisory Services (IIAS), an Indian proxy-advisory firm, has waded in. In the name of protecting minority shareholders, it has urged independent directors to call on Mr Singhania to step aside while the board looks into the matter.

This unusual request has jolted a cosy setup. Independent directorships in Indian family-controlled firms are often seen as sinecures handed out in return for loyalty. The IIAS's demand has thus struck a nerve. Serious financial newspapers have weighed in. The *Financial Express* lamented how independent board members in India Inc too often ignore "red-flag governance lapses". Raymond's independent directors say that "such matrimonial disputes...lie beyond [their] remit". But they have nevertheless retained an independent legal counsel to advise them. By Indian standards, that is a bold move.

Shipping

Straitened out

A blow to global trade is a boon for shipping companies

UNTIL THE Suez Canal opened in 1869, merchant ships in the Red Sea mostly carried coffee, spices and slaves. The waterway changed everything. So far in 2023 around 24,000 vessels have plied the passage, accounting for some 10% of global seaborne trade by volume, according to Clarksons, a shipbroker. That includes 20% of the world's container traffic, nearly 10% of seaborne oil and 8% of liquefied natural gas.

So missile and drone attacks by Houthi militants in Yemen on ships passing through the narrow strait of Bab al-Mandab, which connects the Red Sea to the Gulf of Aden, apparently in support of Palestinians in Gaza, look like the latest blow to the shipping industry—and to its customers. It has struck just as both groups try to return to normality after the upheavals of the pandemic and, more recently, troubles which include a drought that has restricted large vessels from passing through the Panama Canal for several months.

A dozen Houthi attacks in recent weeks and four more on December 18th pose an unacceptable danger to shipping. Container firms accounting for some 95% of the capacity that usually crosses Suez, including giants like Swiss-based MSC and Denmark's Maersk, have suspended services in the area. A few energy firms, such as BP and Equinor, have also temporarily stopped their ships from using the canal. As when the route was disrupted in 2021 after *Ever Given*, a giant container ship, ran aground and blocked the canal for six days, shipping companies are already rerouting vessels around Africa. This will extend journeys from around 31 to 40 days between ▸▸

Wave function

Global container-freight costs*, $'000

Per 40-foot container

Source: Drewry

*Based on eight major shipping routes
†To Dec 14th

Asia and Northern Europe, reckons Clarksons. Unless the route can safely reopen, delays and the inevitable disruption at ports as vessels arrive out of schedule will create disorder in the coming months.

Still, this Suez crisis will not "put a cork in global trade", says Lars Jensen of Vespucci Maritime, a consultancy. The reason for the cautious optimism has to do with shipping's remorseless cyclicality. In contrast to the *Ever Given* fiasco, supply chains are not currently under immense strain. Back then cuts to capacity coupled with a surge in spending by locked-down consumers had sent shipping rates surging to astronomical levels. A global index from Drewry, another consultancy, hit over $10,000 per standard container. On some routes, spot rates surpassed $20,000. That helped push shipping firms' combined net profits in 2022 to $215bn, according to the John McCown Container Report, an industry compendium, compared with a cumulative loss of $8.5bn in 2016-19.

The shipping firms' usual response to such price signals is to order new vessels. Those are starting to arrive. Though demand has remained flat over the past year or two, the global fleet's capacity will swell by 9% this year and another 11% in 2024, according to ING, a bank. Already, the industry's profits may have plunged by 80% in 2023. With capacity to spare, running longer routes should not cause the disruption seen at the height of covid-19. By mid-December Drewry's index was becalmed at $1,500 or so (see chart on previous page). Rates could double as a result of the Red Sea turmoil, reckons Peter Sand at Xeneta, a freight-data firm. But they will probably stay well below their pandemic peaks—and so will shipping companies' profits. ■

Bartleby Our agony uncle returns

Max Flannel is back to grapple with your workplace headaches

DEAR MAX, *I am a 23-year-old social-media marketer who has only recently been required to return to the office. I had been told that the office would be great for having watercooler conversations. My office doesn't seem to have a watercooler. What should I do?*

Now you ask, I'm not really even sure what a watercooler is. But the basic idea is to find a place where you know colleagues are bound to go regularly and where you can engage in light conversation about whether they saw anything good on TV last night. My advice is to hang around any tap and you should meet colleagues fairly regularly.

I have just been promoted into a senior role. I have noticed that many of my new peers like to open meetings with small personal anecdotes about something that happened to them that day—a minor cycling accident, say, or a chance encounter with an old acquaintance. It seems to be a way of getting people to relax a bit. The trouble is that nothing interesting ever seems to happen to me. What should I do?

I wouldn't worry too much. Those stories are mostly made-up and all deliberately boring. No executive ever opens a meeting talking about how they woke up in their own clothes but in a total stranger's apartment. The goal is only to put people at their ease by making the speaker seem faintly human. Just say exactly what you put in your message above and then make your face go a bit vulnerable. That should do the trick.

The meeting rooms in our offices have just been given new and quirky names. All of them are different kinds of dips. I'm typing this in Baba Ghanoush; my next meeting is in Taramasalata. Am I alone in wanting to scream?

This is a truly revolting trend. There are people walking around offices right now saying things like "Focaccia seems to be taken. Is Ciabatta free?", "I'm in Ulaanbaatar. Where are you?" and "Let's set up a projector in Nelson Mandela". You either sound totally idiotic or as if you are suggesting something appalling. Just describe the room you are referring to: the one where Mandy gave that terrible presentation, say, or the one where absolutely nothing works.

I recently had a very disturbing thought. I don't feel like I am an impostor. Does that mean I actually am one?

I'm afraid you have developed non-impostor syndrome. Impostor syndrome, the much more common condition, is the worry that you are not good enough to take on certain roles. If you own up to this feeling, you will almost certainly be told that you are way better than the people who blithely hold those roles now. If you have non-impostor syndrome, you start to wonder whether you are one of the people they mean and therefore deeply incompetent. The only known cure for non-impostor syndrome is impostor syndrome.

Whenever I go to the toilets, there's a new member of staff in there loitering by the washbasins. As I am washing my hands, she asks me whether I have seen anything good on television recently. I have seen her doing the same to other people. Should I report her to HR?

I think I know what's happened here. Leave this one with me.

I often do Zoom calls from home. I recently tried out a new artificial-intelligence tool that promises to automatically adjust my surroundings so that my home office looks more professional. In all the demos, it does things like remove dirty clothes and straighten books on shelves. But when I try it, it does none of that. All it does is remove me from view and fill in the background so it looks like the room is completely empty. What does this mean?

I called the people who made this tool and they have never heard of this kind of behaviour before. We have looked at your photo on LinkedIn and we do all agree that the AI seems to be making exactly the right call. On the downside, we also seem to be closer to the Singularity.

I can never time my interjections correctly. If I try to judge when a speaker is about to stop talking, I either break in too early and end up apologising for interrupting, or am a beat too slow and someone else grabs the floor. Do you have any tips?

There are only three ways to handle this common problem. One is to start so loudly that everyone immediately gives way. You may come up against a fellow-shouter and then it's just a battle of nerves: who is going to give way? The second is to raise your hand and wait: you'll get your turn eventually and be listened to. The third is to get promoted. If you are senior enough, it doesn't matter how ludicrous a point you are making; everyone gives way. Keep sending me your problems, and enjoy the break!

BE READY

inflation,
risk,
uncertainty

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Schumpeter | Bello, buono e ben fatto

Why Europe keeps winning at luxury goods

At this year's holiday soirées luxury bosses may be stingier than usual with the champagne. It has not been a sparkling six months for the industry, as well-heeled consumers from East to West have tempered the excesses of recent years. The S&P global luxury index, which tracks the industry's performance, is down by 9% since the middle of the year. Still, the purveyors of splendour need not forgo the merrymaking altogether. The global market for personal luxury goods, from handbags to haute couture and horology, grew by 4% this year, reckons Bain, a consultancy. That is disappointing compared with 20% last year—but nothing to scoff at amid fears of a slowing global economy.

The past two decades have been remarkable for the industry. Global sales have tripled to nearly $400bn, thanks largely to a swelling of the ranks of crazy rich Asians. The biggest beneficiaries of the boom have been European companies. These account for around two-thirds of luxury-goods sales, according to Deloitte, another consultancy, and nine of the world's ten most valuable luxury brands, according to Kantar, a market-research firm. Bernard Arnault of LVMH, a European luxury goliath, is the world's second-richest man. The industry remains a rare bright spot for Europe at a time when the continent seems at risk of fading into economic and technological irrelevance. Why has it been so immune to foreign competition?

Heritage is one explanation. Europe's luxury firms have ridden high on the world's continuing fascination with the old continent. It is home to seven of the ten most visited countries in the world. Tourists flock to Europe's historic cities to ogle its artworks, taste its local delicacies and drink its fine wines; the rich and famous gather in the summer for lavish parties on the Riviera. In his book, "Selling Europe to the World", Pierre Yves Donzé, a business historian, argues that the ascendancy of European luxury is thanks to "the powerful attraction of an idealised way of life, combining elegance, tradition and hedonism".

In an interview with the *New York Times* in 1996 Tom Ford, a famed American designer, gushed that Europeans, unlike his compatriots, "appreciate style". American fashion labels have struggled to break into the most exclusive end of the industry. Even America's pricier brands like Ralph Lauren concentrate on what insiders contemptuously call "accessible luxury". In Asia home-grown rivals have thrived mostly in categories like jewellery (China's Chow Tai Fook or India's Titan) and cosmetics (Japan's Shiseido) where local tastes are more pronounced.

Europe, meanwhile, has entrenched itself as the centre of design and craftsmanship in the luxury business. Three of the "big four" fashion weeks take place in European capitals. New York, the exception, has valiantly tried to build a cluster of high-end fashion talent, with design schools to rival those of Milan or Paris. Yet it has lost top designers to European capitals much as Europe has lost techies to Silicon Valley. As Mr Ford saw it, "If I was ever going to become a good designer, I had to leave America."

Hobnobbing with other fashionistas is not the only advantage on offer in Europe. The continent is dotted with artisanal workshops that have for decades catered to the exacting standards of the luxury industry. Hermès handbags, some of which sell for upwards of $10,000, are produced by experienced craftsmen who can spend 20 hours or more on one bag. Over decades the continent has developed specialised clusters of production, from watchmaking in the Jura Arc of Switzerland to shoemaking in the Veneto region of Italy, where techniques are handed down over generations through specialist schools and coveted apprenticeships.

Europe's luxury champions deserve credit, too, for pursuing strategies that have reinforced their dominance of the industry. They have been steadily buying stakes in their suppliers, giving them a competitive edge through greater control of production, notes Thomai Serdari of New York University's Stern Business School. In May Chanel and Brunello Cucinelli, two luxury houses, bought a joint 49% stake in Cariaggi Lanificio, an Italian cashmere supplier. Vertical integration in the industry has stretched all the way back to alligator farms in Louisiana and sheep stations in Australia. It has also extended in the other direction, into distribution, with luxury firms increasingly opting to sell directly to shoppers through their own swanky stores, rather than entrusting the customer experience to others.

