

The Economist

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Boomers: loaded and stingy

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JUNE 1ST-7TH 2024

**MEET AMERICA'S
MOST DYNAMIC
POLITICAL
MOVEMENT**



June 1st 2024

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The world this week

Politics

May 30th 2024



Getty Images

At least 45 people were killed in [Rafah](#) after an Israeli air strike hit a tent camp. Israel said it was targeting two Hamas commanders and that the other deaths were caused by secondary explosions. Palestinians claimed large bombs hit an area for displaced people. America said Israel's actions did not cross the administration's red lines and would not trigger a change in policy. Meanwhile, Hamas launched a rocket attack on central Israel, including Tel Aviv, for the first time in months.

The International Court of Justice [ordered Israel](#) to limit its military offensive in Rafah and cease any operations that may cause widespread civilian deaths and suffering.

An **Egyptian** soldier was killed, apparently by accident, in an incident involving the Israel Defence Forces and the Egyptian army in the border area near Rafah. Both sides are investigating the event. A few days later Israel took full operational control of the **Philadelphi corridor**, a strip of land between Gaza and Egypt, which Hamas uses to smuggle weapons. Israel found 20 tunnels crossing into Egypt near the corridor and 82 shafts.

A temporary pier built by America off the coast of **Gaza** to receive supplies of aid was damaged in rough seas. America said it would need to be taken to Israel for repair.

Early projections based on about 10% of votes counted suggested that the African National Congress might lose its parliamentary majority in **South Africa's** election. This would probably require it to form a coalition with an opposition party. Stockmarkets and the currency fell.

Peru's attorney-general's office filed a formal complaint against Dina Boluarte, the president, regarding the provenance of luxury watches she is fond of wearing. Ms Boluarte denied any wrongdoing in the scandal, dubbed Rolexgate, though Congress may act on the complaint.

Javier Milei, the president of **Argentina**, reshuffled his cabinet, naming Guillermo Francos as his new chief of staff. Mr Francos is seen as assertive and energetic, characteristics he will need to persuade Congress to approve Mr Milei's wide-ranging economic reforms.

In **Haiti** the governing council named Garry Conille as prime minister. Mr Conille held the office for seven months from 2011 to 2012. He has an extensive background in development, experience he will need in office as a multinational security force, led by Kenya, prepares to deploy troops in the country to help end months of violent chaos fomented by criminal gangs.

EU aren't allowed in

Venezuela's electoral commission said it would not allow observers from the European Union into the country to monitor a presidential election in July. The head of the commission said this was because of "genocidal" sanctions the EU has imposed on Venezuela. Observers from Latin America, the Caribbean and other regions will be granted entry.

Six months after a general election, Dick Schoof was chosen to be prime minister of the **Netherlands** by the new coalition government, which is headed by the hard-right Party for Freedom (PVV). Before his new job Mr Schoof was the most senior official in the Justice Ministry and he is a former chief of the Dutch domestic intelligence service. He will oversee a coalition consisting of the PVV, conservative-liberals, centrists and a populist farmers' party. The new government has pledged to reduce immigration.

A meeting of foreign ministers in the **European Union** reportedly called on Hungary to stop blocking aid to Ukraine, including a new €6.6bn (\$7.2bn)

package of measures. Lithuania's foreign minister accused the pro-Russian Hungarian government of systematically undermining the EU's foreign policy.

Meanwhile, Sweden said it would supply Ukraine with two early warning and control aircraft to bolster air defences. Belgium promised to provide Ukraine with 30 F-16 fighter jets by 2028, but for use only within Ukrainian territory. Volodymyr Zelensky has become frustrated with the conditions that some donors put on the deployment of their **weapons**. But France has joined a number of NATO members calling for a policy shift to allow the arms to be used against targets in Russia. Vladimir Putin warned that this would "lead to serious consequences".

A Russian guided bomb killed at least 16 people at a DIY store in **Kharkiv**, Ukraine's second city, where Russia has intensified its assault. An earlier missile strike killed seven people at a printing house that produced half of Ukraine's textbooks. Russia claimed to have captured two more villages, one in the Kharkiv region and one in Donetsk.

In [Hong Kong's largest national-security trial](#), 14 pro-democracy activists were convicted of conspiracy to commit subversion. Their crime was to have held an unofficial primary election in 2020 to improve their chances of winning control of the local legislature. Another 31 defendants pleaded guilty. Two were acquitted. Amnesty International described it as "a near-total purge of the political opposition".

Estimates of the death toll from a landslide in a remote part of **Papua New Guinea** ranged from the mid-hundreds to 2,000. Thousands of people were being prepared for evacuation amid fears of another landslide.

Respect your majesty

Thaksin Shinawatra, a former prime minister of **Thailand**, is to be indicted for remarks he made about a former king. He must appear in court to answer charges that he broke the kingdom's *lèse-majesté* laws, which forbid even mild criticism of the monarchy. Mr Shinawatra is accused of insulting the then king, Bhumibol Adulyadej, in an interview with Korean media nine years ago. He denies it.



Getty Images

Taiwan's government rejected a series of contentious procedural reforms pushed through parliament by opposition parties. The cabinet feared the law could be unconstitutional and said it would send it back to parliament to reconsider. Thousands of people took to the streets in protest against the measures that would curb the president's powers.

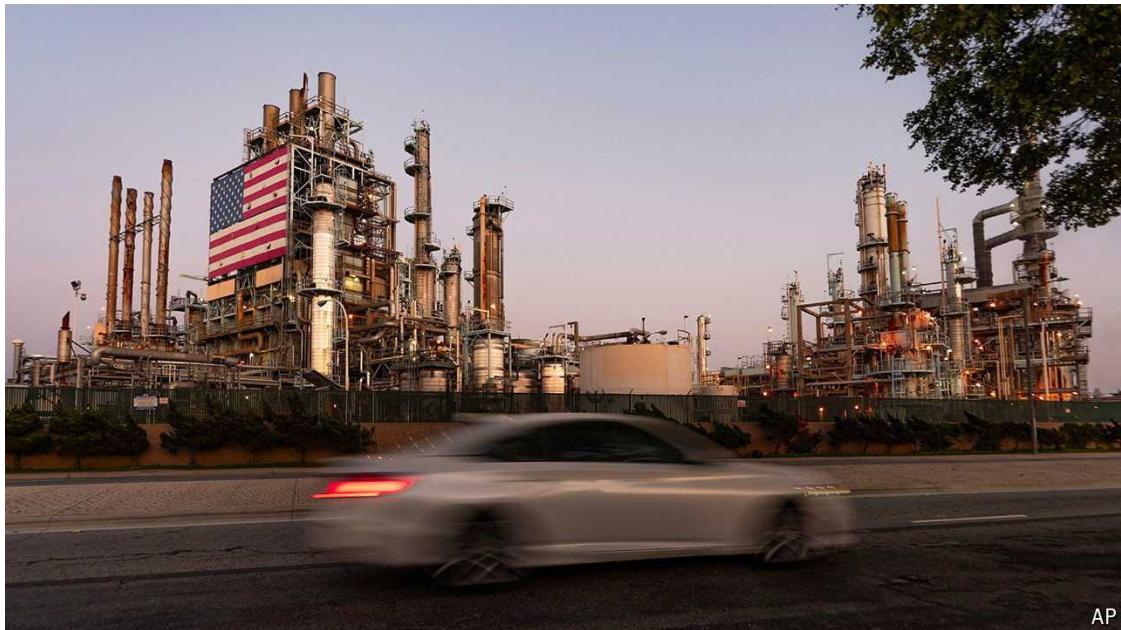
Temperatures in **Delhi** approached 50°C (122°F), the highest ever in the Indian capital. Officials said a severe heatwave would continue across much of north India, with little respite at night, and warned that people may suffer from heat stroke.

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The world this week

Business

May 30th 2024



AP

ConocoPhillips agreed to buy **Marathon Oil** in a deal they valued at \$22.5bn, making it the latest energy mega-merger in America. Oil and gas companies are consolidating in order to cut costs and boost their footprints. Marathon owns assets in Eagle Ford in Texas, Bakken in North Dakota, Permian in New Mexico and Texas, and in Oklahoma.

Shareholders in **Hess**, an energy exploration company, approved a controversial \$53bn takeover by **Chevron**. Hess holds a 30% stake in a big oilfield project off the coast of Guyana. Chevron's offer has been challenged by ExxonMobil, which owns a 45% stake in the Guyana project and claims it has the right to negotiate with Hess about the asset. ExxonMobil has started an arbitration process. ISS, a proxy-advice firm, had recommended that shareholders abstain from voting while arbitration was ongoing.

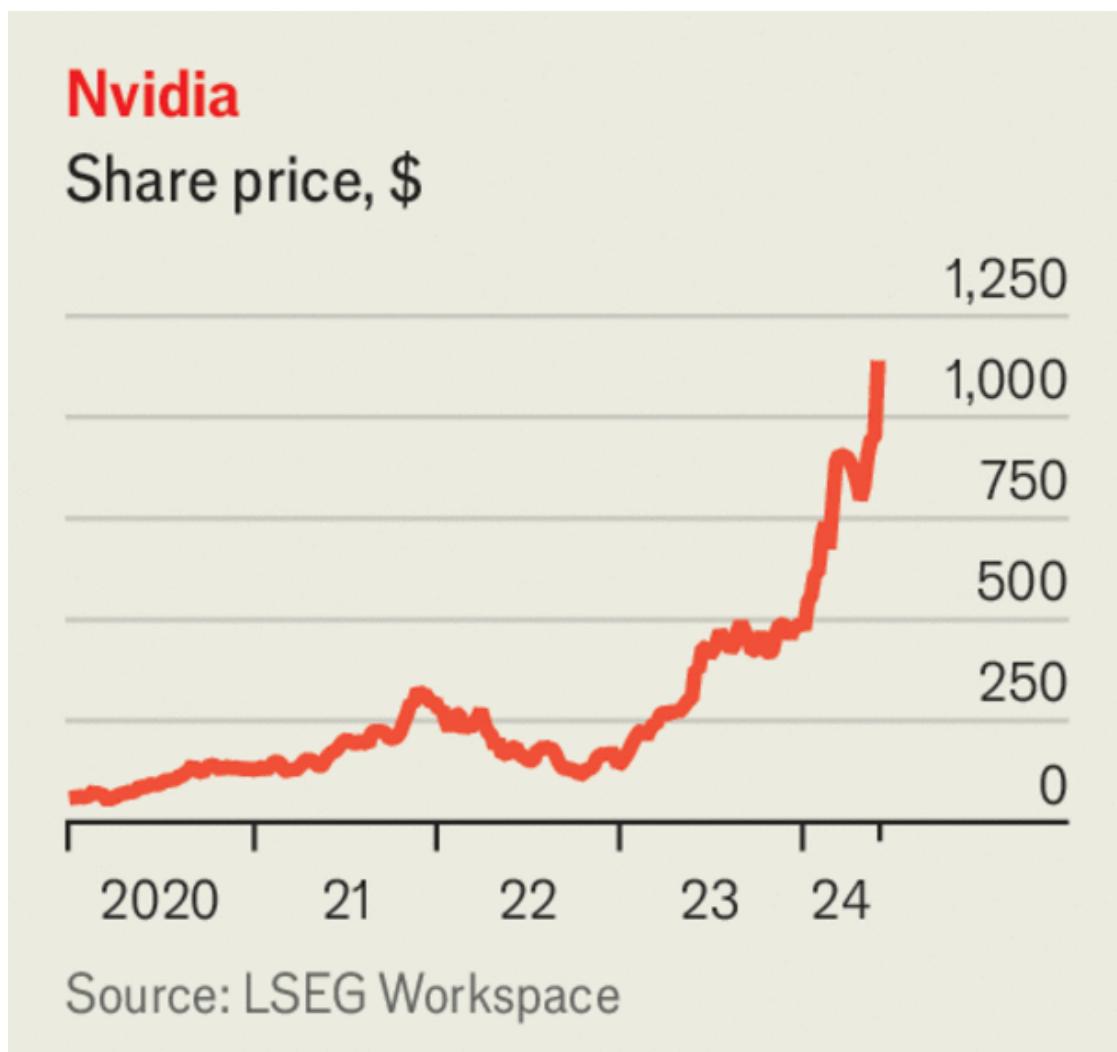
Wall Street is watching

ExxonMobil easily won the support of shareholders at its annual general meeting, fending off a challenge from green investors. Some influential shareholders, including CalPERS, a big public-pension fund in California, are

angry that the company is pursuing its lawsuit against two green-investment firms over their proposed resolution to force it to speed up cuts to emissions. The resolution had been withdrawn, but Exxon argues that such proxy votes are increasingly harmful to its business.

BHP's proposed takeover of **Anglo American** collapsed, after Anglo rejected an extension of a deadline for talks and said BHP's offer remained "unattractive". One of Anglo's concerns was that BHP would spin off mining assets in South Africa.

Elon Musk's [artificial-intelligence startup](#), xAI, raised \$6bn from investors, making it one of the most valuable competitors to OpenAI, despite being founded just a year ago. The venture is backed by investors in Saudi Arabia and Dubai and by Andreessen Horowitz and Sequoia Capital, two venture-capital firms. Grok, xAI's chatbot, is already integrated with X, Mr Musk's social-media platform.



The Economist

The NASDAQ Composite hit another record, closing above the 17,000 mark for the first time. The tech-heavy share index was boosted by the euphoria that greeted **Nvidia**'s latest stellar earnings. The AI chipmaker's share price has risen by more than 20% in a week, giving it a market value of more than \$2.8trn, not far behind Apple.

El Al, Israel's biggest airline, reported a big jump in quarterly profit. The carrier has seen a huge demand for its flights as some other airlines avoid Israel during the war with Hamas. El Al's boss said it was stretched to capacity.

The holding company of Daniel Kretinsky, a Czech businessman, reached an agreement to buy Britain's **Royal Mail** for £5.3bn (\$6.6bn). The offer to acquire the 500-year-old postal service comes amid campaigning in Britain's election, which is expected to be won by Labour. It will scrutinise promises by Mr Kretinsky to recognise the postal-workers' union and to deliver post anywhere in the country at the same cost to customers.

Is it really “a new beginning”?

The prime ministers of China and Japan and the president of South Korea held a summit, where they pledged to restart talks on creating a trilateral **free-trade agreement**. The three men also agreed to co-operate on export controls. Xi Jinping, China's leader, did not attend, raising questions about whether he was fully behind the proposals.

Meanwhile, China launched the third phase of its state-backed “Big Fund” to invest in **semiconductors**. The latest stage has raised \$47bn from government departments and Chinese banks. The first phase was launched in 2014 and the second in 2019.

Workers at **Samsung Electronics** are to down tools in industrial action for the first time. A union representing a fifth of the workforce wants all its members to take a day of paid leave on June 7th, and is threatening to hold a full strike unless the South Korean company agrees to its demands on pay and bonuses. In 2020 Samsung reversed its policy of discouraging unions from organising in its factories, amid growing scrutiny of its management practices.

“**Dungeon & Fighter**” reportedly generated \$140m in revenue in the week after its release in China, one of the country's biggest money-spinning debuts for a mobile game. Tencent, the publisher of “D&F”, had to postpone the launch in its home market when the government withheld the approval of new

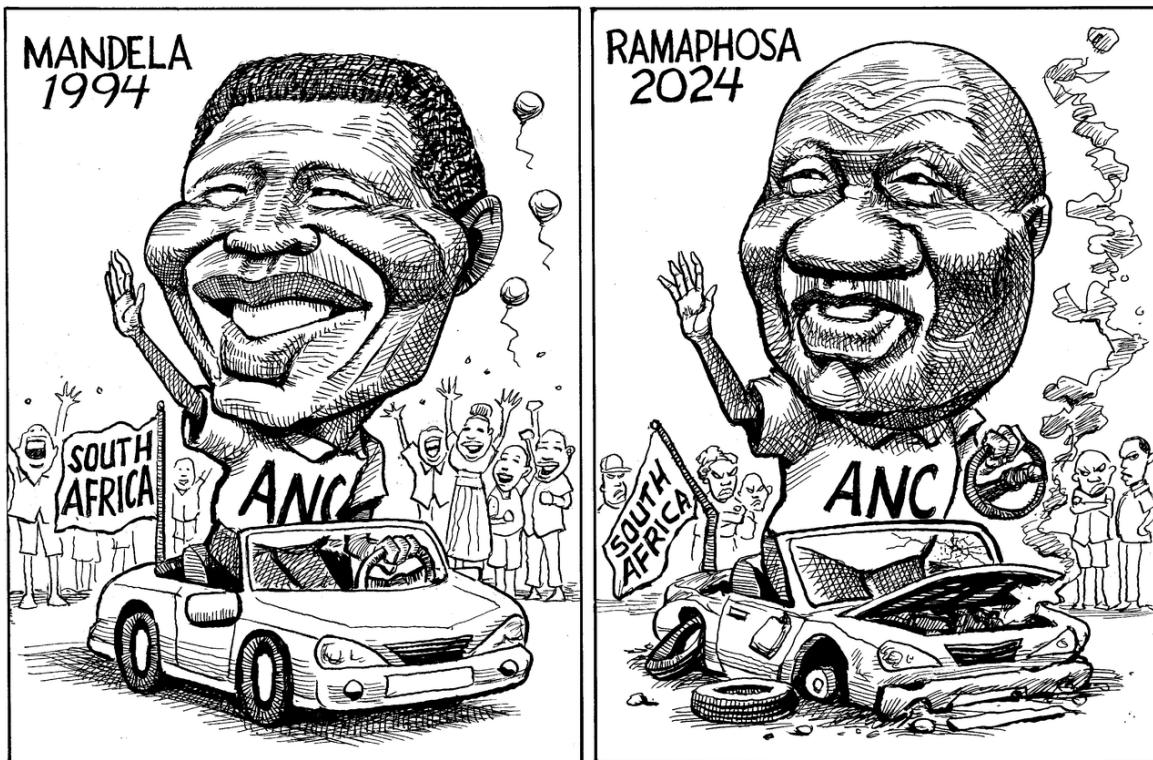
licences during its crackdown on the tech industry. The game, which was developed in South Korea, is wildly popular elsewhere.

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The world this week

KAL's cartoon

May 30th 2024



Economist.com

Kal

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

[How to save South Africa](#)

[Why this is South Africa's most important election since 1994](#)

From the archive: [Nkosi sikelel'i Afrika—and they'll need it](#) (1994)

KAL's cartoon appears weekly in The Economist. You can see last week's [here](#).

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The world this week | The Economist

This week's covers

How we saw the world

May 30th 2024

Will abortion swing America's election? In most of the world this week we put this new dynamic political movement on our cover. The *Dobbs* decision has set off a wave of activism that could help Joe Biden in November.

The Economist

Three women who will shape Europe

Boomers: loaded and stingy

Generation rent goes global

The stakes in Mexico's election

JUNE 1ST-7TH 2024

**MEET AMERICA'S
MOST DYNAMIC
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Leader: [The pro-choice movement that could help Joe Biden win](#)

Briefing: [The undoing of Roe v Wade has created a mighty political movement](#)

Keep reading: [The best books to explain America's debate on abortion rights](#)

Explore our interactive model: [How will sex, religion and other factors affect how Americans vote?](#)

In Europe, we turned to the three women who will shape the continent. Ursula von der Leyen, Giorgia Meloni and Marine Le Pen encapsulate the dilemma of how to handle populism as it pushes into the mainstream. The European elections threaten the continent's ability to get things done at a time of rising insecurity.



Leader: [The three women who will shape Europe](#)

More reporting: [The rise of the hard right threatens Europe's political stability](#)

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Leaders

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- [The pro-choice movement that could help Joe Biden win](#)
- [What penny-pinching baby-boomers mean for the world economy](#)
- [Japan and South Korea are getting friendlier. At last](#)
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Leaders | Von der Leyen, Meloni and Le Pen

The three women who will shape Europe

At a crucial moment they encapsulate the dilemma of how to handle populism

May 30th 2024



In a dangerous world, comfortable old Europe finds itself in an alarming position. In Ukraine the continent's bloodiest war since 1945 rages on, while Russia poses a menace from the Baltics to cyberspace. If Donald Trump returns to the White House, he could undermine NATO, the foundation of European security. The continent's economy is vulnerable to shocks caused by industrial policy and protectionism elsewhere. Eurosceptic populists are riding high in the polls.

To face these perils Europe needs, at a minimum, coherent leadership at the EU level. It also needs to keep extremists out of power. Whether it succeeds rests in part on the choices of three women: Ursula von der Leyen, the president of the European Commission, Giorgia Meloni, Italy's prime minister, and Marine Le Pen, the leading French populist.

Start with Mrs von der Leyen, who has led the EU's executive arm since 2019 and is standing for a second term. She deserves one. She has done a good job: marshalling the EU's strong collective response to Vladimir Putin's aggression, and helping to deepen European integration at a crucial time, for example by pushing a ground-breaking programme to issue common debt. A cool-headed German conservative, she has also put the European Commission at the heart of decision-making when Franco-German relations have been prickly. Given the threats, the need for strong, unified leadership has never been greater.

To win a second term, she first needs the support of the EU's 27 national leaders. Then she must obtain a majority in the European Parliament, which is holding elections on June 6th-9th, with over 350m citizens eligible to vote. In theory she will enjoy the backing of the conservative, liberal and socialist groupings that form the political establishment. But because politics has become so fragmented, these three groupings are collectively projected to win only a slim majority of seats, and some of their members of parliament may break ranks. Mrs von der Leyen barely scraped through her first vote, in 2019. This time victory is not assured.

That brings us to Ms Meloni, Italy's prime minister since 2022 and the leader of the hard-right Brothers of Italy party, which has gone from being an insurgent force to running the country. It is expected to do well in the EU elections. With its support Mrs von der Leyen could stand a better chance of winning a parliamentary majority for a second term in the top EU job. She has been busy courting the Italian. "I have been working very well with Giorgia Meloni," she said on May 23rd.

Those words, and the idea of any kind of pact that includes the Brothers, have outraged liberals and establishment figures, including some in the ruling Social Democratic Party in Germany and Emmanuel Macron's party in France. For them Ms Meloni is beyond the pale. She pals around with Viktor Orban, Hungary's strongman, and other unsavoury types. She lends credence to racist conspiracy theories like the "great replacement". She has likened the EU to the Soviet Union. In short, she is exactly the kind of hard-right figure who must be excluded from decision-making, many grumble.

Ms Meloni certainly has many objectionable policies and qualities. Nonetheless, to rule out working with her as a matter of principle would be myopic. Her track record is not that of a political arsonist. She has made common cause with Mrs von der Leyen on matters such as illegal immigration; the two women have paid joint visits to north African countries, striking deals with autocrats to stem the flow. She has been a stalwart supporter of Ukraine, unlike some of her fellows on the populist right. Her party fights culture wars at home, but on security and the economy she has run Italy as a pragmatist. She should not be shut out of the political mainstream.

What is more, striking a deal with her could have an added advantage: splitting the populist right between its more moderate and extreme elements. That is where Ms Le Pen comes in. Her party, National Rally, is expected to do well in the European election, too. Ms Le Pen has tried to rebrand herself as a mainstream figure, but don't be fooled. She is a firebrand with a long history of xenophobia and sucking up to Russia. She wants to create a mega-group of nationalists that could yank Europe hard to the right. To do this, she wants to team up with Ms Meloni.

Far better to lure Ms Meloni towards the centre instead. That would hobble Ms Le Pen's plan and fragment the hard right. Already the Alternative for Germany has partially imploded after its lead European candidate seemed to make light of Nazi crimes. Disempowering Ms Le Pen might also diminish her appeal in France, where her party leads the polls ahead of national elections in 2027. The prospect of a President Le Pen is unnerving.

