The Economist

MBS: despot in the desert

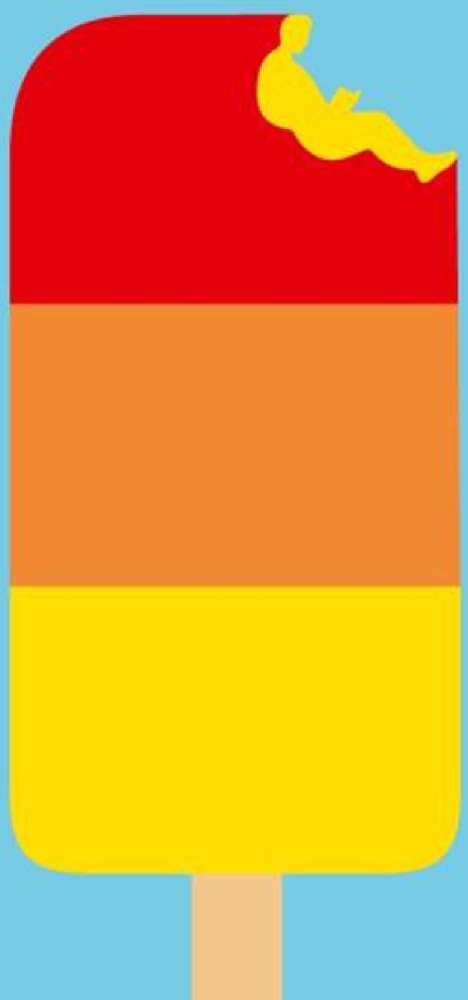
Magicians of social-media addiction

A short history of Russian fascism

Recession's silver linings

JULY 30TH–AUGUST 12TH 2022

Summer double issue



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The world this week

Politics

Jul 28th 2022

Russia said it would further cut **gas deliveries to Europe** through the Nord Stream 1 pipeline, supposedly because it requires repairs. The pipeline was already at 40% of capacity; it has now dropped to 20%. European governments took this as an effort to weaponise the supply of energy. They are trying to increase gas storage ahead of the winter. eu members agreed to reduce their gas usage by 15% between now and March. The reductions are voluntary, but could become mandatory if the situation worsens.

Russia attacked the Ukrainian port of **Odessa** with cruise missiles and said it had destroyed a Ukrainian military vessel. The assault came a day after Russia and Ukraine signed a deal brokered by Turkey and the un to allow some 20m tonnes of **grain** trapped at Black Sea ports to be exported. Ukraine said grain exports could begin only if security is guaranteed.

The head of Russia's space agency said it would pull out of the **International Space Station** in 2024. Russian cosmonauts on the iss were photographed recently brandishing the flags of Russian separatists in Ukraine's Donetsk and Luhansk regions.

Sergio Mattarella, **Italy's** president, said elections would be held on September 25th, following the resignation of Mario Draghi as prime minister. Hard-right parties are expected to do well. Meanwhile, more than 2,000 migrants rescued at sea over two days were brought to the Italian island of Lampedusa, overwhelming its reception centre.

France's president, Emmanuel Macron, went on a three-country tour of **west Africa**, taking in Cameroon, Benin and Guinea-Bissau. He aimed to bolster security ties and counter Russian influence.

Around 500 members of al-Shabab, al-Qaeda's affiliate in **Somalia**, crossed the border into **Ethiopia**, where they clashed with security forces. The jihadists have previously attempted to carry out terrorist attacks in Ethiopia, but this incursion appeared to be aimed at capturing territory and establishing bases.

A new **Tunisian** constitution giving more powers to the president passed in a referendum. About 95% of those who voted approved the charter. But only 31% of voters turned out. Groups opposed to President Kais Saied had urged Tunisians to boycott the vote.

The propagandist-in-chief

Russia's foreign minister, Sergei Lavrov, visited **Egypt**, where he met ambassadors of the 22-country Arab League, among others. Mr Lavrov attempted to blame the West for shortages of grain as a result of the war in Ukraine. He also visited Ethiopia, Uganda and the Republic of Congo, conveying the same message.

Hundreds of supporters of Muqtada al-Sadr, a Shia cleric whose party won a plurality in last year's **Iraqi** general election, stormed the parliament building in Baghdad. They were angry about the nomination for prime minister of Muhammad al-Sudani, who is backed by a coalition close to Iran. No mps were said to be in the building.

Ranil Wickremesinghe, **Sri Lanka's** new president, ordered troops to clear protesters from the presidential complex less than a day after being sworn in. Mr Wickremesinghe must earn the goodwill of his people to push through the painful economic reforms that are necessary to put the economy back on track. Gotabaya Rajapaksa, who fled the country and resigned as president after protests earlier this month, is planning to return.

The law of the junta

Myanmar executed four democracy activists it accused of various crimes against the state, the first time it has enforced the death penalty since the 1980s. The men were tried by army tribunals and are reported to have been denied legal counsel. The Association of South-East Asian Nations, a regional club of which Myanmar is a member, is considering punishing Myanmar.

Droupadi Murmu, **India's** first president from its 120m-strong tribal population, was sworn into office. India became a republic in 1950, three years after independence from the British. The president is the head of state, though her duties are mostly ceremonial.

Tension mounted over plans by Nancy Pelosi, the Speaker of America's House of Representatives, to visit **Taiwan** in August. The trip has not been confirmed, but Joe Biden said America's military leaders think "it's not a good idea right now". China said America would "bear all the consequences" if she goes.

To crush a small outbreak of covid-19, the **Chinese** city of Shenzhen ordered factories to operate in "closed-loop" mode, with workers staying on site. A three-day lockdown was imposed in a district of Wuhan, the city where the pandemic first emerged. Four cases had been detected among the district's 1m people.

In **Colombia** 19 soldiers were charged with war crimes for murdering 303 people between 2005 and 2008. The soldiers were involved in what has become known as the "false positives" cases, in which civilians were killed and wrongly accused of being guerrilla fighters by the army.

Nayib Bukele, the increasingly authoritarian president of **El Salvador**, announced that his government would build a "Terrorism Confinement Centre" to lock up thousands of people. Since a state of emergency was announced in March, and extended four times, some 46,000 alleged gang members have been rounded up.

A jury in Washington found **Steve Bannon** guilty of contempt of Congress for ignoring a subpoena from the committee investigating the attack on the Capitol on January 6th 2021. Mr Bannon was one of Donald Trump's policy advisers before they fell out. His conviction for contempt of Congress is the first since the Watergate scandal in 1974. He will be sentenced in October.

Joe Biden said he was "feeling better every day" four days after testing positive for covid. His doctor said his symptoms had almost gone.

The World Health Organisation declared **monkeypox** to be a "public health emergency of international concern", giving the disease the same status as covid and Ebola.

David Trimble, a former leader of the Ulster Unionist Party, died at the age of 77. He is remembered for helping to negotiate the Good Friday Agreement in 1998, which brought peace to Northern Ireland after 30 years of sectarian violence. Mr Trimble shared the Nobel peace prize with John

Hume, a nationalist politician. Though his political career waned thereafter, the peace he helped secure still endures.

Business

Jul 28th 2022

The **Federal Reserve** raised its benchmark interest rate by another three-quarters of a percentage point, to a range of between 2.25% and 2.5%. Central banks around the world are said to have reacted too late to the threat of sharp increases in inflation, forcing them to adopt a more aggressive approach to tightening monetary policy. The **European Central Bank** recently lifted its deposit rate for the first time in a decade, taking it from a negative rate of -0.5% to zero. Martins Kazaks, a member of the ecb's governing council, said that its next rate increase in September "also needs to be quite significant".

Walmart shook investors when it issued its second profit warning in ten weeks. It blamed food and fuel inflation, which is affecting how its customers spend on other things. Retailers are resorting to big markdowns of their products to entice shoppers. **Unilever** said it was facing "a truly unprecedented cost landscape", though that didn't stop the consumer-goods company from raising its sales forecast. **Amazon** also blamed inflation when it lifted the price of its Prime membership in European markets, and at a much stiffer rate than its price rise for American subscribers.

A raft of quarterly earnings pointed to a sharp slowdown in **digital advertising**. Meta reported its first-ever decline in revenue, year on year, albeit of 1%. Revenue at Alphabet, Google's parent company, grew at the slowest pace since mid-2020. Snap and Twitter also gave a bleak outlook for digital ads when they reported weak earnings.

Spirit Airlines called off its proposed merger with Frontier amid lukewarm shareholder support for the deal. That opens the way for it to be taken over by JetBlue, which has been circling Spirit with a rival offer for months. Their combination would create America's fifth-largest airline.

Turning a Körner

Credit Suisse reported a quarterly net loss of SFr1.6bn ($1.7bn). Unlike many rivals, the Swiss bank's income from trading fell sharply, and its investment-banking business made a big loss. It announced the departure of Thomas Gottstein as chief executive, to be replaced by Ulrich Körner, who will conduct a strategic review of its operations, the second within a year. Mr Körner is known as "Uli the knife" for his approach to cost-cutting. Credit Suisse hit the headlines in recent years for a number of scandals, such as its exposure to Archegos, a collapsed family office, and for spying on employees.

In a sign that its troubles with Chinese regulators are easing, **Alibaba** said it would apply for a primary listing of its shares in Hong Kong, where it currently has a secondary listing, allowing investors from the mainland to buy its stock. The tech giant also has a primary listing of shares in New York.

Intel said that it would make chips for MediaTek, based in Taiwan. It is one of the biggest deals for Intel's foundry business, which makes semiconductors for other firms without designing them. Meanwhile, the American Senate gave its approval to a bill that would provide huge subsidies to domestic **chip firms**, in order to reduce America's reliance on foreign ones.

Herbert Diess was booted out of his job as boss of Volkswagen by the company's supervisory board. The indefatigable Mr Diess drove vw's push into electric vehicles, but the carmaker's workers, with assertive representatives on the board, were angered by his unfavourable comparison of vw with Tesla and suggestion that 30,000 jobs should go. His replacement is the more amenable Oliver Blume, who currently runs Porsche.

According to a regulatory filing, **Twitter** has set September 13th as the date for a special shareholders' meeting to vote on Elon Musk's takeover of the company, which he wants to pull out of. That is a month before Twitter goes to trial to try to force Mr Musk to honour their deal.

Eutelsat, a French satellite operator, agreed to merge with **OneWeb**, a British rival. Competition to provide satellite-based broadband is heating up; the combined company could pose a challenge to SpaceX's Starlink project. OneWeb was bailed out of bankruptcy in 2020 with a package backed by the British government, after it ran out of venture capital. The British and French governments will each have a seat on the board of the new company.

Backlash against greenwash

BlackRock, which was in the vanguard of the push for green investing two years ago, supported just 24% of environmental and social-issue shareholder proposals in this year's proxy-voting season. The asset-management company warned in May that it was likely to back fewer proposals because they have become too prescriptive. It also faced reprisals from conservative investors. A group of 15 American states, led by West Virginia, has come together to "curtail" firms that cut off financing for fossil-fuel industries.

The world this week

KAL’s cartoon

Jul 28th 2022

Dig deeper into the subject of this week’s cartoon:

America and China spar over the Taiwan Strait

How America tries to grapple with China while confronting Russia

America and China are one military accident away from disaster

China v America [from 2020]

KAL’s cartoon appears weekly in *The Economist*. You can see last week’s here.

Leaders

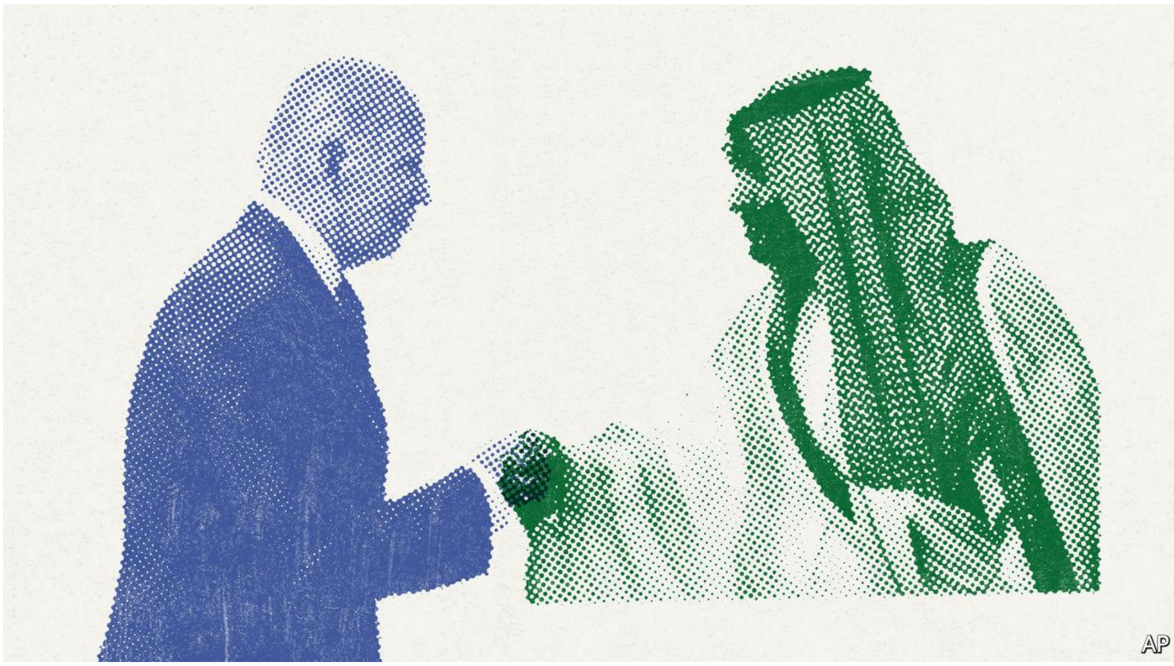
- How to deal with despots
- The hard road back
- After the recession
- Cloudburst
- Stopping Somalis from starving

Foreign policy

How to deal with despots

Western foreign policy sets out to be ethical, but often ends up being ineffectual

Jul 28th 2022



For about 15 years after the fall of the Soviet Union in 1991, Western foreign policy seemed to rest on sure foundations. Liberal values—democracy, open markets, human rights and the rule of law—had just prevailed over communism. America, the first and only global hyperpower, had the clout to impose this moral code against terrorists and tyrants. And tough love was justified, because history had shown that Western values were the uncontested formula for peace, prosperity and progress.

Another 15 years on, Western foreign policy is in a mess. To see why, consider Muhammad bin Salman, the crown prince of Saudi Arabia. Our summer double issue, featuring profiles and long reads, leads with a [deeply reported portrait of mbs], as he is known. It illustrates the erosion of each of the three pillars of Western foreign policy—values, power and that historic destiny.

The moral calculus turns out to be fraught. As our profile concludes, the crown prince has a tendency to be violent and erratic and to oppress his foes. He has been held responsible for the murder of a *Washington Post* columnist. Yet he is also a moderniser who has liberalised Saudi society, tamed the kingdom's clerics and given women new freedoms. Even if you doubt mbs's reforming zeal, Saudi Arabia produces oil that could help America and its allies withstand an even more dangerous man: Vladimir Putin. Is the ethical policy to shun mbs or sup with him?

mbs also shows that American power is less imposing than it seemed 15 years ago. Saudi Arabia has been close to America since 1945, but mbs long snubbed Joe Biden by refusing to take his phone calls, instead palling up with an assertive Russia and a rising China. Saudi Arabia is key to a region that America tried to mend by invading Iraq but, although America and its allies are still formidable, the fighting has worn out voters' willingness to see their troops act as a global police force. Their reluctance is understandable. The desert wars demonstrated that you cannot turn people into liberals by firing guns at them.

And history has bitten back. A young man in a hurry, mbs believes he can achieve Western levels of prosperity without the inconvenience of democracy or human rights. Justin Bieber and Monster-Jam motorsports sit snugly alongside his despotic rule.

mbs is not alone. China is asserting the merits of "people-centred" human rights that put peace and economic development above voting and free speech. Mr Putin has invaded Ukraine in what can be thought of as a war on Enlightenment values by a regime in thrall to a Russian brand of fascism. When Western leaders entreat the global south to stand up for the international system by condemning Mr Putin, many say that they have lost patience with preachy, hypocritical Westerners who readily invade other countries whenever it suits them.

The Economist has not lost its faith in the institutions that emerged from the Enlightenment. Liberal values are universal. Yet the West's strategy for promoting its world-view is sputtering and America and its allies need to be clearer-eyed. They must balance what is desirable with what is possible. At the same time they must cleave to the principles that save them from the cynicism of Mr Putin's desolate, truth-free zone. That sounds like a counsel of perfection. Can it work?

The best way for Western leaders to avoid charges of hypocrisy is to refrain from staking out moral positions they cannot sustain. While campaigning, Mr Biden pledged to treat Saudi Arabia as a "pariah". But this month he went to Jeddah and fist-bumped mbs and was widely condemned for hypocrisy and moral cowardice. In fact, his mistake was a crowd-pleasing pledge that was always going to be a millstone in office.

Western leaders need to be honest about how much influence they really have. The assumption that the rest need the West more than the West needs the rest is less true these days. In 1991 the g7 produced 66% of global output; today, just 44%. In hindsight it was hubris to think that dictatorships could be cured of their pathologies by battalions of human-rights lawyers and market economists. Leaders ought to be clear about right and wrong, but when they weigh up whether to impose sanctions on wrongdoers they should assess the likely results rather than the appearances of virtue.

Another principle is that talking is usually good. Some say that turning up bestows legitimacy. In reality, it generates insights, creates a chance to exert influence and helps solve otherwise insoluble problems—by means of climate deals, say; or getting grain out of Ukraine; or asking al-Shabab, an affiliate of al-Qaeda, to help save Somalia from starvation. Mr Biden was right to talk to mbs. Emmanuel Macron, France's president, is right to talk to Mr Putin. Everyone needs to talk to China's president, Xi Jinping.

There are ways to help keep talks honest. In meetings you can have your say on human rights. You can temper your contact, as Mr Macron did after Russian troops committed war crimes. You can insist on also speaking to the opposition and to dissidents. In this and other things, Western leaders should co-ordinate with each other so that they are less likely to be picked off by a policy of divide and rule—by China over its treatment of dissidents abroad, for example, or the abuse of the Uyghur people in Xinjiang.

A last principle is to acknowledge that foreign policy, like all government, involves trade-offs. For most countries that is so obvious it hardly needs saying. But the West came to think that it could have it all. Such trade-offs need not be grubby. A clearer focus on outcomes after the Russian annexation of Crimea in 2014 might have led to more effective action by nato countries than the weak, conscience-salving sanctions they actually imposed. Unfortunately, Mr Biden's simplistic attempt to divide the world into democracies and autocracies makes wise trade-offs harder.

Ideals and their consequences

The West has discovered that simply trying to impose its values on despots like mbs is ultimately self-defeating. Instead, it should marry pressure with persuasion and plain-speaking with patience. That may not be as gratifying as outraged denunciations and calls for boycotts and symbolic sanctions. But it is more likely to do some good. ■

For subscribers only: to see how we design each week's cover, sign up to our weekly Cover Story newsletter. For coverage of Joe Biden's presidency, visit our dedicated hub and follow along as we track shifts in his approval rating.

The tough road back

Ranil Wickremesinghe must persuade suffering Sri Lankans to endure more pain

There is no getting around difficult economic reforms

Jul 28th 2022

For months Gotabaya Rajapaksa, the former president of Sri Lanka, was told that the economy was in free fall. The covid-19 pandemic hit tourism hard and, just as visitors began to return, Russia's war in Ukraine pushed up fuel and food prices. But external shocks were only part of the problem. The main cause of Sri Lanka's misery, and the reason protesters stormed the presidential palace on July 9th, was mismanagement. Errors by Mr Rajapaksa and his brothers, who treated the government like a family business, caused inflation to spiral, the currency to collapse and foreign reserves to evaporate.

Enter Ranil Wickremesinghe, who took over as president on July 21st, a week after Mr Rajapaksa fled the country. The burden of guiding Sri Lanka out of its worst-ever economic crisis now falls on him. Protesters remain in the streets. Anger over power cuts and shortages of food, fuel and medicine is unabated. Yet somehow Mr Wickremesinghe must persuade his people to endure more pain, because the reforms needed to turn Sri Lanka round will involve further sacrifice.

It is a shame parliament did not pick a more inspiring figure. Mr Wickremesinghe was first elected to the legislature in 1977 and has served as prime minister six times. His most recent stint came this year, under Mr Rajapaksa, whose older brother had just stepped down from the role. That does not sit well with the protesters, who, shamefully, set fire to Mr Wickremesinghe's home on July 9th. Their demands involved his resignation, not his promotion. Few Sri Lankans think he deserves the presidency. Many see him as a puppet of the Rajapaksas, whose party vaulted him into the top job.

All that will make it difficult for Mr Wickremesinghe to unite the country. Yet he seems bent on making the task even harder. His cabinet is nearly the same as his predecessor's. His hand-picked prime minister is a friend of the Rajapaksa family. He has also displayed an authoritarian streak, calling the protesters "fascists", imposing a curfew and declaring a state of emergency. A day after he was sworn in, Mr Wickremesinghe ordered troops, using force if necessary, to remove protesters who had already promised to leave the president's office.

Restoring political stability should be Mr Wickremesinghe's priority. A lighter touch would help. To his credit, he has let protesters remain in designated areas not far from his new place of work. He could create more goodwill and boost his legitimacy by inviting members of the opposition into the government. Better still, he should set a timeline for new elections to demonstrate his commitment to democracy. Holding a vote immediately would waste precious time and resources. But by next spring the parliament will have reached its halfway mark and, as president, Mr Wickremesinghe will have the power to dissolve it. Why not then?

Negotiating a bail-out with the imf is the president's second big task. Mr Wickremesinghe has been admirably honest about Sri Lanka's predicament. The country is "bankrupt", he has admitted. The Rajapaksas ran up billion-dollar debts on vanity projects, then enacted policies—such as cutting taxes and adding government jobs—that increased the budget deficit. Doing the opposite would be a start. The new government should aim to shrink the public-sector wage bill by cutting jobs, salaries or both. Taxes will have to rise. Some money could be made by selling off state-owned enterprises, such as the national airline.

Mr Wickremesinghe is preparing Sri Lankans for the pain ahead, but he must do more. The economic crisis will probably last until at least the end of next year. Creditors will drive a hard bargain in negotiations over restructuring the country’s debt. Many people would prefer to hear these hard truths from someone else. But those who know Mr Wickremesinghe insist that he is a canny political operator with a mind of his own. Now is the time for him to prove it. ■

After the downturn

The silver linings of a recession

Lower inflation and greener energy are worth the price of a short downturn

Jul 27th 2022

Predicting a global recession usually means standing out from the crowd. Today it is those saying the world economy will avoid a downturn who are sticking their necks out. America's Federal Reserve is leading a broad charge to tighten monetary policy, and has raised interest rates by 2¼ percentage points since March. It is expected to impose another point of tightening by December. Europe is short of natural gas because of falling supplies from Russia. Chinese growth has slowed sharply as a result of the lockdowns that stem from its zero-covid policy, and worries are mounting over its fragile property markets.

So gloomy is the mood that many investors are asking whether a recession has already arrived. It is a hard question to answer. The pandemic has played havoc with economic indicators. Inflation has caused consumer confidence to plunge, but when asked about their personal finances rather than the whole economy, people are much cheerier. America's disappointing gdp figures do not tally with other measures of output or employers' growing payrolls. Manufacturing surveys register their weakest results since the early days of the pandemic, but that may be because consumers are still rebalancing their spending after the worst phase of the pandemic (there is less buying of home-gym equipment, but more queuing in airports). Even China's slowdown could help Europe narrowly, by reducing global demand for liquefied natural gas.

The Economist

Regardless of whether economies are already shrinking, it is hard to see how they can avoid a recession over the next year as monetary tightening bites and Europe heads into a bleak winter. The silver lining is that both higher interest rates and the energy shock will bring gains that should strengthen the world economy in the long run.

Some recessions feed on themselves as indebted households cut their spending or defaults cascade through a fragile financial system. With a few exceptions, such as Canada's frothy housing market, today's big economies suffer from few such vulnerabilities. In fact, households and companies look strong.

The bank balances of the poorest American households are around 70% fatter than they were in 2019. Even the threat of an emerging-market financial crisis—the usual worry when the Fed raises rates—is not what it once was. That is in part because of a switch towards debts denominated in local currencies rather than dollars.

The main global economic fault line is inflation. Thankfully, it is still short in the tooth. The last time the Fed tightened monetary policy so dramatically, in the early 1980s, prices had more than doubled over the previous decade. Today the figure is just 29%, because inflation only took off last year. Though America's economy has badly overheated, long-term inflation expectations remain modest. The best historical analogy is probably not the prolonged battle with stagflation of the 1970s but the burst in consumer prices that followed the mass disruption of the second world war. The downturn that brought that inflation to an end was shallow and left few scars. A mild recession should squeeze price rises out of the economy this time, too. Already, markets are betting that American prices will rise by about 3.8% over the next year, less than half the current inflation rate.

Elsewhere the main impetus for inflation is soaring global food and energy prices and disrupted supply chains, which are raising the price of imported goods. Some shortages are already easing. Wheat prices are down by nearly 40% from their recent peak in May. Oil prices have also been falling lately. Supply chains are recovering. Unfortunately, Europe's gas shortage is getting worse. Though governments are doing their best to shield consumers from the consequences, if rationing becomes necessary, industrial production and hence gdp will fall, perhaps steeply in exposed economies like Germany. Even as output shrinks, inflation will rise further.

Yet in the same way that a downturn should purge the American economy of its inflation problem, so Europe could emerge from recession having overcome its complacency about the supply of energy. Policymakers have belatedly realised that a carefully managed shift to clean energy also eases their dependence on autocratic regimes.

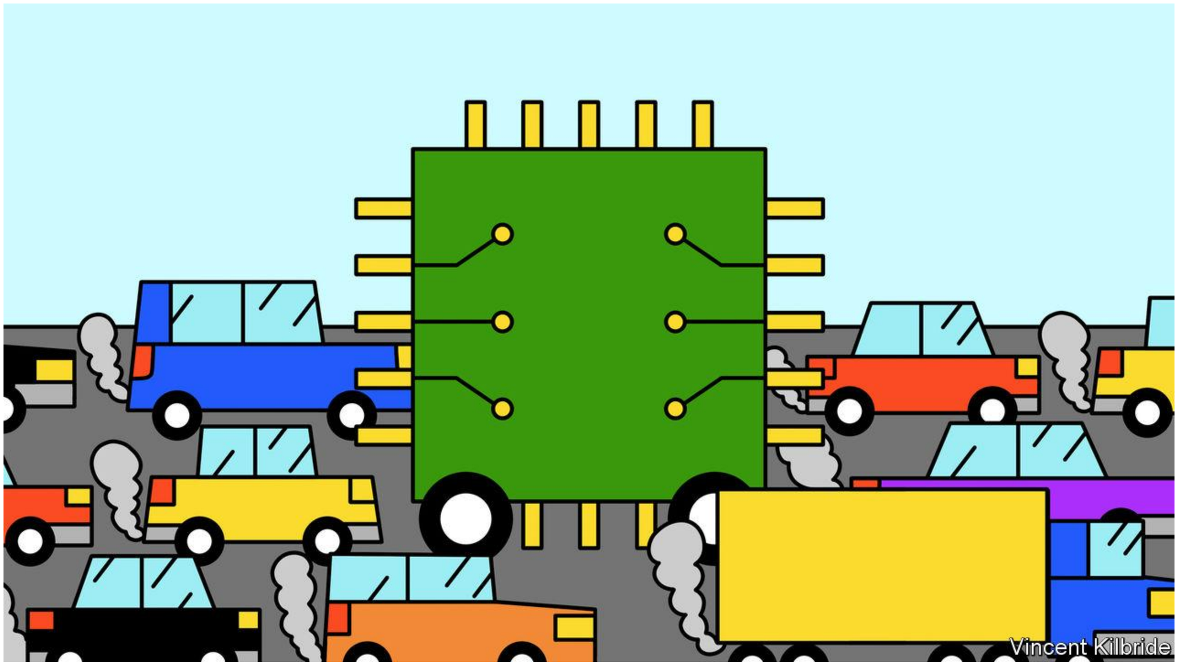
Around the world, investment in renewable energy is surging and governments that were previously sceptical about nuclear power—an essential part of a low-carbon energy grid—are reconsidering their opposition to it. Even Japan, which suffered the Fukushima disaster in 2011, is hoping to restart more nuclear reactors. If the world emerges from the coming downturn with inflation under control and on the path to greener, more secure energy supplies, the pain will not have been for nothing. ■

Cloudburst

The era of big-tech exceptionalism may be over

America's technology giants are facing unfamiliar limits to growth

Jul 27th 2022



In the digital world, the laws of physics can be suspended on a programmer's whim. Equally, that world's corporate architects have seemed able to defy economic gravity. Since 2005 the digital share of American gdp has risen by a third, to 10%. America's tech oligopoly—Meta, Alphabet, Amazon, Microsoft and Apple (maama, if you will)—has outpaced even that breakneck growth. Collectively, maama's revenues and profits have swelled by nearly 20% a year on average over the past decade, while America eked out nominal annual gdp growth of less than 4%. Covid-19 may have cramped physical lives, but it enriched digital ones—thereby also enriching big tech as never before.

This year gravity has asserted itself once more. The tech-heavy nasdaq index is down by a quarter since January, half as much again as America's broader stockmarket. Profitless not-so-big tech has been dragged down by anaemic revenue growth and high interest rates, which make the far-off earnings of firms like Snap look less valuable today. More surprising, despite generating piles of cash in the here and now, the giants are also feeling the tug of reality. On July 26th Alphabet reported its slowest quarterly sales growth since the bleak early months of the pandemic. Its share price rallied, though not enough to offset recent falls and only because expectations were even worse. A day later Meta said its sales fell year on year, for the first time ever.

America's technology titans are suddenly having to contend with forces that have long plagued old-economy ceos: gummed-up supply chains, protectionism, worker shortages and competition. For maama, these constraints are something of a novelty. Its bosses had better get used to them.

One limit is geography, often forgotten in a world of seamless global supply chains and largely borderless cyberspace. In so far as the tech giants peddle physical bits and bobs rather than digital bytes, they are sharing in the pain of supply disruptions. In April, Apple (which like Amazon was due to report its results after we went to press) warned that its revenues would be $4bn-8bn lower than expected in the second quarter, chiefly because of supply-chain snags in China, where factories are locked down with unnerving severity every time a case of covid turns up. Ingenious inventory-management software has not spared Amazon—which, like conventional retailers such as Walmart, misjudged what shoppers wanted and when—from extra costs.

Barriers are being put up on the internet, too, as places from the European Union to India become more protective of their citizens' data and of their own digital darlings. That is a worry for Alphabet, Meta and Microsoft, which, outside firewalledChina at least, face few barriers to selling their digital services.

Another limit has to do with talent. Tech firms are not used to scrabbling around for the best programmers. However, having dislodged banks and consultancies as graduates' dream employers, big tech is finding it hard to recruit. One reason is the sheer size of maama's collective workforce, which has grown nearly seven-fold in the past ten years, to 2.2m. The bigger the payroll the harder it is to replenish, let alone expand. Big tech also faces stiffer competition from other industries, all of which these days manifest a degree of techiness minus the controversies that have sullied big tech's reputation.

The last limit is maama's markets. As businesses such as e-commerce revert to pre-covid growth rates, the pandemic looks less like the start of an era of endless digitisation, and more like a one-off step-change. As they become commonplace, tech offerings are behaving like other staples. As Alphabet and Meta show, digital ads, once thought immune to the business cycle, may be turning as procyclical as the offline sort.

Be it online ads or shopping, the cloud or smartphones, tech markets are more mature—and mature markets grow more slowly, especially when regulators are no longer ignoring them. In many areas incumbents' fat margins are being competed down. Amazon, for example, is investing heavily in its advertising business, Alphabet's forte; Alphabet, meanwhile, is spending billions to get a foothold in the cloud, which is Amazon's.

MAAMA mia, can you grow again?

The giants of tech may yet rediscover their reality-distorting magic. Amazon's $3.9bn purchase this month of One Medical, an American health-care provider, is only the latest maama effort to conquer one of the last remaining under-digitised markets big enough to move the needle for a trillion-dollar firm. They may once again conjure up an all-new market, as Apple did with the iPhone's app economy and hopes to repeat with augmented reality. Until that happens, though, the era of big-tech exceptionalism is probably over. ■

War and hunger

Somalia needs urgent help to avert a catastrophic famine

Saving lives will also involve talking to terrorists

Jul 28th 2022

In the contest to win recruits and funding, Africa's jihadists aim for notoriety. Al-Qaeda's affiliate in Burkina Faso has booby-trapped bodies to kill doctors. Islamic State West Africa Province has beheaded captives. Boko Haram in Nigeria has strapped ticking bombs to children and sent them into mosques and markets. But al-Shabab in Somalia can claim to top this list of savagery. America's military command for Africa calls it "al-Qaeda's fastest-growing and most kinetically active affiliate". It has abducted thousands of children to use as soldiers, slaves and child brides. It has targeted schools and hospitals. Despite all that, the world needs to talk to al-Shabab.

The reason is that Somalia faces a famine. The worst drought in 40 years is killing livestock and causing crops to shrivel. Russia's invasion of Ukraine has exacerbated the crisis by raising grain prices, meaning that farmers and herders cannot afford to supplement their diets. Roughly 7m people, or 40%

of Somalia's population, are struggling to find enough food to eat. Around 1.4m children are severely malnourished. Experts say that, unless urgent action is taken, this famine may be even deadlier than the one that claimed more than 250,000 Somalis in 2011.

The first step towards averting calamity is for the world to send more aid, quickly. A rapid response in 2017 prevented a drought in Somalia from turning into a disaster. Cash sent early is spent more efficiently, so less money is needed. Unfortunately, the funding today is falling far behind the targets laid down five years ago. Although America pledged an additional $476m on July 24th, the total raised so far is only 46% of the $1.5bn the un says is needed in Somalia. Others should also do their part.

The next step is where al-Shabab comes in. For the food to get to the hungry, aid groups must negotiate with the jihadists, who control large swathes of the countryside in central and southern Somalia. At the moment, little help gets through to people in these areas because aid workers are afraid of being kidnapped or killed. As a result, starving families risk long, dangerous journeys to squalid informal camps on the edge of cities. By the time they set out, their children are often too weak to survive.

Countless lives would be saved if the food made its way to people in the countryside, rather than the other way round. But negotiating access with al-Shabab takes aid workers into morally hazardous territory. In previous famines the jihadists forced humanitarian groups into handing over cash. This imposed a dire choice on aid agencies: "Pay off al-Shabab, a listed 'terrorist' organisation, or let people die," said a report by the Overseas Development Institute, a British think-tank. Some groups, such as the un's World Food Programme, temporarily withdrew from southern Somalia. Others agreed to pay as much as $10,000 for access, putting them at risk of criminal prosecution under laws banning the financing of terrorists.

Although the president, Hassan Sheikh Mohamud, elected this year, has said he would talk to al-Shabab when the time was right, there are plenty of reasons to balk at dealing with it now. The group would be largely in control of where and how food is distributed, helping it coerce Somalis. The jihadists will want to deny the government credit for supplying the aid, by controlling whose logos feature on lorries when it is delivered. Payments by aid organisations would make al-Shabab stronger. Meanwhile, charities have concluded that if they are accused of supporting jihadists donors may abandon them, hindering their work elsewhere.

None of that is good for the security of Somalia or the region. But the world faces a trade-off: to shun al-Shabab and watch a famine claim perhaps hundreds of thousands of lives; or to talk to al-Shabab in order to get food to the starving in the knowledge that the jihadists will grow stronger. Caught between evils, the world should choose the lesser of the two. ■

Letters

- **On gas markets, priests, Shakespeare, China, folk cuisine, turning 65, games**

On gas markets, priests, Shakespeare, China, folk cuisine, turning 65, games

Letters to the editor

A selection of correspondence

Jul 28th 2022

Letters are welcome via e-mail to letters@economist.com

Europe’s gas market

Your leader on “Europe’s coming winter peril” (July 16th) was timely. However, the current price gaps in European gas markets are more a reflection of physical congestion than a reflection of fear that the single gas market will break down. Until last year, spreads between hubs (gas-trading places) were often below €1/mwh ($1/mwh). Today, some spreads reach €50/mwh. Why? Gas flows have changed.

Previously most gas flowed from east (Russia) to west. In the first half of this year, Russian pipeline supplies to Europe decreased by 29bn cubic metres. Liquefied natural gas replaced almost all of it. But with most lng terminals located in the western part of Europe, gas now often needs to flow in the opposite direction. So what we see is physical congestion at borders (for example, from Britain to the continent, and from Spain to France) and these are reflected in price gaps. A reallocation of existing transmission capacities and targeted investments could address the most pressing gaps.

Market forces ensured that gas continued to flow to those who most needed it. There are reasons to worry about keeping the single European Union gas market in place, but price gaps are not one of them.

dennis hesseling
Head of gas
eu Agency for the Co-operation of Energy Regulators
Ljubljana, Slovenia

Celibacy in the priesthood

I wish to express my appreciation for your article on sex abuse and the Catholic church ("[The unending storm]", July 16th). However, presenting celibacy as the root cause of abusive behaviour is scientifically untenable. In fact, all independent studies (governmental, like the Royal Commission reports in Australia, and those conducted by public universities) conclude that abolishing clerical celibacy is not the solution to the sexual abuse crisis as such, as celibacy is not the root cause of sexual abuse. Your assumption that married Protestant clergy, or, for that matter, Orthodox priests, or rabbis or priests of other religions, are less abusive than celibate Catholic clergy has not been scientifically substantiated. On the contrary, the few large-scale studies looking into abuse committed by Protestant clergy show that the allegations are not far in proportion from those concerning Catholic clergy.

"Do away with celibacy and you won't have abuse" is a dangerous slogan, because it does not address the deeper institutional challenges, above all the question of how power is exercised. A big part of the problem is the existence of a closed-church system, or "fortress mentality", when members seek to protect the institution before the individual.

The new Safeguarding Institute that I head is attempting to correct these failings and conduct research into the causes of abuse. We are under no illusion about finding short-term solutions; aiming for a "culture with absolutely no abuse" is Utopian. The goal is to reduce the opportunities and make it as impossible as can be for abuse to happen, always putting the victim-survivor at the centre.

hans zollner
Director
Institute of Anthropology
Pontifical Gregorian University
Rome

The fair youth

Sadly, Johnson's knowledge (July 16th) of Shakespeare's sonnets does not compare to that of my high-school English teacher. The subject of "Sonnet XVIII", "Shall I compare thee to a summer's day?", was a young man, not a young woman.

martin johnston
Reno, Nevada

Chinese nationalism

"Heading down a dangerous path" (July 16th) worried that China's Communist Party may find it hard to keep the force of nationalism under control. There are signs of it running amok already. Faced with the outpouring of hatred on Chinese social media after the shooting of Abe Shinzo, even Zhao Lijian, the pugnacious foreign-ministry spokesperson, felt compelled to distance himself from such online remarks and stress Mr Abe's contributions towards improving China–Japan relations.

The prominence of hardline nationalists in public discourse has arisen from a combination of the party's unwillingness and inability to rein them in, but moments like these seem to indicate that the party is becoming more unable than unwilling.

james jiang
New York

Food parts unknown

You write, in regards to Molly Yeh's adaptation of *challah*, a bread of Jewish origin, that it is senseless to defend "ossified" categories of food against their fusion with elements from other cuisines ("The braids of a loaf", July 9th). As you say, today's traditional foods are themselves the product of influences and ingredients that were once foreign.

In the past, however, the adaptation of foreign elements into folk cuisines was slow, and limited. Contacts with foreigners were minimal, and new ingredients appeared infrequently. What innovations cooks did make had to be in keeping with the overall character of the existing folk tradition, what bakers of *challah* call *tam*, the traditional and characteristic flavour of Yiddish cooking.

The danger of adopting a freewheeling attitude towards culinary fusion is that so many changes will be made to each cuisine that their individual characters will be lost. We may come to live in a world where there is much good food, but it will be a world without *tam*. Lovers of traditional cuisines should resist this.

harry rosenberg
University of Texas at Austin

Will you still feed me?

In two months' time I will turn 65 and thus join the ranks of those care-home bound, snowy-headed, mentally fossilised reactionaries depicted in your piece on Britain's demography ("Autumn leaves", July 16th). Currently I am fortunate to be fit and well, have hair the same mousy colour as in my 20s, can still answer the occasional question on "University Challenge" and am politically and socially liberal, which is why I read *The Economist*. It seems that in a few short weeks I can expect all that to change. My one hope is that the *Daily Express* may work out a little cheaper.

simon hancock
Surbiton, Surrey

Playing games

Speaking as an experienced dungeon master, I can say with some confidence that as excellent as the "Oregon Trail" and "Haj Trail" computer games may be, they do not belong to the category of "role play" ("To be a pilgrim", July 9th).

byron the bard
Blackmoor, Hampshire

By Invitation

- **Jack Watling on how Ukraine can avoid a war of attrition**
- **Abe Shinzo’s legacy encompasses the Indo-Pacific, says his former speechwriter**

Russia and Ukraine

Jack Watling on how Ukraine can avoid a war of attrition

A large-scale counterattack is possible. But Ukraine must not strike Russia prematurely, says the military expert

Jul 25th 2022

RUSSIA'S INVASION of Ukraine on February 24th brought about a desperate scramble among allies for weapons to equip the Ukrainian armed forces. Countries prioritised sending what was immediately available, and what the Ukrainian military could use with minimal training. But as the war drags on, a Ukrainian victory now requires its friends to be more methodical in the support they provide.

The gruelling battle in the eastern city of Severodonetsk illustrates the challenges faced by Ukrainian forces as they prepare for the next round of fighting. Russia's success there was achieved in three stages. First, Russian armoured thrusts to the north and south brought the roads leading to Severodonetsk into artillery range, preventing Ukraine from setting up its own artillery to defend the city. Second, Russian infantry attacks on the city forced Ukrainian forces to defend unsupported positions. Third, Russian artillery killed and wounded thousands of Ukrainian soldiers.

There is now a lull in the fighting. Ukraine has withdrawn to a more defensible line to the west, while Russian forces have paused to bring up freshly mobilised units and reposition their guns. As they regroup, Ukraine and its partners must answer two questions. How can they prevent Russia from repeating what it did in Severodonetsk? And how can Ukraine begin to retake its lost territory?

The first step is to defang Russia's military. Poor training and low morale among its troops have made the Russian military dependent on artillery fire as its foremost means of killing the enemy, or driving them backwards. At the height of the fighting for Severodonetsk Russian forces were firing 20,000 rounds a day, and they are thought to have sufficient ammunition reserves to keep this up for several years.

But this dependence on artillery is also a major vulnerability. Because Russia has limited stocks of precision weapons, and even fewer personnel with the training to operate them, it relies on the mass application of unguided shells. These must be moved from large depots and stockpiled before being shuttled to Russian batteries by logistics units. The scale of materiel involved means that these stockpiles cannot be readily concealed, making them a relatively easy target. As Ukraine has demonstrated over the past two weeks, precision long-range rocket strikes can effectively starve Russia's artillery of ammunition.

However, that merely suppresses Russia's guns rather than removing the threat, since Russia can just move more ammunition forward. How long Ukraine can sustain this suppression depends on the number of rockets its partners are able to provide. The other important question is what Ukraine does with the freedom created by the lifting of Russian fire. Without the threat of constant shelling, it should be possible for Ukraine to step up its attacks on Russia's guns themselves.

For this, Ukraine will need its allies to provide a consistent supply of 155mm artillery ammunition for its newly acquired NATO-built howitzers. Ukraine is rapidly burning through its stocks of Soviet-legacy 152mm ammunition, and so must transition to NATO systems if it is to destroy Russia's guns. Ukraine will also need plenty of unmanned aerial vehicles to locate targets. Russia is using electronic warfare to prevent Ukrainian drones from collecting accurate location data. One way to suppress that interference would be to provide Ukraine with anti-radiation loitering munitions: essentially, munitions that can home in on the emissions given off by Russian jammers.

The final means by which the Russian military can be defanged is through the destruction of its command-and-control infrastructure. Unlike the destruction of ammunition, which only suppresses Russia's artillery, the destruction of headquarters—and therefore of trained operators who are familiar with Russia's battlespace management systems—will have a more permanent effect. These people cannot be replaced quickly. Their deaths will slow down the Russian invasion.

These steps combined may cripple Russia's ability to seize more Ukrainian territory. But a true Ukrainian victory will also require liberating territory that has already been captured. This will demand a large-scale counteroffensive. Here, it is important to appreciate that some Ukrainian military units are more capable than others. The best, comprising around five brigades—a brigade typically comprises 2,000-4,000 troops—are highly skilled and have a wealth of military experience.

These units, however, have been at the forefront of the defence throughout the past five months, have suffered heavy casualties, and are exhausted. The bulk of Ukraine's military today is made up of conscripts who have received just days of training and have been learning on the job. While distributing some personnel from existing units among the conscripts has helped to raise standards, these units lack experienced commanders who can co-ordinate combined-arms actions. If Ukraine is to conduct a major counteroffensive and ultimately drive the Russian army out, these individuals must be properly trained and prepared. Infantry usually receive 28 weeks of training; Ukrainian volunteers being trained in Britain are receiving just three.

Ukraine's partners could provide training to both command staff and new recruits. But it is also important to ensure that Ukraine does not launch a counterattack before its forces are fully prepared. Otherwise it risks incurring heavy casualties. Now that Ukraine's survival is assured, its international allies must properly evaluate the scale and timeframe required to bring about victory. Ukraine can win this war, but it needs the sustained support of its friends. ■

Dr Jack Watling is Senior Research Fellow for Land Warfare at the Royal United Services Institute (RUSI), a defence and security think-tank.

Japan

Abe Shinzo's legacy encompasses the Indo-Pacific, says his former speechwriter

He adopted his favourite mantra from Margaret Thatcher, according to Taniguchi Tomohiko

Jul 22nd 2022

THE JAPANESE government has decided to hold a state funeral by the end of September for Abe Shinzo, the late former prime minister. There is only one precedent for this in the country's post-war history: Yoshida Shigeru, a former prime minister, was given a state funeral in 1967. Abe's 'Churchillian' contribution to the nation thus will be etched in history.

I first worked with Abe as his foreign-policy speech writer when he addressed the joint house of the Indian Parliament in the summer of 2007. He will be remembered as the leader whose political vision encompassed the Indo-Pacific. He saw the strength in amassing the Quad democratic nations (Australia, India, Japan and America) to balance China's rising military power. And 15 years ago, he was among the few who held that China should be met with deterrence, rather than engagement. Today many in Washington, DC and London echo his views.

When he returned for his second term as prime minister in 2012 he realised that he had not tackled the root cause of Japan's economic malaise in his first term: the dearth of growth. The Japanese mind, once entrepreneurial, had lost self-confidence. The triple disasters of an earthquake, a tsunami and the meltdown at the Fukushima nuclear-power station exacerbated the situation. In short, many in the country were as down as he had once been. They must rise again, he thought, just as he himself had recovered from the ulcerative colitis which robbed him of his first term in office.

His new mantra? There is no alternative, or TINA. An ardent admirer of Margaret Thatcher, the iron lady, he was fond of using the term when describing what ought to be done. He must rekindle enthusiasm among the young. Women should aspire to shake corporate Japan and change its ways. Tokyo should champion the rules-based liberal trading order, and let the country and its people face competition from abroad. Japan should come out of its post-war anti-military mould to finally work as a collective unit with America's armed forces, especially around Taiwan.

His accomplishments are many. Economically, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership could not have taken shape, argues Malcolm Turnbull, Australia's former prime minister, had it not been for Abe's resolve. The same is true of the EU-Japan Economic Partnership Agreement, a wide-ranging trade and investment pact. Because of Abe the Japanese Self-Defence Forces can now protect American ships and aircraft around the clock, even during peacetime, which would have been unthinkable a decade ago. Britain and Japan are closer now than at any time since the demise of the Anglo-Japanese Alliance in 1921.

His domestic achievements were numerous, too. During his time in office the female labour-participation rate (for women aged 15-64) surpassed that of America in 2014. And 98 out of 100 job-seeking college graduates found decent employers. In 2018 Japan's rate of child poverty declined to 13.5%, the lowest since 2000. Abe steered Japan as the country rejoiced at a new emperor taking the throne in 2019, and at Japan beating Scotland at the Rugby World Cup. Perhaps it was too good to last. In 2020 Japan suffered from the covid-19 pandemic and Abe's chronic illness, previously under control, robbed him of the premiership once again.

Other missions were left unfinished. Abe met Vladimir Putin 27 times. Driven solely by his desire to reduce Russia's military threat, he sought a deal with the Russian leader. The effort bore no fruit. Mr Putin was among the few in Moscow interested in an agreement with Tokyo. But the Russian leader, Abe eventually realised with bitterness, would not act without support. And after the invasion of Ukraine, Abe knew that Tokyo and Moscow were back where they were in 2013. Now Japan faces simultaneous military threats from three nuclear powers: Russia, North Korea and China. The situation is without precedent.

With Abe now gone, TINA should still hold. Japan has no choice but to strengthen its economy, enhance its defence capacities and nurture its alliances and partnerships. Abe argued recently that America's strategic ambiguity over Taiwan would serve only to invite more provocations from the Chinese. That is because Beijing knows that the military balance across the Taiwan strait has tipped in its favour. Japan, like many countries in the region, is engaged in a long game with China. It must show commitment, continuity and consistency, as Abe did. The void he has left will long remain unfillable.■

Taniguchi Tomohiko is a professor at Keio University in Japan. He wrote foreign-policy speeches for the late Abe Shinzo, Japan's former prime minister.

Briefing

- [A dark state]

A dark state

Vladimir Putin is in thrall to a distinctive brand of Russian fascism

That is why his country is such a threat to Ukraine, the West and his own people

Jul 28th 2022

What matters most in Moscow these days is what is missing. Nobody speaks openly of the war in Ukraine. The word is banned and talk is dangerous. The only trace of the fighting going on 1,000km to the south is advertising hoardings covered with portraits of heroic soldiers. And yet Russia is in the midst of a war.

In the same way, Moscow has no torch processions. Displays of the half-swastika "z" sign, representing support for the war, are rare. Stormtroopers do not stage pogroms. Vladimir Putin, Russia's ageing dictator, does not rally crowds of ecstatic youth or call for mass mobilisation. And yet Russia is in the grip of fascism.

Just as Moscow conceals its war behind a "special military operation", so it conceals its fascism behind a campaign to eradicate "Nazis" in Ukraine.

Nevertheless Timothy Snyder, a professor at Yale University, detects the tell-tale symptoms: "People disagree, often vehemently, over what constitutes fascism," he wrote recently in the *New York Times*, "but today's Russia meets most of the criteria."

The Kremlin has built a cult of personality around Mr Putin and a cult of the dead around the Great Patriotic War of 1941-45. Mr Putin's regime yearns to restore a lost golden age and for Russia to be purged by healing violence. You could add to Mr Snyder's list a hatred of homosexuality, a fixation with the traditional family and a fanatical faith in the power of the state. None of these come naturally in a secular country with a strong anarchist streak and permissive views on sex.

Understanding where Russia is going under Mr Putin means understanding where it has come from. For much of his rule, the West saw Russia as a mafia state presiding over an atomised society. That was not wrong, but it was incomplete. A decade ago Mr Putin's popularity began to wane. He responded by drawing on the fascist thinking that had re-emerged after the collapse of the Soviet Union.

This may have begun as a political calculation, but Mr Putin got caught up in a cycle of grievance and resentment that has left reason far behind. It has culminated in a ruinous war that many thought would never happen precisely because it defied the weighing of risks and rewards.

Under Mr Putin's form of fascism, Russia is set on a course that knows no turning back. Without the rhetoric of victimhood and the use of violence, Mr Putin has nothing to offer his people. For Western democracies this onward march means that, while he is in power, dealings with Russia will be riven by hostility and contempt. Some in the West want a return to business as usual once the war is over, but there can be no true peace with a fascist Russia.

For Ukraine, this means a long war. Mr Putin's aim is not only to take territory, but to crush the democratic ideal that is flourishing among Russia's neighbours and their sense of separate national identity. He cannot afford to lose. Even if there is a ceasefire, he is intent on making Ukraine fail, with a fresh use of force if necessary. It means that he will use violence and totalitarianism to impose his will at home. He is not only out to crush a free Ukraine, but is also waging war against the best dreams of his own people. So far he is winning.

War is peace

What is Russian fascism? The f word is often tossed around casually. It has no settled definition, but it feeds on exceptionalism and *ressentiment*, a mixture of jealousy and frustration born out of humiliation. In Russia's case, the source of this humiliation is not defeat by foreign powers, but abuse suffered by the people at the hands of their own rulers. Deprived of agency and fearful of the authorities, they seek compensation in an imaginary revenge against enemies appointed by the state.

Fascism involves performances—think of all those rallies and uniforms—laced with the thrill of real violence. In all its varieties, Mr Snyder says, it is characterised by the triumph of the will over reason. His essay was entitled "We should say it. Russia is fascist". In fact the first to talk about it were Russians themselves. One of them was Yegor Gaidar, the first post-Soviet prime minister. In 2007 he saw a spectre rising from Russia's post-imperial nostalgia. "Russia is going through a dangerous phase," he wrote. "We should not succumb to the magic of numbers but the fact that there was a 15-year gap between the collapse of the German Empire and Hitler's rise to power and 15 years between the collapse of the ussr and Russia in 2006-07 makes one think…"

By 2014 Boris Nemtsov, another liberal politician, was clear: "Aggression and cruelty are stoked by the television while the key definitions are supplied by the slightly possessed Kremlin master…The Kremlin is cultivating and rewarding the lowest instincts in people, provoking hatred and fighting. This hell cannot end peacefully."

A year later Nemtsov, by then labelled a "national traitor", was murdered beside the Kremlin. In his final interview, a few hours before his death, he warned that "Russia is rapidly turning into a fascist state. We already have propaganda modelled after Nazi Germany. We also have a nucleus of assault brigades…That's just the beginning."

Vladimir Solovyov fights the libs

Nobody has signalled the growing influence of fascism more loudly than Mr Putin and his acolytes. Far from Moscow's prosperous streets, the Kremlin has marked tanks, people and television channels with the letter z. The half-swastika has been painted on the doors of Russian film and theatre critics, promoters of "decadent and degenerate" Western art. Hospital patients and groups of children, some kneeling, have been arranged to form half-swastikas for posting online.

In the 1930s Walter Benjamin, an exiled German cultural critic, analysed fascism as a performance. "The logical result of fascism is the introduction of aesthetics into political life," he wrote. These aesthetics were designed to supplant reason and their ultimate expression was war.

Today the two faces of the war on television, Vladimir Solovyov and Olga Skabeeva, are caricatures of Nazi propagandists. Mr Solovyov is often dressed in a black double-breasted Bavarian-style jacket. Ms Skabeeva, severe and chiselled, has a hint of the dominatrix. They project hatred and aggression. They and their guests decry the West for having declared war on Russia and plead theatrically with Mr Putin to reduce it to ashes by unleashing the full might of Russia's nuclear arsenal.

This fantasy Armageddon is matched by real violence, the basis of the relationship between the Russian state and its people. A Levada poll commissioned by Committee Against Torture (now itself blacklisted) showed that 10% of the Russian population has experienced torture by law-enforcement agencies at some point. There is a culture of cruelty. Domestic abuse is no longer a crime in Russia. In the first week of the war young women protesters were humiliated and sexually abused in police cells. Nearly 30% of Russians say torture should be allowed.

Atrocities committed by the Russian army in Bucha and other occupied cities are not just excesses of war or a breakdown in discipline, but a feature of army life that is spread more widely by veterans. The 64th Motor Rifle Brigade, which allegedly carried out the atrocities, was honoured by Mr Putin with the title of “Guards” for defending the “motherland and state interests” and praised for its “mass heroism and valour, tenacity and courage”. The brigade, based in the far east, is notorious in Russia for its bullying and abuse.

Like much else coming from the Kremlin, fascism is a top-down project, a move by the ruling elite rather than a grassroots movement. It requires passive acceptance rather than mobilisation of the masses. Its aim is to disengage people and prevent any form of self-organisation. The Kremlin and television bosses can turn it up and down. In the early years of his presidency Mr Putin used money to keep the people out of politics. After the economy stalled in 2011-12 and the urban middle class came out on the streets to demand more rights, he stoked nationalism and hatred. During the political calm after the annexation of Crimea in 2014 fascism was turned down as suddenly as it had come up.

Its resurgence in 2021-22 followed the decline in Mr Putin’s legitimacy, protests against the poisoning and arrest of Alexei Navalny, an opposition leader, and the growing alienation of younger Russians who are less susceptible to television propaganda and more open to the West. To them Mr Putin was an ageing, vengeful and corrupt grandpa who had a secret palace exposed by Mr Navalny’s much-watched YouTube film in 2021. Mr Putin needed to turn the volume back up again and Ukraine offered him the means.

Freedom is slavery

Russian fascism has deep roots, going all the way back to the early 20th century. Fascist ideas flourished among White émigrés after the Bolshevik revolution and they were partly re-imported to the Soviet Union by Stalin after the war. He feared that a victory over fascism, won with America and Britain, would empower and liberate his own people. So he turned Soviet success into the triumph of totalitarianism and Russian imperial nationalism. He re-branded war allies as enemies and fascists hellbent on destroying the Soviet Union and depriving it of its glory.

In the decades that followed, fascism was constrained by official communist ideology and by Russians' personal experience of fighting the Nazis alongside the Western allies. After the Soviet collapse, however, both of these constraints disappeared and the dark matter was released. In addition, the liberal elite of the 1990s completely rejected the old Soviet values, sweeping away a strong tradition of anti-fascist literature and arts.

All the while fascism had festered undercover, within the kgb. In the late 1990s Alexander Yakovlev, the architect of democratic reforms under Mikhail Gorbachev, talked openly about the security services as a cradle of fascism. "The danger of fascism in Russia is real because since 1917 we have become used to living in a criminal world with a criminal state in charge. Banditry, sanctified by ideology—this wording suits both communists and fascists."