All that has required plenty of capital, which helps explain the parallel trend towards horizontal integration in the industry. LVMH now houses 75 luxury brands. Although these mostly operate autonomously, the model provides economies of scale in areas like marketing and back-office functions. It also gives the group the financial firepower to invest in prime real estate. In July LVMH bought the building on the Champs Elysées that houses its Louis Vuitton flagship store. Swatch, which owns watch brands from Blancpain to Omega, controls a portfolio of component suppliers, too. The conglomerate model also helps to lure in top talent by offering opportunities for designers and craftsmen to move between brands, notes Stefania Saviolo of Bocconi University.

Continental drift

Enthusiasm for horizontal integration among European luxury firms has not been universal. Early in the 2010s Hermès fended off a takeover attempt by LVMH. It has done just fine on its own—its shares have outperformed LVMH's by more than half over the past five years. Other independent luxury brands, however, have struggled to keep up. That is especially so for Italian firms, which account for 23% of luxury's 100 largest businesses but only 8% of their combined sales, according to Deloitte. Many of these are multigenerational family businesses that have balked at joining forces with old rivals. If they are to maintain their position at the ritziest end of luxury, they may need to swallow their pride. ■

End-of-year prizes

Ladder of divine ascent

We calculate the best- and worst-performing economies of 2023

ALMOST EVERYONE expected a global recession in 2023, as central bankers raised interest rates to cool inflation. The consensus was wrong. Global GDP has probably grown by 3%. Job markets have held up. Inflation is on the way down. Stockmarkets have risen by 20%.

But this aggregate performance conceals wide variation. *The Economist* has compiled data on five indicators—inflation, "inflation breadth", GDP, jobs and stockmarket performance—for 35 mostly rich countries. We have ranked them according to how well they have done on these measures, creating an overall score. The table on the next page shows the rankings, and some surprising results.

Top of the charts, for the second year running, is Greece—a remarkable result for an economy that was until recently a byword for mismanagement. Aside from South Korea, many of the other standout performers are in the Americas. The United States comes third. Canada and Chile are not far behind. Meanwhile, lots of the sluggards are in northern Europe, including Britain, Germany, Sweden and, bringing up the rear, Finland.

Tackling rising prices was the big challenge in 2023. Our first measure looks at "core" inflation, which excludes volatile components, such as energy and food, and is a good indicator of underlying inflationary pressure. Japan and South Korea have kept a lid on prices. In Switzerland core prices rose by just 1.3% year on year. Elsewhere in Europe, though, many countries still face serious pressure. In Hungary core inflation is running at 11% year on year. Finland, which is heavily dependent on Russian energy supplies, is also struggling.

→ Also in this section

46 Hong Kong's difficulties

47 Can carbon offsets be saved?

48 Buttonwood: Cockroach crypto

49 Free exchange: The state's origins

In most countries inflation is becoming less entrenched—as measured by "inflation breadth", a measure that calculates the share of items in the consumer-price basket where prices are rising by more than 2% year on year. Central bankers in places including Chile and South Korea increased interest rates aggressively in 2022, sooner than many of their peers across the rich world, and now appear to be reaping the benefits. In South Korea inflation breadth has fallen from 73% to 60%. Central bankers in America and Canada, where inflation breadth has dropped even more sharply, can take some credit, too.

However, in other places, the battle against inflation is not even close to being won. Take Australia. Inflation there remains firmly entrenched, with the price of close to 90% of the items in the average person's shopping basket rising by more than 2% year on year. Worse, inflation breadth is not coming down either. France and Germany are also in trouble. And so is Spain, where inflation seems to be becoming more entrenched over time.

Our next two measures—growth in employment and GDP—hint at the extent to which the 35 economies are delivering for ordinary folk. Nowhere fared spectacularly well. Across the world productivity growth is weak, limiting potential increases in GDP. Already tight labour markets at the start of 2023 meant there was little room for improvement when it came to jobs. ▸▸

Only a few countries, though, actually saw their GDP decline. Ireland was the worst performer, with a drop of 4.1% (take that with a pinch of salt: there are big problems with the measurement of Irish GDP). Estonia, another country whacked by the fallout of Russia's invasion of Ukraine, did badly. Britain and Germany also underperformed. Germany is struggling with the consequences of the energy-price shock and rising competition from imported Chinese cars. Britain is still dealing with the aftermath of Brexit—most economists expect the country to suffer from weak economic growth in the coming years.

America, by contrast, did well on both GDP and employment. It has benefited from record-high energy production as well as a generous fiscal stimulus implemented in 2020 and 2021. The world's largest economy may have pulled along other countries. Canada's employment has risen smartly. Israel, which counts America as its largest trading partner, comes fourth in the overall ranking, although its war with Hamas, which began in October, makes the outlook for 2024 deeply uncertain.

You might think that the American stockmarket, stuffed with firms poised to benefit from the revolution in artificial intelligence, would have done well. In fact, adjusted for inflation it is a middling performer. The Australian stockmarket, filled with commodities firms managing a comedown from high prices in 2022, underperformed. The Finnish stockmarket had a poor year, with the share price of Nokia, a national champion, continuing its long, slow decline. Japan's firms, by contrast, are experiencing something of a renaissance. For that, thank reforms to corporate governance, which finally seem to be bearing fruit. The country's stockmarket was one of the best performers in 2023, rising in real terms by nearly 20%.

But for glorious equity returns, look thousands of miles west—to Greece. There the real value of the stockmarket has increased by more than 40%. Investors have looked afresh at Greek companies as the government implements a series of pro-market reforms. Although the country is still a lot poorer than it was before its almighty bust in the early 2010s, the IMF, once Greece's nemesis, praised "the digital transformation of the economy" and "increasing market competition" in a recent statement. While underperforming Finns can console themselves this Christmas by drowning their sorrows alone in their underwear (or getting *päntsdrunk*, as it is known locally), the rest of the world should raise a glass of ouzo to this most unlikely of champions. ■

Blessed by the gods

Selected OECD countries, Q4 2022-Q3 2023

Ranking*		Core prices† % increase	Inflation breadth‡ %-point change	GDP % change	Employment§ % increase	Share prices** % change
1	Greece	3.4	-13.3	1.2	1.1	43.8
2	South Korea	3.2	-13.3	1.6	1.1	7.2
3	United States	4.0	-18.8	2.3	1.3	4.3
4	Israel	3.2	-6.3	2.3	2.4	-5.1
5	Luxembourg	3.7	-26.7	0.5	4.1	-0.8
6	Canada	3.7	-15.4	0.7	1.6	0.2
7	Chile	4.8	-6.7	0.5	2.4	7.6
8=	Portugal	3.5	-6.7	1.4	0.9	1.3
8=	Spain	3.8	13.3	1.3	2.4	14.6
10	Poland	8.0	-6.7	2.9	0.4	24.4
13=	Japan	2.8	17.6	1.4	0.3	17.7
18	Mexico	5.0	0	2.6	0.7	4.7
19	France	3.1	6.7	0.6	0.7	9.3
21	Australia	5.1	0	1.2	1.5	-0.2
22=	Netherlands	4.6	-6.3	-1.1	0.9	7.6
25	Norway	5.8	-6.3	-0.8	1.4	2.2
27	Germany	4.2	18.8	0	0.7	9.0
30	Britain	5.6	-6.3	0.5	0.4	-0.5
35	Finland	6.6	-6.3	-0.4	0.5	-12.0

*Out of 35 countries †Oct 2022-Oct 2023 ‡Share of product categories with an annual price increase of more than 2% §Q4 2022-Q2 2023 **National stockmarket indices, adjusted for inflation

Sources: Australian Bureau of Statistics; OECD; *The Economist*

Hong Kong

Lost half-decade

HONG KONG

The city's difficulties trace back to China. But not in the obvious way

SEVVA, A SWANKY bar and restaurant with electrifying views, has been serving bankers and sightseers for more than 15 years. From its terrace, you can peer over a cocktail and through the office windows of HSBC across the road. The restaurant's cuisine is meant to be "fresh, simple and honest". Yet it is not cheap. An oversized dosa, a humble South Indian breakfast food, will set you back HK$380 (almost $50). Some patrons eat them with a knife and fork.

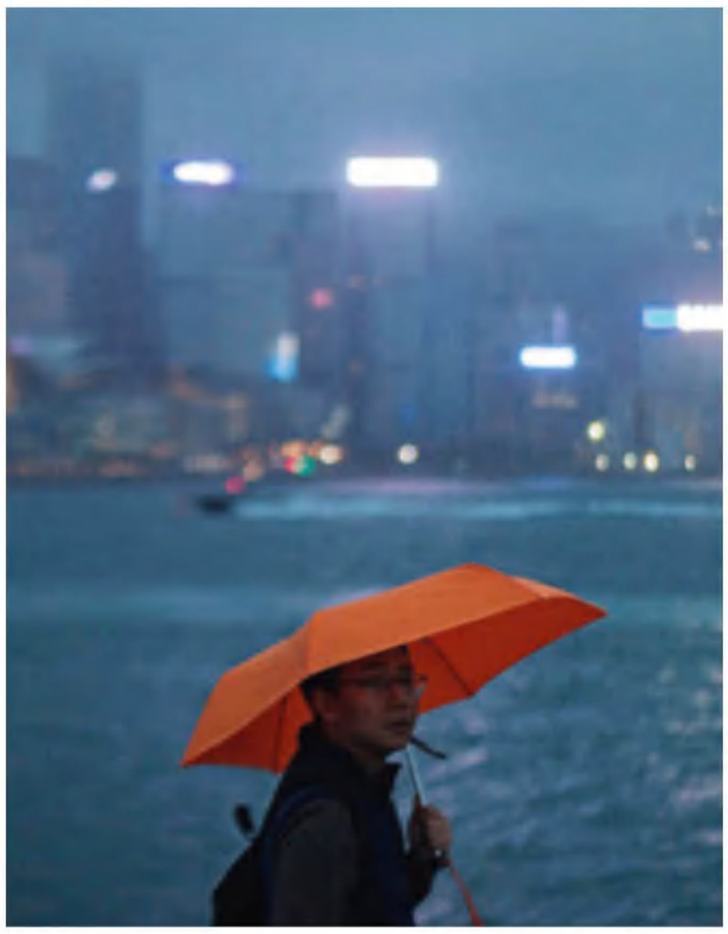
In May, sadly, the restaurant will close. That has not helped the morale of the city's beleaguered financial industry. Hong Kong's main stockmarket index has plunged by more than a quarter since late January. Its index for smaller, "growth" enterprises is well below the trough it reached in October 2022, before China began lifting the quarantine requirements that starved Hong Kong of visitors.

Amid such depressed sentiment, the money raised from initial public offerings came to just HK$37bn in the first 11 months of 2023 (see chart on next page), the least for 20 years. Mainlanders have described Exchange Square, where the bourse is located, as a "ruin". Unlike New York's financial district, which features a bronze statue of a charging bull, the square features two bronze water buffalo, one lying flat.