After the European election result, the haggling could drag on for months and will test Mrs von der Leyen's skill. The stakes are high. One path could deliver stable leadership at the EU level, and show how moderates can grapple intelligently with the populist right. The question is no longer whether the populists can be contained. It is how to respond to their rise. Ms Meloni is keeping her cards close to her chest. But it would be odd if

someone who is clearly more interested in power than posturing were to consign herself to Europe's margins.

Triple trouble

The alternative path could be disastrous. European politics has become so fragmented that it is conceivable that no parliamentary majority will be found for Mrs von der Leyen or any other candidate for the commission presidency. That would spark a constitutional crisis at the worst time, as Ukraine is embattled and a possible Trump presidency looms. Furthermore, if Ms Meloni sees nothing to be gained from working with the centre, she may be tempted to work with Ms Le Pen. If they make the wrong choice, Europe's centrists could destabilise the EU and help create what they have long feared: a united, pan-continental far-right movement. To avoid that, it would be worth dealing with Ms Meloni. ■

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Leaders | Revolt of the reasonable

The pro-choice movement that could help Joe Biden win

A backlash against abortion bans is energising the middle ground in America

May 30th 2024



ABOUT TEN THOUSAND women eligible to vote in this November's elections were born before women won the right to vote. In the century since then, American women have steadily accumulated rights. In the 1960s the contraceptive pill let women choose how many children they had. In the 1970s no-fault divorce laws and *Roe v Wade* gave women more choices that had been denied to their mothers. This progress seemed irreversible, and was often taken for granted. Then, two years ago, the Supreme Court overturned *Roe*, throwing the question of allowing or disallowing abortion back to the states. It turns out that rights can be taken away, too.

A third of American women aged 15-49 now live in states where abortion is either illegal or impossibly restricted. Some states have passed statutes so severe and vaguely drafted that doctors fear they may be forced to choose between risking a patient's life—in the case of a dangerous miscarriage or complicated pregnancy—and risking breaking the law.

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Read more of our coverage of the [US elections of 2024](#).

Yet gloomy as this reversal seems, it has also given rise to America's most dynamic new political movement: a revolt of millions of Americans who think government has little business inserting itself into private decisions. For many women that movement will restore or fortify the freedom to choose. It could also, perhaps, sway the presidential election.

Dobbs, the Supreme Court decision that overturned *Roe*, has been an own goal for the anti-abortion movement. Surprisingly, the number of abortions has risen slightly since it was announced. Though some states promptly banned the procedure, others made it easier to obtain. Also, the federal drug regulator has allowed abortifacient pills to be prescribed by mail, giving millions of women (including some in anti-abortion states) easier access to early-term abortions than they had before. However, for millions of other women, getting a legal termination has become much harder. The result of the court's decision, then, has been to assign people more or less choice depending on where they live.

Outrage has given rise to a [grassroots political movement](#). It involves more Americans than any such uprising since Black Lives Matter in 2020 or the Tea Party more than a decade ago. However, it is better organised and has clearer goals. Its foot soldiers carry clipboards. Tens of thousands of

volunteers have gathered millions of signatures to put abortion rules to state referendums. The movement has already had success in some surprising places, such as Ohio and Kansas. As many as 16 states could hold abortion referendums on the same day Americans will pick their next president.

Only 24 of the 50 states allow citizen-led ballot initiatives, so the patchwork of state campaigns is a poor substitute for a federal law. But by the end of 2024, if all the initiatives make it onto a ballot, most American women of reproductive age will have had a chance to vote on abortion since *Dobbs*. Florida is crucial. It is the third-most populous state and, until a strict ban came into force in May, it was a place to which many women came from other states to seek terminations, since the procedure is illegal and sure to remain so in much of the South.

If the pro-choice movement's only effect was on American women's health, it would be worth taking seriously. If it also helps President Joe Biden win re-election, it will have global consequences. Could the backlash against *Dobbs* keep the man whose judicial appointments made it possible, Donald Trump, out of the White House?

Maybe. Few voters are enthusiastic about Mr Biden. A mass movement in support of a goal his party shares ought to boost the turnout of Democrats. Abortion referendums in Arizona and Nevada, two swing states, could spur marginal centrist and left-leaning voters to make their way to a polling station. Many Americans believe the economy is weaker than it is and also blame the president for high prices, so giving them an alternative reason to show up to vote is helpful. In a tight race, even a modest boost could be decisive, and abortion seems likely to help the Biden campaign more than it harms it.

Yet the odds are still that it won't be enough. If pro-choice referendums pass, it will often be because pro-choice Republicans, a group whose opinions get squashed in their own party, showed up to back them. Most will vote for legal abortion—and for Mr Trump. Polls say that Mr Biden is losing in the swing states. That suggests voters can separate their views on abortion from their party preference. If overall turnout is high, abortion will matter less, because the enthusiasm of pro-choice voters will be drowned out. If turnout is low they will count for more, benefiting Mr Biden.

For most of the world, the election is what matters: billions are bracing for another four years of Trumpian fireworks. But for Americans, it should be heartening that the pro-choice movement is tackling a central failure of

American politics. On many issues, especially those related to the culture wars, American attitudes are little different from those in other rich democracies, but federal lawmakers do a lousy job of reflecting them. Most Americans want abortion to be legal early in a pregnancy but illegal later on. Yet extremist minorities in Congress block compromise of this sort. So even if Democrats were to win the presidency and both chambers of Congress in November (which is unlikely), they would still be unable to pass a national abortion law that aligns with public opinion. This dynamic also explains why it took until two years ago to pass a federal gay-marriage law, a decade after Britain and France had done so, and also why states are going their own way on marijuana legalisation while Congress dithers.

Sign here

Thus, this new movement shows a different side of American politics. It is not made up of keyboard warriors vying for attention online, but of people giving up their weekends and evenings to try to persuade their neighbours of an idea they hold deeply. It is participatory and local, the kind of thing that de Tocqueville raved about after visiting the country back in 1831. It is how democracy in America is supposed to work. ■

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Leaders | Prudent pensioners, profligate politicians

What penny-pinching baby-boomers mean for the world economy

They are saving like never before. But even that may not bring interest rates down

May 30th 2024

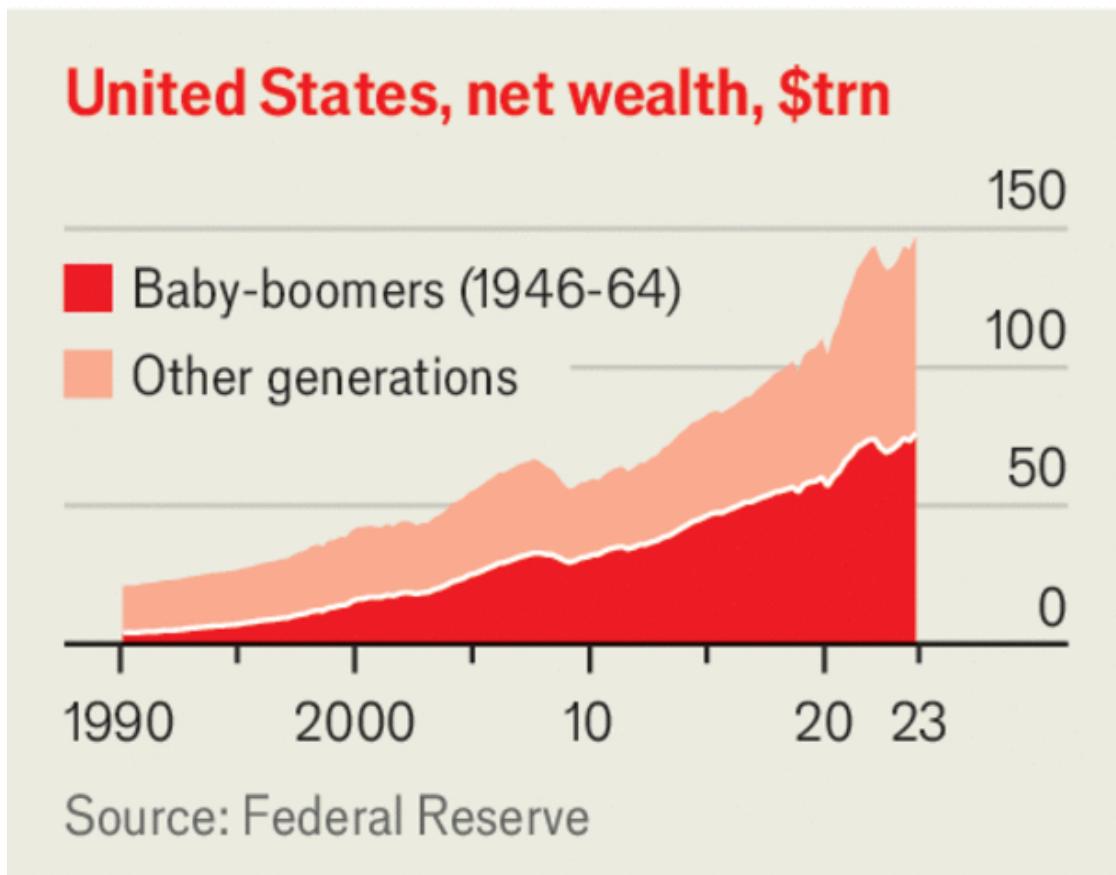


Vincent Kilbride

THE WEST'S baby-boomers are the richest generation ever to have lived—but they do not spend like it. Instead, as we [report this week](#), the elderly are squirrelling away money, motivated by ever-longer retirements, the risk that they will need to pay for old-age care, the inevitable uncertainty about how long they will survive and the desire to pass on assets to their children (see Finance & economics section). Whereas in the mid-1990s Americans aged between 65 and 74 spent 10% more than their income, the same age group has been a net saver, in aggregate, since 2015. A similar picture is found across the rich world, from Canada to Japan. A generation sometimes associated with luxury cruises and Château Margaux is in fact unusually miserly.

That matters because retirees are so numerous and rich that their behaviour can drive capital markets. America's boomers, defined as those born between 1946 and 1964, have a net worth of \$76trn, or over \$1m per person. For decades their saving for retirement has helped drive down interest rates, which in the

long run must move to equilibrate savings and investment globally. But economists had speculated that, upon reaching the end of their careers, boomers would open their wallets, causing this trend to reverse. Some even worried that retirees liquidating assets en masse in order to splurge could cause an asset-market meltdown.



The Economist

No such reversal appears to be taking place. At first glance, that supports the thesis that interest rates, which have been stubbornly high this year as central banks have struggled to vanquish inflation, will soon fall steeply. Globally, there is still much more ageing and saving to come. One group of academics estimates that the downward pull on rates from demographic change is getting stronger, not weaker as the century progresses, thanks to ageing in big economies such as China, Japan, Germany and, in time, India.

The trouble is that private saving is only one driver of interest rates. Nobody would be more relieved if rates fell than indebted governments. But long-term bond yields are high partly because government finances are in such a parlous state that their debts could sop up the savings tsunami. America's public debts are forecast to grow half as much again as its economy over the next decade, to

\$48trn (116% of GDP). The budgets of one-third of the rich world are on a course that is unsustainable over the long run.

In part the excessive borrowing reflects rising government spending on the old, either through universal benefits like free health care and pensions or targeted handouts for retirees who are not rich. (Although boomers are well-off on average, the hard-up old are still numerous in absolute terms.) It also stems from the enormous need for green investment to achieve net-zero carbon emissions, as well as increased spending on repatriating sensitive supply chains and bolstering defence. The IMF estimates that rich countries face additional annual spending needs of 6-7% of GDP by 2030. Higher private-sector investment in pursuit of these goals will also affect the balance between savings and investment, as will booming capital expenditure on artificial-intelligence infrastructure.

It is increasingly unlikely that savings, even those of ageing and elderly populations, can fund all of this cheaply, especially with governments turning protectionist and wasting money on inefficient industrial policies. The global appetite to invest could outpace the demand to save—even that of the surprisingly stingy boomers. ■

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Leaders | Eastern promise

Japan and South Korea are getting friendlier. At last

As the world economy fragments, two export powerhouses see the virtue of chumminess

May 30th 2024



Getty Images

Not long ago, relations between Japan and South Korea were dismal. Between 2018 and 2021 they bickered over compensation for Japan's abuse of Koreans as forced labourers during the second world war. Tit-for-tat trade curbs and boycotts of goods followed; intelligence-sharing was put at risk.

Fast forward three years, and things are much friendlier. On May 27th Yoon Suk-yeol, South Korea's president, and Kishida Fumio, Japan's prime minister, met Li Qiang, China's premier, for the first trilateral summit in four years. The two leaders held a similar gabfest with America's president, Joe Biden, last year, and are due to do so again in July. It helps that Mr Yoon and Mr Kishida get along far better than their predecessors did. But the newfound amity goes beyond personalities. It reflects a growing realisation that, at a time when America and China are turning inward, the

two export powerhouses have many interests—and challenges—in common.

Like other countries, Japan and South Korea are figuring out how to navigate the ever-stormier relationship between America and China. Uncle Sam provides them with security, in the face of Chinese and North Korean threats. Yet China is their biggest trading partner. Both countries have a lot to lose should the superpowers turn their backs on global commerce. Their home markets are relatively small and, given their ageing populations, sluggish. Exports amount to 22% of Japan's GDP and 48% of South Korea's, well above the 12% for America. Less than a quarter of the sales of Samsung and Toyota, the most valuable South Korean and Japanese companies, respectively, are domestic.

Both countries are therefore firm advocates of global trade. And their heft in manufacturing supply chains means that together they can temper the worst instincts of the superpowers. Because America's industrial policy relies on luring East Asian chipmakers, battery manufacturers and electric-vehicle firms to its shores, their lobbying could help limit the more protectionist elements of American trade policy. Although recipients of handouts from America's Inflation Reduction Act are barred from using Chinese graphite, South Korean battery-makers recently wangled a two-year reprieve.

Japan and South Korea will also push back where their economic interests do not align with America's. Both have concerns about a more belligerent Beijing, but are keener than America to stay open for business. The White House would like them to implement stricter restrictions on exports to China of chips and the parts to make them. But neither is keen to hamstring its exporters in a huge market. And since Mr Biden came out against Nippon Steel acquiring US Steel, Japanese and Korean executives have become more fearful that American protectionism will turn against them, too.

Perhaps as a consequence, Japan and South Korea are doing more business with each other (and links with Taiwan, another big manufacturer, are strengthening too). They have agreed jointly to build a supply chain for hydrogen; firms including Samsung are setting up facilities in Japan. Tae-won Chey, the chairman of SK Group, South Korea's second-largest conglomerate, has even proposed a European-style single market between the two countries—a praiseworthy, if distant, ambition.

The newfound friendship is fragile. A dispute is brewing over cross-border investment, with Japan pressing a South Korean tech firm to divest from a local venture owing to cyber-security concerns. Mr Yoon and Mr Kishida will not be in office for ever; relations could sour again. That would be unfortunate. The second world war ended nearly 80 years ago. Japan and South Korea are now fellow democracies in a dangerous neighbourhood. Their governments need to stop quarrelling about the past and work together in the present. Warmer ties would be good for them both, and for the world. ■

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Leaders | Mark a cross

Incompetence or opacity: the choice facing British voters

The first week of the election campaign points to a failure of political competition

May 29th 2024



The Economist/Getty Images

There are still five weeks to go until polling day on July 4th. Nothing is certain until the ballots are counted. But the first week of the British general-election campaign has conformed almost exactly to type. That is bad news for the Conservatives, good news for Labour and worrying for Britain.

The Tories have so far campaigned as they have governed—badly. They have been typically fractious: Tory MPs have moaned about Rishi Sunak's decision to call the election, disavowed campaign proposals and, in one case, suggested that voters plump for a different party altogether.

See our other coverage of [Britain's election](#), including our [poll tracker](#), updated daily

Mr Sunak is full of what he calls “bold ideas”. But audacity is not a virtue in itself: cheese-flavoured toothpaste is a bold idea. Mr Sunak’s most eye-catching proposal so far is to introduce a form of national service, in which British 18-year-olds would either spend time in the military or undertake “volunteer” work. There is a serious debate to be had over how best to buttress the armed forces but it is impossible to take this particular proposal seriously. Basic questions of enforcement have not been thought through. The idea had been ruled out by the government only days before; funding for a precursor scheme had been cut.

Such inconsistency is part of a long-standing pattern. After 14 years in power, there are few policies that the Tories have not tried and then backtracked on. They have espoused fiscal discipline and tried unfunded tax cuts. They have legislated for net zero and now rail against “eco-zealots”. They have cut corporation tax and then raised it. They have raised national insurance and then cut it.

The Tories are also turning further inward. Their main goal seems to be to fend off Reform UK, a party on their right flank, by shoring up support among pampered older voters. As well as taking aim at feckless teenagers with a bracing dose of national service, the Tories have proposed raising pensioners’ personal tax allowance so that the state pension can continue to rise without incurring income tax (reversing another earlier policy). It will be a mild surprise if Mr Sunak does not soon call for the reintroduction of Pathé News. None of this is the mark of a party grappling with serious issues. At the previous general election the crossover age where voters became more likely to vote Tory than Labour was 45. At the next one it will be 69.

All of this is plainly good news for the Labour Party. Fractiousness, inconsistency and insularity are not likely to propel the Tories to a historic electoral comeback. But a lopsided contest risks letting Labour off the hook. For it has plenty of questions of its own to answer.

The government’s current spending assumptions imply real cuts to departments that have already been cut to the bone. Rachel Reeves, the shadow chancellor of the exchequer, promises no repeat of austerity but has also ruled out any big tax rises. Labour wants to slash waiting lists in the National Health Service but has said nothing of substance about social care, the bit of the system that leaves patients clogging up hospital beds. Labour needs economic growth but its planning proposals look thin and its labour-market reforms risk hurting one of Britain’s strengths.

Having it both ways is politically sensible. It may well be enough to deliver Labour a crushing victory. But none of this serves the country well. Election campaigns are meant to stress-test candidates and parties. On the evidence of the first week, that will not happen. The Tories appear incapable of providing proper competition. As a result, Labour can afford to remain worryingly opaque. ■

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Letters

- Letters to the editor

Letters | On Singapore, Arab armies, China, romantasy, immigration, car names

Letters to the editor

A selection of correspondence

May 30th 2024



Letters are welcome via email to letters@economist.com

Land use in Singapore

The list of measures through which Lee Kuan Yew transformed Singapore should also include the public ownership of land (“[New management in Singapore](#)”, May 11th). The Land Acquisition Act of 1966 allowed the state to acquire land for any public purpose at existing use value. By 2002, 90% was in public ownership, and had been used to create industrial and commercial parks, affordable housing and outstanding public infrastructure, including a first-class airport and a shipping port.

The leasehold premiums paid continue to contribute substantially to the investment income coming from Temasek and other state-fund managers, now contributing 20% of the country’s operating budget, which incidentally does not suffer the burden of interest on debt. Lee was determined that any uplift in

land value after development (especially when facilitated by public investment) would accrue to the state rather than private interests.

Land is perhaps a country's most valuable asset, and its value (distinct from the earnings from productive investment placed on it) should be used to defray the public expenses, as supported by Adam Smith, John Stuart Mill, Milton Friedman, Joseph Stiglitz and others. State ownership of land is not essential. The value of land can be collected through an annual levy on its rental value, leaving entrepreneurs and homeowners with the security of tenure granted by their titles.

DR ANDREW PURVES
Research fellow
Bartlett School of Planning
University College London



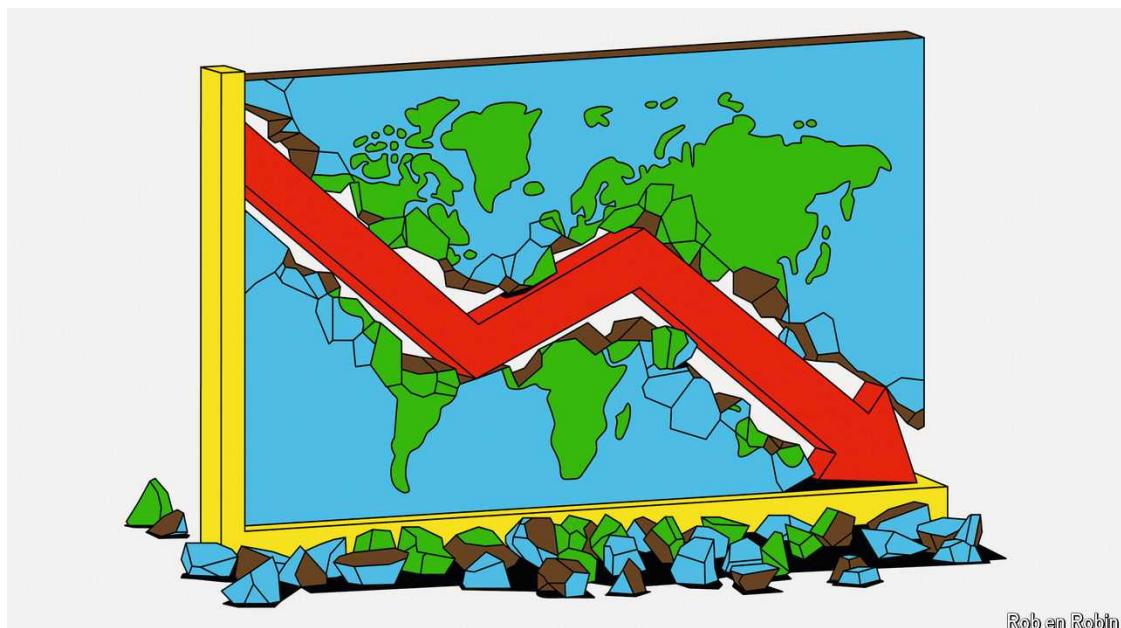
Military vanity projects

Why are Arab armed forces so ineffective, you asked ([“Land of the lousy”](#), May 11th)? One important factor is the lack of governance. The most effective armies in the world are subject to proper governance. In democratic systems, public oversight of the security sector ensures that money is well spent and military leaderships are accountable to citizens. In some autocratic systems, such as China or Russia, rulers ensure that competent civil servants oversee the military apparatus to make them fit for purpose, yet their armies are still less efficient than liberal-democratic ones.

In the Middle East, no governance systems or controls are in place. As you said, Arab leaders “often splurge on vanity equipment” to gain influence with Western partners. In fact, those vanity decisions remain unchallenged by the checks and balances of a democratic system.

In some cases, such as Egypt or Algeria, the armed forces in effect rule the country in a way that puts the political system at their service and not the other way round. Either way, Arab leaders are ruling but not governing.