Such ambiguity was on full display in "Seventeen Moments of Spring", a hugely popular 12-part television series made on the kgb's orders in the 1970s. On the face of it, the series was nothing more than an attempt to rebrand the Stalinist secret police. Yuri Andropov, then kgb chief and later Soviet leader, wanted to glamorise Soviet spies and attract a new generation of young men into the service. As it turned out, the programmes helped introduce a Nazi aesthetic into Russia's popular culture—an aesthetic that would eventually be exploited by Mr Putin.

Russian, not Ukrainian, fascism

The hero is a fictional Soviet spy who infiltrates the Nazi high command under the name Max Otto von Stierlitz. He is a high-ranking *Standartenführer* in the ss, whose mission is to foil a secret plan forged between the cia and Germany near the end of the war. Played by the best-loved Soviet actors, the Nazis in the film are humane and attractive. Vyacheslav Tikhonov, who played the role of Stierlitz, was a model of male perfection. Tall and handsome, with perfect cheekbones, he shone in a sleek Nazi uniform that had been tailored in the Soviet defence ministry.

Ordinary Russians were mesmerised. Dmitry Prigov, a Russian artist and poet, wrote: “Our wonderful Stierlitz is the perfect fascist man and the perfect Soviet man at the same time, making transgressive transitions from one to the other with subduing and untraceable ease...He is the harbinger of a new age—a time of mobility and manipulativeness.”

Mr Putin was the beneficiary. In 1999, just before he was named as Russia’s president, voters told pollsters that Stierlitz would be one of their ideal choices for the office, behind Georgy Zhukov, the Red Army’s commander in the second world war. Mr Putin, a former kgb man who had been stationed in East Germany, had cultivated the image of a latter-day Stierlitz.

When vtsiom, one of the pollsters, repeated the exercise in 2019, Stierlitz came in first place. “An inversion has occurred,” the pollsters said. “In 1999 Putin seemed the preferred candidate because he looked like Stierlitz; in 2019 the image of Stierlitz remains relevant because it is being implemented by the country’s most popular politician.” On June 24th this year a statue to Stierlitz was unveiled in front of the Foreign Intelligence Service (svr) headquarters that was part of the Soviet kgb.

For Mr Putin, the fascist aesthetic is matched by a distinctively Russian fascist philosophy. He and most of his former kgb peers embraced capitalism and rallied against liberals and socialists. They also projected the humiliation they had suffered in the first post-Soviet decade onto the whole country, portraying the end of the cold war as a betrayal and defeat.

Their prophet is Ivan Ilyin, a thinker of the early 20th century who was sent into exile by the Bolsheviks in the 1920s and embraced fascism in Italy and Germany. Ilyin saw fascism as a “necessary and inevitable phenomenon… based on a healthy sense of national patriotism”. He provided justification for their self-appointed role as the state’s guardians. As such, they were entitled to control its resources.

After the second world war, Ilyin rejected what he saw as Hitler’s errors, such as atheism, and his crimes, including the extermination of the Jews. But he retained his faith in the fascist idea of national resurgence. In 1948 he wrote that “fascism is a complex, multifaceted phenomenon and, historically speaking, far from being outlived.” Accordingly, Mr Putin embraced religion, rejected anti-Semitism and eschewed collective leadership for his own direct rule, confirmed by plebiscites.

Ilyin’s book, “Our Tasks”, was recommended by the Kremlin as essential reading to state officials in 2013. It ends with a short essay to a future Russian leader. Western-style democracy and elections would bring ruin to Russia, Ilyin wrote. Only “united and strong state power, dictatorial in scope and state-national in essence” could save it from chaos.

The Ilyin work Mr Putin is said to have read and reread is “What Dismemberment of Russia Would Mean for the World”, written in 1950. In it the author argues that Western powers will try “to carry out their hostile and ridiculous experiment even in the post-Bolshevik chaos, deceptively presenting it as the supreme triumph of ‘freedom’, ‘democracy’ and ‘federalism’…German propaganda has invested too much money and effort in Ukrainian separatism (and maybe not only Ukrainian)”.

In 2005, following the first popular uprising in Ukraine, known as the Orange revolution, Mr Putin called the collapse of the Soviet Union the greatest geopolitical catastrophe of the 20th century. Drawing on anti-Ukrainian feelings in Russia, he then set his country on a path of confrontation with the West. That same year Ilyin’s body was brought back to Russia from Switzerland, where he had died in exile in 1954. Mr Putin reportedly paid for the gravestone from his own savings. In 2009 he laid flowers on Ilyin’s grave.

Ignorance is strength

The fact that Mr Putin has embraced fascist methods and fascist thinking holds an alarming message for the rest of the world. Fascism works by creating enemies. It makes Russia the brave victim of others’ hatred even as it justifies feelings of hatred towards its real and imagined foes at home and abroad.

Dmitry Medvedev, a former president and “moderniser”, recently posted on social media: “I hate them. They are bastards and degenerates. They want us, Russia, dead…I’ll do all I can to make them disappear.” He did not bother to say who he had in mind. But Russia’s hostility has three targets: the liberal West, Ukraine and traitors at home. All of them need to take stock of what Russian fascism means.

Mr Putin has long sought to undermine Western democracies. He has supported far-right parties in Europe, such as National Rally in France, Fidesz in Hungary and the Northern League in Italy. He has interfered in American elections, hoping to help Donald Trump defeat the Democrats.

Even if fighting stops in Ukraine, the devotee of Ilyin in the Kremlin will not settle into an accommodation with Western democracies. Mr Putin and his men will do everything in their power to battle liberalism and sow discord.

For centuries Russia has been partly European, but Kirill Rogov, a political analyst, wrote recently that the war in Ukraine enabled Mr Putin to cut off that part of its identity. As long as Mr Putin is in power, Russia will build alliances with China, Iran and other anti-liberal countries. It will, as ever, be in the ideological vanguard.

The outlook for Ukraine is even more bleak. A few weeks after the start of the war Ria Novosti, a state news agency, published an article that called for the purging "of the ethnic component of self-identification among the people populating the territories of historical Malorossia and Novorossia [Ukraine and Belarus] initiated by the Soviet powers."

Ukraine, Mr Putin said, was the source of deadly viruses, home to American-funded biological labs experimenting with strains of coronavirus and cholera. "Biological weapons were being created in direct proximity to Russia," he warned.

On Russian state television, Ukrainians are called worms. In a recent talk show Mr Solovyov joked: "When a doctor is deworming a cat, for the doctor it is a special operation, for the worms it is a war and for the cat it is cleansing." Margarita Simonyan, the boss of rt, a state-controlled international tv network, stated that "Ukraine cannot continue to exist."

The purpose of the invasion is not just to capture territory but to cleanse Ukraine of its separate identity, which threatens the identity of Russia as an imperial nation. Along with its punitive forces, the Kremlin has also dispatched hundreds of schoolteachers to re-educate Ukrainian children in the occupied territories. It equates an independent sovereign Ukraine with Nazism. Either Ukraine will cease to exist as a nation state or Russia itself will be infected by the idea of emancipation that will destroy its imperial identity.

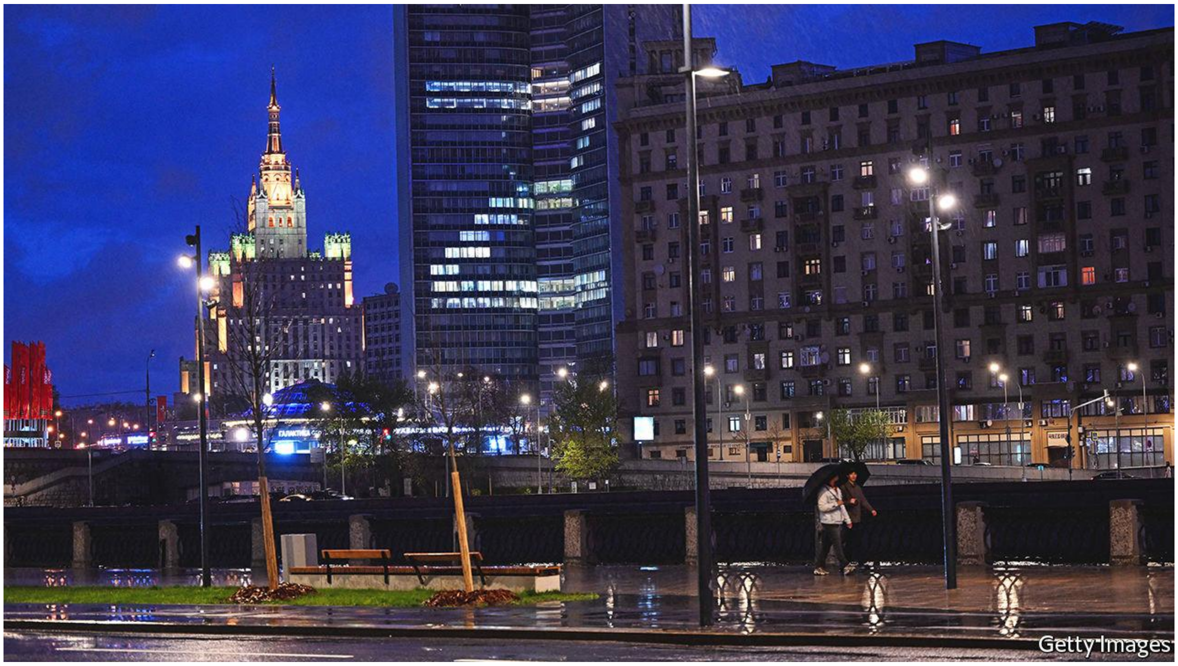
The bleakest of all is the outlook for Russia. Mr Putin did not plan on a war of attrition. He imagined that a strike on Kyiv would rapidly lead to a new regime in Ukraine and the submission of Ukrainian society to his will. So far, Mr Putin has failed to defeat Ukraine. But he has succeeded in defeating Russia.

Talk of bodily contamination and cleansing is not limited to Ukraine. Russia also contains alien elements—oyster-slurping, *foie-gras*-eating traitors who mentally live in the West and are infected with ideas of gender fluidity. The Russian people, Mr Putin declared in a tv address, will "simply spit them out like an insect in their mouth" leading to "a natural and necessary self-detoxification of society".

Like Stalin, Mr Putin distrusts and fears the people. They need to be controlled, manipulated and, when necessary, suppressed. He excludes them from real decision-making. As Greg Yudin, a Russian sociologist, argues, they are needed for the ritual of elections that demonstrate the legitimacy of the ruler, but the rest of the time they should be invisible. Mr Yudin calls this attitude "people on call".

The war changed everything. As Hitler told Goebbels in the spring of 1943, "the war…made possible for us the solution of a whole series of problems that could never have been solved in normal times". Soon Mr Putin was able to impose de-facto military rule and censorship. He blocked Facebook, Twitter and Instagram and any remaining independent media, isolated the country from poisonous Western influence and chased anyone who objected to the war out of the country. Any public statement that challenges the Kremlin's version of events in Ukraine is punishable by a 15-year prison sentence.

Gregory Asmolov, of King's College London, argues this new political reality was unimaginable only months ago and is the Kremlin's most significant achievement in the conflict. The war has enabled Mr Putin to transform Russia into what Mr Asmolov calls a "disconnective society". He wrote that "These efforts are driven by the notion that it's impossible to protect the internal legitimacy of the current leadership and keep citizens loyal if Russia remains relatively open and linked up to the global networked system."



Z is not for Zelensky

So far Mr Putin’s aim has been to paralyse Russian society rather than rally the crowds. The show of unity and mobilisation is achieved by television operating in the information space cleared of alternative voices. Among television viewers—mostly people over 60—more than 80% support the war. Among 18- to 24-year-olds, who get their news from the internet, it is less than half. This is perhaps why the symbolic representatives of the z-operation are not working men and women, but a *babushka* with a red-flag and an eight-year-old “grandson”(painted on murals and imprinted on chocolate wrappers, respectively). They are the ideal television viewers and reality-show extras.

The combination of fear and propaganda produces what Mr Rogov calls an “imposed consensus”. The state publicises opinion polls showing that the majority of Russians support the “special military operation”. The main reason people support Mr Putin is that they think everybody else does, too. The need to belong is powerful. Even when people have access to information, they “simply ignore it or rationalise it, just to avoid destroying the concept of self, country and power…created by propaganda,” notes Elena Koneva, a sociologist.

The engine of fascism does not have a reverse gear. Mr Putin cannot turn back to a reality-based brand of authoritarianism. Expansion is in its nature. It will seek to expand both geographically and into people's private lives. As the war drags on and casualties mount, the question is whether Mr Putin can mobilise the passive majority or whether they start to grow restive. The elites in the Kremlin, the army and the security services will watch closely.

Two plus two make four

Victor Klemperer, a German Jew who fought in the first world war and survived the second, wrote that "Nazism permeated the flesh and blood of the people through single words, idioms and sentence structures which were imposed on them in a million repetitions." His book, "The Language of the Third Reich", describes how the dissociating prefix *ent-* (de-) gained prominence in Germany during the war.

As Russian tanks stormed Ukraine in the small hours of February 24th, Mr Putin began his war against Ukraine with that same dissociating prefix. The goal, he said, was *denatsifikatsia* (de-Nazification) and *demilitarizatsia* (de-militarisation). Ria Novosti, the state news agency, later added that "De-Nazification inevitably will be also de-Ukrainisation."

"Germany was almost destroyed by Nazism," Klemperer wrote, "The task of curing it of this fatal disease is today termed 'de-Nazification'. I hope, and indeed believe, that this dreadful word…will fade away and lead no more than a historical existence as soon as it has performed its current duty…But that won't be for some time yet, because it is not only Nazi actions that have to vanish, but also…the typical Nazi way of thinking and its breeding-ground: the language of Nazism." ■

Asia

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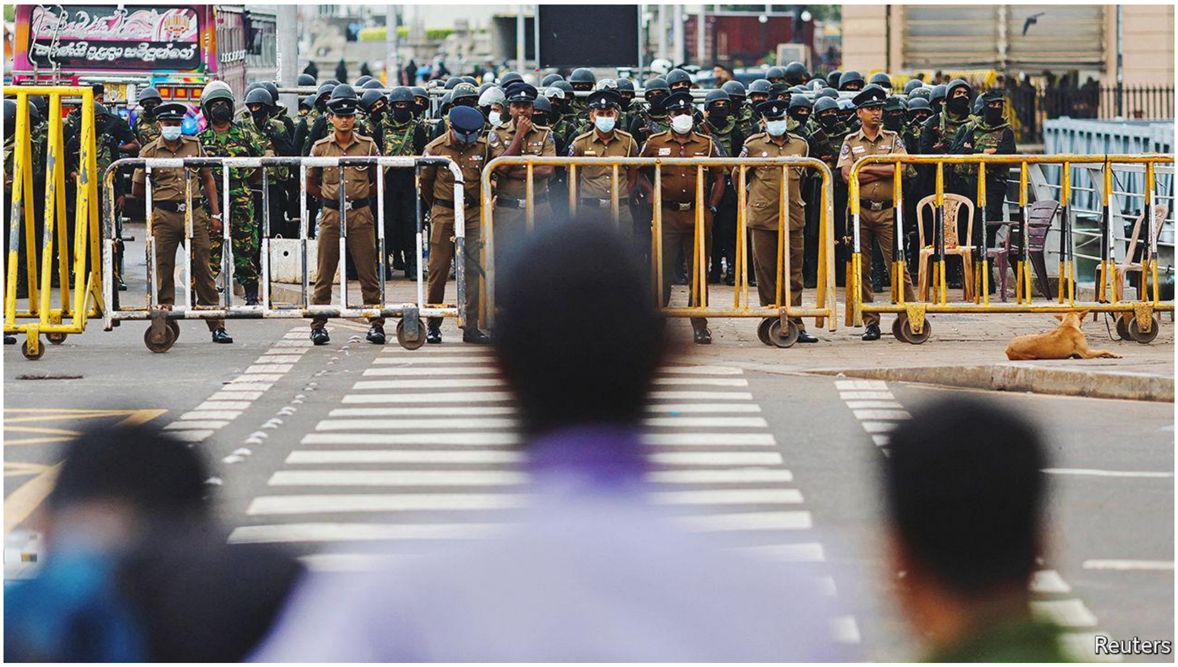
Obstacle course

What it will take to fix Sri Lanka's economy

A long period of painful reforms, and yet more misery for Sri Lankans

Jul 28th 2022 | COLOMBO



On the evening of July 21st, a relaxed mood prevailed in Sri Lanka's presidential secretariat on the seafront of Colombo, the capital. A handful of protesters milled about in the entrance hall, which they had occupied on July 9th and turned into a library full of donated books. They said they were planning to return the premises to the state the following day, having succeeded in driving from office Gotabaya Rajapaksa, the disgraced former president.

The new government had other ideas. Not long after, in the early hours of July 22nd, soldiers and police in riot gear evicted the remaining protesters from the building, tore down their tents outside and put up metal barricades. They arrested several protesters and injured a handful badly enough to send them to hospital.

The raid was an inauspicious start to the presidency of Ranil Wickremesinghe, who was elected by parliament on July 20th, one week after Mr Rajapaksa fled the country (he resigned the next day). The new president is already unpopular. Many Sri Lankans disapproved of his willingness in recent months to work with the former one. He accepted the job of prime minister in May after the leader of the opposition refused to take it without a guarantee that Mr Rajapaksa would resign.

Suppressing protests is unlikely to inspire goodwill among the public. Yet goodwill is precisely what Mr Wickremesinghe will need over the coming months. Without it, his government is unlikely to survive the pain it is about to inflict in order to return the country to some semblance of economic stability.

Mr Rajapaksa's departure has helped calm the political mood in the country, but it has done nothing to change its economic predicament. Sri Lanka defaulted on its external debts in May. The rupee has lost almost half of its value against the dollar since the central bank abandoned its peg in March. Inflation was 55% in June; the bank's governor expects it to hit 70% before it begins to decline. Food-price inflation has already passed 80%. Government revenue, at around 8% of gdp, covers less than half of spending, which is closer to 19%. The lack of foreign currency means that heavily regulated imports such as fuel and medicine remain scarce while others are eye-wateringly expensive.

Fixing the mess will be extremely difficult. The immediate concern for Mr Wickremesinghe's government is addressing its debt problem by coming to an agreement with the International Monetary Fund (imf), and unlocking fresh credit. Those close to the negotiations say the latest round of talks in June went well. Yet the imf is closely watching the new government's relationship with the opposition, which could end up in charge of seeing through a three-year imf programme (Sri Lanka's 17th). It does not help that the country has a history of not completing programmes if it suits politicians.

But even if the government convinces the imf that there is broad support for reforms, negotiations with creditors must be completed before the Fund can begin disbursing money. China and Japan are Sri Lanka's biggest bilateral creditors, each accounting for 10% of its $32bn in external debt. Private bondholders hold about a third. China, which has lent big sums to other economies that are now also facing trouble, is seen as reluctant to accept incomplete repayment (a so-called "haircut") lest it set a precedent. It prefers to roll over debt. Other creditors are unlikely to accept haircuts if China will not. Meanwhile, hedge funds specialising in distressed debt have begun to buy up Sri Lankan bonds and will demand to be paid back in full, further complicating negotiations. Optimists say the imf board could approve the deal—the last step before funds are released—as early as the end of the year. Others see talks dragging on for a year or longer.

Even in the best-case scenario, ordinary Sri Lankans face an extremely difficult couple of years. In an effort to tame inflation, the central bank has sharply raised interest rates twice since April, to 15.5%, in effect forcing a recession. Almost two-thirds of Sri Lanka's 8m workers are employed in the informal economy and depend on daily wages. Many have already lost their jobs. Many more will do so over the coming months. Even those who manage to find work will find the value of their wages much reduced by inflation, as it will be months before the central bank's policies start to temper it. Inequality will rise, too, as professionals on dollar incomes will feel the squeeze less than those earning wages in rupees.

The impact of monetary tightening will be compounded by similar policies on the fiscal side. To fulfil the conditions of the imf programme, the government will be forced to cut spending and raise taxes. A pay freeze in the public sector and stays on infrastructure investment may curtail spending, but deep cuts will be difficult given that expenditure on welfare payments will have to rise to cushion the impact of the crisis. So the main emphasis is likely to be on raising revenue.

In his previous job as prime minister, Mr Wickremesinghe had already restored some taxes cut by Mr Rajapaksa's government in 2019, raising the value-added tax from 8% to 12%. If the current government decides to finish the job, the corporation tax would return to 30%, from 24%, and the top rate of income tax would rise to 34%, from 18%. Even then, the government would still have to find more money.

It could remove corporate-tax exemptions in a range of sectors, broaden the tax base (only a fraction of the population pays income tax) and sell off state-owned enterprises such as Sri Lankan Airlines. Though possibly beneficial in the long term, in the short term such policies will cost jobs and compound the misery of an already beleaguered country. The economy is expected to shrink by at least 7% this year.

Opposition members believe that Mr Wickremesinghe is serious about reform. But they are dubious about his cabinet, which contains many of the same people who watched over Mr Rajapaksa's mismanagement. "Nobody in this new cabinet has ever been in favour of reform," says Harsha de Silva of Samagi Jana Balawegaya, an opposition party. "Now they will suddenly advocate for it in parliament?"

Adding reform-minded members of the opposition to the cabinet would go some way towards addressing those concerns, as well as adding legitimacy to Mr Wickremesinghe's government. Once he has set the course, the new president may be best off acknowledging that, like his country, he is living on borrowed time. Over the past few months, many Sri Lankans who enthusiastically voted for his predecessor's party three years ago have changed their minds. A country heading for painful reform can ill afford this mismatch between the people and their representatives. Only fresh elections can resolve it. ■

A fine balance

Pakistan may be able to avoid a full-blown economic crisis

But only if everything goes right

Jul 28th 2022

On the list of unfortunate economies that markets think might soon follow Sri Lanka into debt default and economic crisis, Pakistan sits near the top. It relies heavily on imported food and energy. As commodity prices have soared, its current-account balance has widened and hard currency has drained away. In the past year, Pakistan's foreign-exchange reserves have shrunk by more than half, to just over $9bn, about six weeks' worth of imports. Its currency, the rupee, has lost 24% of its value against the dollar in 2022. Many reckon that a crisis is inevitable.

Not Murtaza Syed. A former employee of the International Monetary Fund (imf) now serving as acting head of Pakistan's central bank, Mr Syed believes the country is well equipped to survive its current troubles. It is thanks only to lazy markets' unwillingness to take a nuanced view of individual countries' circumstances that Pakistan finds itself lumped in with other, more endangered economies.

Mr Syed has something of a point. At 74% of gdp, Pakistan's public-debt load is high for a poor country, but below the level of many other vulnerable economies. Importantly, it owes much less to foreigners, and does not rely very heavily on bond markets. Pakistan's funding problems mostly stem from bad timing; it owes a lot to external creditors over the next year, at a time when global financial conditions are deteriorating and the cost of imports is spiking. If it can survive this pinch point, Mr Syed reckons, things will look up.

Hopes for survival received a big boost on July 13th, when the government concluded an agreement with the imf to revive a pre-existing bail-out arrangement, clearing the way for about $1.2bn to flow in. With that money, Pakistan just about has the financing to meet an estimated $35bn in external obligations over the next year. Crucially, the imf's renewed involvement should dissuade big creditors (including China) from demanding immediate repayment; rolling over those debts would meet nearly a third of Pakistan's funding needs. The agreement might also convince markets that they have underestimated Pakistan's financial health.

The problem with this plan is that it leaves little margin for error. Pakistan's current-account deficit, which mostly reflects that more is being spent on imports than foreigners are spending on Pakistan's exports, is responsible for a huge share (about a third) of its projected financing needs over the coming year. If in the coming months that deficit turns out to be larger than anticipated then the sums no longer add up. Weak inflows of capital, because of reduced investment or remittances, could also upset the delicate balance. Maintaining market confidence will be crucial. imf reports on the economy may well help in this regard, particularly if the new government shows that it is making progress towards its ambitious goals for trimming its budget deficit, which last year stood at 6% of gdp. But establishing that credibility will take time.

And time may not be on Pakistan's side. As the troubles of the emerging world grow, markets are showing signs of becoming less discriminating, not more. This pervading gloom may help explain why Mr Syed has gone on a public-relations offensive. Yet in these conditions, markets do not seem especially inclined to listen. ■

Desperate measures

Myanmar’s brutal junta has brought back the death penalty

By executing four activists, it hopes to intimidate the public

Jul 28th 2022 | SINGAPORE

Monday july 25th was a slow news day, judging by the front page of the *Global New Light of Myanmar*, a newspaper controlled by that country’s military regime. The vaccination drive against covid-19 “continues in various states”, went one headline; “Sagaing Region accounts for 60% of Myanmar’s honey production”, boasted another. If the *New Light* were not such a consistently boring paper, one might surmise that the front page had been designed to deter readers from turning to page two, where the eagle-eyed might have noticed a brief article recording the execution of four men over the weekend.

The brevity of the story was inversely proportional to its significance. Though the army, or Tatmadaw, as it is known, has killed more than 2,000 Burmese extrajudicially since seizing power in a coup in February last year, these official executions are the first in decades. A country which had thought itself inured to the army’s savagery is reeling once more.

Two of the victims were well-known democracy activists who had long crusaded against the Tatmadaw, which has ruled Myanmar for most of the past 60 years, barring a decade-long experiment with hybrid democracy that ended with last year's putsch. Phyo Zeya Thaw (pictured) was a rapper and former mp in the government of Aung San Suu Kyi, the country's de facto leader until she was ousted in the coup. Kyaw Min Yu, better known as Ko (Brother) Jimmy, rose to fame as a student leader of a mass uprising against army rule in 1988. In the last era of military rule, both spent years languishing in prison because of their activism.

That is where they returned last year. Since the coup, tens of thousands of Burmese have taken up arms against the Tatmadaw. The regime accused Ko Jimmy and Mr Phyo Zeya Thaw of orchestrating some of these attacks (Ko Jimmy's wife denies the allegations). The other two men, Hla Myo Aung and Aung Thura Zaw, were charged with murdering an army informant. All four were tried by military tribunals, reportedly without legal counsel. The executions are said to have been carried out in the early hours of July 23rd. That the junta went to the trouble of dispatching these four men through the courts suggests it is attempting to apply a veneer of legitimacy to its campaign of murder—legitimacy being something General Min Aung Hlaing, who styles himself prime minister, desperately craves.

General Min Aung Hlaing did not anticipate that his coup would provoke such resistance. With these executions, he seems to have miscalculated again. Previous military regimes, hoping to seem benevolent, refrained from judicial executions and often released prisoners on death row when it served their interests, says Richard Horsey of Crisis Group, a think-tank in Belgium. Yet this time the regime has upped the ante. In doing so it has made martyrs of the foursome, and stiffened the resolve of the resistance, which is already retaliating.

The executions have drawn global condemnation. Having already sanctioned the Burmese top brass, their families and numerous state agencies, America now appears to be preparing further measures. The junta will shrug; the country has endured harsher Western sanctions before. It may, however, take more notice of its neighbours. The Association of South-East Asian Nations (asean), the ten-member club to which Myanmar belongs, is furious. Cambodia, which holds the chair this year, recently entreated the junta to show clemency. That its pleas have been so callously rebuffed is embarrassing.

Cambodia had been trying to convince its fellow members that engagement with Myanmar’s junta was the way forward. It seems likely to have lost that argument. asean had already prevented General Min Aung Hlaing and his foreign minister from attending ministerial meetings. Now Malaysia wants to demote Myanmar further, by barring it from sending political representatives. According to the Special Advisory Council for Myanmar, a group of former un experts, the executions show “that no one has the diplomatic leverage to curb” General Min Aung Hlaing. That realisation may be starting to sink in. ■

Australia and China are on speaking terms again

Both countries sound friendlier, but Australia is not changing its security policies

Jul 26th 2022 | SYDNEY

The break-up was slow and acrimonious. Australia first rankled China, its biggest trading partner, by passing laws to prevent meddling in its democracy, and by banning Huawei, a Chinese telecoms giant, from its 5g network in 2018. Then, in early 2020, as a mysterious coronavirus outbreak in the Chinese city of Wuhan grew into a pandemic, the Australian government called for an inquiry into the origins of the disease. That was the last straw. China huffed that Australia was "poisoning bilateral relations", curbed imports and stopped answering politicians' calls.

In a climate-focused election in May, Australians kicked out the conservatives who had been in office for nearly a decade and voted in a new centre-left Labor government. Ever since, the ice has begun to thaw. Two senior Chinese ministers recently met their Australian counterparts, the first such high-level talks in more than two years. A new Chinese ambassador to Australia, Xiao Qian, says he wants to break down suspicion between the two sides. He insists that "there is every reason for China and Australia to be friends and partners, rather than adversaries or enemies".

Australia's new government, led by Anthony Albanese, certainly wants a less confrontational relationship. Whereas the country's previous leaders complained loudly about China's human-rights abuses and the risks of war in Taiwan, Labor points diplomatically to "full and frank" discussions held in private. The defence minister, Richard Marles, "raised a number of issues of concern" with his Chinese counterpart, Wei Fenghe, in June. The foreign minister, Penny Wong, "spoke frankly and listened carefully" to her opposite, Wang Yi, at a meeting in Indonesia on July 8th. "This is the first step towards stabilising the relationship," Ms Wong argued.

There will be no returning to the old days, though. For years Australian politicians insisted that their country could strike an easy balance between deriving its security from its alliance with America and depending heavily on China for trade. Today security is given more weight. The new government is as concerned as the last about Australia's national interests, security and sovereignty.

China's actions, more than words, determine how Australians feel about it. They have worried for years about Chinese cyberattacks and attempts to bankroll political candidates. Now they are increasingly concerned about China's military aggression and its growing interest in their region. Over 60% of Australians say that China is "more of a security threat to Australia" than an economic partner, according to polling by the Lowy Institute, a think-tank in Sydney. That is a spectacular reversal—in 2018 the figure was only 12%.

The new government's response has been to "engage with as wide a group of partners as possible," says Justin Bassi of the Australian Strategic Policy Institute, a hawkish think-tank in Canberra, the capital. Mr Albanese was sworn in early so that he could attend a meeting of the Quad, a security grouping of America, Australia, India and Japan that seeks to counter Chinese influence. Ms Wong has criss-crossed the Pacific trying to offset China's growing sway among island states. Speaking to an American broadcaster, Mr Marles declared that he would build "a more effective military power aimed at avoiding a catastrophic failure of deterrence".

If anything, the bullying has strengthened Australia's resolve. Its economy has weathered China's trade restrictions surprisingly well. Most Aussies blame China, not their own politicians, for any economic fallout. That gives Australia's leaders more confidence to stand up for its interests. This month the Chinese government claimed that the relationship might "set sail again" if only Australia would "correct" its opinion of China in some fundamental ways, including treating China as a partner rather than an adversary, reversing negative public opinion and resisting "control by third parties" (meaning America). Australians scoffed. Their country, said Mr Albanese, "does not respond to demands". ■

Banyan

India’s Hindu-nationalist ruling party preaches social inclusion

In electing Droupadi Murmu as president, the Bharatiya Janata Party shows its awesome political nous

Jul 28th 2022

Savour, for a moment, the swearing-in this week of Droupadi Murmu as the 15th president of India. The office is largely ceremonial—like the monarchs of the United Kingdom that India’s founding fathers intended it to replace. But it is loaded with prestige and can be powerful. The president is not only head of state but titular commander-in-chief of the armed forces. She is the defender of India’s admirable constitution. And she devolves executive powers to the prime minister, whom she appoints. She also has it in her gift to dissolve the government, should it lose its majority.

Above all, the president can symbolise the kind of country India aspires to be. And here Ms Murmu’s election by the members of the national and state legislatures speaks volumes. She is only the second woman to be president and, strikingly, the first indigenous Indian. The country’s 120m-odd *adivasis*, members of tribal groups who live mostly in hilly or forested parts of the country, have long sat at the very bottom of Indian society's hierarchical heap, more marginalised even than the 232m Dalits, formerly known as "untouchables", of the Hindu caste system. Ms Murmu's personal journey is inspiring. The first in her village to go to college, she rose to be governor of Jharkhand state. In her first speech as president, she promised to fight for the downtrodden.

Also savour, if that is the word, the political imagination of the ruling Bharatiya Janata Party (bjp) under Narendra Modi in using its dominance to nominate and elect Ms Murmu to her five-year term. During Mr Modi's eight years as prime minister, the bjp has been a ruthless electoral juggernaut. It has promoted a Hindu-majoritarian view of India's past and future, and has harnessed the support of a powerful paramilitary movement that drew its early inspiration from Europe's pre-war fascist ones. Like them, it thrives on an us-versus-them sense of identity, with the country's 200m Muslims as the chief bogeymen.

Among bjp politicians, anti-Muslim [hate speech] is rife. Yet as India celebrates the 75th anniversary of its independence on August 15th, and when, in 2024, Ms Murmu anoints Mr Modi for a third term as prime minister, as he fully expects, the bjp can point to a powerful narrative of social inclusion. As Rahul Verma of the Centre for Policy Research in Delhi points out, bringing hitherto excluded groups into the power structure will not only help the bjp at home but also, it hopes, recast perceptions of India abroad. There is talk among Modi adepts of an emerging second republic, its past scrubbed of foreign influence (including Islam) and its present defined by a [Hindu state as envisioned by the bjp].

The fact that the bjp has stolen the natural ground of social justice from under the Congress party, which now heads an [enfeebled opposition], shows how far the grand old party has fallen. It would, argues Pratap Bhanu Mehta, a commentator, have done better to endorse Ms Murmu than to promote its own hackneyed candidate.

Opposition pettiness has been on most visible display, however, with the election of the vice-president, due on August 6th. Here the bjp's calculations are more nakedly political. Among other things, the vice-president presides over Parliament's upper house, where the bjp lacks a majority. It has chosen as its nominee a party henchman, Jagdeep Dhankhar, formerly a combative governor of West Bengal. One prominent opposition figure, Mamata Banerjee, chief minister of that state, knows him well as a past opponent. She might, therefore, have had every reason to try to thwart his election. Yet, throwing a tantrum, she refused to let her party back the (admittedly uninspiring) opposition candidate, complaining that she had not been consulted. Sometimes, the bjp hounds its political opposition. At other times, the opposition does its work for it.

As for Ms Murmu, with a dominant ruling party, a weak opposition and a craven press, her role as the guardian of India's constitution and governing institutions only grows in importance. More so, given the judiciary's often outrageous willingness to back the government's vendettas against its opponents. In the republic's early years, presidents were not afraid on occasion to push back against government excesses. Whether Ms Murmu will do the same is another matter. Many in the bjp intend to use the 75th anniversary celebrations to mark the coming of their second republic. And the bjp will certainly expect the new president to play her allotted part in it.

Read more from Banyan, our columnist on Asia:
Why Indonesia punches below its weight in global affairs (Jul 23rd)
Abe Shinzo left his mark on Asia and the world, not just Japan (Jul 14th)
What pandemic border closures say about Japan's view of outsiders (Jul 9th)

China

- Showing more bottle

Showing more bottle

Relations between China and Europe grow more tense

In a continent once keen on close ties with China, views have grown much warier

Jul 28th 2022 | PRAGUE

An old factory building in a former industrial district of Prague has been converted into one of the city's cultural highlights. It houses the dox Centre for Contemporary Art, a privately run gallery where a current exhibition takes aim at China and Russia. One picture shows China's leader, Xi Jinping, suckling a baby with the head of Vladimir Putin. In another the two presidents' faces are blended into one that gazes grimly forward (see picture). Below it are bottles resembling Molotov cocktails. They evoke "resistance from ordinary people", says the artist, Badiucao.

Renowned for his political satire, Badiucao grew up in China and now lives in Australia. His works in Prague reflect a view that is widely shared among European governments. It is that the challenge from China—once viewed as distant, ill-defined and less relevant to Europeans than to Americans—is now evident close to home. Shortly before Russia invaded Ukraine, Mr Xi and Mr Putin declared that their friendship had “no limits”. Especially among countries that were once part of the Soviet empire, such as the Czech Republic, Mr Xi’s moral support for Mr Putin is seen as menacing to European security.

European countries had been getting uneasy about China long before the war in Ukraine. Several had imposed curbs on its investment in critical infrastructure, such as telecoms networks. In 2019 the European Union began calling China a “systemic rival” (as well as a “partner” and “economic competitor”). Since then, governments that once hesitated to offend China, fearing economic reprisals, have become blunter. In recent days, the two contenders to take over as Britain’s prime minister have vied to show toughness on China: gone is the “golden era” of ties that officials proclaimed in 2015.

Europe’s new mood was evident at the opening in May of Badiucao’s exhibition. On the day before, someone claiming to be a Chinese diplomat telephoned Michaela Silpochova, dox’s artistic director. Ms Silpochova says she was told that if the exhibition went ahead, it would damage relations between her country and China. Not only did it proceed, but the Czech foreign minister, Jan Lipavsky, attended the opening ceremony. In a speech, he praised dox for hosting Badiucao’s work, in contrast with some other international venues that, he said, had given in to “justified or imagined fears of repression” by China.

China’s mood has changed, too. No longer do its officials and foreign-policy pundits speak so assuredly of a Europe that is straining at the American leash and that wants to deal with China as a business partner, not a potential enemy. “It would be hard for the us and Europe to co-ordinate to oppose the so-called China challenge,” said *Global Times*, a nationalist tabloid in Beijing, in 2020. China’s state-controlled media now seem less sure. These days they argue that America, in its struggle with Russia, is stifling Europe’s strategic autonomy and making it pay a heavy price for supporting Ukraine. In other words Europe is, at least for now, co-ordinating closely with America on security matters, despite the pain.

The Economist

Ties with Europe matter to China for two main reasons. One is economic: the eu is China's biggest trading partner (see chart) and has technology that China craves. The other is political: China hopes its economic clout will deter European governments from supporting American policies that China resents, on everything from human rights to dealings with Taiwan. The downturn in relations is therefore a blow to China's ambitions.

In an article published in June, Xin Hua, a scholar of European affairs at Shanghai International Studies University, attacked Western assessments that China is "losing Europe". Since the second world war, he said, European governments had usually "dodged and weaved" between China and America, and would continue doing so. In Europe, however, many analysts see an enduring shift towards China-scepticism. China's support for Russia is only part of the problem. There are many other concerns relating to everything from China's trade practices to its escalating human-rights abuses and the danger, highlighted by the covid-19 pandemic, of European over-dependence on China's economy.

The unravelling of China's European diplomacy is clear even in central and eastern Europe, where since 2012 it had been trying to create a bridgehead on the continent. In 2012 it launched a forum in the region for discussing trade, investment and cultural ties, calling it the "16 plus one" (the one being

China). Eleven of the members, including the Czech Republic, were also in the eu. In 2019 the group became the “17 plus one” when another eu country, Greece, became the first member from outside post-communist Europe. China hoped that their demand for infrastructure such as roads and ports would make them pliant. Greece set an example in 2017 by blocking an eu effort at the un to condemn China’s human-rights violations.

Plus, minus

As Thorsten Benner of the Global Public Policy Institute in Berlin puts it, the group has now “somewhat imploded”. Hungary remains strongly pro-China. But in February 2021 six other eu countries in the group failed to send their leaders to a virtual summit with Mr Xi (his first appearance at such an event). In May that year one of them, Lithuania, withdrew entirely: its foreign minister called the group “divisive”. Now the Czech Republic is mulling whether to leave, too. Like Lithuania, it says the group’s economic benefits have failed to match expectations.

Lithuania has gone a step further by beefing up its relations with Taiwan, which China claims as its territory. In November 2021 Lithuania allowed Taiwan to open an office in Vilnius, the capital, and call it the “Taiwanese Representative Office” instead of using the name “Taipei”, which Taiwan’s missions abroad usually adopt in order to avoid trouble. To China, “Taiwanese” suggests something more official. It abhors recognition of the island’s government.

China’s response has shaken the eu. It has blocked Lithuanian exports to China, as well as some products containing Lithuanian parts. The eu has called this a threat to the bloc’s internal market and has filed a complaint, backed by America, Britain and others, in the World Trade Organisation (wto). China’s action has boosted eu discussions about enacting an “anti-coercion instrument” that it could use to impose trade sanctions against external bullies.

China may not be quaking. wto disputes can take years to settle. The anti-coercion tool would require tricky discussions within the eu about how the group can avoid being dragged into fights by the wayward action of one member. Some European officials were uneasy about Lithuania allowing Taiwan to open an office with the offending name.

But the eu's anger over China's treatment of Lithuania is only one symptom of a deeper malaise. Last year the eu imposed human-rights-related sanctions on China for the first time since the crushing of the Tiananmen Square protests in 1989. The measures targeted four officials and an organisation deemed complicit in the persecution of Uyghurs in the Chinese region of Xinjiang. China hit back wildly, placing sanctions on a wide range of prominent European politicians, scholars and think-tanks. The European Parliament responded by shelving ratification of an agreement on bilateral investment that had been reached between China and the eu in 2020 with much (overblown) fanfare.

Probably more ominous, at least for China, have been unusually public signs of accord between America and its allies, including European countries, on issues relating to China. In June last year President Joe Biden held a series of summits with leaders of the g7, nato and the eu. Unusually, all of the meetings produced statements that suggested anxiety about China. The g7 called on it to uphold human rights in Xinjiang and Hong Kong; nato said it posed "systemic challenges to the rules-based international order and to areas relevant to alliance security". The statement mentioned Taiwan for the first time, calling for "peace and stability" in the Taiwan Strait. The eu one also used these words—not tough, but enough to rile China. Under Mr Biden, America has stepped up efforts to co-ordinate China-related strategies with European countries. "China is more likely to respond favourably if it cannot play one of us off against another," Janet Yellen, America's treasury secretary, told eu economic leaders in Brussels in May.

China has responded tetchily. During an online summit in April with eu chiefs, Mr Xi told Europe to "form its own perception of China" and "adopt an independent China policy", or so Chinese media paraphrased him as saying. The eu's head of foreign policy, Josep Borrell, called it a "dialogue of the deaf", with China keeping tight-lipped about its stance on Ukraine and on human-rights issues. "So, we could not talk about Ukraine a lot, but we did not agree on anything else," Mr Borrell said.

The mood after Merkel

In Europe, many eyes are on Germany, a country with huge clout in the eu and much to lose in China: it has big investments there in industries ranging from car-making to chemicals. Those who worry about China's shadow are not unhappy about Angela Merkel's departure from office in December. As Germany's chancellor, she had been at the forefront of eu efforts to keep relations with China from turning sour. In a phone call with her last September, Mr Xi noted a "high level of trust" between their countries.

Mrs Merkel's successor, Olaf Scholz, is guarded about his views on many matters, not least China. But his government is drafting a China strategy paper that is expected to be published late this year or early next. It is far from clear what tone it will set and how much it will deal with some of the trickiest problems, such as how systemic rivalry should affect co-operation in areas such as climate change or how to respond to China's threats against Taiwan. But Wolfgang Niedermark, a board member of the Association of German Industries, says many German firms have already accepted the need to reduce dependency on China. "They are more conscious of the risks and they are willing to pay a certain premium" to diversify, he says.

China appears in no mood for introspection. It blames nato's eastern expansion for provoking the war in Ukraine—seemingly oblivious to the security needs of some of China's partners in the (now) 16-plus-one group that also happen to be nato's newer members. In June *Global Times* blamed the European Parliament for what it described as the "increasingly hostile" public mood towards China in Europe. "The social and public opinion basis in Europe for co-operation and engaging with China is being gradually destroyed," it said. That much may prove to be true. ■

United States

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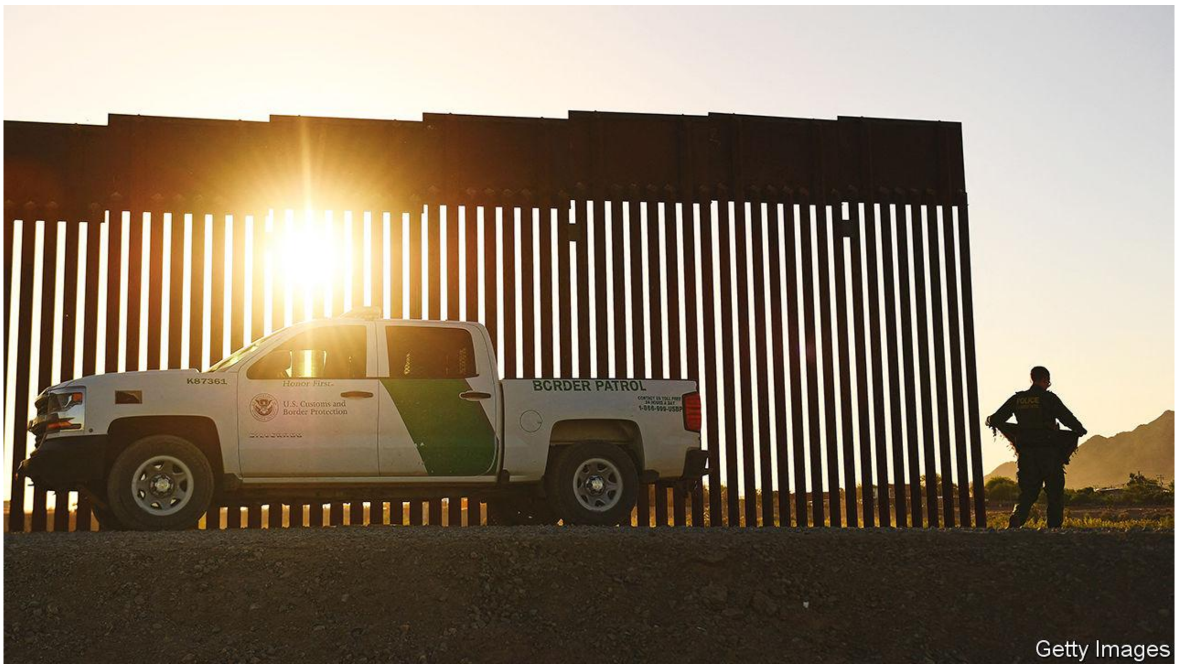
Immigration and the economy

A shortfall in immigration has become an economic problem for America

The real crisis is not border crossings but a shortage of new arrivals

Jul 28th 2022 | Washington, DC



Almost every day for four months buses carrying asylum-seeking migrants have disembarked near the heart of American power, just half a mile from Capitol Hill. So far more than 6,000 people have arrived on these buses, sent by the governors of Arizona and Texas in a none-too-subtle jab at what they see as President Joe Biden's weakness on immigration. It is the latest chapter in a decades-long fight over how to control entries from Mexico.

This border crisis has come to dominate media coverage and political debate about immigration in America. All the while, another crisis of the opposite sort is brewing: a broader decline in immigration. The resulting shortfall in the population is already making it harder for companies to find workers and threatens to do more damage to the economy. But whereas unauthorised border crossings are a perennial controversy, the drop in overall immigration has barely registered in Congress.

Net international migration—that is, accounting for both arrivals, whether authorised or not, and departures—added 247,000 to America's population between July 2020 and July 2021. That was the smallest increase in the past three decades, and less than a third of the annual average during that time. The covid pandemic explained much of the drop, as America barred international visitors from dozens of countries, closed consulates around the world and froze many applications.

But the decline began before covid. Net immigration has trended down since 2017, Donald Trump's first year in office. High-profile restrictions on travel from several predominately Muslim countries set the tone for his administration. Most important, it put sand in the gears of the immigration process by, for instance, adding interviews and raising fees. Emigration has been another factor. The number of Mexicans living in America peaked 15 years ago. Many older migrants have returned home. Indeed, for all the furore about the southern border, the estimated population of unauthorised immigrants in the United States has declined during that same period, from 12.2m in 2007 to perhaps 10m in 2020.

The Economist

The shortfall is visible in the labour market. Giovanni Peri and Reem Zaiour of the University of California, Davis, estimate that by February America was missing roughly 1.8m working-age foreign migrants relative to its post-

2010 trend (see chart). Industries with higher shares of migrant workers tend to have higher vacancy rates now. Strikingly, that is true across the skills spectrum.

Employers in the restaurant and accommodation sector, which draws a quarter of its employees from the foreign-born population, could not fill about 15% of job openings last year. In professional and business services, where the foreign-born make up a fifth of workers, doing everything from architectural sketches to tax preparation, roughly 10% of jobs went unfilled last year. That, in turn, may be contributing to higher wages, with pay rising especially quickly for low-income earners.

The fact that a decline in immigration could have such an impact is, on the one hand, unsurprising. New immigrants accounted for nearly 70% of the growth in the American labour force in the 2010s. Over the next two decades, immigrants are likely to be the only source of growth. The Pew Research Centre calculates that without new arrivals America's labour force would decline to 163m in 2040 from 166m in 2020. If net immigration were to return to pre-pandemic levels, the labour force would instead grow to 178m by 2040.

On the other hand, the relentless focus on America's southern border seems to have obscured the bigger picture. Even the Federal Reserve failed to note the remarkable drop in immigration as a cause of labour-market tightness in either of its monetary-policy reports to Congress last year. In February this year it acknowledged at last that reduced immigration had probably constrained the labour supply.

Businesses are noticing the gaps. In an analysis published on July 15th, the us Chamber of Commerce outlined how widespread the problems are. Just one out of every three individuals seeking standard employment visas or seasonal work visas was successful last year, while one in four applicants for highly skilled work visas will make the cut this year. Each of these visa categories is subject to quotas created in 1990. They "have not been sufficiently updated to serve our national interest," says Jon Baselice of the us Chamber.

Some delays are absurd. David Bier of the Cato Institute, a think-tank, estimates that Indians with degrees face a notional 90-year wait for green cards. From farm groups to theme-park associations, lobbyists have been asking the government to make it easier for American firms to hire from abroad. Silicon Valley's tech giants have long clamoured for the same, arguing that they need foreign tech talent to stay at the global leading edge.

There is, however, little prospect of real change. The last concerted attempt at comprehensive immigration reform fizzled out in 2013, blocked by Republicans. The idea then, still seen by many advocates as the holy grail, was to combine greater openings for foreigners to work in America with some legalisation of unauthorised migrants plus tighter border security. As it turns out, the only real movement has been on bolstering border controls, symbolised by Mr Trump's extension of the wall between America and Mexico. Lack of progress in expanding legal channels has pushed yet more migrants to view unchecked border crossings and asylum claims as their best route into America.

Some immigration experts, noting the failure of comprehensive reform, think piecemeal efforts may offer hope. But the legislative maths is daunting, requiring votes from ten Republican senators for anything to pass. Even within the Democratic Party, some officials are wary of looking soft on border security. "We are in a very defensive position," says a congressional aide close to immigration discussions. "It's important to continue to remind everybody about the extreme economic impact that inaction is having," says Bob Menendez, a Democratic senator.

There is no shortage of sensible ideas. Connecting migrants with employers before they reach America's southern border would reduce pressure on crossings and help businesses. Marianne Wanamaker, who served as an economic adviser in Mr Trump's White House, argues that getting rid of visa caps for specific occupations would also alleviate worker shortages. "We have tools available to us to resolve labour issues that we don't appear willing to use," she says. "That is the result of years and years of making immigration a third rail of American politics." The conclusion is a dismal one: the headaches of the past year from worker shortages, far from being temporary, will be a recurrent problem in an ageing America that has forgotten how immigrants made the country what it is. ■

Green-card blues

America's legal-immigration system remains gummed up

Donald Trump and the pandemic have done lasting damage

Jul 28th 2022 | Chicago

Getty Images

When lisa davies, an executive assistant, flew back to Britain in February with her eight-year-old American-born son, she did not expect to stay long. She and her husband have lived in Chicago for 16 years, on an investment visa. In the past, renewing it had been relatively simple. The pandemic slowed things down, however, and with Ms Davies's work permit about to expire, her employers sponsored her instead for an h1b, a new work visa. It was approved. But when she arrived at the American embassy in London to collect it, she was told that her application had been referred for "administrative processing". Five months later she is still waiting, while her husband and son stay in Chicago. "It hasn't been ideal," she says.

The hurdles foreigners face trying to live in (or move to) America have increased. Some 410,000 people are waiting for interviews with the State Department to get green cards, mostly through immediate relatives. They qualify; it is just a processing delay. In 2019, before the pandemic closed government offices, just 61,000 people were waiting for an interview. Since July last year the backlog has shrunk from 532,000. But only around 30,000 interviews are being scheduled a month, fewer than before the pandemic. The only reason the backlog is not growing seems to be that fewer people are being asked to an interview.

The number of fiancé visas, issued to foreign partners of Americans ahead of their weddings, has also fallen sharply. Permanent residents who want to become naturalised citizens now have to wait around a year, up from eight or so months before the pandemic. Last year 150,000 potential green cards for non-immediate family members, which are subject to a congressional cap, were "wasted", as they were not issued in time.

Green cards that are sponsored by employers are also subject to a cap, by country of origin. In the case of migrants from a few countries, in particular India, the number of qualifying candidates grotesquely exceeds the cap. Hundreds of thousands of workers who would be entitled to green cards remain tied to the employer that sponsored their original visa. Their children, if they were not born in America, risk being deported when they reach adulthood, even if they were toddlers when they arrived.

This gumming up is only partly due to the pandemic. Under the presidency of Donald Trump, staff imposed ever more burdens on us Citizenship and Immigration Services (uscis) while at the same time starving it of funding. "The Trump administration literally came very close to bankrupting uscis in 2020," says Greg Chen, of the American Immigration Lawyers Association. Congress stepped in with more money, but 20% of positions remain unfilled. Mr Chen says that, under President Joe Biden, uscis is at least trying to shrink backlogs instead of deliberately adding to them, but "this is systemic overload", and it may take years before it is reduced.

Return fire

California’s governor takes aim at Texas with a new gun law

Doubling down on a dubious legal manoeuvre

Jul 28th 2022 | Sacramento

Usually imitation is the sincerest form of flattery, but not for Gavin Newsom, California’s governor. On July 22nd he signed a law which copies Texas’s sb 8, a controversial act that lets private citizens sue people involved in administering or abetting abortion. Mr Newsom’s law lets private citizens sue people who are illegally involved with guns. Now Californians will be able to bring lawsuits against those who make, distribute and sell illegal assault weapons and gun parts that lack a serial number, as well as anyone who sells a firearm to someone under 21. Violators will have to pay $10,000 for each infraction, the exact penalty Texas specified.

“If they’re going to open that door…to put women’s lives at risk, I’ll do it to save people’s lives any day of the week,” Mr Newsom told *The Economist*. He has run an advertisement in Texan newspapers trumpeting California’s efforts to keep people safe from gun violence. It is a direct attack on Greg Abbott, Texas’s governor, who has pushed restrictions on abortion while loosening those on gun sales. Mr Newsom's office likes to remind people that in recent years California has had a lower per-head death rate in mass shootings than many southern states with more permissive gun laws.

The Golden State's new "bounty-hunter" law is important for two reasons. First, it shows how Mr Newsom is trying to position himself as a leading progressive voice nationally. Guns are a winning issue among Democratic voters, who favour more controls. Mr Newsom is rumoured to be considering a run for president in 2024, although he denies it. "It's just not happening," he says. "She [Vice-President Kamala Harris] is my friend."

Second, California is pushing the envelope with gun rules, creating potential "showdowns" with the Supreme Court, says Ken Miller, of Claremont McKenna College. The "bounty hunter" construct empowers individuals, rather than the state, to sue. Mr Newsom reckons if the Supreme Court were to find California's law invalid, it would have to throw out the one in Texas, which is similarly structured. But after its recent decision to scrap the constitutional right to abortion, the court could rule against California's bounty-hunter law without restoring abortion access in Texas (where a near-blanket ban goes into effect on August 25th).

The laws also differ in their reach. Whereas Texas's bounty-hunter law quickly limited access to abortion, California's is "unlikely to have any significant impact", predicts Adam Winkler, of the University of California, Los Angeles. It is already in effect illegal to buy assault weapons or sell guns to under 21-year-olds in California, so the law is mostly symbolic.

Some worry about the consequences of copying a mechanism which even the press release for the Californian gun law describes as "wrongheaded". The American Civil Liberties Union argues that "replicating the reprehensible Texas model only serves to legitimise and promote it". It is concerned about a "dangerous legal precedent" for other states to enact bounty-hunting laws. ■

Deus ex Manchina

Democratic hopes for a big spending bill are revived

The surprising Manchin-Schumer deal

Jul 28th 2022 | Washington, DC

Sometimes the senate resembles a zombie film: you can never be sure that what is dead will stay that way. So it was with Democratic ambitions for climate-change legislation. Two weeks ago party members were despondent after negotiations over legislation known as Build Back Better, a long-stalled spending package, between Chuck Schumer, the Democratic leader in the Senate, and Joe Manchin, the swing vote from West Virginia, seemed decisively broken. Now their hopes have been reanimated. On July 27th the two men announced a new deal that would include hefty spending to mitigate climate change. "Build Back Better is dead," wrote Mr Manchin in a statement announcing the newest avatar for Democratic dreams: the Inflation Reduction Act of 2022.

Although the outlined deal is a far cry from the $4trn proposal to transform America that President Joe Biden had pitched at the start of his administration, it is also a far cry from zero. The plan aims to raise $740bn over the next ten years by increasing tax enforcement by the Internal Revenue Service and by instituting a 15% minimum tax on corporations—bringing America in line with a global tax floor negotiated by the treasury secretary, Janet Yellen. The federal government would also at last be free to negotiate the prices it pays for prescription drugs, which would help release $288bn over the next decade, according to estimates by the Congressional Budget Office, a non-partisan scorekeeper.

Mr Manchin's influence is most apparent in the prescribed cocktail of spending: $300bn or so would go to paying off the national debt, one of his perennial areas of concern. Some $64bn is earmarked to extend subsidies for health-insurance premiums to those receiving coverage through Obamacare. And $369bn would be spent on "energy security and climate change"—the exact mix is as yet unknown.

Mr Manchin is insistent that permitting rules for fossil-fuel projects be loosened in the short term. Mr Schumer is keen to point out that the anticipated spending would "reduce carbon emissions by roughly 40% by 2030". After the recent setback, environmental modellers had been steeling themselves for a plateau in American emissions reductions that might have lasted for years. Such a compromise would certainly suit the Biden administration, which has struggled to seem both green and averse to high petrol prices.