Financial services account for more than a fifth of Hong Kong's GDP. It is therefore hard for the city to prosper when its bankers do not. In July some forecasters expected Hong Kong's economy to grow by 6% in 2023. Now the consensus is only 3.3%. That means Hong Kong's GDP is smaller than it was in 2018, the year before anti-government protests broke out. It amounts to a lost half-decade.

Even Hong Kong's notoriously expensive property market has suffered. Prices have fallen by almost 20% since their peak. In October the city cut in half stamp duty for foreign buyers and buyers of multiple properties. Capital Economics, a research firm, notes that it was the first relaxation of property-buying curbs since 2010.

What explains Hong Kong's woes? Sevva's founder cited the covid-19 pandemic and the "social movements of 2019", which "posed enormous challenges" to the restaurant's operations. In response to protests about the mainland's growing influence, China's government imposed a strict national-security law, which has further eroded the city's autonomy. That has made ▸▸



As tears go by

it harder for Hong Kong to fulfil its coveted role as a "superconnector" between China and the rest of the world. John Lee, the city's leader, could not attend the APEC forum in San Francisco in November because he is under American sanctions.

Since the protests were quashed, the authorities have worked hard to bring Hong Kong and the mainland closer together. Whether or not this message has taken root among residents, it seems to have prevailed among foreign investors, some of whom now see little distinction between Hong Kong and the rest of China.

But the truth is that Hong Kong's financial industry and property market remained strong after the national-security law was introduced in June 2020. IPOs, for example, brought in almost HK$329bn in 2021, 15% more than in 2018. Property prices did not peak until the end of 2021.

China's crackdown on Hong Kong has probably done less immediate harm to the territory's financial markets than another crackdown: Beijing's regulatory campaign against mainland property developers and internet firms, many of which are listed in Hong Kong. Strict financial limits imposed on developers caused a wave of defaults on bonds issued in Hong Kong. Investors have learnt that unsecured debt issued offshore by a mainland company's subsidiary or offshoot sinks to the bottom of the pecking order when things go wrong.

As well as diminished autonomy from the mainland, Hong Kong also lacks autonomy from America's Federal Reserve. To maintain its currency peg to the dollar, the city has been forced to raise interest rates sharply, despite low inflation and the fragility of its recovery. High interest rates have hurt the property market and the broader economy. The high cost of capital may have encouraged firms to run down their inventories, contributing to the sharp slowdown in growth in the second quarter, argues Goldman Sachs, a bank.

The currency peg has also meant that Hong Kong has lost competitiveness against some of its neighbours. Its currency has risen by 6% against the yuan since the end of January, even as prices in China have been falling. Weak exports and strong imports are likely to subtract more than two percentage points from Hong Kong's growth this year. Hong Kong is not just another Chinese city. If it were, it would have a more competitive currency.

Listing

Hong Kong, initial public offerings

Source: EY *Forecast

Days of being wild

When China dismantled its quarantine regime a year ago, Hong Kong's boutiques, hotels and restaurants expected an influx of mainlanders. In the first ten months of the year, 21m showed up. Yet that was only 52% of the number that arrived in the same period of 2018. These visitors also seem to be spending less. Indeed, many of them are opening bank accounts and buying life-insurance policies to take advantage of the city's higher interest rates.

Instead of mainlanders flocking to Hong Kong, the city's residents are travelling in the opposite direction. Their departures (mostly to other parts of China) now outnumber mainland arrivals by almost three-to-one, points out Citigroup, another bank. After a recent visit to Hong Kong, John Greenwood, one of the architects of the territory's dollar peg, was reminded of "episodes from the distant past" when British consumers crossed the Channel to France to buy booze and food.

But all this gloom has an upside. If the Fed does cut interest rates in 2024, as futures markets expect, Hong Kong's domestic economy should respond vigorously. As financial conditions ease and Hong Kong's currency weakens, the deals and the visitors might return. Although Hong Kong is losing one of its most iconic restaurants, the city's appeal will endure. It will remain a place where people from around the world can enjoy a taste of Asia without giving up familiar utensils. ■

Going green

Love the sinner

DUBAI

As market prices crash, are carbon offsets now beyond redemption?

"As soon as a coin in the coffer rings, the soul from purgatory springs," ran an early advertising jingle attributed to Johann Tetzel, a 16th-century indulgence salesman. Funding the church offered believers an alternative to paying for sins in the afterlife. The carbon-credit market promises something similar. Instead of reducing your carbon footprint, why not simply pay someone else to do it for you?

It is a nice idea. Yet the voluntary carbon market—as opposed to compliance markets, such as the EU's emissions-trading scheme—is in turmoil. Latter-day Martin Luthers, whose objections to Tetzel led to the Reformation, have pointed out that offsets struggle to prove they make a difference to emissions: renewable projects are often viable on their own, thus providing funding does not lower emissions.

Scandals have also sapped investor appetite. A report by the *Guardian*, a British newspaper, alleged that many leading "nature-based" offsets, which usually attempt to restore forests, are junk. Activists argue that landowners hog the proceeds and indigenous people fail to benefit. Prices for nature-based offsets plunged from $15 a tonne after the COP climate summit in Glasgow two years ago to a disastrous $0.10 a tonne after the recent meeting in Dubai, according to Xpansiv, an exchange.

Reformers were at the summit in force, with proposals for how to fix the market. These include plans to verify, tally and register offsets. Six outfits, including the Voluntary Carbon Markets Integrity Initiative, which provides advice on how to use credits, and the Integrity Council for the Voluntary Carbon Market, which aims to set offset rules, launched what they called an "end-to-end integrity framework".

The hope is that such reassurance might tempt back corporate buyers. McKinsey, a consultancy, has estimated that the market value of voluntary offsets could reach $50bn by 2030, up from $2bn or so today, given the number of firms that have vowed to decarbonise supply chains. Banks have begun to open trading desks to buy and sell offsets. On December 4th the Commodity Futures Trading Commission, an American regulator, published guidance on how it will regulate markets.

Vast flows of private finance could provide money for poor countries to fight global warming. America's state department therefore outlined plans for its own car- ▸▸

bon-offset scheme at COP, through which firms could pay countries to clean up electricity production. The Dominican Republic and Nigeria have signed up. So have McDonald's, a fast-food chain, PepsiCo, a consumer-goods firm, and Bank of America.

The Rockefeller Foundation, which is working with the state department, also supports a similar scheme. The idea is to mix private investment, loans and carbon credits to reduce the cost of replacing coal with renewables. The first deal has been agreed between ACEN, a Filipino energy firm, and the Monetary Authority of Singapore, the island-state's central bank. Companies will be able to use credits to pay the territory's carbon tax from 2024.

Countries also inked deals under a provision of the Paris agreement on climate change that allows them to co-operate in meeting emissions promises. Switzerland came to an agreement with Ghana under which it will fund four waste facilities. Singapore signed a deal with Papua New Guinea that will allow it to count some of the latter's emissions cuts as its own.

Yet negotiations over a final rule book for bilateral deals, as well as a carbon-credit market with the imprimatur of the UN, went nowhere. Negotiators clashed over how much transparency to require. Without nationally accredited schemes, firms will have to turn to the "Wild West" of the voluntary market, says Mandy Rambharos of the Environmental Defence Fund, a charity. The danger is that bad press provides an excuse for firms to withdraw from the market altogether. After COP, the price of nature-based offsets fell even further; the hope is that they will rise once the reforms are actually implemented. For carbon sinners, heaven can wait. ■

Buttonwood The cockroach theory

Crypto can be crushed but not killed. A fresh comeback is under way

CHOPPING OFF their heads does not work: cockroaches can live without one for as long as a week. Whacking them is no guarantee either: their flexible exoskeletons can bend to accommodate as much as 900 times their body weight. Nor is flushing them down the toilet a solution: some breeds can hold their breath for more than half an hour. To most, roaches are an unwelcome pest. Their presence is made all the worse because they are indestructible.

An unwelcome pest is how many financiers and regulators would describe the crypto industry. Criminals use cryptocurrencies to launder money. Terrorists use them to make payments. Hackers demand ransoms in bitcoin. Many crypto coins are created simply so their makers can make off with the money.

The industry also appears to be indestructible. Crypto prices were crushed by higher interest rates in 2022. The industry's head has been chopped off: Changpeng Zhao and Sam Bankman-Fried, the founders of the world's biggest and second-biggest crypto exchanges, now both await sentencing for financial crimes (breaking anti-money-laundering laws and fraud, respectively). Regulators are cracking down. Yet not only has crypto survived, it is once again soaring: bitcoin climbed to a two-year high of almost $45,000 on December 11th, up from just $16,600 at the start of the year.

What is going on? For one thing, indestructibility is built into the technology. Bitcoin, ether and other coins are not companies—they cannot go bankrupt and be shut down. They employ blockchains, which maintain a database of transactions. Their lists are verified by a decentralised network of computers that are incentivised to keep maintaining them by the promise of new tokens. Only if the tokens fall to zero does the whole architecture collapse. And there continue to be lots of reasons to believe some crypto tokens are worth more than nothing.

The first is that holding crypto is a bet on a future in which use of the technology is widespread. People in despotic countries already use bitcoin and stablecoins (tokens pegged to a hard currency, like the dollar) to store savings and sometimes to make payments. These could be used more widely. Artists and museums are still creating or collecting non-fungible tokens (NFTs). As are those looking to flog an image. Donald Trump is selling his mugshot for $99 a piece; he plans to have the suit he was booked in cut into pieces, made into cards and given to punters who buy at least 47 NFTs in a single transaction.

During the boom times, the crypto industry raised a lot of money and hired plenty of smart developers. Those that remain are working on new uses, like social-media applications or play-to-earn games. Perhaps these will never be widely adopted. But even the small chance that they work out is worth something.

The second reason is that, with each boom-and-bust cycle, it becomes clearer crypto is not a bubble like tulip mania in the 1630s or the craze for Beanie Babies in the 1990s. Although bitcoin is a volatile asset, its price history looks more like a mountain range than a single peak, and appears closely correlated with tech stocks. Yet it is only moderately correlated with the broader market. An asset that swings up and down, and not in parallel with other things people might have in a portfolio, can be a useful diversifier.