ANDREA CELLINO
Senior fellow
Head of North Africa
Middle East Institute Switzerland
Geneva



China is setting the rules

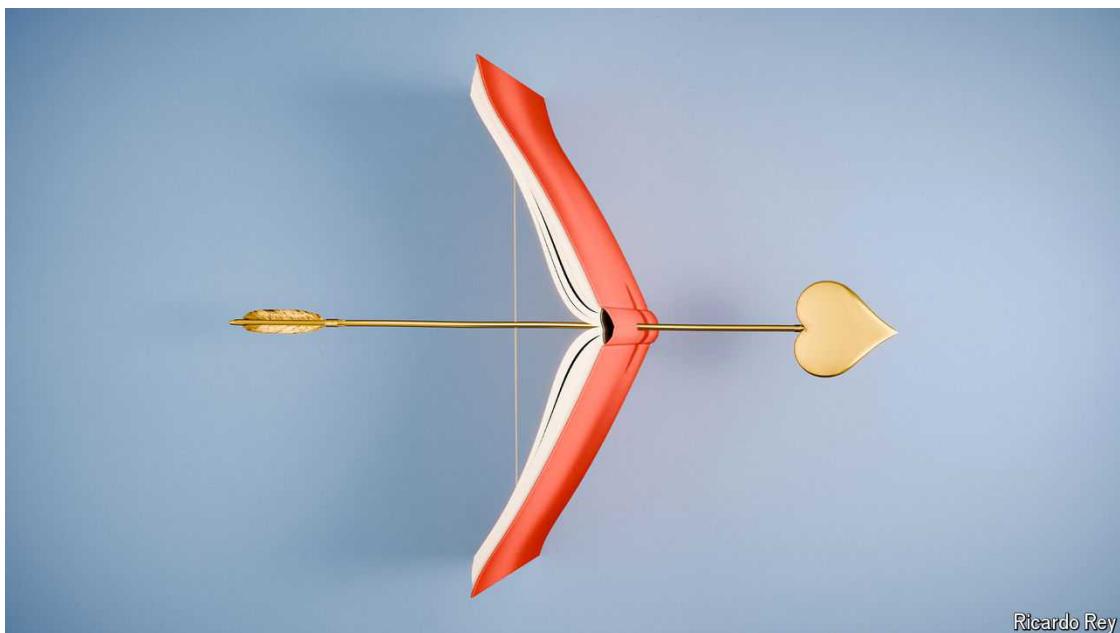
Your briefing on the unravelling of the international rules-based order that has governed the global economy since the second world war is a must-read in every course on global business, international studies and geopolitics (“[The great regression](#)”, May 11th). I challenge your conclusion, however, that once the existing system is broken it is unlikely to be replaced by other directives. A new form of global capitalism is in the making, which includes new rules of the game set by Beijing.

See, for example, the Asian Infrastructure Investment Bank and the New Development Bank that bypass traditional multilateral financial institutions,

the China International Commercial Court to adjudicate legal disputes, China's stamp on the International Maritime Organisation's standards, Chinese-operated special economic zones that avoid local laws and governance, and China's digital sovereignty laws targeting infrastructure, data and internet protocol.

There is something to be learned from the Chinese 21st-century experiment in global capitalism, as unsettling as that may be for the established world order.

PATRICE FLYNN
Distinguished university professor
Bolte School of Business
Mount St Mary's University
Emmitsburg, Maryland



A promise of fire

Novels combining fantasy and romance exist in a continuum of excellence and originality, as does most fiction. Some “romantasy” authors can be relied on to produce novels that are extremely well-written, with dense, fresh plots, engaging and developing characters, and clever dialogue. You might have mentioned (“[Feeling horny](#)”, May 4th) as further examples of the genre the award-winning series of Seanan McGuire and the sexier output from the “Ilona Andrews” husband and wife writing team.

PEG HEALY
Albany, California



How immigrants contribute

Measuring the skills of immigrants tells us little about how they are actually being incorporated into the economy (“[Thousands are flying](#)”, May 4th). A substantial portion of immigrants are filling essential-worker jobs, regardless of their education level.

The economy would function poorly without them. Economic growth would be constrained. There would be huge negative impacts in industries with labour shortages, such as child care and health care. Using skills as a measure also ignores intergenerational mobility. The wide literature on the improvements in income and occupational status achieved by the second- and third-generation members of immigrant families suggests that the cascading fiscal impacts are net-positive.

The big picture is that America, like most of Europe, has entered a period of sustained labour scarcity, with a shrinking population of young, working-age native-born residents and a birth rate well below the replacement level. Viewed in this larger context, why quibble over how much human capital immigrants bring us when they step off the plane?

WAYNE CORNELIUS
Director emeritus
Centre for Comparative Immigration Studies
University of California, San Diego



And the Nissan Friend-Me?

When it comes to asinine car names ("[Marque to market](#)", May 18th) the VW up! is in a league of its own, thanks to that enigmatic exclamation mark. The Dacia Duster always raises a laugh. The Kia Sportage sounds like a healthy broth that might be served to the mayor of Casterbridge.

PETER CAIN

Trier, Germany

Your article on unfortunate car names was only slightly dimmed by one omission. As the BBC's Middle East correspondent in Jerusalem, I drove a Mitsubishi Pajero, which as far as much of my audience and many in the region were concerned, was all too appropriate.

TIM FRANKS

London

The Audi e-tron is similar to the French word *étron*, which translates to excrement or turd, neither of which is particularly enticing for a car. Then again, if the car doesn't work well, the dealer can always say you knew you bought a load of crap.

SETH FRANKEL

Luxembourg City

The Audi e-tron oddly has not caused much of a stink here.

MARK SADOFF
La Garenne Colombes, France

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By Invitation

- AI firms mustn't govern themselves, say ex-members of OpenAI's board
- OpenAI board members respond to a warning by former members

By Invitation | Artificial intelligence

AI firms mustn't govern themselves, say ex-members of OpenAI's board

For humanity's sake, regulation is needed to tame market forces, argue Helen Toner and Tasha McCauley

May 26th 2024



Dan Williams

CAN PRIVATE companies pushing forward the frontier of a revolutionary new technology be expected to operate in the interests of both their shareholders and the wider world? When we were recruited to the board of OpenAI—Tasha in 2018 and Helen in 2021—we were cautiously optimistic that the company's innovative approach to self-governance could offer a blueprint for responsible AI development. But based on our experience, we believe that self-governance cannot reliably withstand the pressure of profit incentives. With AI's enormous potential for both positive and negative impact, it's not sufficient to assume that such incentives will always be aligned with the public good. For the rise of AI to benefit everyone, governments must begin building effective regulatory frameworks now.

If any company could have successfully governed itself while safely and ethically developing advanced AI systems, it would have been [OpenAI](#). The organisation was originally established as a non-profit with a laudable mission: to ensure that AGI, or artificial general intelligence—AI systems that are generally smarter than humans—would benefit “all of humanity”. Later, a for-profit subsidiary was created to raise the necessary capital, but the non-profit stayed in charge. The stated purpose of this [unusual structure](#) was to protect the company’s ability to stick to its original mission, and the board’s mandate was to uphold that mission. It was unprecedented, but it seemed worth trying. Unfortunately it didn’t work.

Last November, in an effort to salvage this self-regulatory structure, the OpenAI board dismissed its CEO, Sam Altman. The board’s ability to uphold the company’s mission had become increasingly constrained due to long-standing patterns of behaviour exhibited by Mr Altman, which, among other things, we believe undermined the board’s oversight of key decisions and internal safety protocols. Multiple senior leaders had privately shared grave concerns with the board, saying they believed that Mr Altman cultivated “a toxic culture of lying” and engaged in “behaviour [that] can be characterised as psychological abuse”. According to OpenAI, an internal investigation found that the board had “acted within its broad discretion” to dismiss Mr Altman, but also concluded that his conduct did not “mandate removal”. OpenAI relayed few specifics justifying this conclusion, and it did not make the investigation report available to employees, the press or the public.

The question of whether such behaviour should generally “mandate removal” of a CEO is a discussion for another time. But in OpenAI’s specific case, given the board’s duty to provide independent oversight and protect the company’s public-interest mission, we stand by the board’s action to dismiss Mr Altman. We also feel that developments since he returned to the company—including his reinstatement to the board and the departure of senior safety-focused talent—bode ill for the OpenAI experiment in self-governance.

Our particular story offers the broader lesson that society must not let the roll-out of AI be controlled solely by private tech companies. Certainly, there are numerous genuine efforts in the private sector to guide the development of this technology responsibly, and we applaud those efforts. But even with the best of intentions, without external oversight, this kind of self-regulation will end up unenforceable, especially under the pressure of immense profit incentives. Governments must play an active role.

And yet, in recent months, a rising chorus of voices—from Washington lawmakers to Silicon Valley investors—has advocated minimal government regulation of AI. Often, they draw parallels with the laissez-faire approach to the internet in the 1990s and the economic growth it spurred. However, this analogy is misleading.

Inside AI companies, and throughout the larger community of researchers and engineers in the field, the high stakes—and large risks—of developing increasingly advanced AI are widely acknowledged. In Mr Altman’s own words, “Successfully transitioning to a world with superintelligence is perhaps the most important—and hopeful, and scary—project in human history.” The level of concern expressed by many top AI scientists about the technology they themselves are building is well documented and very different from the optimistic attitudes of the programmers and network engineers who developed the early internet.

It is also far from clear that light-touch regulation of the internet has been an unalloyed good for society. Certainly, many successful tech businesses—and their investors—have benefited enormously from the lack of constraints on commerce online. It is less obvious that societies have struck the right balance when it comes to regulating to curb misinformation and disinformation on social media, child exploitation and human trafficking, and a growing youth mental-health crisis.

Goods, infrastructure and society are improved by regulation. It’s because of regulation that cars have seat belts and airbags, that we don’t worry about contaminated milk and that buildings are constructed to be accessible to all. Judicious regulation could ensure the benefits of AI are realised responsibly and more broadly. A good place to start would be policies that give governments more visibility into how the cutting edge of AI is progressing, such as transparency requirements and incident-tracking.

Of course, there are pitfalls to regulation, and these must be managed. Poorly designed regulation can place a disproportionate burden on smaller companies, stifling competition and innovation. It is crucial that policymakers act independently of leading AI companies when developing new rules. They must be vigilant against loopholes, regulatory “moats” that shield early movers from competition, and the potential for regulatory capture. Indeed, Mr Altman’s own calls for AI regulation must be understood in the context of these pitfalls as having potentially self-serving ends. An appropriate regulatory framework will require agile adjustments, keeping pace with the world’s expanding grasp of AI’s capabilities.

Ultimately, we believe in AI's potential to boost human productivity and well-being in ways never before seen. But the path to that better future is not without peril. OpenAI was founded as a bold experiment to develop increasingly capable AI while prioritising the public good over profits. Our experience is that even with every advantage, self-governance mechanisms like those employed by OpenAI will not suffice. It is, therefore, essential that the public sector be closely involved in the development of the technology. Now is the time for governmental bodies around the world to assert themselves. Only through a healthy balance of market forces and prudent regulation can we reliably ensure that AI's evolution truly benefits all of humanity. ■

Helen Toner and Tasha McCauley were on OpenAI's board from 2021 to 2023 and from 2018 to 2023, respectively.

Read [a response](#) to this article by Bret Taylor, the chair of OpenAI's board, and Larry Summers, a board member.

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By Invitation | Artificial intelligence

OpenAI board members respond to a warning by former members

The firm is a leader in safety as well as capability, insist Bret Taylor and Larry Summers

May 30th 2024



Dan Williams

HELEN TONER and Tasha McCauley, who left the board of OpenAI after its decision to reverse course on replacing Sam Altman, the CEO, last November, have offered comments on the regulation of artificial intelligence (AI) and events at OpenAI in a [By Invitation piece](#) in *The Economist*.

We do not accept the claims made by Ms Toner and Ms McCauley regarding events at OpenAI. Upon being asked by the former board (including Ms Toner and Ms McCauley) to serve on the new board, the first step we took was to commission an external review of events leading up to Mr Altman's forced resignation. We chaired a special committee set up by the board, and WilmerHale, a prestigious law firm, led the review. It conducted dozens of interviews with members of OpenAI's previous board (including Ms Toner and Ms McCauley), OpenAI executives, advisers to

the previous board and other pertinent witnesses; reviewed more than 30,000 documents; and evaluated various corporate actions. Both Ms Toner and Ms McCauley provided ample input to the review, and this was carefully considered as we came to our judgments.

The review's findings rejected the idea that any kind of AI safety concern necessitated Mr Altman's replacement. In fact, WilmerHale found that "the prior board's decision did not arise out of concerns regarding product safety or security, the pace of development, OpenAI's finances, or its statements to investors, customers, or business partners."

Furthermore, in six months of nearly daily contact with the company we have found Mr Altman highly forthcoming on all relevant issues and consistently collegial with his management team. We regret that Ms Toner continues to revisit issues that were thoroughly examined by the WilmerHale-led review rather than moving forward.

Ms Toner has continued to make claims in the press. Although perhaps difficult to remember now, OpenAI released ChatGPT in November 2022 as a research project to learn more about how useful its models are in conversational settings. It was built on GPT-3.5, an existing AI model which had already been available for more than eight months at the time.

That said, we share Ms Toner's and Ms McCauley's view—and the company and Mr Altman have continually stated—that the evolution of AI represents a major development in human history. In democratic societies, accountability to government and government regulation is essential.

OpenAI has held discussions with government officials around the world on numerous issues and the company supports effective regulation of artificial general intelligence, or AGI—AI that would outperform humans in most intellectual tasks—as it evolves. Mr Altman has implored lawmakers to regulate AI. "We think that regulatory intervention by governments will be critical to mitigate the risks of increasingly powerful models," he said in his opening remarks before a Senate judiciary subcommittee in May 2023.

OpenAI and other leading AI labs have made a set of voluntary commitments to the White House to reinforce the safety, security and trustworthiness of AI technology and services. Additionally, Mr Altman sits on the US Department of Homeland Security's Artificial Intelligence Safety and Security Board, which will advise the department, private-sector

stakeholders and the public on how to safely develop and deploy AI technology across America, including in its critical infrastructure.

We are looking forwards not backwards. The board is being built out with the recent addition of three new members with extensive expertise in leading global organisations and navigating complex regulatory environments, and with backgrounds in technology, running non-profits and board governance. The new board has adopted important improvements to OpenAI's governance structure so the board can more effectively oversee the firm's growth and fulfil OpenAI's mission of ensuring that AGI benefits all of humanity. These improvements include clearer governance guidelines and a stronger conflict-of-interest policy.

As the company's products become more advanced, the board is taking commensurate steps to ensure safety and security. Just this week it announced the formation of a new Safety Committee to make recommendations to the full board on matters pertaining to critical security and safety decisions for all OpenAI projects. And we are beefing up this new committee with people with national-security expertise.

Last week, at a major AI summit in Seoul, OpenAI and a number of other companies agreed to make additional AI-safety commitments. They also pledged to publish safety frameworks like the Preparedness Framework adopted by OpenAI last year, which is designed to close gaps in the scientific study of catastrophic risks from AI.

OpenAI, with the support of the board, is proud to build and release models that are industry-leading in terms of both capabilities and safety. The company will continue to do so. As we have stated previously, "We recognise the magnitude of our role in stewarding transformative technologies for the global good." ■

Bret Taylor is chair of OpenAI's board. Larry Summers is a member of the board.

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Briefing

- The undoing of Roe v Wade has created a mighty political movement

The undoing of Roe v Wade has created a mighty political movement

The power of women with clipboards

May 30th 2024



Jamie Kelter Davis/New York Times/Redux/Eyevine

Hikers climbing out of their cars early in the morning at North Mountain Park in Phoenix, Arizona, are welcomed by songbirds and two women behind a fold-up table. “Would you like to protect a woman’s right to choose?” asks Beth Ballmann, from beneath a bright pink sun hat. A barely awake young man mumbles something about not being registered. Linda Chiles’s eyes light up. “I can help you with that too. We can do it today!”

Along with many others, the two women are trying to collect enough signatures to add a referendum to Arizona ballots in November, which would enshrine the right to abortion in the state constitution. The volunteers wear “We Can Do It” Rosie the Riveter T-shirts bought on Amazon. They have carried their clipboards to car parks, yoga classes, the state fair and many doorsteps. “They can’t escape us this time,” Ms Chiles whispers, as a couple returns from a hike. Indeed they don’t.

Stay up to date with our new daily update, [The US in brief](#), and our presidential poll tracker.

Read more of our coverage of the [US elections of 2024](#).

In its ruling on *Dobbs v Jackson Women's Health Organisation* in June 2022, America's Supreme Court overturned *Roe v Wade*, which had established a federal right to abortion for the previous half century. "We do not pretend to know how our political system or society will respond," wrote Justice Samuel Alito for the majority. Two things have happened—one more expected than the other.

Republican-controlled state legislatures moved quickly to restrict abortion by passing laws of greater or lesser extremity (Texas bans even women who have been raped from obtaining them). These bans have not led to a reduction in the number of abortions nationally. The Guttmacher Institute, a pro-abortion research group, estimates that the number rose by over a tenth between 2020 and 2023, to above 1m, partly because it has become easier to obtain abortion pills by post. The bans have forced more women to travel long distances, however. They have also led to appalling scenes in hospitals, as doctors fearful of breaking the new laws refuse to treat women who miscarry.

The second effect of the *Dobbs* judgment was that people infuriated by the decision have channelled their anger into political action. The decision and its consequences have released a vast amount of energy, which is most evident in the ballot campaigns in Arizona and other states. This friendliest and fiercest of citizen rebellions is the most important bottom-up force in American politics since the Tea Party movement that emerged in 2009. It could not only expand abortion access for tens of millions of women, but sway local and national elections. It could even determine whether Americans elect Donald Trump or Joe Biden as their next president.

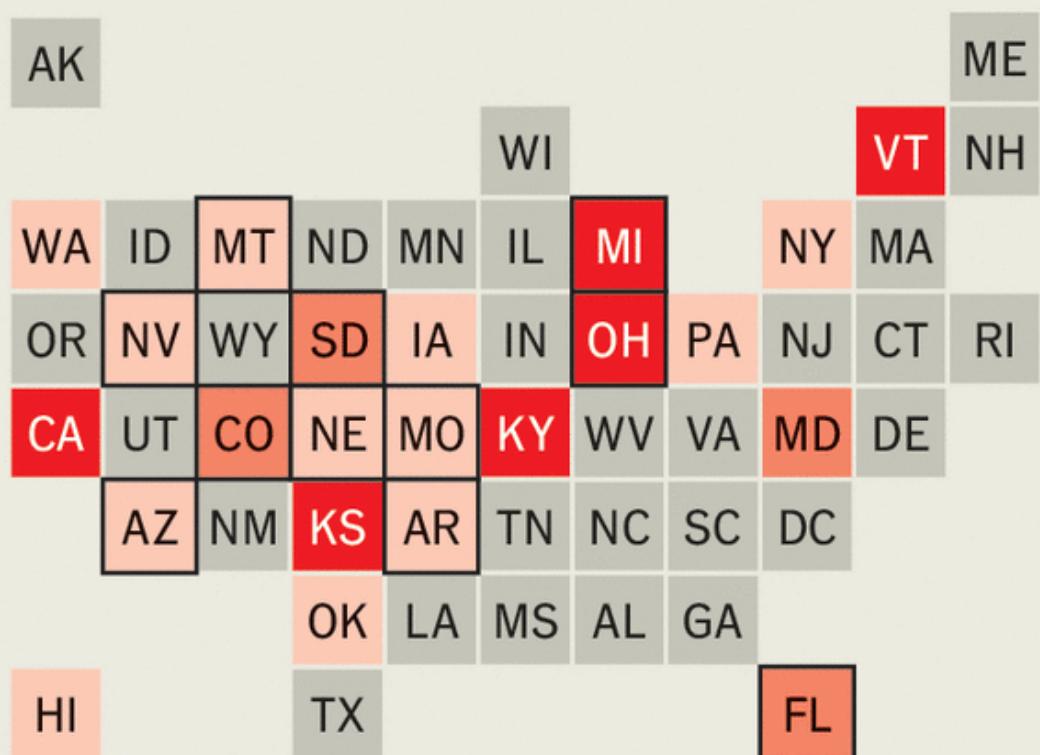
Go west, young woman

United States, post-*Dobbs* abortion referendums*, at May 13th 2024

■ Might occur[†]

■ Will occur

■ Has occurred □ Citizen-initiated bill



*Excludes two bills awaiting legislative votes in Missouri

[†]Collecting signatures or awaiting approval

Sources: KFF; Ballotpedia; *The Economist*

The Economist

Since the *Dobbs* decision, six states have held referendums on abortion—some seeking greater protections for women, others greater restrictions. Some were initiated by citizens, others by legislatures. In all six, the abortion-rights side prevailed. In November, referendums could be held in as many as 16 more states (see map). Campaigners already have enough signatures in some,

including Florida. That state is crucial because it was the abortion destination for many women in the South until May 1st, when it outlawed most abortions after six weeks. If the initiative passes, abortion will be legalised up to the point of viability, roughly 24 weeks. Democrats hope the issue has put Florida in play in the presidential election.

On Lake Eola in downtown Orlando, tourists in pedalos look perplexed as protesters wave giant models of the female reproductive system, made of pool noodles. Signs declare that “not supporting women’s rights is small-dick energy”; T-shirts label supporters “abortion-rights barbies”. Deanna Fellows travelled 140 miles (225km) to the event by bus. She was one of 10,000 volunteers who helped gather over 1m signatures to ensure that Floridians will vote on abortion in November. She is 77, and it is her first protest.

The clipboard-wielding army

Women, many of them old enough to remember the days before 1973, when *Roe* was decided, are the motors of the new abortion-rights ballot movement. Ms Ballmann retired a few weeks before the *Dobbs* decision. She had never been politically active, but found a new calling after feeling “pure outrage”. An organiser in Florida, Anna Hochkammer, says that “annoyed housewives” printed petitions and took them to their local farmers’ markets. Experienced campaigners tend to turn up once local groups are up and running.

Campaign tactics vary from state to state. “What freedom means to an Ohioan versus a Floridian may be subtly different,” says Ms Hochkammer. In 2022 campaigners in firmly conservative Kansas alluded to pandemic-era mask and vaccine rules and encouraged voters to “say no to more government control”. The 2023 Ohio campaign was gentler and less individualistic. Adverts fronted by a reverend said that “abortion is a private, family decision.” Gabriel Mann from Pro-Choice Ohio, which led the campaign, said it did not focus on removing the stigma from abortion, but rather not letting “the government take this decision away”.

Grisly props like coat hangers, once ubiquitous at pro-choice rallies, are out of favour. Volunteers bring dry humour instead. A baseball cap states: “I chose this hat.” A T-shirt reads: “Mind your own uterus”. Also in are “women”. In Michigan, studiously non-gendered language (such as protecting “an individual’s ability to have an abortion”) fell flat in focus groups, says Bonsitu Kitaba of the American Civil Liberties Union, an advocacy group. “Freedom” is the uniting theme, appealing to libertarians, lefty feminists and others.

America's anti-abortion movement began as a series of local grassroots movements. From the late 1960s, small groups came together to oppose the liberalisation of abortion in states like California, Colorado and New York. A fierce state-by-state conflict went national after *Roe v Wade*, says Mary Ziegler, a legal historian. She sees a parallel with the abortion-ballot movement. Like the anti-abortion movement, it is building a ground-level infrastructure that could enable it to become a powerful force nationally.