But as any fan of the "Evil Dead" franchise could tell you, the second important lesson of zombie films is that what is healthy one minute may be hopelessly necrotised in the next. First, Mr Manchin's mind changes rather often. Policies that he previously decried as impossible because of inflation, such as increasing taxes, are now proudly touted as disinflationary. Second, the West Virginian is not the only defection that Democrats must agonise over. Kyrsten Sinema, a senator from Arizona, has been adamantly opposed to increasing taxes and is not known to be especially yielding. Third, there is sure to be a flurry of lobbying by pharmaceutical companies that would rather not forgo hundreds of billions of dollars—and by the clean-energy firms that would appreciate the generous subsidies.

Mr Schumer would now like to charge ahead towards votes on the deal next week. Wise watchers will know to look out for a final twist or two. ■

For coverage of Joe Biden's presidency, visit our dedicated hub and follow along as we track shifts in his approval rating. For exclusive insight and reading recommendations from our correspondents in America, sign up to Checks and Balance, our weekly newsletter.

In search of evidence

Questioning America's approach to transgender health care

Some paediatricians want a re-examination of the professional guidance

Jul 28th 2022

When jane clark's 15-year-old daughter told her that she thought she might be gay, Dr Clark, a paediatrician who calls herself a "typical west-coast liberal", said, "ok, great." When the child a few months later said she thought she was non-binary, "I was, like, I don't know what that means, but ok." She found a gender therapist for her child, expecting a period of therapy. Within a couple of visits the therapist told her that her daughter wanted "top surgery" (a double mastectomy) and emailed her to recommend a surgeon. "I said, 'What are you talking about?'" gasps Dr Clark (not her real name).

She booked her daughter into a local gender clinic. Before their first visit, a social worker phoned "to go through the informed consent for the hormones". "I was completely shocked that this was the approach to a child who was questioning their gender," says Dr Clark. "I just didn't know what 'gender-affirming care' meant. It sounds so beneficial and positive."

Looking for support, she turned to the American Academy of Paediatrics (aap), but found the gender clinic was, in fact, following aap guidelines. They state that children should be affirmed in the gender they say they are, and treatment can comprise social and medical transition, including puberty blockers, cross-sex hormones and surgery. “I feel completely betrayed by the aap,” says Dr Clark.

She is one of a growing number of doctors who are starting to push back against the apparent medical consensus on transgender issues. Some paediatricians are trying to get the aap to change its guidelines at its leadership conference that opens on August 4th. They accuse the academy of trying to suppress debate on the subject.

The aap’s current guidance, written in 2018, has been influential. But opponents say it is not based on evidence. Julia Mason, a paediatrician in Oregon (and a lifelong Democrat), says research suggesting improved outcomes from “affirmative care” is weak. She points to the review of worldwide research done by Britain’s National Institute for Health and Care Excellence in 2020. It found that studies on the impact of puberty blockers are “either of questionable clinical value, or the studies themselves are not reliable”. On cross-sex hormones, it found some short-term benefits but said these “must be weighed against the largely unknown long-term safety profile of these treatments”.

Genspect, an international group of clinicians and parents, wrote to the aap calling for a “non-partisan and systematic review of evidence”, saying: “Many of our children have received this care and are anything but thriving.” Without long-term data, says Dr Mason, “We’re flying blind. We’re conducting uncontrolled experiments on the bodies of children.”

When the aap policy came out, James Cantor, a psychologist, wrote a peer-reviewed article that took apart the statement’s sources. “It is remarkable that a small group of activists is commandeering the most influential organisations affecting children in America,” says Dr Mason.

Other medical organisations, such as the Endocrine Society and the World Professional Association for Transgender Health (wpath), also have pro-affirmation guidance. wpath in December released a draft of its new

Standards of Care. It suggests lowering the age of eligibility for cross-sex hormones to 14, for surgical removal of breasts to 15 and of testicles to 17.

Europe v America

The dissident paediatricians have had to ignore the culture wars, which suggest conservatives must oppose "affirmative care" and liberals must support it. They say this is about safeguarding not politics, and point to the many "detransitioners" who regret their own actions.

The aap denies it is blocking debate. In a statement, it said: "Robust evidence demonstrates that access to gender-affirming care decreases risk of suicidal ideations, improves mental health, and improves the overall health and well-being of transgender and gender-diverse youth." Its website says it is working on a "thorough update" of its 2018 statement. But a change looks unlikely (it will still be titled "Providing affirmative clinical care"). Supporters say waiting until children are 18 is not an option. "There are too many risks in terms of mental-health issues and suicide risk," says Eli Coleman of wpath. "We can see the benefits of intervening early, rather than having them experience more harm." Critics say there is no evidence that "affirmation" reduces suicides. They say blockers and hormones can cause sterility, anorgasmia and osteoporosis.

The American situation contrasts with Europe, where some medical groups are moving in the opposite direction. In 2022 Sweden said it will not give blockers or hormones to anyone under 18, with a few strict exceptions. Finland discourages medicalisation for those under 25. Both now prioritise therapy. Britain has launched a review of child services by Hilary Cass, a former head of the Royal College of Paediatrics. Her interim report this year appeared to distance itself from the "affirmative model" that "originated in the usa".

William Malone, an endocrinologist with the Society for Evidence-based Gender Medicine, a non-profit group, sees parallels with previous medical scandals, not least the opioid crisis. There is a mix of "Big Pharma, a vulnerable patient population, and physicians misled by medical organisations or tempted by wealth and prestige", he says. But now there is gender-identity ideology on top. "We are completely saturated with corporate influences and lobby groups," says Dr Malone. "The only way they will be halted is if a massive number of people are harmed and they get together to sue the people who harmed them." ■

No lessons learned

America's response to monkeypox has been underwhelming

A new epidemic, same old mistakes

Jul 27th 2022 | Washington, DC

America fumbled its response to covid-19. Inadequate testing and low vaccination rates were among the problems. The latest epidemic has shown that the country has yet to learn its lessons.

Monkeypox, a rare virus similar to smallpox though less fatal, is spreading throughout the world. By July 25th the Centres for Disease Control and Prevention (cdc) had reported nearly 18,100 cases worldwide, about 3,850 of them in America. The World Health Organisation declared monkeypox a public-health emergency of international concern on July 23rd.

The virus was first identified in humans in the Democratic Republic of the Congo in 1970 and until 2022 was mostly reported in central and western Africa. Cases began popping up in Europe and America in May. Researchers have concluded that skin-to-skin contact, often during sex, is the main driver of transmission, for now. About 99% of cases in America have been among gay and bisexual men, a pattern seen in other countries. Many cases are linked to parties involving sex with multiple partners (two children have become ill in America, probably through household contact with an infected person).

No specific treatment exists for monkeypox, though antiviral drugs and vaccines for smallpox can be used to prevent and treat the disease. Symptoms include fever, headaches, muscle aches and a rash that can present as pus-filled blisters on the body. These symptoms can be severe, but of the thousands of cases in Western countries so far, there have been no deaths.

Testing has been sub-par. Unlike the early experience with covid-19, the cdc already had a monkeypox test and began shipping it to 70 laboratories in its network. But many big cities had only one participating lab and doctors were put off by the paperwork involved in requesting a test. In early July New York, which has a third of America's cases, was testing only ten people a day. Testing, and cases, ramped up in mid-July, when several big commercial lab chains began doing the tests with kits from the cdc.

Vaccination has also been slow. A two-dose smallpox and monkeypox vaccine (Bavarian Nordic's jynneos) is available, but supplies have failed to meet the overwhelming demand. The Food and Drug Administration took nearly two months to approve 1.1m doses from a pharmaceutical facility in Denmark.

The American response to monkeypox should have been swifter after covid-19. Public-health officials could have provided support while the disease was abroad, to help contain it. Once it reached America, testing should have been available quickly. Vaccines should have been distributed more efficiently to high-risk groups.

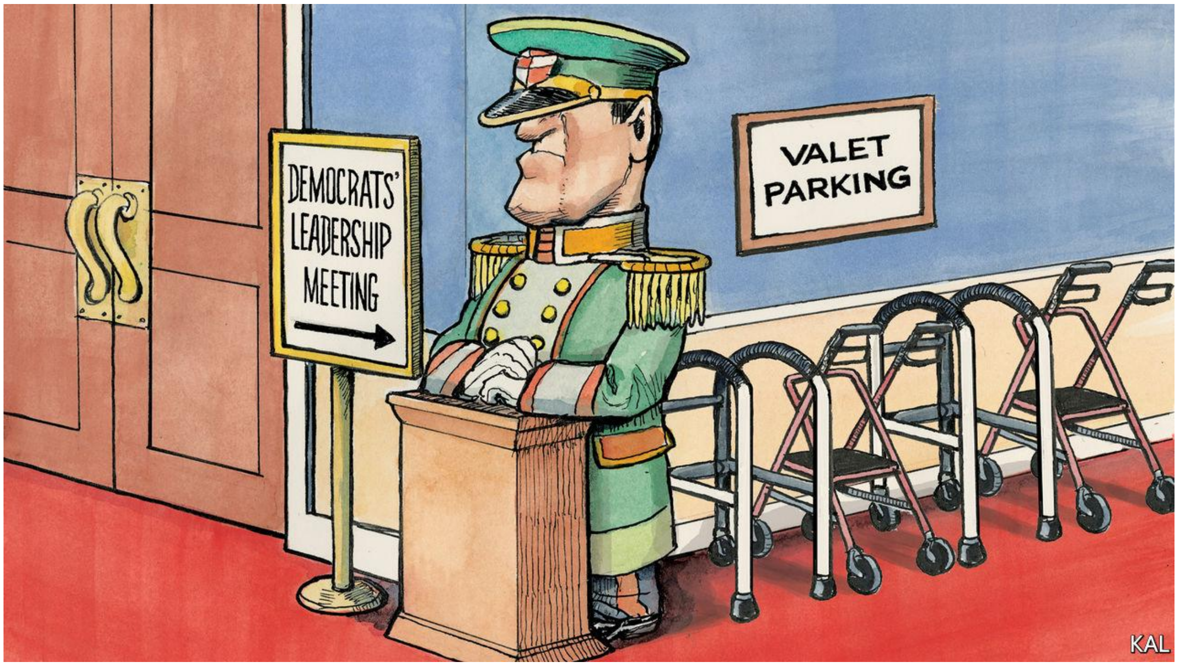
Belatedly, vaccine access is improving. Only 2,400 vaccine doses were available at the onset of the outbreak in May, and 72,000 more became available three weeks later. Today 374,000 doses are available, but more are needed. New York City has received jabs for a first dose of the vaccine to half of its eligible population; in Washington, dc, another hotspot, doses are enough for 70% of that group. The White House has promised millions of vaccine doses before the end of the year. But Americans have heard such promises before. ■

Lexington: The gerontocrats

Democrats are overdue for a new generation of leaders

And in Congress it may be about to arrive

Jul 27th 2022



Villa taverna, the American ambassador's residence in Rome, has seven acres, a Baroque fountain, a third-century Roman sarcophagus and a three-storey wine cellar. It does not, however, have an ambassador. Given its charms as a reward for a political ally, this seems a strange oversight by President Joe Biden.

Or maybe not. Some capital Kremlinologists suspect the vacancy heralds a generational change in the Democratic leadership of Congress after the mid-term elections this autumn. They note that Nancy Pelosi, not only the first woman to be speaker of the House but also the first Italian-American, would make a fine emissary to Rome. A dignified exit for Ms Pelosi would open the way for a leadership transition that some House Democrats have wanted for years, and are particularly anxious for now.

The Democrats' leaders are old. A party that yearns for the vigour and optimism of John Kennedy (elected president at 43), and would happily settle for that of Barack Obama (47) or Bill Clinton (46), finds itself yoked to the oldest president (now 79) in history by a margin of eight years, or two full terms. That Mr Biden should bear this distinction some days seems a triumph, other days an irony, and on others—the bad days, as when he tumbled off his bicycle or fumbles for a word—cruelty. He was a boy wonder, among the youngest senators ever, elected at just 29 after he brashly challenged a 63-year-old incumbent because, as Richard Ben Cramer wrote in "What It Takes", he "knew the old man wasn't quite up to it any more".

Rather than offering a contrast, the Democrats' congressional leaders are a study in shades of grey. At 71 the Senate majority leader, Chuck Schumer, counts as a spring chicken. His deputy, Dick Durbin, is 77. Ms Pelosi is 82. Steny Hoyer, the House majority leader, is 83. Jim Clyburn, who as House majority whip ranks third, is also 82. They became eligible for Social Security retirement benefits before some of the voters they need to inspire were born.

They owe their longevity in House leadership partly to advantages accorded to long-serving Democrats, but mostly to their acumen and toughness. This is particularly true of Ms Pelosi, who may not electrify audiences but whose inside game is admired and feared by Democrats and Republicans. As speaker, she confronted George W. Bush over Iraq, delivered Mr Obama's health-care plan and repeatedly outmanoeuvred Donald Trump, seeing to his impeachment twice. She has also raised more campaign money than any member of Congress in history, according to the biography "Madam Speaker", by Susan Page. But in 2018, to secure support from restless Democrats, she promised to yield the leadership in 2022. She is said by allies to consider it sexist that no such pledge was demanded of the two male leaders. She has a point.

The Democrats are expected to lose their narrow majority this autumn. Some House members suspect that if the party limits its losses to fewer than 15 seats, Ms Pelosi may try to stay on. If not, Mr Hoyer, despite his age, might make a run at the top job.

Their rivalry is epic. They met in 1963, working for the same Maryland senator; Ms Pelosi was a secretary, Mr Hoyer a clerk being groomed for a political career. Four decades on Ms Pelosi won her first leadership job, as whip, by beating Mr Hoyer, who was considered far ahead of her in line (he had served four terms before Ms Pelosi was first elected). If Mr Biden is reserving an ambassadorship for Ms Pelosi, he would be wise to be planning a post for Mr Hoyer, if not Mr Clyburn, too. A new generation of leaders would energise not just the House Democrats but the party.

The odds-on favourite to succeed Ms Pelosi as leader is Hakeem Jeffries of Brooklyn, a pragmatic, tough-minded liberal in Ms Pelosi's mould. He is 51. He could face a challenge from Adam Schiff, 62, of California, another Pelosi protégé, and Katherine Clark, 59, of Massachusetts. Together, they might make a strong team.

This moment of transition also offers the Democrats a chance to change rules that let their leaders go stale. The Republicans have gerontocrats of their own—Donald Trump is 76 and Mitch McConnell, the Senate minority leader, is 80—but their House leadership is spry. The reason is that when Newt Gingrich led his Republican revolt in 1994, he instituted rules limiting chairs of committees, or ranking members, to three terms.

Meet the new bosses

The result has been a procession of rising stars. Democrats grouse about having to wait decades, until senior members retire or die, before they can ascend committee ranks. Seth Moulton, a Massachusetts Democrat in his fourth term, and Jim Banks, an Indiana Republican in his third, are both veterans serving on the Armed Services Committee. But Mr Banks, at 43, is already the ranking member of an important subcommittee; he has been positioned to run for the third-ranking post in the next Congress. Mr Moulton, meanwhile, must await his turn.

There are trade-offs. Experience matters. Research suggests that chairmen grow more effective as they serve longer. But the combination of privileged seniority and endless incumbency has great costs. Some members say their senior colleagues are more partisan and carry decades-old grudges;

ambitious representatives get frustrated and leave. “Everyone young is like, ‘I’m not waiting 40 years for my gavel’, ” says a next-generation member.

Jerrold Nadler, 75, and Carolyn Maloney, 76, won safe Democratic seats in New York City in 1992. They had to keep an eye on their left, for a primary challenge, but by being staunch liberals and attending to constituents they have served for 15 terms together and risen to be committee chairs. This year, though, they find themselves locked in a tough race—against each other. Redistricting pushed them into the same district, and neither would yield. It is sad watching these two ageing lions claw at each other for another term. Leaders focused on the country’s future, and their party’s, would devote more energy to grooming successors. ■

For coverage of Joe Biden’s presidency, visit our dedicated hub and follow along as we track shifts in his approval rating. For exclusive insight and reading recommendations from our correspondents in America, sign up to Checks and Balance, our weekly newsletter.

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Middle East & Africa

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Hunger in the Horn

Somalia is on the brink of starvation

Drought, and the war in Ukraine, are causing the first famine of the global food crisis

Jul 25th 2022 | NAIROBI

For three decades Somalia has lurched between disorder and anarchy. The government controls only bits of the country. The rest is in the hands of jihadists adept at blowing themselves up in crowded places. For many Somalis life is poor, brutish and short. They live in the world's fifth poorest and eighth most violent country. Their life expectancy is the sixth lowest.

Droughts and floods add to the misery. In 2011 failed rains contributed to the worst famine of the 21st century. More than 250,000 people died, half of them children. A decade later history may repeat itself. The most extensive drought in four decades is wilting crops and killing livestock in Somalia, Ethiopia and Kenya. More than 18m people in the region are struggling to find enough to eat; children are dying in all three countries.

But it is in fragile Somalia that the drought hits hardest, landing like a blow on a bruise. "If we don't do something right now, we'll be talking of hundreds of thousands of deaths," says Mohamed Abdi of the Norwegian Refugee Council, a charity.

Somalia's political dysfunction and poverty carry much of the blame for the crisis. But responsibility also lies beyond its borders. Given that Somalia emits only slightly more carbon dioxide than Andorra, it can hardly be faulted for the climate change that appears to be making droughts of this magnitude more common. And not even the most ardent conspiracy theorist would hold Somalia culpable for Russia's invasion of Ukraine, which has caused a global food crisis.

Somalia imports nearly 80% of its food. By January higher shipping costs had sent local prices close to levels last seen in 2011. Russia's invasion and higher fuel prices have also fanned food inflation. So it is now much costlier for Somalis who live off the land to buy food to supplement their diets, and for city-dwellers or residents abroad to lend a helping hand.

Higher grain prices have also increased the cost of aid. Since the start of the war in Ukraine the worldwide operational bills of the un's World Food Programme have risen by nearly half. Donors have stumped up only 46% of the $1.5bn the un says it needs to avert a disaster in Somalia. Britain recently halted "non-essential" aid payments to avoid overrunning a budget stretched by the cost of humanitarian assistance in Ukraine. All this forces aid workers to make hard decisions about whom to help and whom to turn away.

Roughly 7m people, more than 40% of Somalia's population, are struggling to find food. Aid workers reckon that 1.4m children are severely malnourished. Hundreds, perhaps thousands, have already died. Yet this has not triggered a formal declaration of famine, a technical term used only once a series of thresholds relating to malnutrition, food scarcity and mortality rates are crossed. Somalia is close to these levels in some areas and has breached them in others. Once all of the criteria are met, it will almost certainly be too late to ward off disaster. By the time famine was declared in 2011—an announcement that released a torrent of donor funding—half of the eventual deaths had already occurred.

True famines are mercifully rare these days. The last "calamitous" one, defined as a famine that leads to at least 1m deaths, took place in Ethiopia in the 1980s. “Great famines”, those that claim 100,000 or more lives, have also become less frequent, owing to improved early-warning mechanisms and more effective humanitarian interventions. Only three such famines have occurred this century. The most recent and deadliest was Somalia’s in 2011.

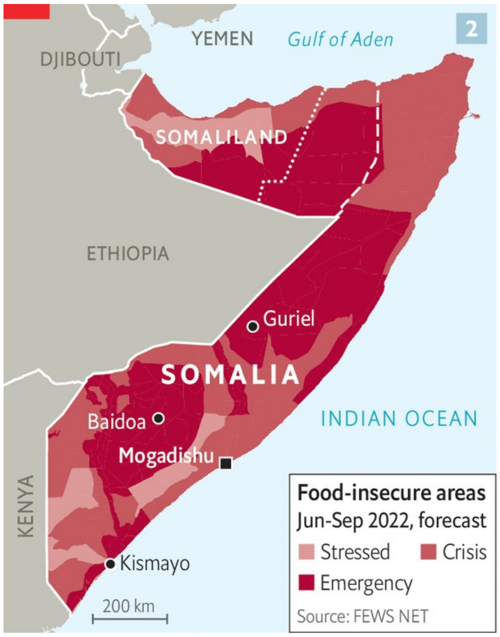
Somalia has long been prone to droughts, but they are becoming more common, says Christophe Hodder, the un’s climate adviser to the country. Although the present drought cannot be linked directly to global warming, it is the most extensive in 40 years. The rains failed thrice before the famine in 2011; during this crisis they have done so four times. Forecasts suggest that a fifth failure is likely. With Somalia’s mean temperatures projected to rise by 3-4°C by 2080, the long-term outlook is horrid.

Don’t just blame the weather

Drought alone rarely causes famines. In 1991 Somalia collapsed into civil war and a jihadist insurgency after the fall of Siad Barre, its long-lasting dictator. The decades of anarchy that followed devastated farming. A country that once did a fair job of feeding itself has seen cereal production fall by 60% since 1989. It now meets just a fifth of the country’s needs. Most staples are imported, including rice, pasta and cooking oil. Even those who eke out a living herding livestock or growing crops rely on at least some imports.

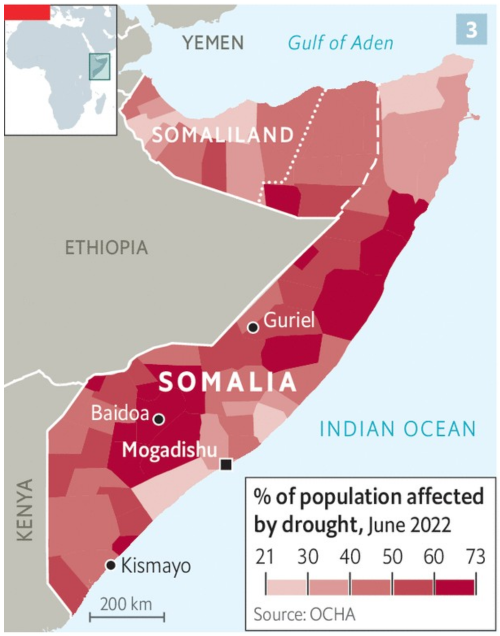
The Economist

The fighting has also destroyed infrastructure, stunted the economy, forced millions to flee their homes and left the state largely unable to provide basic services like health care and education. Somalia's president, Hassan Sheikh Mohamud, took office in June. He hopes to reverse a slide in security that occurred under his predecessor, Mohamed Abdullahi Mohamed, who almost rekindled the civil war when he tried to stay in office beyond his term. The government and its allies control the capital, Mogadishu, and its main provincial cities (see map 1). But al-Shabab, al-Qaeda's richest and most lethal affiliate, controls swathes of the countryside.



The Economist

These rural communities are bearing the brunt of the crisis (see map 2). Guriel, in Galmudug state, is the commercial hub of central Somalia. Normally its livestock market would be heaving with 1,200 animals a day passing through its holding pens. Nowadays, says a local broker, they are lucky to get 150. Before the drought Hassan Abdullahi Ali, a regular at the market, would sell goats for $40 each, enough to feed his ten children for a month. Now the pasture he used has disappeared, the water wells have dried up and disease is spreading through his weakened herd.



The Economist

Roughly a third of livestock in parts of central and southern Somalia may have died since the drought began in 2020 (see map 3), including 250 of Mr Ali's 300 sheep and goats and 15 of his 20 camels. Trying to sell off the sickly survivors is tricky. "I brought two to the market today," he says. "I have sold one, but no one wants to buy the other." The rising cost of grain means that a goat now fetches enough to buy food to feed his family for just ten days.

Struggling families try to cope for a time by eating less and selling productive assets, says Natasha Sharma of the World Bank. This is risky. After sorghum and maize withered on the stalk, Hawa Mustaf Hassan's husband left their farm to find work. The $5 a month he sent her was not enough. The youngest of her three children, two-year-old Adan, fell ill. Ms Hassan scraped together money to take him for medical help in time to save him. "I felt there was no hope that he would recover," she says. "But after 14 days I saw him smile and knew he would be ok."

Others are less fortunate. "Children are dying," says Abdullahi Ahmed Ibrahim, a doctor at Baidoa's general hospital. "Mothers come too late and bury their children on the way." Isaac Nur Ibrahim brought his wife and two young sons to a squatter camp on the outskirts of Kismayo after all his livestock died eight months ago. He could only bring in $1 a day as a labourer. After cutting back to a daily plate of food, his two-year-old son Abdikaafi fell ill with malnutrition-related anaemia. The government hospital had no drugs to treat it and Mr Ibrahim did not earn enough for private care. The boy succumbed on June 8th. A month later so did Mr Ibrahim's four-year-old nephew. In all, seven children have died in the camp since the start of June, say residents.

The hardship falls unequally. When crops fail and animals die, those in richer or more powerful clans can get assistance from their kin. Such clans generally have more people living abroad or in Somalia's cities; during droughts they can be counted on to send cash to the countryside or to shelter those who move to the towns in search of food. But members of poorer clans often have little choice but to move into squalid, disease-ridden camps.

This is because aid workers rarely venture out to the countryside for fear of having their heads cut off by al-Shabab. Some 2,000 camps surround Somalia's cities, housing most of the country's 2.9m displaced people. Many are controlled by bigwigs of Dickensian malevolence, who skim off what little aid trickles into the camps and who evict the residents when they cease to be of use.

Helping Somalia's people will require not just more money, but also greater efforts to get food to those most in need in parts of the countryside controlled by al-Shabab. To save lives, aid agencies will have to tolerate more risk, says Daniel Maxwell of Tufts University in Boston. These risks are not just to their workers but also their reputations. Some worry about facing criminal charges in America under counter-terrorism laws if aid falls into the hands of jihadists.

Yet not doing more to help also carries risks for Somalia's security. Hungry people who feel failed by their government may be more willing to support the jihadists. Climate change may exacerbate conflict as communities fight for scarce resources. It may already be too late to avert calamity in Somalia, beset as it is by insurgency and drought. But the longer the world waits to help, the greater the suffering. ■

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Drilling into the world’s lungs

An oil auction in Congo bodes ill for the climate

But the government says criticism from rich countries is hypocritical

Jul 27th 2022 | DAKAR

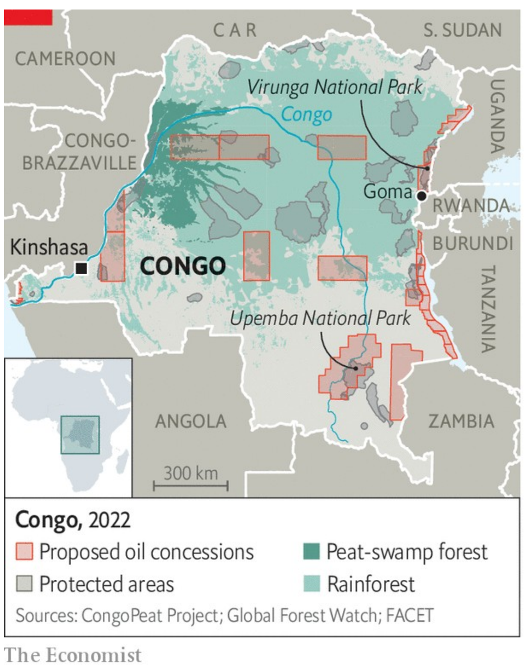
Up the congo river from Kinshasa, the capital of the Democratic Republic of the Congo, is a boggy, blooming, buzzing ecosystem that is home to elephants, gorillas and bonobo apes—as well as swarms of insects, many with a taste for human blood. Underfoot is the world’s biggest area of tropical peatlands, consisting of partially decomposed trees and plants. Undisturbed, it holds about three years’ worth of global emissions from fossil fuels, thus mitigating global warming.

It may not remain undisturbed for long. On July 28th and 29th Congo will auction 27 oil-exploration blocks that encompass 1m hectares of peatland and perhaps 11m hectares of rainforest. The government reckons that under these blocks are at least 16bn barrels of oil, worth roughly $650bn.

The auction highlights two issues facing poor African countries endowed with untapped fossil fuels. First, despite being responsible for a fraction of greenhouse-gas emissions, they are being told not to exploit their oil, gas and coal. Last year the International Energy Agency, an intergovernmental think-tank, argued against new fossil-fuel developments anywhere if the world is to balance greenhouse-gas removal with greenhouse-gas emissions by 2050. The second issue is whether poor countries should bear the costs, including lost opportunities, for protecting ecosystems that benefit the world's climate.

Take Congo's peatlands, which sit under swampy water for most of the year. If these swamps were to be permanently drained, much of the carbon stored in the peat would begin to escape. Simon Lewis of Leeds University warns that the swamps are already "close to the edge" of drying out. Even building roads to explore for oil could make the peatlands release carbon.

It is not just the peatlands at risk. A dozen oil blocks overlap with protected areas, including two national parks. One of them, Virunga National Park, is home to some of the world's last mountain gorillas.



For the Congolese government, though, the priority is economic development. Congo is one the poorest countries in the world, when measured by gdp per person. "Imagine what oil can do for us," says Didier Budimbu, the minister of hydrocarbons. He says the sale will finance schools, roads and hospitals. And he claims that criticism from rich countries which prospered from fossil fuels and still rely on them is hypocritical. “We’ve seen the American president go to the Middle East to ask them to produce more,” he says.

He is equally dismissive of a deal signed by rich countries eight months ago that is meant to provide Congo with $500m to protect forests. It built on a smaller deal in 2016. “Not even one euro has entered Congo” under the deals, he scoffs. The intergovernmental organisation charged with implementing them says that $111m has been spent in Congo since 2016.

One snag in Mr Budimbu’s case is that the vast resources of Congo, one of the world’s most corrupt countries, have benefited only a few. Proceeds from copper, cobalt and diamond exports rarely trickle down to the more than 60m people (almost three-quarters of the population) who survive on less than $1.90 a day. Many of the communities in the new oil exploration blocks have not been informed, let alone consulted, about the government’s auction plans. In Upemba National Park local chiefs heard of them only from Greenpeace, an environmental group.

Some activists fear the worst. Faustin Nyebone, who is based in the eastern city of Goma for aiced, another environmental group, doubts that the proceeds from future oil production will end up in the right place. Others think the auction will not attract many bidders because of Congo’s risky business environment and difficulties sending oil to global markets. Total, a French oil firm that the Congolese government had taken to tagging in tweets promoting the auction, tells *The Economist* it will not take part. Nor will Eni and Shell, two other oil majors. Mr Budimbu still insists there is “enormous interest”.

For now, the outlook for the peatlands remains grim. Asked about the harm to the environment if the government’s plans go ahead, Mr Budimbu reverts to the oil: “We will exploit it, we will extract it, we will sell it, we will commercialise it.” ■

For more coverage of climate change, register for [The Climate Issue](), our fortnightly newsletter, or visit our [climate-change hub]().

Head for the Holy Land

Israel’s Russian conundrum

The Jewish state’s neutrality over the war in Ukraine may be fraying

Jul 28th 2022 | Jerusalem

For the past seven years Israel and Russia have closely co-ordinated with each other on the ground and in the skies of the Middle East. The war in Ukraine may, however, be rattling these arrangements. On July 15th a Russian court ordered the Jewish Agency to close its offices in Russia. The agency is not technically part of Israel’s government but acts on its behalf, maintaining ties between the state of Israel and the Jewish diaspora around the world. Above all, it facilitates the emigration of Jews to Israel.

Until Vladimir Putin invaded Ukraine in February, relations had been good. Even after Russia sent an expeditionary force to Syria in 2015 to prop up the then failing regime of Bashar al-Assad, a modus vivendi was soon agreed upon. Despite occupying Syrian air space, Russia let Israel continue to bomb Syria’s Iranian allies fighting for Mr Assad on the ground. In effect, Russian and Israeli warplanes divided the skies over Syria between them.

But in May a Russian anti-aircraft battery fired at Israeli aircraft. Israel’s defence minister, Benny Gantz, played this down as a “one-off incident”.

Russia, though, has since publicly told Israel to cease its operations over Syria altogether. Still, Israeli air raids over the country have continued.

The Kremlin says that the order to close the Jewish Agency was not political but simply a legal issue. Russia's authorities claim that the agency has broken local laws by collecting information on Russian citizens. The Israeli government is sceptical. "Legal issues like these have been cleared up quietly and without making headlines in the past," says a senior official in Jerusalem. "It's clear that this is pressure coming directly from the top—to make sure Israel doesn't take Ukraine's side in the war."

Since Russia's invasion on February 24th, Israel has kept firmly on the sidelines, refusing Ukrainian requests for weapons and largely refraining from speaking out about the war. The two main reasons for Israel's neutrality have been Russia's military presence across Israel's border in Syria and the large Jewish communities in Russia and Ukraine. Over a million Russian-speaking Jews have emigrated to Israel since the former Soviet Union collapsed three decades ago. They have become a powerful political constituency.

The Economist

Israel's past two prime ministers, Naftali Bennett and Binyamin Netanyahu, have been studiously neutral towards Russia. But in April Yair Lapid, then the foreign minister, roundly condemned Russia's war crimes near Kyiv. Since he became prime minister on July 1st, he has shown no eagerness, unlike his predecessors, to set up a meeting or phone-calls with Mr Putin. The Jewish Agency's troubles in Russia may have been a warning shot by Mr Putin to keep Mr Lapid in line.

Jews have long memories of pogroms perpetrated by Russians under the tsars and of anti-Semitic discrimination during the Soviet era. Mr Putin, by contrast, has ensured friendly ties with Russia's Jewish community during most of his rule in the past two decades. Nevertheless, Jewish emigration from both Russia and Ukraine to Israel has been soaring again—by at least 30,000 this year (see chart).

In any event, Mr Putin has summoned the demons of history by branding Ukraine's president, Volodymyr Zelensky, who is Jewish, as "a Nazi". No wonder that Israel is worried that he may be falling back on bad old tsarist ways—and on using Russia's Jews as pawns. ■

The obesity gap

Why women are fatter than men in the Arab world

Society does not make it easy to shed pounds

Jul 28th 2022 | Baghdad

Zeinab, a matronly 60-year-old in a black abaya, washes vegetables in a restaurant in Baghdad, taking home 20,000 dirhams ($13.70) a day. But she cannot afford to buy her family a decent dinner. Her daughters dropped out of school because the fees were too high. Zeinab gets by because her boss gives her leftovers—mostly oily food, she says—from the restaurant. Thursday is the only day of the week she and her daughters eat fruit, since that is when people in her neighbourhood give away food for charity. Zeinab weighs 120kg.

Though grown up, none of her four daughters works. They are likely to become fat, too. Zeinab would rather be strapped for cash than risk men harassing them at work. So they sit at home, doing chores, occasionally visiting their extended family. Zeinab sometimes takes them out for an ice cream or to visit a holy shrine. "It's not like they're in prison—they've got phones and the internet," she says defensively.

Across the world, more women than men are fat. Obesity is a problem for 15% of women and 11% of men, meaning that they have a body mass index (bmi) of 30 or higher. But the obesity gap varies across the world. The Middle East and north Africa has the biggest and most consistent disparity between the sexes. (Several countries in southern Africa have big gaps, too.) In the Middle East 26% of women are obese versus 16% of men. This can be dangerous. In 2019, eight Arab countries were among the 11 with the highest share of deaths attributed to obesity (mostly due to heart disease, diabetes and high blood pressure).

Only a fifth of women in Arab countries have paid jobs, says the World Bank. In Iraq the share is one in ten. This means that most Arab women spend most of the day indoors, missing out on passive exercise. Working women in other regions bustle around in hospitals, classrooms and restaurants. But in Arab countries many such jobs are done mainly by men. In Gulf countries many of the heavier menial household chores are done by foreigners.

Moreover, women in Arab countries have fewer chances to enjoy sport. Young girls and boys play football together in the street. But once a girl reaches puberty, roughhousing in public is frowned upon. Teenage girls become more sedentary, meeting friends indoors. “We don’t like girls to be outside,” says a sweaty Iraqi man who plays football outdoors four times a week but does not let his sister follow suit. She has a treadmill at home, he says.

In any case, headscarves and clothes that cover the female body make public exercise cumbersome. Harassment in the street often makes jogging unpleasant. “When I walk my dogs, I have to put on music to block out the catcalls,” says an Iraqi woman. Strolling tends to be in air-conditioned malls. Some gyms cater just to women, but are found mainly in big cities.

In Egypt poor women are on average fatter than rich ones. Rich families tend to be more relaxed about letting their daughters out. Still, Egypt has the highest women’s bmi of any country in the world, bar some of the Pacific islands. Diet bears much of the blame. Egyptians get 30% of their calories from bread, much of it subsidised: the price of a kilo is fixed at $0.61. Since

1975 Arab women have grown fatter at a quicker rate than Arab men, while junk food has steadily proliferated.

Wafa al-Khatib, a housewife in Baghdad, wants to slim down, so she asked her mother to do more of the cooking to help her resist culinary temptation. “Iraqis’ problem is carbohydrates,” she says. Her family eats rice and bread at nearly every meal.

A final cause of obesity, according to some women, is that many Arab men prefer them to be Rubens-esque. Shutting women up at home helps keep them that way. Shireen Rashid, another Iraqi housewife, wants to shed a few pounds. But not too many. When you are skinny, “you lose your femininity”, she says. Her husband does not want her to lose weight at all. He fears she will “feel like a piece of wood in bed”. Iraqis often cite Enas Taleb, an actress with ample curves (pictured), as the ideal of beauty. Some claim Iraqi women even take weight-gaining pills to be more attractive to men. Alas, in the Arab world or indeed anywhere else, that is hardly the road to good health, let alone happiness. ■

The Americas

- All hat, no cattle
- The fuel and the fire

All hat, no cattle

Peru is becoming ever more volatile under Pedro Castillo

After a year in power, the former schoolteacher has an approval rating of just 20%

Jul 28th 2022 | Lima

On july 28th, Peru's day of independence, the country's president usually stands before Congress and delivers a speech in which accomplishments are highlighted and plans outlined. Pity the person tasked with preparing President Pedro Castillo's speech this month. Mr Castillo, one of a handful of leftist leaders who recently swept to power in South America, has little to show after a year in office.

Chaos has become the norm under Mr Castillo. His administration is marked out by constant turnover; he has appointed a new minister every week on average. He has survived two impeachment attempts, and will almost certainly face another. His approval rating is 20%.

Mr Castillo also figures in five criminal probes, with former associates accusing him of corruption and obstruction of justice (all of which he denies). While he is not the first Peruvian president to face graft allegations, the charges against him paint a picture of a paranoid leader who has sought to carve up power for himself and his associates. Mr Castillo's former army chief claims the president tried to strong-arm him into promoting unqualified loyalists, and fired him when he refused. Many of Mr Castillo's appointees have had conflicts of interest; his transport minister ran an unlicensed public transport business, for example (he has since gone into hiding). Several have been investigated for domestic violence and one for murder.

When Mr Castillo hires qualified people, they do not last long. His sixth interior minister said he had been asked to sign an undated resignation letter before he was sworn in, and was then abruptly fired for setting up an elite police squad to help find three allies of Mr Castillo who had fled arrest (including the transport minister). On July 23rd one of the three fugitives, a former aide whom prosecutors accuse of stashing $20,000 in a presidential-palace bathroom, turned himself in after three months on the run.

The fact that Mr Castillo has managed to stay in power despite all this says a lot about one of Latin America's most politically volatile countries. A wave of corruption scandals after an election in 2016 discredited Peru's political elites. Mr Castillo is the fifth president to govern the country in as many years.

Mr Castillo's election reflected the public's discontent. Last year just 21% of Peruvians were satisfied with their democracy, according to a poll by the Latin American Public Opinion Project at Vanderbilt University in Tennessee. Peru also had the highest tolerance for a military coup in Latin America. Mr Castillo, a former union leader, schoolteacher and farmer, was an outsider who promised to upend the status quo. He had no previous experience of national politics. He campaigned heavily in rural regions, and hit the jackpot when he faced Keiko Fujimori, a polarising politician, in the run-off last year. Mr Castillo won by less than half a percentage point.

Pedro Nadie

By his own admission, Mr Castillo was not prepared for the challenges of holding office. Nor has he improved much. At public events the president still sounds like a candidate. He describes problems without offering solutions. And those problems have worsened. The central bank recently cut its forecast for economic growth this year to 3.1%, in part because protests (in which ministers have sometimes seemed complicit) keep two large copper mines closed. Private investment is not expected to increase at all this year, as business confidence has weakened. According to Moody's, a credit-rating agency, "all branches of government are succumbing to populist and short-term measures that are extremely irresponsible for development".

In February Mr Castillo replaced a leftist finance minister with Óscar Graham, an economist who spent two decades working at the central bank. But Mr Graham lacks influence. In April he was forced to accept a tax exemption on fuel and basic goods to help Mr Castillo quell protests by transport workers (see Bello). Mr Graham later described the move as a mistake. In May he failed to stop the president from signing a law which would let Peruvians withdraw more of their pension savings from the country's private funds.

Despite his many missteps, Mr Castillo has been able to cling to power because the opposition is fractured. Congress is rife with infighting. It is even less popular than the president. At this point, Mr Castillo's survival "rests on inertia and the lack of a better alternative", says Julio Carrión, a political scientist at the University of Delaware. Although most Peruvians want the president to resign, only 42% definitely support impeaching him, according to a poll in July conducted by Ipsos.

Even if he faces another impeachment attempt, Mr Castillo may survive. He has gained the support of some lawmakers by backing conservative legislation, such as a bill to give families the power to veto school curriculums. Instead of calling for new elections, many opposition lawmakers prefer to keep their jobs and make the most of Mr Castillo's chaos. But as the economic situation worsens, and once regional elections in October are out of the way, that may change.

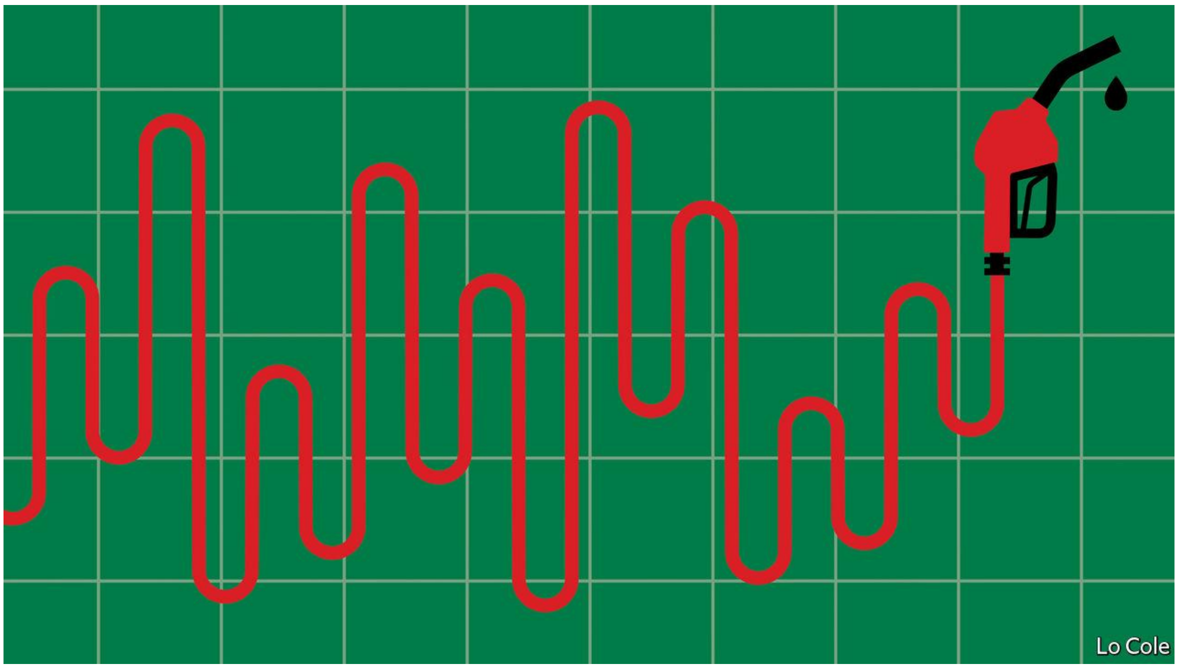
Either way, Mr Castillo's short rule has already damaged democracy. Camila Vargas, a 42-year-old waitress in Cerro de Pasco, a highland town, no longer sees the point of elections. "No one is going to rescue us," she says. "Not with a new president, not with a new Congress." ■

Bello

Latin America’s energy subsidies are good politics but bad policy

Across the region politicians are giving sops to protesters

Jul 28th 2022



For a month now protesters in Panama have blocked highways, prompting shortages of food and medicine in a country that for the past three decades has enjoyed social and political stability and steady economic growth. Their target is the price of fuel, which rose by almost half in the first six months of this year. The shaken government of President Laurentino Cortizo buckled, agreeing to cut the price of petrol to $3.25 a gallon from $5.20. But the protests continued, with unions demanding other price controls to ease living costs.

Panama is far from alone. With the cost of oil soaring since Russia’s invasion of Ukraine in February, and with prices rising more generally, a string of governments across Latin America have introduced or increased subsidies on fuel to assuage protesters, or pre-empt them. To end almost three weeks of disorder, in which seven people died last month, Ecuador’s pro-market president, Guillermo Lasso, granted subsidies on fuel and fertilisers. These subsidies are worth around 0.8% of gdp, according to calculations by J.P. Morgan, a bank.

Brazil’s right-wing president, Jair Bolsonaro, who is seeking a second term at an election in October, has been pressing Petrobras, the state-controlled oil giant, to cut prices. On July 27th the company said it would review its pricing policy. In Mexico petrol prices are 35% lower than they would otherwise be, as the government of Andrés Manuel López Obrador has spent higher oil revenues on a subsidy equal to 1% of gdp.

When protests broke out in Peru in April the government scrapped a fuel tax and announced other tax cuts, totalling perhaps 0.9% of gdp. In the Dominican Republic this month the government suspended a plan to wind down electricity subsidies. Both Chile and Colombia have augmented stabilisation funds which smooth the rise in fuel prices. In Argentina an agreement with the imf that involves cutting energy subsidies cost Martín Guzmán his job as economy minister on July 2nd.

It is not hard to see why governments are so sensitive to the price of fuel. Latin America is a region of long distances in which roads are paramount in the movement of both goods and people. In Venezuela in 1989 an abrupt decision by Carlos Andrés Pérez, shortly after his lavish inauguration as president, to double the petrol price triggered days of rioting that cost some 400 lives. These events discredited Venezuelan democracy and paved the way for Hugo Chávez, a populist strongman elected a decade later. When Brazil began to phase out fuel subsidies, a truckers’ strike lasting a fortnight in 2018 brought the country to a halt and helped Mr Bolsonaro, who supported it, win that year’s election. In Ecuador Mr Lasso’s predecessor, Lenín Moreno, was almost toppled by an insurrection by indigenous groups and leftists against a cut in fuel subsidies in 2019.

While across-the-board fuel subsidies may be good politics, they are bad policy. Since the better-off consume more petrol than the poor, they do nothing to reduce inequality. And they run counter to the region’s commitments to reduce fossil-fuel use to combat climate change. It would be better to blunt the impact of inflation through targeted handouts to poorer citizens, but these lack the political impact of price caps.

Many governments will find it hard to afford higher fuel subsidies for long. While they may help with inflation, they add to deficits. Latin America's recovery from the pandemic slump was stronger than many expected, partly because of higher prices for its exports of oil, metals and foodstuffs. The imf this week raised its forecast for growth in the region this year to 3%, from 2.5%. But the going is getting rougher: the fund cut its projection for next year by a similar amount, to 2%. Inflation took off in the region last year, prompting central banks to raise interest rates. As governments offered help during the pandemic, public debt rose from an average of 58% of gdp in 2019 to 72% last year, according to the Inter-American Development Bank. Higher interest rates mean that debt is more expensive to service.

Fiscal worries are "surfacing again and will become uglier in the second half of this year", says William Jackson of Capital Economics, a consultancy. Apart from those in Argentina and perhaps Ecuador, governments do not face immediate financing problems, he says. "But at some point the region will have to carry out a fiscal adjustment." The political leaders will hope that by then oil prices are falling again.

Read more from Bello, our columnist on Latin America:
Latin American politicians yearn for Utopia (Jul 23rd)
Migrant flows are changing in the Americas (Jul 14th)
Brazil's Amazon rainforest has become more dangerous (Jul 9th)

Europe

- A nationalist turn
- Taking it back
- Fragile pact
- Cutting calories
- Delayed reaction
- Putin’s false piety

Right ahead

Italy’s next government may be more nationalist than Europe likes

The hard-right Fratelli d’Italia are riding high in the polls

Jul 28th 2022 | ROME

Asurge of migrants rescued from rickety boats in the Mediterranean on July 23rd and 24th seemed to echo the chaos in Italian politics. Over 2,000 arrived, overwhelming the reception centre on the island of Lampedusa. Two days earlier Sergio Mattarella, the president, announced an election would be held on September 25th, following the resignation of Mario Draghi as prime minister. As during the much bigger crisis of 2014-16, rising numbers of migrants are a boon for Italy’s far right.

At the last general election in 2018, fears of uncontrolled migration helped the hard-right Northern League win enough votes to enter government as the junior partner in a coalition with the left-leaning Five Star Movement (m5s). Though the m5s acted as a brake on the League, the two populist parties sent a wave of apprehension through Europe and clashed repeatedly with the European Commission. Back then, the combined vote share of the League and Italy’s other hard-right party, the Brothers of Italy (fdi), was below 22%.

Five years on the situation is different. The League has lost considerable support. But the Brothers—led paradoxically by a woman, Giorgia Meloni (pictured, with Silvio Berlusconi and the League's Matteo Salvini)—have soared in popularity. Polls give the two parties around 37% of the vote. Add 8-9% for Mr Berlusconi's Forza Italia party and some smaller groups, and the right looks set for a convincing victory, perhaps a parliamentary majority that could let it govern for a full five-year term. It would be an ideologically cohesive right, dominated by the fdi and stripped of its most liberal elements. This month several Forza Italia lawmakers, including all three of its ministers in the outgoing government, quit the party in protest at Mr Berlusconi's role in Mr Draghi's removal.

By contrast, the right's adversaries are in comic disarray. Enrico Letta, leader of the centre-left Democratic Party (pd), has precluded an electoral alliance with the m5s because it too helped bring down Mr Draghi. Carlo Calenda, the leader of Action, a centrist group that has absorbed some Forza Italia refugees, seems open to a deal with the pd, but wants Mr Draghi to be the prime ministerial candidate rather than Mr Letta. And two small leftist parties are refusing to join if Mr Calenda does. Matteo Renzi, a former prime minister who left the pd in 2019 to form a new party, Italia Viva, has vowed it will run alone.

Much could change before the vote. Support for the pd seems to have jumped since Mr Draghi was ousted. Celebrities such as the mixed-race singer Elodie Di Patrizi have expressed alarm at the prospect of a government led by Ms Meloni. As the campaign progresses, a central issue will be the extent of the Brothers' radicalism.

There are two parts to this. The first is whether a hard-right government would secure Italy's full share of grants and low-cost loans from the eu's pandemic-recovery programme, worth more than €200bn ($203bn). "What has so far been achieved is the easy part," says Francesco Grillo, director of Vision, a think-tank that monitors the programme's implementation. It found that, of the 96 objectives set by Brussels which Mr Draghi's government had met, all but three involved creating an administrative framework for investment. Only €2-3m, less than 0.0015%, had actually been spent. By 2026, a government used to making capital investments of €15bn a year will need to raise that to almost €50bn. Even "Super Mario", as Mr Draghi was known, would have found that hard.

The danger is that his successor would further complicate the challenge by insisting on changes. Since Mr Draghi's resignation, Ms Meloni has expressed dissatisfaction with aspects of the plan agreed with Brussels. Her party's own ideas are set out in an online pamphlet that features prominently on the fdi's website. They differ substantially from the existing scheme. For example, the fdi wants to use a large part of the money to build a bridge linking Sicily to the mainland.

The other issue set to colour the campaign is ideology. The fdi traces its origins to the neo-fascist movement that took up Benito Mussolini's legacy after the second world war. Valerio Alfonso Bruno of the Centre for the Analysis of the Radical Right, a British watchdog, said he did not expect the FdI to differ much from other conservative parties in foreign policy. But its thinking on economic policy is highly protectionist and corporatist. It favours nationalising a wide swath of industry, including airports and railways. It also focusses on protecting small firms rather than fostering bigger ones.

But it is in domestic and social policy that the Brothers' ideology could be most strongly felt. Ms Meloni's biographer, Francesco Giubilei, says the fdi's entry into the hard- but not far-right European Conservatives and Reformists (ecr) group in the European Parliament marked a shift. In his view, the party turned towards "conservatism with a Latin blueprint, involving a greater attachment to the welfare state than in English-speaking societies." Such a statist approach is now common among populist-nationalist parties such as Hungary's Fidesz. While the ecr includes some Christian Democrats, it also has hard-right members such as Spain's Vox party. The fdi's online pamphlet, featuring a photo of young white people wrapped in the Italian flag, reflects its intensely nativist stance. It opposes granting citizenship to children born in Italy to immigrant parents. It wants a big increase in child support to improve Italy's ultra-low birthrate and a naval blockade to stop unauthorised migration.

Mr Bruno thinks Ms Meloni's drive to give her movement wider appeal masks the persistence of "a more closed element that remains faithful to its roots in the [defunct, neo-fascist] Italian Social Movement (msi)”. The fdi still uses the msi’s symbol of a three-coloured flame. “Why,” Mr Bruno asks, “would a moderate party want to keep that in its logo?” Europe may soon find out. ■

Taking it back

Ukraine is gathering strength for an assault on Kherson

Russia might destroy the city rather than lose it

Jul 28th 2022 | MYKOLAIV

The shelling in Mykolaiv, in southern Ukraine, has been relentless. In the five months since the start of the war, only 21 days have gone by without any Russian bombs, says the mayor, Oleksandr Senkevych. More than half of the city's residents (who numbered 480,000 before the war) have fled. With the main pipelines destroyed, the city gets its water from a nearby estuary of the Southern Bug river. The stuff is not safe for bathing, much less drinking, locals say. At least 7,800 buildings have been damaged, claims the governor, Vitaliy Kim, standing in front of his former headquarters. The building was torn in half by a Russian airstrike in March that killed 37 people.

But there is some optimism in the air. South of Mykolaiv a Ukrainian offensive to retake Kherson, the biggest city captured by Russian forces since the start of the invasion, is picking up steam. Ukrainian troops are less than 30 km from the city. On July 27th their American-supplied multiple-launch rocket systems, known as himars, pummelled the main bridge Russia uses to send troops and supplies into Kherson from Crimea, the second such attack in as many weeks.

The Economist

Similar strikes have wiped out Russian munitions dumps near Kherson, as well as a number of s-300 missile batteries Russia has been using to attack Mykolaiv. Drone and artillery fire has also turned scores of Russian attack helicopters into scrap metal at an airport at Chornobaivka, just north of Kherson. “We have the will and the weapons to take Kherson back,” says Mr Kim.

In the meantime, the authorities in Mykolaiv are having to contend with Russian informants, including spotters who share data on Ukrainian deployments in and around the city. The Russians pay them as little as 1,500 hryvnia ($40) when they send information, says Mr Kim. The governor says he may impose a round-the-clock curfew to try to weed out collaborators.

To retake Kherson, says Oleg Zhdanov, a military analyst, the Ukrainians will need to keep pounding enemy bases, cut off their supply lines and push Russian troops back against the banks of the Dnieper. That no longer seems far-fetched. Thanks to the himars, not one of the Russian supply lines to Kherson is safe from Ukrainian rockets. Mr Zhdanov reckons the Ukrainians may be able to retake Kherson in a few weeks. Much also depends on the situation in the Donbas in the east. If a Russian offensive there stalls, Ukraine may be able to send reinforcements to the south.

Ukrainian troops back from the Kherson front are less sanguine. They say morale is improving, but complain about the lack of air-defence systems, artillery and munitions. “We have plenty of targets, but we can only choose one out of ten,” says a reservist, recovering at a hospital in Mykolaiv. “So we choose the biggest.”

Retaking Kherson would be a major boost for Ukraine, especially given setbacks in the Donbas. It would also place the Ukrainians in a position to retake areas bridging the country’s mainland and Crimea, occupied by Russia since 2014. Another prize is the dam at Nova Kakhovka, about 60 km east of Kherson, on which Crimea depends for its water supply.

Russia will not give up Kherson easily. According to Britain’s defence ministry, its army has been reinforcing defensive positions throughout the south. Russia also seems to be paving the way to annex the region through sham referendums, to be organised in September. Sergei Lavrov, the country’s foreign minister, said on July 20th that Kherson, Zaporizhia, “and a number of other territories” would soon be able to “determine their destiny independently”. Ukrainians fear Vladimir Putin would rather reduce Kherson to rubble than abandon the city.

In Mykolaiv, Ludmila, a pensioner in her 60s, is preparing soup to the sound of air-raid sirens. She and her husband spend up to two hours every day queueing to draw water from a local well, she says. No one budges any more when Russian missiles start flying overhead: it is more important to avoid losing one’s place in the queue. But people are growing somewhat more hopeful of late. “Everyone is waiting for us to take Kherson,” she says, “so the bombing will stop.” ■

Read more of our recent coverage of the [Ukraine crisis.]()

A deal on the Black Sea

After agreeing to let Ukraine export grain, Russia rockets its port

A strike on Odessa undermines a deal to ease the global food crisis

Jul 22nd 2022 | ODESSA, ISTANBUL AND WASHINGTON, DC

Editor's note: This piece was updated after Russian strikes on Odessa on July 23rd.

For months António Guterres, the un's secretary-general, has warned that Russia's war on Ukraine could cause a global food crisis by blocking Ukraine's grain exports. On July 22nd in Istanbul, Mr Guterres and Turkey's president, Recep Tayyip Erdogan, brokered a deal to let those exports resume. The next morning Russian missiles hit Odessa, Ukraine's biggest port. Vladimir Putin had "[spat] in the face" of Messrs Guterres and Erdogan, said Oleg Nikolenko, a Ukrainian spokesman.

Yet the deal seems to have survived. As *The Economist* went to press on July 28th, a ship packed with Ukrainian grain readied to leave the port of Chornomorsk. Odessa and Pivdennyi plan to resume exports next. Dozens of ships trapped in Ukrainian ports since the start of the war hope to set sail soon, though uncertainty remains. "If [the Russians] start shooting at vessels and ports and terminals," says Oleksandr Kubrakov, the Ukrainian infrastructure minister, "then this initiative will not work."

The deal came not a moment too soon for the world's poorest. The un says 828m people are going hungry every night, and that 50m are on the brink of famine. Ukraine is among the world's biggest exporters of wheat, barley, maize and sunflower oil. It has been unable to ship most of its crops since the war started. Russia has captured Ukraine's ports in the Sea of Azov and blockaded those on the Black Sea; Ukraine has mined its own waters to prevent an amphibious invasion. Only some mines will be cleared, to create corridors for cargo ships. Ukraine still fears a Russian naval attack on Odessa.