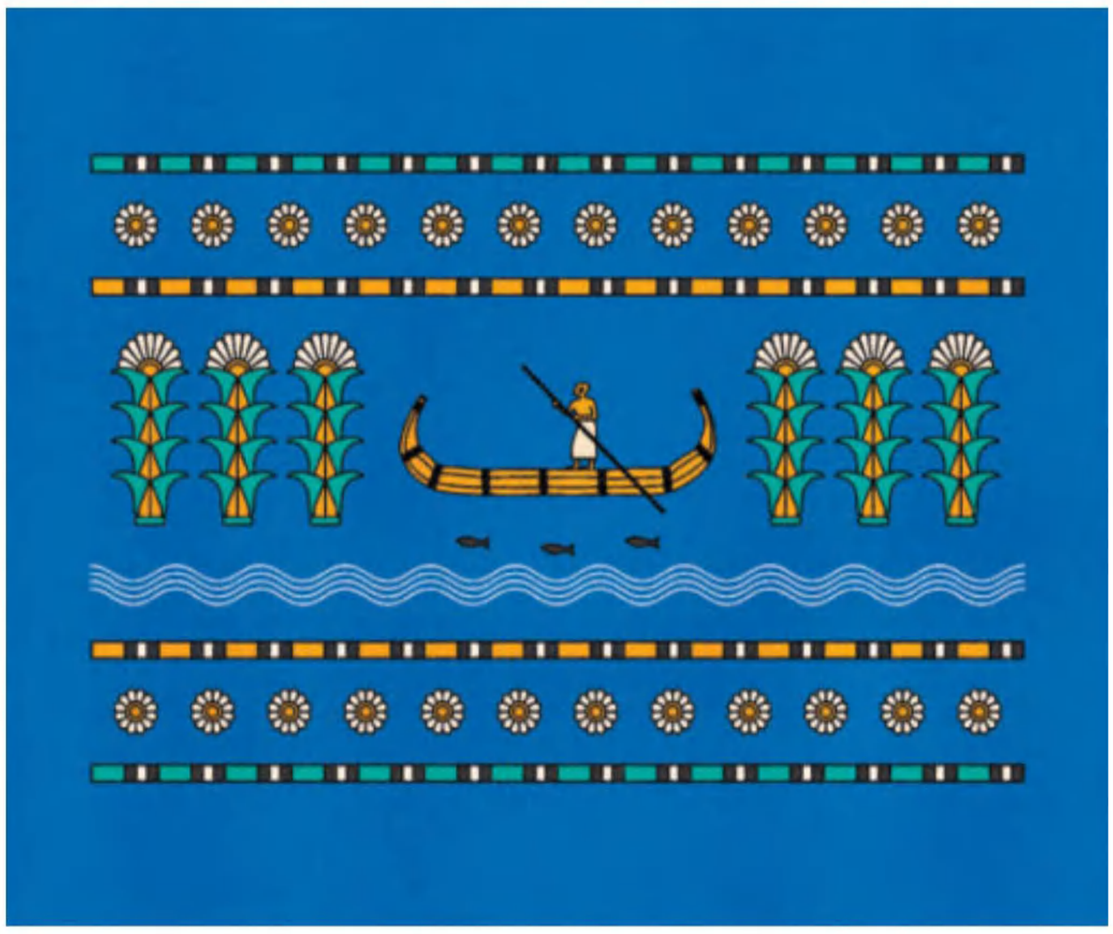
That bitcoin has established itself as a serious asset seems to be the source of the latest surge. In August an American court ruled that the Securities and Exchange Commission, America's main markets regulator, had been "arbitrary and capricious" when rejecting an effort by Grayscale, an investment firm, to convert a $17bn trust invested entirely in bitcoin into an exchange-traded fund (ETF). Doing so would make investing in bitcoin easier for the average punter.

In October the court upheld its ruling—in effect ordering the SEC to give way. The biggest fund managers, including BlackRock and Fidelity, have also applied to launch ETFs. Given the returns bitcoin has offered in the past, and its correlations with other assets, the result could be a rush of cash into bitcoin, as even sensible investors consider putting small slices of their pension pots or portfolios into crypto for diversification.

Many feel instinctive revulsion when they spy a roach. But in spite of their flaws, the bugs have uses—they turn decaying matter into nutrients and eat other pests, such as mosquitoes. Crypto has its uses, too, such as portfolio diversification and keeping money safe under despotic regimes. And, as has been shown, it is just about impossible to kill.

Free exchange | Betting the farm

Can a 5,000-year-old river in Iraq explain where civilisation came from?



IT IS PART metaphor, part myth and part history. Thomas Hobbes thought life there was nasty, brutish and short. John Locke disagreed, proclaiming that it was where people first learnt how to own things. Jean-Jacques Rousseau described it as the place where people were born free, before they became ensnared in chains. Robert Nozick thought that people were so desperate to escape it, there was an inevitable result: the creation of a state.

Ideas about the "state of nature"—how people lived before politics organised itself into governments—have held the attention of philosophers for centuries. Discovering whether it played out as imagined was nigh-on impossible. And yet thinking about what people would do without a government helped answer profound questions. What are the limits of political power? Is the modern state something that citizens would freely choose?

Now, after all this theorising, three economists think they have some empirical answers. According to Robert Allen of New York University, Abu Dhabi, Leander Heldring of Northwestern University and Mattia Bertazzini of the University of Nottingham, the key to understanding the emergence of modern politics is not a metaphor, but the constantly shifting courses of ancient rivers in Iraq. The first states, they argue in a paper published in the *American Economic Review*, were glued together not as shelters from violence, as Hobbes believed, but by economics.

The banks of the Tigris and the Euphrates, Iraq's two longest rivers, are home to some of the world's oldest settlements. Mesopotamia, which 5,000 years ago refined the first known system of writing, earned the area the reputation of "the cradle of civilisation". The paths of these rivers shift, as floods and droughts cause their beds to flood. When a shift came, some ancient farmers were left without water for their crops.

Mr Allen and his co-authors investigate whether the timing of changes to a river's course had anything to do with when the number and size of settlements grew. They do so by looking at the effect of the first recorded shift in 2,850BC. This presented farmers with something close to the choice imagined by philosophers when theorising about the state of nature. Those left behind by the river could revert to nomadism. Or they could band together to build irrigation systems to ferry water from distant rivers.

A philosophical question is therefore transformed into something akin to a laboratory experiment, only one set thousands of years ago and extending hundreds of miles across. Moreover, the results of the experiment are clear. A 5km-by-5km square in the basin left behind by a river was 14% more likely to have a settlement, marked by a public building such as a temple or marketplace, 150 years after the shift than in the 50 years before it. Each square was 12% more likely to have a built canal, a form of artificial irrigation that made farming far from rivers possible. Five new cities were created, and only three abandoned. Esnunna, one city along a new tributary of the river, became much bigger.

This, Mr Allen and his co-authors say, is evidence that that the fist states were formed by farmers co-operating for economic reasons. A canal network would have been too large a cost for any to bear alone. But by spreading the cost, the construction was worth it for each. Such decisions were momentous. They represent some of the earliest examples of governments providing infrastructure in return for taxes, and thus the genesis of the earliest states.

The authors then divide centuries of thinking on the origins of states into two camps. The first, which they say ranges from Daron Acemoglu, an influential economist at the Massachusetts Institute of Technology, to Karl Marx, supposes that states ultimately emerge from a process of social bargaining. The rich and high-status seize power for personal gain, and periodically dole out services, such as a road, school or police force, in order to keep populations on board. But if this had been the case in Mesopotamia then it would have been in the areas that a river shifted towards that settlements would have formed. After all, they developed richer and more fertile farmland, yielding a bigger tax take.

That Mesopotamian farmers seem to have chosen to band together as the river shifted away lends support to the second camp. Philosophers in this group, who include Locke and Rousseau, contend that governments emerged when people chose to co-ordinate themselves, swapping their freedom to do whatever they wanted for a state that mediates disputes and provides a degree of safety. Mr Allen and his co-authors analyse only Mesopotamian Iraq, but they argue that their results ought to apply more generally to other fledgling states. Governments, in other words, are chosen rather than foisted upon their citizens.

Meandering path

This is quite the landgrab by economists, seizing terrain that is more commonly occupied by political theorists. The study is not flawless. Perhaps an unknown conquest explains the spread of settlements in the period under consideration. Maybe the authors are wrong and the pattern does not hold elsewhere. There were already six cities and many more settlements in the Mesopotamian Valley before its rivers really began to move, and some had existed for a thousand years. The authors insist that they are only interested in how new governments form, but there is a chance they have in fact captured older ones spreading.

The paper is nevertheless bold and valuable. Philosophers have sought for centuries to explain why states emerge. Too little time has been spent considering whether economic factors might have been at play. Although transforming the state of nature into a specific time and place means losing some of its complexity, doing so opens the door to the sort of experiment that could only have been imagined by earlier philosophers. If Hobbes or Locke could have studied something approximating the state of nature about which they were theorising, they surely would have tried. ■

Robotics

Santa's little helpers

MILTON KEYNES

In the air and on wheels, delivery robots are coming to a street near you

A SHOP ASSISTANT leaves a Co-op convenience store in Milton Keynes and opens the lid of a white box, about the size of a small suitcase, with a red flag on top and six wheels. After the assistant drops a bag of shopping inside and scans a bar code, the box trundles off. Travelling at a brisk walking pace along the footpath, it pauses at a road junction until two cars have passed before crossing safely. Neither pedestrians nor car drivers give it a second glance. Delivery robots like this have become part of the scenery since they started work in this town, some 80km north-west of London, in 2018.

"That's when you know a new technology is successful," says Ed Lovelock. "People don't notice it any more." Mr Lovelock is product manager for Starship Technologies, a Californian firm that has so far delivered more than 5m shopping orders and restaurant meals in Europe and America using its autonomous Starships.

In some places such deliveries arrive by air. "It soon becomes a normal part of your life," says Keller Rinaudo Cliffton, the boss of Zipline, a drone-delivery firm also based in California. Zipline began using drones to deliver blood and medical products in Rwanda in 2016. It is expanding into groceries and meals and now operates in other parts of Africa as well as America and Japan. In 2024 Zipline will begin deliveries to hospitals and clinics in the north of England for Britain's National Heath Service.

Where's my bot?

Like many new technologies, delivery bots have gone through something of a hype cycle. A decade ago many predicted they would soon be everywhere. Amazon, for one, announced with great fanfare ambitious plans for its Prime Air drone-delivery service in 2013, but progress was slow and not much happened. That is changing, and even Amazon's drones finally look like they are about to take off.

A number of things have brought this about. Companies like Starship and Zipline began modestly in areas where regulators were more comfortable with robotic deliveries. Milton Keynes, for instance, is a new town with wide paths and cycleways for bots to drive along, and with few low-flying aircraft to worry about in the sky above Rwanda, drones can operate safely.

Having steadily gained solid operating experience, officialdom is becoming more relaxed about such services. What that means is, particularly at this time of year, instead of fleets of delivery vans with drivers hauling seasonal gifts and shopping to people's front doors, an increasing number of goods are arriving by robot.

Starship has gone on to launch services in ten British towns, including older places with narrower streets like Manchester, Leeds and Cambridge. It also makes deliveries on more than 50 university campuses in America. Nor is it alone. Serve Robotics, which is backed by Uber, a ride-sharing platform, began using "sidewalk robots" for restaurant deliveries in Los Angeles in 2022 and aims to deploy some 2,000 in other American cities.

Customers typically use an app to order, with the firms adding a small delivery fee. Depending on distance, this starts at 99 pence ($1.20) in Milton Keynes. Around 100 Starships, each able to carry up to 10kg, serve a number of stores. They navigate along pre-mapped routes using satellite positioning. Sensors, including a dozen cameras and radar, create a "bubble of awareness" around the robot. On arrival, ▸▸

→ Also in this section

51 Resurrecting ancient viruses

52 A new supersonic engine

customers use their phone to unlock the robot's storage compartment and collect their shopping.