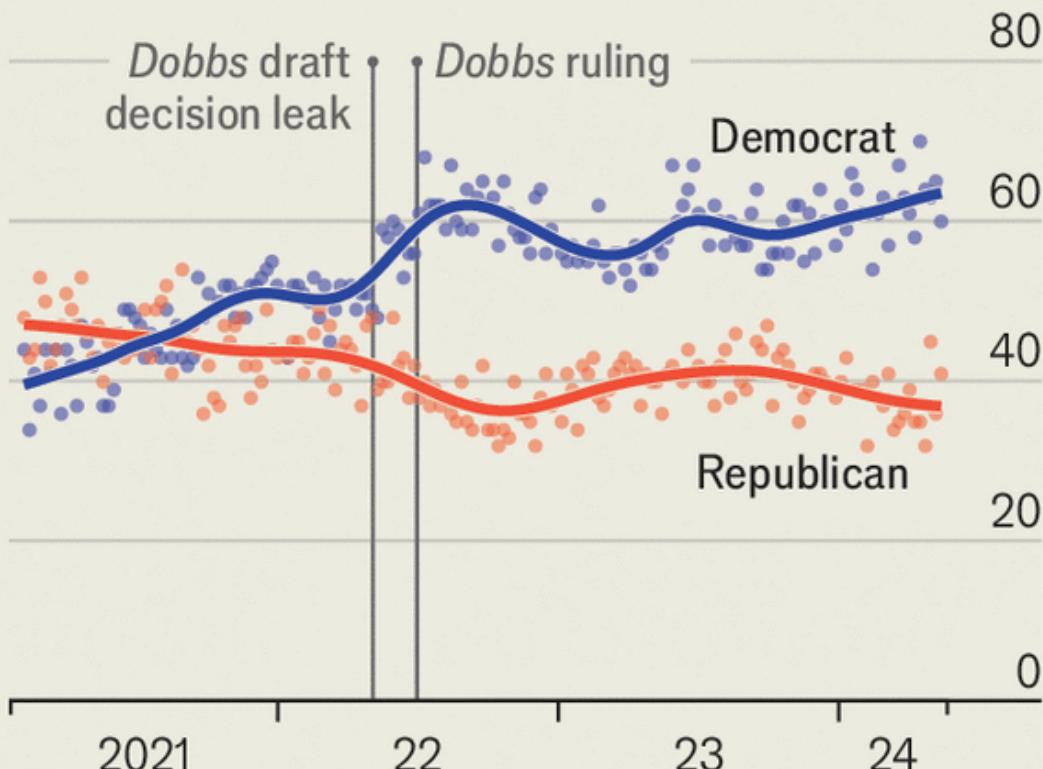
These days the pro-abortion-rights side has the momentum and the money. In 2022 and 2023 it outspent its opponents by almost two-to-one in Michigan and Ohio combined. It spent almost \$50m in Michigan, making it the most expensive ballot measure in state history. Florida, with three of the country's largest media markets and 13m registered voters to reach, is likely to be more expensive. Abortion-rights organisers expect to spend \$68m in addition to the \$19m already spent.

Various arms and political affiliates of Planned Parenthood, which provides health-care services including abortion, have given \$17m in money and in kind, including \$5m to the Florida initiative. Anti-abortion campaigns have been backed by Susan B. Anthony Pro-Life America, a national organisation, and Catholic groups, including dioceses. The opposition campaigns admit they are on the back foot. "We are definitely going to be under financially resourced," says Aaron DiPietro, of the Florida Family Policy Council. Their campaign labels the proposed amendment as extreme and overly broad.

The Florida initiative needs 60% of the vote to pass, a higher bar than any post-*Dobbs* abortion referendum has had to clear. In only two of the six states that have held referendums, California and Vermont, did the abortion-rights side get such a large share. When Michigan held its referendum in 2022, 57% voted in favour of protecting abortion even though 63% broadly supported the procedure, a rate similar to Floridians.

Sore losers

United States, % of respondents who say abortion is a “very important” issue



Source: YouGov/The Economist

The Economist

Lawsuits have been filed to try to block referendums on abortion, citing things such as confusing language and insufficient space between letters in the petitions. Another tactic is to use direct democracy to buttress abortion restrictions. In Nebraska, two abortion-related ballot initiatives are vying for signatures. One would enshrine the right to abortion up to the point of viability; the other would reinforce current state law by prohibiting abortion after 12 weeks. If both reach the ballot and get over 50% of votes, the one with the most votes will prevail. In a few states, including Iowa and Pennsylvania, legislators are trying to add anti-abortion amendments to the ballot.

A still greater obstacle to the efforts to liberalise abortion laws through citizen-led ballot initiatives is that not all states allow them. Only 24 out of 50 give citizens the power to try to change state laws or constitutions through ballot initiatives. Those states are concentrated in the west. They enshrined the right

in the late 19th and early 20th centuries, under the influence of the Progressive movement. Few of the southern states with strict abortion bans allow citizens to change the law in the same fashion.

Protecting abortion in America as a whole can be achieved only through conventional politics. More politicians with liberal views on abortion would have to be elected to state legislatures, the House of Representatives, the Senate and the presidency—who could in turn change laws and appoint more liberal justices. Democrats heartily agree. They hope to harness the furious energy of the movement, and exploit the fact that more Americans trust Mr Biden than Mr Trump on abortion, making it a rare area of strength for him.

So far, ballot initiatives seem to have boosted turnout among people who are more likely to vote for the Democrats. In Michigan, the abortion referendum in 2022 may help explain why 37% of young people came out to vote in that year's midterm elections, according to analysis from Tufts University. The national youth turnout was just 23%. In Kansas, which held a referendum in August 2022, women accounted for 62% of new voter registrations in the previous month, according to L2, a data firm.

A still more enticing prospect is that voters could be pulled away from the Republican camp. The midterm elections in 2022 hinted at that, too. Although only 14% of registered Republican voters were upset about the *Dobbs* ruling, a quarter of that group voted for a Democrat in their House district, according to analysis by Gary Jacobson at the University of California, San Diego.

Researchers at the California Institute of Technology find a similar correlation: Republicans and independents who saw abortion as an important issue were more likely to vote for Democrats in 2022 than two years earlier. It is probably one reason a predicted “red wave” lifting Republican candidates failed to appear.

Ruben Gallego, a Democrat who is running for an open Senate seat in Arizona, hopes to hitch his fortunes to the abortion-rights locomotive. He praises the ballot-initiative campaign often, and petitions circulate at his campaign events. In a TV advert, he tells viewers that “We are at a crossroads” on abortion. The Democratic Congressional Campaign Committee is trying to ensure that voters in battleground districts know about Republicans’ efforts to ban abortion nationwide.

In May a pro-Democratic group launched a \$25m volley of ads in swing states, in which women accused Mr Trump of making their lives hell. Much more of that is to come. Between January and March 2022, less than 1% of Democratic adverts mentioned abortion, according to AdImpact, a research firm. By October of that year almost 40% did, and the proportion has barely dropped.

Since the midterms, the Democrats and their backers have spent \$123m on such adverts—over five times as much as Republicans.

Mr Biden's campaign has paid for television advertisements in Arizona and Florida. One featured a Marine veteran labelling Mr Trump "not tough" for taking away women's freedom. Others feature women's stories of being deprived of medically needed abortions, with the label "Donald Trump did this." The campaign is now trying to persuade Americans that Mr Trump would sign a national abortion ban if he were re-elected. He has avoided being drawn on the issue, but a recent poll by Navigator Research, a progressive pollster, suggests that a majority of Americans believe he would sign.

George Bush's narrow victory in the presidential election in 2004 was initially ascribed to the anti-gay-marriage referendums that were on the ballot in around a dozen states. Academics are still arguing about that (some say that the threat of terrorism was more important). But the ballot initiatives appear to have mobilised white evangelical Protestants, including in Ohio, the crucial swing state that year.

"We're not talking about a massive tide of people turning out," says David Campbell, a political scientist at the University of Notre Dame. If the abortion referendums mobilise voters, the effect will be felt at the margins. But turnout has been an important factor in recent presidential elections, and small advantages in swing states can be decisive. Mr Campbell points out that taking away a right can electrify voters, and *Dobbs* was unprecedented in withdrawing a constitutional right that Americans had relied on for so long.



Getty Images

Signing up the silent majority

Campaigners for the ballot initiatives mostly welcome the attention. But they are keen to separate the abortion-rights issue from partisan politics. “Our job is to make sure that we are getting our message out to as broad a coalition as we possibly can,” says Chris Love from the Arizona campaign. “I think that Democrats really need to make sure that they’re doing their job and speaking to their base of voters, because our base of voters is different.”

Over one in three signatures in Florida comes from a Republican or an independent. In the referendums held so far, the vote to protect abortion has been larger than the vote for the top Democratic candidate. The biggest gap was in Kentucky, where in the 2022 midterms 52.3% voted against restricting abortion whereas only 38.2% voted for the Democratic candidate for the Senate, Charles Booker. In Michigan the abortion proposal received 56.7% of the vote compared with 54.5% for Gretchen Whitmer, the governor.

The movement’s impact on the 2024 election might not be as big as Democrats hope. But in the long run, it could change America’s abortion politics profoundly. Abortion access has long been backed by a strong majority, but until recently the support was largely passive. *Dobbs* changed that. It also threw the issue back to 50 individual states rather than to the nation as a whole, all but ensuring, for the foreseeable future, a patchwork system riddled with inequality and fraught legal and moral questions. The ballot movement is the majority’s first effort to take back control.

Eventually, unless public opinion changes or American democracy falters, the movement is likely to succeed. It is hard for courts or legislatures to resist indefinitely the adoption of any policy favoured by 60% or more of the public. This is particularly true about questions of personal choice and liberty. From alcohol prohibition to same-sex marriage to marijuana decriminalisation, liberalising majorities have eventually overcome restrictions imposed by conservative lawmakers. The ballot movement has provided America’s silent abortion-rights coalition with a voice and with momentum, although it may take years or decades to fully nationalise a legal right to choose.

Back at the Arizona trailhead, the signature collectors are busy. “I’ve thought about it some more and I’d like to sign,” says a father as he returns from the mountain with his teenage daughter. “I signed because I’m a woman and I’ve been dealing with this shit all my life,” says a fit-looking 82-year-old, who starts recruiting others in the car park. Myaa, a bespectacled 18-year-old in a Minnie Mouse T-shirt, needs no convincing (“Oooh, yes please”). She needed an abortion last year and it was a lot of hassle, involving parental sign-off, a notary, “lies” by authorities and a humiliating \$1,000 loan. She hasn’t decided whether she will vote yet. If she does, she says she would go for Mr Trump. ■

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United States

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What are America's Libertarians for?

They are grappling with whether to go for national influence or local wins

May 28th 2024



Donald Trump should have seen it coming. He arrived on May 25th at the Libertarian Party's national convention in Washington, DC, hoping to expand his support, but the crowd mostly responded with boos. Attendees lacked enthusiasm for a protectionist who added \$8.4trn to [America's national debt](#). They also spent the weekend squabbling among themselves. After losing presidential races for more than half a century, the Libertarian Party is facing an identity crisis.

Libertarians share a baseline belief that the state best serves the people by leaving them alone. Yet for a party that peaked at 3.3% of the popular vote in 2016 it harbours a striking amount of intellectual diversity. Convention attendees could join the Bitcoin Caucus ("Got inflation?") or the Emo Caucus ("Live Free or Cry"). A pair from the Pro Life Libertarian Caucus wore Make Argentina Great Again hats, a nod to [Javier Milei](#), the country's

libertarian president. One booth advertised a tantalising, if dubious, proposition: “Opting out of income tax. It’s not just for millionaires.”

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Read more of our coverage of the [US elections of 2024](#).

The Radical Caucus offered free campaign buttons: many called for the abolition of government agencies, from the CIA to the National Highway Traffic Safety Administration. A particularly efficient Libertarian could opt for the “Abolish All the Things” design. Those with more niche interests could pick “Sell the Grand Canyon”, “Let’s Buy Machine Guns From Vending Machines” or “Re-Legalize Khat”.

The most intense divisions are about strategy. The hardline Mises Caucus (named after Ludwig von Mises, a pro-market Austrian economist) has dominated the party’s leadership since 2022 and adopted populist rhetoric. The group was responsible for inviting Mr Trump, as well as Robert F. Kennedy junior, an [independent candidate](#), to speak at the convention. The debate about whether to invite the outside candidates at times seemed more heated than the Libertarians’ own presidential-nomination fight. On May 24th, the convention’s first day, one attendee yelled into the microphone, “I would like to propose that we go tell Donald Trump to go fuck himself!” The crowd cheered.

“I would rather us focus on the Libertarian candidates,” said Jim Fulner, from the Radical Caucus. “I’m fearful that come later this summer, when I’m working the county fair, someone will say, ‘Oh, Libertarians, you guys are the Donald Trump people.’” Nick Apostolopoulos, from California, welcomed the attention Mr Trump’s speech brought—and said his presence proved “this party matters, and that they have to try and appeal to this voting bloc.”

Few believed that Mr Trump won much support. He promised to appoint a Libertarian to his cabinet and commute the sentence of Ross Ulbricht, who is serving life in prison after founding the dark-web equivalent of Amazon for illegal drugs. The crowd responded positively to Mr Trump’s nod to a Libertarian *cause célèbre*, but booed after he asked them to choose him as the Libertarian Party’s presidential nominee. Mr Trump hit back, “If you want to lose, don’t do that. Keep getting your 3% every four years.”

Mr Kennedy was more disciplined, tailoring his speech to the crowd by highlighting his opposition to covid lockdowns. Even so he received a cool reception. Libertarians want a candidate who will promise to abolish, not reform, government agencies.

The reality is that Libertarians are more interested in positions than personalities. The exception may be the broad admiration for Ron Paul, a retired Republican congressman whom many cite as their lodestar. But at 88 Mr Paul has achieved the difficult feat of being considered too old to plausibly run for president.

The party opted for someone 50 years younger but virtually unknown on the national stage. Chase Oliver, a former Libertarian candidate in Georgia for the United States Senate, won the nomination on the seventh ballot. Hitherto, his greatest political accomplishment was pulling in 2% of the vote in the Peach State, which forced a run-off between the Democratic and Republican candidates. Aligned with the more left-leaning Classical Liberal Caucus, he took aim at Mr Trump and Mr Kennedy in his acceptance speech. He said he wants to unify the party.

But the party is far from unified. Given the choice between Mr Oliver and “none of the above”, more than a third of the delegates preferred no one. It remains uncertain whether the party’s candidate will appear on the ballot in all 50 states, as several previous nominees have. If the Libertarian candidate has any influence on the presidential election this year, it will be as a spoiler in a close-run swing state.

Mr Oliver’s victory marked a rare defeat for the Mises Caucus. But the re-election of Angela McArdle, a Mises Caucus member, as the national party chairperson is perhaps more important to the future of the movement. Ms McArdle faced criticism for her decision to invite outside candidates to speak. Controversy over the Mises Caucus had led several state delegations to split, and much of the convention’s floor time was eaten up over fights about whom to recognise. The rise of the Mises wing of the party has led more pragmatically minded members to largely give up on the project of advancing libertarian ideas by building a political party.

The party struggles on big stages, such as in presidential, gubernatorial or Senate contests. Yet it occasionally wins municipal elections, leaving some to wonder whether national activism is pointless or even counter-productive. Why would Libertarians invest time in a hopeless race for

president when they could direct their energy to fighting a local sales tax or antiquated laws restricting alcohol sales?

Thinking small

Andy Craig, director of election policy at the Rainey Centre, a think-tank, was involved in the Libertarian Party for about a decade but disengaged after growing frustrated with the Mises Caucus. He knows several Libertarians who have turned to local activism: “They’re getting wins at the ballot box and in city councils and some state legislatures.”

The party faithful believe that national and local activism are not mutually exclusive. Elijah Gizzarelli won fewer than 3,000 votes when he ran for governor of Rhode Island as a Libertarian two years ago, but he argues that the party has a long record of success—so long as the definition of success expands beyond winning elections. He says the party succeeds by shifting the “Overton window”, or the spectrum of political ideas that are generally considered acceptable.

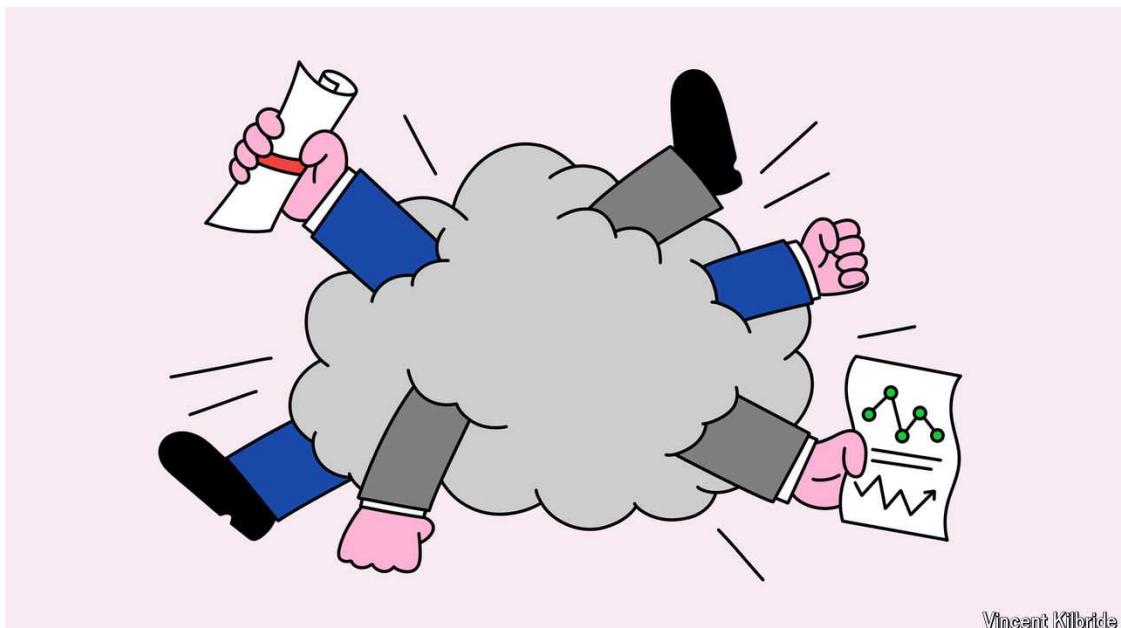
Asked about a Libertarian debate years ago when a candidate was jeered for supporting driving licences, Mr Gizzarelli smiles and says this proves his point. “For people that haven’t been exposed to Libertarian thoughts... and conversations, I can imagine how something like ‘no driver’s licence’ sounds crazy,” he acknowledges, before suggesting that drivers would still learn competency behind the wheel from friends and family. “If you actually think about what would happen without driver’s licences, you’d be like, ‘Oh, OK, it’s not a big deal at all.’” ■

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Fiscal nerds determine the fate of legislation in America

A battle under way to remake budget scoring

May 30th 2024



Vincent Kilbride

James Carville's oft-quoted line needs updating. Bill Clinton's political adviser once quipped that he would like to be reincarnated as the bond market so that he could "intimidate everybody". It is now a group of fiscal nerds—called budget scorekeepers—who have more clout in determining the fate of American legislation. This has set the stage for a battle about how best to calculate the costs and benefits of tax and spending proposals.

Officially, two scorekeepers matter. The Congressional Budget Office (CBO) gauges the impact of nearly all federal bills, from minimum-wage increases to health-insurance reforms. The Joint Committee on Taxation (JCT) focuses on tax changes. Both are non-partisan, and their conclusions can make or break legislation by showing whether it is good value.

This elevated status has turned the scorekeepers into lightning rods for criticism. In an op-ed last year Elizabeth Warren, a left-wing Democratic senator, said their budget-modelling practices had led "to the routine underfunding of critical programmes". It is not just Democrats who get

frustrated. In 2017 Republicans dropped a plan to repeal Barack Obama's Affordable Care Act soon after the CBO estimated that doing so would strip health insurance from more than 20m Americans.

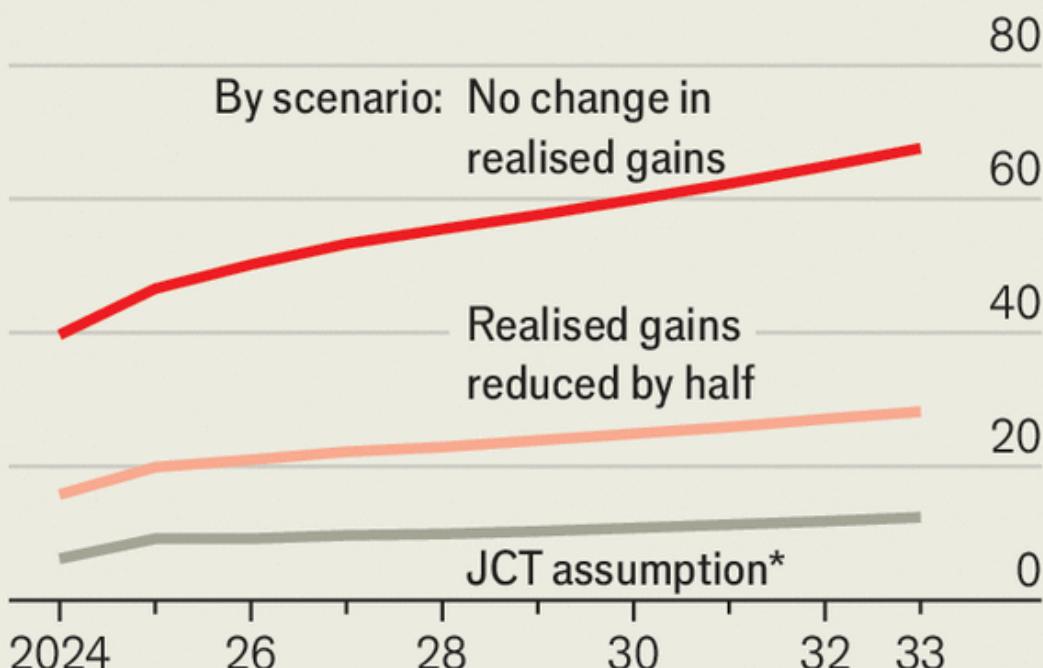
The outsized importance of budget scores has given rise to more external efforts to replicate and challenge them. In 2016 Kent Smetters, a former CBO economist now at the University of Pennsylvania's Wharton business school, launched a model for testing policies. "Members of Congress kept telling me that they would love to get analysis before they put stakes in the ground," he says. His objective is not to mimic the CBO but to establish his model as an authority in its own right. When the Biden administration pushed for a giant climate-plus-social spending package in 2021, Joe Manchin, a Democratic senator, cited cost estimates from Penn Wharton—double those of the White House—as a reason to withhold support.

The American Prospect, a left-wing magazine, called it "the Beltway's favourite bogus budget model". Mr Smetters observes that, like the CBO itself, his model's findings have offended all parts of the political spectrum. "Let's have a numbers-based, model-based disagreement instead of the implicit advocacy that often happens with economists," he says.

Enter the Budget Lab at Yale, which relishes such a disagreement. Launched in April, it was co-founded by Biden-administration alumni who felt the fiscal process placed too much weight on budget scores and too little on broader outcomes. Martha Gimbel, a former economic adviser in the White House, notes that the ten-year budget window—the main time frame for evaluating fiscal effects—is biased against investments in children and the environment. "No five-year-old has ever paid for themselves in ten years, apart from maybe Taylor Swift," she jokes.

Guess what

United States, forecast receipts from increasing long-term capital-gains tax to 25%, \$bn



*Approximating Joint Committee on Taxation assumption
that realised gains are reduced by 70%

Source: Budget Lab at Yale

The Economist

Even within the ten-year window, there is much scope for different outcomes, depending on assumptions. For example, raising the top marginal rate for long-term capital gains from 20% to 25%—a policy proposal scored by the JCT in 2021—would yield more revenue but would also lead some investors to refrain from realising their gains. The JCT concluded that the higher tax would bring in about \$120bn over a decade. But with softer assumptions about tax avoidance, receipts could be twice as high (see chart).

The official scorekeepers reject the claim that they are too narrow. The ten-year window is a congressional rule for measuring budgets. A longer time frame would cause more forecasting errors. And legislators are free to ask the scorekeepers to score other things. Phillip Swagel, the CBO's director, notes that his agency examined the return on infrastructure over a 30-year period,

and that it is running similar estimates for hepatitis-C treatment and anti-obesity drugs. “We want Congress to go where they want to go,” he says.

The various budget models make clear that none of this is simple. The CBO’s cost estimates for the Inflation Reduction Act, Joe Biden’s signature climate law, ran to 35 pages of tables. At Penn Wharton, Mr Smetters wants his models to be more accessible for outsiders, but they are built on top of complex coding. As for the Yale Budget Lab, it is not yet two months old and has already published ten separate methodology notes. Predicting the future is impossible. Modelling it is possible, but debatable—and damn hard. ■

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United States | Howzat meets fuhgeddaboudit

Will Americans be bowled over by cricket—again?