In Istanbul the two sides did not sign an agreement with each other, but separate accords with Turkey, witnessed by the un. The deal creates a "joint co-ordination centre" in Istanbul, staffed by the belligerents as well as by Turkey and the un, to inspect ships traveling to and from Ukrainian ports to ensure they do not carry weapons. It is valid for renewable periods of 120 days. But it has large gaps. The route of the "maritime humanitarian corridor" is yet to be set. It is not clear who will do the de-mining. The un has no means of enforcement.

Ukraine has been expanding alternative routes, via rail, road and Danube river barge. But these cannot make up for the Black Sea ports. To replace an 80,000-tonne cargo ship takes 3,600 trucks, says Dmytro Barinov, deputy head of the Ukrainian seaport authority. About 60m tonnes of grain are starting to be harvested. Ukraine lacks storage for about 15m-18m tonnes. If it cannot be shipped soon, much will be left to rot.

Besides the Istanbul deal, two other factors are lowering food prices. First, the harvest in the northern hemisphere is going well; Russia is expecting a record 90m-tonne wheat crop. Second, the strong dollar makes dollar-denominated commodities more expensive and encourages farmers to bring more of their crop to market.

Still, the food crisis is not over. Grain prices, though down one-third from their peak this year, are 40% higher than in January 2020. Fuel, fertiliser and other inputs remain expensive. And a long war looms. Michael Magdovitz of Rabobank, a Dutch lender, reckons Ukraine could double exports to 4m tonnes a month. But if vessels cannot leave Odessa by October, some of the crop may be lost. "There is tremendous upside risk to prices," says Mr Magdovitz.

Many find the deal too good to be true. "I struggle to see what's in it for the Russians," says an executive from an agricultural trading firm. Mr Putin has broken previous ceasefires; the attacks on Odessa suggest he may want to torpedo the deal. But Alexander Gabuev of the Carnegie Endowment, an American think-tank, thinks Mr Putin is under pressure from countries in and around the Middle East—not least Turkey. "Moscow still has plenty of sharp objects in its toolbox beyond grain exports," he tweeted, especially gas.

Meanwhile Lloyd's, an insurance market, has not announced how ships might be insured. "We have been waiting for five months," said Sefa Seker of Polarnet Shipping Operations in Istanbul, which owns a ship stuck in Odessa. "Nothing is clear." ■

Read more of our recent coverage of the Ukraine crisis.

Cutting calories

The EU agrees on an energy diet to fight Russian gas cuts

Vladimir Putin wants to blackmail Europe into dropping sanctions

Jul 28th 2022 | BERLIN

The news from the *Bundesnetzagentur* was grim. "The situation is tense and a further worsening...cannot be ruled out," Germany's energy regulator announced on July 26th. Gazprom, Russia's state-run gas provider, had just said it would further cut deliveries of natural gas through Nord Stream 1 (ns1), a pipeline from Russia to Germany. ns1 was already at 40% of capacity, and has now dropped to 20%. Gazprom blamed turbine trouble: the first of the cuts was attributed to a part sent to Canada for maintenance. That was a pretext. Canada has returned the turbine to Germany, and it could be shipped to Russia any day.

Rather, the cuts are blackmail, aimed at forcing Europe to drop sanctions over Russia's invasion of Ukraine. Pundits had expected the Kremlin to tighten the screws, but not so quickly. If ns1 remains at 20% of capacity Germany will not be able to reach the government's goal of filling 95% of its gas-storage tanks by November. They are now two-thirds full.

The eu reacted with unusual speed. On July 26th, 26 of its 27 member states agreed to cut gas consumption by 15% compared with the average of the last five years. (Hungary opposed the deal.) How they achieve this goal is up to them. The agreement comes into force on August 1st and runs until the end of March. But it is a watered-down version of the European Commission's initial proposal. Countries that use little Russian gas, including Poland, Portugal and Spain, resisted the mandatory cuts pressed by countries like Germany and Austria, which use lots of it.

The ensuing horse-trading led to many carve-outs. Hopefully Europeans will reduce consumption voluntarily, says Simone Tagliapietra of Bruegel, a think-tank in Brussels, since the eu deal contains too many exemptions from obligatory targets. It does have a "union alert" that can be triggered if there are severe supply shortages, in which case the targets become mandatory. But even then, the list of derogations is so long and detailed that cuts will remain voluntary in practice.

Russia's pressure tactics may yet work. Annalena Baerbock, Germany's foreign minister, said she had to overcome objections from Canada to allowing the turbine to be returned to Russia. But if Germany's gas were to be cut off, she continued, "we won't be able to provide any support for Ukraine at all, because we'll be busy with popular uprisings." German voters feel powerless in the face of high inflation and fears about energy shortages and a looming recession.

The Kremlin could cut off gas exports to Europe at any time. If it wants to maximise Europeans' suffering and anxiety, it might close the taps on a cold day in winter. The eu estimates that a complete shut-off could shave as much as 1.5% from the bloc's gdp, if the winter is cold and no preventive measures are taken.

Yet calculations by four economic think-tanks published on July 26th by *Handelsblatt*, a business daily, gave worried Germans some reassurance. Even if Russia continues to pipe gas through ns1 at just 20% of its capacity, Germany would very probably have sufficient gas this winter and next, said analysts at iwh Halle, rwi Essen, ifw Kiel and Ifo München. A few years ago the prospect of ns1's flow being cut back to 20% would have been a horror scenario. Now it is the optimistic one. ■

Read more of our recent coverage of the [Ukraine crisis.]

Delayed reaction

France's nuclear plants are going down for repairs

The crunch in electricity supply comes at the worst possible time

Jul 28th 2022 | PARIS

As europe struggles with the energy crunch caused by Russia's war on Ukraine, France has until now been in denial. Thanks to its nuclear-energy industry, the country is usually a net exporter of electricity to the rest of Europe, including Britain. Unlike Germany, which had to cut energy use fast due to its heavy reliance on Russian gas, France uses relatively little gas in its energy mix. Indeed, as energy prices have soared the French government has focused more on subsidising fuel prices than on encouraging energy savings.

So it came as a shock when President Emmanuel Macron chose the national holiday on July 14th to tell the French that they too had to cut back. He has urged a regime of energy "sobriety", to reduce consumption and waste. The government wants to shrink overall French energy use by 10% by 2024. It will fine shops if they leave their street doors open while the air-conditioning is on, or their commercial signs lit up all night. The big French retailers have promised to dim in-store lighting and turn off bright signs after hours.

For a country that prizes the semi-independence offered by its nuclear-power industry, this squeeze is awkward. French Greens and left-wing parties may dislike nuclear power. But the country's nuclear power stations, the first of which opened in 1963, have historically been a source of pride. Today they provide 42% of all energy, compared with just 6% in Germany. While Germany has been phasing out nuclear, Mr Macron plans to build at least six new next-generation reactors in France.

Yet, at the worst possible time, France's fleet of nuclear stations are under pressure. Over half of the country's 56 reactors are shut for maintenance, due to routine inspections as well as corrosion issues. Output this winter is expected to be 25% below that in a normal year. To compensate, France has had to buy electricity on wholesale markets. It plans to reopen a coal-fired power station in Saint-Avold, mothballed only in March. On July 6th the government announced that it would fully nationalise edf, the country's energy giant, in which it already holds an 84% stake. "At a crucial moment for Europe's energy supply, French nuclear is just not able to step up," says Cécile Maisonneuve, energy adviser at the French Institute of International Relations, a think-tank.

Two political difficulties loom as a result. One is domestic. Mr Macron learned during the *gilets jaunes* crisis in 2018-19 how an increase in fuel prices can crystallise anger. In contrast to other European countries, consumers in France have been shielded from the worst fuel-price inflation. This week parliament approved fresh subsidies at the pump. But such untargeted measures cannot last forever, and they undermine the parallel effort to curb energy use. Gas may supply only 16% of French energy, but it is used to heat two-fifths of households. When prices do rise, things could turn nasty.

The other is a test of eu solidarity. After contesting the European Commission's call for a 15% cut in gas use, the countries that do not rely on Russian gas won carve-outs. The tougher it gets for consumers and firms, the harder it will be to maintain united support for sanctions. Mr Macron has warned the French to prepare for a “very tough scenario”. “Russia,” he says, “is using energy as a weapon of war.” ■

Putin's false piety

The Kremlin drafts a much-loved icon for war propaganda

Andrei Rublev's "Holy Trinity" is dragged from museum to monastery

Jul 28th 2022

Reuters

Three winged figures, their heads inclined and their robes shading from azure to gold, sit at a table with a chalice in the middle. God is absent, but the painting is divine. Andrei Rublev's "Holy Trinity" is Russia's most precious icon. Painted in the 15th century when Russia was overrun by the Mongols, it reaffirmed the country's ties to Christian Europe and pointed towards a Russian Renaissance that never came, according to Dmitry Likhachev, a Russian historian.

This most numinous of Russian icons is now serving the darkest cause: Vladimir Putin's war in Ukraine. On July 16th the icon, which had been in the State Tretyakov Gallery since 1929, was moved on Kremlin orders (and against the will of restorers) to the Trinity Lavra of St Sergius, the spiritual centre of Russia's Orthodox church. There it was venerated during the feast of St Sergius, a Russian saint who influenced Rublev. Patriarch Kirill, the head of the Russian church and a supporter of the war, said the icon "connects us to the time when our Russia, in great danger from foreign and domestic enemies, was concentrating on becoming a great power".

Curators warned that dragging the icon to the church from the museum, where it was kept at a precise temperature and humidity, could damage it. Dragging Russia into obscurantism is just as damaging. The move had little to do with Christianity, and everything to do with Mr Putin's cult of war.

Sergei Parkhomenko, a liberal journalist, compared Mr Putin to a pharoah trying to "bribe" a deity: "Either he is very afraid of losing the war, and is asking for help. Or he is deciding to do something very scary—scary even to himself—and seeks forgiveness in advance." Russia's president recently warned that his invasion "has not even started in earnest". He might want to heed the words of Voltaire, who was more sceptical of religion: "God is on the side not of the heavy battalions, but of the best shots."

Britain

- Dreadneedle Street
- Happy champing
- Red line
- The unlikely dove
- More than hot air
- The laughing cavaliers

Dreadneedle Street

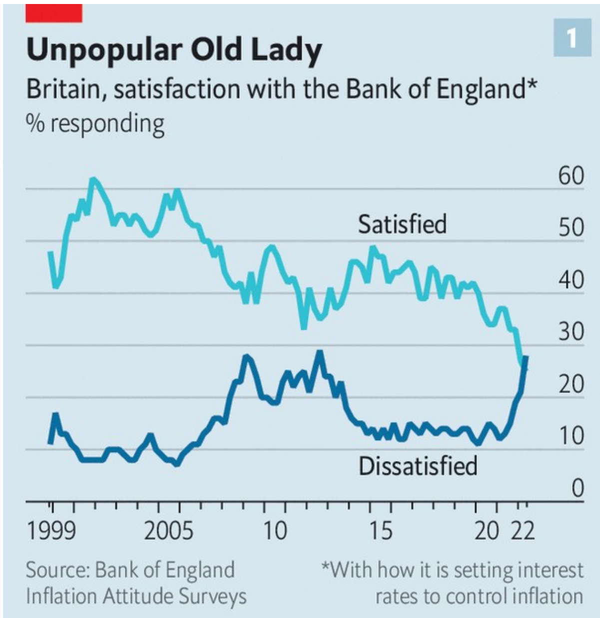
The Bank of England must weather high inflation and meddling politicians

Managing the trade-off between inflation and growth is particularly hard in Britain

Jul 28th 2022

Andrew bailey, the governor of the Bank of England, told an audience of financiers on July 19th about an email he had received from a member of the public, requesting that he “please, please, please be more cheerful”. But Mr Bailey is not one of life’s great entertainers. The best he could do in response was: “We are not doomed, far from it. But we are in difficult times.”

No kidding. The bank must bear down on eye-wateringly high annual inflation, which reached 9.4% in June and is set to climb into double digits this autumn. That is far above its official target of 2%. The political environment is becoming more hostile: Liz Truss, the front-runner in the race to become leader of the Conservative Party and Britain’s next prime minister, has been overtly critical of the bank. For the first time since records began in 1999, more people are dissatisfied with its performance than the opposite (see chart 1). As if that were not enough, the bank is also butting heads with the government over post-Brexit financial regulation.



The Economist

Inflation is the biggest challenge. Central bankers could not have avoided supply-chain disruptions caused by the pandemic and Brexit. They had nothing to do with Russia's invasion of Ukraine. According to the bank's own forecasts for the final quarter of this year, almost half of the overshoot in inflation relative to the 2% target will be explained by energy prices alone. Shocks like these end up making people poorer, come what may. "Even if central banks had somehow predicted the war and chosen to tighten monetary policy sufficiently to offset entirely its effects on overall inflation," says Ben Broadbent, the bank's deputy governor, "this would have entailed far weaker growth of nominal incomes, not higher real incomes."

Home-grown price pressures are increasing, too. In June prices of services rose by 5.2%, their fastest annual rate since December 1992. The labour market is hotter than was expected late last year, when the covid-19 furlough scheme was winding down. As Sanjay Raja of Deutsche Bank points out: "Wage growth is currently 5%, but needs to be closer to 3% to be consistent with the Bank of England's mandate."

Economic fine-tuning is difficult at the best of times. Raise interest rates too fast, and central banks risk stifling growth unnecessarily. Move too slowly, and they risk inflation becoming entrenched. It is devilishly hard right now. Bruna Skarica of Morgan Stanley, a bank, says that compared with the Federal Reserve and the European Central Bank, Britain's central bank is "navigating what is probably the toughest trade-off between growth and inflation". Like America, Britain has a tight labour market; like the euro zone, it is suffering a demand-sapping energy-price shock.

If the precise judgments are tricky, the overall direction of travel is clear. The bank's monetary-policy committee started raising interest rates last December (see chart 2), and will doubtless keep doing so at its meeting on August 4th. The bank does not publish its own forecast of where it expects rates to end up, but investors reckon they will peak at close to 3% early next year, before falling to 2.25% by 2025.

The Economist

That may be an underestimate if a new prime minister unveils big tax cuts. Ms Truss has made pledges that would deprive the Treasury of around £30bn ($36bn) of revenue relative to current policy, partly by cancelling an increase in corporation tax. Rishi Sunak, her rival for the top job, this week changed tack and dangled cuts in value-added tax on fuel. Fiscal loosening is likely to force the bank to raise rates more sharply than it otherwise would.

Steeper rate rises will do nothing for souring public sentiment. Britons are already adjusting to pricier borrowing; over the six months to June interest rates for a common two-year fixed mortgage rose at the fastest pace since at least 1995. It may be too much to ask the public to understand that maintaining inflation at 2% would have required both superhuman foresight and an enormous recession. But politicians really ought to know better. Ms Truss in particular has latched on to the sense of rising frustration, criticising the bank for excessive money-printing and suggesting that its mandate needs toughening up.

Such pronouncements may amount to no more than campaign bluster. Ms Truss's frankly bizarre suggestion that the bank might target the money supply makes little sense to anyone who remembers the lesson of the 1980s, which is that the relationship between the money supply and inflation (the thing that really matters) is too unstable for it to work. A sensible politician ought to be grateful for the bank's monetary-policy independence in circumstances like these, and leave it well alone to take unpopular decisions.

Tensions over a separate area of the bank's remit, that of financial regulation, are more likely to continue. Britain's departure from the eu means a huge repatriation of regulatory powers. The government wants the Bank of England to do more to encourage growth; the bank's primary objective is financial stability. Specific spats have centred around plans to make it easier for insurers to invest in illiquid assets like infrastructure, and mooted proposals for ministers to be able to overrule regulators "in the public interest".

It is premature to panic over these conflicts, however. For now the Treasury is suggesting only that it publicly ask regulators to review a rule it suspects is working badly. Matthew Conway of uk Finance, an industry body, would like more accountability so that individual firms have a way to complain about shoddy rule-making.

The Bank of England has made blunders. Mr Bailey undoubtedly lacks polish as a communicator: his suggestion in February that the public should hold back from asking for bumper wage rises went down very badly. Yet even the slickest governor would find the current environment testing. Chris Marsh of Exante Data, a research firm, describes rate-setters as "moving from meeting to meeting and feeling their way". Muddling through feels miserable. But it may not be reasonable to expect more. ■

Happy champing

Britain's empty churches are turning into campsites

It's one way to keep them in use—and encourage younger visitors

Jul 28th 2022 | cooling

The graveyard of St James's Church in Cooling, a village on the North Kent Marshes, is where Charles Dickens imagined Abel Magwitch, a "fearful man, all in coarse grey, with a great iron on his leg", accosting young Pip in the opening scene of "Great Expectations". Locals are used to finding tourists searching the graveyard for Pip's relatives. "Some of them fail to differentiate fact from fiction," says Mark Bucknall, who helps care for St James's, which closed in 1976 due to a lack of congregants.

For committed fans, it is possible to camp overnight in the church (or "champ"). Guests book online and find an ancient, unwieldy key in a graveyard portaloo; they enter the church to see camp beds set up in front of the altar.

Champing is the brainchild of the Churches Conservation Trust (cct), a charity that protects historic churches. Since launching the service in 2016 the cct has welcomed 8,000 champers; 21 churches take part. Last year St Mary's, in Longslade, Cumbria, raised £3,500 ($4,220), a large sum for a small church. St Luke's, in Clifton, Cumbria, has a congregation of 16. Without champing, says Charlotte Bampton, its council secretary, it would shut within two years.

Visitors tend to have rather niche interests. Musicians find joy in the acoustics. Architectural historians enjoy the freedom to marvel at medieval masonry. Last summer Tilda Howard champed with friends in a church in a Northamptonshire village, in order to play Dungeons and Dragons, a fantasy role-play game. "Our victories and failures rang around the hallowed halls," she says. Ghost-hunters have also poured in; some post videos of their nocturnal expeditions on YouTube.

Such idiosyncrasies are tolerated if it helps keep churches in good nick. In Cooling, asked if the possibility of fornication taking place on sacred ground causes him concern, a local man grins: "If it was one bloke and his goat in there, then I'd mind." Locals worry more that guests might hold a rave or steal artefacts; some have removed historic items themselves, just to be safe. Ms Bampton is clear where the line should be drawn: "We would not be particularly impressed if people were doing occult activities, shall we say, in the church."

Some organisers hope a younger audience will visit churches and find a lasting comfort in the surroundings. That depends a bit on how hardy they are. Your correspondent, shivering on his camp bed, as the rain lashed against the stained-glass windows and summoned the clunking of Magwitch's iron chains, called it a night early.

Red line

Chinese investment in Britain is under the microscope

Newport Wafer Fab will be the next test for the government

Jul 28th 2022

Several issues divide Rishi Sunak and Liz Truss, the two contenders to become Britain's next prime minister. On China, hawkishness now unites them. The government has already pledged to remove equipment made by Huawei, a Chinese firm, from the country's 5g telecoms networks. Ms Truss promises a crackdown on TikTok, a Chinese-owned app, among others; Mr Sunak calls China the largest threat to Britain. Both claim credit for the passage last year of the National Security and Investment Act, which gave the government power to screen and scrap deals in 17 sensitive sectors involving potentially hostile foreign investors.

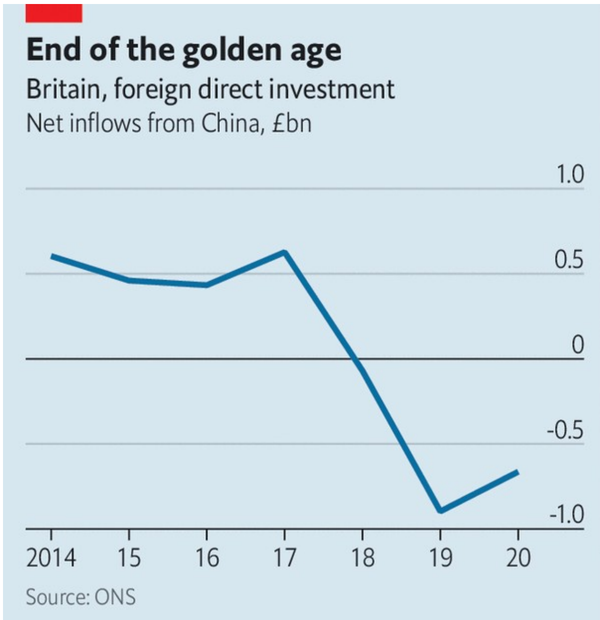
On July 20th Kwasi Kwarteng, the business secretary, used the act to veto a deal for the first time. Beijing Infinite Vision Technology, a Chinese firm, was prohibited from licensing vision-sensing technology from the University of Manchester, on the basis that the intellectual property could be used in ways "which may present a national-security risk". The technology in question, image-processing chips known as scamp-5 and scamp-7, can be used in applications from robotics to surveillance.

That decision, combined with the bellicose rhetoric of the leadership race, is a warning to British universities, which have developed especially cosy relations with China. A report in 2021 by Civitas, a think-tank, found that over half of Russell Group universities had either current or previous research ties with companies linked to the Chinese armed forces. Universities rely on Chinese students for 6% of their total income. Mr Sunak wants to ban Confucius Institutes, on-campus language schools funded by China.

Mr Kwarteng's decision also suggests a tougher line on another, much more significant investment. The government is probing the acquisition of Newport Wafer Fab (nwf), Britain's largest maker of semiconductors, on national-security grounds. The firm was bought in 2021, when the pandemic had brought it to the brink of closure, by Nexperia, a Dutch outfit itself owned by Wingtech, a Chinese firm. After much delay and flip-flopping, the government's decision is due in early September.

The objections to the takeover are threefold. The first is that China, which is racing to build up its own semiconductor industry, should not have access to nwf's know-how. The chips made at Newport are the basic but essential kind that control the flow of electrical power; they are used in everything from phone chargers to cars to light switches. Newport's forte is to produce a high volume of these chips with extremely low error rates; that is expertise worth having.

The second concern is supply-chain security. Critics point out that Wingtech is building a semiconductor fab in Shanghai; when that plant reaches capacity, the company might be inclined to shift production to China. Europe's reliance on Russia for gas has highlighted the risks of depending on potential adversaries for inputs. "There are no plans to offshore production from Newport," says Toni Versluijs, Nexperia's general manager in Britain. "Neither is there any pressure from Wingtech's shareholders to do so".



The Economist

The third objection centres on the plans that Nexperia does have for nwf. The firm is changing from being an open-access foundry, whose facilities are available for use by smaller companies, to a factory which makes semiconductors solely for Nexperia. Among other things that means there is nowhere to make photonics chips, which use light, not electricity, to shuffle data around. “The loss of the open photonics process at Newport Wafer Fab is bad news for the uk ecosystem,” says James Lee, a co-founder of Wave Photonics, a Cambridge-based startup that designs such chips. Rockley Photonics, a British firm that supplies semiconductors to Apple, had planned to use nwf to build its chips but now says that it will shift production to America. Mr Versluijs says that a “viable business case” is needed for external firms to use the facilities at Newport.

If Nexperia is forced to divest from nwf, it is not clear where the funds to keep the firm running would come from. Britain, unlike America and the rest of Europe, still has no published semiconductor strategy. Chinese investment has been falling for a while (see chart), and that trend is unlikely to reverse. The government has yet to work out what replaces it. ■

The unlikely dove

Remembering David Trimble, an architect of the Good Friday Agreement

Voters ended up deserting his party. But his vision endured

Jul 28th 2022 | belfast

As a law professor at Queen's University in Belfast, David Trimble was not an obvious candidate for greatness, even in his native Northern Ireland. But quirks of fate and marks of character propelled him to become one of its most consequential leaders. His death on July 25th prompted tributes from around the world. Sir Tony Blair said that he had given "a masterclass in leadership". Bill Clinton described him as "a leader of courage, vision and principle". Such qualities are needed again today.

By 1983 years of violence in Ulster had claimed well over 2,000 lives. The killing seemed unstoppable, the tribalism intractable. That year Trimble heard the shots from an ira gun—part of the group's bloody campaign for Irish unification—which ended the life of his fellow-unionist and legal academic, Edgar Graham; he called an ambulance for the man he believed would one day lead the Ulster Unionist Party (uup), then the largest political force backing the existing constitutional settlement.

Instead, to the surprise of many, Trimble himself rose to that position. He became an mp in 1990; five years later he won the uup leadership. In 1998 came an even greater shock, when he helped negotiate the Good Friday Agreement. Having campaigned under the slogan "no guns, no government", Trimble abandoned that pledge, becoming the province's inaugural first minister while the ira not only held onto its guns but still used them to murder.

Acclaim abroad, including a Nobel peace prize, was absent at home. The ira had still not fully destroyed its arsenal by the time he was driven from power in 2005. But the architecture crafted by Trimble and his nationalist counterpart, John Hume, endured. Within two years the ira's guns had almost all gone and Gerry Adams of Sinn Féin was sharing power with Ian Paisley, a roaring hardliner. Trimble was irked at Paisley's hypocrisy, but not wholly dissatisfied. His twin aims had been achieved: securing peace and securing the Union.

Brexit, something he backed, has unsettled this equilibrium. One of Trimble's final acts was to give his support to the argument now common to almost all unionists—that the Irish Sea border concocted by the eu and the British government to avoid a harder Irish land border "rips the heart out of the [Good Friday] agreement". "I feel betrayed personally," he said last year.

Erudite and unusually open-minded (he chose several Catholics as key advisers), Trimble could also be prickly, gauche and intellectually arrogant. He admitted to hubris for believing that unionists would keep accepting compromises while the ira remained armed. They would not, and ended up deserting the uup. But they didn't desert his agreement. Northern Ireland today was built by Trimble and Hume. Almost all of the gunmen have gone; the principle of power-sharing is accepted; the people are free to choose their future. ■

For more coverage of matters relating to Brexit, visit our Brexit hub

More than hot air

Britain’s hydrogen strategy is ambitious, if imperfect

A debate over the merits of green and blue hydrogen

Jul 25th 2022

One of the most complex problems that Britain faces is climate change. The simplest element in the periodic table is increasingly seen as part of the answer. Low-carbon hydrogen can be made either from natural gas, with the carbon that results captured and stored underground (“blue hydrogen”), or from water, using an electrolyser powered by renewable energy (“green hydrogen”). Hydrogen can help decarbonise activities that cannot easily be electrified. These include industrial processes that require high temperatures, like steelmaking; and forms of transport, including shipping, that have greater ranges than electric vehicles can manage.

Last year Britain became the 12th country to release a hydrogen strategy. It called for 5gw of low-carbon hydrogen-production capacity by 2030—enough for around 2% of current energy demand. In April the government doubled that goal. Britain, it thinks, can build a “thriving hydrogen economy”, both domestically and by exporting new technology.

To do so, plenty of cash is on offer. A £240m ($290m) Net Zero Hydrogen Fund will help production projects get off the ground; a "hydrogen business model" will offer price support to low-carbon hydrogen producers. Much of the money will go to two planned clusters: HyNet, in the north-west of England, and the East Coast Cluster, around the Humber and Teesside.

These regions not only have a big industrial base, including steelmaking, but already make use of lots of hydrogen: it is a component in chemical reactions for refining and the production of fertiliser and methanol. Almost all this hydrogen is currently the dirty "grey" sort, which is made from natural gas but does nothing about the carbon dioxide thereby emitted. Producers of cleaner forms of hydrogen in these areas will be close to potential customers and can use existing infrastructure.

The government's proposed price-support mechanism is also savvy. This is a variant of the "contracts for difference" approach it has used to support offshore wind and guarantees low-carbon producers a certain price by topping up the market price of hydrogen. In theory, such an approach will allow low-carbon hydrogen to compete with the grey version. As cleaner hydrogen becomes cheaper, support will be withdrawn.

Where things get more heated is over which form of low-carbon hydrogen to back, and how it should be used. The flagship projects at both HyNet and the East Coast Cluster are blue-hydrogen plants. That has sparked criticism from green-hydrogen champions. The blue sort can never be fully emissions-free, they say. It relies on natural gas, which is volatile in price and insecure in supply—about half of Britain's gas is imported. The government ought to start with the tech it wants to end up with, lest it "end up with stranded assets", says Graham Cooley of itm Power, a Sheffield-based electrolyser manufacturer.

Blue-hydrogen advocates retort that production will be kept clean by the government's low-carbon hydrogen standard, which sets a cap on the emissions that hydrogen-makers can generate to be eligible for subsidies. "Above all, blue-hydrogen supporters rightly say that theirs is the only technology that can rapidly produce clean hydrogen at scale: there is simply not enough renewable electricity available to make enough of the green variety. To meet the government's targets for green hydrogen alone would require about 126twh of renewable electricity. In 2020 Britain produced just 135twh of renewable electricity in total. That argues for a pragmatic approach to setting hydrogen targets; Britain's plan for half of its production capacity in 2030 to be green may need tweaking.

Demand is crucial, too. The government has suggested that low-carbon hydrogen could be blended into the gas network, filling consumers' pipes with a 20/80 hydrogen/gas mix. Because of its low volumetric energy density—one cubic metre of hydrogen contains about a third as much energy as the equivalent volume of natural gas—blending would lead to only a 7% reduction in emissions, even if only green hydrogen is used. But by creating a pathway to scaling up, it could stimulate more production more quickly.

Other ideas for scaling demand are less sensible. The government wants to explore using pure hydrogen for heat, an idea that Michael Liebrich, an energy analyst, calls "stupid". Safe use of pure hydrogen would mean replacing valves, pipes and appliances in every home, and would still be less efficient than using an electric heat-pump. The government is also pushing hydrogen buses and vans, another application which Mr Liebrich thinks is better suited to electrification.

Better to encourage the use of hydrogen as an energy-storage medium to help overcome the peaks and troughs of an all-renewables grid. When renewable energy is plentiful, electrolysers can be turned on, producing hydrogen which is then stored. When it is scarce, that hydrogen can be burned in a power station or used in fuel cells to generate electricity. Britain's plan can be improved, then. But the greater problem would be if it did not exist at all.■

For more coverage of climate change, register for [The Climate Issue](), our fortnightly newsletter, or visit our [climate-change hub]().

Bagehot

The Conservative Party is ridiculing part of its electorate

Its electoral coalition includes liberals and Europhiles. Many do not see the funny side

Jul 26th 2022

Governments have many reasons to encourage working from home. Employees like it. There is little evidence it harms productivity. Bosses know better than politicians how to organise their workforces. Yet the government of Boris Johnson denounces the practice as an excuse for idling and daytime snacking. The Peloton, a pricey exercise bike popular with home-working professionals, has become a symbol of decadence in Tory minds. Conservative mps snigger about "woke-ing from home".

Such quips may entertain pensioners and blue-collar workers, who make up a growing share of the Tory electorate. But they go down less well in Woking. The wealthy Surrey town is home to an army of white-collar workers—lawyers and accountants who for decades took the train each morning to the City of London and reliably returned Conservative mps to Parliament. Their commuting patterns changed during the pandemic: the town was a hotspot of home-working. Their political allegiances are shifting, too. Many have come to see the modern Conservative Party as, at best, indifferent to their way of life. Often, it is plain insulting.

Tories ought to know the risks of offending their electorate, because that is the story they tell of the Labour Party's demise in its northern heartlands. A succession of north Londoners, from Peter Mandelson to Jeremy Corbyn and Sir Keir Starmer, took loyal Labour voters for granted, and at worst looked down on them. The result was Brexit and Mr Johnson's rise. This story may be a caricature but the cultural alienation that traditional Labour supporters felt was real. Rather than learn from it, however, the Tories have imitated it in their own southern heartlands. Their electoral success rests on a coalition of voters, spread wide and thin across classes and cultures. The government's disdain for a large chunk of them matches any of Labour's slights.

Something profound has shifted in the British electorate. For decades people who stayed in education longer were more trusting of politicians than those who dropped out at younger ages. Europhiles were more trusting than Eurosceptics. After Brexit and the election in 2019, this historic pattern inverted. As Will Jennings of the University of Southampton shows, by May 2021 graduates and Remain voters were declaring themselves significantly less trusting than those with a basic education or those who had voted "Leave". A new political underclass was born.

Such people are found in large numbers in the Tories' southern seats. The flavour of conservatism preferred here is a mixture of fiscal responsibility, social liberalism and the rule of law, says Damian Green, the head of the "One Nation" caucus of liberal Tories. These voters want their government to be quietly effective, the political discourse to be civilised and Britain's established institutions to be respected. They stuck with the Tories in 2019 out of fear of Mr Corbyn, the far-left Labour leader.

Now they have fewer incentives to stay. Mr Johnson's programme of "levelling up" proved to be more about redistributing status than wealth. To lift up a new Tory electorate in the north, the old one often felt like it was being taken down a peg or two. The institutions Downing Street picked out for brawls—the bbc, the National Trust, the judiciary, universities and the civil service—are valued by many of the Tories' traditional voters.

Partygate was particularly galling, reckon some southern Tories, to those working in management and in regulated professions, for whom workplace ethics have become a modern religion. Political scientists see competence and identity as separate drivers of voting behaviour but for some voters, being competent is a form of identity in itself. This scandal, on top of others, has disabused Britons of the notion that they are better governed than their neighbours. A study by Bobby Duffy of King's College, London in May found that 62% of Britons, and 67% of graduates, think the government habitually breaks the rules, the highest of six European countries surveyed, including Poland and Italy.

A rising sense of alienation is driving an electoral realignment. The Liberal Democrats made big gains in Woking, and a swathe of neighbouring towns, in local elections in May. Modelling by YouGov, a pollster, in July projected that the party would seize 26 Tory constituencies in what it calls the "blue wall" of southern England, and turn 11 more into marginal seats. "A lot of Conservative voters are pretty alarmed," says Sir Ed Davey, the Liberal Democrat leader. "They think this government is incoherent, inconsistent and chaotic." A colleague of Sir Ed's dubs their target the "Tim Harford voter," after fans of the presenter of "More or Less", a cerebral bbc radio programme about statistics.

After insults, injury

By the time Mr Johnson resigned earlier this month, the Tories had the support of just one in five graduates and one in seven Remainers. That is an odd place to be for the party of aspiration and free trade. On paper the two remaining Tory leadership candidates are plausible antidotes. Liz Truss, the foreign secretary, promises lower payroll taxes, lower energy bills and cheaper child care. Rishi Sunak, a former chancellor, is a fastidious ex-banker who owns a Peloton and a collection of Star Wars memorabilia. They both preach the double liberalism of economic and personal freedom.

Yet Mr Sunak has reinvented himself as a snarling populist, lashing out at human-rights lawyers and illegal migrants. It is a fascinating but unconvincing performance, like seeing Daniel Radcliffe audition for "Rambo". In a leadership debate on July 17th he ridiculed Ms Truss's past as a Remainer and a Liberal Democrat. Which he asked, did she regret more? It was a decent enough gag. The Tories' problem is that its electoral success still depends on binding liberals, Europhiles, National Trust volunteers, Peloton-riders and fans of Mr Harford to its tribe in large numbers. Many of these people do not see the funny side of being mocked. The Conservatives risk running out of voters to laugh at. ■

Read more from Bagehot, our columnist on British politics:
The choice between Rishi Sunak and Liz Truss (Jul 23rd)
Britain's prime minister becomes a rotten presidency (Jul 14th)
The toxicity of Boris Johnson (Jul 9th)

1843 magazine

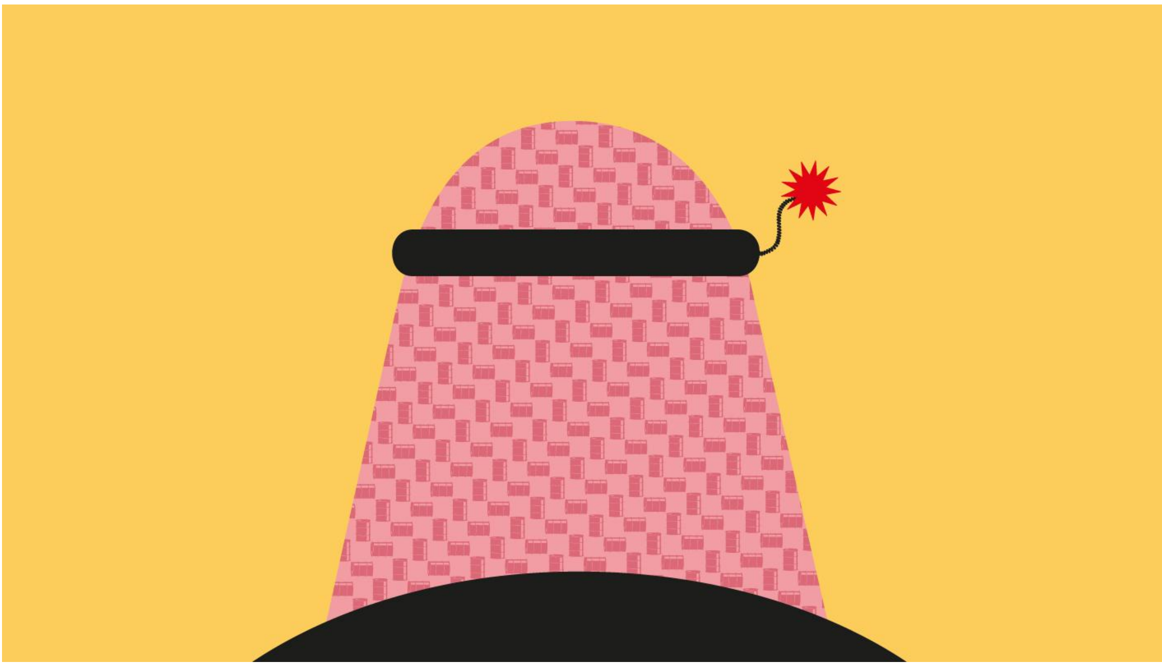
- **[MBS: despot in the desert]**
- **[How magicians won the attention economy]**
- **[East of Mariupol: what happened to the Ukrainians who fled to Russia?]**
- **[Look who’s stalking: the black leopards of Gloucestershire]**
- **[How to go to therapy without talking about your feelings]**
- **[Did this man spend 20 years in prison for murdering a man who is still alive?]**
- **[The sun is both our creator and destroyer]**

Summer reading

MBS: despot in the desert

A volatile millennial wields absolute power in Saudi Arabia. What will he do next?

Jul 28th 2022



No one wanted to play football with Muhammad bin Salman. Sure, the boy was a member of Saudi Arabia's royal family, but so were 15,000 other people. His classmates preferred the company of his cousins, who were higher up the assumed order of succession, a childhood acquaintance recalls. As for the isolated child who would one day become crown prince, a family friend recounts hearing him called "little Saddam".

Home life was tricky for bin Salman, too (he is now more commonly known by his initials, mbs). His father, Salman, already had five sons with his first wife, an educated woman from an elite urban family. mbs's mother, Salman's third wife, was a tribeswoman. When mbs visited the palace where his father lived with his first wife, his older half-brothers mocked him as the "son of a Bedouin". Later, his elder brothers and cousins were sent to universities in America and Britain. The Bedouin offspring of Prince Salman stayed in Riyadh to attend King Saud University.

As young adults, the royals sometimes cruised on superyachts together; mbs was reportedly treated like an errand boy, sent onshore to buy cigarettes. A photo from one of these holidays shows a group of 16 royals posing on a yacht-deck in shorts and sunglasses, the hills of the French Riviera behind them. In the middle is mbs's cousin, Prince Alwaleed bin Talal, a billionaire investor dubbed "the Arabian Warren Buffett". mbs, tall and broad-shouldered in a white t-shirt, is pushed to the farthest edge.

Fast forward to today, and mbs has moved to the centre of the frame, the most important decision-maker in Saudi Arabia, the world's biggest oil exporter. Saudi Arabia is an absolute monarchy but mbs's 86-year-old father, though nominally head of state, is rarely seen in public anymore. It has been clear for several years that mbs is in charge. "In effect," a former Saudi intelligence agent told me, "King Salman is no longer king."

At first glance the 36-year-old prince looks like the ruler many young Saudis had been waiting for, closer in age to his people than any previous king – 70% of the Saudi population is under 30. The millennial autocrat is said to be fanatical about the video game "Call of Duty": he blasts through the inertia and privileges of the mosque and royal court as though he were fighting virtual opponents on screen.

His restless impatience and disdain for convention have helped him push through reforms that many thought wouldn't happen for generations. The most visible transformation of Saudi Arabia is the presence of women in public where once they were either absent or closely guarded by their husband or father. There are other changes, too. Previously, the kingdom offered few diversions besides praying at the mosque; today you can watch Justin Bieber in concert, sing karaoke or go to a Formula 1 race. A few months ago I even went to a rave in a hotel. Saudis and foreigners danced barefoot on the sand until dawn, a couple kissed, women stripped down to tank tops and fruit juice laced with alcohol was served at an open bar.

But embracing Western consumer culture doesn't mean embracing Western democratic values: it can as easily support a distinctively modern, surveillance state. On my recent trips to Saudi Arabia, people from all levels of society seemed terrified about being overheard voicing disrespect or criticism, something I'd never seen there before. "I've survived four kings," said a veteran analyst who refused to speculate about why much of Jeddah, the country's second-largest city, is being bulldozed: "Let me survive a fifth."

The West, beguiled by promises of change and dependent on Saudi oil, at first seemed prepared to ignore mbs's excesses. Then, in late 2018, Saudi officials in Istanbul murdered a *Washington Post* columnist, Jamal Khashoggi, and dismembered his body with a bone saw. Even the most pro-Saudi leaders turned away.

Today, thanks to another autocrat, Vladimir Putin, the Saudi prince is back in demand. After Putin invaded Ukraine in February, the price of crude shot up. Boris Johnson was on a plane within weeks. Turkey's Recep Tayyip Erdogan, previously a sworn enemy of the crown prince, embraced mbs in Riyadh in April. War even forced America's president into a humiliating climbdown. On the campaign trail in 2020 Joe Biden had vowed to turn Saudi Arabia into a "pariah". But on July 15th he went to make his peace with mbs – trying to avoid shaking mbs's hand, he instead opted for a fist bump that left the two looking all the chummier. Even critics at home acknowledged mbs's victory. "He made Biden look weak," said a Saudi columnist in Jeddah. "He stood up to a superpower and won before the world."

For mbs, this is a moment of triumph. His journey from the fringe of a photograph to the heart of power is almost complete. He will probably be king for decades. During that time, his country's oil will be needed to sate the world's enduring demand for energy.

A kingdom where the word of one man counts for so much depends utterly on his character. The hope is that, with his position secure, mbs will forswear the vengefulness and intolerance that produced Khashoggi's murder. But some, among them his childhood classmates, fear something darker. They are reminded of the Iraqi dictator Saddam Hussein, a one-time moderniser who became so addicted to accumulating power that he turned reckless and dangerous. "At first power bestows grandeur," a former Western intelligence officer told me, of mbs. "But then comes the loneliness, suspicion and fear that others will try to grab what you grabbed."

During the early years of mbs's ascent, I was vaguely aware of him as one prince among many. I probably wouldn't have paid him much attention if an old contact of mine hadn't joined his staff. His new boss, my contact said, was serious about shaking things up. He arranged the meeting at a faux-ancient mud-brick village on the outskirts of Riyadh in 2016. As my *Economist* colleagues and I approached, the gates of mbs's compound suddenly slid open, like a Bond-villain's lair. In the inner chamber sat mbs.

Reform has often been promised in Saudi Arabia – usually in response to American hectoring – but successive kings lacked the mettle to push change through. When the Al Sauds conquered Arabia in the 1920s, they made an alliance with an ultra-conservative religious group called the Wahhabis. In 1979, after a group of religious extremists staged a brief armed takeover of the Grand Mosque in Mecca, the Al Sauds decided to make the kingdom more devout to fend off a possible Islamic revolution, as had just happened in Iran. Wahhabi clerics were empowered to run society as they saw fit.

The Wahhabis exercised control through the Committee for the Promotion of Virtue and Prevention of Vice, otherwise known as the religious police. They whacked the ankles of women whose hair poked through their veil and lashed the legs of men who wore shorts. The arrangement suited the House of Saud. Wahhabism provided social control and gave legitimacy to the

Saudi state, leaving the royals free to enjoy their oil wealth in the more permissive environments of London and Paris, or behind the gates of their palaces.

During an argument with his mother he reportedly sprayed her ceiling with bullets

I'm loth to admit it now, but as the prince talked in Riyadh about his plans to modernise society and the economy, I was impressed by his enthusiasm, vision and command of the details. He gave what turned out to be accurate answers about how and when his reforms would happen. Though he was not yet crown prince, he frequently referred to Saudi Arabia as "my" country. We arrived at around 9pm. At 2am, mbs was still in full flow.

mbs was affable, self-assured, smiling. His advisers were more subdued. If they spoke at all, it was to robotically repeat their master's lines. Yet when mbs left the room to take a call, they started chatting animatedly. As the prince re-entered, silence fell.

Like many in those early years, I was excited about what mbs might do for the kingdom. When I returned to the capital a few months later I saw a number of men wearing shorts. I kept looking over my shoulder for the religious police, but none came – they had been stripped of their powers of arrest.

As crown prince, mbs has introduced a code of law so that judicial sentencing accords with state guidelines, not a judge's own interpretation of the Koran. He criminalised stoning to death and forced marriage. The most overt change involved the role of women. mbs attacked guardianship laws that prevented women from working, travelling, owning a passport, opening a business, having hospital treatment or divorcing without approval from a male relative. In practice, many Saudi women have found these new rights hard to claim in a patriarchal society, and men can still file claims of disobedience against female relatives. But mbs's reforms were more than cosmetic. Some clerics were jailed; the rest soon fell into line.

mbs seemed to relish breaking religious taboos. His new state tv channel broached the subject of homosexuality. In September 2017 he lifted a ban on

Tinder, a dating app. The following year one of Mecca's imams was dragooned into dealing the first deck at a new card-game competition, a pastime hitherto denounced as a sinful distraction. He brought many new sports to the kingdom: boxing, wrestling, monster-jam motorsports for turbo-charged 4x4s and even a Pamplona-style running of the bulls. "He's a fucking rock-star," said an American spectator who'd watched him receive a standing ovation at the Formula 1 race in Jeddah late last year.

For foreigners, Riyadh is less forbidding these days. "I'm afraid I'll be caught for not drinking," a teetotal businessman told me. "There's cocaine, alcohol and hookers like I haven't seen in southern California," says another party-goer. "It's really heavy duty stuff." A former senior Saudi official says sex workers, many from eastern Europe, can earn $3,000 for attending a party and $10,000 for staying the night.

When mbs first entered public life he had a reputation for being as strait-laced as his father, rare among royals. That quickly changed. Many of the people interviewed for this article said that they believe mbs frequently uses drugs, which he denies. A court insider says that in 2015 his friends decided that he needed some r&r on an island in the Maldives. According to investigative journalists Bradley Hope and Justin Scheck in their book "Blood and Oil", 150 models were recruited to join the gathering and were then shuttled "by golf cart to a medical centre to be tested for sexually transmitted diseases". Several international music stars were flown in, including Afrojack, a Dutch dj. Then the press blew mbs's cover.

Thereafter, the prince preferred to unwind off the Red Sea coast. At weekends his entourage formed a flotilla by mooring their yachts around his, *Serene*, which has a driving range and a cinema. According to a former official, "dj mbs", as his friends called him, would spin the discs wearing his trademark cowboy hat. The yacht is only one of the luxuries mbs has splurged on. He also bought a £230m ersatz French chateau near Versailles, built in 2008 (the meditation room doubles as an aquarium). He is said to have boasted that he wanted to be the first trillionaire.

We put these and other allegations in this article to mbs's representatives. Through the Saudi embassy in London, they issued a broad denial, saying "the allegations are denied and are without foundation."

mbs's loosening of social mores reflects the values of many of his youthful peers, in Saudi and beyond – as does his taste for the flashier side of life. Yet despite the social revolution, the prince is no keener than Wahhabi clerics on letting people think for themselves. Shortly before lifting a ban on women driving in 2018, mbs's officials imprisoned Loujain al-Hathloul, one of the leaders of the campaign for women's rights. Her family say jailers waterboarded and electrocuted her, and that Saud al-Qahtani, one of mbs's closest advisers, was present during her torment and threatened to rape her. (A un investigation found reasonable grounds to believe that Qahtani was involved in the torture of female activists. Qahtani allegedly told one of these women: "I'll do whatever I like to you, and then I'll dissolve you and flush you down the toilet.") Hathloul was charged with inciting change to the ruling system. The message was clear: only one person was allowed to do that.

Mbs is ruthlessly ambitious – he reportedly loved reading about Alexander the Great as a teenager – but he also owes his rise to some extraordinary twists of fortune. Succession can be an unpredictable affair in Saudi Arabia. The monarchy is only two generations old, founded in 1932, and the crown has so far moved from brother to brother among the founding ruler's sons. That has become harder as the prospective heirs age. mbs's father wasn't tipped to be king, but after his two older brothers died unexpectedly in 2011 and 2012, he was catapulted up the line of succession.

When Salman became the heir-designate aged 76, he needed a chief of staff. Most courtiers expected him to choose one of the suave, English-speaking children of his first wife. Instead he appointed a son who spoke Arabic with a guttural Bedouin accent. (mbs has learned English fast since then: when we met in 2016 he sometimes corrected his translator.)

The choice to elevate mbs was less surprising to those who knew his father well. Salman had dedicated himself to his job as governor of Riyadh rather than chasing more lucrative commissions, and was a stickler for 8am starts, even in his 70s. He was known as the family disciplinarian, not averse to giving wayward royals a thwack with his walking stick or even a spell in his private prison. He clearly saw something of himself in his sixth son. mbs might love video games, but he was also a hard worker and keen to advance.

mbs put few limits on what he was prepared to do to achieve control. He earned the nickname Abu Rasasa – father of the bullet – after widespread rumours that he sent a bullet in the post to an official who ruled against him in a land dispute (Saudi officials have previously denied this rumour). He was fearsome in private, too. “There are these terrible tempers, smashing up offices, trashing the palace,” says a source with palace connections. “He’s extremely violent.” Several associates describe him as having wild mood swings. Two former palace insiders say that, during an argument with his mother, he once sprayed her ceiling with bullets. According to multiple sources and news reports, he has locked his mother away.

Some observers fear that MBS may become only more dangerous as oil reserves start to decline and the treasure trove shrinks

It's hard to say how many wives he has; officially, there's just one, a glamorous princess called Sara bint Mashour, but courtiers say he has at least one more. mbs presents his family life as normal and happy: earlier this year he told the *Atlantic* magazine that he eats breakfast with his children each morning (he has three boys and two girls, according to *Gulf News* – the eldest is said to be 11). One diplomat spoke of mbs's kindness to his wife. But other sources inside the royal circle say that, on at least one occasion, Princess Sara was so badly beaten by her husband that she had to seek medical treatment.

We put this and other allegations in this piece to mbs's representatives, who described them as "plain fabrication", adding that "the kingdom is unfortunately used to false allegations made against its leadership, usually based on politically (or other) motivated malicious sources, particularly discredited individuals who have a long record of fabrications and baseless claims."

mbs finally got a taste of political power in 2015 when Salman became king. Salman appointed his son deputy crown prince and minister of defence. One of mbs's first moves was to launch a war in neighbouring Yemen. Even America, the kingdom's closest military ally, was told only at the last minute.

There was an obvious obstacle in mbs's path to the throne: his cousin, the 57-year-old heir-designate, Muhammad bin Nayef. Bin Nayef was the intelligence chief and the kingdom's main interlocutor with the cia. He was widely credited with stamping out al-Qaeda in Saudi after 9/11. In June 2017 bin Nayef was summoned to meet the elderly king at his palace in Mecca.

The story of what happened next has emerged from press reports and my interviews. It seems that bin Nayef arrived by helicopter and took the lift to the fourth floor. Instead of the monarch, mbs's agents were waiting. Bin

Nayef was stripped of his weapons and phone, and told that a royal council had dismissed him. He was left alone to consider his options. Seven hours later, a court videographer filmed the charade of mbs kissing his cousin, then accepting his abdication as crown prince. King Salman kept a back seat throughout. Bin Nayef is now in detention (his uncle, who also had a claim to the throne, apparently intervened to try and protect bin Nayef, but was himself later detained). The staged resignation – an old trick of Saddam Hussein's – would become mbs's signature move.

That was just the warm-up act. In October 2017 mbs hosted an international investment conference at the Ritz-Carlton in Riyadh. At "Davos in the desert", the likes of Christine Lagarde, Son Masayoshi and other business glitterati listened to mbs's pitch for Saudi Arabia's post-oil future, including the construction of Neom, a new $500bn "smart city". The event was a hit. Diplomatic grumblings about the war in Yemen or the fate of America's security partner, Muhammad bin Nayef, faded.

The gathering was also an opportunity to invite back royals who were often abroad. Once the foreigners had left, mbs pounced. Hundreds of princes and businessmen were swept up. According to a biography of mbs by Ben Hubbard, a *New York Times* journalist, one of them realised something was amiss only when they got to their hotel room: there were no pens, razors or glasses – nothing that could be used as a weapon.

mbs held the detainees in the Ritz-Carlton for several weeks (the Marriott and other hotels were also commandeered to house the overflow). Prisoners' phones were confiscated. Some were said to have been hooded, deprived of sleep and beaten until they agreed to transfer money and hand over an inventory of their assets. All told, mbs's guests at the Ritz-Carlton coughed up about $100bn.

Even royals previously thought untouchable, such as the powerful prince who ran the national guard, got similar treatment. Princess Basma, the youngest child of the second king of Saudi Arabia, was jailed for three years without charge or access to a lawyer; after being released she still had to wear an electronic ankle bracelet, according to a close associate of hers.

The crushing of the royals and business elite was billed as a crackdown on corruption – and undoubtedly it netted many corruptly acquired assets, which mbs said would be returned to the Saudi treasury. The methods, however, looked more like something from a gangster film than a judicial procedure.

Interrogations were overseen by Saud al-Qahtani, who reported directly to mbs whenever a detainee broke and gave out their bank details. (All the allegations in this piece concerning Qahtani were put to him via his lawyer. No response was given.) Qahtani had installed himself as one of mbs's favoured henchmen, though earlier in his career, he'd plotted against Salman and his son, trying to sideline them with rumours that Salman had dementia. Qahtani was so loyal to the former faction that he'd named his son after his then boss. According to a former courtier, on the day of the old king's funeral the two men had it out: mbs slapped Qahtani in the face. Later, mbs let Qahtani prove his worth and brought him on to his staff. Qahtani duly named his younger son Muhammad.

On paper, Qahtani was a communications adviser, a former journalist who understood Twitter and used an army of bots and loyal followers to intimidate critics on social media (his office included giant screens and holograms that staff used for target-practice with laser guns). In practice he was entrusted with mbs's most important and violent missions – the ones that established his grip on power.

His remit extended far beyond Saudi's borders. In 2016 he kidnapped Prince Sultan, a minor royal who had been bad-mouthing mbs. mbs offered his jet to fly Sultan from Paris to Cairo – instead, the plane was diverted to Saudi Arabia. According to Hope's and Scheck's book, Qahtani posed as Captain Saud, an airline pilot, though surprisingly one who had an expensive Hublot watch.

Even people who have nothing to do with politics have become afraid to speak near a functioning mobile phone

With rendition strategies like this, and the cash tap shut off, even royals who weren't inside the Ritz-Carlton felt the pressure to divest themselves of ostentatious assets. The father of the Saudi ambassador to Britain put Glympton Park, his beloved 2,000-acre estate in the Cotswolds, up for sale. Riyadh's jewellers did a roaring trade pawning the diamonds of lesser royals. "It's like the Romanovs selling their Fabergé eggs," said an adviser to an auction house.

Many commoners rejoiced at the downfall of their entitled elite. Princes and princesses who once lived off huge handouts began looking for jobs. Their titles became irrelevant. Unable to afford the cost of irrigation, their green ranches became desert again. Banks turned them away. One financial adviser recalled his response to princes trying to get credit on the strength of their royal status: "You call yourselves princes, but they say there's only one prince now."

The Ritz-Carlton episode was just one element of an extraordinary project of centralisation. mbs yanked control of various security services back from the princes. He took charge of Aramco, the semi-autonomous state oil company. He installed himself as boss of the sovereign-wealth fund, the Public Investment Fund. "He destroyed all the powerful families," says a retired diplomat. By late 2017, law, money and security in Saudi all flowed directly from him.

Among those who lost out were the fellow princes who had pushed a young mbs to the edge of the family photo on the yacht all those years ago. Prince Alwaleed bin Talal, in the centre of that shot, surrendered part of his $17bn wealth. As the shakedown widened, mbs's elder half-siblings put up their yacht for sale. Many of his cousins were locked up. "Payback time," one victim said.

While mbs was squeezing the elite at home, he was forging some important friendships abroad. mbs and Donald Trump, who was elected president in 2016, had a lot in common. Both had the hunger of the underdog and loathed the snooty policymaking establishments in their countries; they revelled in provocation. The historic compact, by which Saudi Arabia provided oil to American consumers and America guaranteed the country's security, had frayed in recent years. Barack Obama's hurried exit from Iraq in 2011 and his nuclear deal with Iran in 2015 had left Saudi Arabia worried that it could no longer rely on American protection. America's development of its own shale-oil reserves had also reduced its dependence on Saudi oil. Then Trump and mbs got cosy.

With the Trump administration's tacit (and sometimes explicit) support, mbs set about treating the entire Middle East much as he did Saudi Arabia, trying to push aside rulers whom he found to be inconvenient. He announced a blockade of Qatar, a tiny gas-rich state to the east of Saudi Arabia. In 2017, angered by Lebanon's dealings with Iran, mbs invited the prime minister, Saad Hariri, a long-time beneficiary of Saudi patronage, on a starlit camping trip. Hariri turned up, had his phone confiscated and soon found himself reading out a resignation speech on tv.

Both moves ultimately backfired. But Trump's Middle East adviser, his son-in-law Jared Kushner, did little to discourage such antics. Together, he and mbs dreamt up a new regional order over WhatsApp, calling each other "Jared" and "Muhammad". Their rapport was so great that, at Kushner's prompting, mbs started the process of recognising Israel. His father, still officially king, put a stop to that.

mbs visited America in March 2018, hanging out in Silicon Valley with Peter Thiel and Tim Cook, and meeting celebrities, including Rupert Murdoch, James Cameron and Dwayne "the Rock" Johnson. Many people were keen to meet the man who controlled a $230bn sovereign-wealth fund. To his frustration, they were less willing to reciprocate by investing in the kingdom.