It helps that Starships have been made cutesy. Customers in Milton Keynes can choose a song, like "Happy Birthday" for the bot to play on arrival. Some are also decorated for festive occasions, such as "pumpkinbots" during Halloween or "reindeerbots" at Christmas. As a result, adds Mr Lovelock, residents are protective of them and few are tampered with. The bots emit a high-pitched screech if anyone tries to steal them or their contents.

The growing acceptance of delivery bots is helping the idea spread. A trial scheme using sidewalk robots in Helsinki, the Finnish capital, is due to be expanded in the spring of 2024. In November the South Korean government warned people "not to be surprised" by more of them appearing in the capital, Seoul, where the 7-Eleven convenience chain has been testing four-wheel models produced by Neubility, a startup backed by Samsung.

Much the same is happening with drones, although they are not yet dressing up and singing songs. America's Federal Aviation Administration recently allowed some firms, including Zipline, to fly "beyond-visual-line-of-sight" (BVLOS). In America and many other countries drones are not allowed to be flown out of sight of their operators unless ground observers monitor them in case other aircraft are in the vicinity. This restricted how far drones could fly and drove up costs.

Advances in technology helped win these new freedoms. For BVLOS flights, new miniaturised sensing devices can be built into drones to detect and avoid other aircraft. Zipline's system uses specially developed microphones which can pick up the sound of an approaching aircraft and determine its position, allowing the drone to take evasive action if necessary.

Drone highways

In Britain a 165-mile (265km) superhighway for drones, connecting southern England with the Midlands, will start operating in 2024. It will rely on a series of ground stations along the route to communicate with the drones to keep them apart and avoid any other aircraft.

The ability to fly BVLOS allows Zipline to offer similar services to its African operations. For these, the company uses a fixed-wing drone capable of a round trip of some 200km. Carrying up to 1.8kg, it is launched with a giant catapult and drops its delivery using a parachute.

The company is starting to work with a number of medical centres in America. In a recent deal with the Cleveland Clinic, it will deliver medicines directly to people's homes in locations throughout Ohio. For this Zipline will use a new type of hovering drone, able to make round trips of some 30km carrying up to 3.6kg. Instead of a parachute, this drone uses a load-carrying device called a "droid". After being lowered on a cable, the droid employs a small fan motor to manoeuvre, allowing it to set packages down in precise locations, such as the front steps of a home. This drone-plus-droid system will also be used to deliver groceries and meals.

Both sidewalk robots and drones still require some level of human supervision. Usually this involves people in a control centre monitoring them and intervening if necessary. For Starships, these interventions tend only to come when a bot stops and seeks confirmation that a manoeuvre it intends to undertake, like crossing a tricky road junction, is safe. Zipline's drones can be called back to base in the event of a problem, or ordered to stop flying immediately and deploy a parachute to land in an emergency. Such events, however, are "extraordinarily rare", says Mr Rinaudo Cliffton

As for Amazon, it began a limited drone-delivery service in two small areas of California and Texas in 2022. It has since developed a new drone, called the MK30, which it plans to put into service in America, Britain and Italy by the end of 2024. These will operate out of the company's delivery centres and also use a sense-and-avoid system for BVLOS flights. It is quieter than the firm's existing model, can carry packages up to 2.2kg and will be able to fly in unsettled weather, including light rain.

Amazon is talking about delivering millions of packages by drone every year by the end of the decade. If the giant of online retailing can finally crack the technology, then automated delivery could spread almost everywhere. If not, there are already enough firms demonstrating that, at least in some areas, delivery bots using wheels, wings or rotors are coming your way. ■

Palaeovirology

Mysteries from the past

Insights from evolution could help make better vaccines

HUMANS WORK hard to dodge viruses. Sick people are quarantined, diseased livestock are killed and fields of infected crops set ablaze. Resurrecting an ancient virus would surely be a disaster.

But research led by Steven Fiddaman of the University of Oxford, published recently in *Science*, shows that bringing back an ancient strain of virus can unlock the secrets of its evolution—and even improve the health of chickens today. He was interested in Marek's disease virus (MDV), a killer of poultry. MDV causes inflammation and tumours in the lymphatic system of fowl, and kills more than 90% of unvaccinated chickens. Controlling it costs $1bn a year. Yet when it was discovered in 1907, MDV rarely caused death.

Poultry in motion

Dr Fiddaman showed that MDV's newfound virulence is the result of the aggressive growth of industrial chicken-farming. In his work, he and his colleagues procured nearly 1,000 chicken bones from archaeological digs across Europe and Asia, some of them up to 2,000 years old. Fragments of DNA from these remains were mapped on to the genome of today's virus. This approach identified MDV infections in chickens as far back as the tenth century.

Whereas modern MDV can cause tumours in chickens, Dr Fiddaman found that the ancient MDV could not. It is unusual that MDV has evolved in the direction of greater lethality; if birds die before infecting others the virus would die out. But a combination of overcrowding and the use of "leaky" vaccines, which alleviate symptoms but do not stop transmission, has kept them alive for long enough for fatal strains to thrive. By focusing on raising more fowl, humans also managed to raise a killer virus, says Laurent Franz, a senior author of the paper. The research could help scientists tackle other parasites that pull on the purse-strings of livestock farmers—by designing new vaccines, for instance—or even to work out how to avert another global pandemic.

Aerospace technology

Flying in a flash

A new type of jet engine might help revive supersonic air travel

SINCE THE 1960s engineers around the world have been fiddling with a novel type of jet called a rotating detonation engine (RDE), but it has never got beyond the experimental stage. That could be about to change. GE Aerospace, one of the world's biggest producers of jet engines, recently announced it was developing a working version. Earlier this year America's Defence Advanced Research Projects Agency awarded a $29m contract to Raytheon, part of RTX, another big aerospace group, to develop an RDE called Gambit.

Both engines would be used to propel missiles, overcoming the range and speed limitations of current propulsion systems, including rockets and existing types of jet engines. However, if the companies are successful in getting them to work, RDEs might have a much broader role in aviation—including the possibility of helping revive supersonic air travel.

In a nutshell, an RDE "replaces fire with a controlled explosion", explains Kareem Ahmed, an expert in advanced aerospace engines at the University of Central Florida. In technical terms, this is because a jet engine relies on the combustion of oxygen and fuel, which is a subsonic reaction that scientists call deflagration. Detonation, by comparison, is a high-energy explosion that takes place at supersonic speeds. As a result it is a more powerful and potentially a more efficient way of producing thrust, the force that drives an aircraft forward.

A conventional jet engine uses lots of moving parts (see diagram). Rotating blades draw in air and compress it before igniting it with fuel in a combustion chamber, creating rapidly expanding hot gases that blast out of the rear. As the gases exit they drive a turbine, which keeps the whole process going. An RDE is simpler. Air entering the front is forced into a hollow space between two concentric cylinders. When fuel is pumped into this area, it mixes with the oxygen in the air and detonates, creating a rotating supersonic shock wave that spirals around the gap and out of the rear. Once it has started, the detonation is self-sustaining.

Some jet derivatives, such as ramjets and pulse jets, also work without compressors and turbines, but they operate differently and have limitations. Being simple and compact, an RDE would be cheap to make and fuel efficient, allowing missiles to fly farther and faster, at up to five times the speed of sound (Mach 5, or some 6,125kph). The GE version is designed to be used with a ramjet to accelerate hypersonic missiles, which fly faster than Mach 5.

For a long time engineers had lacked the tools to build RDEs. That changed with advances in computer modelling, new alloys that can resist extreme temperatures and additive manufacturing, known as 3D printing. In 2020 Dr Ahmed and his colleagues made an experimental rocket version for launching space missions.

To power an aircraft an RDE would probably require assistance in taking off until sufficient air was being forced into the engine for detonation to begin. There is, though, a precedent for how this might be done using a hybrid engine. The Lockheed SR-71 Blackbird, a high-altitude American spy plane flown during the cold war, was powered by a pair of conventional jet engines. It would reach supersonic speeds the way most fast jets do, by lighting up its afterburners. This involves pumping fuel into the engines' exhausts to create additional thrust. At about Mach 2, some of the air entering the front of the engines was piped directly to the back to be combusted in the afterburners, pushing the Blackbird to more than Mach 3. Some sort of arrangement incorporating an RDE into a conventional jet should be possible.

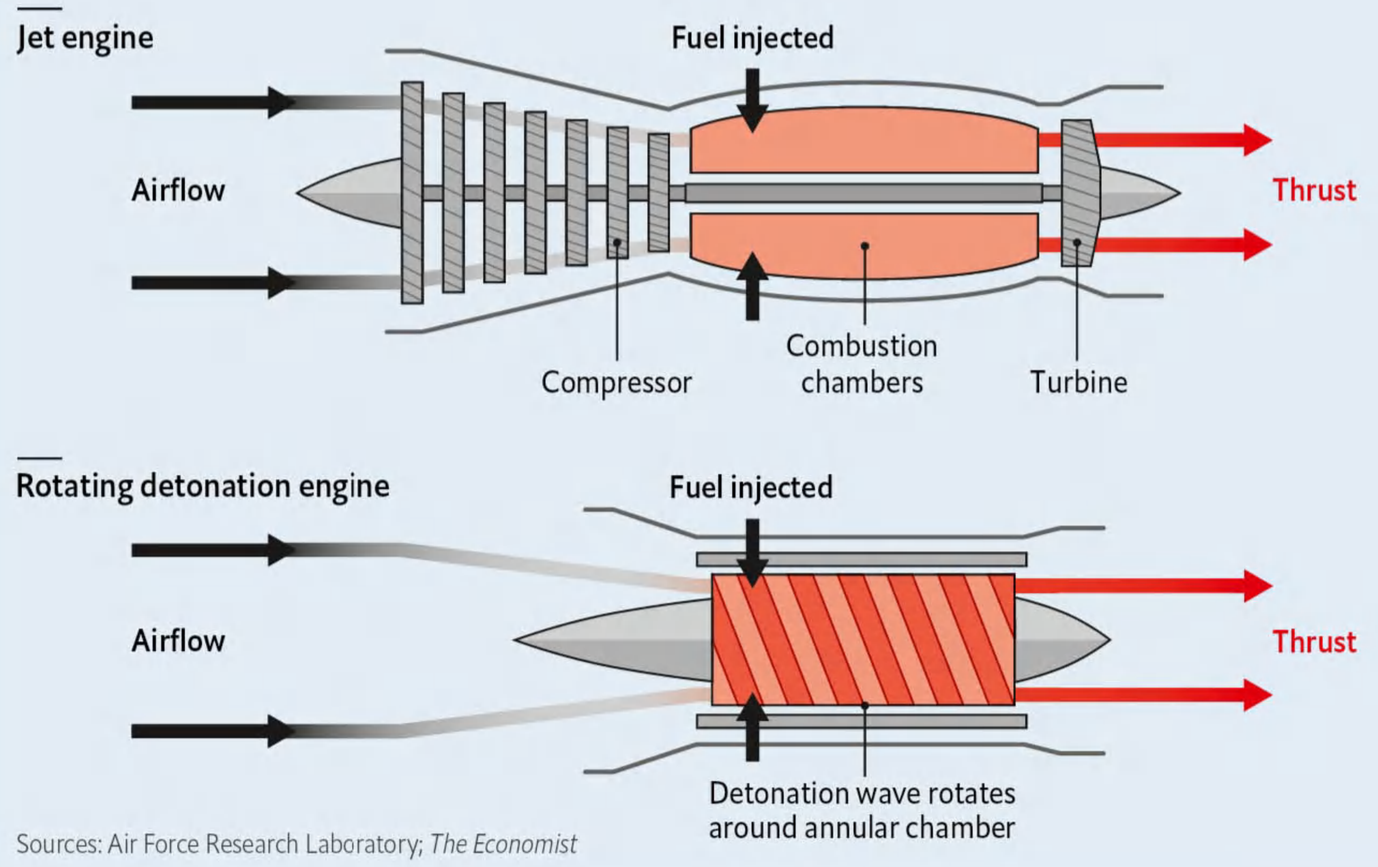
An RDE would guzzle less fuel than an afterburner, but it might be as rowdy. This is not necessarily a big problem for the military, but it is for civilian use. Hence Concorde, the world's first and only commercial supersonic airliner, was expensive to operate and was banned from many routes for being too noisy. Since Concorde, which could fly at just over Mach 2, was retired from service in 2003, various groups have looked at building a replacement. Boom, a firm based in Colorado, is preparing to test fly a small prototype soon. If successful, the firm will build an 80-seater aircraft called Overture, capable of Mach 1.7. Boom claims it will be able to do this more economically and quietly than Concorde using conventional jets with specially designed intakes and exhaust nozzles, which avoid the need for afterburners.