Boosters have high hopes for the sport as America co-hosts the T20 World Cup

May 30th 2024



“BASEBALL is fun, but not as fun as cricket,” says Ansh Patel, an 11-year old from Long Island, next to New York City. He attends Queens United Cricket Academy (QUCA), a training programme for the sport. His father, originally from India, is pleased as punch. “He’s fulfilling my dream.”

Ansh’s friends play American football, soccer and baseball. He is cricket-mad. He can’t wait for the [T20 World Cup](#), featuring a shorter, action-packed version of the game, which begins on June 1st. It is co-hosted by America and the West Indies. Most Americans don’t have a clue what a silly-mid-off is, never mind a yorker.

Benjamin Franklin shared the official rules from London in 1754. George Washington’s troops supposedly played “wickets” at Valley Forge during the revolutionary war. Cricket gained momentum in the 1830s among the

fashionable set in big cities. Scores of clubs sprang up, including the Staten Island Cricket Club, which claims to be the oldest continuous club in America. The first international match, in any sport, was a cricket contest between the United States and Canada in 1844. The sport's first international touring team came in 1859, when an English 11 thrashed an American 22 in front of tens of thousands of fans.

After the civil war people favoured something they could claim is American, says Tim Lockley, a historian at the University of Warwick. Baseball was purportedly created in Cooperstown, in upstate New York, but its roots go back to England. It is “very much a little brother to cricket”, says Mr Lockley.

“I wish I could have him for a fortnight,” said Alan Fairfax, an Australian cricketer, in 1935 of Babe Ruth, a famous ballplayer. “I could make one of the world’s greatest batsmen out of him.” The skills still translate. If a child is “really good at baseball, 70% of coaching is already done,” says George Samuel, who runs QUCA, where Ansh plays. “So I have to teach just the technical part.”

Most cricket in America is played by people with ties to places like India, Pakistan, Bangladesh and the Caribbean. Mr Samuel sees increased interest among American-born children, but “we haven’t cracked into the mainstream.” Some hope the World Cup will give the sport momentum, as happened with soccer after the FIFA World Cup in 1994, hosted by America. Along with a new professional league and the 2028 Olympics in Los Angeles (where cricket will be played), they see a chance for cricket to hit a six in America.

Yet others see a sticky wicket ahead. Clarence Modeste, of the Staten Island Cricket Club, says the World Cup may further entrench the sport among communities where it is already popular, but it will take “three or four generations of youngsters coming through to get a solid growth”. Ansh, meanwhile, is supporting India. His dad managed to get tickets for India v Pakistan. Howzat! ■

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United States | Be prepared

America could face its most active hurricane season ever

Coastal states must brace themselves for extreme weather in an election year

May 30th 2024



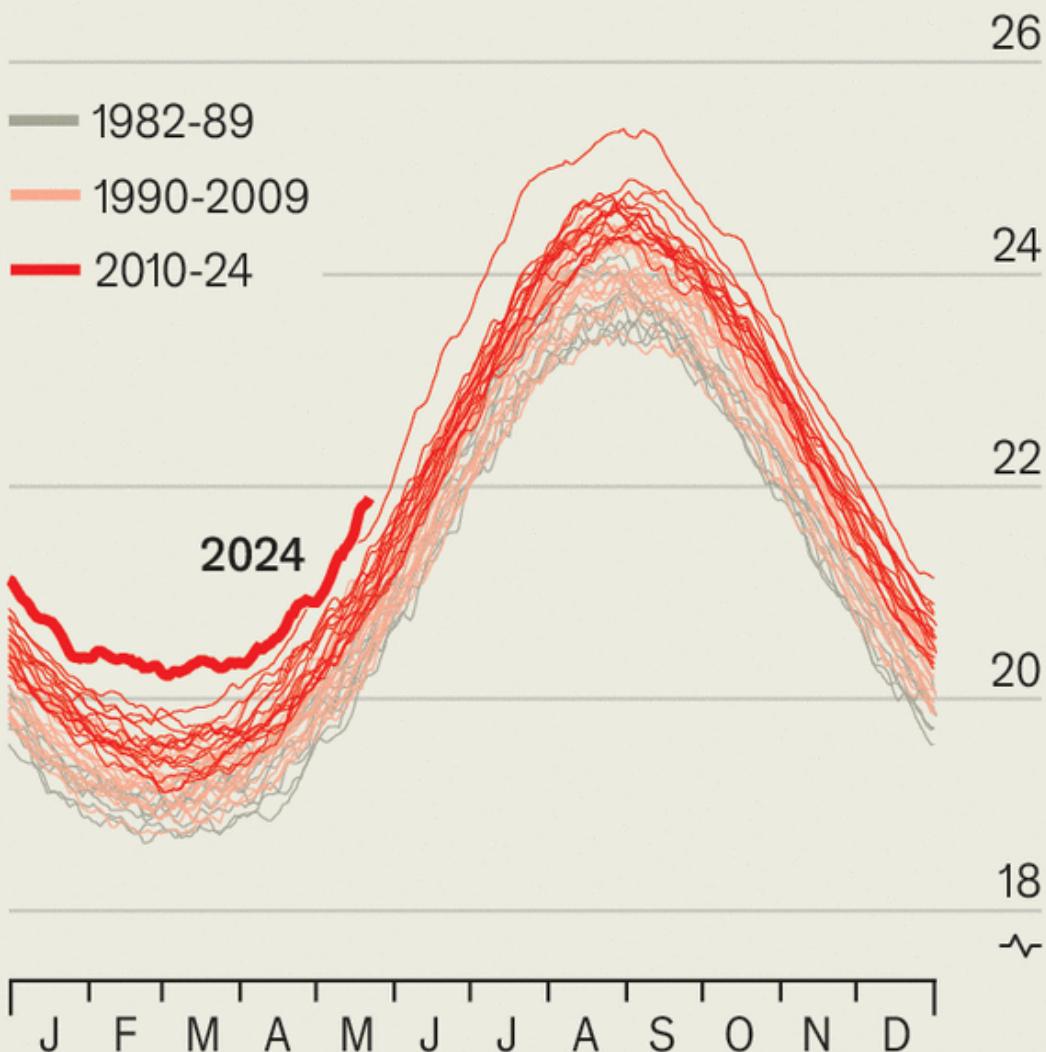
Zack Wittman/New York Times/Redux/eyevine

DANIELLA LEVINE CAVA, the mayor of Miami-Dade County in Florida, approaches the microphone. “It’s that time of year,” she says, smiling knowingly. She could have been referring to the end of the school year, the beginning of America’s general-election campaign or the premiere of the new season of “The Kardashians”. In fact, Ms Levine Cava was talking about hurricane season, which begins on June 1st, and is expected to be the most active one America has ever experienced.

The National Oceanic and Atmospheric Administration (NOAA) is predicting between 17 and 25 named storms, of which eight to 13 are expected to be hurricanes and four to seven “major hurricanes” with winds of 111mph (179kph) or higher. That compares with an average of 14 named storms and three major hurricanes between 1991 and 2020. This is the most storms the agency has ever forecast when giving its predictions in May. Other leading forecasters have come to similar conclusions. Weather and emergency-management officials repeated one phrase like a mantra: “be prepared”.

The heat is on

Average North Atlantic
sea-surface temperatures, °C



Source: University of Maine, Climate Change Institute

The Economist

Two main factors explain the aggressive forecast. First, sea-surface temperatures in the North Atlantic are hotter than in any May on record, which is largely [due to climate change](#) (see chart). Temperatures in the Main Development Region, a stretch of ocean between the Caribbean and West Africa where most hurricanes originate, reached levels normal for August in May, and are far warmer than in 2005, explains Matt Rosencrans, of NOAA's climate-prediction centre. That year is a distressing benchmark: a record 15

hurricanes formed, including Hurricane Katrina, which devastated New Orleans.

Second, there is the state of the El Niño Southern Oscillation, a natural phenomenon whereby the state of winds and currents in the Pacific influence weather around the world. The oscillation looks likely to enter its La Niña phase at the peak of the hurricane season, and La Niña tends to decrease wind shear in the tropical Atlantic, making it easier for storms there to persist and grow.



The Economist

NOAA does not predict which states or islands may be hit hardest. But researchers at Colorado State University, a leader in hurricane forecasting despite its landlocked locale, used historical storm data to calculate the probability that a hurricane will make landfall within 50 miles of coastal counties (see map). The risk associated with each county in the past—

determined by how often it was hit—is adjusted based on the predicted severity of the season. The sparsely populated Florida Everglades carry the most risk. But the research suggests there is a 23% chance of a major hurricane strike near Miami-Dade County, home to 2.7m people and \$426bn in property. The rising cost of [property insurance](#) is an ever-bigger issue in south Florida.

The number of storms is not the only worry. The speed with which they develop is also causing concern. Every category-five hurricane to make landfall in America during the 20th century was a tropical storm or less three days earlier. Several recent studies suggest that hurricanes this century are intensifying faster, a trend that will probably continue as the climate warms. The quicker a storm strengthens, the less time meteorologists and emergency managers have to warn people. To prepare for hurricanes, officials practise different timelines at which to open shelters or start evacuations. When you have 72 hours or 120 hours, that's really comfortable, says Ken Graham, the head of NOAA's National Weather Service. "But the reality is: the big ones may only be 50 hours."

If the threat of hurricanes was not enough, coastal states and others must also be prepared for extreme heat this summer (parts of south Florida have already been breaking heat records over the past month). Consider this scenario: a tropical storm knocks out power for many Floridians. Then heat settles over the peninsula like a blanket. This year could be the hottest on record. Without air conditioning, can older Floridians who are susceptible to heat stroke keep cool?

Florida has tried to plan for this. After Hurricane Irma contributed to 129 deaths in 2017, the state legislature passed a law requiring nursing homes to have backup generators. But the fast-growing state is home to some 4.5m people over 65. Only a fraction of them live in care homes. Officials also fret about [new residents](#) unaccustomed to planning for hurricanes.

The Federal Emergency Management Agency (FEMA) is urging people to stock up on medications and make evacuation plans. Yet FEMA has its own problems. The agency's disaster-relief fund frequently runs out of money, and is set to do so again in August unless Congress steps in.

And what if you add a presidential election to the mix? Hurricane season runs through November. A late-season storm could scramble election preparations and voting along the coast. This would matter most in Georgia, a battleground state, as well as in Florida and North Carolina, which lean Republican.

When [Hurricane Ian](#) struck south-western Florida before the midterm elections in 2022, Lee County was left with 12 voting sites, rather than 90-plus. Other

counties sent generators and equipment. Vendors were on standby in case voting machines were damaged. Turnout, which usually hovers around 60% for midterm elections, dropped to 53%, says Tommy Doyle, the county's election supervisor. This year, Mr Doyle is urging residents to request a postal ballot. "If we have an emergency," he warns, "you have that ballot in your hand, and you won't be disenfranchised." In other words: be prepared. ■

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United States | Gone with the wind

A tornado destroys a barn—an Economist favourite—in Wisconsin

We had only just used its image on a story about America's rural voters

May 30th 2024



Matthew Ludak

LAST WEEK we illustrated our story on rural voters with this picture of a barn near Cochrane, in western Wisconsin. Sadly, the barn is no more. On May 21st a number of tornadoes touched down in the state. One of them razed the roughly 100-year-old barn to the ground. Although tornadoes are a familiar hazard, the barn was extremely unlucky. In an average year Wisconsin, which is almost as big as Austria and Hungary combined, can expect to have about 23 tornadoes, according to the National Weather Service. The state's tornado season normally runs from April to September, though this year for the first time it recorded one in February. ■

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United States | No joke

The side-effects of the TikTok tussle

As the app's future hangs in the balance, the ramifications of the battle are becoming clearer

May 30th 2024



JOE BIDEN'S re-election campaign wants you to know that the president is funny. To prove it, examples of his hilarity are posted almost daily to his TikTok page. One video, peppered with fire emojis, shows him cracking jokes about Donald Trump. Viewers have their own gag: isn't he trying to ban this app?

The government says it is not banning TikTok but has given it an ultimatum: sell to a suitable non-Chinese owner by January or shut down. It deems TikTok, which is owned by ByteDance, a Chinese firm, to be controlled by a “foreign adversary” and to be a national-security threat. Politicians accuse China of using TikTok to steal Americans’ data and spread propaganda.

TikTok denies these charges and is suing. So are its users. They argue that divestment is “simply not possible” (China could block it) and Congress is “singling out and banning TikTok”, in violation of the First Amendment rights of its 170m American users. Imposing restrictions on speech in favour of national security is an “extraordinarily high bar”, says Ashley Gorski of the

American Civil Liberties Union, an advocacy group. It requires concrete evidence that TikTok poses an imminent, serious threat—something Ms Gorski and others argue the government has not provided. Lawmakers were briefed on TikTok’s risks in private, but little has been made public.

The dispute will probably reach the Supreme Court. In the meantime, the ramifications of the tussle are becoming clearer. They go well beyond TikTok.

The law includes criteria for a president to [add other companies](#). Any platform with more than 1m monthly active users in America and at least 20% owned by a foreigner based in one of the four “adversary” countries—China, Iran, North Korea and Russia—could be targeted. Raja Krishnamoorthi, a Democratic congressman and one of the bill’s co-sponsors, says this brings social media up to date with foreign-ownership limits on other media.

Some worry that the scope of the law is too broad. Video-games and other messaging services are potentially in the line of fire. The government could widen the definition of adversary countries, says Corbin Barthold, at TechFreedom, a think-tank. Many expect other countries to cite America’s move against TikTok as justification for targeting foreign apps they disagree with, potentially further fragmenting the global internet. Shutting TikTok in America would be “a gift to authoritarians around the world”, warns Ramya Krishnan, at the Knight Institute, a free-speech centre at Columbia University.



TikTok’s efforts to oppose the legislation may have subjected it to further regulatory scrutiny. It sent notifications to its users urging them to call Congress and “stop a TikTok shutdown”. Mr Krishnamoorthi claims Capitol Hill was “flooded” with calls, many from children, some of whom allegedly

did not know what a congressman was. He is calling for an inquiry by the Federal Trade Commission, a trustbuster, into whether that broke child-privacy laws. “The power that a foreign adversary has with that app was underscored by their influence campaign,” he says. TikTok denies these allegations and says the calls were from “voting-age people”.

The firm insists that it is doing its best to co-operate with the government and has protected Americans’ data “in a way that no other company has done”. In its lawsuit TikTok claims it gave the authorities an “extraordinary” option to suspend the app if it was found to violate provisions of a draft national-security agreement negotiated through the Committee on Foreign Investment in the United States, a watchdog. The company says the Biden administration has ignored this effort, and the \$2bn-plus it has invested in Project Texas, a collaboration with Oracle, a tech giant, to wall off Americans’ data from ByteDance.

Mr Krishnamoorthi is unimpressed. The government worked for “years” with TikTok to try to mitigate national-security risks, he says. “You couldn’t trust anything that they said about Project Texas.”

For now, Mr Biden’s campaign can meme away on TikTok throughout the election season. Mr Trump—who tried to ban TikTok under an executive order in 2020 but has since reversed his position—is apparently mulling a campaign launch on the app, according to the *Washington Post*. The MAGA super PAC has already [entered the ring](#). It would all be hilarious if the stakes weren’t so high.

■

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The Americas

- Mexico's next president can reset relations with the United States
- Andrés López Obrador's mañaneras have boosted his presidency
- Bolivia's left wing is at war with itself
- Canada's jade mines boomed on Chinese demand. Now that's over

Mexico's next president can reset relations with the United States

She will have much work to do on drug-trafficking, security, migration and trade

May 27th 2024



Alberto Miranda

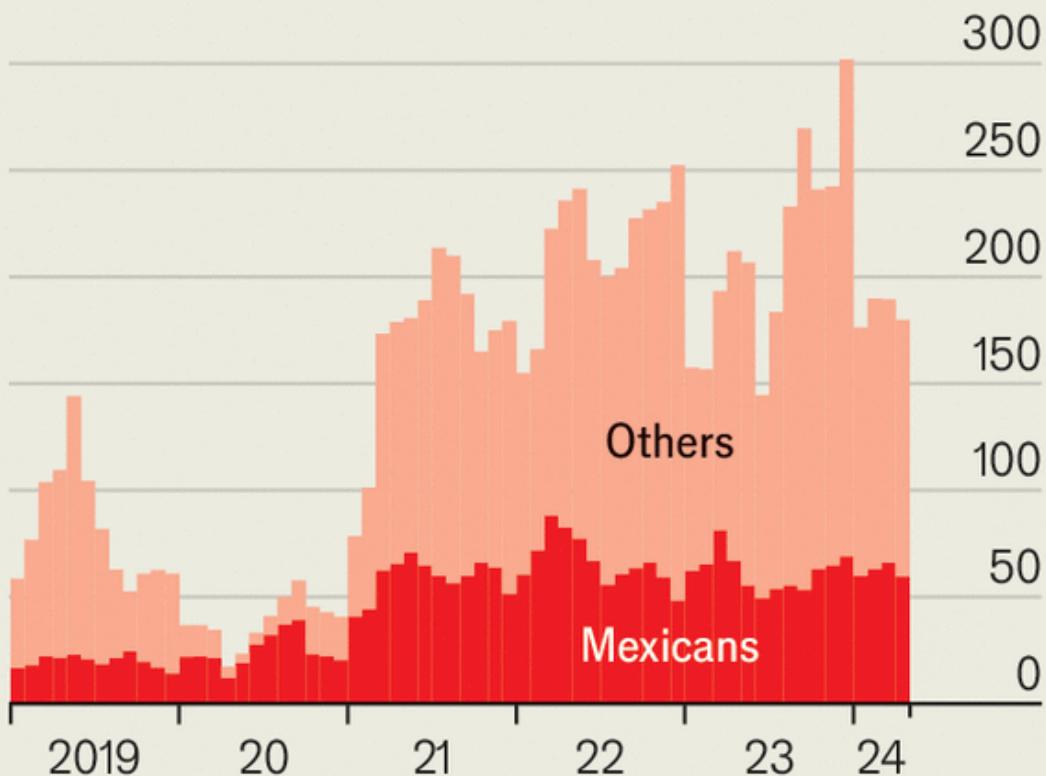
Mexicans elected Andrés Manuel López Obrador president in 2018 for sound reasons: his diagnosis that inequality, insecurity and a corrupt political class were damaging Mexico was convincing. But apart from poverty-reducing minimum-wage increases, Mr López Obrador's "Fourth Transformation" has taken Mexico backwards. A statist, bent on tearing down the works of his predecessors, he is leaving the health-care and education systems in tatters. His reversal of pro-competition energy-market reforms has made Mexico's electricity dirty and costly. Water is scarce. His hands-off security policy has let criminal groups strengthen their grip. He has attacked independent institutions, from the electoral body to the Supreme Court. In part because of his animus towards the private sector, the economic growth rate has been on average 2-3% per year in the non-pandemic years of his presidency—a mediocre figure given the huge opportunity facing Mexico—and momentum has slowed in the past six months.

Mexicans will decide who inherits this mess when they elect a new president on June 2nd. They are likely to choose Mr López Obrador's protégée, Claudia Sheinbaum, who belongs to Morena, the ruling party. Her rival, Xóchitl Gálvez, who represents a coalition of older parties, is polling about 20 points behind. How the winner governs will matter not just for Mexicans suffering from violence and inequality, but also for the rest of the world. Mexico has become a crucial actor in the shifting global order. The number of migrants travelling through Mexico to the United States has surged, and illegal migration may currently be the biggest political issue in the world's most powerful country. The West looks to Mexico to help it [decouple from China](#), especially for manufacturing vital electronics and green technologies. Mexico's next president will have great influence on both counts.

Start with migration, and its role in the United States' politics. In 2023 the US Customs and Border Protection agency encountered 2.5m people crossing the border from Mexico, up from 1.7m in 2021. Mr López Obrador has co-operated in efforts to [slow things down](#). In May he pledged to keep crossings below 4,000 per day. The next president is likely to follow his lead; Mexico's influence over north-bound migration is a powerful tool. Mexicans comprise a smaller share of crossings than they used to, and migration is now a domestic concern too, says Christopher Landau, the United States ambassador to Mexico from 2019 to 2021: "Mexico does not want to be the doormat to the US."

Moving through Mexico

United States, monthly encounters with irregular migrants at the south-west land border*, '000



*Since March 2020 monthly totals include apprehensions and expulsions. Prior totals include apprehensions only.
Encounters between ports of entry only
Source: US Customs and Border Protection

The Economist

Security is related to migration because criminal groups facilitate much of the northward movement of people through Mexico. But it has its own role in the relationship with the United States. Mexico's gangs are the primary manufacturers of the fentanyl which, along with other synthetic opioids, kills some 75,000 people north of the border every year. Many countries, not just the United States, would like Mexico to do better at curbing the gangs' production and distribution, lest its scourge spread to their shores.

Both presidential candidates have made security central to their campaigns. Ms Sheinbaum says she will copy her playbook from her time as mayor of Mexico

City, focusing on improved information sharing between police and the rest of the justice system. Whether she will seek improved security co-operation with the United States is unclear; Mr López Obrador has made things frosty. “The United States wants to help, and Mexico should take advantage of that,” says a Mexican official. “But we should think about what we want, not just doing their bidding on capturing targets of importance to them.”

The next president has an opportunity to cash in on geopolitical shifts. Western firms and governments want to exclude China from critical supply chains, particularly those underpinning electronics and green technology, and see operations in Mexico as one way to do it. Mexico’s performance has been mediocre so far, thanks largely to dirty, expensive and insufficient energy supplies, and its fragile rule of law. Foreign direct investment inflows reached \$36bn in 2023 but most of it came from already-present multinationals ploughing profits back into the country. Mexico does less well at attracting new investors.

That would require removing the incentives that push against the installation of clean-energy sources in Mexico. Ms Sheinbaum, a climate scientist, has signalled that she will promote a green transition, and invest almost \$14bn to do so. She is unlikely to be as hostile to the private sector as Mr López Obrador. Yet her stated plan is to put Pemex, a state-owned oil company that is indebted to the tune of \$100bn, in charge of the process. Its involvement, along with that of CFE, the state-owned electricity monopoly, is likely to scupper any transition. Across the border in Texas, one of the freest power markets on Earth, solar panels are being installed at one of the fastest rates on the planet, an expansion driven by cold economic logic.

Mexico overtook China to become the United States’ biggest trading partner in 2023. It was aided by the free-trade deal between the US, Mexico and Canada, known as USMCA. Its future is not assured, especially if Donald Trump returns to the White House in January 2025. In 2026 the three governments will discuss USMCA’s extension beyond 2036, when it is due to expire. [China looms large](#). Officials in Washington worry that Chinese firms are using Mexico as a [back-door into the United States](#), bypassing tariffs. Several Chinese EV-makers have set up shop in Mexico, where officials have been slow to tackle this. If they don’t, it “could be the end of the free-trade deal”, says Mr Landau.

Mexico could [regain some of its clout abroad](#). The country’s role as a leader of climate-change negotiations was neglected under Mr López Obrador; it could be usefully revived. As an emerging economy that isn’t in the BRICS, which includes China, Mexico could spend more time on the world stage. Mr López Obrador has shown little interest. He has travelled less than any Mexican president in modern times.

In public, Ms Sheinbaum hews closely to the ideas of the president, her mentor. That may well be how she rules if she wins. But many hope she will be more pragmatic than he is, and not just because she is more technocratic. Two reasons offer hope. First, lacking Mr López Obrador's charisma, she will have to rely more on getting results. Second, her government will lack money, which may force her to seek much more private-sector investment. If she charts a sensible path, it will benefit Mexicans—and their northern neighbours.