That October the intercontinental bonhomie came to an abrupt halt. I was due to go to a conference in Turkey that month. A Saudi journalist I knew, Jamal Khashoggi, got in touch to suggest meeting up: he was also going to be in Istanbul, for an appointment at the consulate. Khashoggi was a court insider whose criticisms of mbs in the *Washington Post* and elsewhere had attracted much attention. He seemed to be making more effort than usual to stay in touch. While I was at the conference a friend of his phoned me: Jamal still hadn't emerged from the consulate, he said. By the time I got there, Turkish police were cordoning off the building.

The full story soon came out in leaked intelligence reports and, later, a un inquiry. A Saudi hit squad, which reportedly co-ordinated with Saud al-Qahtani, had flown to Istanbul. As they waited for Khashoggi to enter the consulate, they discussed plans for dismembering his body. According to tapes recorded inside the consulate by Turkish intelligence, Khashoggi was told, "We're coming to get you." There was a struggle, followed by the sound of plastic sheets being wrapped. A cia report said that mbs approved the operation.

mbs has said he takes responsibility for the murder, but denies ordering it. He sacked Qahtani and another official implicated in the intelligence reports. The fallout was immediate. Companies and speakers pulled out of that year's Davos in the desert; the Gates Foundation ended its partnership with misk, an artistic and educational charity set up by the prince. Ari Emanuel, a Hollywood agent, cancelled a $400m deal with the kingdom.

The crown prince seems to have been genuinely surprised at the animus – "disappointed", says an associate. Hadn't he committed to all the reforms the West had been asking for? Perhaps he had underestimated the outcry provoked by going after a well-connected international figure, as opposed to a royal unknown outside Saudi Arabia. Or perhaps he understood Western governments' priorities better than they did themselves. They had done little when Muhammad bin Nayef, their partner in battling terrorism, had disappeared; they had shrugged at reports of torture in the Ritz-Carlton, and at mbs's reckless bombardment of Yemen. Why did they have so much to say about the killing of a single journalist?

Three years after the Khashoggi killing, Davos in the desert opened with the singer Gloria Gaynor. As images of smiling children flashed up on a giant screen behind her, she broke into her disco anthem, "I Will Survive", asking the audience: "Did you think I'd crumble? Did you think I'd lay down and die?"

The chief executives of private-equity giants BlackRock and Blackstone were back, as were the heads of Goldman Sachs, SocGen and Standard Chartered. Even Amazon sent a representative despite the fact that its boss, Jeff Bezos, owns the *Washington Post*, the paper that employed Khashoggi. Meanwhile, Qahtani was creeping back into favour at the royal court –

although he had been implicated by the un for Khashoggi's murder, a Saudi court took the decision not to charge him.

He blasts through the privileges of the mosque and royal court as if fighting opponents on screen

mbs revitalised the near-dormant sovereign-wealth fund, pumping tens of billions of dollars into tech, entertainment and sports, to create a softer, more appealing image of Saudi and co-opt new partners. In April 2020, the fund led a consortium to buy Newcastle United, a premier-league football team (the deal took 18 months). The following year it launched an audacious bid to create Saudi's own golf tour, the LIV series, hoping to lure players with a prize pot of $255m, far larger than that of American tournaments. At the first LIV tour this year, some top players boycotted the event, others went for the cash.

Joe Biden has proved tougher to woo. Soon after becoming president, Biden withdrew American military support for the war in Yemen. He wouldn't talk to mbs, insisting that communications go through King Salman instead. He didn't even nominate an ambassador to Riyadh for 15 months. The chat everywhere was that Saudi-American relations were in a deep freeze. Then, in February 2022, mbs had a stroke of luck: Russia invaded Ukraine.

In the days after war broke out, Biden himself tried to call mbs. The crown prince declined to speak to the president. He did take Putin's call, however. The two men were already close. mbs had personally brought Russia into an expanded version of the opec cartel in order for Saudi Arabia to keep control of global oil production. Putin cemented the friendship in 2018 at the g20 summit in Buenos Aires, which took place weeks after the Khashoggi killing. While Western leaders shunned mbs, Putin gave the Saudi ruler a high-five before sitting down next to him.

mbs's defiance of America seems to have paid off. After months of evasion, Biden reluctantly agreed to meet mbs in Jeddah in July, on the prince's own turf and his own terms. The visit gave mbs recognition but did little to rebuild relations. There wasn't even a concrete assurance of increasing oil production.

Some in the American foreign-policy establishment remain hopeful that mbs could become a helpful partner in the region, pointing to his recent retreat from confrontation with Qatar and his eagerness to find a diplomatic exit from Yemen. Perhaps, they say, he is maturing as a leader.

This seems optimistic. mbs's disastrous campaign in Yemen was ostensibly in support of the country's president but in April, hours after being summoned to a meeting and offered Arabic coffee and dates, Yemen's president was reading out a resignation speech on tv. mbs took it upon himself to get rid of him personally – suggesting that his mode of international diplomacy remains as high-handed as ever. "What they've learned", says one foreign analyst, "is don't murder journalists who dine regularly with congressmen in the United States."

The West has taught mbs something else, too – something that autocrats the world over may draw comfort from. No matter the sin, they would argue, if you sit tight through the odium and fury, eventually the financiers, the celebrities, even the Western leaders, will come running back. At 36, mbs has time on his side. Some observers fear that he may become only more dangerous as oil reserves start to decline and the treasure trove shrinks. "What happens when he's a middle-aged man ruling a middle-income country and starts to get bored?" asks a diplomat who knows mbs personally. "Will he go on more adventures?"

Earlier this year, I visited an old friend in his office in Saudi Arabia. Before we started talking, he put his phone in a pouch that blocks the signal, to prevent government spies from listening in. Dissidents do that kind of thing in police states like China, but I'd never seen it before in Saudi Arabia. It isn't just people involved with politics who are taking such precautions: most Saudis have become afraid to speak near a functioning mobile phone. People used to talk fairly openly in their offices, homes and cafés. Now, they are picked up for almost nothing.

As we chatted over the whir of his office air conditioning, my friend reeled off a list of people he knew who had been detained in the past month: a retired air-force chief who died in prison, a hospital administrator hauled away from his desk, a mother taken in front of her seven children, a lawyer who died seven days after his release from prison. “These people aren’t rabble rousers,” my friend said. “No one understands why.”

Officially, the government says it has no political prisoners. Rights groups reckon that thousands have been swept up in mbs’s dragnet. I’ve covered the Middle East since the 1990s and can’t think of anywhere where so many of my own contacts are behind bars.

Few ordinary Saudis predicted that when mbs was done trampling on the elites and the clerics, he would come for them next. Bringing Saudis into the modern, networked, online world has made it easier for the state to monitor what they are saying. A Red Crescent employee called Abdulrahman al-Sadhan used to run a satirical Twitter account under a pseudonym. In 2018 mbs’s agents arrested him and held him incommunicado for two years. American prosecutors later charged two former Twitter employees with allegedly handing over the real names behind various accounts to a Saudi official – al-Sadhan’s family believes that his name was among them. (The trial of one employee is ongoing; he denies passing on information to Saudi officials.)

On the face of it, mbs has nothing to worry about. Public opinion polls – if they can be trusted – suggest he is popular, particularly with younger Saudis.

But there is a growing sense that discontent is brewing beneath the surface. mbs has broken crucial social contracts with the Saudi populace, by reducing handouts while, at the same time, dispensing with the tradition of hearing the feedback of ordinary people after Friday prayers.

It isn't hard to imagine some of the issues they'd raise if they had the chance. Many people are struggling as the cost of living rises. When other governments were cushioning their citizens during the pandemic, mbs slashed fuel subsidies and tripled vat. Unable to afford the cost of pumping water, some farmers left crops to wither in the field. Fees for permits and fines have spiralled, too. Though mbs speaks eloquently about the country's youth, he is struggling to find them jobs. Unemployment remains stubbornly stuck in double digits. Half of the jobless have a university degree, but most white-collar workers I met on mbs's mega-projects were foreign.

Saudi Arabia's attempts to diversify its economy – and so compensate for the long-term decline of oil reserves – isn't going well either. The pandemic delayed plans for a rapid increase in international tourism. Extorting billions of dollars from your relatives may not be the best way to convince investors that the kingdom is a liberal haven.

People describe MBS as having wild mood swings. He once locked a minister in a toilet for ten hours

The young prince has reversed even the baby steps towards democracy taken by previous kings. Municipal elections have been suspended – as a cost-cutting exercise, explains the supine press. The Shura Council, a consultative body of 150 people, has only met online since the pandemic (other institutions have gathered in person for months). "I wish I had more of a voice," said one member. Whenever I mentioned the prince, his leg twitched.

A frequent visitor to the royal court says mbs now gives the impression of someone who's always thinking that people are plotting against him. He seems to be preoccupied with loyalty. He fills key posts either with young royals, foreigners with no local base to threaten him or people he has already broken. A government minister, Ibrahim Assaf, was one of those locked up in the Ritz-Carlton – two months later mbs sent him to the World Economic

Forum as his representative. A senior executive on one of his construction projects is someone who says he was tortured in one of his prisons. “He went from being strung naked from his ankles, beaten and stripped of all his assets to a high-level project manager,” says a close acquaintance of the man.

All remain vulnerable to mbs’s tantrums. Saudi sources say he once locked a minister in a toilet for ten hours. (The minister later appeared on tv blabbering platitudes about the prince’s wisdom.) A senior official I’ve spoken to says he wants out. “Everyone in his circle is terrified of him,” says an insider. And that could make it hard for him to govern a country of 35m people effectively. Former courtiers say no one close to mbs is prepared to offer a truthful assessment of whether his increasingly grandiose schemes are viable. “Saying no”, says one, “is not something they will ever do.”

If mbs has a mission beyond extending his power, you might expect to find it in Neom, the city he promised to build in the desert. Neom would be nothing less than “a civilisational leap for humanity”, he said in 2017. Head-spinning details followed. The city’s food would be grown on hydroponic walls on a floating structure. It would be powered by the world’s largest green-hydrogen plant. Thousands of snow-blowers would create a ski resort on a nearby mountain. One day it would have driverless cars and passenger drones.

According to the official timetable, the main city would be completed by 2020. Further districts would be added by 2025. The prince’s tourism minister, Ahmed al-Khateeb, dismissed rumours that the timetable was proving over-ambitious. “Come see with your eyes and not with your ears,” he urged. So I went.

Finding Neom was the first problem. There were no road signs to it. After three hours’ drive we came to the spot indicated by the map. It was bare, but for the odd fig tree. Camels strolled across the empty highway. Piles of rubble lined the road, remnants of the town bulldozed to make way for the mighty metropolis.

The designated area is nearly the size of Belgium. As far as I could tell, only two projects had been completed, mbs’s palace, and something Google Earth calls “The Neom Experience Centre” (when I drove to see it, it was obscured by a prefabricated hut). The only other solid building I could see was a hotel constructed before Neom was conceived: the Royal Tulip. A poster in the lobby urged me to “Discover Neom”. But when I asked for a guide the hotel manager cursed my sister with Arabic vulgarities and tried to shoo me away. There was no sign of the media hub with “frictionless facilitation”, “advanced infrastructure” and “collaborative ecosystems” promised by the Neom website. Neom’s head of communications and media, Wayne Borg, said he was “out of Kingdom at present”.

The hotel restaurant was teeming with consultants – all the ones I met were foreign. (I later found a Saudi project manager. “We think we’re about to start working, but every two months the consultants coin a new plan,” he told me. “They’re still doing plans of plans.”) There was a kind of manic short-termism among these foreigners. Many were paid $40,000 a month, plus handsome bonuses. “It’s like riding a bull,” one of the Neom consultants told me. “You know you’re gonna fall, that no one can last on a bull longer than a minute and a half, two minutes, so you make the most of it.”

Despite the high salaries, there are reports that foreigners are leaving the Neom project because they find the gap between expectations and reality so stressful. The head of Neom is said by his friends to be “terrified” at the lack of progress.

Eventually, I found a retired Saudi air-force technician who offered to drive me around the city for $600. He took me to a sculpture standing in the desert with the words, “I ❤ Neom”. A short way farther on we found a new stretch of tarmac, said to mark the edge of the dream city. Beyond it, the lone and level sands stretched far away. ■

Nicolas Pelham is *The Economist*’s Middle East correspondent

You can read the rest of *1843 magazine*’s summer reads and weekly coverage [here]

ILLUSTRATIONS: **NOMA BAR**

Summer reading

How magicians won the attention economy

A group of illusionists got rich making addictive videos for social media. Did it cost them their souls?

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If you were online at some point last spring, there's a good chance you'll have scrolled past a video in which a woman squirts whipped cream and chocolate syrup into a toilet bowl. In the video, which was posted on Facebook and TikTok and picked up by various news sites, the woman garlands the mixture with maraschino cherries and rainbow sprinkles, prompting a man behind the camera to gush: "Oh my goodness, that is so extra!" Then she picks up a straw.

The woman later posted a photo of herself with a friend, both apparently sipping merrily from the bowl. "You're going to get dysentery," warned one disgusted comment. Of course, she isn't really drinking a toilet milkshake: the unnerving enthusiasm with which she swirls the whipped cream beneath the rim stops you realising that, unless you suck it, putting a straw in your mouth doesn't actually bring you into contact with what's at the other end.

Anna Rothfuss, the woman starring in the film, is neither a fetishist nor a desperate attention-seeker: she's one of the most successful entrepreneurs in the world of online videos. The man behind the camera is an accomplished magician called Justin Flom (he is now her boyfriend). The other woman at the toilet bowl is me.

As a cultural sociologist, I've embedded myself in some strange situations. But hanging out in this content factory was, well, extra. It wasn't just that people were doing ridiculous things with toilet bowls. It was that they were making so much money doing them. Each element of the video had been tested for its effectiveness in getting people to keep watching. On a good day, one of these short clips could earn Rothfuss enough to buy a Tesla.

Before I started looking into this corner of the content economy I assumed that the videos that went viral were made by Gen Z-ers playing around and occasionally surfing a serendipitous wave. But it turns out that there's a formula to getting people to watch you on social media.

Though that formula isn't perfect – you never quite know what the algorithms of the different platforms will favour or what will strike a chord with viewers – a group of people have come as close as anyone to creating a method for going viral. And that method is designed by magicians.

Rothfuss and Flom are among the 180 video-makers (or "creators" in the industry's jargon) working with a Las Vegas magician called Rick Lax. They produce short videos timed to last the precise number of seconds that Facebook requires a clip to run to be eligible for an ad (this used to be three minutes but recently went down to one). Though the clips usually look like authentic user-generated material, all are scripted. Most fall into genres: diy, crafts, hazards, adultery and proposals.

Lax manages his network like a cross between a Hollywood agent and a schoolteacher. He takes a slice of the ad revenue that creators earn. In exchange, he gives them online tutorials about how to make viral content: everything from how to hold the camera to which metrics matter to Facebook. He releases new instructions every time the algorithm changes substantially, and offers feedback on people's videos. He also posts his creators' videos on his own Facebook page, which has 14m followers.

The network is best known for what you might call appalling cooking videos. One of these, posted last summer under the heading [“Ultimate Spaghetti Trick!!”], featured a woman dumping pasta and tomato sauce onto a shiny white marble counter, mixing it up, then proudly proclaiming this to be the authentic Italian method. The clip was watched 33m times.

Rothfuss is tall and slim with dark hair and a pale, angular face (she was amused when one commenter described her as looking like “a pretty donkey”). She studied music and once dreamt of becoming a jazz singer. She downplays this ambition now, but for years she bounced between different gigs, including a stint on a cruise ship. At one point she worked as a nanny in Los Angeles to make ends meet between sporadic bookings.

A friend was making videos for Rick Lax, and invited Rothfuss to join in 2019. A year later she bought her first mansion. Entering the viral-content game involves a certain surrendering of artistic aspirations, but Rothfuss says she doesn’t care. “I do not want to be famous,” she says. “I love being low-key and flying under the radar, and just getting rich.”

It was Rick Lax himself who led me to become straw-deep in toilet milkshake. He contacted me in 2020 to congratulate me on the book I’d just published, a sociological study of elite nightclubs, and suggested that perhaps I should look at the “new creative elites” next. “Randomly, I’m the most-viewed influencer on Facebook. And I’ve turned my fiancée and all our friends into fb influencers too.” It was a characteristically bold introduction. He is not the only magician gaming the viral video economy (a British rival called Julius Dein operated his own empire in Mexico for 18 months), but he is arguably the most determined.

A few months later I drove to Henderson, a wealthy town outside Las Vegas, to meet Lax (he has since bought a larger property in the same area). Lax greeted me warmly, speaking with a faint Midwestern twang. His home was a mix of sleek minimalism and things a teenage boy might buy if he had the money. Decks of cards were stacked up between a ping-pong table and video-game consoles. The large white kitchen brimmed with snacks. In one cabinet the premium whisky was labelled: “The Owner’s Stash: please only drink if your previous month was $100,000.00+.”

For all his swagger and good looks, Lax seemed worried about how he'd come across on the page. If he was dissatisfied with his answer to one of my questions he'd stop and tell me it was off the record. Later on he asked if I'd been popular in high school, and looked disappointed when I said that I was. Lax was picked on as a child. He remembers a boy taunting him at summer camp: "I'm the fattest kid at camp and people still like me more than you." When his middle-school classmates played tag they pretended to be passing on a disease: "the Ricky touch".

For as long as he can remember he has been enthralled by magic, particularly the power it exerts over an audience. He used to watch old videos of David Copperfield shows over and over again at his grandparents' house. He once told a podcast interviewer that he remembers his grandmother doubling up "in pain with delight" at Copperfield's tricks, saying: "Oy vey Ricky, how does he do it?"

Lax practised tricks every day throughout his childhood. At Hanukkah he'd ask for magic props: linking rings, marked cards. His parents encouraged him to pursue a steadier career. Eventually he buckled down and went to law school, like his father.

He fried eggs in red bull and then appeared to stretch them like rubber bands

In 2008, after sitting his bar exams, Lax went to Las Vegas to let off steam. There he discovered Gary Darwin's Magic Club, a weekly event held at the back of a dive bar. He was so enthralled by Las Vegas that he ended up moving there and working at a local paper. In a book he wrote about that time, he paints a portrait of the community that congregated around the club, enjoying the fraternity of tricksters as much as the art of magic. "Deception and deceivers" appeal to him, he explained in "Fool Me Once". "I've always tried to learn their tricks and understand the psychology behind why they work. Not because I want to pull the tricks myself, but because I'm afraid of falling victim to them."

Lax's childhood dream seemed to be coming true. He recorded promotional videos for a website that sold magic tricks. In 2011, he began helping his childhood hero, David Copperfield, fine-tune the illusions he performed in

Las Vegas. Two years later, Lax and Justin Flom, a friend from the Darwin club, successfully pitched a tv series to the Syfy channel. “Wizard Wars” was to be a reality show in which teams of visiting magicians would compete against a regular panel of conjurers to perform tricks with everyday objects.

Lax wanted to appear as a judge in “Wizard Wars”, as well as produce it. But when he arrived at the studio to audition, the production-company executives told him not to bother – he was too “cheesy”. Instead, they asked him to perform tricks for other potential judges to critique as part of their auditions. His friend Justin Flom – good-looking, with a more relaxed performance style – got a role on the regular panel of magicians. Lax stayed off camera.

The experience was “humiliating”, Lax told me. “Being told I just couldn’t be in the show because I wasn’t good enough. I said, ‘No, I think that’s wrong. I think you don’t like me, but actually I’m better than these other people. Here, let me prove it to you.’”

After the “Wizard Wars” debacle, Lax began uploading his own magic performances straight to Facebook. No one could stop him being cast in these. In the first ones, filmed on his phone in Starbucks, a stony-faced Lax looked into the camera and asked the viewer to pick a number between one and ten. This is a basic opener in mentalism, a branch of magic that creates the illusion of mind-reading through a mixture of showmanship, suggestion, trickery and, sometimes, basic maths (for example, there’s a certain formula for adding and dividing which, if done right, will always produce the number five).

The clips were low on production values – you could see Lax’s white earbuds, and the brightly lit Starbucks counter in the background – but hard to look away from. At the end of each one, Lax commanded the viewer to share the video if he’d correctly guessed their number, birth date or favourite colour. Some racked up over 10m views within weeks.

Lax spent a year filming these videos in Starbucks. Within two minutes of posting one, he could tell if it was going to take off; if it wasn't, he'd delete it and try something else. He'd do this for hours until his laptop ran out of battery, then go home, charge it and return. He started to develop a sense of what kind of things worked, tracking when people stopped watching and which sorts of set-up performed better with viewers. After a while his research showed he'd be better off getting out of Starbucks and recording at home. The move paid off: his kitchen-counter videos were wildly popular ("bangers", as the creators say).

One particularly successful strand involved him applying energy drinks to everyday food items. These clips look like frat-house fare, but they're part of a tradition going back to Jean-Eugène Robert-Houdin, a 19th-century illusionist. Houdin (whose name was borrowed by escape artist Erich Weisz for his stage persona, Harry Houdini) liked to exploit popular curiosity about ether, an anaesthetic that was just starting to be used in medicine, and pretended to give his son the substance before performing a levitation illusion on him. Lax pulled off something similar with Red Bull, frying eggs in it, pulling them out of the pan and then appearing to stretch them like rubber bands (in fact he had switched the real eggs for toy ones).

By 2017, Lax's videos were regularly getting 100m views. This was great publicity for his day job selling tricks to other magicians. He also got a lucrative deal with Diply, a clickbait publisher, to post a link to its site on his Facebook page. But he still wasn't making any money directly for the output he spent most of his time on.

She used to be a nanny. Now, on a good day, one short clip can earn her enough to buy a Tesla

Lax often talks about a dinner he had at that time with a group of friends who worked in Hollywood. The conversation turned to his social-media popularity. "They laughed at me," he recalls. Whenever he tells the story, a hostile edge creeps into his voice. "They literally laughed at me for just spending so much time making these videos that were paying zero."

He wasn't the only one wondering how to make money in the battle for eyeballs. An hour's flight away in Silicon Valley, executives at Facebook were also trying to work out a business strategy. In just ten years, Facebook (whose parent company is now known as Meta) had attracted 2bn users worldwide, simply by offering a space for people to interact online. It was beginning to make huge profits by offering companies the opportunity to focus advertising on particular types of consumers. But by 2018 those consumers were spending ever more of their time online watching videos, a sphere dominated by Facebook's rival, YouTube (TikTok hadn't yet taken off).

Though Facebook did host videos, it paid only a select group of people for them, typically celebrities and established publishers such as tv channels and newspapers. People who wanted to make money out of their films usually posted them on YouTube, which offered creators 55% of the ad revenue. In 2018, in a bid to improve the quality of its video content, Facebook introduced the idea of "paid creators", people eligible for the same proportion of ad revenue as YouTube was offering.

To qualify for this status, you had to have at least 10,000 followers and regularly post videos on your feed. Once registered as a paid creator, you could access Facebook's Creator Studio dashboard, which helps you track how many people are watching content and for how long, what emojis or comments they leave, likes, shares and the demographic breakdown of the audience.

Lax was one of the first to sign up to Facebook's scheme, and that summer he got his first cheque. By this point, he'd dispelled any lingering regrets about devoting his talents to mindless video clips. His partner (now fiancée) Elly Brown, a former singer, had just undergone gruelling treatment for oral cancer and the episode had dragged him into depression. Dumb tv programmes had helped get him through the months-long ordeal. He decided there was no shame in making the social-media equivalent.

Soon, Facebook's payments to him were hitting six figures most months. He noticed that videos did better if scenes were raw and looked as though they captured real people in a moment of awkwardness. To increase his output, he started buying existing videos from sites such as Jukin Media, which is a warehouse of videos generated by people online. He might pay $500 for a video of a marriage proposal gone awry and tinker with it until it fit the format of a viral clip.

Lax found it frustratingly hard to get other people's videos quite right: something about the visuals or timing usually remained stubbornly outside the parameters of what he knew worked. So Lax and Brown started to stage scenes themselves. Their living room became a studio in which women dumped their boyfriends, ridiculous bar bets were waged and surreal diy projects enacted. The videos would regularly get 100m views across different platforms (Facebook counts anything watched for more than a few seconds as a view). Lax realised that appetite for these videos was insatiable: the only obstacle to earning more money was how many clips he could make in a day.

In 2020 the pandemic threw up a surprising opportunity: magicians and singers were stuck at home. Lax and Brown invited friends who worked in the entertainment industry to help them make videos. Traffic was soaring with the world under lockdown. Lax brought 20 more people into the network, then another 20 and another 20. By late 2021, Lax's creators were generating a total of about $5m a month across Facebook, Snapchat and YouTube.

Lax wouldn't go into details of his profit-sharing arrangement but his creators are clearly flourishing. Many told me they felt like they were taking part in a 21st-century gold rush. "This doesn't happen to that many people," says Amy Boiss, a one-time Uber driver whose magician boyfriend introduced her to Lax's network. "To make more money than neurosurgeons."

Lax and his crew weren't the first people to make overnight fortunes through social-media videos. In 2009 a group of college friends posted a video to YouTube of them shooting hoops in their backyard; two years later Dude Perfect, as they called themselves, were guests on "Jimmy Kimmel Live" and they're now estimated to be among the highest earners on the platform. A teenager from Connecticut, Charli D'Amelio, started filming TikTok clips of herself dancing in 2019: last year she made $17.5m, according to Forbes. But there's a difference. These stars made their millions by establishing a recognisable brand which meant people consciously sought their output. Lax and his friends got rich without anyone knowing who they are.

It feels like a drug. when this video starts to go down, you're chasing your hit again

That anonymity partly reflects how videos are consumed on Facebook. The platform is a less obvious destination for video entertainment than YouTube or TikTok – many of us are sucked into watching clips posted there after coming to it for updates on our friends or family (this may be changing: Meta has said that 1.25bn people visit its dedicated video section each month). Videos such as Lax's represent the rawest form of the social-media campaign for our attention: they don't need to inform, or inspire, they simply have to make it hard for us to look away.

It's perhaps no coincidence that the two most-viewed Facebook creators in 2021, Lax and Julius Dein, both started out as magicians (as did many of their affiliates). Their videos aren't magic performances as such, but they're informed by the art of magic. "Magicians start by looking for blind spots, edges, vulnerabilities and limits of people's perception," wrote a former Google employee (and amateur magician) in an essay published on Medium in 2017, "How technology hijacks your mind". Social-media companies, wrote the author, "influence what people do without them even realising it", just as magicians do: "Once you know how to push people's buttons you can play them like a piano."

Last August, I spent a day filming bangers at Anna Rothfuss's rented condo. Lax's team often shoot in each other's homes, to give videos the authentically amateurish feel that Facebook's algorithms favour (the professional lighting rigs are just out of shot). Boundaries between personal and creative space are almost non-existent: Rothfuss has a costume wardrobe at home which contains, among other things, 12 wedding dresses. In the collab house, in which Lax lets his creators crash and film, it's hard to move in some rooms for all the masks and fake feet.

Over the course of six hours I cranked out five videos with Elly Brown, Lax's fiancée. The one that performed best online was a cheater drama, a tried and tested genre in the viral-video world (a "bucket", as creators call it). Cheater dramas involve an unsuspecting spouse walking in on their partner with someone else. The suspense of waiting for a cuckolded spouse to find out keeps viewers gripped enough to sit through the ad.

The first thing creators have to get right is "stopping the scroll", so the viewer doesn't reflexively move down to the next post in their feed. That means the opening has to titillate or intrigue, ideally both, in the first three seconds (I saw one begin with a hotdog being lowered into a woman's mouth). If a viewer stays for those initial moments there's a good chance they'll commit until the ad plays.

The ad is the holy grail on Facebook: making money on the platform is all about getting someone to watch it. Even if you achieve that, however, the compensation structure is opaque. Creators don't know what the ad rate will be on any given video. It could be as high as $40 per thousand views if the audience is deemed "high value" (ie, North American). That fee drops sharply the further a video travels from wealthy countries: advertisers pay as little as $1 per thousand views in Pakistan. Rates, and the calculations underlying them, change all the time. A viral hit doesn't necessarily translate into a big payout, and it's not always easy to work out why.

Despite this uncertainty, Facebook remains the preferred platform for video-makers such as Lax. For a long time, TikTok paid creators only nominal sums and didn't share ad revenue – people who've made money from TikTok videos have usually done so by becoming famous enough to get sponsorship deals. (That could change: TikTok recently started offering top creators a 50% split.) YouTube, like Facebook, gives creators 55% of the ad revenue, but its user base is not as large (around 2.2bn to Facebook's 2.9bn), and it isn't engineered for virality as Facebook is.

On Facebook, stopping the scroll informs the aesthetic of the entire video. Just as a good casino never lets a gambler's cocktail glass sit empty, viral creators don't give you any reason to leave: no bad lighting, no stagnant action. Viewers from Manhattan to Mumbai should be able to understand every second, when watching on a phone screen without sound.

As the video continues, the action (known as the "beats") must build tension while also creating the feeling that the pay-off – the cheater getting busted, the prank revealed – could happen at any moment. Even if someone doesn't watch all the way to the ad, Facebook's algorithms will promote a video more aggressively if it has a high "watch time" from users.

The cheater banger I filmed started with Brown, who was playing the mistress, dressed in a bright orange tank top and rolling off the bed as the wife (played by me) walked through the door. It was a dramatic opener.

At some point, Lax's creators typically treat the viewer to a surreal twist, which they call "triggering". Triggers exploit the psychology of curiosity: people pay closer attention when they are trying to fill in missing information or making sense of a weird detail (did I just see tampons in that woman's freezer?). Sometimes the trigger is an object that's out of place. In one cooking video, the camera catches a glimpse of a dirty hairbrush on the countertop. In another a woman scoops relish out of the jar with long manicured nails instead of a spoon, all the while playing it straight. Triggers don't just keep you watching, they also often elicit comments, which can be a factor in helping videos get promoted on Facebook.

In our cheater video, I marched around the flat after coming home from work while Brown surreptitiously changed into a disguise under the bed. The trigger was the outfit itself: an astronaut costume. Brown's team had already tried out different versions of this disguise. A pool cleaner gleaned 99m views, a soldier got 234m. None of the choices of what to wear made sense – that was the point. Your confusion makes you linger and then, as one magician in Lax's network put it: "Boom! Gotcha." You stay through the ad.

"So cringe," said one performer about a video in which she eats a condom out of a cupcake

The work of creators doesn't finish when the camera stops rolling. After filming the cheater scene, we went back and recorded slightly different versions of the same video. Using Facebook's data on how videos perform, you can run tests to help predict which version of a video, thumbnail picture or title has the greatest appeal. Some creators I met had made their own spreadsheets to better analyse the resulting data.

There are no prizes for originality. Lax and his rivals shamelessly rip off and refine each other's "buckets". A media company in Cyprus that produces videos for Facebook and YouTube recently put out a recruitment ad that openly called for video producers who could mimic the output of Lax and his fellow magician Julius Dein.

Though copyright is rarely an issue, Lax's creators have to keep an eye out for Facebook's filters, which may remove videos that don't clearly disclose that they're staged. Most creators now put disclaimers at the top of captions accompanying their videos saying that the clips are "scripted dramas, satires (and parodies)". Some continue to play with the idea that the content might be real, however, through videos with titles such as "When She Pulled off the Covers!"

Our astronaut-cheater video took us about 20 minutes to set up and film. Glancing at the thumbnail a few weeks after we posted it, I felt proud and a little unnerved to see that it had 50m views (to date, 164m people have seen it). Brown was unfazed by its success. "You're seeing a compelling video, and we're seeing a formula that we practise," one magician-turned-creator told me. "It's like a magic trick."

Breaking into the arts became almost impossible after the pandemic. Theatres and venues closed, some permanently: the entertainment industry was one of the worst-hit sectors of the American economy in 2020. Job losses were particularly heavy in Las Vegas, where Lax is based.

There are no signs of such trouble in Lax's milieu. I went to a party at his home recently, to which Rothfuss turned up with an $8,000 Chanel handbag. Kate Heintzelman, a former schoolteacher who out of habit still collects discount points from Target, used to earn about $28,000 a year after tax. Now she makes that in a single week. The other day she treated herself to a handbag without even looking at the price. "I didn't need a Gucci bag", she told me, "but it was a pretty purse and I was like, 'yeah, I want that. And I can afford it because I know that today I've made 20 grand.'"

Success on this scale is intoxicating, particularly for creators like Brown and Rothfuss who spent years trying to get a break in the conventional entertainment industry. “You don’t have to go through an agent or booker or casting director telling you that you’re good enough or not to do their roles,” said Brown, over dinner one night. “We make our own roles,” Rothfuss chimed in. “If I feel like it, ‘OK, I’m a teen model today!’” (Rothfuss, who was 34, had in fact played a teen model earlier that day and her hair was still in two plaits at dinner.)

I spent several weeks with Lax's crew. At times, being part of his network seemed like being a college student with a massive bank balance. They're in and out of each other's houses all the time, filming pranks in Walmart and Target, trawling junk shops for surreal props. On occasion, though, it was as if a capricious boss or casting agent had simply been swapped for a capricious algorithm.

Rothfuss spends most of her days replying to comments and live streaming, as well as shooting, editing, posting and studying the data about her videos. Producing relentless iterations of the same videos doesn't always feel like a very creative process. The internet, says Lax, "rewards influencers who recognise the disposability and fluidity of content".

Most of Lax's creators used to work in the performing arts. Not all are as comfortable as he is about giving themselves over to the production of clickbait. "So cringe," said one performer, about a hit video in which she eats a condom out of a cupcake. Another creator called his videos "shittainment", because they were the kinds of things people would watch in the bathroom. "Wait, there are 100m people that watched this stupid video I made. Why?"

Many comments under such videos are hostile, threatening and pointedly personal. "Wasted three minutes of my life I'll never get back," is a common one. Lax reckons he's received more than 10,000 death threats over the years. When I looked through his Facebook messages the toxicity and menace were palpable.

As I spent more time with Lax's creators I realised it wasn't just the monetary rewards that were driving them on, but the same dopamine rush they were exploiting in us. If you're looking at the data, you can actually see your earnings go up as people watch your work: making viral videos can be just as addictive as watching them.

"It feels like a drug," said Tommy Wind, one of the magicians in Lax's network. "When this video starts to go down, now you're chasing that hit again. And that's the next post and you'll do whatever you gotta do to get to that next post. You'll hire as many actors, you'll go wherever you have to film. You'll get kicked out of places." ("Half the network is banned from Target," his wife adds.)

"Wait, there are 100m people that watched this stupid video I made. Why?"

In March, Meta announced a change that had wide-reaching implications for Lax and his creators. The company was going to stop promoting what it called "watchbait" – videos that "create an arbitrary curiosity gap" or promise sensational revelations. Both Lax and Dein saw their audience and earnings fall abruptly.

This didn't deter Lax. He and his creators have been posting videos of different lengths on their pages to "clean" them up for the watchbait filters and making it clearer that their work is scripted. Facebook seems keen to promote feel-good videos these days, so they've been doing fewer pranks and more crafts and cooking (with a surreal twist, naturally: pianos painted with garden rakes; dyeing children's shoes with Skittles). The network is now climbing back to the same viewing levels it was achieving before.

Lax's rival, Julius Dein, closed down his production hub and moved back to London; his small community of creators, who described themselves to me as a family, disbanded overnight. He now regards his participation in the viral gold rush as damaging to his reputation, he said, though it's clearly a hard habit to kick. He recently posted a video – similar to one from the Lax network – in which he and his ex-girlfriend ate pasta together in silence. "It's so easy to be delusional when you're living in a content house, with all your friends, like, 'Oh this is amazing! We're making so much money, we're getting millions of likes'," he said.

He plans to start producing magic videos again soon. "Let me give you my two cents as someone that went to number one in the world. I made a lot of money out of it. I would give every penny back, to reverse everything I did and to not have a single one of these views."

It's great to have money", Lax told me once, as we drove through the gleaming strip malls of Henderson in his new Mercedes, "because that's how society keeps score." Lax remains unrepentant about producing time-sucking videos. The notion of what he refers to as "quote unquote good art" is merely a creation of “elites”, he says. “If people are upset that we’re getting so many views, I think it’s because we’re the only ones in this game of actually entertaining people and giving people what they want.” He has even learned to be blasé about death threats, he claims.

One community of critics still has the power to wound him: fellow magicians. There’s a long thread in the magic community’s forum on Reddit called “What happened to Rick Lax”. One typical post lays into Lax and Justin Flom: “[They] started doing fake prank videos and ended up being the laughing stock of the magic community and losing all respect. They’re probably hiding under a rock somewhere in embarrassment.” Similar rants persist in a Facebook group, “Magicians Only”, and on another forum, themagiccafe.com.

When Lax first told me how much he’d been hurt by “the cool kids in magic”, I stifled a laugh. But any aspect of your social life can end up feeling like high school, with hierarchies of status and the anguish of not fitting in. Several magicians referred to the film “Mean Girls” when describing their fellow magicians.

In some ways magic is inimical to social media. Magicians are not natural sharers. They can’t copyright tricks, so they rely on a code of honour. The greatest sin is to reveal on social media how someone else's trick works.

Lax himself has never crossed this Rubicon, but his friend and colleague Justin Flom did. In December 2020, Flom posted a three-minute video on his Facebook page titled "whoa". This exposes the secret behind the Crystal Casket, a stage illusion invented in the early 1900s, in which a woman magically appears inside a glass box that was previously empty. The video quickly racked up 95m views on Facebook, and Flom earned $60,000 in advertising revenue.

This was a big departure for Flom, who comes from a family of magicians. Magicians heaped scorn on him, both privately and publicly. The Fellowship of Christian Magicians, of which Flom and his father have been members since his childhood, threatened to expel him. A famous magician, one of his childhood heroes, left him a string of angry late-night text messages on his birthday ("who do you think you are?"). Creators in Lax's network were trolled just for being associated with Flom.

In the months that followed, Flom attracted further opprobrium by exposing several more magic tricks in videos that went viral. He insists that making information public can only improve the art of magic, and that secretive communities shouldn't stand in the way of market forces. Last year he bought himself a new mansion. "I took my ego out back", he told me calmly of his decision to dive into viral video-making, "and shot him."

In 2020 Lax and his friends were uninvited to a local magician's party in Las Vegas, an annual event that marks the start of the MAGIC Live! convention, when nearly 2,000 magicians from around the world gather to see new tricks and network.

Lax decided to host his own pre-convention party. The invitation he posted on Facebook included a picture of his multi-million dollar home overlooking the Las Vegas Strip. "Beautiful hotel," one magician joked in the comments.

It was a glitzy affair. Rothfuss and Brown wore matching satin gowns in green and pink, and milled about with performers between the tapas and the open bar. Lax had also invited some models to move around and liven up the scene. The event, Flom told me, was a signal to the magic community that, “We are here, we’re successful, we’re not going away.” He added, “And that we’re nice.” Lax kept asking me if I had talked to any of the “magicians’ magicians” in the room, to find out what they thought of the evening.

Shortly afterwards, Lax returned to his data. From his office you can see his swimming pool, terrace and, far below, the Strip. At night the lights of the hotels are mere tiny twinkles from his balcony.

As the pandemic has waned, performers have gone back on stage. Lax is still analysing data, steering content, dealing with accountants and devising how to make more money. “I wonder whether what we’re doing is ‘really’ significant,” he wrote to me once, in a rare moment of doubt. Lax has changed the lives of his friends for ever, and is watched by billions of people. But nobody sees him. ■

Ashley Mears is author of “Very Important People: Status and Beauty in the Global Party Circuit”. Read Mears’s previous piece for 1843 magazine here

You can read the rest of *1843 magazine*’s summer reads and weekly coverage here

PHOTOGRAPHS: **MITCH PAYNE**

Summer reading

East of Mariupol: what happened to the Ukrainians who fled to Russia?

Some refugees who went east faced interrogations. Others were met with cups of tea and kindness

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On February 23rd Natalya Balabas took $1,000 in cash out of the bank in preparation for going on holiday to Istanbul. She and her family weren't particularly worried when the shooting started the following day. Russia and Ukraine had been at war in eastern Ukraine since 2014 and the people of Mariupol, where Natalya lived, had become used to the thud of explosions: the front line was just 10km away. Natalya and her family thought the noise signalled yet another flare-up in hostilities. Vova, Natalya's 24-year-old son, asked if they should buy extra food. Natalya told him they had plenty.

The bombing grew closer and more intense a week later. On the night of March 2nd the electricity, heating and water cut out. There was no internet, mobile-phone or tv reception. "It was like living inside the shell of an egg," said Natalya.

The family boarded up the windows of their ground-floor flat. They collected food from abandoned shops and distributed it to neighbours. They managed to fill a large tank with water from a well – everyone in the family stopped washing, to make the water last longer. Nastia, who was 12, curled up with her cat on a mattress and hardly moved. “It was pitch dark at night with no lights, dark in the day behind the blacked-out windows,” said Natalya. At night the temperature was below freezing and they wore jumpers and coats all the time.

Early in the war, Ukrainian soldiers broke into a flat on the fifth floor of the block to use the balcony as a firing position. Residents begged them not to, but the soldiers ignored them. The shooting inevitably drew fire from the Russians. The block was hit and began to burn downwards from the roof. Locals battled the flames for several hours. By some miraculous intervention, the wind blew the fire away from the Balabas’s flat. The fighting grew ever closer. Jets screamed overhead and the air was filled with sparks and smoke.

The Balabas family had once led a happy and prosperous life in Mariupol. Natalya and her husband Roma worked at the Azovstal iron and steel works, which employed nearly 11,000 people. Vova was finishing a degree in metallurgy and working at the plant to save money for a house. The younger children, Kostya and Nastia, were still at school.

The province of Donetsk had been divided in two since 2014, when the Maidan protests ousted the pro-Russian president, Viktor Yanukovych. Russia backed a group of separatists who proclaimed themselves the Donetsk People’s Republic and fought a war against the Ukrainian state. Russia used its regular army to back the insurgents. Mariupol remained under Ukrainian control, but many people in the city had been indifferent to the revolution that overthrew Yanukovych and disliked the violent clashes with police. “We wanted to throw a big bowl of water over their heads so they would go home,” Natalya said. Like most of those in Mariupol, the Balabas family spoke Russian and had Russian friends. They were dismayed by the divisions the fighting caused. “Families were split up. Neighbours fought,” Roma said. They didn’t want to choose sides: “We are not political,” Natalya told me several times.

“The clever people had got in their cars and left immediately. We were not clever”

On March 15th, nearly three weeks into the war, Vova managed to get hold of a radio and the family learned more about what was going on. Russian stations mentioned the “special operation” in Ukraine only briefly between lengthy broadcasts of concerts. Ukrainian stations advised residents of Mariupol to evacuate, but gave no practical information. Some neighbours who had tried to drive out reported being turned back at Ukrainian checkpoints.

The Balabas family had delayed too long. The city was encircled. “At first, my parents said we’ll worry about it when the Russians are in the city,” said Vova, rolling his eyes at their obtuseness. “When the Russians were in the city, they said ‘we’ll stay until they bomb our street’. Then when our street was hit, they said ‘we’ll stay until our block is hit’. In fact we stayed until we were almost destroyed.” Natalya is now inclined to agree. “The clever people got in their cars and left immediately. We were not clever.”

Natalya described the horrors of that month in Mariupol matter-of-factly, in neat, precise sentences. From time to time she would pause and take a breath, half-sighing, half-recharging, then continue. She drew me a map of the city to illustrate the events. By the time we reached March 16th it was a mess of blue biro. The little circle that marked her flat was right between the Ukrainian and Russian front lines.

Russian troops had occupied the housing blocks in the next street where Kostya’s girlfriend, also called Nastia, lived. A neighbour told them her building was on fire and the young couple went to investigate. Russian soldiers were positioned at every entrance. One soldier checked Kostya’s arms for pro-Ukrainian tattoos. At first Kostya, 16, was scared but, as they talked, the soldiers seemed like normal people. They told him that buses would be evacuating people eastwards. Kostya said his family had its own cars. The soldiers told him to avoid the main road because it was a shooting gallery. Leave as soon as possible, one said, “It’s going to be hell tonight.”

There’s usually a long sound,” said Natalya, “a peeeeeeee-ow, before the boom, so you have a little time to get under something. This time there was just a bang.” As the family was packing up the cars, a shell exploded in the courtyard. Vova was thrown to the ground; he couldn’t feel his left leg. When he looked up, he saw his father limping but still standing. Shrapnel had torn Kostya’s face open and his index finger was hanging by a thread of skin. Natalya’s sister was bent over her son, Vadim, desperately trying to stanch the fountain of blood spurting from his neck. Vova could tell from his glassy eyes that he was dead.

Where evil dares Most buildings in Mariupol were destroyed or damaged by Russian bombardment (*opening image*). The Azovstal steel plant became a battleground between Ukrainian and Russian forces (*top*). Natalya and Roma Balabas escaped from Mariupol with their three children (*above*)

Details of that night are jumbled and gory: Kostya, suddenly hot, suddenly thirsty, crying out that he didn't want his girlfriend seeing his face like this. Roma throwing the bags out of the car, laying Kostya on the backseat, then driving to the hospital, as his own thigh bled, weaving desperately through streets strewn with rubble.

The hospital had no running water or heat, no anaesthetic or medicine, and no surgeons, only an exhausted junior doctor. Natalya stole a dirty, bloodied blanket from a heap of discarded clothes to wrap around a shivering Kostya. The doctor told them it was better to leave the shrapnel in the back of Vova's knee. He stuffed a wad of bandages into the hole in Roma's thigh and told them to keep the wounds clean with antiseptic.

"We don't have antiseptic," Natalya told him.

"Use vodka."

"We don't have vodka."

"Then you can use urine," he said.

Natalya can't remember how they got home. The whole family lay in the same room, wounded, shaking and cold. No one slept. As the Russian soldiers had promised, the shelling was heavy all night; the walls shook and plaster dust thickened the air. The next morning, before dawn, they finally left. Roma took the wounded boys and Kostya's girlfriend Nastia in the blue car; Natalya drove the brown car with her daughter and her 85-year-old mother – the windows were all blown out and one tyre was flat.

There were two routes out of besieged Mariupol: west through Ukrainian lines, or east through the Russian lines into the Donetsk People's Republic. Inhabitants of the city, deprived of news and caught between two armies, had to choose according to logistics and luck. Based on the advice of the Russian soldiers, the Balabas family headed east.

At the first Russian checkpoint the troops waved Roma and his wounded sons through and radioed for an ambulance to meet them. Natalya was told to wait and follow a convoy of buses. When they set off, two hours later, the flat tyre meant her car crawled so slowly that she lost the convoy. Hunched over the steering wheel, she drove through the outskirts of the ruined city, before bumping into a Russian tank column. "You've got a flat tyre!" the lead tank gunner called cheerily.

"Leave as soon as possible, it's going to be hell tonight"

Six hours after setting off, Natalya reached the village of Bezimenne (which means "no name" in Russian) in the Donetsk People's Republic. Natalya saw Roma's parked car. Soldiers told her the occupants had gone to hospital, but they didn't know where. They pointed her towards a long queue of cars waiting at a so-called filtration point, where officials interview and register refugees before they can proceed farther east. (The Soviet Union employed a similar process at the end of the second world war, to assess the ideological soundness of Russians returning from German prisoner-of-war camps.)

Natalya walked for 40 minutes along the queue of cars. Some people had been waiting there for three days. At the end a huge tent had been set up, with desks inside where refugees sat for interviews and camp beds where a few of them could rest. Natalya was desperate: without a permit, she couldn't find her husband and sons. Exhausted, filthy and freezing, she was directed to a large stone building providing shelter to the elderly and families with young children, but it was already full. Natalya collapsed, crying. The man in charge said they could stay in a corridor.

One soldier drove her to get her tyre fixed. Others poured her consoling cups of coffee and gave her biscuits and sandwiches. They helped her exchange her dollars into roubles – she still had the $1,000 she'd withdrawn for her holiday – and called round hospitals to find out where her family members had been taken. "They were Ukrainians wearing military uniforms. They were not Russian soldiers," Natalya said. "They had no aggression towards us and we had no aggression towards them."

A soldier at the shelter let her use his hotspot, and she went online for the first time in a month. Her Viber groups lit up with messages – Where are you? How are you? – including one from a cousin in Moscow with whom she had barely spoken since 2014. He owned a large, empty house in Bezimenne. A neighbour had the keys, he said. Natalya could stay as long as she liked.

The house had electricity but no heating. Natalya chopped wood for the stove, bought potatoes and butter, and managed to get through to Roma and her sons, who were in different hospitals. Natalya was told she wouldn't be called for her filtration interview for at least a week, but the Donetsk soldiers managed to bump her up the queue so she could get to her wounded sons faster.

At the filtration point, soldiers searched her car boot and bonnet. People in military uniforms checked documents: they registered her name, examined her id, took a photograph, face-on and in profile, and scanned her fingerprints. At another desk she was told to unlock her phone, then a man read through her Telegram messages, Viber chats, Facebook posts and WhatsApp messages. After 40 minutes of scrolling, another official told him to hurry up: "Either detain her or let her go!" The man said he wouldn't be rushed. He connected her phone to a computer and downloaded the entire contents.

At the next table Natalya filled out a long questionnaire: have you met any member of the Ukrainian intelligence services? Do you have friends or relatives in the Ukrainian military? Did any of your neighbours display the Ukrainian flag? "I answered no to all of them," she said. The process took around three hours. At the end, Natalya received a permit. Everything would be fine from now on, she was told.

More than 6m people have fled Ukraine since the war began. Most of these went west, but around 1.5m have entered Russia, according to the un (some think this is an overestimate). Many who have gone east have come from occupied territory. In the early weeks of the war there were reports of Russians forcing people onto evacuation buses and transporting them to the Donetsk People's Republic.

Those who want to leave Russia must travel over 800km to the Caucasus and cross the mountains into Georgia, or go in a great loop to reach the Baltic states, or traverse Belarus to reach Poland. Digital grapevines on social media offer advice and assistance. Some have been set up by benevolent Russians.

Masha Belkina's family left Moscow three years ago to escape government repression and moved to neighbouring Georgia. After war broke out in February, Belkina launched Volunteers Tbilisi on Telegram to help Ukrainians get to safety. The organisation offers refugees shelter in rented houses, as well as distributing food and other necessities. Helping to Leave, also based in Tbilisi, has 450 volunteers all over the world, answering queries and co-ordinating evacuation plans.

Helping to Leave and Volunteers Tbilisi both have networks inside the occupied zone in Donetsk and Russia assisting Ukrainian refugees. "We call them our foggy volunteers," Belkina said. "No one knows who they are and no one needs to know. I have never met any of them." Over the past three months, she estimates that 1,000 people from all over Russia have volunteered to help Ukrainian refugees book hotel rooms, buy bus tickets or find a place to stay.

"If I see another Ukrainian symbol on you I will make you swallow it"

These volunteers have a particular insight into the filtration process. There seem to be no standard procedures. Some filtration points are staffed by locals, often middle-aged women who had been government employees or police. In parts of occupied Ukraine, such as the south around Kherson, Russian soldiers usually man them. All are overseen by the fsb, the successor to the kgb.

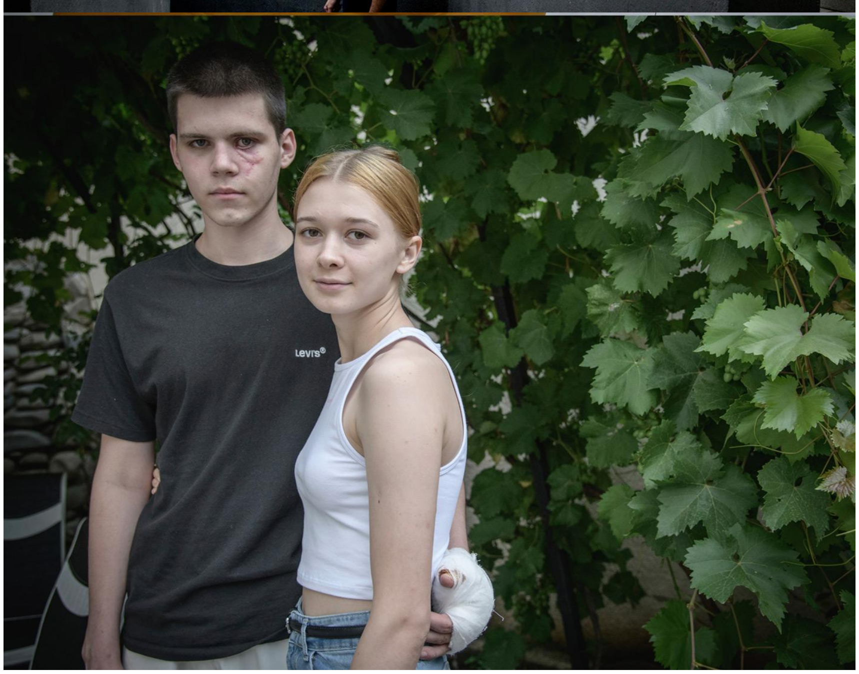
Officials may be friendly, indifferent or menacing. Men usually have to strip in case they have pro-Ukrainian tattoos or bruises inflicted by the recoil of a rifle. Some interviews are cursory, others intimidating. Most Ukrainians pass unharmed, but there are stories of people being harangued, beaten or disappearing.

Anna, a volunteer living in Stockholm who runs a team for Helping to Leave (and prefers to remain anonymous), said it was "impossible" to say how many Ukrainians had been arrested because all the information was anecdotal. One of the phone calls she received was about 200 people from the same village, mostly men, who had been detained for over a month. (They have since been released.)

Once through filtration, Ukrainians either stay in the Donetsk region or board buses that take them across the border to Russia. Here they can stay with relatives, rent apartments or leave the country, if they are able to. Those who find themselves in Russia with no friends, relatives or money – Ukrainian bank cards don't work there and sanctions mean no one can transfer funds from abroad – are at the mercy of the system. These people are put on special trains – "We call them deportation trains," said Anna – and can't choose their destination.

Conditions in Russia vary. Some are housed in hostels, sanitoria or old army barracks. Anna knows of one family in a city in central Russia living in a nice hotel with good food – though staff are rude to them because of their nationality. Others are stuck in villages with almost no amenities and live on porridge and watery soup. Some have been sent as far east as Vladivostok or to Murmansk, north of the Arctic Circle.

“The bad news is that most people stay in Russia,” said Anna, and are left stranded not just by a lack of money but lack of knowledge about other routes. Some Ukrainians in Russia become victims of propaganda: they are warned that Ukrainians are ill-treated in Europe and fed images of Mariupol returning to normal life. That same propaganda means many Russians see all Ukrainians as the enemy – even as the Kremlin’s contorted narrative portrays the refugees as victims of President Volodymyr Zelensky’s so-called Nazi regime.



The great escape Vova Balabas and his family now live in Tbilisi, Georgia *(top)*. Kostya Balabas was hit by shrapnel from a Russian shell near his home in Mariupol *(above)*

When Vova got to hospital in the Donetsk People's Republic, a Russian soldier saw the small Ukrainian-flag patch on the shoulder of his Azovstal uniform and exploded in fury, hectoring him about how he had been fighting Ukrainians for eight years. Vova said it was a work jacket and ripped off the patch. "If I see another Ukrainian symbol on you I will make you swallow it," the soldier replied. Others in the hospital were friendlier. An old woman brought homemade blinis, tutting at how sorry she was for him.

Among those recovering on Vova's ward was a man from Mariupol in his 50s who had spent 25 years in prison for a crime that he wouldn't reveal; a soldier in the Donetsk militia who couldn't believe that Mariupol was once a prosperous city (Vova described him as "dense as a block of wood"); and a Russian soldier from Dagestan, a region in the Caucasus mountains. He had taken an army contract for the money but couldn't understand why two Russian-speaking nations that shared a religion were at war. "What's going on here? It's like fighting in one family," he said.

Doctors removed the shrapnel from Vova's knee, but he still couldn't walk. He worried about permanent nerve damage and contacted the German Red Cross about getting to Germany for more treatment. Many people who fled east from Mariupol were waiting in the Donetsk People's Republic until the fighting stopped, hoping to return home. Natalya and Roma were content to stay at their cousin's house in Bezimenne. "For my parents, there was a house. They could live in it. They didn't care under whom," said Vova. "But I was thinking about how I could work, about a future. And there is no future in Bezimenne." I asked what had convinced his parents to leave? Vova laughed. "Google is very good!"

Natalya heard about Volunteers Tbilisi and contacted Belkina to find out where they could stay when they got to Georgia – and whether it was true that Ukrainians could get free medical treatment. Belkina worked out which filtration point might issue documents fastest and advised every family member to scrub their phones of contacts, images and chat history. They had addresses of relatives in Russia at the ready, in case they were questioned about where they were heading. In the event, the officials at the filtration point did little probing. Natalya told them that her sons needed treatment in Russia – Belkina had suggested they play the victim card – and within five minutes their papers were stamped.

"It was like living inside the shell of an egg"

The crossing into Russia took longer: the family were stopped for five hours while both their cars were searched thoroughly. Twenty hours after setting off, the Balabas family finally arrived at their destination of Rostov-on-Don, a Russian city near the Ukraine border. Exhausted, they pulled into a petrol station in their two cars, the bullet holes still evident. Noticing their Mariupol number plates, a Russian man bought them a tank of petrol and ice-cream, and helped them find a hotel. Their single room was in a cheap, rundown hostel. "But it had hot water!" Natalya said, smiling at the memory. The Balabases showered for the first time in a month: "Black water ran off our bodies."

The family got varying reactions in Russia. One man, whose flashy car had a letter Z on the side, looked right through them. Another stuffed money into Kostya's pocket. Natalya called dozens of mechanics before finding someone who took pity on them and patched up the two cars without charge.

In early April, the family set off again. They drove for two days without stopping to reach the only border crossing to Georgia. The Russian border guards complained that they didn't have the right immigration cards; the Georgian border guards worried that Kostya and Natalya's mother didn't have passports. Eventually the whole family was waved through. Belkina, the founder of Volunteers Tbilisi, met them on the other side. Around 25,000 Ukrainians have travelled to Georgia since the beginning of the war.