Boom, boom

A RDE might similarly be toned down a bit with modern design techniques. But dealing with the inevitable sonic boom which trails behind an aircraft travelling faster than the speed of sound is another matter. Researchers believe that too could be reduced, but not completely muffled. By modifying an aircraft's fuselage and wings, engineers believe they can reduce the boom's impact on the ground below. Such work will help to determine whether or not future supersonic passenger planes will, like Concorde, be restricted to flying beyond the speed of sound only over oceans.

Air travel owes much to military technology, but it can take a long time to transfer. Jet engines first appeared in the 1940s on fighter planes, but it took until the late 1950s before they began to replace propeller-driven airliners in any great number. So passengers hoping to cut the subsonic seven-hour red-eye flight from New York to London to a little over an hour might have to wait a decade or more. ■

Fast and furious



Sources: Air Force Research Laboratory; *The Economist*

Holiday history

The poem that imagined modern Christmas

TROY, NEW YORK

"'Twas the Night Before Christmas" turns 200 this year

IT IS ONE of the most famous poems in the English language—almost as famous as Christmas itself. A single word is enough to get going: "'Twas". You know the rest, or probably quite a bit of it.

Clement Clarke Moore's "A Visit from St Nicholas", better known by its first line, "'Twas the Night Before Christmas", was published on December 23rd 1823 and has been cherished ever since. Yet the poem is not just a jolly bit of festive verse. It imagined the details that have given modern Christmas its shape and character.

W.H. Auden, a poet, wrote in 1939 that "poetry makes nothing happen". "A Visit from St Nicholas" is an unlikely exception. Eight reindeer, with names like Dasher, Dancer, Prancer and Vixen? That comes from Moore's poem. St Nick coming on Christmas Eve, and not on December 6th, his saint's day? The poem cemented the shift. But perhaps most important of all, the poem helped transform an unruly winter festival for adults into a peaceful domestic holiday focused on gift-giving and oriented towards children. "A Visit from St Nicholas" tamed Christmas.

The poem has global reach today, but it was first published in the small town of Troy, New York, in the *Sentinel*. In early December, on a cold, rainy Saturday, Troy honoured its most famous export at its annual holiday festival. In the shadow of a towering pillar dedicated to Trojans who served in the civil war, a troupe of amateur actors staged a charmingly cheesy skit dramatising the poem's composition, with the help of an elf, a magical mouse, two reindeer and Santa. That evening, Patrick Madden, Troy's mayor, decked out in a top hat and a black cape, performed a recitation.

The poem's extraordinary fame is something of an accident, as are its ties to Troy. It was first published anonymously, but 21 years later its author revealed himself. He was not a Trojan but a wealthy Manhattanite. Moore had never intended the poem to have an audience beyond his children, but a family friend sent the text to the *Sentinel* without his permission. Moore decided to reveal his authorship by including the poem in his collected verse, published at his children's insistence.

Moore belonged to an upper-crust set known as the Knickerbockers, after a character in a novel by Washington Irving, his friend and fellow Christmas-booster. "You can't get much more elite than Clement Moore," says Bruce Forbes, author of "Christmas: A Candid History". Moore's father was an Episcopal bishop who served as the president of Columbia College. Moore was an expert on Hebrew and a professor at a seminary established on land he donated. His family estate, called "Chelsea" after the London district, gave the present Manhattan neighbourhood its name.

A war has been waged over authorship, with descendants of Henry Livingston junior, a writer and officer in the revolutionary war, claiming that he, not Moore, wrote "A Visit from St Nicholas". Some scholars agree, but most do not. Pamela McColl, who has written a history of the poem, dismisses the claims of Livingston's authorship as "a bunch of family folklore".

→ Also in this section

54 Back Story: The fall of the hero

55 Eggnog's not-so-sweet history

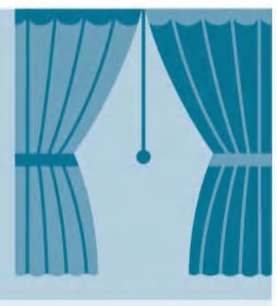
In Moore's day, Christmas was not as commonly observed as it is today. There is no mention of it in the Bible, and it is entangled with pagan heritage. Scholars think Christmas was initially celebrated in December in order to piggyback on pre-Christian festivals, including Saturnalia (a holiday that originated in ancient Rome, which featured, among other jocular customs, the crowning of a mock king and masters waiting on their slaves).

Christmas did not easily shake its Saturnalian roots; it had a party-like atmosphere that makes Mardi Gras look tame. Historically, on Twelfth Night in Britain, the poor could enter the houses of the rich and demand food, drink and sometimes even money in a ritual called "wassail". (To this day, officers in the British army serve the lower ranks a Christmas meal.)

In Moore's New York, which was experiencing a destabilising population boom, gangs would carouse in wealthy neighbourhoods on Christmas. The Knickerbockers sought to do away with that noisy tradition and reshape the holiday. With "A Visit from St Nicholas", Moore helped inspire its transformation from "a public, rowdy celebration in the streets into a kind of respectable, domestic Christmas", says Thomas Ruys Smith, a professor at the University of East Anglia. That makes him "the foundational writer of Christmas in the 19th century", argues Mr Smith.

"A Visit from St Nicholas" is more sophisticated than its 56 lines suggest. Moore sets his story at home, which replaced the street and pub as the site of Christmas festivities in the Victorian era. He presents Santa Claus coming down the chimney not with a rod to punish wrongdoing but instead with a "sleigh full of toys".

Back Story Holding out for a hero



In 2024, let's hope for a few more heroes who grace the screen without irony

THE SETTING of "Hallowe'en Party", a whodunit by Agatha Christie, is, she writes, "an ordinary sort of place". "A Haunting in Venice", an extremely loose screen adaptation released in September, moves the action from a nondescript English village to a palazzo on the Grand Canal, stirring in witchery and a séance. Yet amid the added glitz and ghouls, in one important and telling way—typical of a leery, disillusioned age—the film dims the story's magic. Like other popular franchises, it undermines its own hero, Hercule Poirot.

"Your mysteries give me faith the wicked will meet justice," a crime-writer character is told. "Sadly," she replies, "life doesn't round out so well as detective fiction." A suspect complains that "humans are so desperate to shape chaos into tidy stories." The winking message is: evil cannot really be vanquished by the "little grey cells" of a moustachioed Belgian sleuth. In case you missed it, this is all a fantasy, even a joke.

Poirot is only the latest headliner to endure such self-sabotage. In "GoldenEye" (1995) the spymistress, M, calls James Bond "a sexist, misogynist dinosaur". His re-education culminates in the finale of "No Time to Die" (2021), a showdown for which he sentimentally clutches a soft toy. In contrast to this relatively abstemious 007, at the start of Indiana Jones's latest caper the dauntless archaeologist is a boozy has-been. "I don't need morality lessons from an ageing graverobber," his sidekick tells him cuttingly.

You might expect the superheroes of the multiverse to be exempt from such deflation. They are not. In "Avengers: Endgame" (2019) Thor goes to ground after beheading a death-lord. He re-emerges, several pounds over his flying weight, as a beery, burpy slob. When he runs into his mother on a time-travelling mission, she enjoins him to "eat a salad". Sure, Thor is a god, but he is as fragile and needy as anyone.

There are good reasons to fit your heroes with feet of clay. Flawed characters are more realistic and generally more interesting than idealised ones—as Aristotle outlined in his "Poetics" in the fourth century BC. A drama's protagonist, he advised, should be noble but imperfect, "true to life and yet more beautiful". From moody Hamlet to grumpy Rick in "Casablanca", storytellers have complied. For icons like Bond and Poirot, senescence is also a factor. They are too lucrative to retire yet too familiar to portray without irony. Producers split the difference, at once reviving and ridiculing them.

But politics, too, is catching up with the heroes of yore, whose habits and attitudes can grate today. It now seems a bit Neanderthal that, for generations, an expertise in violence was their main recommendation. From a 21st-century perspective, Bond's past attitude to women veered from caddish to borderline criminal. Indiana Jones (pictured) was sometimes disrespectful of the cultures whose treasures he ransacked. Poirot has often been an insufferable know-it-all.

The reformation of the blockbuster hero mirrors the humbling of leaders and luminaries in real life. Offences that were once overlooked in the powerful have become disqualifying for many. Deference is dying; politicians are widely assumed to be on the make or the take. These days the careers of flesh-and-blood heroes seem as likely to end in disgrace as in apotheosis.

Quite right too, in lots of ways. Talent and clout were used as armour against accountability for too long. Too many heroes, and the odd heroine, got away with murder, protected by acolytes and cowing their critics. Hold out for a hero, this history suggests, and they can wind up with an unhealthy hold on you.

Still, something is lost, on and off screen, when heroes are stripped of their auras and admiration is soured by cynicism. Characters who feel and fail like you are essential to most narratives; but there is still a place, even a need, for heroes and heroines who are nobler and cleverer than other mortals. They do not have to pack heat or crack whips and one-liners. They just have to let you dream that people can be finer, and the world fairer, than they tend to seem: to fulfil a wish without admitting to it.