■

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Andrés López Obrador's mañaneras have boosted his presidency

They are a marvel of populist communication

May 30th 2024



Self-respecting populists speak to the people directly. Few have mastered the art like Andrés Manuel López Obrador, Mexico's outgoing 70-year-old president. Every weekday morning at 7am begins his *mañanera*, a several-hour-long broadcast from wherever he is that day, often the National Palace. Broadcast on YouTube, as well as radio stations and a podcast, each *mañanera* reaches an average audience of 10m.

Mr López Obrador says the purpose of the broadcast is transparency. But most of the time he uses it to laud supposed achievements, pillory critics and, most often, to ramble—the longest *mañanera* to date ran for three hours, thirty-five minutes and five seconds. His enemies (“neoliberals”, “puppets”, “conservatives”) include journalists, the electoral body and female protesters. Mr López Obrador has used the show to reveal the apparent salary of a prominent anti-corruption campaigner and the phone number of a journalist. He has broken electoral laws, too.

Facts matter little. In a section of the show called “Who’s who in the week of lies”, an official calls out purported media fibs. Mr López Obrador often rolls out his “*otros datos*”, other facts, when confronting the handful of journalists that attend each day. But no matter: the *mañanera* is a vital pillar supporting the president’s persistently high approval rating of over 60%, and crucial for perpetuating his claim to have transformed Mexico for the better during his six-year term. The “people” (his term for his followers) tune in, then journalists run around trying to set the record straight.

The *mañanera* has seen many strange moments. There was the time in 2022 when Mr López Obrador announced that the presidential plane, which the government had been trying and failing to sell, could be rented for *quinceañeras*, when girls celebrate their 15th birthday. (A year later it was sold to Tajikistan’s government.) One morning in March 2020 Mr López Obrador showed off the amulets that were supposedly protecting him from covid-19 (he subsequently contracted it three times). Then there was the instance in 2023 when he made an incoherent attempt to explain inflation through tortilla prices.

Mr López Obrador has urged Claudia Sheinbaum, his likely successor, to keep up the tradition. Ms Sheinbaum, 61, held daily conferences when she was mayor of Mexico City, and may well do something similar if she wins. But as a figure both less aggressive and less charismatic than her mentor, she would do better to stick to the facts—ideally real ones. Mexico would benefit from less talk and more action after Mr López Obrador airs his last *mañanera* on September 30th. ■

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Bolivia's left wing is at war with itself

The feud is preventing the government from addressing a looming economic crisis

May 30th 2024



Getty Images

Meetings OF THE Movimiento al Socialismo (MAS) used to be soporific affairs. Not any more. These days they erupt into brawls, with bottles and chairs soaring over the mêlée, before they are broken up with tear gas.

The change reflects a rift at the top of Bolivia's governing party, where President Luis Arce and Evo Morales, a former holder of the post, are fighting to lead the MAS into next year's elections. It has paralysed the government, split the indigenous and labour groups that form the party's base, and offered the opposition its first sniff of real power in almost 20 years.

In 2005 Mr Morales led the MAS to win the first majority in Bolivian politics since the country returned to democracy in 1982. In the next election he won a supermajority in congress. The MAS has governed Bolivia for all-but-one year since. Mr Morales, a former coca grower who

threw the US Drug Enforcement Agency out of Bolivia, became a leftist icon.

The hegemony cracked in 2019 when Mr Morales ran for an unconstitutional third consecutive term. He won, but allegations of fraud sparked protests. The army asked Mr Morales to resign, which he did, going into exile. An interim government took over for a year—a transition of power which the MAS now views as a coup—before the MAS swept back to power under Mr Arce, Mr Morales's chosen candidate, in 2020. Mr Morales returned to Bolivia, eyeing the election due in 2025.

It soon became clear that Mr Arce wanted to stay in power. Mr Morales has the support of his ex-ministers and rural workers' unions. Mr Arce, who lacks Mr Morales's charisma, controls the state and its largesse. Until recently, many Bolivians thought Mr Arce the prudent economic choice, due to strong growth while he was finance minister under Mr Morales and low inflation since he became president. But a creaking economy is changing that.

The fight has hamstrung the government. Mr Arce cannot count on votes from legislators loyal to Mr Morales. This limits his response to an economic crisis stemming from the depletion of Bolivia's foreign-exchange reserves. He has struggled to get legislative approval to take loans from multilateral development banks, and is unable to pass a law to let foreign companies extract Bolivian lithium. A meltdown would destroy Mr Arce's reputation.

Attempts at reconciliation, such as holding a national party congress, have foundered; Messrs Arce and Morales each held their own and denied the legitimacy of the other. Mr Morales has challenged Mr Arce to compete with him in primaries, but the government insists that the constitution bars Mr Morales from running. Mr Morales warns of a “convulsion” in Bolivia if he is disqualified.

The opposition smells opportunity. Carlos Mesa, a former president, may well run again for Comunidad Ciudadana, a coalition of centrists. Luis Fernando Camacho, in pre-trial detention for an alleged role in the 2019 “coup”, may run for Creemos, a right-wing party. Many others have joined the race, all calling to unite the opposition. None of them seems to excite the voters. Only Messrs Morales and Arce can keep MAS from power. ■

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Canada's jade mines boomed on Chinese demand. Now that's over

Local indigenous groups are happy that jade mines will no longer scar their lands

May 30th 2024



Courtesy of Discovery/Crave

In 2008 Jade WEST, a small Canadian mining company, was selling nephrite jade for \$20 per kilo. Then the Chinese market woke up. The Chinese government ran a campaign to promote nephrite jade during the Beijing Olympics, sparking interest in the gemstone from Chinese consumers. The price surged to between \$200 and \$2,000 a kilo, depending on quality.

Now jade prices have crashed back down to earth. In May the government of British Columbia ordered all jade mining in the north-west part of the province to cease within five years. The Tahltan Nation, an indigenous group whose territory covers rich seams of mineral deposits in British Columbia, had long lobbied for this due to environmental concerns. Softening demand and meagre tax revenues made the decision an easy one. Miners are upset. "My legacy has certainly been tarnished at this moment by this decision," says Jade West's founder, Kirk Makepeace.

Beauty not beheld

For the Tahltan Nation, harms associated with jade mining always outweighed its benefits. “The extraction of jade is quasi-unregulated and performed only on a seasonal basis with minimal seasonal workers,” says Gordon Infant of the Tahltan Central Government. “It extracts millions of dollars of resources from Tahltan territory...and ships this jade direct to Asia with zero benefits going to the Tahltan Nation and negative benefits to the province.”

The environmental impact of jade mining came to attention through a reality show, “Jade Fever”. Featuring the jade-mining Bunce family, who had been in the business for generations, the show started in 2015 when demand and prices were still high. But while it brought in some tourists and jade-hunters, it also put the jade miners on the Tahltan Nation’s radar. The group filed for an eviction notice to shut down the filming of the show in 2019.

Claudia Bunce, the family matriarch, blames infighting between jade-mining companies for their failure to work together to come up with a plan to continue operations. But the real cause of Ms Bunce’s misfortune, and her earlier luck, was the behaviour of 900m Chinese consumers, some 9,000km to the west. ■

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Asia

- Is America giving Narendra Modi an easy ride?
- Some Taiwanese worry that their lawmakers may sell them out to China
- Want to stop a third world war? Pick up the phone
- Australia joins the industrial arms race
- Bans on dog meat sweep across Asia

Asia | Diplomatic inertia

Is America giving Narendra Modi an easy ride?

The West is struggling to balance interests and values in India

May 27th 2024



BARRING A HUGE political upset, Narendra Modi looks likely to begin a third term as India's prime minister soon after June 4th, when results of the general election will be announced. But the poll has not been pretty: on March 21st [Arvind Kejriwal](#), an opposition leader who is Delhi's chief minister, was arrested on corruption charges that he calls a political sham. Mr Modi, seemingly unnerved by low turnout, has ramped up [inflammatory rhetoric](#) against India's Muslim minority. Although voting itself has been generally unproblematic, most Western officials agree that Mr Modi has tilted the political pitch by suppressing dissent and weakening democratic institutions. How should they deal with Mr Modi, particularly if his Bharatiya Janata Party (BJP) wins a large mandate?

Read more of our coverage of the [Indian election](#) and bookmark our [results page](#). Or sign up to [Essential India](#), our free weekly newsletter.

The response to Mr Kejriwal's arrest hints at the diplomatic balancing act for Western governments. Unusually, a spokesman for Germany's foreign ministry reacted first. He said that independent judicial standards and "basic democratic principles" should be upheld. America's State Department followed, encouraging "a fair, transparent, and timely legal process". Indian authorities summoned the deputy heads of the American and German embassies for a scolding. No other country issued a public statement.

Indeed, Western officials are mostly allergic to calling Mr Modi out. Ask why, and many will first mention China. America and its closest allies are focused on cultivating India as a partner in counterbalancing China, especially since a clash in 2020 on the disputed border between the two countries hardened Indian views towards its neighbour. Next, Western officials often cite pressure from their governments and corporations for better access to the world's fastest-growing major economy. A third refrain is that India denounces Western criticism as imperialist hypocrisy—and penalises offenders.

Besides, India's democracy has always been flawed yet resilient. It went through worse when Indira Gandhi, a prime minister from the rival Congress party, suspended civil liberties in the 1970s. Its democratic institutions still have some life: the Supreme Court granted Mr Kejriwal interim bail on May 10th, although he must return to prison on June 2nd.

Ask the same Western officials whether their current approach to India is working, and most sound edgy. A few claim progress on individual political cases they raise privately. But there is growing anxiety about India's trajectory. And some worry that by failing to incorporate political values better in their dealings, Western governments are making the same mistakes they did with China in the past.

Such doubts have intensified following the [alleged Indian assassination](#) of a Sikh separatist in Canada last year, the attempted killing of [another in America](#) and revelations about Indian spying in Australia (India has denied involvement in the assassinations but declined to comment on the spying). Those, combined with Mr Modi's refusal to condemn Russia's invasion of Ukraine or to help promote democracy in Myanmar and Bangladesh, are crystallising concerns among some officials that their big gamble on India may not pay off.

“We have to ask ourselves: if we succeed in strengthening India, will that come back to haunt us?” says one former Western official who worked on India policy. “India needs us far more than we think. And so we can afford to actually do the things that we’re not doing today.” Alternative approaches include speaking out more consistently with allies on political issues and using Western investment as leverage.

A shift in the West’s current approach is unlikely soon. That is [largely because of America](#). Under President Joe Biden, doubts about India are often voiced within the State Department. But India policy is dominated by the National Security Council, the Commerce Department and the Pentagon. One consequence is that the Biden administration has resisted a recommendation by a bipartisan federal commission on religious freedom to list India as a “country of particular concern”. If Donald Trump wins in November, he will probably be even more permissive.

Among “like-minded” democracies, there is little appetite for confrontation either. After Canada revealed the alleged assassination, its partners in the Five Eyes intelligence-sharing group (America, Britain, Australia and New Zealand) were slow to show solidarity. Britain and Australia are preoccupied with striking trade deals with India and co-operating on defence. The EU raises human-rights issues in a regular meeting with India but struggles to reach consensus among member states.

What could change this stance? A severe bout of communal violence might: though violence against Indian Muslims has rarely become a political issue in the West, it did so after deadly riots in 2002 in the state of Gujarat, when Mr Modi was chief minister there. And Western governments and corporations are facing increasing public scrutiny of their stance on rights abuses against Muslims in the wake of Israel’s war in Gaza and China’s mass internment of Islamic minorities.

The West may shift its policy if Mr Modi’s muscle-flexing reaches deeper into the diaspora. Relations with Canada have already been upended by the alleged assassination. America has called for an investigation and protested in private. Some Western officials believe that India will henceforth use more restraint (or at least better tradecraft). But another incident would trigger a much deeper diplomatic crisis.

Demography in the fast-growing Indian diaspora matters, too. Many Western politicians assume widespread support for Mr Modi among people of Indian origin. But the proportion of the diaspora from Sikh, Christian or

other minorities (who generally support the BJP less) is higher than within India. Christians, for example, account for 2% of India's population but 15% of Indian Americans.

That has already affected India's standoff with Canada, whose large Sikh population is deeply involved in Canadian politics. Britain's Conservative Party, meanwhile, enjoys strong backing from British Hindus but looks set to lose an election in July to the Labour Party, which traditionally draws support from Muslims of South Asian origin. Diaspora demography has yet to filter into politics in Australia but will do increasingly in future, predicts Ian Hall of Griffith University in Queensland. That is true in America, too, as many newer immigrants there hail from southern India, where the BJP is less popular.

Ultimately, the strongest impetus for change may be economic. Western corporations invested in China, Russia and other autocracies for years with little regard for human rights. Recently, though, they have grown more sensitive to consumer boycotts and supply-chain risks. A new EU due-diligence law could force Western businesses to factor in human-rights conditions when considering India as an alternative manufacturing base to China, thinks Michael Posner, a lawyer and former American official. He says that Western governments can now argue that "we have these laws and that means we're going to be more involved in this space. We want Western companies to invest in India, so help us to help you." The big question is whether Mr Modi will oblige. ■

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Asia | A protest against parliament

Some Taiwanese worry that their lawmakers may sell them out to China

They are protesting against the legislature awarding itself greater powers

May 30th 2024



Getty Images

THOUSANDS of people converged on the Legislative Yuan, Taiwan's parliament, on May 28th. Their placards read "Taiwan for the Taiwanese" and "Tyranny of the majority is not democracy". They tied white ribbons to police barricades that had been put up around the building. One claimed that democracy was "dead".

The target of the protests, which had been bubbling for days, was not Taiwan's government, but its legislature. In January Lai Ching-te of the Democratic Progressive Party (DPP) was elected Taiwan's president. Yet in parliamentary elections that were held simultaneously, his DPP lost control of the Legislative Yuan to China-friendly parties. These parties have since been backing amendments that give the legislature much greater governmental oversight, including sweeping investigative powers. As the protesters marched on parliament, the legislature passed the amendments into law.

The DPP and the protesters, who tend to support Taiwan's independence from China, see this as a power grab by the opposition Kuomintang (KMT) and its ally, the Taiwan People's Party (TPP). They say the two parties have been high-handed and undemocratic, forcing the amendments through the legislature without sufficient debate or consideration of the opinions of DPP lawmakers, who did not have the numbers to block them.

Opposition politicians say they are seeking to improve Taiwan's democracy by making government more accountable. They insist the amendments were reviewed under proper procedures, including public hearings and consultations with the DPP. Huang Kuo-chang, a TPP lawmaker, says the ideas embodied in the amendments are popular in America, Britain and some European countries, and are not unique to Taiwan.

Under the new rules, legislators have the power to form panels and question, investigate or demand documents from any official, private organisation or individual they deem relevant. Failing to comply will result in a fine; officials can also be jailed for up to a year for providing false information. Critics fear the rules could be used to force officials or even exiled Hong Kong democracy activists to disclose sensitive information that could be leaked to China. Some opposition lawmakers, including the head of the KMT's legislative caucus, have warm relations with Communist officials.

DPP politicians worry that the opposition could use the threat of prison to put pressure on them and government officials. They accuse China of being behind the changes, but have not provided evidence for this. Opposition politicians claim the DPP seeks to smear them by accusing them of collaborating with China.

Arthur Ding, a military analyst at Taipei's National Chengchi University, says it is hard to know if there is Chinese involvement. But leaders in Beijing will probably be happy to see the opposition challenge Mr Lai and the DPP's authority.

Mr Lai cannot veto the legislation. Yet Cho Jung-tai, the prime minister, plans to send it back to parliament for review. The DPP says it will challenge its constitutionality in court. The discord threatens Mr Lai's ability to govern, as parliament must approve his plans for anything from weapons deals to spending on infrastructure. Taiwan's governance looks about to become a lot more dysfunctional. ■

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<https://www.economist.com/asia/2024/05/30/some-taiwanese-worry-that-their-lawmakers-may-sell-them-out-to-china>

Want to stop a third world war? Pick up the phone

America's and China's defence ministers will meet in Singapore. They need to talk more

May 30th 2024



ON COMING to power Jim Hacker, the protagonist of “Yes, Prime Minister”, a British comedy series, asks about the hotline to the Kremlin. It works only “theoretically”, he is told; once they reached a switchboard operator who “didn’t seem to speak much English”. What’s more, using it “tends to create unnecessary panic at the other end”.

The farce springs to mind for those who, these days, urgently try to speak to China about security frictions in Asia, from its “grey-zone” bullying of neighbours over disputed islands and shoals to its wargames around Taiwan. The Philippines has a hotline to China’s foreign ministry. But when it calls to discuss China’s water-blasting of its coastguard ships, the Chinese either do not answer, or say the hotline is not for “complaints”, or accuse the Filipinos of causing trouble. Japan’s defence-ministry hotline has not stopped intensified Chinese probing of contested waters.

America, especially, wants military-to-military (“mil-mil”) communications with China, akin to those of the cold war with the Soviet Union. At a time of deep geopolitical rivalry, with the air and seas in Asia abuzz with military forces, America says open lines of communication would help prevent incidents from sliding into war. China, though, regards military contacts not as prudence but as a favour: granted in times of goodwill and withheld in periods of displeasure.

Mil-mil contacts were halted after a visit to Taiwan by Nancy Pelosi, then Speaker of America’s House of Representatives, in 2022. Chinese jets and warships harassed American ones with risky moves. Now tensions have eased a bit following a summit in San Francisco last November between Joe Biden and Xi Jinping, the American and Chinese presidents. Unsafe encounters are much reduced. Mil-mil meetings are resuming.

That will be a relief for Asia’s defence bigwigs at this week’s Shangri-La Dialogue, an annual talkfest in Singapore. They don’t want to be caught in a war between China, their main economic partner, and America, the security guarantor for many. Last year Lloyd Austin, America’s defence secretary, could merely shake hands with his Chinese counterpart, General Li Shangfu, over dinner. Little matter; General Li was soon purged.

This time Mr Austin is set for a full bilateral with the new man, Admiral Dong Jun. They spoke over video in April. Similarly, America’s chairman of the joint chiefs of staff has had a video call with his opposite number. The Military Maritime Consultative Agreement, a forum on safety at sea, has also resumed.

Nevertheless, any military contact will be halting. For one thing, notes Rush Doshi, until recently a White House official, worsening relations between the mainland and Taiwan could strain mil-mil contacts when they matter most. China recently held two days of “punishment” military exercises, encircling the island, after the [inauguration](#) of Taiwan’s new president, Lai Ching-te.

Moreover, the main warfighters—the heads of America’s Indo-Pacific Command and of China’s eastern and southern theatres—have yet to talk. And in China’s hierarchical system, notes Mr Doshi, many of China’s brass will shrink from contact with Americans, fearing it “can only bring trouble”. Pentagon officials assume that “the Chinese will go dark” in the early phase of any crisis. Nevertheless, Americans still think talking is

better than not talking; nuances in formulaic Chinese remarks can still yield insights.

For a sense of the dangers, consider the back and forth between American forces and the People's Liberation Army (PLA) as Robin Hsu, a military enthusiast, does from a hilltop in southern Taiwan. Overlooking the vital Bashi Channel, his radio comes alive with a stentorian warning from the PLA to an American jet—probably a “Rivet Joint” surveillance plane nearby: “You have entered airspace over China’s contiguous zone.” Back comes a drawl: “Relaaaaax! I’m in international airspace.” Minutes later, another warning: “This is Chinese naval warship. You are approaching me. What is your intention?” Plainly, relations are far from relaxed.

Indeed, China uses such risk to warn America: if you don’t want a mishap, pull back. America, by contrast, learned during the Cuban missile crisis of 1962 that risk must be mitigated because superpower confrontations can escalate to nuclear war. All of which prompts some at the Pentagon to ask: does another Cuban missile crisis have to happen before China comes to its senses? ■

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[Narendra Modi ramps up the Muslim-baiting](#) (May 16th)

[In South-East Asia, the war in Gaza is roiling emotions](#) (May 9th)

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Australia joins the industrial arms race

The government hopes to spend its way to a future as a green superpower

May 30th 2024



Getty Images

Digging and shipping have turned Australia into one of the world's richest nations. The country mines its vast reserves of everything from iron ore and coal to lithium and gold, and exports them. Yet as the threat from climate change grows more urgent, it faces job losses in the fossil-fuel sectors that made it rich. To make up for that and to stave off industrial decline, Australia is joining the ranks of governments around the world spending billions to build green industries.

On May 14th the centre-left Labor government presented a budget that looks like a smaller version of America's \$1tn Inflation Reduction Act (IRA), which aims to revive American manufacturing. It allocates almost A\$23bn (\$15bn) in subsidies and tax credits to clean energy and other technologies the government considers strategic. That includes almost A\$14bn in tax breaks to help Australia establish a green hydrogen industry and to start processing "critical minerals" such as copper, lithium and rare earths that are needed for the transition to clean energy.

The goal is “to make ourselves a renewable energy superpower”, says Jim Chalmers, the treasurer (as the finance minister is known in Australia). The country has wind and sun aplenty and is rich in critical minerals. Yet Mr Chalmers argues that a leg-up is still needed to foster investment in new green industries.

One reason for the splurge is concern, shared with America, over China’s dominance of critical minerals and technologies. The government hopes that the handouts will allow local miners to challenge that dominance, particularly in processing. It is also hoping that the policy will spur growth in areas like solar-panel and battery production, reducing Australia’s dependence on a hostile competitor.

Australia is also trying to keep up with friendlier countries. Its clean-energy lobby complains that American subsidies have sucked investment out of Australia. Governments from Europe to South Korea are developing competing industrial policies. Australia must sharpen its elbows or risk losing out, Anthony Albanese, the prime minister, said in April.

Yet economists question the wisdom of manufacturing batteries or solar panels on a remote island with some of the world’s highest wages. They fear handouts will drain skills and capital from more efficient parts of its economy. Under a free-trade agreement with America, Australian companies are already eligible for IRA subsidies, says Danielle Wood of Australia’s Productivity Commission, an independent agency that reviews economic policy. That makes it wasteful to give more public money to such sectors, she says. Peter Dutton, the conservative opposition leader, argues that green projects worth the investment should “stand up on their own”.

The politics will only get harder. Ahead of an election next year the government must pass legislation to enshrine its policy. Without support from minor parties, it may end up dead in the water. ■

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Asia | Four legs good

Bans on dog meat sweep across Asia

Three reasons lie behind the cuddly trend

May 30th 2024



Getty Images

Gamey and rich, the first thing that grabs you about dog meat is the smell. Next, the taste: a fusion of beef and mutton, as one culinary adventurer has written. Last, the origin, and that is what sticks. Of the perhaps 30m dogs ending up in stews and barbecues across Asia, many begin as strays or pets. Even when farmed, it is a grim business. Unlike pigs and cows, dogs carry rabies; vaccinations are not routine. Campaigners accuse farmers of brutal slaughter techniques. But consumption endures. Some Asians prize dog meat as a delicacy: a savoury delight, a ward against bad luck or a supposed palliative for heat.

Lately, though, Asia has been ditching dog. In January South Korea joined China, Taiwan, Thailand and Singapore in banning the dog-meat trade. Cat meat is sometimes banned, too. Regional bans have spread, from Cambodia's Siem Reap province to India's Nagaland state. Enforcement is being tightened. In February officials in Hong Kong arrested five

Vietnamese caught hawking frozen dog and cat meat. Even in Vietnam, where the trade is still legal, shops are closing.