The Balabas family had been in Georgia for two months when I met them in mid-June. Kostya's hand was bandaged into a mitt after a bone graft to strengthen his thumb – he had lost his index finger. The corner of his blinded left eye drooped slightly and the cheek below was scarred. He is a teenager, and is still growing, but he carried himself with a steadfastness at odds with his boyish looks.

Like his parents, Kostya had been neither pro-Russian nor pro-Ukrainian before the war. He maintained that view after the invasion. “In war, your mind narrows. We were fighting for survival. We didn’t care if we were under the Russian flag or Ukrainian flag…I saw that the Russians helped us evacuate. I thought the Russians were good.” Distance has changed that perspective. “Since I’ve been able to get away from that stressful period, my mind has opened up again and I can see the bigger picture. Now I think: Russians, fucking bastards; Ukrainians, wow! Those are the great guys.”

Vova’s leg has healed. Ever industrious, he had recently taken an online course in interior design and been to several anti-war demonstrations, where he was heartened to see exiled Belarusians and Russians holding Ukrainian flags. “People say the Russians are bad, but Russians are victims of Putin just as we are,” he said. Vova believed that the Ukrainians had tried to defend Mariupol as best they could. His parents were more equivocal: “Russia says they are saving Ukraine from Nazis. Ukraine says they are saving Mariupol from Russian aggression,” Roma told me. “But no one thinks of the people.”

The family was deciding whether to resettle in Canada or Austria. Vova was torn – his girlfriend in Kyiv wanted him to go to Germany with her. But none of them wished to return to Mariupol. Their flat is a ruin and there isn’t any glass in the windows. According to the neighbours, a Russian man is living there now. ■

Wendell Steavenson has reported from Ukraine for *1843 magazine* since the beginning of the war. Additional reporting by Maradia Tsaava

You can read Wendell’s previous dispatches from Ukraine for *1843 magazine*, and the rest of our coverage, here.

PORTRAITS: **JUSTYNA MIELNIKIEWICZ**

ADDITIONAL IMAGES: PAVEL KLIMOV, GETTY

Summer reading

Look who's stalking: the black leopards of Gloucestershire

Frank Tunbridge has spent three decades trying to prove that big cats are prowling England's green and pleasant land

Jul 28th 2022

By Jem Bartholomew

In autumn 2014, John Bilney was cycling to work at around 6am along a tree-shaded footpath in Dursley, Gloucestershire, when a small cat leapt into his way. "Poor moggy," he thought, "I've scared it." Then he looked up – and froze.

Up ahead, he saw two huge leopards, sleek and muscular, arcing across the path. Each looked to be at least four-foot long. They mounted a grass bank and rested just below the tree line. "What are you?" Bilney shouted at the top of his voice. The creatures didn't flinch. Then, as if trying to shoo away a fox, he yelled, "Get out of it!" The leopards eyed him. Dread choked Bilney and he quickly cycled away.

Bilney's work colleagues thought he was crazy. (Even today, they still mock him. Once, when he was reading a paper, someone asked, "Is that *Big Cat Weekly*?") When he got home, he looked up local newspaper reports of similar sightings, which was how he found Frank Tunbridge, who lived nearby and was often quoted in the press as a "big-cat expert" (a term he hates). Tunbridge said they should immediately return to the scene of the encounter.

When they reached the spot, Tunbridge scrabbled around looking for traces of the creature: stray hairs, paw prints in the mud or scratched bark on trees. Tunbridge has a busted left knee and ankle, causing him to throw his weight rightwards when walking. He says this improves his tracking, forcing him to move slowly and observe carefully. "Frank found a lovely bit of poo, bit of scat, and he was pulling it apart in front of me with his hands," Bilney remembered. Rabbit or deer bones would indicate that the scat came from a carnivore. "He shook my hands when he left later," he laughed.

Tunbridge has spent 30 years searching for evidence of Britain's big cats. Not a day goes by when they don't prowl through his mind. He's convinced they're living in the countryside and his commitment to proving this has made him Britain's go-to man for sightings of exotic predators. He records the details of each report in his notebooks, some of which feature biro sketches scratched in thick black lines. A retired carpenter and car-boot-sale organiser now in his 70s, he has wiry hair, sharp eyes and jowls weathered by long hours spent outdoors. Over the years Tunbridge has put cameras in scores of locations across the British countryside to obtain confirmatory footage. Every holiday offers the opportunity to collect more evidence from a new place. He usually has a handful of camcorders in position at any one time and spends hours sifting through video.

Thousands of people in Britain populate big-cat Facebook groups but only a few dozen are committed to tracking the beasts. "There's an inner circle to the cat world. You sort of need to amble your way in," one tracker put it to me. Tunbridge has strolled right to its centre.

Believers engage in acrimonious spats over the phenomenon's origins. Most theories point to the passage of the Dangerous Wild Animals Act of 1976 as the crucial moment. According to this narrative, carnivorous beasts were a must-have accessory of the Swinging Sixties, when yuppies apparently walked savannah cats down the King's Road in Chelsea. There's a story that two men bought a lion cub in Harrods and raised it in their Chelsea apartment.

In 1976, the theory goes, a crop of nouveau-riche owners sought to dodge newly imposed ownership fees by liberating their status-symbol pets – cheetahs, leopards, lynx, pumas – into the wild. A handful of people have owned up to stealthy releases. In 1980 a puma, later named Felicity, was captured in the Scottish Highlands and lived out her life in a wildlife park. Natural England, the government body that oversees the English countryside, has received 94 unconfirmed reports of big-cat sightings since 2001. (Tabloid stories over the same period number in the hundreds; trackers say many people don't report what they've seen, for fear of ridicule.)

During the early months of the pandemic, Tunbridge noticed an uptick in people saying they'd seen big cats in the hills of the Stroud Valleys in Gloucestershire, near his home. People claimed they'd encountered leopard-like creatures, often at twilight, the time of day when leopards are most active. Descriptions were remarkably consistent, said Tunbridge. Most talked of an animal larger than any dog with a black body, yellow eyes and a thick, kinked tail. Many report that their own dogs trembled. Some also described a sand-coloured creature. One man snapped a few blurry pictures of an animal behind a hedgerow metres away. “I wasn’t scared,” he told the *Daily Mirror*. “It seemed to be playful.”

Tunbridge reckons that, as people stayed indoors, the animals roamed British pastures with confidence. Sober media outlets such as the bbc and the *Times* treated these reports seriously. Would this be the moment, the trackers thought, when their sceptical countryfolk finally came around?

Britain’s only native large predator cat, the Eurasian lynx, died out around 600ad. Though not technically a “big cat” – the ability to roar, not purr like a lynx, is one rule of thumb for separating middling cats from large ones – the Eurasian lynx is thought to have disappeared as a result of hunting and deforestation. The extinction of the lynx was symptomatic of the taming of the British countryside. Woodland covered 75% of the country until the Bronze Age, when much of it was cut down to create farmland. The Domesday Book, compiled in 1086, records that just 15% of England was blanketed in trees. By the early 20th century, the proportion in Britain was just 5%. (Because of rewilding, woodland now covers 13% of Britain; in the European Union, some 38% of the land area is forested.)

He saw two huge leopards, sleek and muscular, arcing across the path

The first written record of a so-called “alien big cat sighting” was made in the 1820s by William Cobbett, an mp and radical pamphleteer. “Rural Rides”, his serialised account of horseback jaunts through the south of England, records a boyhood memory from the 1770s, when he saw in Surrey a “great wild grey cat” as “big as a middle-sized spaniel dog”. (Some trackers insist this must have been a lynx; evidence suggests a feral tomcat.)

Big-cat sightings became more frequent in Cobbett’s time. Folktales told of a “monster cat with eyes as big as tea-saucers” that terrified the people of Dorset up to the 1820s. These encounters coincided with the Industrial Revolution. Country folk flocked to towns as farms mechanised and required less labour.

The early reports of big cats can be seen as an expression and symbol of resistance to the great upheaval of industrial capitalism. They were proof that the country remained wild at heart. The mythical beasts of the British imagination often appear at moments of modernisation. The Girt Dog of Ennerdale, which supposedly slaughtered hundreds of sheep in the north of England, also emerged in the early 19th century. Sightings of the Loch Ness Monster, believed by some to be a Jurassic-era aquatic reptile, coincided with a major upgrade to the Highlands road network. (There have been over 1,000 reports over the past 90 years.)

An appetite for dangerous beasts was piqued by the full opening of Regent's Park Zoo to the public in 1847, which contained many big cats shipped from Britain's colonies. Guidebooks emphasised the ferocity of the jaguars, leopards, lions and tigers housed there. The zoo's popularity was accompanied by a pervasive anxiety that these animals might slip their bars and ambush oblivious Londoners. In 1826, zookeepers at the Exeter 'Change Royal Menagerie had shot dead Chunee the elephant as he smashed the walls of his enclosure – it took 90 minutes and 152 bullets to bring him down.

By the early 20th century, the trope of a predator at large was well-established. In "A Tiger's Skin", a short story by W.W. Jacobs published in 1902, an escaped circus tiger lives in the woods, stalking nearby villagers. These fears were not just imagined. In 1903, a Canadian lynx was shot in

Devon – an anatomical analysis conducted in 2013 suggested that it may have lived feral after breaking free from a menagerie.

The British big cat came into its own in the years following the second world war. No county was complete without its own fantastical feline: the Beast of Bodmin Moor, the Cougar of Cupar, the Fen Tiger, the Nottingham Lion, even the Sydenham Panther. To go by the tabloid headlines during the 1960s, you could scarcely pop out for a pint of milk without tripping over a puma. The rise of the tabloid press helped mould a front-page staple out of a traditional legend.

Most reports described an animal, larger than any dog, with a black body, yellow eyes and a thick, kinked tail

Even government ministers gave big cats serious consideration. In 1983, after a spate of sightings, the Royal Marines undertook a mission to find the Beast of Exmoor. Despite 50 men from 42 Commando, a police helicopter and the vigilant nostrils of the Torrington Foot Beagles, they found no trace. Nor did the public, even after the *Daily Express* offered a cash reward for a photograph. In 1994, farmers in Cornwall reported a series of eviscerated sheep, which they attributed to the Beast of Bodmin Moor. Nicholas Soames, then junior agriculture minister, commissioned a six-month inquiry to assess the risk to livestock: there was "no verifiable evidence for the presence of a 'big cat'", the report concluded. Many people around Bodmin accepted this. Some continued to believe. A few insisted that there had been a government cover-up.

Dozens of sightings still make local and national headlines each year. But since the 1990s a stigma has attached itself to the Big Cat Question. Tunbridge is accustomed to ridicule. "People say, 'Oh that Frank Tunbridge, he'll be seeing dinosaurs next'. But it's water off my back, I get used to it all." Tunbridge's faith is affirmed in other ways. A press interview typically yields five new callers reporting glimpses of big cats. His talks attract dozens of curious folk. It opens people up, he says. There's "safety in numbers".

Tunbridge's obsession started young. On a trip with his father to London Zoo aged four, a leopard charged towards him, snarling, spitting and rattling the bars of the cage. This “frightening encounter became etched in my memory”, he later wrote. It sparked a lifelong yearning for excitement and danger. “The worst thing in the world is boredom,” he told me.

It was a turbulent childhood. His father gambled and the family struggled to pay the rent. They moved frequently. “My father was very good and kind when he was sober, but a lot of the time he was drunk,” Tunbridge said. When he was 12 his family left London for Dorset, a county rich in big-cat mythology. As a “bit of a loner”, he “turned to animals”, staying out late looking for newts and owls. In the pastoral landscape he discovered a new world. “If you look around, if you look at the trees, the grasses, the streams – there’s life everywhere!” he told me. “Was it Theroux who said, ‘Everyone should have a piece of wilderness in their heart’?”

In his 20s Tunbridge moved back to London. He worked on building sites until he saw an intriguing job ad in the *Evening Standard*: “Operative wanted for job in security. Must have knowledge of the building trade.” During the interview, he realised he was being recruited as an industrial spy. “She said to me, ‘It can be quite dangerous’,” he recalled. He accepted the role eagerly. Tunbridge infiltrated sites where labourers were suspected of laundering cash or stealing timber. Every evening, he’d write down what he'd seen and heard. The job gave Tunbridge a thirst for uncovering the concealed. Soon he was using the same skills to hunt cats.

In 1964, when Tunbridge was a boy in Dorset, the Surrey Puma became a national news story, and was blamed for injuring cows and deer. It garnered over 360 sightings. The puma leapt into the headlines again in the 1980s. By then, Tunbridge was working as a carpenter. He drove from London, hoping for a glimpse, and felt invigorated by his return to nature. But it wasn't until the early 1990s, after Tunbridge had moved to Gloucester, that he was initiated into the community of big-cat seekers.

No county was complete without its own fantastical feline: the Beast of Bodmin Moor, the Fen Tiger, the Gloucestershire Growler

An ex-soldier called Eddy – "bit of a character he was" – taught Tunbridge how to track and introduced him to the right people. In his living room, Tunbridge showed me a picture of himself from 1992, wearing camouflage and beaming in autumnal woodland, a knife strapped to his belt. From then on big-cat hunting became a "fascination", a "quest to get to the bottom of it". Tunbridge looks back nostalgically on the 1990s as an uncorrupted era before the keyboard sleuths arrived. "You had a more dedicated person in the big-cat fraternity," he said, "dedicated to the subject, not to the publicity."

A stern portrait of a wolf greeted me as I stepped into Tunbridge's home. While Tunbridge made coffee, I studied his bookshelf, which contained old leather-bound volumes with titles such as "The Nature Lover's Recognition Book" and "The Private Life of the Otter". There was a resin figurine of the animal that Tunbridge believes accounts for about 90% of sightings: the black leopard.

The most credible sightings, Tunbridge says, must have multiple witnesses at close proximity with video or photographic evidence. Sue Evans, a Cotswolds local, told me about the time in 2000 when she was strolling through a field and noticed the sheep huddled strangely together in the middle. Then she saw a big black cat. "There it was, this beautiful panther," she said. "I got this massive adrenaline rush." She was rooted to the spot until it disappeared into the bushes. Her husband Phil thought she was pulling his leg.

Phil maintained his scepticism until, in February 2020, the couple and their daughter spotted a similar black creature from their kitchen window. In a phone video of the incident, you can see the animal on the other side of a field. It’s impossible to judge its size: it could be as large as a terrier or a Great Dane. “Oh, I’m shaking Phil!” Sue cries in the video. “These sheep haven’t got a clue.” Phil is no longer a sceptic. “Twenty years I’ve called her the Cat Woman of Woodchester,” he told me. But when he saw the animal, he almost “jumped off the chair”.

A friend of Tunbridge, a fellow tracker called Alyn English, went to the scene. English took along a life-sized stuffed leopard to re-create the video (trackers call this method of approximating the dimensions of their quarry “scaling-up”). He concluded that the animal was much larger than a domestic cat. English then examined the terrain. An oak tree in a woodland clearing had a single moss-free branch, perhaps stripped by the cat as it observed its prey. He also found bone-rich faeces and stored them in a Ziploc bag for dna analysis. (English told me that the sample was still sitting in his home freezer: “My wife is very forgiving.”) Then he set up a camera and waited. The footage threw up badgers, deer, fox cubs, pheasants and stoats – but no black leopards.

Tunbridge has a similar method to English: he works with his nose close to the ground. In June 2021 I joined him on an expedition. A woman had reported a big cat scampering across a field close to some woodlands. The sighting had occurred about a year before, in the early weeks of the pandemic, but lockdown and a flare-up in Tunbridge's dodgy knee delayed the investigation. Our plan was to assess the best site for a camera and scour the area for prints, scat and the remains of prey.

There's a general hunger for something that's larger than us and our little lives

The train to Gloucester, where Tunbridge lives with his wife and dog, carves through the lush countryside of the Stroud Valleys, nicknamed Big-Cat Country by one tracker. The gently rolling hills and laid-out fields seem an unlikely habitat for an apex predator. But there are also pockets of ancient woodlands carpeted with moss and ferns. From Robin Hood and Shakespeare's "As You Like It" to rebels during the English civil war, the forest has always served as a stronghold of resistance to traditional authority.

Tunbridge knows that he needs to investigate rigorously. "I'm the biggest sceptic," he said. "If you've got no proof, you've got nothing." He admits that conclusive evidence has been missing for every reported sighting so far. When you're frozen with fear, he pleads in mitigation, it's hard to grab your phone, unlock it and start filming. To convince the incredulous public, he would need one of the "Three Cs": a corpse, close-up footage or a captured big cat. But Tunbridge, champion of the wilderness, would never set a trap that might harm or even catch an animal. So he resorts to old-fashioned, shoe-leather tracking.

He pulled up in his Skoda on the edge of an untamed wood. The key to tracking, he explained, is the meticulous observation of nature. A pebble out of place, shrubbery bent over, the grass pressed into the earth. "Carnivores leave little notes of their passing, but you have to be patient," he said. "Move too fast, you miss it."

On the path we came across some animal droppings. “I guarantee that’s dog,” Tunbridge said, stooping over. “We’ll soon find out.” He poked at them with a twig, turning them over to examine the contents. “It’s quite fresh,” he noted. Next, he skewered a nugget with the twig and, wrinkling his nose to dilate its passageways, wafted it under his nostrils, sniffing the scent in a series of short inhalations. He paused. “Now that’s a very sort of corny smell, almost a wheat smell,” he said. “There’s no bones in there. It could have been a dog fed on a very non-meat diet.”

Tunbridge and I shouldered our way through a gap in the foliage to enter the wood. It seemed untouched by man. Ivy hugged the birch. Fallen trees were rotting on the forest floor. As we went deeper, Tunbridge spotted the remains of a pigeon carcass lying in the undergrowth. Its feathers were matted, as if gently chewed. “A sparrowhawk?” Tunbridge asked himself, crouching and thumbing the feathers. “I don’t think so.” More likely a fox kill, he concluded.

The best spot to place a camera is at a junction where footpaths cross. Tunbridge believes that big cats prefer an easy route over hacking through thickets. This maximises the amount of footage, as his cameras record only when they sense movement. When we found a good place, Tunbridge strapped the camera to a tree and took out a bag of catnip, which contains the chemical nepetalactone to mimic natural feline pheromones. “They use this in zoos,” he said. “If you look on YouTube, you can see a tiger rolling in ecstasy.” Laughing, he called it the “cannabis of the cat world”.

“People say, ‘Oh that Frank Tunbridge, he’ll be seeing dinosaurs next’. But it’s water off my back, I get used to it all.”

Tunbridge sprinkled the catnip in an old sock, then opened a bottle of Lynx Seriously Sensitive shower gel and poured the musky-smelling liquid around the camera. (The logic: “It’ll stop to sniff it.”) Cameras are left for weeks until the batteries run down. If they haven’t been stolen, a common impediment for cat hunters, Tunbridge will analyse the findings.

Before covid, Tunbridge could be found in town halls and village churches up and down the country giving talks alongside Rick Minter, another big-cat tracker. They made a compelling double act. Tunbridge would spin yarns of sightings and imitate growls; Minter discussed practical steps the government could take. “I’m the boring policy analyst and Frank is the feet-on-the-ground, practical guy,” Minter told me.

Minter, a parish councillor, is more cautious in his claims than Tunbridge. A former policy officer at organisations that later merged into Natural England, he caught the bug after a sighting over a decade ago and now hosts a podcast, “Big Cat Conversations”. “We have some fierce rows,” Minter said, about evidence, inferences and theories.

Tunbridge believes a small number of leopards or pumas were released by their owners and bred with large domestic cats, perhaps Maine Coons, creating a self-sustaining hybrid he terms the “British Big Cat”. Rachael Bodenham, the big-cat keeper at Chester Zoo, told me that though big cats can interbreed, any offspring would probably be sickly and infertile. She thinks that the sightings are more likely to be black Labradors or feral cats, which can grow large in the wild (there are around 250,000 strays in Britain’s towns and cities alone). Still, Tunbridge is convinced of his hybrid theory. He cites Canada’s pizzly bear, a grizzly-polar bear hybrid discovered in 2006, and the coywolf, the product of interbreeding between coyotes and wolves. Both are fertile. “After a while”, Tunbridge said with a tone of reverence, “nature finds a way, you see.”

Minter takes a different tack from Tunbridge. He suspects that there are around 500 black leopards or pumas roaming the English countryside, which come together to breed. But he says he's willing to have his hypothesis disproved. "It's like a family row, you still love that person," he said. (Minter admits that his passion has taken a toll on his own family, who sometimes get "really pissed off" by the amount of time it eats up.)

Disputes over communications strategy often provoke tension. Tunbridge is keener to discuss state cover-ups or leopard corpses in government freezers than Minter. Over the decades he's provided hundreds of quotes to newspapers and connected witnesses to journalists. These days he speaks mainly to the local press: tabloids spread the word but he worries that they sensationalise sightings. Tunbridge reckons the cats are more afraid of us than we are of them. They've been here long enough without attacking humans. Yet photo editors invariably choose an image of a snarling leopard to illustrate a news story.

Trackers deny that they're obsessive: they've seen their efforts excite the public, which is increasingly urban and increasingly online, about the wonder of the natural world. "The thrill of watching a wild animal or bird at close quarters is unforgettable," Tunbridge has written.

But he also suffers from growing disillusionment. In 2009, he wrote a poem in the *Gloucester Citizen*, “Oh! For England”, lamenting the disappearance of a country, “Where garden birds sing./Where service and fair play,/Not money was King”. He has watched the landscape of his childhood vanish. “This is England now, with supermarkets, housing estates, building sites, too many people, too much traffic,” he told me. The existence of big cats would prove the survival of an ineradicable strain of wildness in the face of developers and industrial farmers.

The gently rolling hills and laid-out fields of the Stroud Valleys seem an unlikely habitat for an apex predator.

The view that Britain ought to be wilder has adherents beyond the brotherhood of big-cat hunters. Ecologists promote rewilding to stem the decline of native animal populations and habitats. The State of Nature report, published in 2019 by conservation organisations, calculated that since 1970 around a fifth of species have suffered a strong decline in numbers (defined as halving in population every 25 years). Around 15% of species are now vulnerable to extinction, including the hedgehog and the skylark. A group of environmentalists has developed proposals to reintroduce the lynx to the Scottish Borders, where deer devour fruit, grass and tree shoots so voraciously that the Muntjac deer has been designated an invasive species. “Yes, it would be nice to have lynx back,” Tunbridge told me, but “these guys can’t seem to accept that we have already got lynx out there.”

In 2012, after almost two decades of tracking without unearthing a smoking gun, Tunbridge thought he’d finally stumbled upon conclusive proof of the presence of big cats in the English countryside. In January that year, he found himself standing over the carcass of a roe deer in Woodchester Park, a country estate in Gloucestershire run by the National Trust. “There was still blood dripping from the chest cavity,” he said. In his mind there was no doubt that this was a big-cat kill.

David Bullock, then head of nature conservation at the National Trust, saw an opportunity to capture the public interest. He commissioned scientists from the University of Warwick to use dna analysis, which Tunbridge and his ilk had no access to. Robin Allaby, the lead scientist in the project, rushed to the scene and took dozens of swabs from the slain deer. He was open-minded about the cause of death and piqued by the idea of being the person who proved the existence of Britain's big cats.

The press fixated on the kill. Bullock was excited by all the attention. But the trackers' hopes were dashed. Allaby detected no dna from big cats: the evidence pointed to a fox. For believers, the results threatened to undermine their life's work. But Tunbridge was convinced there had been a cover-up. He claimed he had received a call from someone sounding like Allaby who told him, "I can't live with this much longer…leopard and puma dna were found." The man said that the government and police had overridden the National Trust to suppress the evidence, in order not to frighten the public. (Allaby strongly denied this conversation ever took place. "Extraordinary!" he told me.)

Despite their differences, Tunbridge still retains the respect of those involved. "It's his lifelong ambition, and it's good to have somebody who's so keen and dedicated," Bullock said. People like him "stretch our imagination”. Allaby thinks that the idea of British big cats appeals because the British landscape is now pruned and biscuit-cut. “People have this image of this very tamed, almost Victorian or imperialistic idea of a dominated landscape, and I think it’s a cathartic notion that there might be something wild taking them out of their own domesticity.” Allaby keeps in touch with Minter and other trackers, and regularly receives packages of fox scat for dna analysis. (Postroom workers at Warwick University complained after someone sent them a rotting deer leg. They had to dispose of it as a biohazard.) “There’s this sort of general hunger for something that’s larger than us and our little lives,” Allaby told me.

The existence of big cats would prove the survival of an ineradicable strain of wildness in the face of developers and industrial farmers

Britain’s big-cat trackers insist that areas of the countryside remain impervious to man’s dominion. To them big cats are avatars of resistance to – even revenge for – humanity’s degradation of the natural world. Tunbridge’s theory contains a curious paradox. Species are dying, habitats are collapsing, the world is heating up – but, according to him, nature is getting on just fine out of sight. Does their advocacy call us back to the wild or palliate our guilt for the destruction we have wrought?

The Woodchester Park episode changed Tunbridge. Having endured media attention, he decided to give up his attempt to prove the existence of big cats to the world. “I thought, ‘It’s becoming a bit of a circus’,” he told me. He reckons that if conclusive evidence were ever published, trigger-happy officials would seek to eliminate this “invasive” species to maintain the bucolic familiarity of rural Britain.

Little Englanders would never accept a violent carnivore in their backyard. “You’d get loads of people wanting to shoot it, wanting to kill the animal, with a lot of destruction of the country and tramping over people’s lands,” Tunbridge said. (Minter also told me that he has promising tapes he will never publish for fear of a cull.)

Even if a trail camera were to capture incontrovertible footage of a big cat, Tunbridge now says he wouldn’t release it. He’s prepared to be labelled a crank for the rest of his life if it means protecting the animals he loves. “I just want to keep the mystery carrying on, really," he said. He has made peace with the idea that the public won't be persuaded on this issue. That means big cats can remain wholly his. ■

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You can read the rest of *1843 magazine*'s summer reads and weekly coverage here

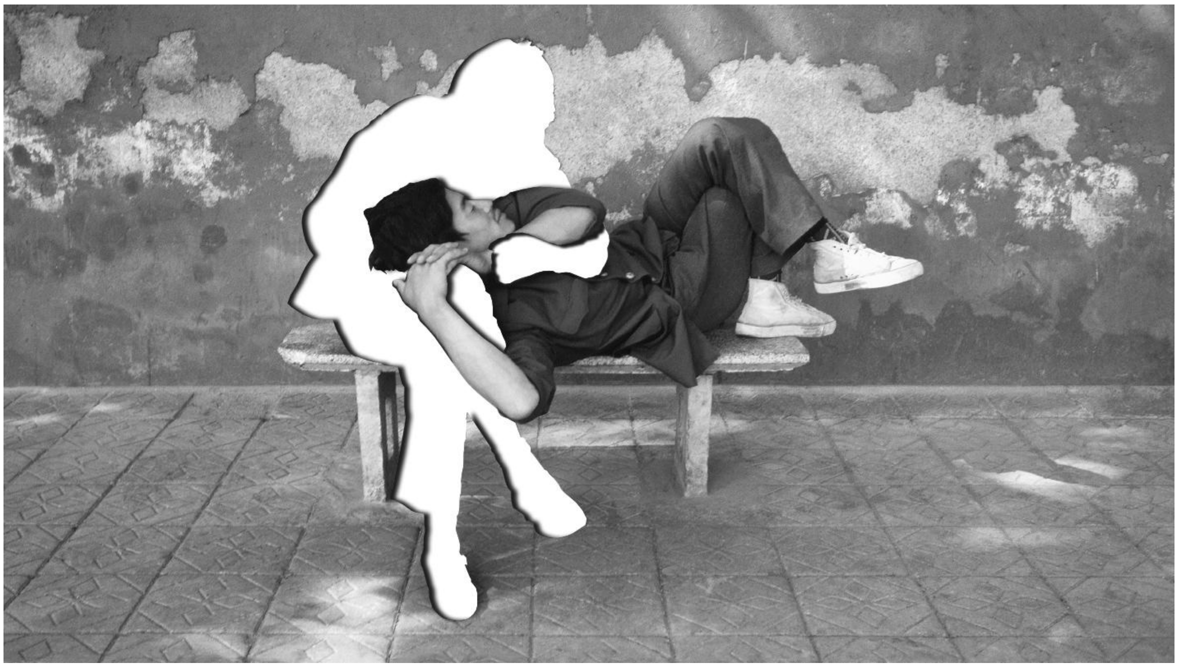
1843's cut-outs of big cats were shot at strategically placed locations across Gloucestershire. To find out how we took the photos go to @1843mag on Instagram

Summer reading

How to go to therapy without talking about your feelings

Two Chinese psychologists talk about divorce, stockpiling and crying into your mask

Jul 28th 2022



Chuan He

I was born in Ningxia province, where the goji berries are grown. I studied psychology at medical school. But in the late 1980s, when I graduated, people thought psychologists were only for lunatics. It was shameful to see one – if you worked in that field, you starved. I taught medical ethics for six years, then I started a business. Potatoes grow naturally on Ningxia's high plateau, but it's so remote that many rot. My company imported starch-making machines, and for almost 20 years we sold potato starch for cooking. It was exhausting. In the second half of my life I remembered my original dream to be a therapist. So in 2013 I started my training in Shanghai.

Yun Juan

I'm from Wuhan, born and raised. I had some misconceptions about psychology at first. I thought therapists were like dustbins for people's problems. That wasn't for me. My ideas changed when I became a Christian. I was making hospital visits and realised that talking was a way to help people, so I started training in 2009. I was thankful for that when the pandemic came.

The virus first appeared in Wuhan, which locked down in 2020 just before Chinese new year. We usually celebrate with our families, but that year I was alone with my daughter; my husband and parents were locked down in other parts of the city. We knew so little then, we were afraid even to open the windows. The city was silent and dark. No cars, no sounds, just the garish new year's gala playing on tv all bright colours and laughter. It hurt my eyes. In my 58 years, I had never felt that kind of loneliness.

But soon we were busy. My daughter went out to volunteer and I started providing therapy online. There was a woman, nearly 70, whose husband had been infected and taken to a quarantine facility. She was panicking. She threw everything that belonged to him outside. She'd call me in a sweat – it was winter, but her clothes would be soaked. I'd say, "Listen to my voice." I'd tell her to lie on the bed or sit down. I'd teach her to breathe.

You can't limit sessions like that to 50 minutes. You stay with people on the phone or computer, sometimes for the whole afternoon. You ask them to think of a happy memory, a time they felt safe. Sometimes they fall asleep, and that's good. Or you help them cry, and that's good, too.

Chuan He

Some of my patients were surprisingly happy when the lockdown began. There was a couple and the husband had had an affair. The wife was in pain, thinking, should I fight with my spouse, avoid him, or let myself go numb? Then suddenly they were inside together for months, forced to face their relationship. Things actually improved.

Other couples struggled. One of my clients is a high-performing businessman. At first he was OK, busy in his study all day. But after the fourth, fifth week of lockdown, work annoyed him and he started yelling at his wife and kids. He didn't want to get up in the morning; he napped at lunch and then played mahjong and watched videos on his phone until 3am. He felt powerless and started to ask: What am I working for? What is this life for? Is there still meaning? That is depression. He needed a professional to tell him: "You've met something unprecedented. This is a stress response. It doesn't mean you'll always be like this."

It's like we're all strings on an instrument that has been wound too tight

We dealt with many crises. I met one man whose parents had both been sent to hospital and he couldn't reach them. He and his siblings were begging for help in every direction, but their money and connections had no effect. He was spiralling: When would it all end? What if they died? I helped him realise that his fear of what might happen was hurting him more than the reality of his parents being in hospital.

To be honest, I felt anxious and helpless, too. I remember thinking about whether to eat my last egg or save it for the next day, and then asking, why are we locked up, why must we fight for food? How could this be happening in Shanghai? Such questions fill you with anger, but what can you do as an ordinary person? So you drop the anger and go to the next stage: sorrow.

Many of my clients don't live in Shanghai – they prefer talking to someone far away, because they worry that a local therapist would leak their stories. I often see common themes. Many Chinese are afraid of two things: negative feelings and shame. Often, if a grandparent dies when the child isn't there, parents don't tell them about it until later. The parents don't want to "disturb" their children with bad news. They can't allow them to be sad. So they deny their children the chance to say goodbye, which creates a deep sense of loss. The child needs help to reconstruct the scene and say what they feel.

There's an idea that family harmony is more important than anything. I had a couple who'd already been divorced for half a year but didn't tell anyone because they'd lose face. So they didn't turn up to family get-togethers; they'd pretend to be on business trips. I've seen parents who divorced when their child was in primary school and tried to keep that secret until they were in high school. Of course, the kids always know. You're performing for your child, but they know. Actually, you're lying to your child. You think it's a form of protection, but the child will have no sense of security. They feel deceived.

As a therapist, it's against my ethics to encourage people to stay married or get divorced. When a case ends in divorce, that doesn't mean therapy didn't work. The two people come out with clearer minds. They understand what happened in the past 10 or 20 years and what kind of life they want to live. But both society and the courts here encourage couples to stay together. Many women absorb that pressure. They feel if they're divorced, they've failed, they're bad at marriage. So I try to give them courage. I tell them it's not shameful to be honest.

Yun Juan

Many families have problems with in-laws, especially when one member of the couple was raised by grandparents while their parents migrated to the city for work. One woman I treated struggled with her mother-in-law. Her mother hadn't been around. Now she had someone who could finally be her mother, but she didn't know how to build a relationship as an adult. When her mother-in-law said something critical or nagging – "Aiya! You did this wrong. You are slow!" – the wife reverted to childhood. She didn't want to live with her mother-in-law anymore. This harmed her relationship with her husband, who was worried about his wife but wasn't willing to cross his mother. And the in-laws would never come to therapy.

The older generation doesn't understand. They lived through so many crises, and say things like: "You've had it too easy. If you could eat bitterness like us, you'd be fine." My own mother was a child during the second world war. Her parents left the village to join the war effort with the nationalists. When the Cultural Revolution began, my mother's family was marked as counter-revolutionary. The Red Guards would barge in to hold "struggle sessions" against her parents, breaking things, screaming at them and putting up posters denouncing their ideological crimes. Of course my mother was affected. Throughout her life she tried to join the Communist Party to prove she was a good citizen, but was never allowed to. That's why she married my father: he was from a peasant family, which was considered good because Maoist ideology elevated the peasantry.

My mum always cites a saying: "If you made a mistake, fix it; if you didn't, take the punishment as a warning." I hate that. It's what innocent people told themselves to survive that era. If they were attacked, they'd say: "It's fine, I deserve it." My mother treated me the same way. If my brother did something wrong, she'd discipline me, too. I had to be strong and self-sufficient. These things sit like a glacier between us. They also distorted my relationship with my husband. Before I had therapy, I became defensive easily. Because even my mum would never help me, I didn't trust anyone. There was a distance in all my relationships.

My parents have always kept their supplies stocked up. My father buys too much, freezes it and fills an entire storage cupboard. He can never have enough. The two of them are constantly preparing "for war, for famine, for the people", as they said in Mao's time. They're waiting for the moment when they lose everything. My parent’s generation passed this fear and numbness on to us, and we passed it on to our children.

Chuan He

After the Mao era, many people my age began to emigrate, get a Western education and express themselves differently. But in much of China, especially in the villages, people still live in the same, inward-looking way. In the past we were a suppressed people in a suppressed culture. Now we are an anxious people in an anxious culture. The years of reform brought super-fast development. Too fast. Our material lives reached a certain level, but our internal lives, our culture and our spirit couldn’t catch up. Everyone wants to get rich, everyone wants a big house, everyone wants their kids to go to good schools. You’re afraid to fall behind. Every day you’re rushing, but you don’t know what you’re rushing for.

Yun Juan

Did it get better after the lockdown was lifted? For so long everyone had one thought: I must live. Yet when the city opened, we felt not relief, but fatigue. I see clients in person now, but not their whole faces. Sometimes they cry until their whole mask is soaked, but they’re afraid to take it off.

And it isn’t over yet. Right now we are doing pcr tests every 72 hours. The community workers walk the streets with bullhorns shouting at us to test. If your neighbourhood has positive cases, guards come to the front door and lock you in. When you see someone who isn’t wearing a mask, you back away. When you forget to wear one, your heart clenches. It’s like we’re all strings on an instrument that has been wound too tight.

If anyone tries to bring up what happened under lockdown, someone else will cut in: “Forget about it. Let’s ganbei, drink up! Cheers that we’re alive!” People say everyone has been through the same thing, so why talk about it? But it’s also because of the government – they don’t want you to discuss negative things.

Even our happiness can’t be expressed. So what about unhappiness?

I volunteered as a therapist during the Shanghai lockdown, and out of nowhere, during lunch one day, I started crying. I was sitting in a restaurant with people staring at me. I thought, watch me if you want. I can’t control it. I’m sad now and I’m just going to cry.

As an ordinary person in China, self-reflection hurts, because you have no say. If you come to Wuhan, you’ll see the streets overflowing at night. Everyone is out eating, drinking, partying. When the cases come, the government closes everything down. We sleep in our offices, we prepare for “war”. When the cases go, we eat and drink again. How can we keep living like this, so mindlessly?

Chuan He

Everyone is expected to look calm and flat on the outside. We are not expressive or effusive. In the past, there was a saying that women should “smile without showing your teeth”. When I was younger, in my high-school photos, I looked like I was 40 years old. Women cannot speak loudly, cannot show their teeth, must sit and stand the right way. We are shrunken in and folded over – even our happiness can’t be expressed. So what about unhappiness?

Yun Juan

In China we are used to instructing our bodies with our brains, telling ourselves what we should feel. We are always saying, don’t be scared, it doesn’t hurt, don’t be angry, forget about it. We don’t know that if you’re fearful, you should stand up and fight. If you’re angry, you should defend what has been violated. This is why I feel my work is meaningful. It can help us live more truthfully. We are all wearing masks with big smiles drawn on our faces. We should take them off. ■

As told to **Alice Su**, senior China correspondent for *The Economist*. Both therapists’ names are pseudonyms. These interviews have been edited for clarity and brevity

You can read the rest of *1843 magazine’*s summer reads and weekly coverage here

ILLUSTRATIONS: **JAMES WILSON**

Summer reading

Did this man spend 20 years in prison for murdering a man who is still alive?

The story of Manuel Ramírez and his fight for justice in Mexico

Jul 28th 2022

By Matthew Bremner

On an early summer's day in 2000, Manuel Ramírez was hosting a dinner at his home in Tepexpan, a dusty mining town near Mexico City. Family and friends had come to meet his month-old son. Guests reclined in wicker armchairs, drinks in hand, and fawned over the newborn.

At around 8.30pm, several men burst into the house. They claimed to be police officers but produced no identification or warrant, and gave no reason for the intrusion. They crowded into the front room waving guns and spouting threats. One man knocked Ramírez's Dobermann unconscious.

"Who is Manuel Ramírez? Where is Manuel?" shouted the leader of the group. Guests knelt or crouched to protect themselves. Others put their hands in the air. There were shrieks and whimpers. Ramírez, who was 22 and stocky as a bulldog, with dark hair, a broad, triangular nose and a wispy beard, cowered in the corner, as terrified as everyone else.

The men rapped on the furniture with their weapons. One pointed his gun at Ramírez's wife. "She had my little son in her arms," he recalled. Immediately he shouted, "I'm Manuel Ramírez!"

Two of the men pounced on Ramírez and beat him half-unconscious with the butts of their pistols. Then they hauled him off the floor, dragged him out of the house into a car and sped off up the rutted track that led to the centre of Tepexpan.

As the vehicle roared around the dirt roads, the men forced Ramírez to stay face down, handcuffed, with a jacket over his head. The only sensation he could feel was the engine's throb through the fabric of the seat.

The car stopped abruptly. Disoriented by fear, Ramírez had no idea where he was or how long the drive had been. His captors lugged him out of the car and marched him into an empty, dimly lit space. "It looked and smelled like a beer cellar," Ramírez said. The apparatus he saw did not bode well: two huge steel drums, car batteries, handcuffs and buckets of ice.

Two other men were also led in, similarly handcuffed. One was Carlos Alberto Sánchez, whom Ramírez knew from town. The other was Ramírez's brother-in-law, Gabriel Vera. All three tell the same story: their captors, who turned out to be police officers, stripped them naked, bound their hands above their heads and dunked them in freezing water. Ramírez was submerged up to his shoulders. The officers punched his head with the heels of their hands and kept insisting, "You killed Emmanuel Martínez Elizalde, didn't you?"

The name was familiar to Ramírez: his father and Martínez Elizalde's father were acquaintances; Emmanuel and Ramírez were around the same age. As far as he knew, there hadn't been any discord between the families, let alone violence. Ramírez's father later told me he'd even loaned money to the family.

Through the punches, slaps and accusations, Ramírez continued to deny everything. Then a policeman hit Ramírez so hard on his left ear that all noise seemed to be filtered through layers of wadding. “All right then, motherfucker, we’ll see who’s tough now!” one of his captors said. Ramírez could smell the sweet stench of alcohol on his breath. An officer fetched a battery and connected the electrodes to Ramírez’s testicles. Ramírez’s body fizzed, shuddered and he lost consciousness.

When he came to, the officers dressed him, threw all three prisoners into cars and drove them to a police station 20 minutes away. He saw an unexpected figure talking to the head of the police unit: Rafael, father of Martínez Elizalde, whom the police said Ramírez had killed. Ramírez didn’t have the strength to speak and his ears were still ringing. But as he entered the building he recalled hearing Rafael say, “No, not Ramírez. I didn’t want you to detain him. He’s my friend’s son.”

“Well, it’s not going to change now,” the commander replied. “You ordered us to find a culprit, and here he is.”

The officers dragged Ramírez to an interrogation room. “You will confess to this murder,” they kept saying. He slumped in a chair, bloody and delirious, his back throbbing, but refused to comply. Ramírez’s family and friends had been waiting anxiously outside the police station. When his mother was let in briefly she began to cry. The police threatened to beat her if she “didn’t shut up”.

The intimidation escalated. “That’s when they told me my little son and wife would pay the price for my stubbornness,” he said. The threat restored him to partial lucidity. Ramírez pressed his shaky index finger onto an ink pad and made a print on a blank sheet of paper. He then signed at the bottom of the page. He says that the police filled in the confession afterwards.

No lawyer was present. The cousin of another prisoner was brought to the interrogation room to witness the confession. According to statements she gave later, she wasn’t allowed to read any documents. After she insisted that the men should be allowed to give their version of events, an officer said he would rape her if she didn’t shut up.

As he was locked in a cell, Ramírez struggled to digest what had happened A year later, after what Ramírez estimates were almost 20 separate hearings, the court would convict him of murder and sentence him to 40 years in prison. He would spend the next two decades trying to clear his name. To do so, he would try to prove that the man he was convicted of killing was still alive.

Manuel Ramírez was born in 1978 in the heart of Mexico City. His father was an engineer and, though the family wasn't wealthy, Ramírez was encouraged to follow his twin passions: baseball and music. On the field, he played second base or shortstop, positions that required agility and a strong throwing arm. But music was his true calling – the guitar, mandolin, piano and, his favourite instrument, the accordion.

His local priest and first boss both described him as "honest" and "honourable". He studied hard, went to church assiduously and tried to live up to his parents' high expectations. Each of his parents had children from previous marriages, but Ramírez was their only offspring together. Though they were strict, they also indulged his whims and spoiled him.

Long walk to freedom After being released from prison, Manuel Ramírez drove home with his wife (*opening image*). Francisco Ramírez, Manuel's father, turned 90 last year (*top*). Manuel Ramírez spent years in Santiaguito prison (*above*)

In 1999, aged 21, Ramírez moved to Tepexpan, where his father had grown up. He married a local woman, though both families disapproved of the fact that his new wife was ten years older than him. Nine months later, their first child was born, also named Manuel. "It seemed to settle people's nerves," Ramírez said.

Ramírez was optimistic about his young family's future. He taught music and joined a band that played traditional romantic ballads, touring the country and even playing gigs in America. But less than a year after getting married, he found himself sitting in a prison cell, mulling a single question: "Why would they stitch me up? I barely knew Emmanuel."

At the time of Ramírez's arrest, Mexico's inquisitorial legal system meant that the judge played a role in investigating the case (in adversarial systems such as in Britain and America, the judge presides over arguments between prosecution and defence). Though many democratic countries operate their judicial system on inquisitorial lines, in Mexico this often meant the accused didn't get their day in court: there was no presumption of innocence, trials were often closed to the public and the defendant had few rights.

The trial for the murder of Martínez Elizalde began almost immediately after Ramírez's arrest, even though Ramírez retracted his confession and told a judge how the police had treated him. At each hearing, he and his co-defendants stood in the prison courtroom behind thick metal bars, handcuffed and shackled.

Over the course of several months, judicial police laid out the state's case, painting a picture of cold-blooded revenge. According to this story, the accused held a grudge against Martínez Elizalde's family and spent weeks planning the murder of the eldest son. On May 25th at around 10.30pm, the night before Ramírez's party, the three men had spotted Martínez Elizalde, a pale, skinny 19-year-old with dark brown hair, standing by football pitches in the centre of Tepexpan. Martínez Elizalde was notorious in town. Many locals told me he was always spoiling for trouble.

The three men supposedly invited Martínez Elizalde to help taunt some nearby villagers with whom they were in a dispute (the police statement says little else). Martínez Elizalde agreed, but said he first had to drive some friends home. The last person he dropped off that night was his friend Francisco Villa León, the state's only witness. According to Villa León, Martínez Elizalde said he was going to help beat up the villagers, warning his friend that if anything happened to him, Ramírez, Sánchez and Vera would be responsible.

Sometime after midnight, Martínez Elizalde rejoined Ramírez and his friends and the men headed off in Martínez Elizalde's pickup, a burgundy Ford F-series, drinking mezcal and planning their attack. According to the police, the men stopped at a former colonial villa where they set upon Martínez Elizalde, "stabbing the victim in the chest with a screwdriver...moving it back and forth in the way you might kill a pig". They also tried to strangle him with an electric cable. Then they threw him back in the truck; still alive, Martínez Elizalde continued to struggle until, eventually, the final blow came. Afterwards they dumped the dead body at a rubbish tip, set it alight and fled.

"She said that her husband had set up Manuel – and asked for forgiveness for what he had done"

The police testimony includes a number of discrepancies, according to Ana Martínez Naquid, a forensic consultant. It says the victim was attacked by more than one person, but includes no fingerprint identification, dna test or injury analysis to suggest this is true. In addition, the wounds described in the police report don't match those mentioned in the autopsy.

There were further inconsistencies. An initial police report said bullet casings were found near the body, but there were no signs of gunshot wounds. No casings were ever presented as evidence and the suspects' clothing was not tested for gunshot residue. Officers said the dead man was stabbed in the pickup several times, but no traces of blood were found there. In their confessions, the accused said that they stabbed the victim three times on his left-hand side; a medical report indicated the injuries were on his right.

Even the time of death was fuzzy. The coroner said the victim was murdered between 9-11pm on May 25th. Yet Martínez Elizalde's friend said he'd been dropped home at 12.30am – at least 90 minutes later. Ramírez's wife told me that Ramírez had already returned home by 12.30am.

But the biggest problem with the prosecution's case was the body of the victim. Martínez Elizalde was slim and smooth-skinned, but pictures from the morgue showed a thick-set man covered in body hair. Though the victim's face had been badly burned, the photos in the police report "looked nothing like Emmanuel Martínez Elizalde", said Ramírez.

Ramírez's lawyers raised yet more questions. The coroner recorded that the dead man had bleached blond hair, yet Villa Léon, the last person to see him alive, described his hair as black. Official documents stated that Martínez Elizalde's father and uncle inspected the body in person; when questioned in court, the uncle said he'd only been shown photos. Martínez Elizalde's father declared that he couldn't remember when he had gone to the morgue.

As the trial dragged on, Ramírez's anger morphed into despair. When questioned, a policeman denied that Ramírez had been tortured: "It's a lie.

You weren't threatened at any point." Despite the scant evidence against him, Ramírez felt that his lawyers weren't advocating forcefully on his behalf – and the few times they did so, the judge chastised them for "inadmissable" questioning. Ramírez became increasingly certain that the case was not being conducted fairly.

Mexico's legal system certainly has a long history of corruption. Ramírez's father, Francisco, claims that he saw Rafael Martínez, Emmanuel's father, hand money to the judge outside the judge's office. (Rafael died in 2019 so was unable to respond to these accusations.)

In May 2001, nearly a year after he was arrested, Ramírez was given his verdict. He and his alleged co-conspirators were taken to a near-empty courtroom – neither his lawyer nor his parents were present. Ramírez and the other two men were declared guilty by the judge, and sentenced to 40 years in prison.

The living dead Manuel Ramírez used to go to church in Tepexpan (*top*). The body of Emmanuel Martínez Elizalde is supposedly buried in this cemetery in the town (*above*)

Tepexpan is a town of great rivalries, burning envies and plentiful gossip, exemplifying the Mexican saying, “Pueblo pequeño, infierno grande” (“small town, raging hell”). After Ramírez was convicted, his parents returned there less often. On the rare occasions they did so, they heard some surprising rumours: people claimed that Martínez Elizalde was still alive and that his father had faked his death. Some even said that Rafael had taken out life insurance on his son shortly before he disappeared. Ramírez’s father, Francisco, says Martínez Elizalde’s mother approached him one day when he was shopping in town. “She said that her husband had set up Manuel, and she asked for forgiveness for what he had done,” Francisco told me. But what was a father to do with such a revelation?

More tangible evidence emerged the following year, according to Francisco. In the spring of 2002, Ramírez’s mother, Guadalupe, received an anonymous phone call telling her to go to the Tepexpan gardens and pick up a yellow envelope with her name on it on a bench. Inside she found photos of Emmanuel Martínez Elizalde, overweight and with long hair, but very much alive – these appeared to have been taken recently. There was also a document with details of his new identity.

Guadalupe was so excited, she said she went straight to the prosecutor's office to hand in the new information. That turned out to be a mistake. The pictures then disappeared.

Nevertheless, the new information impelled Ramírez's mother and lawyers to search for other evidence – effectively doing the authorities' work. It was emotional, arduous and mostly inconclusive. Then they made a discovery that helped explain the most important mystery in the saga: why Martínez Elizalde might have wanted to stage his own death.

One night in May 2000, some three weeks before Martínez Elizalde was supposedly killed, a young man called Juan Vásquez was out drinking in central Tepexpan with a bunch of other boisterous youths. A burgundy Ford F-series pickup was parked nearby and Vásquez decided to steal what was inside: he smashed the truck window, grabbed the items and returned to drinking with his friends.

At that very moment, the vehicle's owner emerged from a nearby building, having seen the robbery. He threatened Vásquez, who tried to flee. Witness accounts about what happened next are confusing. But it seems that while his friends hid, Vásquez was stranded, trying to mount his bike. The driver of the pickup caught up with him, ran him over and sped away. Vásquez was dead.

"The authorities did nothing," Vásquez's mother told me. The police files contain few interviews with witnesses or suspects. "We're nobodies," she said, "and the system doesn't work for people like us."

"If my brother is alive then bring him to me"

Two years later, in 2002, one of Vásquez's friends testified in Ramírez's appeal that Emmanuel Martínez Elizalde had been the man driving the burgundy truck that killed Vásquez. I met that friend, Julio Cesar Castro Gomez, in late 2020. "I'll never forget that day," he said. He watched Martínez Elizalde repeatedly run over the body of his friend, who was lying on the road. Martínez Elizalde got out of his truck and spat on the young man's corpse before driving away. "The rest of the boys who were there vowed to take revenge on Emmanuel Martínez Elizalde."

Castro Gomez had an even bigger revelation for the judicial authorities: he had seen Martínez Elizalde alive two years after Ramírez supposedly murdered him. "As God is my witness," he said, pointing to a church looming above us, "I saw him. I saw him alive. Manuel Ramírez did not kill that man because that man is still alive."

Ramírez's legal team, guided by his mother, began to accumulate fresh testimony to support his claim. More witnesses said they'd seen Martínez Elizalde at a local fiesta in 2002. Three men gave evidence that the dead man's body did not resemble him. Then Castro Gomez provided information that might explain why Ramírez was set up.

In early 2003, Castro Gomez went to visit Gabriel Vera, Ramírez's brother-in-law who was imprisoned along with him. Vera said that he had witnessed a murder on May 25th 2000, the day Martínez Elizalde supposedly died. But Martínez Elizalde was not the victim, he was the perpetrator – he had killed a man called Juan Vieyras.

Vieyras (about whom Vera said very little) and Martínez Elizalde had argued about who owned a plot of land. The dispute grew heated. Vera said that, with the help of some friends, Martínez Elizalde strangled, stabbed and burned Vieyras – circumstances that sounded remarkably similar to Ramírez's alleged crime. To avoid arrest, Martínez Elizalde then passed himself off as the dead man. (I tried contacting Vera several times via his family but received no response. I tracked down two families called Vieyras, both of whom said they had never heard of Juan Vieyras and had no family member who fitted his description.)

The accumulated weight of evidence convinced the authorities to exhume the corpse in August 2003. Mexicans normally bury their dead in their Sunday best but the body inside was unclothed. "Can you imagine burying your eldest child and leaving him naked in the casket?" Ramírez asked incredulously. A new forensic report threw up further anomalies. The original pathologist report recorded the victim's height as 1.72 metres tall; the state pathologist said the body in the coffin was only 1.63 metres. (A criminologist later said that the body might have been incorrectly measured at the time of death.)

Ramírez's defence team hired an independent forensic anthropologist to study the remains. She found no match between the skull of the exhumed body and photographs of Martínez Elizalde that his family provided. She was confident that the remains belonged to a different person. (Another independent forensic pathologist reached the same conclusion in 2011, this time using more sophisticated technology.) Yet the government's own expert upheld the state's case because, she said, there was a 99.9% probability that Martínez Elizalde's parents were the parents of the cadaver. Despite the many inconsistencies in the evidence, Ramírez remained in jail.

Daily life in prison was horrific. Dozens of men crammed into cells built for six people or fewer. Some lay on the floor; others were tied to toilets. Radios blared, inmates munched on pork rind, drank alcohol and smoked weed. You could survive in such an environment only through bravado or anonymity. Ramírez took the latter course. Though he wasn't an alcoholic, he often attended aa meetings. He wanted to keep his mind sharp and his head down.

Slow burn Ramírez's relatives burned his prison clothes, a common ritual to expunge the past (*top*). Ramirez hugged his wife and Nestora Salgado, an activist after being released (*above*).

Over Ramírez's two decades inside, his quick temper hardened into a reflex for confrontation: several times he was moved to a different prison after unruly behaviour. He alienated correctional officers, policemen and judges by uploading videos to YouTube naming and blaming them for his ordeal in jail. During the two and a half years I spent talking to Ramírez, by phone and in person, he was always angry at someone for something.

Over time, Ramírez started suffering from anxiety. "I used to drink three litres of Coca-Cola and three litres of coffee to avoid sleeping, to avoid having nightmares," he said. His right shoulder clicked and ground in its socket. Back pain forced him to wear a brace all day and often through the night. His wife left him and he saw his son only a handful of times. "She didn't want young Manuel to have anything to do with a father who was in prison," Ramírez told me. His relationship with his father was also deteriorating. Ramírez's half-siblings had always resented him, he said, for having studied and getting good qualifications: "They were jealous and started pouring poison into my father's ear. He believed them." Ramírez and his father stopped talking.

He managed to have a series of romances, including two more marriages – not uncommon in Mexican prisons. In 2008 he married a nurse from Guadalajara, whom he had met before being imprisoned, but that relationship quickly collapsed. Then, around 2010, Ramírez got back in touch with his first serious girlfriend, Itzel del Carmen Perea Villafaña, who has a round, moon-like face, a fragile smile and hair that was dyed a different shade each time I met her. Perea and Ramírez had dated in their teens but she wanted to be a nurse not a housewife – Ramírez denies demanding that she stay at home, merely saying that she was his “true love”. They eventually married in 2014.

Mexican prisons are hives of corruption where gangs work as effectively and viciously as they do on the streets. Everything has its price, from fresh meals to your own bed or an illicit mobile phone. Inmates often refer to prison as the “most expensive hotel in Mexico”. Perea kept her husband solvent, making sure that he ate well, had his own bunk, medicines and the amenities that made prison life more bearable: nice clothes, toiletries, a television. “I paid into an account every month so that Manuel could live,” she said.

Their relationship endured grievous sorrows. Perea says that in 2013, when she was pregnant, prison guards made her squat for so long that she lost the baby. Ramírez’s ailing mother died a year and a half later and Ramírez became withdrawn.

Sanchez, one of his co-defendants, died in 2014. The other convicted man, Vera, eventually gave up trying to prove his innocence. But Perea pushed Ramírez to keep his case alive, giving newspaper interviews and courting lawyers. “I’d drag his files around Mexico City looking for lawyers who’d take on the case,” she told me. By 2015, they had exhausted all avenues of appeal and decided to change tactics, contacting human-rights organisations to see if the conviction might be overturned because the confession was extracted under torture. It was a long shot – it’s hard to prove that his injuries were caused by police violence 15 years earlier – but two independent doctors eventually examined him and in 2018 they submitted a report to the state prosecutor. Ramírez’s ailments – deafness in one ear, anxiety and depression – exhibited signs of torture, they said. (The judicial authority of the state of Mexico said that a special prosecutor for investigating torture allegations closed Ramírez’s case for lack of evidence.)

"He ran over his body repeatedly, then got out and spat on the boy's corpse"

Ramírez's tenacity had begun to attract the attention of more powerful people, too. In 2019, a former gang-member turned politician called Pedro Carrizales promised to do all he could to secure Ramírez's freedom. For the next year and a half he petitioned the government, along with an activist and entrepreneur called Bryan LeBaron, who had lost family members in a massacre in 2019. Carrizales said that Ramírez was an emblem of the "flaws in our justice system". (Carrizales died in a car crash in February this year, which his family believes to be suspicious.)

In late 2020, I met Ramírez at Santiaguito prison in the state of Mexico, where he'd spent the past six years (this was his sixth prison). I cleared several security checks, walked past jeering prisoners and entered an open-air courtyard through creaking metal gates. A group of prisoners exercised near a playground for the visiting children of inmates.