You will never be as wise as Henry Fonda's character in "12 Angry Men", as intrepid as Jodie Foster's in "The Silence of the Lambs" or as suave as Cary Grant's in "North by Northwest". But in 2024, as much as ever, it would be nice to believe that someone else is, at least until the credits roll. Heroes preside over hierarchies, and those can be abused. But a hero is also hope on legs.

Moore's St Nick is somewhere between a folkloric creature and the modern department-store Santa: "chubby and plump", yes, but "a right jolly old elf", who flies in a "miniature sleigh" pulled by "tiny" reindeer. Rather than looking like a fourth-century bishop or sporting the candy-cane colours he would later receive from illustrators, Moore's St Nick bears all the signs of a working man. He looks "like a peddler just opening his pack", wearing an outfit "all tarnished with ashes and soot" and smoking a "stump of a pipe". (Long pipes were reserved for gentlemen.)

A certain paternalistic vision may underlay this humbling of St Nick; he is a friendly version of the peasants who took over their masters' houses. But instead of asking for something, he gives. Moore draws the focus away from the holiday's subversive spirit and "creates this form of gift-giving and people coming to your door in ways that aren't threatening", says Maria Kennedy, an expert on folklore at Rutgers University. (Who could fear a guy whose belly jiggles "like a bowl full of jelly"?)

Moore also scrubs St Nick and the holiday of virtually all religious associations, a move that might have contributed to its broad appeal. Cleansed of class conflict and freed from theological baggage, this was a more appealing Christmas.

Reign of the reindeer

The poem immediately proved popular, spreading in the American press at a speed "more rapid than eagles" (as Moore described St Nick's sleigh). In the 1850s "A Visit from St Nicholas" was widely reprinted in Britain. Prince Albert might have set down the German roots of the Christmas tree in Britain, but it was Moore's poem that inspired Britons to hang stockings.

Two hundred years on, merry misrule is safely consigned to memory, and Moore's vision of Christmas has become widespread. Yet the poem has not yet reached its peak. Sally Veillette, a native of Troy, has commissioned new translations of the poem in 20 languages, including in Italy's Sicilian dialect and India's Malayalam. They are available in print and as animated e-books, complete with jingling holiday music. In 2023 Eric Adams, the mayor of New York City, officially proclaimed December 23rd "'Twas the Night Before Christmas Day". Even the First Lady is getting involved, with early editions of the poem on display at the White House.

Moore might have preferred to be remembered for his work compiling the first American Hebrew dictionary or for his philanthropy. But books have their own destinies, as the saying goes. Poems do, too. "A Visit from St Nicholas" does not just describe a Christmas miracle: in its extraordinary success and cultural impact, it is one, too. ■

World in a dish

A riotous indulgence

For a Christmas drink, eggnog does not have a heartwarming history

To the cadets at West Point, the prospect of eggnog without whisky was unconscionable. Flouting a ban on alcohol, a group took a boat across the Hudson river and procured gallons of grog. Around 90 cadets got so drunk that they spent Christmas morning smashing windows and flashing their weapons. Among the participants in the "Eggnog Riot" of 1826 was Jefferson Davis, who later became president of the Confederacy.

Eggnog is a sweet beverage with a serious edge. It is probably derived from "posset"—a concoction involving a combination of cream or milk, eggs, spices and ale or wine. Posset was believed to have medicinal properties: when King Charles I came down with a cold in the 1600s, his physician prescribed it.

The annual flu probably established the drink's association with winter. But Christmas has also given eggnog a boost. The spices used—cinnamon, cloves and nutmeg—are present in other festive treats, such as gingerbread. For centuries cream and fresh eggs were harder to acquire in winter, so were viewed as luxuries.

Britons brought the drink to America in the 18th century. Fortified wine, traditionally used to spike posset, was difficult to obtain, so Americans laced their version with bourbon, rum or whisky instead. Though eggnog is consumed in many English-speaking countries, Americans are the most keen on it. They consume around 15m gallons every year, the equivalent of one small cup per person. (Some "eggheads", no doubt, guzzle more.)

Many countries have added their own twist. Germans make *Eierpunsch* with wine. Peruvians add pisco, a white brandy; South Africans opt for amarula, a liqueur. Eggnog has also been adapted for a health-conscious age. Vegans can forgo eggs and use almond, coconut or oat milk, which is less fatty; a single portion of the original can exceed 300 calories (admittedly a trifling sum compared with the roughly 6,000 calories the average Briton consumes on Christmas Day).

Its creaminess is a reminder of the comforts of childhood, while the addition of booze is a grown-up pleasure. Unlike mulled wine, eggnog is often served chilled, so none of the alcohol evaporates. A recipe attributed to George Washington could take down an elephant: he called for adding brandy, rum, sherry and whisky.

The stupefying effect of eggnog was known long before the riot that bears its name. In Shakespeare's play, the murderous Lady Macbeth drugs the servants' posset in order to gain access to the king's bedroom: "That which hath made them drunk hath made me bold."

Today the drink is associated with less serious crimes, namely tipsiness at holiday parties. A poem published in the *American Beacon* on Christmas Eve in 1817 evoked ancient Greek mythology to suggest that the drink turned respectable people into beasts: "When Circe, the witch, caught Ulysses's men/She gave each a dram that soon made him a hog/The identical mixture—'tis now as 'twas then/So attend to the moral, *Beware of eggnog*." ■

Economic data

	Gross domestic product, % change on year ago: latest		quarter*	2023†	Consumer prices, % change on year ago: latest		2023†	Unemployment rate, %		Current-account balance, % of GDP, 2023†	Budget balance, % of GDP, 2023†	Interest rates: 10-yr gov't bonds, latest,%		change on year ago, bp	Currency units: per $ Dec 19th	% change on year ago
United States	3.0	Q3	5.2	2.4	3.1	Nov	4.1	3.7	Nov	-2.8	-6.3	3.9		36.0	-	
China	4.9	Q3	5.3	5.5	-0.5	Nov	0.7	5.0	Nov‡§	2.1	-3.8	2.5	§§	-15.0	7.14	-2.4
Japan	1.5	Q3	-2.9	1.8	3.3	Oct	3.2	2.5	Oct	3.1	-5.1	0.7		38.0	144	-4.7
Britain	0.6	Q3	-0.1	0.4	4.6	Oct	6.8	4.3	Jun††	-2.9	-3.5	3.8		38.0	0.79	3.8
Canada	0.5	Q3	-1.1	1.0	3.1	Nov	3.8	5.8	Nov	-0.6	-1.5	3.1		24.0	1.33	3.0
Euro area	nil	Q3	-0.5	0.6	2.4	Nov	5.5	6.5	Oct	2.3	-3.4	2.0		-18.0	0.91	4.4
Austria	-1.8	Q3	-2.1‡	-0.4	4.9	Nov	7.6	5.1	Oct	2.9	-2.3	2.6		-24.0	0.91	4.4
Belgium	1.4	Q3	1.6	1.3	-0.8	Nov	2.6	5.6	Oct	-1.3	-4.6	2.6		-26.0	0.91	4.4
France	0.6	Q3	-0.5	0.9	3.9	Nov	5.7	7.3	Oct	-1.0	-5.0	2.5		-3.0	0.91	4.4
Germany	-0.4	Q3	-0.5	-0.2	2.3	Nov	6.0	3.1	Oct	5.5	-2.2	2.0		-18.0	0.91	4.4
Greece	1.8	Q3	0.1	2.4	2.9	Nov	4.0	9.6	Oct	-6.5	-2.1	3.2		-109	0.91	4.4
Italy	0.1	Q3	0.4	0.7	0.6	Nov	6.1	7.8	Oct	0.7	-5.3	3.6		-72.0	0.91	4.4
Netherlands	-0.6	Q3	-0.8	0.2	1.4	Nov	4.4	3.6	Oct	8.2	-2.1	2.3		-21.0	0.91	4.4
Spain	1.8	Q3	1.3	2.3	3.3	Nov	3.5	12.0	Oct	1.6	-4.1	3.0		-11.0	0.91	4.4
Czech Republic	-1.0	Q3	-2.1	-0.5	7.3	Nov	10.6	3.0	Oct‡	-1.4	-3.9	3.8		-108	22.3	2.5
Denmark	0.2	Q3	-0.3	1.5	0.6	Nov	3.8	2.8	Oct	11.1	1.5	2.2		-19.0	6.79	3.5
Norway	-1.9	Q3	-2.1	0.4	4.8	Nov	5.4	3.6	Sep‡‡	17.2	10.6	3.2		26.0	10.3	-3.1
Poland	0.5	Q3	6.1	0.4	6.6	Nov	11.3	5.0	Nov§	1.1	-4.8	5.0		-179	3.94	12.4
Russia	5.5	Q3	na	2.8	7.5	Nov	6.2	2.9	Oct§	3.0	-2.8	11.9		146	90.6	-24.3
Sweden	-1.4	Q3	-1.2	-0.6	5.8	Nov	6.0	7.1	Nov§	4.6	-0.3	2.1		11.0	10.2	2.6
Switzerland	0.3	Q3	1.1	0.8	1.4	Nov	2.2	2.1	Nov	7.4	-0.7	0.6		-65.0	0.86	8.1
Turkey	5.9	Q3	1.1	4.3	62.0	Nov	53.1	8.2	Oct§	-4.4	-5.0	22.6		1,228	29.1	-35.9
Australia	2.1	Q3	0.9	1.9	5.4	Q3	5.7	3.9	Nov	0.6	0.5	4.1		58.0	1.48	0.7
Hong Kong	4.1	Q3	0.3	3.4	2.8	Oct	2.0	2.9	Nov‡‡	6.7	-1.5	3.5		15.0	7.80	-0.3
India	7.6	Q3	8.6	6.7	5.6	Nov	5.7	8.1	Apr	-1.3	-5.9	7.2		-13.0	83.2	-0.6
Indonesia	4.9	Q3	na	4.9	2.9	Nov	3.7	5.3	Q3§	0.6	-2.5	6.5		-36.0	15,505	0.6
Malaysia	3.3	Q3	na	4.0	1.8	Oct	2.6	3.4	Oct§	1.7	-5.0	3.8		-26.0	4.68	-5.3
Pakistan	nil	2023**	na	nil	29.2	Nov	31.4	6.3	2021	-0.3	-8.0	15.1	†††	151	283	-20.4
Philippines	5.9	Q3	13.9	5.4	4.1	Nov	6.0	4.2	Q4§	-4.1	-7.2	6.1		-70.0	56.0	-0.9
Singapore	1.1	Q3	5.6	0.9	4.7	Oct	4.9	2.0	Q3	18.8	-0.7	2.8		-11.0	1.33	2.3
South Korea	1.3	Q3	2.5	1.3	3.3	Nov	3.7	2.3	Nov§	2.2	-2.7	3.3		-7.0	1,308	-0.4
Taiwan	2.3	Q3	7.8	1.2	2.9	Nov	2.5	3.4	Oct	12.9	-0.1	1.2		-2.0	31.4	-2.0
Thailand	1.5	Q3	3.1	2.5	-0.4	Nov	1.4	0.9	Sep§	0.8	-2.7	2.8		32.0	35.0	-0.4
Argentina	-0.8	Q3	11.3	-1.0	161	Nov	134.2	6.2	Q2§	-3.4	-4.3	na		na	803	-78.4
Brazil	2.0	Q3	0.6	3.0	4.7	Nov	4.6	7.6	Oct§‡‡	-1.6	-7.6	10.6		-284	4.86	9.1
Chile	0.6	Q3	1.3	nil	4.8	Nov	7.6	8.9	Oct§‡‡	-4.0	-3.2	5.4		6.0	859	3.6
Colombia	-0.3	Q3	1.0	1.2	10.1	Nov	11.7	9.2	Oct§	-3.4	-4.2	9.9		-309	3,920	22.1
Mexico	3.3	Q3	4.3	3.4	4.3	Nov	5.5	2.7	Oct	-1.4	-3.8	9.1		33.0	17.1	16.1
Peru	-1.0	Q3	-1.1	-0.4	3.6	Nov	6.3	7.3	Nov§	-1.2	-2.8	6.7		-114	3.72	3.2
Egypt	2.9	Q2	na	3.8	34.6	Nov	37.7	7.1	Q3§	-1.6	-6.2	na		na	30.9	-20.0
Israel	3.3	Q3	2.5	0.9	3.3	Nov	4.3	2.8	Nov	5.4	-4.9	3.8		49.0	3.65	-5.2
Saudi Arabia	8.7	2022	na	-1.1	1.7	Nov	2.3	4.9	Q2	3.0	-1.9	na		na	3.75	0.3
South Africa	-0.7	Q3	-1.0	0.6	5.6	Nov	6.0	31.9	Q3§	-2.1	-5.2	9.7		-41.0	18.3	-5.4