The first reason is rising pet ownership. As Asians have fewer babies, pets offer companionship. South Korea and Taiwan have as many pet dogs and cats as children aged 14 and under. In Thailand pets outnumber children by roughly 7m. One in four South Koreans owns a pet, mostly dogs, up from one in six in 2012. The puppy love extends to the president, Yoon Suk Yeol, who has six dogs and eight cats. “It feels like we’ve become a dog republic,” lamented the head of Korea’s dog-farming trade body. Asia’s pet-food market is growing faster than Europe’s or America’s, expanding 9% a year until 2029, according to Mordor Intelligence, a consultancy.

The second is dogged efforts by campaigners. Groups like Dog Meat Free Indonesia (DMFI) channel global attention. Western celebrities such as Ricky Gervais, a comedian, feature heavily in DMFI’s recent campaign. It jostles law enforcement to arrest dog traffickers and embeds in raids on dog slaughterhouses. China’s VShine, an animal-welfare group, boasts of getting dog meat removed from menus in Bengbu and Zhengzhou.

The final reason for the shift is social media. Asians make up more than 60% of users. Online, pet content is king. Canny activists pair viral animal-abuse videos with calls to action. Prabowo Subianto, Indonesia’s incoming president, endeared himself to young voters through Instagram videos cuddling his cat. As pets become friends and not food, he is unlikely to be the last leader to do so. ■

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China

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China | Beware the work team

The evolution of forced labour in Xinjiang

China has wound down its re-education camps, but is still using work to remould the thinking of Uyghurs

May 30th 2024



In a village near the ancient Silk Road town of Yarkand, on the edge of the Taklamakan desert in the far-western region of Xinjiang, the *gongzuodui* has been busy. The term means “work team”. In Xinjiang it refers to a group of officials dispatched to a poor rural area to change the way Muslim residents live and think. In this village, called Konabazar, the team has been engaged in “ideological mobilisation”. The aim is to persuade reluctant farmers to head off and do other forms of work.

It is all but impossible for journalists to find out what those ethnic-Uyghur farmers made of the work team’s efforts, which involved lecturing villagers at flag-raising ceremonies and holding night-school classes. Since early 2017, when China began sending a million or more people, most of them Uyghurs, to “vocational education and training centres” (detention camps, in effect), it has become increasingly difficult to get first-hand accounts from victims of China’s repression in Xinjiang. The state justifies its actions in the name of stamping out terrorism, separatism and religious extremism. Western scholars believe the camps were wound down around 2020. But they say official

accounts, such as the report about Konabazar, suggest widespread forced labour is still being used for a similar purpose.



The Economist

Western governments have grown increasingly wary of this. In 2021 President Joe Biden signed the Uyghur Forced Labour Prevention Act. It assumes that any product from Xinjiang may be tainted by forced labour—importers have to prove otherwise to get such goods into America. In April the European Parliament approved rules aimed at blocking imports to the European Union of goods made with forced labour (they are likely to take effect in 2027). The situation in Xinjiang animated the drafters: EU imports from the region were worth \$641m in the first four months of this year, up 721% on the same period in 2016, before huge numbers began entering the camps (see chart).

Such legal barriers to Xinjiang-related trade are a headache for many companies. In 2022 James Cockayne and fellow researchers at the University of Nottingham produced a report called “Making Xinjiang sanctions work”. It estimated that Xinjiang-made polysilicon, a key ingredient in solar panels, accounted for about 95% of photovoltaic energy supplied to grids in the world’s top 30 solar-power-producing countries. The report also said Xinjiang was making about 18% of the globally traded volume of processed tomato products and that one in five garments made worldwide contained cotton from Xinjiang.

For firms seeking to exclude forced labour from their supply chains, the complexity of the way such abuses occur in Xinjiang compounds the difficulty. They have to be aware of different forms of forced labour. One involves workers who had been in the re-education centres. This group could number in the hundreds of thousands, says Adrian Zenz of the Victims of Communism Memorial Foundation, an NGO in Washington. Some of them could still be working in factories that were set up around the camps, with limited access to the outside world and no freedom to leave.

Another form may involve prisons. Many of the camps’ inmates were put into formal detention, pending trial. Yalkun Uluyol, a Uyghur living abroad, describes how his father, a honey-melon trader, underwent such a transfer. He was given a 16-year prison sentence in 2022. The son, a researcher on Uyghurs’ rights, believes the punishment was merely related to his father’s connection with him. Other relatives were also given lengthy terms, he says.

In 2022 the Associated Press (AP), an American news agency, obtained a list of more than 10,000 people sentenced for offences such as terrorism, religious extremism or “picking quarrels and provoking trouble”, a common pretext for jailing dissidents. They all came from one county in southern Xinjiang: Konasheher, not far from Yarkand. The report did not say whether any had previously been held in re-education centres (most were arrested in 2017). But it hinted at the scale of incarceration as a weapon against the state’s perceived enemies in Xinjiang. The AP calculated that Konasheher had a rate of imprisonment 30 times higher than the whole of China’s in 2013, the most recent year for which national data are available.

Work is a common part of prison life in China, and sometimes involves products that enter global supply chains. America’s government says there is evidence that inmates in Xinjiang are forced to toil in various ways, including in agriculture and mining. Some factories related to polysilicon-production are next to prisons, possibly indicating a link, according to the academics in Nottingham.

But a large part of forced labour in Xinjiang may not involve obvious signs of compulsion. People are kept at work by an implicit message: leave a state-assigned job and you are in trouble. This is the type under way in Konabazar. It is often referred to as “poverty alleviation through labour transfer”. On the surface it sounds much like what has been happening across China since the economic reforms of the late 1970s, with people moving from poor villages into cities to work.

In the rest of China this has rarely smacked of forced labour (except, perhaps, in Tibet—though some experts dispute whether the term should be used even there). In Xinjiang, however, it is different. In recent years it has become clear that the government is using the process to tighten political control over rural Muslim communities, mainly of Uyghurs who form about 45% of Xinjiang’s population of 26m. It is likely that some Uyghurs have been joining labour-transfer schemes out of fear. That is because of the terror generated by the now-defunct re-education camps, by numerous arrests of suspected critics of the government, and by a clampdown on expressions of Muslim or Uyghur identity.

Mr Zenz calls this a “non-internment state-imposed form of forced labour”. The term was adopted in February by the International Labour Organisation (ILO), a UN body, in an updated handbook on forced-labour practices. The ILO did not mention Xinjiang, but referred to schemes sounding much like its labour-transfer system.

Xinjiang’s efforts appear to have been growing in recent years. In 2017, the year the camps opened, there were 2.75m transfers (a rural resident may take more than one job a year outside his or her village). There were more than 3m in 2022. Last year the government aimed for a number similar to that of 2017. But it reached 3.2m, official data show. Some of those affected work in factories near their villages; some are sent farther afield, including to other provinces (where they are often kept under close watch). They may also do seasonal jobs, such as harvesting cotton. Kicking them off their land helps to motivate them: officials often seize it to make way for projects such as industrial zones or to enable larger-scale farming. Konabazar has been promoting a “small-fields-merge-into-big-fields” campaign, a system that usually involves giving rent in exchange for land.

In 2020 an officially approved book, “Stories of Poverty Alleviation in Southern Xinjiang”, described the aims of a work team in another part of the region. One was to raise incomes in the village, in part by using labour transfers. Another was to eliminate “religious extremism” in a community riddled with “indolence”. It describes how the team leader confronted a particularly lazy villager. “You don’t want to work, right? Fine, I won’t give

you a single pound of fertiliser, and I won't build you a house," the official said. "At the end of the year, when everyone else has escaped poverty and is living a good life, you can stay in your broken house and live your miserable life!" The team leader eventually succeeded in persuading the villager to work. They almost always do. ■

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China | Signs of decline

Has China reached peak emissions?

It hopes to de-link its carbon emissions from economic growth

May 30th 2024



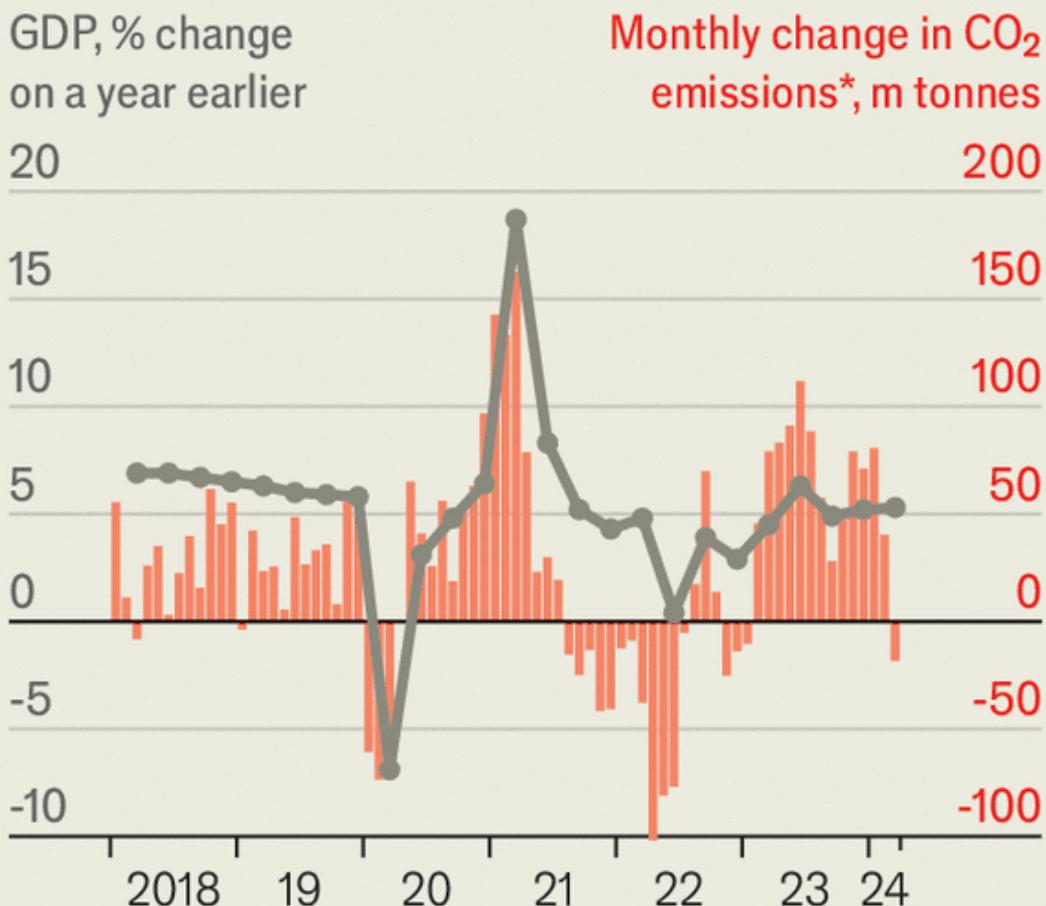
Getty Images

IN LATE 2022 the Chinese government dropped its strict controls over the spread of covid-19. That was good for the economy. Factories started humming again and more cars returned to the roads. For the same reasons, it was bad for the climate. In 2023 China's carbon-dioxide emissions surged by 4.7%, to a record 12.6bn tonnes. China accounted for over a third of the world's emissions last year.

Now, though, China's emissions are falling. In March they declined by 3% year on year, the first drop in 14 months, according to an analysis published by Carbon Brief, a specialist news website. Preliminary data show that China's emissions probably fell in April, too. It is early days, but if this trend continues, the country's emissions may never again rise to the levels they did in 2023. In other words, they would have peaked.

A welcome decoupling

China



*From fossil fuels and cement

Sources: Carbon Brief; LSEG Workspace

The Economist

That is enough to cheer environmentalists. But the data also hint at another promising development: the direct relationship between China's economic growth and its emissions may be loosening. In the past, lower emissions were usually a result of slower growth (see chart). This year, though, China's growth has edged up as emissions have come down.

One reason for optimism is that China's property sector has become a less important part of the economy. New-home prices have fallen for 11 months in a row. There is a glut of unsold inventory. So developers are building less,

reducing demand for carbon-intensive materials. In March production of cement fell by 22% year on year. Steel production was down by 8%.

Meanwhile, other kinds of economic activity are increasingly powered by clean electricity. Last year China installed almost 300 gigawatts (GW) of wind and solar capacity (for comparison, Britain's total power capacity is less than 100GW). This allows more production to happen with fewer emissions. China's workers are travelling around in greener ways, too. The country accounted for more than half of global sales of electric vehicles last year.

China can continue to make its economic growth less dirty by rolling out more green technology. Over half of its energy still comes from burning coal. Under an “optimistic” scenario put forward by the China Photovoltaic Industry Association, the country would add another 280GW of solar power to its grid every year until 2030. New wind-power capacity would increase by 50-60GW per year over the same period.

But for China to completely decouple its economic growth from its emissions, it would probably have to undergo even more radical changes. Take the British economy, which is 80% larger today than it was in 1990, yet produces half as much carbon dioxide. Cleaner energy sources certainly helped. But Britain also now uses much less electricity. That is the result of an economic shift away from power-hungry manufacturing and towards services and consumption.

China's ruler, Xi Jinping, doesn't appear interested in such a transition. In recent years he has directed government support to manufacturing rather than to services or consumption. China's electricity demand has been going up. Mr Xi sees manufacturing as not just a way to expand the economy, but as a form of security. He wants to make Western countries more reliant on Chinese factories. If that means China's economic growth remains reliant on carbon-emitting industries, so be it. ■

For more coverage of climate change, sign up for the [Climate Issue](#), our fortnightly subscriber-only newsletter, or visit our [climate-change hub](#).

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Hong Kong convicts 14 pro-democracy activists

The ruling acts as a warning: dissent and pay the price

May 30th 2024



Reuters

The three presiding judges wasted little time in presenting their verdicts in the case of the “Hong Kong 47”, members of the city’s pro-democracy political opposition. Over the course of two minutes on May 30th, the justices declared 14 of the defendants guilty of conspiracy to commit subversion in the biggest national-security trial in the city’s history. Thirty-one had already pleaded guilty. Two were acquitted.

The activists’ crime was to have held a primary election in 2020 to improve their chances of winning control of the local legislature. With that control, they planned to demand greater democracy—or else to oppose the government’s budget, which would have forced the city’s Beijing-backed chief executive to step down. The authorities alleged that the scheme amounted to an illegal subversion of state power under a national-security law imposed by the central government. The defendants’ attorneys called it normal electoral politics.

The election of 2020 was eventually postponed because of covid-19. In the interim, the 47 were arrested and the legislature was restructured to exclude those not deemed “patriots”. The verdicts, which are likely to result in prison sentences (in some cases for perhaps as long as life), represent the ongoing strangulation of dissent in Hong Kong.

Despite initial suggestions that the national-security law would be used sparingly, 292 people have been arrested and 159 charged under it, according to a database maintained by Eric Lai of ChinaFile, part of the Asia Society, an American NGO. None of the accused had been found innocent until Lawrence Lau and Lee Yue-shun, former district councillors, were acquitted on May 30th.

It is difficult to know whether that was a failure of the oppressive system or evidence that even when it comes to national-security trials (which are handled differently from other cases) an ember of judicial independence still glows. The most cynical view is that the government was growing embarrassed by its 100% conviction rate in such trials. But the justice secretary looks likely to appeal against the not-guilty verdicts.

In March Hong Kong enacted a new national-security law, known as Article 23, which complements the existing law. On May 28th the first arrests were made under the new measure. Seven suspects have been detained for advocating “hatred” of the government. The accusations seem related to social-media posts about the anniversary on June 4th of the Tiananmen Square massacre.

The smothering of dissent has turned the observance of national-security trials into a quiet form of protest. So many Hong Kongers turned out to watch the HK47 verdicts that the queue snaked around the block. In today’s Hong Kong, this amounts to a big show of discontent. ■

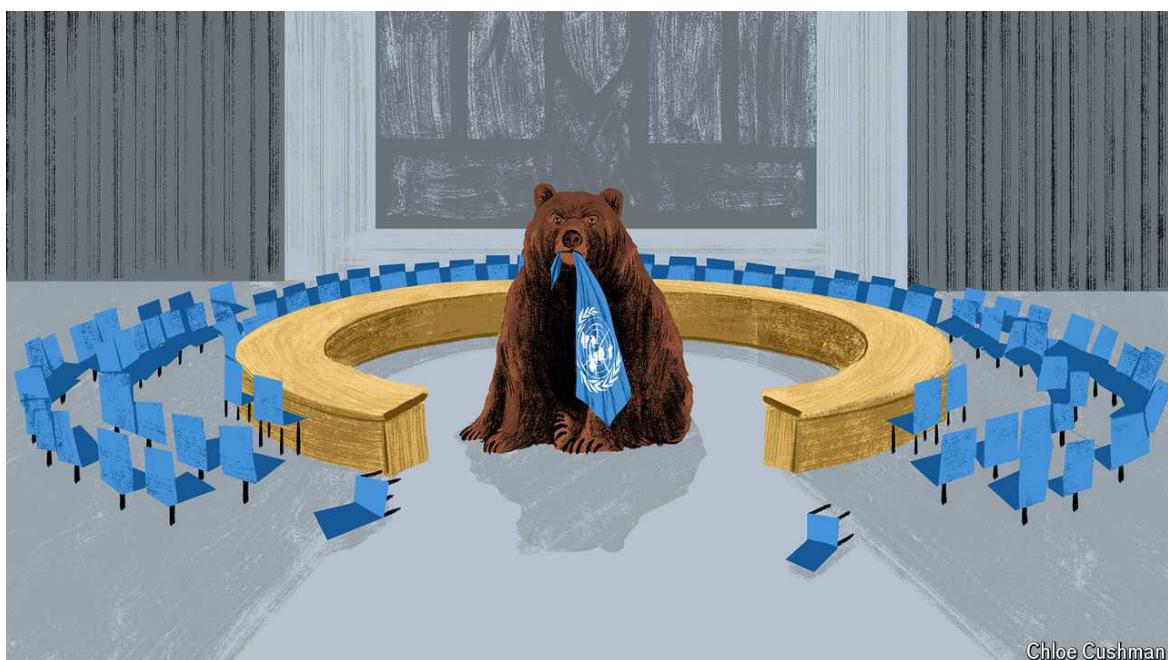
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China uses Russia as a wrecking ball

As Russia threatens to paralyse the UN Security Council, China stands back

May 28th 2024



IN THESE GRIM and violent times, it may seem odd to fret about diplomatic dysfunction in the United Nations Security Council. But at its best, that forum is a bulwark against anarchy. Its five permanent members—America, Britain, China, France and Russia—are balanced by a further ten governments elected to two-year terms. Responding to crises both large and obscure, council resolutions have over the years imposed sanctions, peacekeeping missions, arms embargoes or, at a minimum, international scrutiny on tyrants, terrorists and coup leaders who might otherwise enjoy complete impunity.

That system is breaking down. Liberal democracies, notably, accuse Russia of playing wrecker at the UN. The country was always truculent and self-serving in the Security Council. Now diplomats worry that Russia is an “existential” threat to it. Irresponsible acts are stacking up. In July last year Russia killed off a UN mission that delivered humanitarian aid to rebel-held

areas of Syria, calling it an affront to the sovereignty of the Syrian government, its ally. A month later Russia's veto ended a sanctions regime in the west African country of Mali. In their final report, UN monitors there reported on killings and crimes involving Malian troops and Russian mercenaries from the Wagner Group. In March this year Russia closed down a UN panel of experts that monitored compliance with sanctions on North Korea's nuclear and ballistic-missile programmes (and had reported on sanctions-busting arms deals between North Korea and Russia).

To be sure, many UN member states, from the developing world but also from the West, accuse America of undermining the Security Council by vetoing resolutions that condemn Israeli actions in Gaza. America, though, is charged with selectively upholding the post-1945 world order. In contrast, when Chaguan visited New York recently he heard diplomats from four continents voice fears that Russia is bent on tearing that order down. In the next breath, those same envoys asked pointed questions about Russia's reliable supporter on the Security Council, China.

Those questions are sharp because China calls itself a defender of the UN system. The structure of the Security Council, with its veto rights for permanent members, matches China's vision for an orderly world. Though Communist Party leaders talk a good game about fairness and equality between large and small countries, they also consistently argue that stability rests on heeding the interests of the strongest nations. In a speech at the UN's offices in Geneva in 2017, China's leader, Xi Jinping, praised by name the Peace of Westphalia, built on two 17th-century treaties that bound sovereign states to refrain from interfering in each other's domestic affairs while balancing one another's interests and ambitions. In the words of Mr Xi: "Major powers should respect each other's core interests and major concerns." Chinese diplomats duly blame America for the war in Ukraine, arguing that NATO enlargement in eastern Europe pushed Vladimir Putin into a corner.

Still, until recently, even as China's rhetoric became more anti-Western, diplomats saw signs of Chinese pragmatism in the Security Council. Immediately after the invasion of Ukraine, American officials shared with China the text of a council resolution condemning Russia. Knowing that Russia would block it but eager to avoid a Chinese veto, American diplomats watered the text down in return for a Chinese abstention. Also in 2022, China lobbied Russia to renew the mandate of the UN mission in Afghanistan.

In each of the egregious cases listed above, involving Syria, Mali and North Korea, China took an ostensibly moderate stance, abstaining in key votes rather than joining Russia in a veto. When Russia ended the UN's role in overseeing aid deliveries into Syria, Chinese diplomats privately assured foreign counterparts that they tried to head off Russia's "no" vote. Yet fears are growing that China sees benefits in Russia's nihilism.

Russia demolishes, China builds

After Russia cast its three vetoes, China joined it in criticising UN sanctions for ignoring the sovereign rights of Syria, Mali and North Korea. Some African governments voiced alarm at Russia's dismantling of the UN mission in Mali. Others argue that arms embargoes prevent states from buying weapons, even as rebels arm themselves. China has found UN peacekeeping missions useful in African countries where it has economic interests, says Richard Gowan of the Crisis Group, a think-tank. But broadly, African nations are "sick and tired of former colonial powers telling them what to do", and China and Russia are "keen to win over African members", adds Mr Gowan. In a debate about Africa on May 23rd, China's UN ambassador, Fu Cong, scolded unnamed Western countries for "adhering to the old mentality from the colonial era, wantonly interfering in the internal affairs of African states" and "always resorting to pressure and sanctions".

Russia's wrecking of the North Korea panel of experts shocked UN members. Some 60 governments had called for the panel to be preserved. America, Japan and South Korea urged China to intervene, but Chinese diplomats denied having leverage over Russia. After Russia's veto, China blamed Western countries for rejecting earlier, Sino-Russian proposals to ease "harsh sanctions" on North Korea. "China leaned back and left the dirty work to Russia," says a diplomat who watched the process up close. The UN panel obliquely criticised China for tolerating North Korean smuggling, but that was not China's main motive, adds the diplomat. China needs stability to prosper through foreign trade, but is "unhappy with the West defining how the UN works", he says. By letting Russia dismantle the old order, with its sanctions and monitoring of rights abusers, China can reshape what comes next. China's approach is less dramatic, but surely matters more. ■

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Middle East & Africa

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- [Outrage at a strike in Rafah is unlikely to change policy](#)
- [A battle rages for a key city in Sudan's ravaged western region](#)
- [A Sudanese gathering outside the country proposes a third way](#)
- [New fronts are opening in the war against malaria](#)

Who is responsible for feeding Gaza?

Arguments fly over Israel's duty to maintain aid

May 29th 2024



An estimated 1M Palestinians have fled Rafah since the start of Israel's offensive there on May 6th. For those who remain, the fighting has had grisly consequences. At least 45 people, including a number of children, died on May 26th after an [Israeli air strike set fire to a tent camp](#); survivors had to pull charred bodies from the wreckage. Even those who evacuated are not entirely safe: dozens more were killed two days later in a strike near al-Mawasi, a so-called "humanitarian zone" for displaced civilians.