Ramírez sat at what looked like a metal picnic table in a shady concrete canopy at the far end of the yard, dressed in his prison uniform: beige shirt and chinos, a belt and polished black shoes. He had a long, thick beard and wore chunky glasses and a face mask. I'd been talking to him by phone for months, despite the patchy mobile signal and the din of his cellmate's blaring tv. Ramírez stood up and strolled towards me, a smile quivering beneath his beard, and looked me straight in the eye. He gently squeezed my arm: "Thanks for coming."

During our phone calls and meetings, and after reading reams of court documents, I had come to believe in Ramírez's innocence. Yet there's always a nagging uncertainty, no matter the evidence.

I was still troubled by the dna test showing the match between the body and Martínez Elizalde's parents. Neither Ramírez nor his lawyer had told me about it. Why? Ramírez hauled a stack of papers bespeckled with yellow Post-it notes from beneath his seat and slapped it down like meat on a butcher's counter. "I'll show how corrupt this case is," he said. "Look more closely at the case files and you'll see that the samples were manipulated."

There was no record of where or how the sample was collected, who had access to it and where it was stored in the five months before it was analysed. “This lack of information means that there is no guarantee that the sample collected was the sample used to achieve the result,” Ana Martínez Naquid, the forensic consultant, told me.

There was a further inconsistency. Two weeks before the results were released, a forensic pathologist said that the dna taken from the corpse was unusable “due to the possible degradation of the samples”. The pathologist made no mention of taking new samples. How, then, was such a close match found a fortnight later?

“It’s all been tampered with, and everyone’s involved,” Ramírez said. His face flushed and his voice rose an octave but his body sagged in resignation. The courtyard was filled with prisoners: some slumped on benches grimacing into the sun, some whispered conspiratorially to their lawyers, others stared dead-eyed. The sun fell below the prison walls and the cold evening air began to bite.

You never know from where salvation may come. In late May last year, when a number of Ramírez’s supporters were on hunger strike in Mexico City’s main square, a journalist asked a question of Mexico’s president, Andrés Manuel López Obrador, known as AMLO. What was he going to do about the man who had been unjustly imprisoned for over 20 years? Caught off-guard, the president said he’d look into the matter.

The father, the son Ramírez visited his father straight after being released (*top*). New clothes for a new life (*above*)

A few days passed. Nothing happened. Ramírez's wife, Perea, and LeBaron decided to walk the 70km to Toluca, the state capital. Already exhausted by the hunger strike, they trudged on under the pounding sun, the exhaust fumes stinging like a wire in the nose. Then, at around 10pm on that first day, Ramírez's lawyers called. "Manuel is getting out, he's getting out," LeBaron shouted. He and Perea both started to cry.

Ramírez was to be freed in late June, a month away. It wasn't an exoneration: he would be released for having served half his sentence, would not be absolved of his crime and would need to pay Martínez Elizalde's family around $4,000 in compensation. "It's a humiliation," he told me. "They're still treating me like a criminal." (The judicial authority of the state of Mexico said Ramírez was released because he had completed half his sentence and engaged in rehabilitation courses.)

It seemed the only way to clear Ramírez was to find the man he was supposed to have murdered. His family and lawyers had been trying for decades. I, too, had been working on his story for over a year, contacting friends, the prosecutor's office and many others. None responded.

I did find Martínez Elizalde's sister: she refused to talk, but told me that her brother was buried in Tepexpan. "If my brother's alive then bring him to me," she said. Many townsfolk there said he had changed his name, remarried and moved to America. But no one would provide further information. "You can't abandon me in this search," Ramírez begged me. (The judicial authority of the state of Mexico denied there is any evidence or testimony that Martínez Elizalde is still alive.)

Ramírez's release was delayed several times. He was initially told he'd need an ankle monitor and would be forbidden from living with his wife or working outside Mexico City. Eventually, a judge relented on these terms. The date was set for July 16th 2021.

I drove east with Perea from Mexico City to the prison in Almoloya, an hour and a half away. It was hard for her to believe that this day had finally come. She was sure something was going to go wrong.

We waited outside the prison for six hours, measuring the passage of time in cigarette butts and crushed water bottles. Perea paced back and forth tearfully, dipping in and out of conversations with LeBaron and Ramírez's lawyers. Prison officials kept telling us that he would be out in 30 minutes.

At around 6pm, we finally caught sight of a man behind the two-metre-high green iron gates, his hair swept back in a quiff, wearing a white *guayabera* shirt, chinos and shiny black cowboy boots. Ramírez forced out a smile that looked more like a wince. His footsteps were tentative as he emerged from the gates and walked into the arms of his wife. Then he began to weep.

"Why would they stitch me up? I barely knew Emmanuel"

At a small outdoor waiting area, Ramírez undressed and handed his clothes to his cousins, who scrunched them up, soaked them in fuel and set them alight, a ritual conducted by prisoners leaving Mexican prisons in order to rid themselves of their tainted past.

Ramírez donned a new shirt, a jacket, a pair of Levi's and polished brown cowboy boots. He was smiling, but his eyes flitted back and forth, as though unsure where to look or with whom to speak.

I drove Ramírez and Perea back to Mexico City. As Ramírez started talking about how badly the prison guards had treated him, his jaw tensed and his voice thickened. Fury had driven him for two decades.

When we entered the city, Ramírez said he wanted to see his father, who was turning 90 the next day. "I have to buy him a cake," he said. "We've so much to talk about." He shouted out directions, as if trying to prove he still knew the city. "It's down here, you know? This is Durango Street. No, wait, it's Sinaloa Street, isn't it?"

The evening was drawing in. We stopped outside a bakery Ramírez remembered from childhood and bought a large chocolate cake. Then we drove around the corner, parked on the street by his father's flat and began walking up the creaky stairs.

One step, two steps, three steps.

He had been deprived of so much in the 7,720 days that he had spent in prison. His son's early words. Touring with his band. Playing music with his children.

Four steps, five steps, six steps.

The person he had supposedly murdered was still out there. Perhaps in Mexico, perhaps in Chicago.

Seven steps, eight steps, nine steps.

He still had so much to do. Clear his name. Become a father to his children. Build a life.

Ten steps, eleven steps, twelve steps.

Ramírez was almost at the door. Behind it lay the flat where he'd grown up, the familiar smell of soap and refried beans, the piano that had stood untouched for more than 20 years. At the top step, cake in hand, he knocked. Inside, his father was sitting at a round table, leaning on his walking stick. He saw his son and his bottom lip trembled. Then both men started crying. ■

Matthew Bremner is a freelance writer. This piece was reported in conjunction with the Vespucci Group, which is making an investigative podcast with Spotify based on Ramírez's story, to be released later in 2022. Ramírez's case is now under review by the Inter-American Commission on Human Rights

You can read the rest of *1843 magazine*'s summer reads and weekly coverage [here]

PHOTOGRAPHS: **FRED RAMOS**

Summer reading

The sun is both our creator and destroyer

Our attitude towards it reveals human frailty in all its forms

Jul 28th 2022

By Ann Wroe

Out of my windows the sunlight glitters over the sea, gleams from white sails and lies in gilded panes over the garden lawns. So I take a book and make for those lawns or the beach, or put on my summer walking shoes with holes in the toes, stuff a notebook in my pocket and catch a bus to the hills. All the way I will monitor the good faith of the sun, willing away the clouds that muster on the horizon, feeling those marvellous beams.

But not so fast. First I need a hat to keep the radiant intrusion off my face and my neck. Then my sunglasses, which cast a sober pall over all the sun is doing. And last, the sunscreen, heavy as greasepaint and slathered on liberally. *Odi et amo*, wrote the Roman poet Catullus: I hate and love. I long for the sun, yet I rebuff it; I revel in it, but I go prepared for war.

The sun of my childhood was benevolent, a jolly rayed disc laughing from beach toys and cereal packets, making everyone as bright and happy as itself. I don’t remember feeling in those days that the sun was ever too hot, even when I sweated in stuffy train carriages in a thick school blazer. These discomforts were the fault of British Rail and my school, never the sun, whose energy could make me leap, run and roll in the grass.

Innumerable civilisations have made the sun a god, giving light and life to the world, marking out time, all-seeing. The Greeks had Apollo, god of order and poetic metre as well as light, with his hair curling down in golden rays, never to be cut. The Gayatri Mantra from the *Rig Veda*, holiest of all the Hindu mantras, addresses the sun unreservedly. Christians in church still face the rising sun, the natural direction for morning prayer.

Yet gods had multiple moods and characters, and the sun was no exception. Alongside Apollo came Helios, a more workaday god who drove his chariot from east to west and back again until he was tired, and lingered with lovers until he caused eclipses. Egyptians worshipped the sun as Ra, supreme ruler and order-bringer, but also the lesser gods of the sun’s rising, its setting and, in Sekhmet, its scorching of the land. Both Sekhmet and the Aztec Huitzilopochtli, whose body was made of the souls of warriors transformed into hummingbirds, were also gods of war. The sun was not straightforward: it was light and dark, creator and destroyer, bringer of both plagues and healing, a mass of unpredictable energies.

Even as scientists made the cosmos less mystical and more mechanical, the sun kept its contradictory character. It was still glorious and joyful, but man also had the measure of it now, and could order it about. Handel’s aria, “Eternal source of light divine”, nonetheless commands the sun, like a servant, to shine with double warmth on Queen Anne’s birthday. Decades earlier, John Donne called the sun a “busie old Foole” for shining in on the bed where he lay with his mistress, and mocked it for the time it would take (much longer than Donne) to visit that bed again.

In recent years I’ve come to think more like Donne. When I moved to the south coast, the sunniest part of Britain, I revelled in the near-perpetual brightness. I even wrote a book about it, rapture from start to finish. Now I’ve learned the less alluring side. The same sun that fills my home with happiness also bleaches my pictures until only blue survives. It dries out the paint around my window frames and turns white sheets a strange shade of yellow. The sun that gives me a flattering tan also, after a few hours, burns my skin as drily and fiercely as an oven.

“Fear no more the heat o’ the sun,” begins a song in Shakespeare’s “Cymbeline”. My blinds now often come down, and I seek out benches in the shade – just as my grandmothers did, never venturing out in summer heat without a broad hat and parasol and a dress buttoned to the neck.

My grandmothers feared that the sun’s touch would make them look like labourers in the fields. Our fear is now more existential: cancer. The sun is undeniably hotter than it was. Thermometers tell us so, as do horrific wildfires. I can feel the change myself. No other summers burned me as those of 2018 and 2019 did, when the Sussex hills stood like beaten copper and each skeletal gorse-patch was filled with panting sheep. The sun was cruel in a way that was new to me.

Despite all that, I can’t shake my devotion to the sun. This is partly because, as in childhood, I can blame only us humans for the over-heating of the world. It is partly because the sight of the sun still fills me with irresistible happiness. But it is mostly my conviction that behind the visible sun lies a power and principle that is even greater, of which our star is merely a reflection and a reminder.

And so, among all my bleached and dried-out things, raising my tanned but moisturised hands, I still direct my prayers to the east. ■

Ann Wroe is *The Economist*’s obituaries editor

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ILLUSTRATION: **ANTONELLO SILVERINI**

Business

- [Nationally determined contributors]
- [Diess-fenestration]
- [Oh, snap]
- [Dogfight over Spirit]

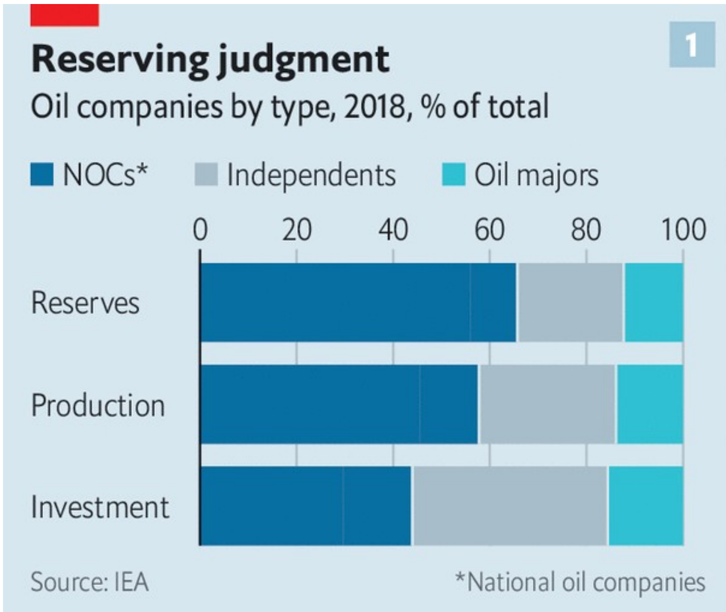
Nationally determined contributors

State-run oil giants will make or break the energy transition

They are intent on pumping more oil for years to come—but even they cannot completely ignore climate change

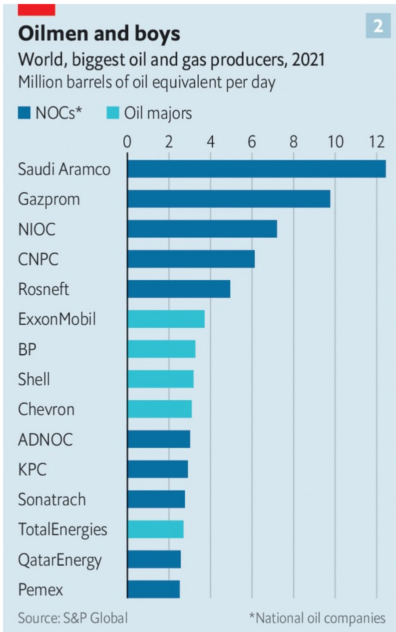
Jul 25th 2022

Climate activists love to vilify ExxonMobil and Shell. Private-sector energy giants like them are on the receiving end of proxy battles, legal challenges and other forms of pressure to dump oil and gas in favour of renewables and other green technologies. The supermajors make for an attractive target: they have ubiquitous distribution networks and well-known brands susceptible to consumer boycotts. Such pressure is often welcome—in the fight against global warming every little counts. But in the oil market the private sector counts for less than you might think. Whether the energy transition can succeed will depend in large part on the behaviour of the world's state-led oil behemoths.



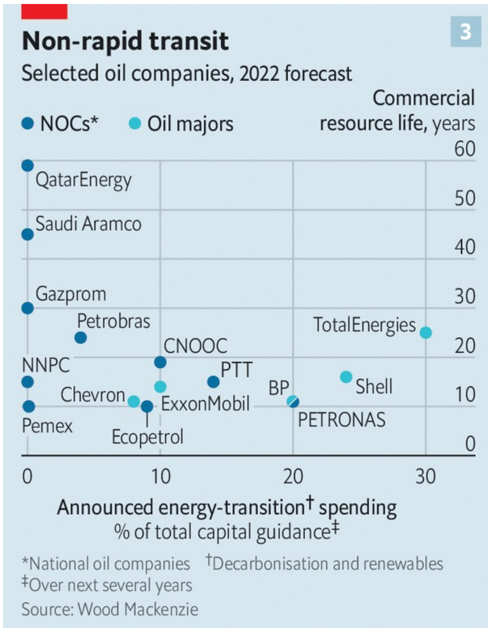
The Economist

If the supermajors are big oil then national oil companies (nocs in industry lingo) are enormous oil (see chart 1). Together they produce three-fifths of the world's crude (see chart 2) and half its natural gas, compared with just over a tenth for large international oil firms (the rest is pumped by smaller independent companies). They sit on two-thirds of the remaining reserves of discovered oil and gas globally. Four—adnoc of the United Arab Emirates (uae), pdvsa of Venezuela, QatarEnergy and Saudi Aramco—possess enough hydrocarbons to continue producing at current rates for over four decades.



The Economist

If you thought that private-sector oilmen were making out like bandits of late from crude prices of $100 or more a barrel, their haul pales beside that of their state-sponsored counterparts. According to Wood Mackenzie, an energy consultancy, if oil prices averaged $70 until 2030, the 16 largest nocs would pocket $1.1trn more than if they averaged $50, the base case. Half that bounty would go to the Emirati, Kuwaiti, Qatari and Saudi nocs. Russian giants such as Rosneft, mostly shunned by the West after the invasion of Ukraine in February but embraced by China and other Asian customers, would capture nearly a fifth. And as the private sector gets shamed and squeezed into embracing a lower-carbon future, the nocs' clout will only grow.



The Economist

It is worrying, then, that enormous oil's decarbonisation record is so poor. Whereas the leading majors' emissions of greenhouse gases have stabilised or peaked, the same is true of just two state-run firms: Brazil's Petrobras and Colombia's Ecopetrol. Kavita Jadhav of Wood Mackenzie reckons the state-run giants are allocating less than 5% of their capital spending to the energy transition, compared with 15% on average for American and European firms (see chart 3). Between 2005 and 2020 developing-world nocs also filed many fewer patent applications for green ideas than their international rivals, according to Amy Myers Jaffe and colleagues at Tufts University's Climate Policy Lab.

The Economist

Not all state mastodons are the same, however. As Daniel Yergin, an energy expert now at s&p Global, a research firm, observes, nocs are much more diverse than private firms. s&p Global identifies 65 of them worldwide (see chart 4), from basket cases like pdvsa, mismanaged by Venezuela's left-wing dictatorship, to professionally run listed firms which are, in principle, accountable to minority shareholders (notably Aramco or Norway's Equinor). Small wonder they differ in their shade of brown.

Many of the brownest nocs are in Africa, Asia and Latin America. Most are poorly run and have smallish or unattractive reserves. The Algerian and Venezuelan companies emit three to four times as much carbon in oil production as do the more geologically blessed and better managed firms such as adnoc and Aramco, and flare seven to ten times as much gas per barrel as does QatarEnergy.

This record, plus governance problems, is increasingly costing such nocs the support of international firms that have historically supplied them with technical and financial muscle. Christyan Malek of JPMorgan Chase, a bank, calculates that the oil majors underwrite between 40% and 60% of investments made by nocs outside the Persian Gulf. Now, as one Western oil executive confides, even huge revenues from an African project may not be worth it "given how much grief I'm getting". Ben Cahill of the Centre for

Strategic and International Studies, an American think-tank, puts Algeria's Sonatrach, Angola's Sonangol, Indonesia's Pertamina, Mexico's pemex and Nigeria's nnpc in this category. They may pump more now, to squeeze out as much revenue as possible before their assets become completely stranded.

At the other end of the green spectrum, ambitious nocs are using today's fossil windfall to expand away from dirty energy, especially in countries with dwindling reserves and serious targets to slash greenhouse-gas emissions. Alex Martinos of Energy Intelligence, a publisher, reckons these mostly medium-sized firms have in the past three years followed European majors in accelerating spending on clean energy, often outpacing similar investments by American companies. Examples include Malaysia's Petronas and Thailand's ptt, which have moved rapidly into renewables. ptt is also making a push into electric vehicles. Ecopetrol is involved in wind and solar projects, and recently acquired an electricity-transmission company. China's cnooc now wants its carbon emissions to peak by 2028 and vows that non-fossil energy will make up over half its domestic output by 2050, in line with President Xi Jinping's pledge that Chinese emissions will start to fall before 2030.

The most significant group sits somewhere in the middle. These are companies, mostly in the Gulf and Russia, with low-cost, lower-carbon and long-lived reserves that will outlast both less well-endowed nocs and the majors. They will keep pumping for years, even decades. But some of them are trying to do it more cleanly.

Petrobras reckons that production of oil from its newer fields results in 40% less greenhouse-gas emissions per barrel than the global average. Rather than going big on renewables, the Brazilian firm is decarbonising oil operations with investments in all-electric production facilities and vessels. It recently secured a $1.3bn green loan, where the interest rate drops if the firm spews less carbon, and has tied executive pay to emissions targets.

The middle group's capital-spending plans, though they appear distinctly brown overall, also conceal interesting specks of green—especially if you zoom out from their own projects to those co-sponsored by other state entities. Take the uae. Its industry minister, Sultan al-Jaber, says that "we saw the writing on the wall 16 years ago." That is when it created Masdar, a pioneering clean-energy firm which today has investments in 40 countries.

Together with adnoc and Mubadala, a giant sovereign-wealth fund, Masdar is, among other things, betting big on hydrogen; it has signed agreements with Germany and Japan to develop green supply chains to export that promising clean fuel. Mr al-Jaber talks of a "realistic energy transition"—which is to say one that involves some fossil fuels for a while. But, he insists, "future-proofing our oil and gas operations has always been high on our agenda." The uae is home to irena, an international renewables agency, and will host the annual un climate summit in 2023.

Then there is the biggest mastodon in the room, Saudi Arabia. Mr Yergin praises Aramco's "big, diversified" research-and-development programme. The colossus is, he says, applying its "world-class engineering ability, scale and execution skills" to the energy transition. Ms Myers Jaffe of Tufts University calls its innovation efforts "very aggressive", pointing to wagers on cleaning up emissions through carbon capture. Beyond Aramco, Saudi Arabia is investing $5bn in a green-hydrogen project in its futuristic desert city of Neom, with the goal of becoming the world's biggest hydrogen exporter.

A hedging bet must not be mistaken for a fundamental change in strategy. Last year the Saudi energy minister, Abdulaziz bin Salman, stated the kingdom's vision clearly: "We are still going to be the last man standing, and every molecule of hydrocarbon will come out." Most nocs will share this sentiment for the foreseeable future. It is a testament to lamentable climate inaction that even the slightest state-led de-browning can seem almost encouraging. ■

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Diess-fenestration

Volkswagen’s new boss faces some enduring challenges

Can Oliver Blume do better than Herbert Diess?

Jul 28th 2022

The id.buzz camper van is a symbol of what Herbert Diess hoped to achieve as boss of Volkswagen. The battery-powered update of the classic vw bus, launched in 2022, sought to haul an old-fashioned institution into the electric era. But Mr Diess’s effort to turn the German giant into an electric-vehicle (ev) juggernaut ended abruptly on July 22nd, when the firm announced he would leave the top job in a few weeks. He will be succeeded by Oliver Blume, who now runs Porsche, the group’s high-performance marque.

Mr Diess was poached from bmw, initially to shake up the struggling mass-market vw brand by cutting costs and jobs. In 2018 he was named boss of the whole vast firm, which made 8.6m cars last year and owns eight car brands, from Porsche to the considerably less fancy Skoda. His task was to clear up the mess left by “dieselgate” and electrify Volkswagen, literally as well as metaphorically. He has earmarked nearly €90bn ($90bn) for investment in evs, batteries and software by 2026.

His abrasiveness, which helped land him the job, soon got him into trouble. He was prone to cloth-eared gaffes, once claiming ignorance of China's widely reported mistreatment of Uyghurs. His leaked email implying that electrification made 10% of the group's 300,000 German employees surplus to requirements did not endear him to workers, whose representatives occupy half the seats on the group's supervisory board and can veto changes to strategy. Nor did his frequent reminders that it took vw 30 hours to make a car that Tesla, America's ev champion, could knock out in ten.

Mr Blume is seen as more conciliatory. In other ways, he looks set to continue pretty much where Mr Diess left off. The big bets are mostly locked in, says Pedro Pacheco of Gartner, a consultancy. He will also face the same impediments: knotty governance, slow decision-making and poor productivity.

As Mr Diess has found, vw's size makes it hard to turn around, let alone turn into a Tesla-like tech firm. Its mass-market electric offerings have underwhelmed. Jefferies, an investment bank, reckons vw will have spent 40% more than Tesla in their competing quests to make 2m evs a year by 2023. Serious troubles at Cariad, a 5,000-strong software division, could delay the launch of new Audi and Porsche evs by a couple of years. That may have been the final straw for the Porsche and Piëch families, vw's biggest shareholders, who had hitherto had Mr Diess's back.

All car bosses must weigh developing software in-house with relying on third parties for systems that may soon define a marque's image. Mr Blume may rethink Mr Diess's go-it-alone strategy. His other problems include China, where the group's sales slipped by a fifth in the first half of 2022. Globally vw is falling further behind its closest rival, Toyota. Mr Blume's softer approach to labour relations is unlikely to reverse unions' insistence on keeping jobs in high-wage Germany. And he must engineer the forthcoming initial public offering of Porsche, which he will continue to run. He has already pledged never to electrify the 911, Porsche's flagship sports car. That conservative decision hints at what may be the symbol of his tenure. ■

Oh, snap

The online-ad industry is being shaken up

A years-long bonanza is giving way to more uncertain times

Jul 28th 2022 | San Francisco

Bridgeman Images

For digital-ad sellers, 2021 was always going to be a hard act to follow. As work, play and shopping shifted online during the covid-19 pandemic, internet advertising boomed. In America spending rose by 38%, to $211bn, compared with average annual growth of 21% in the preceding five years, according to eMarketer, a research firm. Smaller social-media firms such as Pinterest and Snap at times hit triple-digit year-on-year quarterly revenue growth. Even giants such as Alphabet (Google's parent company) and Meta (Facebook's and Instagram's), which receive a third and a fifth of the world's digital-ad dollars, respectively, clocked rates of 50%.

The contrast with 2022 is stark. On July 21st Snap reported that its sales grew by 13%, year on year, in the second quarter, its most anaemic ever. In a letter to investors, the firm confessed that so far this quarter revenue was "approximately flat". The market was spooked, and the company's share price fell by almost 40%. The next day Twitter, which also depends on advertising, reported that its revenue had fallen slightly in the three months to June, compared with last year.

That triggered concern about the health of online advertising, dragging down the share prices of the industry's titans. On July 26th Alphabet duly disclosed Snap-like quarterly sales growth of 13%, down from 62% in the same period last year. That was less terrible than expected (its market value rose by 8% on the news) but still pretty bad (it remains a bit below what it had been before the Snap bombshell). A day later Meta said that its revenue declined for the first time, by 1% year on year.

Upstart challengers like Snap are the most exposed. When marketing budgets get trimmed, advertisers tend to stick to what they know, says Mark Shmulik of Bernstein, a broker. And they know Google search much better than they do Snap's experiments with augmented reality. The big firms also boast larger and more diverse sets of customers; Meta serves 10m advertisers globally, compared with Snap's estimated 1m or less. That insulates them somewhat from softening demand.

Somewhat, but not fully. Last year's covid-boosted baseline is not the only thing weighing on the digital-ad market. Ad-sellers are feeling the delayed effect of Apple's change last year to the privacy settings on iPhones, which stops advertisers from tracking people's behaviour on its devices, and thus from measuring the effectiveness of digital ads. Snap cited the Apple policy as a reason for recent weak results. Meta estimates that the change will shave $10bn, or 8%, from its revenue this year.

Both Alphabet and Meta are also facing fiercer competition. TikTok, a Chinese-owned short-video platform beloved of Western teenagers, is taking eyeballs from American social media, and ad revenue with them. Perhaps more concerning, previously ad-incurious tech titans are also getting in on the action. In the past couple of years Amazon has built the world's fourth-biggest online-ad business. Apple has a small but growing ad operation. And Microsoft has just been named as Netflix's partner in the video-streaming giant's new ad-supported offering.

Another reason for the big ad-sellers' slowdown is similarly structural. For years they shrugged off blips in the broader economy, as many customers came to see online ads as a virtual shopfront that needed to be maintained even in tough times—often at the expense of other ad spending. That has left ever fewer non-digital ad dollars available to be diverted online. In a pinch, advertisers may now therefore need to take an axe to their digital billboards.

The pain isn't felt equally. Google, whose search ads rely less on the sort of tracking Apple has curbed, may have benefited from Meta's misery, helping offset some of the slowdown. On July 27th Spotify bucked the trend among challenger platforms, reporting unexpectedly healthy ad revenues from its music-streaming service, which helped buoy its share price by 12%. Even so, the business cycle may be catching up with big tech. ■

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Schumpeter

The Spirit deal is a missed opportunity for creative destruction

The airline agrees to sell itself to JetBlue, despite antitrust fears

Jul 28th 2022

Brett Ryder

To understand the significance of the drawn-out takeover battle for Spirit Airlines, a Florida-based ultra-low-cost carrier (ulcc), it helps to know something about one of the main protagonists. Even his opponents describe Bill Franke as brilliant. The entrepreneur is now in his 80s, but he once recounted how, on his first experience of air travel, as a young boy flying with his family to Paraguay in 1948, he had to suck oxygen from a tube as the Douglas dc-4 ascended over the Andes. It must have gone to his head. Since then he has become one of few people to have made billions out of aviation, despite the industry's tumultuous ups and downs.

His secret has been rigid adherence to the no-frills model: low basic fares, lots of add-ons, single-manufacturer fleets, fuel efficiency and strict cost-control. In 2006 his private-equity firm, Indigo Partners, took over Spirit, sold it in 2013 and bought Frontier Airlines, a ulcc based in Denver. Indigo has big stakes in Wizz Air, one of Europe's biggest low-cost carriers, Volaris in Mexico and Jetsmart in South America. This year he went further, orchestrating Frontier's $2.6bn cash-and-shares merger with Spirit. The aim was to create America's fifth-largest airline, a jumbo-sized ulcc that would combine networks on either side of the United States with little overlap. It was Mr Franke at his intrepid best.

Against him was a bigger-spending foe, though. JetBlue Airways, on the more gentrified end of low-cost air travel, had offered $3.7bn in cash for Spirit. On July 27th Spirit and Frontier called off their merger agreement. A day later JetBlue said it had agreed to buy Spirit. Whether the deal succeeds partly depends on the answers to two related questions.

The first has to do with the zeal of President Joe Biden's antitrust crackdown. His administration wants to usher in a new era of pro-competition litigation. Airlines are near the top of its hit list. The second question concerns the structure of the industry itself. Who could do more to bash down the prices of the high-fare heavyweights such as Delta, United and American Airlines? Is it the "tweeners" like JetBlue that call themselves low-cost but resemble full-service airlines? Or the insurgent ulccs that promise a Spartan model, grumpy passengers notwithstanding?

In its campaign to inject more competition into American business, the White House has drawn attention to what it considers an overconcentrated domestic airline industry. The Department of Justice (doj) is on the warpath, too, on behalf of "travellers who cannot afford a plane ticket home to visit family", as Jonathan Kanter, assistant attorney-general, has put it. He makes clear the doj is keen to "litigate, not settle". Last year it sued to block the so-called Northeast Alliance between American and JetBlue in America's lucrative north-east market. This would not only harm passengers in New York and Boston, it argued, but diminish JetBlue's incentive to compete on fares with American across the country. The case goes to court in September. It is a big reason why Spirit has reservations about selling itself to JetBlue. It could drag on for months, leaving Spirit's shareholders in limbo.

There is a bigger reason, however. JetBlue's takeover of Spirit would be even likelier to fall foul of the doj than either the Northeast Alliance or a Frontier-Spirit combo. The transaction could potentially be tied up for not months but years. JetBlue, after all, has its sights set on eliminating Spirit, America’s largest ulcc, simply to bag its aeroplanes, pilots and airport slots. JetBlue also intends to remove seats on aircraft it takes over from Spirit in order to offer its plusher service, which would inevitably push up average seat costs. Moreover, it will have less incentive to sell its lowest no-frills fares on routes formerly operated by Spirit.

JetBlue counters that acquiring Spirit will make it a stronger rival to the network carriers, bringing down prices overall. It cites the “JetBlue effect”, which, it claims, forces legacy carriers to drop fares by about 16% on average when it goes head to head with them on non-stop routes. That may be so. Yet it ignores the impact of its higher fares on passengers who might have flown on Spirit.

That leads to the second question: what industry structure would promote lower fares and more choice overall? JetBlue contends that its in-between model has three times more of a fare impact on legacy carriers than the ulcc model does on similar routes. Frontier calls this a fantasy. It notes that JetBlue itself has admitted to lowering fares in response to its no-frills rivals. It also argues that the “ulcc effect” drives fares down for longer than the JetBlue effect does.

Moreover, it is possible that a bigger no-frills carrier would create demand from a new cohort of travellers, as has happened in Europe. Keith McMullan of Aviation Strategy, a consultancy, notes that in 2019 Spirit and Frontier had a combined domestic market share of 8%. That compares with a total of 20% in Europe for Ryanair, a Dublin-based no-frills giant, and Wizz Air. A combination of Frontier and Spirit, especially with the hundreds of new Airbus jets both firms have on order, might have increased that share significantly, making it as disruptive as its European counterparts.

No thrills

JetBlue shrugs off the threat its annihilation of Spirit would pose to America’s no-frills market. Its advisers argue that Frontier and other ulccs could quickly move into parts of America vacated by Spirit. That overlooks the troubled state of the industry since the covid-19 pandemic. Pilots, crew and engineers are thin on the ground (and off it). Travel chaos abounds. Normally, when the industry suffers a slump, a shake-out helps ease such bottlenecks in favour of low-cost airlines. That hasn't happened yet, perhaps because overconcentration has cushioned the impact on the debt-laden legacy carriers. It may do soon. It is a pity that a combined Frontier and Spirit, chaired by the indefatigable Mr Franke, may not be around to fly the flag for creative destruction. ■

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Finance & economics

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Coming in to land

Why it is too early to say the world economy is in recession

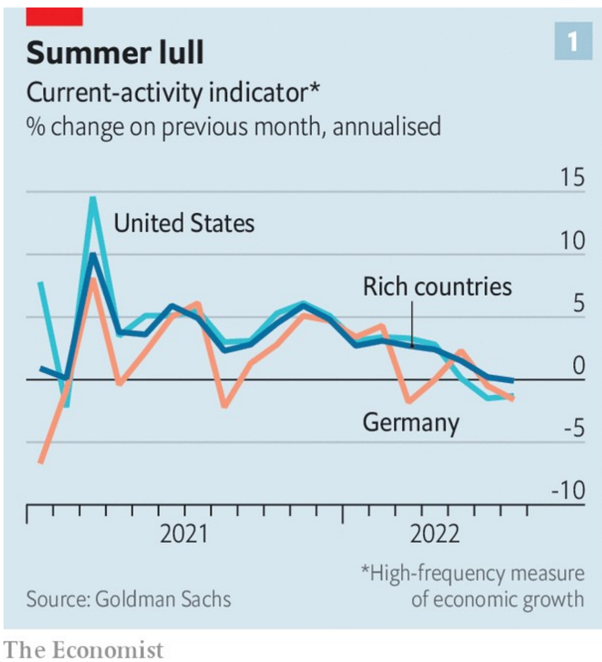
Growth in the rich world is slowing, but has not crashed to a halt

Jul 24th 2022

Everyone is a pessimist these days. On July 14th Steven Blitz of ts Lombard, an investment-research firm, said that he was now expecting a recession this year in the world's largest economy, a day after Bank of America made the same call. Goldman Sachs, another bank, expects gdp in the euro zone to fall in both the third and fourth quarters of the year. Americans' Google searches for "recession" have never been so high. Traders are selling copper (a proxy for industrial health), buying the dollar (a sign that they are nervous) and pricing in interest-rate cuts in 2023.

A number of factors have combined to create a toxic mixture. In response to the covid-19 pandemic America overstimulated its economy, provoking inflation not just within its borders but beyond them, as consumers' voracious demand for goods bunged up the world's supply chains. China's attempts to stamp out covid compounded these problems. Then Russia's invasion of Ukraine caused commodity prices to soar. In response to the ensuing inflation, roughly four-fifths of central banks worldwide have raised interest rates, by an average of 1.5 percentage points. After a meeting that ended on July 27th, the Federal Reserve raised rates for the fourth time this cycle, by three-quarters of a point.

At the root of recession worries is a fear of the consequences of monetary tightening. It is clear that central banks have to take the proverbial punchbowl away from the party. Wage growth in the rich world is far too strong given weak productivity growth. Inflation is too high. But the risk is that higher rates will end the party altogether, rather than making it less raucous. History is not encouraging in this regard. Since 1955 there have been three periods when rates in America rose as much as they are expected to this year: in 1973, 1979 and 1981. In each case a recession followed within six months.



Has recession struck again? Rich-world economies, which account for 60% of global gdp, have certainly slowed since the heady days of mid-2021, when covid restrictions were being lifted. Goldman Sachs produces a “current activity indicator”, a high-frequency measure of economic health based on a range of indicators. The gauge has slowed in recent weeks (see chart 1). Surveys of factory bosses in America and the euro zone by s&p

Global, a data provider, suggest that manufacturers are gloomier than at any time since the early days of the pandemic.

It looks too soon, though, to declare a recession—even if, as some expect, statisticians reveal after we go to press on July 28th that between April and June American gdp contracted for the second quarter running. This would count as a recession by one rule of thumb, but not necessarily by others. A series of oddities led gdp to shrink in the first quarter, even though the underlying performance of the economy was strong. It would also be too soon for Fed tightening to have had an effect.

Dating services 2

The Economist recession indicators

Rich-world estimate, July 2022*

Indicator	% change on previous period†	Frequency of data
Real personal income‡	-2 to 0	Quarterly
Manufacturing and trade sales, volume	-1	Monthly
Real gross domestic income	0 to 1	Quarterly
Weekly hours worked	1	Monthly
Jobs§	2	Monthly
Consumer spending, volume	2	Monthly
Employment**	3	Monthly
Industrial production	4	Monthly
Estimate of quarterly GDP††	4	Weekly

*Or latest available †Annualised ‡Excluding transfers §Based on surveys of establishments **Based on surveys of households ††OECD measure based on Google searches

Sources: BEA; Daiwa Institute of Research; Eurostat; Federal Reserve Bank of St Louis; Goldman Sachs; Morgan Stanley; NBER; Nicolas Woloszko; OECD; ONS; *The Economist*

The Economist

Most economists look to America's National Bureau of Economic Research (nber) to find out if the economy is truly in recession. Its business-cycle-dating committee considers indicators beyond gdp in making that judgment, including jobs numbers and industrial production. *The Economist* has used a similar approach, with a little guesswork, for the rich world as a whole. Many indicators still point to expansion (see chart 2). It is hard to argue that a recession has arrived.

The Economist

Yet with growth clearly slowing, the big question is how bad things will get. The few remaining optimists point to the strength of households and firms. The public is even gloomier about the economy than it was during the depths of both the global financial crisis and the pandemic (see chart 3). But households in the rich world probably still have some $3trn or so in “excess” savings accumulated during the pandemic. In America the cash balances of poor households were 70% higher in March than they were in 2019, according to the JPMorgan Chase Institute, a bank-affiliated think-tank.

Moreover, people seem more confident about their personal finances than about the state of the economy. Across the eu households are about one-third more likely to be positive about their own finances than they have been, on average, since the data began in the mid-1980s. In America an unusually low share of people believe they will be unable to meet debt commitments over the next three months. Consumer-spending trackers, including from the Bank of England (for Britain) and JPMorgan Chase (for America), still look fairly strong.

Governments are also handing out money to help poorer people cope with roaring energy prices. In the euro zone, governments are stimulating the economy by the equivalent of about 1% of gdp. Britain has offered handouts to poor households. In May the Institute for Fiscal Studies, a think-tank, reckoned that such spending would largely compensate the poorest households for the rising cost of living (though retail energy prices are now likely to rise further still).

The behaviour of businesses is also reassuring. Across rich economies the number of job vacancies is still near a record high. In Australia they are more than twice their pre-pandemic level, according to data from Indeed, a hiring website. In America there are more than two open positions for every unemployed person.

As a result, labour markets remain tight. You can find some evidence of rising joblessness in the Czech Republic, if you squint. Overall, though, the unemployment rate across the oecd club of mostly rich countries is lower now than it was just before the pandemic. In half of oecd countries the share of working-age people who are in a job—a broader measure of labour-market health—is at an all-time high. If history is any guide, these figures are inconsistent with a looming recession.

Fear, uncertainty and doubt

Declines in investment have in the past played a big role in downturns. In recessionary periods since the 1980s for the g7 group of large economies, around half the fall in combined gdp in negative quarters came from shrinking capital spending. This time investment data have weakened, but not catastrophically so, according to data compiled by JPMorgan for America, the euro zone and Japan.

Until recently capital spending was booming, as firms spent big on remote-working technology and reinforced supply chains. Now some believe they have overinvested in capacity. Others want to conserve cash. An analysis of survey evidence, credit conditions and corporate liquidity by Oxford Economics, a consultancy, suggests that investment in the g7 could decline at an annualised pace of around 0.5% in the second half of this year. That is not good, but it is not enough to create a recession by itself. The investment declines in past downturns were steeper.

Unfortunately there is a limit to the confidence that can be taken from good economic data when the fundamental fear of investors is monetary tightening. News of any kind, it seems, can convey bad news about a recession. Weak figures confirm that a downturn is approaching. Strong data, including wage rises, suggest central banks are not succeeding in slowing things down, requiring further tightening, which in turn stands to provoke a recession. Only signs that inflation is falling will truly dispel fears of a downturn.

There is some relief ahead. A gauge of supply-chain snarls compiled by the New York Fed, comprising global transport costs, among other things, has eased. American petrol prices are now falling by 3% a week. Alternative Macro Signals, a consultancy, constructs a “news inflation pressure index”, which indicates whether the flow of news articles suggests price pressures are building up. The indices for America and Britain have fallen of late.

The Economist

But hopes for a rapid fall in inflation are almost certain to be dashed. Past increases in the price of food and energy have not yet fully filtered into headline inflation rates: Morgan Stanley reckons that rich-world inflation will peak at 8% in the third quarter of 2022. Growth in wages shows little sign of easing. In earnings calls companies still talk about how best to pass on higher costs to their customers.

The mass of data confronting economists is useful, but an old lesson may still hold: that recessions are hard to spot in real time. The nber dates the start of America's downturn associated with the global financial crisis to December 2007. Even in August 2008 the Fed's staff thought the economy was still growing at an annual pace of about 2%. The post-lockdown picture is particularly difficult to interpret. Barely anyone thought labour shortages would emerge last year, or that inflation would go from bad to worse in 2022.

That is the case for pessimism. The case for optimism is that the present episode of monetary tightening has only just begun. Before it bites there is time for a volatile world economy to deliver more surprises—perhaps even positive ones. ■

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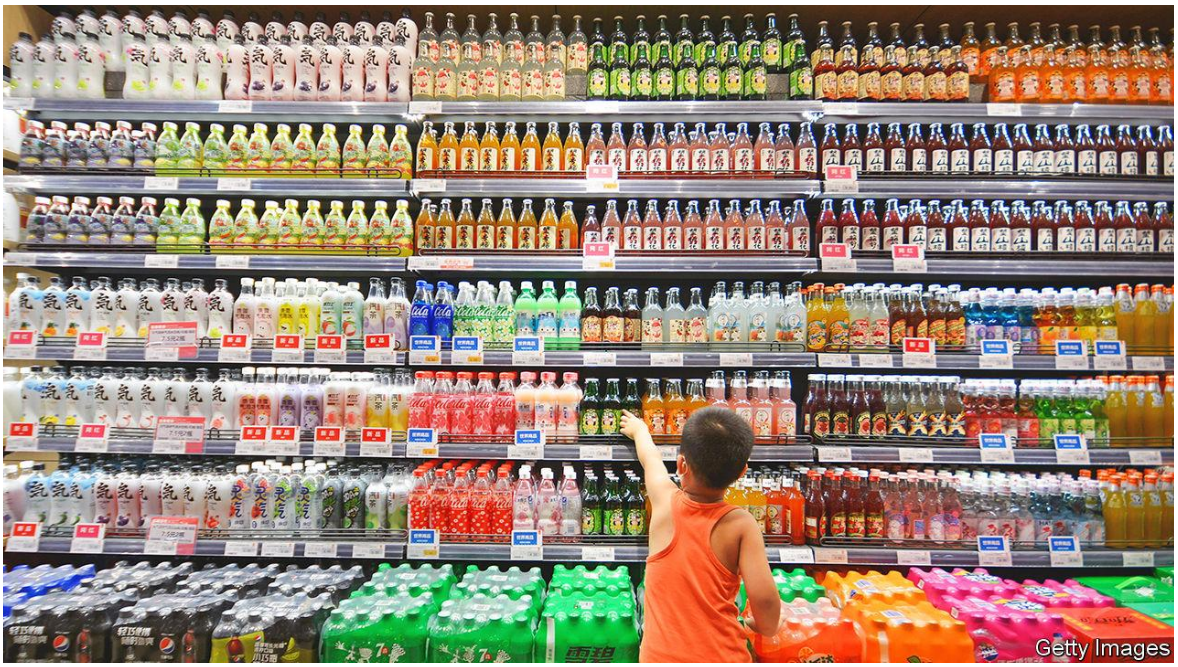
Less growth, more credibility

China's official growth figures are bad enough to be believed

We cross-check the latest numbers

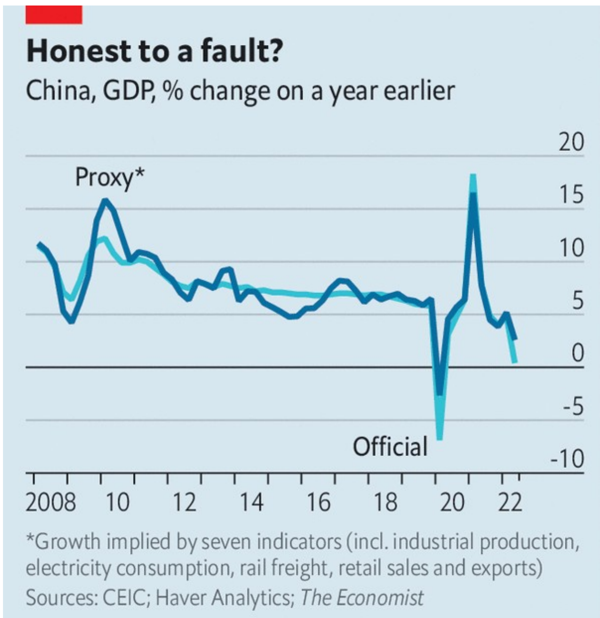
Jul 28th 2022 | HONG KONG



When china's Politburo, the 25-member committee that oversees the Communist Party, met this time last year to ponder the economy, China's rulers seemed quite confident. Their annual growth target was in easy reach and they were keen to crack down further on the country's overstretched property developers. As *The Economist* went to press, the Politburo was preparing to meet again. But the economy looks quite different. China's attempts to stamp out any outbreak of covid-19 have crippled manufacturing intermittently, and consumption more persistently. Distressed developers have stopped working on pre-sold flats—and aggrieved homebuyers have refused to pay their mortgages until construction resumes.

This has put China's rulers in a pickle. They seem determined to stick to their zero-covid policy. And they would no doubt love to cling to their official gdp growth target of "around 5.5%". But it has become clear they cannot do both. Unless, of course, they fiddle the growth figures.

That is not beyond them. But there is so far little sign of it. The most recent data showed that the economy grew by only 0.4% in the second quarter, compared with a year earlier. This was not only bad, but worse than expected by private forecasters. In a large teleconference in May, Li Keqiang, China's prime minister, urged local officials to do more for the economy. But he also cautioned them to seek truth from facts, abiding by statistical regulations.



The Economist

When he was himself a local official in the north-eastern province of Liaoning, Mr Li sought the truth about the provincial economy from three facts in particular: the electricity it consumed, the cargo travelling on its railways and the amount of loans disbursed by its banks. These indicators, he felt, were more reliable than the official gdp figures. In a similar spirit, John Fernald, Eric Hsu and Mark Spiegel of the Federal Reserve Bank of San Francisco have shown that a judicious combination of eight alternative indicators (including electricity consumption, rail cargo, retail sales and consumer expectations) does a reasonably good job of tracking China's economic ups and downs. Seven of these indicators (all except consumer confidence) have already been updated for the three months from April to June. They can therefore be used to cross-check the latest official growth figure.

The chart shows our attempt to do that, using much the same method as Mr Fernald and his co-authors. Our calculation is not designed to show if China has systematically overstated gdp growth over the past two decades. But it can detect if reported growth is nearer its underlying trend than it should be, given how far the other seven indicators have strayed from their own usual trajectories. The awful data on retail sales and construction in the second quarter were, for example, far outside the norm. But these shocking figures were partly offset by respectable numbers for rail freight and exports.

In all, these indicators suggest the official growth measure was honest. (They would be consistent with gdp growth that is, if anything, a little higher than the 0.4% reported.) Our approach cannot reveal every kind of statistical skulduggery, but it does suggest China made no extra effort to fudge the figures in the second quarter, despite the unusual ugliness of the time. China's rulers want to fight the downturn, the virus and doubts about their country's data. They are doing a better job on the last two counts than on the first. ■

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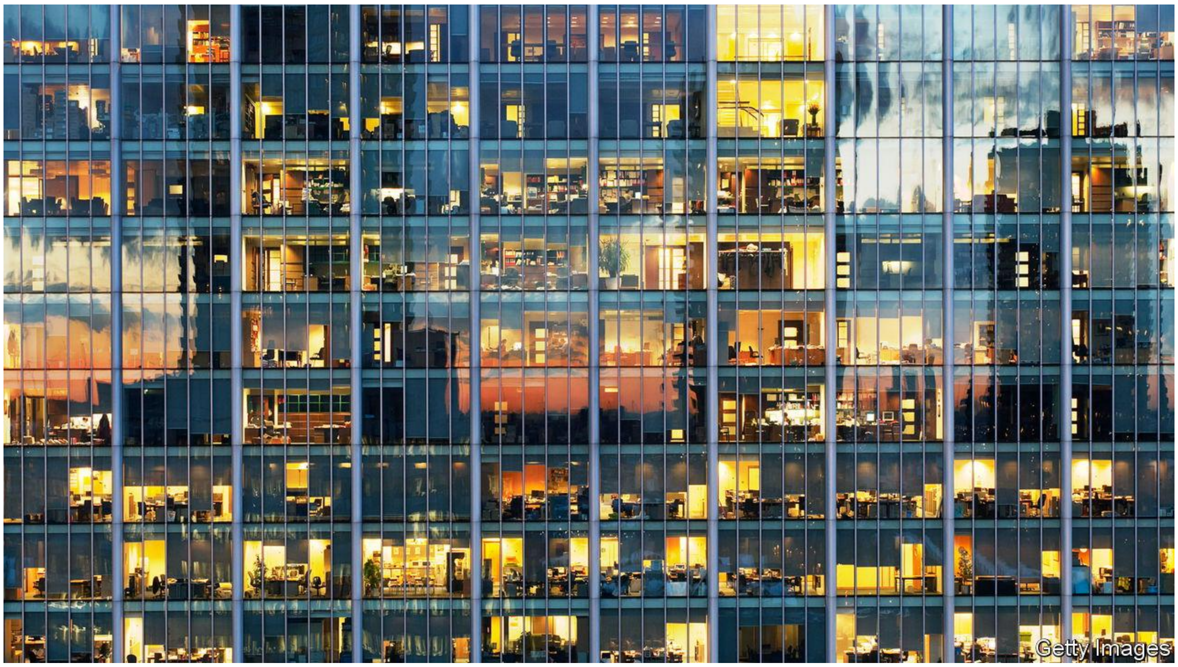
Through the floor

Recession fears weigh on commercial property

Prices are set to subside as investors rethink their portfolios

Jul 26th 2022



Property is usually regarded as a good hedge against inflation. Landlords' ability to increase rents can cushion the blow from rising costs. If inflation is driven by strong economic growth, rents go up, buildings stay full and landlords are assured of rising income.

Worries about the economy, however, have turned this strategy on its head. Strained household budgets and stretched corporate balance-sheets could limit tenants' ability to pay more rent, jeopardising investors' returns. Moreover, with the cost of debt rising, owners of office towers, hotels, shopping malls and other types of property risk being stuck with lower returns on assets that may now be overpriced. Many fear a correction is coming.

The darkening mood is in contrast to the optimism of 2021, when returns soared, rents rocketed and fundraising, fuelled by low interest rates, raced to record highs. Even as offices remained eerily empty, fund managers rushed to park their capital in new blocks of flats, labs and warehouses, pushing up the global value of professionally managed property by nearly $1trn. That stellar performance has since fizzled out. The share prices of listed real-estate investment trusts are tanking and expectations for rental growth and returns are being scaled back. In America delinquency rates crept up in June for the first time since late 2021.

The strain comes on top of other challenges. ubs, a bank, expects the shift to remote work to hit leasing demand for offices by as much as 20%. Decarbonisation will require hefty investment in older buildings. Meanwhile, the decline in bricks-and-mortar stores is bad news for shopping-mall owners, and rising air fares threaten the demand for hotels.

No wonder investors are tightening their belts. After a record start to 2022, deal activity in America is cooling, says Kevin Fagan of Moody's Analytics, a research firm. Transactions that are already under way are taking longer to negotiate; some are being put on hold. In America and Britain, commercial-property investment between April and June plunged to its lowest level since the pandemic began, to $86bn and £10bn ($12bn), respectively. Dealmaking also fell in Germany.

Not all properties will struggle. The highest-quality, most energy-efficient buildings, with modern amenities and on prime sites, typically owned by big institutional investors, are expected to fare relatively well. By contrast, lower-quality assets across Europe lost around a tenth of their value in the second quarter of this year, compared with the previous three months, reckons Green Street, a research firm. That decline follows a poor 2021 for many such buildings: rents for lower-quality offices in London fell by 9% last year, compared with 2020, even as those for prime office space rose by 8%.

Some cities will do better than others. In America, sunbelt markets such as Atlanta, Dallas and San Diego are expected to be among the top performers this year, providing better returns than places like New York and San Francisco, where workers have been slower to return to the office. Landlords who can guarantee future rent growth or those in markets with constrained supply are also relatively well-positioned. This includes owners of labs, warehouses and other logistics property.

The upshot is that, although commercial-property prices might fall, the decline is not forecast to be precipitous. Analysts at Capital Economics, a consultancy, reckon that values in America could face a peak-to-trough fall of 6-8%. That is a bigger decline than the one at the start of the pandemic, but is far from the plunge of 34% during the global financial crisis.

Another comfort is that banks have become less exposed to commercial property. In Britain, for instance, it makes up almost 7% of lenders' loan books, compared with 12% before the financial crisis. Offices, malls and warehouses may not provide as much shelter from inflation as investors might like, but they have, at least, become less likely to amplify financial trouble. ■

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Buttonwood

Reminiscences of a financial columnist

There is nothing new on Wall Street

Jul 28th 2022

It is telling that one of the best books about financial markets was published almost a century ago. “Reminiscences of a Stock Operator”, by Edwin Lefevre, is a fictionalised account of the exploits of Jesse Livermore, a speculator. Livermore made a fortune selling the market short during the financial panic of 1907. He would repeat the trick in 1929. The book captures a particular time—of bucket shops, insider pools and dandy tips on Western Union or American Steel. But it is also timeless.

As this writer finishes a four-year stint as Buttonwood, the one tentative conclusion he draws from the experience is something that Livermore realised a century ago: there is nothing new on Wall Street. What happens today in the markets has happened before and will happen again. Every extreme of greed or fear has a precedent. Technology changes, but people do not.

The beginning for this Buttonwood was May 2018. At the time there was a good deal of optimism among American and European asset managers about business prospects in China. There was much talk about its “Wild West” stockmarket—with lots of retail trading on tips and a rapid turnover of shares. Rich-world entrants fancied they would add a dash of professionalism. But instead of China’s market becoming more American, the reverse happened. In 2020 there was a surge in new accounts at no-fee brokers, notably Robinhood, catering to small investors in America. A gaggle of social-media pundits emerged to mobilise this new army of speculators. They piled into tech darlings, such as Tesla, but also bombed-out stocks, such as GameStop, a video-games retailer.

This “meme-stock” craze seemed new, but it wasn’t. What it most resembled was the bucket shops of early-20th-century America, where Livermore first learned to read the markets. Here ordinary punters exchanged tips and could bet on the direction of favoured stocks for a tiny initial outlay. The Robinhood crowd, though they had better technology, had similar preferences. They were keen on call options on stocks that had the characteristics of long-odds bets. As with bucket-shop punts, these options mostly expire worthless, but can reap a spectacular profit if the share price surges.

Manias, scams and iffy schemes are recurring evils. “I used to think that people were more gullible in the 1860s and 1870s than the 1900s,” says the narrator of “Reminiscences”. But Livermore only had to pick up his newspaper to read about the latest Ponzi scheme or crooked broker. More recently, there has been the Wirecard fraud, the Archegos blow-up, the shell-company boom and any number of dodgy digital currencies.

This year has so far been a rejoinder to such excesses. As Livermore knew well, tighter money and a giddy stockmarket are a dangerous mix. His big short in 1907 was in response to signals from the money markets, which were “megaphoning warnings to the entire world”. But they were not the only warnings he ever heard. In the world of “Reminiscences”, bull markets are marked by the “calamity howling” of “old-stagers [who] said everybody—except themselves—had gone crazy”. Doom-mongers are forever with us. Indeed, there is a kind of punditry that echoes the millenarian sects of medieval Europe, the adherents of which believed they were living in the “last days”. It anticipates an endgame in which all excesses will be washed from the markets.

Perhaps such a reckoning is already in train. But it cannot be the endgame, because the game never ends. If history is anything to go by, a big bust would merely set the stage for another phase of play. Injuries heal with time. Memories of the last brutal bear market eventually fade. The unceasing contest between fear and greed resumes. The thoughtful investor has a lot to reckon with, and that won't change either. There are constant judgments to be made about company managers, business strategy, economic policy, politics and geopolitics—as well as the opinions and likely reactions of other investors, who may or may not be as thoughtful.

And as Livermore knew well, any investor has also to fight the "expensive enemies within himself". This endless wrestling with powerful emotions, such as hope, doubt and fear, is a big part of what makes Wall Street so fascinating. It has been a great privilege to watch the unfolding drama from this perch and to try to make sense of it all. The honour now passes to others. Thank you so much for reading.

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Free exchange

How high property prices can damage the economy

A fresh strand of research studies the consequences, both in China and the rich world

Jul 28th 2022

Economists' interest in land has waxed and waned over time. For the political economists of the 18th and 19th centuries, it was central to understanding the world. They believed that the distribution of rents from land ownership could explain the yawning gaps between the rich and poor, and all sorts of other economic ills. Economists cared less about land in the 20th century. Since the turn of the millennium, however, they have increasingly debated the impact that restrictive zoning laws have on the economic output of cities. The global financial crisis sparked an increase in research on the consequences of property slumps. Banks' balance-sheets tend to weaken, and worried homeowners spend less, potentially triggering a recession. America's housing crash during 2007-09 in particular was much studied.

In recent years another strand of research has emerged, which, rather like the political economists of yore, attributes many long-standing economic ills to land. It explores how high and rising land prices affect lending, investment and ultimately productivity, and much of it looks closely at China's long property boom. The worrying conclusion is that high and rising property prices can also have damaging economic effects, by crowding out productive investment and leading to a misallocation of capital. In the most extreme cases, inflated land prices may already be the cause of a protracted slowdown in productivity growth.