Source: Haver Analytics. *% change on previous quarter, annual rate. †The Economist Intelligence Unit estimate/forecast. §Not seasonally adjusted. ‡New series. **Year ending June. ††Latest 3 months. ‡‡3-month moving average. §§5-year yield. †††Dollar-denominated bonds. Note: Euro area consumer prices are harmonised.

Markets

In local currency	Index Dec 19th	% change on: one week	Dec 30th 2022
United States S&P 500	4,768.4	1.3	24.2
United States NAScomp	15,003.2	1.8	43.3
China Shanghai Comp	2,932.4	-1.2	-5.1
China Shenzhen Comp	1,807.5	-2.1	-8.5
Japan Nikkei 225	33,219.4	0.9	27.3
Japan Topix	2,333.8	-0.9	23.4
Britain FTSE 100	7,638.0	1.2	2.5
Canada S&P TSX	20,839.6	1.0	7.5
Euro area EURO STOXX 50	4,535.4	0.1	19.6
France CAC 40	7,574.7	0.6	17.0
Germany DAX*	16,744.4	-0.1	20.3
Italy FTSE/MIB	30,363.5	0.2	28.1
Netherlands AEX	792.5	0.7	15.0
Spain IBEX 35	10,106.7	0.1	22.8
Poland WIG	78,742.8	2.3	37.0
Russia RTS, $ terms	1,074.4	1.1	10.7
Switzerland SMI	11,146.4	-0.4	3.9
Turkey BIST	7,725.9	2.6	40.2
Australia All Ord.	7,715.9	3.3	6.8
Hong Kong Hang Seng	16,505.0	1.7	-16.6
India BSE	71,437.2	2.7	17.4
Indonesia IDX	7,187.8	1.6	4.9
Malaysia KLSE	1,465.7	1.2	-2.0

	index Dec 19th	% change on: one week	Dec 30th 2022
Pakistan KSE	62,833.0	-3.7	55.4
Singapore STI	3,116.6	0.4	-4.1
South Korea KOSPI	2,568.6	2.3	14.9
Taiwan TWI	17,576.6	0.6	24.3
Thailand SET	1,394.9	2.7	-16.4
Argentina MERV	914,460.8	-8.9	352.5
Brazil BVSP*	131,850.9	1.8	20.2
Mexico IPC	57,694.3	4.6	19.0
Egypt EGX 30	25,076.4	1.2	71.8
Israel TA-125	1,868.8	3.7	3.8
Saudi Arabia Tadawul	11,713.5	2.7	11.1
South Africa JSE AS	74,842.6	3.0	2.5
World, dev'd MSCI	3,153.3	1.7	21.2
Emerging markets MSCI	998.6	2.6	4.4

US corporate bonds, spread over Treasuries

Basis points	latest	Dec 30th 2022
Investment grade	114	154
High-yield	401	502

Sources: Refinitiv Datastream; Standard & Poor's Global Fixed Income Research. *Total return index.

Commodities

***The Economist* commodity-price index**

2015=100	Dec 12th	Dec 19th*	% change on: month	year
Dollar Index				
All Items	151.7	152.5	0.3	1.2
Food	132.1	132.0	-1.2	-3.7
Industrials				
All	170.1	171.5	1.4	5.0
Non-food agriculturals	118.7	119.5	0.3	-9.1
Metals	185.4	187.0	1.6	8.1
Sterling Index				
All items	184.4	184.1	-0.6	-2.9
Euro Index				
All items	156.1	154.9	0.5	-1.4
Gold				
$ per oz	1,983.2	2,022.4	1.0	11.3
Brent				
$ per barrel	73.6	78.7	-4.6	-1.8

Sources: Bloomberg; CME Group; Cotlook; Refinitiv Datastream; Fastmarkets; FT; ICCO; ICO; ISO; Live Rice Index; LME; NZ Wool Services; Thompson Lloyd & Ewart; Urner Barry; WSJ. *Provisional.

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The comfort of apples

Eric Freeman, champion of wassailing and saviour of rare breeds, died on October 29th, aged 91

IF YOU HAVE ever longed to make your own cider, Eric Freeman would soon show you how. First, find the right apples: not from the supermarket, but Taynton Codlins or Pedington Brandys or Foxwhelps from stooped and lichened trees in half-forgotten orchards in Gloucestershire. Some of those are best eaten straight from the tree; others are keepers; but the rest, the windfalls, just let pile up in the grass. No matter if mice get at them, or the flesh goes brown. The cider will ferment better for this bit of neglect.

Shovel them up at last, wash them, and take them to the press. Or, better than that, let the press come to you, as it used to, on a horse-drawn cart. Feed the apples into the hopper, down to the scratter, which will smash them up. Put up the mulch in cloths made the old way, of horsehair, stack the cloths into a nice square "cheese", apply the press, and catch the juice in a bucket. Store it up in barrels, and in a twelvemonth it will be ready.

In Mr Freeman's orchard near Newent stood one particular tree, a wise old Leathercoat Russet. This was his Wassail tree—wassail from *Waes Hael!*, an Anglo-Saxon wish for good health. At the start of each year he would invite his neighbours and friends to salute it and wish it a good autumn crop. This was a great excuse for a night party, with everyone carrying flaming torches round the orchard, dousing the roots with cider, sticking burnt toast in the branches and firing off a shotgun to drive away bad spirits, all the time exhorting the trees to produce "hatsfull, capsfull, bushel bushel bagsfull!" And getting really drunk afterwards.

Wassailing, in country or town, had not been done in Gloucestershire for some time. Nor had cider-making, for that matter, with most orchards grubbed out. He thought it needed reviving. What was missing in the countryside were merry occasions to bring people together. "Harvest home" was another tradition he brought back, in his own big barn with a roaring fire going, a whole long table of apple "puddens", a couple of hymns and a blessing of loaves. Almost every event brought with it a flurry and jingle of Morris men (another passion of his), an accordion player and a fiddler or two, notably at dawn on May Day, when he dressed his hat in withy branches to be Jack-in-the-Green, just when green was springing through the woods.

He had a great liking for antique garb, and looked fine in it. His favourite outfit was a thick linen smock, leather leggings, a red neckerchief and a top hat. These nicely complemented his knocked-sideways nose and his beautifully trimmed beard. He was a third-generation farmer, and Gloucestershire was in his blood. Like the local Longdon pear, which hadn't prospered when they tried to grow it in next-door Somerset, he could never have been transplanted anywhere else. He was "a legend in these parts", as a fond documentary said, a fixture for years on BBC Radio Gloucester but also a regular on national farming programmes, where his warm burr soothed people in cities many miles away.

He didn't always mean to be comfortable, though. He wanted to save his patch of countryside, especially the local breeds of cattle, sheep and pigs—for Gloucestershire was lucky, and rare, to have its own local versions of all three. In 1972, at an auction in Arlingham, he and some friends clubbed together to buy the last pure-bred herd of Gloucester cattle, and he co-founded the Gloucester Cattle Society to allow him to register them for formal breeding. They were gorgeous animals with black-mahogany coats, a white stripe along their backs, white tails and undersides and a peaceful nature. Just to stand among them out in the field, scratching their heads, did his heart good. He was a slowish sort, like them. The breed dated back to the 13th century, and their milk was the basis of Single and Double Gloucester cheese; their meat, too, was good. But they were too general-purpose for modern butchers. His steady building of the herd, and his promotion of the breed (among the butchers of Newent as well as through the Rare Breeds Survival Trust, which again he co-founded) gradually proved that they were both beautiful and useful.

His eye rested lovingly too on Gloucester Old Spot pigs, which he first bought in 1973: impossible creatures to drive on a road, stubborn, hard of hearing and short-sighted, and long out of favour because their flesh ran to fat. That was fine if you were a cottage-dweller hacking a slice from the flitch that hung on the wall, but not to the modern taste. He fed his small herd treats, and sloshed their bristly coats with buckets of water. Also enjoying life near the farmhouse were his favourite Ryeland sheep, Gloucestershire homebodies with fleeces so thick that by shearing time they had wool right down to their toes and over their eyes.

He was impressed with how his animals liked company. He relished it himself, and much missed labouring with others at farm work, once tractors had come in. His first job on his father's farm—having left school knowing much less about the three Rs than about clubbing rats and rabbits in the harvest stubble—was hoeing crops, and he learned how by working between Cecil, who hoed as if it was nothing, and Joe, who pushed after, just as an untrained colt would learn to work between two experienced horses. Teams of men ploughed, harvested, threshed, drove carts, with their families lending a hand. But modern fields were empty. He noticed the same vacancy in the streets of Newent, where children once played and the elderly, when the weather was good enough, set their chairs outside their open doors and chatted with passers-by. There was plenty good about the 21st century, especially the media coverage he got for his cause; he was no hermit. But he missed that habit of country people gathering together, so he set about reviving it all around him.

After a good twelvemonth of waiting, it would be time to share that cider with his friends. It poured out amber and aromatic, with no fizz in it, and dangerously quenching of a thirst. Under the Wassail tree, early in January, it went round in a special wooden cup of impressive size. But any time of year was a good one to sit around, tell the old tales, and raise a glass. *Waes hael*, every one! *

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