Real estate is the largest asset class in the world. In 2020 it made up around 68% of the world's non-financial assets (which includes plant and machinery as well as intangibles, such as intellectual property). Land, rather than the structures built on top of it, accounts for slightly over half of that 68%. As values have ballooned, the share of land in non-financial assets has increased sharply in some countries (though few report the data). In Britain, for instance, it went from 39% in 1995 to 56% in 2020.

Because land can easily be valued and cannot be hidden or broken, it is good collateral to borrow against. So when prices are rising, as they have in most places for much of the past few decades, the initial effect is to boost lending and economic activity. Households can use their increasingly valuable property to borrow at lower interest rates than they otherwise would. Land-owning firms, too, can access finance more easily. Fatter asset holdings also make people feel more comfortable spending money.

But the use of land as collateral has harmful effects, too, especially in places where banks play a big role in financing companies. Firms' ability to borrow tends to be determined by their existing assets, rather than their productive potential. And those that own land find it much easier to borrow from banks than those, say, with lots of intangible assets. A paper published in 2018 by Sebastian Doerr of the Bank for International Settlements found that listed American firms with more property collateral were able to borrow and invest more than their competitors, even though they were less productive. These effects were also evident in Spain just before the global financial crisis. In research published last year, Sergi Basco of Universitat Barcelona and David Lopez-Rodriguez and Enrique Moral-Benito of the Bank of Spain noted that property-owning manufacturers in the country tended to receive more bank credit than other firms.

Rising property prices can also discourage productive lending, and lead to capital being misallocated. When housing markets boom, banks tend to engage in more mortgage lending. But because lenders face capital constraints, this is often accompanied by reduced lending to businesses. One paper, published in 2018 and looking at data from America between 1988 and 2006, found that a one-standard-deviation increase in house prices in areas where a bank has branches reduced lending growth to firms that borrow from the same bank by 42%. The total investment undertaken by the affected firms fell by 21%. Such crowding-out effects may have been sizeable in other places too, considering that banks around the rich world have sharply increased their mortgage lending. Across 17 advanced economies, mortgages' share of total bank loans climbed from 32% in 1952 to 58% in 2016 (the latest year for which data are available).

Whatever the effects of high land prices in the West, the scale of the problem in China appears even bigger, given that the country's investors have a huge appetite for real estate. A range of recent research suggests that China's high land prices shift bank lending away from land-light manufacturers and reduce spending on research and development by listed firms; they also appear to lead to a reallocation of managerial talent towards the property sector. One especially striking result comes from a paper published in 2019 by Harald Hau of the University of Geneva and Difei Ouyang of the University of International Business and Economics in Beijing, based on data from manufacturers in 172 Chinese cities. It concludes that a 50% increase in property prices would raise borrowing costs, reduce investment and productivity, and result in a 35.5% decline in the firms' value-added output.

Hitting home

The conclusion that high and rising property prices can throttle economic activity carries important implications for how policymakers should treat investment in land and housing. Encouraging much more housebuilding, for instance, would help deflate collateral values. Restricting the ownership of multiple properties would alter the distribution of that collateral. And limiting the amount of mortgage lending banks can do might lead more credit to flow to productive purposes.

A more ambitious idea would be to tax land values, which, by lowering the market value of land, might reduce its attractiveness as collateral. Such a tax was, funnily enough, the goal of many 18th- and 19th-century reformers as they sought a more equal society. A new obsession with land could well revive an old idea. ■

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Science & technology

- A grand old age
- Nudge factor
- Strange brew

Palaeoanthropology

Redating specimens of Australopithecus may rewrite human history

The richest hominin fossil-bed in the world is a million years older than previously thought

Jul 27th 2022 | Johannesburg, Pretoria and Sterkfontein

Jason Heaton/Ronald Clarke/Ditsong Museum of Natural History

The high-security fossil vault at the University of the Witwatersrand (Wits), in Johannesburg, contains treasure more precious than the gold that paid for the university's establishment. It is the resting place of five of the ten known partial skeletons of early hominins, the ancestors of human beings. In a glass case at the vault's centre, resting on blue velvet, is Little Foot, the near-complete remains of a member of the species *Australopithecus prometheus*.

Wits is not the only repository of such treasures. Farther north, in Pretoria, the Ditsong National Museum of Natural History hosts the skull of Mrs Ples, a representative of *Australopithecus africanus*, cousin to *prometheus*, and one of the most famous hominin fossils yet found. That these specimens are millions of years old is not in doubt. But just how many millions is disputed. A sophisticated dating technique, called cosmogenic nuclide dating, has upended previous estimates—and, with that, is rewriting an important chapter in the story of human evolution.

The first draft of this chapter opened on April 18th 1947, the day when Mrs Ples was discovered. Robert Broom, a palaeontologist at the Transvaal Museum (as the Ditsong was then known) and his colleague John Robinson were using dynamite to blast apart a deposit of a type of rock called cave breccia, which had formed from debris that had fallen into a collection of limestone caverns at Sterkfontein, just outside Johannesburg. When the dust settled, Broom spotted several fossils in the rubble. Pieced together, these formed a perfect skull. "Broom originally placed the fossil into its own genus, named *Plesianthropus*," says Mirriam Tawane, curator of fossils at the Ditsong. "He thought the skull looked female, so he nicknamed it Mrs Ples." As a scientific appellation, *Plesianthropus* has fallen out of fashion. But, in everyday usage, Mrs Ples she remains. She (if "she" she be) is now classified as the first discovered adult specimen of *Australopithecus*, the direct ancestors of *Homo*, the genus of modern humans.

Mrs Ples's unearthing was the beginning of an explosion of findings at Sterkfontein and other sites dotted close by. The region is consequently known as "The Cradle of Humankind", and was declared a unesco World Heritage Site in 1999. Based on a method called uranium-thorium dating, Mrs Ples had been reckoned to be about 2.4m years old, give or take a couple of hundred thousand. But that date has been overthrown by work employing cosmogenic nuclide dating. This suggests Mrs Ples—and a plethora of other fossils from Sterkfontein—are more than 1m years older than previously thought.

Never ask an australopith her age

Researchers have identified six distinct "geological members" of breccia at Sterkfontein. Members 1, 2 and 3 are still hidden deep in the caves, but Members 4, 5 and 6 have since been exposed above ground. Over the past 75 years excavations at members 2, 4 and 5 have yielded close to 1,000 early hominin fossils (most of them fragmentary), accounting for more than a third of those so far discovered, and making Sterkfontein by far the richest site of its kind in the world.

Mrs Ples was originally blasted from Member 4, the source of almost every *Australopithecus* fossil from Sterkfontein. The only exception is Little Foot, recovered from Member 2 in 1994 by Ronald Clarke, a palaeontologist at Wits. But determining the ages of Member 2 and Member 4 has been devilishly hard. Established methods of putting ages to hominin fossils rely on dating layers of volcanic ash above and below the strata in which they were found, using the uranium-lead method, one of the oldest and most refined dating techniques. That is fine in volcano-rich Kenya, Tanzania and Ethiopia, the main other sources of hominin fossils. But mainland South Africa is one of the least volcanically active places on Earth. Consequently, researchers have had to develop new dating techniques appropriate to its geology.

Until recently, the best of these was uranium-thorium dating. Water trickling through limestone caves first dissolves, then deposits, calcium carbonate. Dripping from a cave ceiling, this creates stalactites and stalagmites. Percolating into empty cracks and cavities, such as those found in breccias, it creates flowstones. The ages of these flowstones can be determined by the ratio within them of the radioactive elements uranium and thorium. The flowstones in Member 4 have been dated to between 2.1m and 2.5m years ago, with flowstones in Member 2 a similar age.

“That looks like an unimpeachable case,” says Darryl Granger, a geologist from Purdue University, in Indiana. “But geology is often more complicated than that. The trouble with relying on flowstones is that they can be younger than the surrounding rock. There is nothing to stop a flowstone from forming in a crack that developed millions of years after the rock around it, for example.” This is what Dr Granger and his colleagues—including Dr Clarke—argue happened at Members 2 and 4 at Sterkfontein. To test that idea, they directly dated the cave breccias in Members 2 and 4 using cosmogenic nuclide dating, which Dr Granger helped develop.

Earth’s surface is constantly peppered by cosmic rays. These are particles (mostly protons) from outer space, moving at close to the speed of light. “When cosmic rays pass through objects, they trigger nuclear reactions,” observes Dr Granger. “The products of those reactions—called cosmogenic nuclides—are often radioactive, and decay over time.” When a breccia-forming object falls into a cave, it finds itself shielded from cosmic rays, and the steady decay of its existing cosmogenic nuclides can be used to determine how long ago it fell in.

Using this method Dr Granger and colleagues determined, in 2015, that the breccia in Member 2 is 3.7m years old—1.5m years more ancient than originally thought. “That was a terrific finding, but Little Foot is only one specimen,” he says. “We consequently turned our attention to Member 4, which has produced hundreds.” After years of effort, new dates for Member 4 were published in June in the *Proceedings of the National Academy of Sciences*. The team now reckon the Member 4 breccia formed between 3.4m and 3.6m years ago, over a million years earlier than believed.

Bones of contention

The conventional story of hominin evolution says that the lineage which would become modern humans split off from that leading to chimpanzees approximately 6m years ago, somewhere in equatorial Africa. “The first members of the genus *Australopithecus* are thought to have emerged in east Africa roughly 4.5m years ago, evolving into the species *Australopithecus afarensis* close to 3.8m years ago,” says Dr Tawane. That is the species to which “Lucy”, a famous partial skeleton discovered in Ethiopia in 1974, belonged.

Palaeontologists estimate that *Homo* emerged somewhere between 2.5m and 3m years ago. There being, until now, no evidence of *Australopithecus* in southern Africa at this time, researchers have assumed *Homo* evolved in east Africa as well. The previous dating of the *africanus* and *prometheus* fossils at Sterkfontein and other sites in South Africa led to them being regarded as tangential to the main, east African story of human evolution.

That interpretation is now threatened. “The fact that Little Foot was living at Sterkfontein 3.7m years ago complicated the picture,” says Dr Granger. “But it was only one specimen. The new dates of Member 4, however, place hundreds of *Australopithecus* specimens in the range of 3.4m to 3.7m years old.” This is the same age as (or even older than) many of the *Australopithecus* fossils in east Africa, including 3.2m-year-old Lucy. That brings into question whether A*ustralopithecus* emerged in east Africa at all, and hints that the genus may be even older than previously thought.

The fact that two *Australopithecus* species were waltzing about Sterkfontein prior to 3m years ago places the origins of *Homo* and its sister genus *Paranthropus* (a group of less brainy but more robust upright hominins) up for grabs too, with South Africa once again a compelling candidate for the original cradle of humanity. That is an encouraging prospect for scientists working in the Cradle of Humankind site, where hundreds of other caves await exploration. “These new dates from Sterkfontein complicate our understanding of early human evolution,” says Dr Granger. “But the uncertainty is exciting. The next decade is set to be a fascinating one.” ■

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Nudge factor

Evidence for behavioural interventions looks increasingly shaky

The academic literature is plagued by publication bias

Jul 27th 2022

When economists at the University of Toronto started to tell undergraduates in 2014 how many hours extra work they needed to put in to boost their grades, they hoped it would encourage the students to work harder. They didn't. Instead the students just began to expect the lower grades they received.

The university's experience is frequently quoted as an example of "nudge" theory backfiring. Nudge, the fashionable face of behavioural economics that launched a thousand light-touch government policies, has soared in popularity since the 2008 book of the same name by Richard Thaler, an economist, and Cass Sunstein, a legal scholar.

There are now more than 200 "nudge" units around the world, teams that specialise in applying behavioural science to everyday life. Nudges seek to persuade rather than compel behaviour change, through a series of psychological strategies, from presenting information in a different way to offering alternatives. As Mr Thaler and Mr Sunstein put it: “Putting fruit at eye level counts as a nudge. Banning junk food does not.”

Nudge theory did not have a great pandemic. Nudge-friendly behavioural scientists were blamed by some for the British government’s initial embrace of soft messaging—appeals to personal responsibility such as the slogan “stay home, save lives”—over strict measures including lockdowns, while a scheme using lotteries with prizes up to $50,000 did little to boost vaccination uptake in Philadelphia.

Nudge fans received some better news at the end of 2021. The first attempt to pool and judge the academic foundations of the theory, more formally known in the field as choice architecture interventions, reported in glowing terms. Psychologists at the University of Geneva analysed some 200 nudge studies and concluded that not only did nudges work overall, but that they did so impressively.

Behavioural scientists judge effect size with a measure called “Cohen’s *d*”, which shows the difference between the average results in a control and treatment group. A score of zero means that the nudge has made no difference, while anything over 0.8 is considered to indicate a very large effect. The Geneva team said that nudge measures promoted behaviour change with an overall Cohen’s *d* of 0.43. That places it firmly in the medium-sized category and is more than enough to make most policymakers sit up and take notice.

Other psychologists saw the claims too, and many were unhappy with them. Last week, three separate academic groups, from Britain, Hungary and America, published critiques in the *Proceedings of the National Academy of Sciences*, which also published the Swiss team’s initial analysis.

The complainants make two similar points. First, the academic trials take such different approaches and report such wildly different effect sizes that it does not make sense to bundle them together in the same analysis. A “medium-sized” effect for nudges overall grossly exaggerates the impact of those that are useless and underestimates the benefits of those that work.

Second, nudge research is highly susceptible to publication bias—academic journals tend to favour publishing studies that report the largest effect sizes. After using statistical tools to account for the distorting effect of publication bias, the critics point out that the average effect size from the original analysis collapses, to as low as 0.04, which is effectively useless.

That does not mean that all nudges are ineffective, says Barnabas Szaszi, a psychologist at the University of Budapest and one of the critics. Famously, images of everything from flies to golf flags placed in urinals have been shown to improve men's aim and reduce cleaning costs. But in such a heterogeneous meta-analysis, those trials of nudge policies that do show significant effects are essentially swamped by the mass of those that don't. Such meta-analyses, says Mr Szaszi, should break down nudges into smaller distinct groups by type. Only then will policymakers have better ways to measure the effectiveness of different nudge tactics and so learn lessons from the best ones.

"We agree with most of the points raised," says Ulf Hahnel, one of the Geneva group that carried out the original meta-analysis in 2021. That work did not intend to portray nudges as a silver bullet, he says, and did include caveats about heterogeneity and publication bias.

The controversy emphasises that psychologists and other social scientists need to do more to combat publication bias, the critics say. One ongoing effort asks researchers to pre-register studies before they start, and for journals to agree to publish the results however they fall. Take-up is patchy. Time for a nudge? ■

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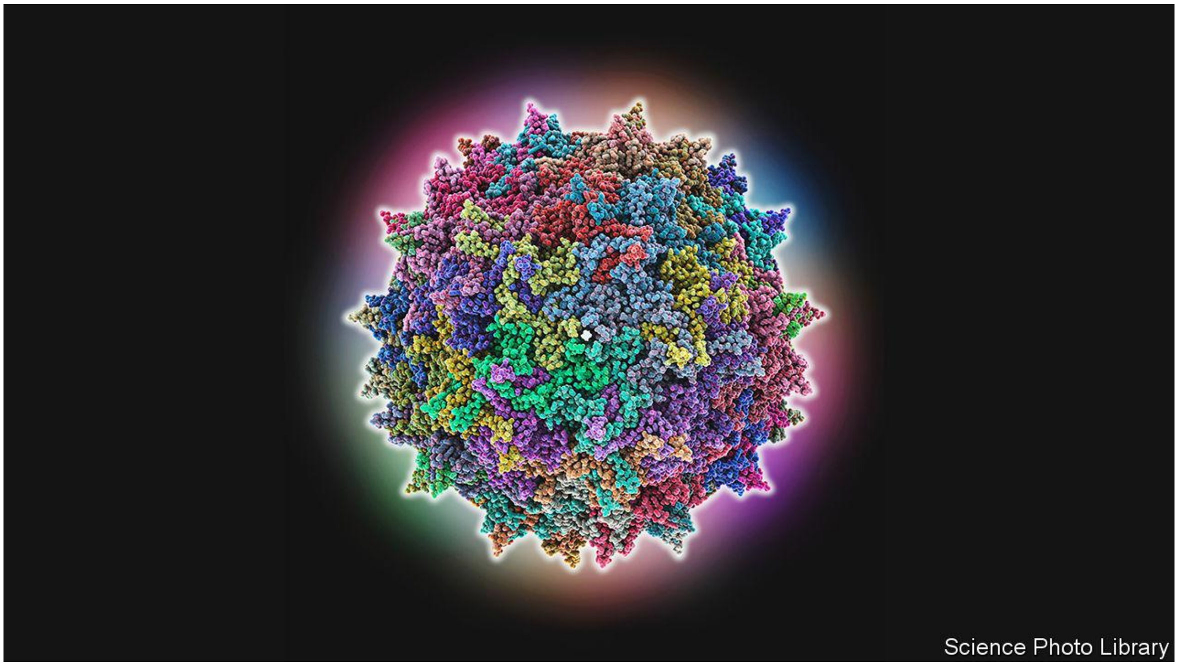
Virology

The cause of a new type of hepatitis in children is found

It seems to be caused by co-infection with two different viruses

Jul 27th 2022



In april mysterious cases of hepatitis, an inflammation of the liver, began appearing in children around the world. They were not caused by the hepatitis viruses that typically cause the illness. The World Health Organisation has reported more than 1,000 probable cases in 35 countries. Some children have required liver transplants and at least 22 have died. Researchers have been scrambling to find the cause.

Two studies posted this week on medRxiv, a preprint server, propose an answer—co-infection with two common and usually innocuous viruses, probably helped by certain gene variations in the children who fell ill. sars-cov-2 was ruled out as a culprit. One of the infections seems to be from human adenovirus, a common bug in children that causes stomach upsets but does not make them very ill. A cluster of the strange hepatitis cases appeared shortly after a spike in adenovirus infections, though it was unclear what role the virus might be playing, because it is often present in healthy children too.

In the latest research, led by teams at the University of Glasgow and University College London, researchers investigated the blood and livers of 26 children with the strange hepatitis and compared the results with those from more than 100 children of the same age, including healthy children, children with adenovirus but normal liver function, and children with hepatitis for which the cause was known.

Collectively, the two studies found that 25 out of the 26 children with the mysterious hepatitis were also infected with adeno-associated virus 2 (aav2). This virus (pictured left) was rarely found in the children without that form of hepatitis and, when present in them, it was in much lower quantities.

aav2 is a parvovirus that cannot replicate on its own but needs assistance from a “helper” virus such as an adenovirus or a herpesvirus. It is not known for causing illness but it is very contagious. Most children are exposed to it at a young age and it lays dormant in the cells, including those of the liver, until infection with a helper virus triggers its replication. The results from the two studies suggest that coinfection by aav2 and adenovirus—or sometimes possibly a herpesvirus called hhv6, which was found in a few children—is the cause of the mysterious hepatitis illness.

Given how much aav2 and adenovirus circulate, lots of children probably get co-infected. Why, then, do only a small number of them develop the strange hepatitis? The researchers in Glasgow looked for an answer in the children’s genes. In eight of the nine children with the strange hepatitis they found variations in the Human Leukocyte Antigen gene that were not commonly found in the 58 comparison children. The prevalence of these specific variations is highest in northern Europe—the region where most of the strange hepatitis cases have been reported.

It is unclear how aav2 is causing the illness. The researchers did not find viral particles in the samples taken when the children were ill, but detected large amounts of rna traces of aav2—which suggest that copious replication had happened in the past. This means that an indirect viral mechanism may be responsible, such as an immune reaction to aav2 that leads, in rare cases, to acute liver inflammation.

Such cases of unexplained hepatitis are not new. But lowered immunity to viruses among children as a result of less mixing during the covid-19 pandemic led to many such cases at the same time. The world is acutely aware that exposure to novel viruses can cause pandemics, but a lack of exposure to bugs can cause problems too. ■

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Culture

- Going for a song
- Only an attitude remains
- Reality check

Pop music and dissent

A Thai pop star uses her music to critique her homeland

Known for her "dystopian pop", Pyra has been driven out by Thailand's conservatism

Jul 28th 2022 | BANGKOK


Courtesy of Warner Music Thailand/Pyra

The video is captioned "UGLY TRUTH ABOUT THAILAND". Peeralada Sukawat—better known by her stage name, Pyra—looks into the camera and rolls her eyes. "Bangkok babies in Mercedes," she raps over looping drums and a synth beat. "Rich gets richer, poor gets poorer,/Inequality's a bitch, this place is gettin' shittier." Unable to perform during lockdown, the musician took to TikTok to release short clips in which she criticised her country's inequities and what she called the "dictatorship regime":

> Where tax is spent on submarines,
> People dying in the street,
> Health care is not a priority.

Pyra didn't think anyone "would care about my sarcastic videos". She was wrong: they were watched and shared by hundreds of thousands. In their comments on the clips, many viewers expressed similar feelings of disillusionment with Thailand or with other countries' governments.

But abuse flooded in, too, not just on TikTok but on all Pyra's accounts. She feared she had been designated a threat to national security by Thai officials, and that the online barbs were the work of government-paid trolls. In any case, the conservatism of Thai society had become too much for her. Wary of further retribution, she announced in March that she had moved to London. "U can't be the best version of yourself living in an environment that you're tryin' to outgrow," she wrote.

The singer has earned plaudits for her unique brand of "dystopian pop" and idiosyncratic fashion sense, as well as for her determination to expose Thailand's ills. In January nme, a British music website, chose Pyra as its Best Solo Act from Asia. *Forbes* recently selected her as one of its emerging Asian entertainers under 30.

Ironically, her first hit was a nationalist song—a hymn to Thai mothers on which she was chosen to sing at the age of nine. That precocious success instilled a passion for music, and she taught herself music production as a teenager. While studying at Chulalongkorn University in Bangkok, Pyra became interested in politics and the media and, she says, developed a sense of righteous anger. "When I realised that everything is tied to politics, it became about me living in an oppressed society. I started to develop a sense of how to stand up for myself and other people."

Her music became an outlet for this discontent. Her first adult single, "Stay", a brooding hip-hop song, was independently released in 2016. Two years later came "White Lotus", a single blending lyrics about mental health and Taoist and Buddhist philosophy with hip-hop, pop, dance beats and traditional Thai instruments. After a tour of Asia and a gig at Burning Man festival in Nevada, Pyra had a recording stint with Warner Music Thailand.

In collaboration with Sean Hamilton, a Grammy-nominated producer, she released "Bangkok" in 2020. Though she has called the song a tribute to the "political activists who have fought bravely and sacrificed so much for the cause of freedom and democracy", the lyrics are deliberately oblique. At that point, she was still “careful not to produce material that would eliminate me straight away”.

She had good reason to be cautious, as Thailand’s government has often sought to silence critics. For instance, Rap Against Dictatorship, a hip-hop collective, attracted the ire of the authorities with tracks such as “Prathet Ku Mee” (“What My Country Has Got”), which lambasted corruption and the stifling of free speech. In 2020 Dechathorn Bamrungmuang, one of the group’s members, was arrested and charged with sedition after appearing at a pro-democracy protest.

He was released; but a report compiled by a clutch of ngos suggests his phone may have been infected by spyware. (This month Chaiwut Thanakamanusorn, the minister of digital economy and society, seemed to admit that the government has used spyware to monitor some individuals, though he later backtracked.) A Thai court recently banned Rap Against Dictatorship’s latest song because it criticises the monarchy. More drastically still, Faiyen, a folk band, fled abroad in 2014 after speaking out against Thailand’s *lèse-majesté* laws, an act that can itself incur a prison term. The musicians have since been granted asylum in France.

“We don’t have the laws to support creative freedom. Anybody can accuse us of criminal defamation,” says Pailin Wedel, a Thai-American journalist and film-maker. “When we can’t make stories about reality, it really limits us.” Natapanu Nopakun, a spokesman for the Ministry of Foreign Affairs, insists that the government is “very supportive of Thai arts and culture in any form and any kind of content”. At the same time, “there is a line, everything has a line.”

Pyra understood the risks, from both official and freelance sources, when releasing her denunciations on TikTok. “They come for you when you’re specific about things,” she notes. Yet coded language or allusiveness wouldn’t have resonated with youngsters on the social-media platform, she suggests. “To make a TikTok clip go viral, the approach is the opposite of making music [and] art. You need to be direct.”

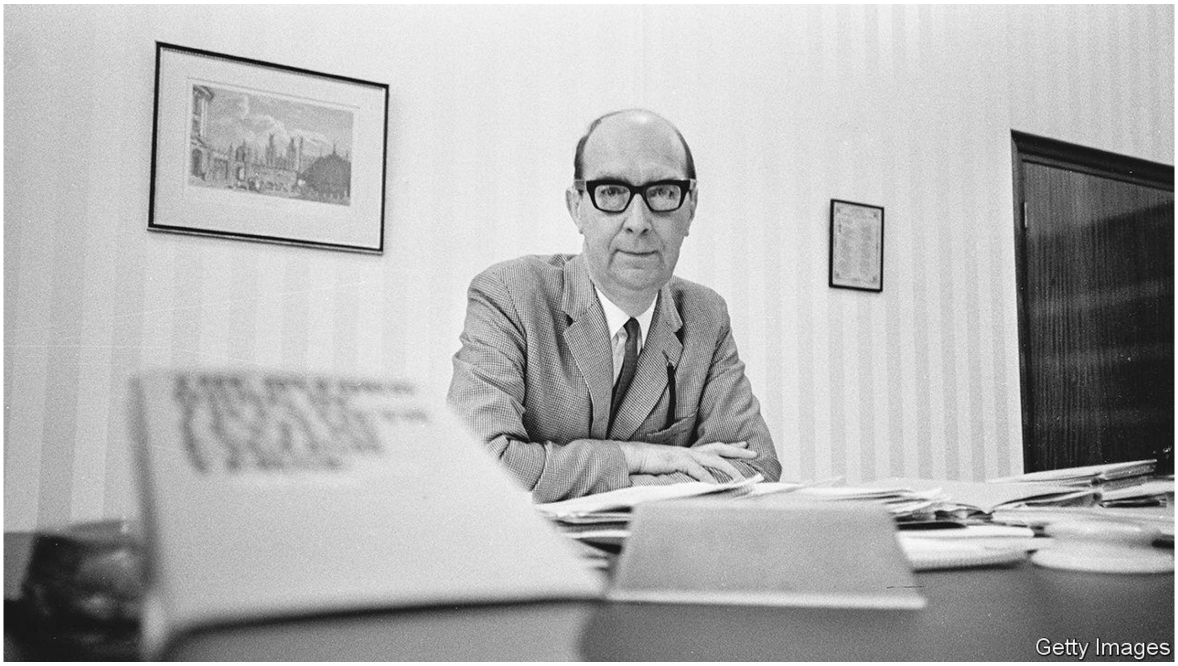
Now safely ensconced in Britain, she says she can focus on bringing her creative ideas to fruition. “I can finally breathe. I have stopped feeling heavy political oppression.” Her adopted country is by no means a paradise: her latest videos on TikTok condemn its immigration policy and poke fun at its crisis of leadership. But a weight has lifted: “Here in the uk, everyone dresses as they like, everyone is free to express themselves, and no one questions me. I feel I belong here.” ■

Home Entertainment

Philip Larkin’s verse is tender. His prejudices are controversial

Born 100 years ago, the English poet balanced pathos with wit

Jul 28th 2022



The world of Philip Larkin’s verse is far from glamorous. His natural habitat was English suburbia, a realm of grey dawns, hollow afternoons and low horizons. He spent most of his adult life working as a librarian—the last 30 years at the university in Hull, a city he disparaged as being “on the way to nowhere”. His poems record mundane activities: visiting churches, deciding whether to attend a party, perusing old photos.

But Larkin is more than just the unofficial laureate of humdrum Englishness. His poems, rather than practising the British habits of evasion and whimsy, speak directly. Many begin with bracing immediacy: “I work all day, and get half-drunk at night”; “I deal with farmers, things like dips and feed”; “The mower stalled, twice; kneeling, I found/A hedgehog jammed up against the blades.”

Larkin writes frankly and sometimes devastatingly about sadness and mortality. He describes “the instantaneous grief of being alone”, death as an “anaesthetic from which none come round” and the way misery, passed from parents to their children, “deepens like a coastal shelf”.

Yet often his manner is less jaundiced than tender. He notes the “miniature gaiety of seasides”, pictures the sun’s “petalled head of flames” and addresses a newborn child as “Tightly-folded bud”. Expressing himself sparely, he zeroes in on physical details that are tellingly ugly or bluntly unpoetic. One of his best poems, “The Whitsun Weddings”, itemises what he sees while travelling by train on a hot Saturday afternoon (“acres of dismantled cars”, “canals with floatings of industrial froth”), and in so doing builds to an unexpected, transcendent climax.

The centenary of Larkin’s birth on August 9th should be an opportunity for appreciation. But controversy dogs his name. When his letters were published in 1992, less than a decade after his death, they exposed a seam of racism and misogyny, as well as a puerility at odds with the grave craftsmanship of his finest verse. His reputation weathered the outrage, but now, at a time of heightened sensitivity about prejudice and artists’ personal failings, it is under threat again, as is his place in the British curriculum.

On one side are academics eager to modernise and diversify the canon. On the other are traditionalists who think removing Larkin from poetry anthologies is cultural vandalism. His defenders rightly cite his technical virtuosity, though they can exaggerate the breadth of his vision. David Blunkett, a British politician, has spoken up for the “glory” of Larkin’s language while fancifully claiming that he captured “geographic diversity”.

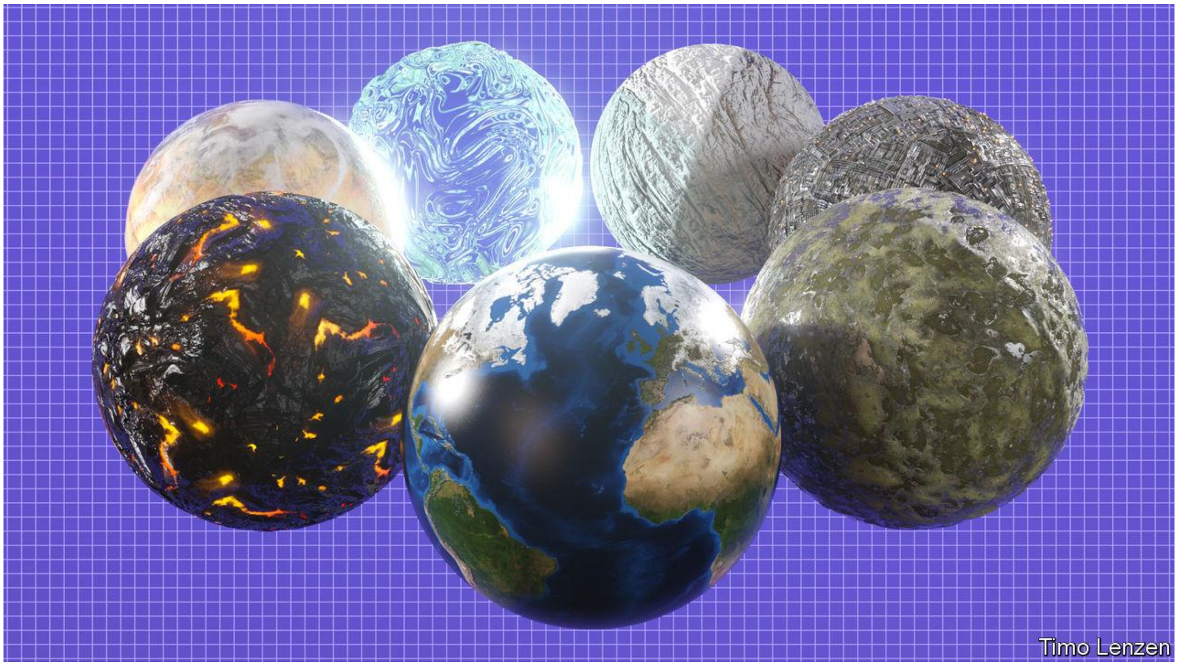
There is no escaping Larkin’s faults. Rarely a charitable soul outside his verse, he could be crudely vitriolic—whether about a fellow poet, Ted Hughes, a “boring old monolith”, or about the Bible, which was “absolute balls”. But few writers have so skilfully melded wit and pathos, the lyrical and the conversational. Few have been so free of illusions. And few can so often make their readers smile and, at the same time, shudder. ■

Technology and terminology

In “The Metaverse”, Matthew Ball explains where the idea came from

And where it might be going

Jul 27th 2022



The Metaverse. By Matthew Ball. *Liveright; 352 pages; $30. W.W. Norton; £22*

Do you remember the information superhighway? In the early 1990s pundits predicted that high-speed data networks would soon connect millions of people, letting them exchange information and linking them to “movies and television shows, shopping services, electronic mail and huge collections of data”, as the *New York Times* put it. Yet today millions use Netflix and Amazon, Gmail and Wikipedia, and no one talks of “cruising the information superhighway”—or ever did. The vision was prescient, but the jargon died.

Something similar may now be happening with the term “metaverse”. It is also the subject of feverish speculation—this time about the possibilities of 3d virtual worlds, and a sense that video-game technology and online communication are converging in interesting ways. But its definition is elusive, and none of the multitudes who congregate in virtual worlds today, such as players of the game “Fortnite”, actually use the word.

It broke into public consciousness in October 2021, when Facebook renamed itself Meta, signalling its ambitions in this new arena. People who had not previously heard the word “metaverse” assumed it was a new Facebook product. But the term has been used in tech circles for years, and other companies, including Microsoft and Roblox, had in fact already staked their own claims to be metaverse merchants.

Metaverse is a relatively new name for an old idea, explains Matthew Ball, a technology analyst (and occasional contributor to *The Economist*), in his survey of the topic. The word was coined in 1992 by Neal Stephenson in his novel “Snow Crash”. Mr Ball traces the concept of a parallel, synthetic reality back to “Pygmalion’s Spectacles”, a short story of 1935 by Stanley Weinbaum, and later tales by Ray Bradbury, Philip K. Dick, Isaac Asimov and William Gibson. Strikingly, all their synthetic worlds are dystopias—a detail modern tech bosses have failed to notice, or chosen to ignore.

Mr Ball’s summary of the history of virtual worlds, in both fiction and computer science, provides helpful context. But his book’s most valuable contribution may prove to be his definition of the metaverse: an interoperable network of 3d virtual worlds that can be accessed simultaneously by millions of users, who can exert property rights over virtual items.

This definition is interesting as much for what it leaves out as for what it includes. It is not simply a rebranding of virtual reality: headsets are optional, and today virtual worlds are mostly accessed using flat screens. Nor are blockchains or non-fungible tokens mentioned, though Mr Ball concedes they may have a role. He insists that, just as there is only one internet, made up of many different networks and services that have more value for being connected, there should be only one metaverse, made up of many virtual worlds.

Given that virtual worlds already exist, the next steps will include scaling them up to support more users (online games carefully limit their numbers), making them more realistic and accessible, and devising new hardware to allow greater immersion. Progress is being made on all those fronts. But by far the biggest challenge will be to make connections between what are currently separate worlds. For example, it is not yet possible to take an item of virtual clothing from “Fortnite” into “Minecraft”.

Mr Ball is optimistic that “economic gravity” will drive companies to co-operate in devising and adopting open standards, because the market that this will unlock will be much bigger than any of them could create alone. He adduces the so-called protocol wars of the 1970s-90s, when rival computer-networking standards vied for supremacy. Ultimately an open standard prevailed, the Internet Protocol, because a common format created a bigger market.

Similarly it makes economic sense, Mr Ball argues, for virtual worlds to share data and interoperate. Today people buy fewer objects inside games and other virtual worlds than they might if ownership rights were firmer and items more portable. Tackle those problems, and more people might be willing to fork out. Economics, Mr Ball says, “will drive standardisation and interoperation over time”.

He draws an illuminating analogy with the history of smartphones. Another way to think of the metaverse, he points out, is as the successor to the rise of the mobile internet. Mobile devices extended, but also changed, the way people experience the internet, with the advent of things like navigation apps and ride-hailing. The metaverse could represent a comparable kind of shift, transforming what the internet can do and how it is used.

But isn’t the smartphone industry dominated by the duopoly of Apple and Google? This is one case where “economic gravity” has not led to interoperability. Mr Ball thinks regulatory action is needed to loosen the duo’s grips on payment systems and app stores, which “limit the growth potential not only of virtual-world platforms, but also the internet at large”.

The author wisely avoids spending too much time trying to imagine all the future uses of the metaverse, or analysing which of today’s tech giants are best-placed to exploit it. Nor does he dig very deeply into the inevitable regulatory and governance challenges. It is far too early in the game. Think of those predictions from 1993: they were broadly correct, but Netflix, Amazon, Gmail and Wikipedia did not exist. The rise of smartphones, too, toppled previous industry leaders. The metaverse could cause a similar changing of the guard.

Even the word metaverse may not stick, Mr Ball admits. Something like it will have arrived by the end of the decade, but "we may ultimately use a different term for this future". Like the information superhighway, this latest buzzword seems to point in the right direction, but may get lost along the way. For anyone who wants to understand the process and what is at stake, Mr Ball's lucid and timely book offers a portal into a new realm. ■

Economic & financial indicators

- Economic data, commodities and markets

Indicators

Economic data, commodities and markets

Jul 28th 2022

Economic data

1 of 2

	Gross domestic product % change on year ago: latest		quarter*	2022†	Consumer prices % change on year ago: latest		2022†	Unemployment rate %	
United States	3.5	Q1	-1.6	2.3	9.1	Jun	8.3	3.6	Jun
China	0.4	Q2	-10.0	4.0	2.5	Jun	2.1	5.5	Jun‡§
Japan	0.4	Q1	-0.5	2.1	2.3	Jun	2.2	2.6	May
Britain	8.7	Q1	3.1	3.6	9.4	Jun	7.3	3.8	Apr††
Canada	2.9	Q1	3.1	3.6	8.1	Jun	6.7	4.9	Jun
Euro area	5.4	Q1	2.0	2.6	8.6	Jun	7.4	6.6	May
Austria	9.5	Q1	10.0	3.5	8.7	Jun	7.0	4.8	May
Belgium	4.9	Q1	2.2	2.2	9.6	Jun	9.2	5.5	May
France	4.5	Q1	-0.8	2.2	5.8	Jun	5.5	7.2	May
Germany	3.8	Q1	0.9	1.3	7.6	Jun	7.8	2.8	May
Greece	7.9	Q1	9.7	4.0	12.1	Jun	8.2	12.7	Apr
Italy	6.2	Q1	0.5	2.7	8.0	Jun	6.8	8.1	May
Netherlands	6.7	Q1	1.7	2.4	8.6	Jun	10.4	3.4	Jun
Spain	6.3	Q1	0.8	4.0	10.2	Jun	8.2	13.1	May
Czech Republic	5.1	Q1	3.5	1.4	17.2	Jun	15.2	2.5	May‡
Denmark	6.3	Q1	-1.9	2.1	8.2	Jun	6.9	2.5	May
Norway	4.8	Q1	-3.8	3.2	6.3	Jun	4.8	3.2	Apr‡‡
Poland	9.4	Q1	10.4	4.5	15.5	Jun	13.5	4.9	Jun§
Russia	3.5	Q1	na	-10.0	15.9	Jun	21.2	3.9	Jun§
Sweden	3.1	Q1	-3.2	1.8	8.7	Jun	6.9	8.5	May§
Switzerland	4.4	Q1	1.9	2.4	3.4	Jun	2.5	2.2	Jun
Turkey	7.3	Q1	4.9	3.2	78.6	Jun	69.7	10.1	May§
Australia	3.3	Q1	3.1	3.2	6.1	Q2	5.5	3.5	Jun
Hong Kong	-4.0	Q1	-11.4	0.8	1.9	Jun	3.0	4.7	Jun‡‡
India	4.1	Q1	1.9	6.9	7.0	Jun	7.3	7.8	Jun
Indonesia	5.0	Q1	na	5.2	4.3	Jun	5.3	5.8	Q1§
Malaysia	5.0	Q1	na	5.0	3.4	Jun	3.1	3.9	May§
Pakistan	6.2	2022**	na	6.2	21.3	Jun	18.5	6.3	2021
Philippines	8.3	Q1	7.8	7.1	6.1	Jun	4.8	5.7	Q2§
Singapore	4.8	Q2	0.1	3.6	6.7	Jun	5.8	2.2	Q1
South Korea	2.9	Q2	2.9	2.7	6.0	Jun	4.9	3.0	Jun§
Taiwan	3.1	Q1	4.3	4.0	3.6	Jun	3.4	3.7	Jun
Thailand	2.2	Q1	4.7	2.9	7.7	Jun	5.7	1.5	Dec§
Argentina	6.0	Q1	3.5	4.3	64.0	Jun	64.1	7.0	Q1§
Brazil	1.7	Q1	4.0	1.5	11.9	Jun	10.5	9.8	May§‡‡
Chile	7.2	Q1	-3.0	1.5	12.5	Jun	11.1	7.8	May§‡‡
Colombia	8.2	Q1	4.0	6.3	9.7	Jun	10.2	10.6	May§
Mexico	1.8	Q1	4.1	1.8	8.0	Jun	7.5	3.4	May
Peru	3.8	Q1	8.1	2.5	8.8	Jun	7.5	6.7	Jun§
Egypt	5.4	Q1	na	5.9	13.1	Jun	12.9	7.2	Q1§
Israel	9.6	Q1	-1.8	4.9	4.4	Jun	4.3	3.3	Jun
Saudi Arabia	3.2	2021	na	7.5	2.3	Jun	2.5	6.0	Q1
South Africa	3.0	Q1	8.0	1.9	7.4	Jun	6.3	34.5	Q1§

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.

The Economist

Economic data

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	Current-account balance % of GDP, 2022†	Budget balance % of GDP, 2022†	Interest rates 10-yr gov't bonds latest,%		change on year ago, bp	Currency units per $ Jul 27th	% change on year ago
United States	-4.1	-6.0	2.8		153	-	
China	2.5	-6.2	2.5	§§	-20.0	6.76	-3.9
Japan	1.4	-6.0	nil		-8.0	137	-20.0
Britain	-2.9	-5.1	2.0		138	0.83	-13.2
Canada	1.2	-3.5	2.8		161	1.29	-2.3
Euro area	2.3	-4.4	0.9		139	0.99	-14.1
Austria	-1.3	-4.7	1.5		171	0.99	-14.1
Belgium	-1.2	-3.8	1.6		172	0.99	-14.1
France	-1.4	-5.7	1.6		169	0.99	-14.1
Germany	5.3	-3.2	0.9		139	0.99	-14.1
Greece	-5.9	-5.0	3.0		242	0.99	-14.1
Italy	0.7	-6.1	3.5		283	0.99	-14.1
Netherlands	8.7	-3.4	1.3		159	0.99	-14.1
Spain	0.8	-5.7	2.2		189	0.99	-14.1
Czech Republic	-1.2	-5.7	4.4		268	24.3	-10.6
Denmark	8.2	1.0	1.2		138	7.36	-14.5
Norway	16.4	8.7	1.4		76.0	9.83	-9.9
Poland	-2.5	-3.7	5.8		432	4.74	-18.1
Russia	10.1	-3.8	8.9		193	60.9	21.0
Sweden	3.0	-0.3	1.4		131	10.3	-16.6
Switzerland	6.3	nil	0.6		93.0	0.96	-5.2
Turkey	-3.7	-3.9	17.0		2.0	17.9	-52.1
Australia	2.1	-2.5	3.2		208	1.44	-6.2
Hong Kong	0.9	-6.7	2.8		185	7.85	-0.9
India	-1.5	-6.6	7.3		116	79.9	-6.8
Indonesia	0.4	-4.8	7.3		104	15,012	-3.5
Malaysia	2.5	-6.2	4.0		82.0	4.46	-5.2
Pakistan	-5.1	-6.9	12.9	†††	309	236	-31.8
Philippines	-3.6	-7.7	6.8		293	55.7	-9.4
Singapore	18.0	-0.9	2.7		137	1.39	-2.2
South Korea	3.1	-2.4	3.1		126	1,313	-12.4
Taiwan	14.2	-1.2	1.2		79.0	29.9	-6.3
Thailand	-0.3	-5.0	2.4		107	36.8	-10.4
Argentina	-0.1	-4.8	na		na	131	-26.2
Brazil	-0.1	-6.7	13.4		413	5.31	-2.8
Chile	-7.1	-2.8	6.7		234	922	-17.5
Colombia	-5.2	-4.8	12.9		594	4,429	-11.5
Mexico	-0.8	-3.2	8.8		186	20.5	-2.9
Peru	-3.2	-2.2	8.3		293	3.93	-0.2
Egypt	-6.0	-5.9	na		na	18.9	-17.2
Israel	2.9	-1.7	2.5		151	3.42	-5.0
Saudi Arabia	15.4	10.6	na		na	3.76	-0.3
South Africa	-1.1	-6.2	10.7		179	16.9	-12.1

Source: Haver Analytics. §§5-year yield. †††Dollar-denominated bonds.

The Economist

Markets

In local currency	Index Jul 27th	% change on: one week	% change on: Dec 31st 2021
United States S&P 500	4,023.6	1.6	-15.6
United States NAScomp	12,032.4	1.1	-23.1
China Shanghai Comp	3,275.8	-0.9	-10.0
China Shenzhen Comp	2,194.5	-0.7	-13.3
Japan Nikkei 225	27,715.8	0.1	-3.7
Japan Topix	1,945.8	nil	-2.3
Britain FTSE 100	7,348.2	1.2	-0.5
Canada S&P TSX	19,254.6	1.2	-9.3
Euro area EURO STOXX 50	3,607.8	0.6	-16.1
France CAC 40	6,257.9	1.2	-12.5
Germany DAX*	13,166.4	-0.9	-17.1
Italy FTSE/MIB	21,480.7	0.6	-21.5
Netherlands AEX	713.5	2.8	-10.6
Spain IBEX 35	8,124.4	1.2	-6.8
Poland WIG	52,873.9	-1.6	-23.7
Russia RTS, $ terms	1,154.0	-2.9	-27.7
Switzerland SMI	11,056.7	nil	-14.1
Turkey BIST	2,544.1	0.7	37.0
Australia All Ord.	7,038.1	0.9	-9.5
Hong Kong Hang Seng	20,670.0	-1.1	-11.7
India BSE	55,816.3	0.8	-4.2
Indonesia IDX	6,898.2	0.3	4.8
Malaysia KLSE	1,470.7	2.3	-6.2
Pakistan KSE	39,972.6	-1.2	-10.4
Singapore STI	3,205.1	1.1	2.6
South Korea KOSPI	2,415.5	1.2	-18.9
Taiwan TWI	14,921.6	1.3	-18.1
Thailand SET	1,576.4	2.4	-4.9
Argentina MERV	126,362.0	18.2	51.3
Brazil BVSP	101,437.9	3.2	-3.2
Mexico IPC	46,842.9	-0.6	-12.1
Egypt EGX 30	9,287.9	1.9	-22.0
Israel TA-125	1,971.1	0.4	-4.9
Saudi Arabia Tadawul	12,052.2	1.6	6.4
South Africa JSE AS	68,425.0	1.1	-7.2
World, dev'd MSCI	2,675.1	1.2	-17.2
Emerging markets MSCI	989.9	0.3	-19.7

US corporate bonds, spread over Treasuries

Basis points	latest	Dec 31st 2021
Investment grade	172	120
High-yield	518	332

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

The Economist

Commodities

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

2015=100	Jul 19th	Jul 26th*	% change on month	% change on year
Dollar Index				
All Items	150.6	152.3	-8.9	-15.1
Food	144.4	139.4	-9.8	7.4
Industrials				
All	156.4	164.4	-8.2	-27.1
Non-food agriculturals	160.4	153.3	-8.1	5.8
Metals	155.2	167.7	-8.2	-32.8
Sterling Index				
All items	191.0	193.0	-7.8	-2.1
Euro Index				
All items	163.0	166.7	-5.5	-0.9
Gold				
$ per oz	1,713.9	1,719.1	-5.6	-4.4
Brent				
$ per barrel	107.4	104.4	-11.6	39.9

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.

The Economist

Graphic detail

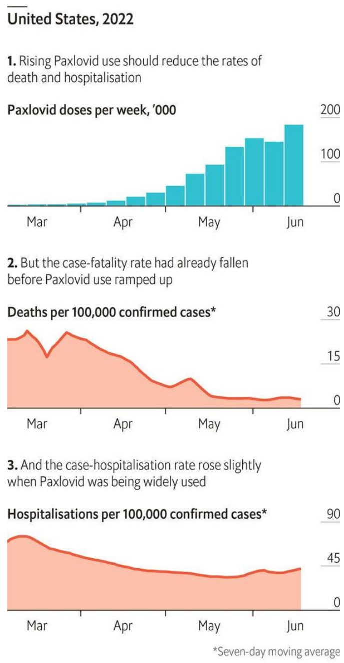
- The vaxxed take Pax

The vaxxed take Pax

Paxlovid appears to be reaching the Americans who need it least

The impact of Pfizer's antiviral drug is hard to detect in official statistics

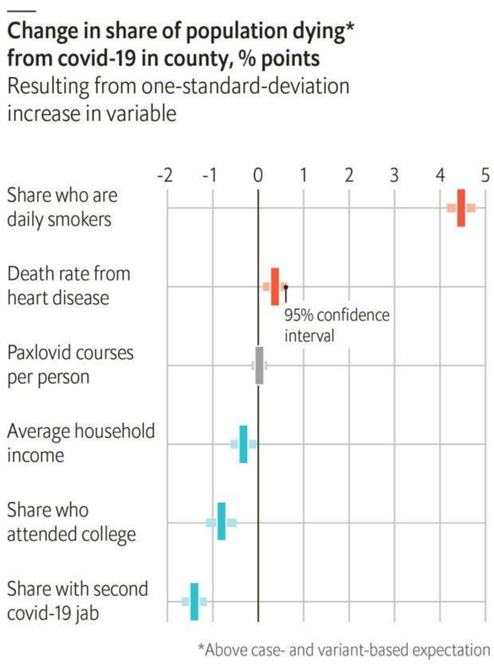
Jul 28th 2022



As dickens might have said, great expectations can lead to great disappointment. The clinical trials for Paxlovid, an antiviral drug that fights covid-19 and is produced by Pfizer, were halted in November once it was shown to reduce deaths by 89% among high-risk patients. Joe Biden, America's president, began taking the drug after he tested positive for covid last week.

Is Paxlovid living up to its promise? Nationwide data from America, where 2.4m courses have been prescribed, do not show a clear effect. After doses of the drug ramped up in May, the case-fatality rate (cfr) has been flat and the case-hospitalisation rate (chr) has increased.

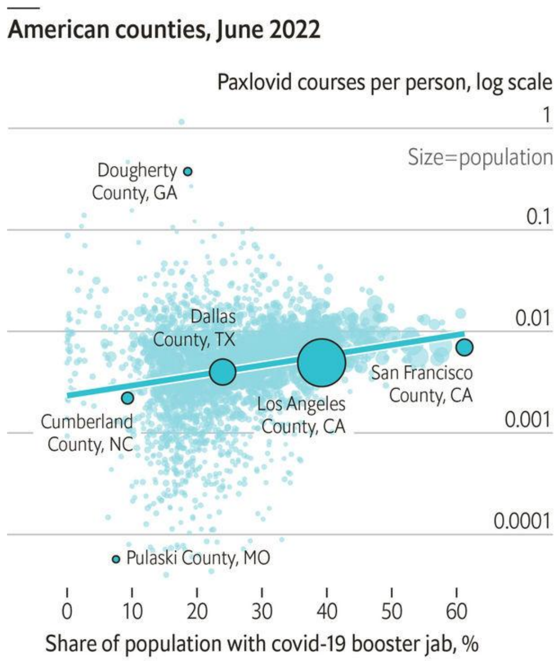
Other factors might have offset Paxlovid's benefits. Testing has fallen, which removes mild cases from the data and raises the cfr and chr. And the ba.5 sub-variant may be more virulent than other strains.



However, even a detailed analysis does not reveal many lives saved by Paxlovid. We built a model to estimate the share of people in a given county who die from covid each week, based on that county's case count and vaccination rate. We then measured how much the actual rates differed from these expectations, and compared those gaps with the statewide average.

If Paxlovid were saving lots of lives, the counties in each state that prescribed the most doses per person should have the greatest outperformance of expected death rates. Those with the fewest courses should have the worst underperformance. In fact, we found there was no difference.

Is Paxlovid overhyped? Changes in sars-cov-2's spike protein do not affect the method by which the drug blocks its replication. Pfizer's lab studies suggest it is effective against the Omicron variant.



Instead, the drug may not be reaching those who need it most. The counties prescribing Paxlovid the most tend to have high vaccination rates and few comorbidities, such as diabetes. On average, people in these areas are unusually likely to survive covid even without Paxlovid's help.

Paxlovid is rare in counties that have low vaccination rates, and where many are poor and unhealthy. People with covid in these areas may be less likely to seek out and obtain the drug when it is effective, during the first five days of illness.

If Paxlovid becomes as widespread as vaccines, it will save more lives. The news of Mr Biden's swift recovery might help. ■

All our stories relating to the pandemic can be found on our coronavirus hub.

Sources: Centres for Disease Control and Prevention; Global Health Data Exchange; healthdata.gov; New York Times; Rob Relyea, covidsafe.fyi; US Census Bureau; The Economist

Obituary

- **Darkness to light**

Darkness to light

Ko Jimmy was determined to make Myanmar free

The activist and writer was hanged by the military regime on July 23rd

Jul 27th 2022

For years after he first saw her, he could not forget her face. She was a schoolgirl, 16 then, in her green and white uniform; just one figure in a seething crowd of thousands protesting in Yangon in 1988 against the military regime. An army officer was bearing down on her, and she was aiming to kick his head. For Kyaw Min Yu, then only 19 himself, a third-year physics student and already a giver of rallying speeches, she was an indelible image of defiance.

He was arrested soon afterwards, and did not learn her name. But after seven years in Insein prison he heard that a new female inmate had arrived, jailed for organising protests. She was ill, with hypertension or a bad heart, and in the middle of the night he would be woken by her cries. As he later told America's National Public Radio, stressing the words like a mantra, it seemed to happen "daily, daily, daily". He could not bear to hear whatever was happening to her, his sister in the struggle.

With the help of a guard, he passed her a note to ask how she was. She was in solitary, enduring the dark nights with only the song of crickets to ease the silence. He wrote more notes, which grew into letters, and they began to meet, discussing political thinkers they liked and possible campaigns. Her name was Nilar Thein. After two years he proposed, and when they were released in 2005 he quickly married her. She was, of course, the schoolgirl he had seen.

It was then a brief time of hope in Myanmar, when the junta had announced a "road-map to democracy" and some prisoners were freed. Their romance soon became famous, but it was also, always, a political project. Kyaw Min Yu (now also known as Ko, or Brother, Jimmy), wanted to be a good husband and father, but a prisoner of conscience first. He was from Shan state, a beautiful, mountainous region with a strong tradition of rebellion; so much so that his father, though an official in the military government, made no move to stop him organising the student protests in Yangon. When he married Nilar Thein they accepted that they would be apart much of the time. When she became pregnant, he solemnly put his hands on her stomach and apologised to the baby in advance.

An apology was needed. By 2008 they were both in prison again, his "second home", though in places far apart. They were there because as leaders of the 88 Generation, veterans of the student protests, they had helped to stir up the Saffron revolution the year before: an outcry against the ending of fuel subsidies which had also brought thousands of Buddhist monks onto the streets. Again, the couple wrote letters to each other, as much to sense each other's bodies on the paper as to exchange their news. They were released in an amnesty in 2012.

This was the pattern. They were either in jail, or campaigning hard outside it. Occasionally they had to go into hiding, or darkness, as he called it. But they would "never stop, never stop, never stop". If he went to his favourite Yangon bar it was to sit at a table in the shadows, usefully drowned out by the live bands or the tv football, plotting with his 88 Generation friends. When his daughter had her fifth birthday party in 2012 the guests in the main room of their small, shabby flat, sitting cross-legged around the cake, had almost all been political prisoners. In that year he became an adviser to Aung San Suu Kyi, the pro-democracy leader, but Myanmar's future still felt alarmingly fragile. Ms Suu Kyi's party, the National League for Democracy, did better and better in elections but presided over turmoil, both economic and political. In 2021 the army removed her as de facto leader and took charge again.

Evidently he was needed once more. People's Defence Forces, a clutch of militias around 100,000 strong, had been loosely formed all over the country to resist military rule. According to the regime's trumped-up charges against him he was a chief mover of this "terrorist group" in Yangon, planning attacks on schools, power stations and government offices. In October he was arrested at a safehouse in North Dagon township; in January he was sentenced to death, and in June an appeal was rejected.

At 19, when he had first gone to jail, he had been full of rage. His anger, vented on the guards, had made prison an even darker place. Then he found himself sharing a cell with a monk, who taught him vipassana meditation. He had not explored that area of Buddhism before. Now, for an hour in the morning and again in the evening, he would review his emotions, not judging them but calmly observing them. He saw his guards now not as evil, but as poor illiterate men who dumbly followed orders. As he looked on them more kindly his beatings ended, and the guards began to smuggle in better food. They brought paper and pens for his writing, for that too was helping him survive. He eventually produced poetry, short stories and a novel about a political love affair; and when he set about translating "The Da Vinci Code", his guards gave him an English dictionary.

Naturally in a Buddhist country, he had invoked Buddhist teachings before. When the 88 Generation travelled round the country in 2006, gathering signatures for a petition to release all political prisoners, everyone had worn white, the colour of purity and learning of dharma, their sacred duty. Monks were his natural allies, both during the Saffron revolution and after it. His own demeanour was courteous, smiling and soft-spoken, his usual dress an uncreased check *longyi* and crisp white shirt. He did not dwell on his time in jail, expressed no bitterness, but focused on the present moment and what he could do in it.

His beliefs also put his efforts in perspective. At times it all seemed hopeless, as gleams of reform and democracy were continually snuffed out.

But he was a born optimist. He had called his daughter "Sunshine" in the firm hope that she would one day see a free Myanmar. Darkness to light. And besides, as he told his American interviewer, he had more than one life to achieve this: "another life...another life". And at the end of it all nirvana, true freedom, would certainly come to pass. ■

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