Less macabre, but just as consequential, is what the offensive has done to the flows of aid that have kept 2.2m Palestinians alive throughout eight months of war. Consider the statistics from one recent day. The Israeli army said that 370 lorries of aid reached Gaza on May 27th, 154 of them via Kerem Shalom, a border crossing in the south. Yet the UN's official tally from that day recorded zero lorries at Kerem Shalom. Neither side is lying—nor, though, are they telling the whole truth. The confusing figures show how Israel's campaign in Rafah has complicated deliveries of aid.

[Read all our coverage of the war between Israel and Hamas](#)

Until it began, most of the aid reaching Gaza did so by lorry in the south, where it was collected by the UN. Of the 27,608 lorries that entered between the start of the war and May 6th, around 25,000 went via the Rafah and Kerem Shalom crossings (see map). Over 90% of those lorries delivered goods to the UN and other charities; only a small fraction carried cargo ordered by private firms.



The Economist

Deliveries reached an all-time high in April, when 5,671 lorries entered Gaza via the two southern crossings. There were also new routes for shipments to other parts of the enclave. In May Israel opened a new crossing, called West

Erez, which could handle deliveries in the north. America inaugurated a temporary pier to receive supplies by sea. After months of shortages, aid workers were hopeful that the humanitarian situation was improving.



The Economist

Then Israeli troops began their push into Rafah. It has caused two big problems. First is the supply of aid. Egypt stopped sending lorries to the Rafah crossing after Israeli troops seized it. Kerem Shalom has, at times, been too dangerous to use (partly because Hamas keeps firing rockets at it). The week before the Rafah offensive began, the UN received 1,601 lorries through those crossings; the week after, it recorded 63 (see chart). Most lorries entering in the south are now bound for private firms, not charities. They show up in Israel's statistics, but not in the UN's.

On most days the West Erez crossing now handles a majority of the aid entering Gaza. In the two weeks before the Rafah offensive, just 94 aid lorries used that route; in the two weeks after it began, 465 of them did. That is a five-fold increase, but it does not make up for the much larger drop in aid flows in the south.

Nor does the maritime route. In its first week the American-built pier received around 1,100 tonnes of aid—the equivalent of eight lorries a day. On May 28th the Pentagon said the pier had been damaged and needed to be towed to Israel for repairs.

Moreover, both the pier and the West Erez crossing are in northern Gaza, which has been largely depopulated. That points to a second issue. The daily figures from the Israeli army count all the lorries that clear security screening and unload their goods on the Gazan side of the border. But those deliveries are little help to Gazans unless someone can pick up the supplies and deliver them where they are needed.

Until May 6th, the UN was largely responsible for that: it sent hundreds of lorries each day to collect aid from the southern crossings. With most of Gaza's 2.2m people huddled in Rafah, most aid stayed there as well; many UN lorries had to drive only a few kilometres to drop their cargo at warehouses and government offices.

Now, though, the UN says it is often too dangerous to send drivers to Kerem Shalom. Since May 6th it has dispatched just 169 lorries (an average of seven a day). On May 21st the UN halted food distribution in Rafah, citing logistical glitches. Deliveries in the north can be fraught as well: much of the aid that came via the American-built pier was seized by hungry crowds before it reached UN warehouses.

Private firms have fewer qualms about security: they send dozens of lorries to Kerem Shalom each day to collect goods and deliver them to makeshift markets. With less aid entering Gaza, these markets are now a vital lifeline. But shoppers say the prices are often high and erratic.

This makes for a bleak picture. Food, medicine and other essentials are still getting into Gaza, but some shipments are stuck in staging areas on the border. Others are sold at prices that few Gazans can afford. Israel, though, insists that it is meeting its duties under international law.

Warring states have no duty to feed the enemy, only a “duty to facilitate”: they must allow neutral parties to deliver humanitarian aid, which Israel has done with the UN. But those duties change if they become occupying powers. Then

they must “ensure the provision” of basic supplies. It is not enough passively to allow food into the territory; occupiers must themselves actively provide supplies if they are needed and cannot get through by other means.

Under international law, an army becomes an occupying power once it can exercise “effective control” over a territory. The meaning of that phrase is debated. Many Israeli lawyers argue their country cannot be deemed to occupy Gaza: it has not set up a formal administration there, and its troops have withdrawn from many areas they once controlled. Perhaps Israel has been the occupying power for limited periods in particular areas, they concede, but not in Gaza as a whole.

Yet Israel now controls all of Gaza’s land borders, its coastline and its air space. It has thousands of troops in Rafah, a smaller number deployed along a corridor that bisects the enclave, and the freedom to send forces anywhere it wishes. It has not set up a military government for Gaza—but it has the power to do so.

To many, that looks like effective control. David Cameron, Britain’s foreign secretary, called Israel an occupying power in March. On May 20th a panel of experts convened by the prosecutor of the International Criminal Court found that Israel was “certainly” an occupying power “in all of or at least in substantial parts of Gaza”. The prosecutor accused Israel’s prime minister and its defence minister of inflicting “starvation as a method of war” in his request for arrest warrants in May.

For almost eight months, Israel has resisted calls to deliver aid to Gazans directly and urged the UN to do more. But the fighting in Rafah has left the UN paralysed. Whatever the legal arguments, if the offensive leads to greater hunger and disease in Gaza, many will hold Israel responsible. ■

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Outrage at a strike in Rafah is unlikely to change policy

America has already said the incident does not cross its red lines

May 29th 2024



Getty Images

Only one detail of the events of the night of May 26th is undisputed: dozens of people were killed in an Israeli air strike in Rafah. Palestinians say that several large bombs were used to target a camp of civilians, uprooted from other parts of war-torn Gaza. The Israel Defence Forces (IDF) acknowledge there was a strike but claim they used two smaller missiles to target two senior Hamas men who were killed. The additional deaths, they insist, were caused by secondary explosions—a vehicle carrying explosives or a fuel truck—that they had not foreseen.

There is disagreement as well over the status of the attacked area. According to the Palestinians, it was a designated “humanitarian zone”. The IDF insists that the [humanitarian zone](#) is elsewhere, but accepts that the area that was hit is not included in a list of locations in Rafah that it had ordered civilians to evacuate.

[Read all our coverage of the war between Israel and Hamas](#)

Reports of at least 45 dead, many of whom seem to have been killed when tents started burning, have provoked an international outcry. The strike took place two days after the International Court of Justice (ICJ) issued an order to halt any strikes in Rafah that “may inflict on the Palestinian group in Gaza conditions of life that could bring about its physical destruction in whole or in part”. Israeli officials insisted that this meant they could continue operating in Rafah, as they were taking the necessary precautions to avoid harming Palestinian civilians. But even accepting that interpretation—and the IDF’S claims that the strike was “accurate” and that it planned to avoid additional casualties—the gruesome outcome makes clear the human cost of Israel’s war in Gaza.

Israel fears that these deaths, coming immediately after the ICJ order, could lead to more intense international pressure to accept a ceasefire. Binyamin Netanyahu, the Israeli prime minister, made a rare acknowledgment of the Palestinian loss of life, calling it “a tragic accident”, but insisted that Israel would “continue to fight”.

A number of similar incidents during this war have resulted in mass casualties. First came the explosion outside the Ahli Arab hospital, originally blamed on Israel but then thought almost certainly to have been caused by an errant Palestinian rocket. Two weeks later hundreds were killed and wounded in an air strike on the Jabalia refugee camp. In February over a hundred people were killed in a stampede around a food convoy in Gaza City.

These are just some of the most deadly incidents in a war that has claimed the lives of tens of thousands in Gaza. After each one, expectations grow that it will prove to be a turning-point, forcing Israel’s allies, especially America, to say “enough”.

It has not happened so far. That is partly because in the Americans’ eyes the attacks of October 7th continue to justify Israel’s pursuit of Hamas with the utmost ferocity; partly because a large number of Israeli hostages are still being held in Gaza; and to a large degree because this Israeli government seems generally impervious to international criticism and pressure.

Could the latest strike on Rafah prove different? Coupled with the ICJ ruling it is possible, though America has already said that the strike does not cross any red lines that would prompt a change in its policy. The

apparently accidental killing of an Egyptian soldier in an exchange of fire between the IDF and the Egyptian army could also have an effect. For Israel, hundreds of Palestinian casualties are one thing, but when its allies are among the dead, that is another. When seven foreign employees of the World Central Kitchen, an aid group, were killed on April 1st in an IDF drone strike, Israel was forced to allow more aid in.

Ultimately, the obstacle to a ceasefire is the political situation and public opinion within Israel. The national trauma of October 7th has been exploited by hardline politicians in Israel to promote an unrelenting war in Gaza. Yet, at this point, even some within the Israeli security establishment accept that a pause in the fighting is required to secure the release of the hostages—and to shore up Israel's eroding international standing. ■

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A battle rages for a key city in Sudan's ravaged western region

The civil war's outcome may be affected by it

May 30th 2024



Getty Images

For more than a year after civil war began in Sudan, el-Fasher held out. City after city in Darfur, a vast western region of which it is the capital, fell to the Rapid Support Forces (RSF), a paramilitary group fighting to take over all of Sudan. But el-Fasher remained an island of relative stability. Tens of thousands of people fleeing ethnic cleansing and possible genocide elsewhere joined the hundreds of thousands who had settled in the city during the previous Darfur war 20 years ago. While much of Sudan has collapsed into chaos, el-Fasher maintained a fragile peace.

Until now. On May 10th a local truce struck early in the war fell apart. Violence in and around Darfur's capital has soared. The city's eastern side is under fiercest assault, according to open-source-intelligence analysts at Yale University's Humanitarian Research Lab. Repeated shelling of a camp for displaced people has forced almost half of them to flee. "Missiles every day," reports a nearby resident by text message. A clinic in the city's south, which

has only one surgeon left, has taken in more than 1,000 wounded patients, says Jérôme Tubiana of Médecins Sans Frontières, a charity. At least 134 have died.

RSF troops under the command of Muhammad Hamdan Dagalo, a Darfuri warlord known as Hemedti, supported by an assortment of militias drawn from local ethnic Arab groups, now surround el-Fasher on all sides. An estimated 2.8m people (including at least 800,000 internal refugees living in camps on the outskirts) are trapped within. Most are from black African ethnic groups, such as the local Zaghawa people. About 30,000 soldiers from the Sudanese Armed Forces (SAF), the regular army, are holed up in barracks in the centre of the city. With almost all roads blocked, water, food and medicine are running out. “This is a ticking time-bomb,” warns Yasir Yousif Elamin, president of the Sudanese American Physicians’ Association.

Since the civil war erupted in April 2023 in Khartoum, the national capital, almost no corner of the country has been untouched. Millions have been displaced and tens of thousands have been killed. Famine is expected by June; some reckon this could kill more than 2m by the end of September. Yet what happens in el-Fasher in the coming days and weeks will reverberate not just in North Darfur, which is the size of Spain and is the only state in the western region yet to come under the RSF’s full control, but across Sudan and beyond.

The RSF dreams of spreading its influence across the Horn of Africa and the Sahel. Capturing el-Fasher, the historic capital of the precolonial sultanate of Darfur, would be momentous. It was where the previous devastating civil war began in 2003. And it was where Mr Dagalo and his band of state-sponsored mercenaries, then known as the *Janjaweed* and now morphed into the RSF, got international notoriety.

Many fear el-Fasher may suffer the same ethnic cleansing as el-Geneina, West Darfur’s capital, when the RSF took it last year. “If it goes full-bore, it’ll be the bloodiest, most brutal battle of the war,” says Tom Perriello, America’s special envoy.



The Economist

Conquering el-Fasher would enable the RSF to control the key transit route from neighbouring Libya, through which it gets much of its fuel and arms from foreign backers, including the United Arab Emirates (UAE). “Militarily this goes well beyond el-Fasher,” says Kholood Khair of Confluence Advisory, a Sudanese think-tank. “It is much more about the Libyan border.” With North Darfur under its thumb, the RSF would enjoy almost unlimited control of Sudan’s entire western frontier, from Libya in the north-west to Chad and the Central African Republic in the west and South Sudan across the southern border. It would then be easier for the RSF to step up attacks on the SAF and allied groups in their southern and eastern strongholds (see map).

The SAF's top brass seems to have resigned itself to losing all of Darfur. Having lost most of Khartoum last year, the national government's headquarters is now Port Sudan on the Red Sea. The SAF's priority is to reclaim the capital and Gezira state, the country's breadbasket.

The SAF's last contingent in el-Fasher is cut off on all sides; emergency supplies have to be airlifted from outside. The RSF's imminent and possibly genocidal assault on el-Fasher has at least prompted several armed Darfuri groups, which had previously claimed neutrality, to declare allegiance to the SAF. Many of el-Fasher's residents have responded to the SAF's calls to arm themselves and fight alongside it. One Western security analyst notes that the SAF, for its part, has been far from faultless, bombing civilians and livestock in areas around el-Fasher that it deems to be sympathetic to the RSF.

Foreign governments are belatedly scrambling to avert a bloodbath. On May 15th America imposed sanctions on two RSF commanders, including one believed to be leading the siege of el-Fasher. It has privately threatened to do the same to Mr Dagalo. Thanks to his control of Sudan's gold mines, he has to consider the interests of a sprawling multinational business empire. Combined with a rare statement by the UAE urging a ceasefire over el-Fasher, this may have prompted him to delay a full-scale assault on the city. On May 24th the RSF announced it would allow "safe passages" for civilians wishing to leave.

That may be too late. Mr Dagalo, who sees himself as Sudan's soon-to-be-recognised president, may wish to avoid more damage to his international reputation. But his troops are unlikely to be bothered by that. Nathaniel Raymond, a conflict monitor at Yale University, notes that the RSF and its allies have already attacked "at least 30 primarily Zaghawa communities in six weeks around el-Fasher", razing homes and expelling residents en masse. If they take the city, they would control about a third of Sudan. "We see them burning houses in el-Fasher already." ■

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A Sudanese gathering outside the country proposes a third way

But the main armed forces men may still end up in charge

May 30th 2024



A GLIMMER OF hope was provided this week by ordinary Sudanese civilians rather than the two armed forces battling for supremacy on the ground. On May 27th, to the sound of joyous ululations, the “Co-ordination Body of the Democratic Civil Forces of Sudan”, more snappily known as Tagadom, began a four-day convention in Addis Ababa, the capital of Ethiopia. Chaired by Abdalla Hamdok, Sudan’s last civilian prime minister, Tagadom seeks to rally as wide a coalition of Sudanese as possible to stop the civil war and return the country to civilian rule.

Given the chaos and terror that now prevail, it was a small logistical miracle that the organisers managed to gather 600 or so Sudanese delegates under one roof. Previous such meetings of groups claiming to represent Sudan’s people have been criticised for merely assembling the usual elites to stand up for little more than their own selfish interests. So Mr Hamdok’s

team went to enormous lengths to embrace the broadest spectrum of Sudanese outfits, based both at home and abroad.

People from all 18 of Sudan's states were represented. Among the 25 delegations from Sudan's worldwide diaspora was a sprinkling of stetsons. Another 30 delegates were from displaced persons' camps. A full 40% of the delegates were women. A similar proportion were counted as young, meaning under 45. Tagadom has also drawn support from some of Sudan's main political parties, such as the Umma, as well as a handful of armed groups that have so far been neutral in the war. The result was a heady mix. Meredith Preston McGhie, a Canadian veteran of many peace negotiations in east Africa, called the conference "the most inclusive process" she had ever witnessed.

"The broader the front", argues Mr Hamdok, "the more pressure can be exerted on the belligerents." The hope is that such a wide range of adherents will give Tagadom the legitimacy to take part in negotiations and forestall claims by the two main armed groups—the regular Sudanese Armed Forces (SAF) and the paramilitary Rapid Support Forces (RSF)—to represent Sudan. Because Mr Hamdok, a former economist, and the Tagadom leaders say they want Sudan to be a secular democracy led by civilians, it can look as if they favour any group opposed to the SAF, which has its roots in the oppressive Islamist regimes led by Omar al-Bashir, from 1989 to 2019.

Mr Hamdok's sympathies were questioned when he met Muhammad Hamdan Dagalo (known as Hemedti), the RSF leader, in January. So Tagadom delegates in Addis Ababa were at pains to denounce the RSF as much as the SAF for the brutalities of the civil war. Tagadom's most precious asset will be its claim to stand independently from the two main warring groups.

Could it help avert Sudan's slide into self-immolation and fragmentation? In the short run that will be decided by the men with guns, if and when separate talks resume in Jeddah, where Tagadom has so far had no role. But if more movements, such as the still influential Sudanese Communist Party, unite under Tagadom's banner, as Mr Hamdok says he expects, it may become impossible to ignore.

If more non-African countries, including European ones, were to back Tagadom, might others that have so far boosted one or other of the main

belligerents be drawn into the Tagadom camp? If a stalemate persists in the civil war, that might eventually become the better option. ■

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New fronts are opening in the war against malaria

After years of stalemate, ground-breaking vaccines and better nets are raising hopes

May 30th 2024



AFP

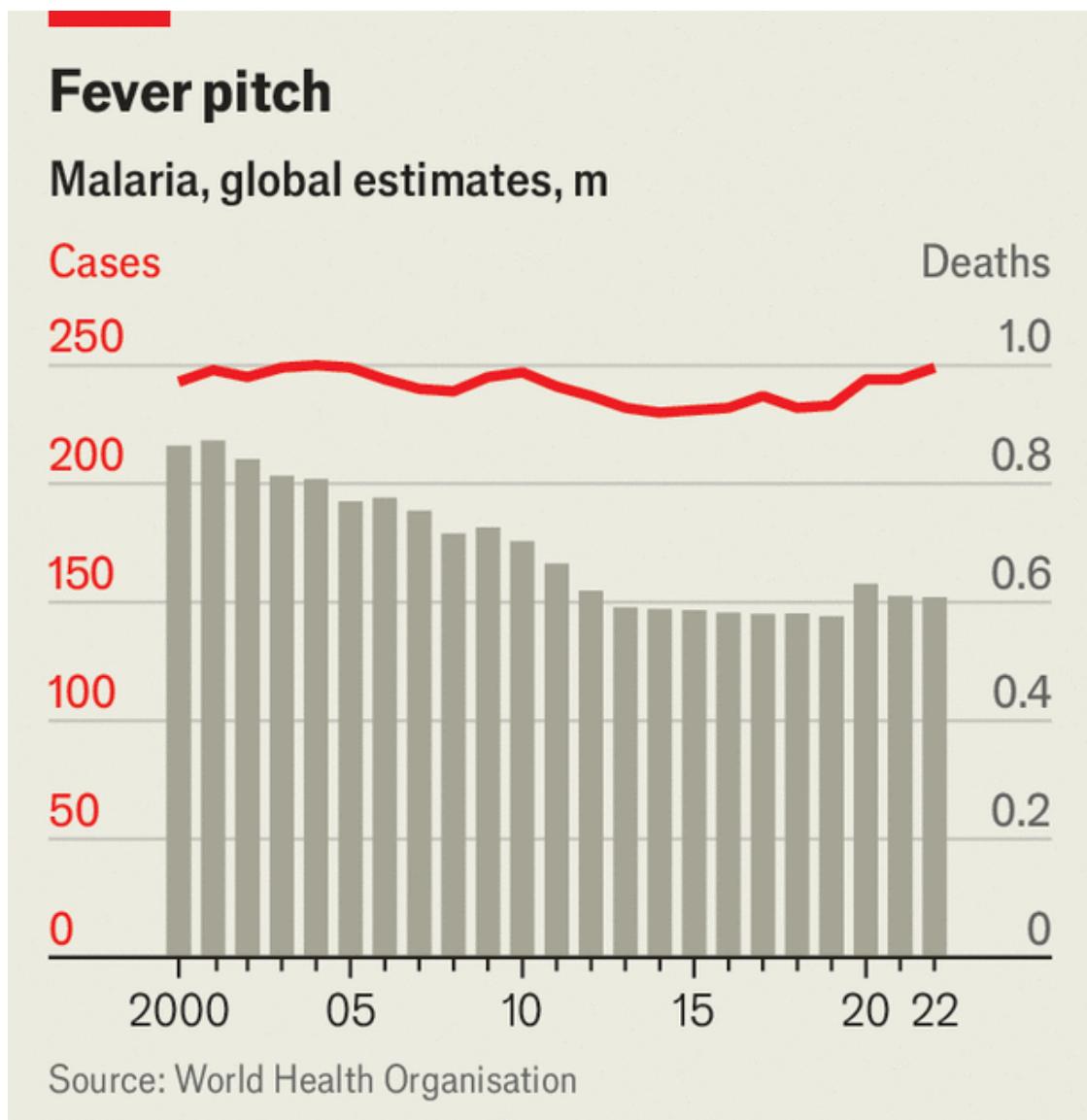
In the shade of a tree outside a clinic in Wakiso near Kampala, Uganda's capital, Hadijah Mirembe watches over her nine-month-old son. She has been here for two days, ever since his temperature soared. He has malaria, she explains, as his chest rises and falls rapidly in his sleep. So does she. These days, even when she sleeps under a net, she often wakes to find a satisfied mosquito that has snuck inside.

Millions of parents in Africa know the worry of caring for a child with malaria. Many know the grief of losing one. But two new vaccines give hope. The first, RTS,S/AS01, has been tried on nearly 2m children in Kenya, Ghana and Malawi since 2019, and is being used in seven more countries this year. The second, R21/Matrix-M, which is being made in larger volumes at less than half the price, started shipping on May 24th to the Central African Republic.

Neither protects completely against malaria, but they will have a big impact. "For the first time we have a vaccine against a parasite," says Charles Shey Wiysonge, who advises the World Health Organisation (WHO) on

immunisation in Africa. “It’s like landing on the moon.” Just as exciting are other innovations, such as new kinds of mosquito nets.

The toolbox is suddenly bursting, and not a moment too soon. As thrilled as they are by these breakthroughs, malaria experts also worry about emerging threats: hardier mosquitoes, drug-resistant strains of the parasite, and the disruptive effects of climate change. The fight against malaria is at a “crunch point”, says Peter Sands of the Global Fund to Fight AIDS, Tuberculosis and Malaria, a Geneva-based body through which two-thirds of all international spending on malaria is channelled.



The Economist

Until about 2015 malaria deaths were falling steadily. Since then, progress has stalled. A disease which once plagued ancient Rome and the swamps of Washington, DC, is now almost entirely confined to Africa, where 95% of cases

and 97% of deaths are recorded. Three-quarters of those dying are children under five.

When a mosquito infected with malaria bites a person, it injects a few dozen sporozoites into the bloodstream. These long, sprightly forms of the parasitic protozoan reach the liver within an hour; there the parasite transforms and multiplies, causing infection and sometimes death. Stop the parasite early, when the sporozoites are few in number, and disease is averted.

That is the premise of both new vaccines, which create antibodies that attach to sporozoites of the parasite *Plasmodium falciparum*, responsible for almost all of the deaths globally. The first to arrive was RTS,S which was developed in 1987 by GSK, a British company, and recommended by the WHO in 2021. Combining it with antimalarial drugs in places with high seasonal transmission of the disease reduced malaria episodes and deaths in young children by nearly two-thirds, compared with jabs or antimalarial drugs alone. Adding bed nets probably raised protection to more than 90%.

There are two problems with RTS,S: supply and cost. GSK is committed to making only 18m doses between 2023 and 2025. At least 40m-60m doses are needed annually by 2026. Each child needs four doses at €9.30 (\$10) each. But in October the WHO recommended a second vaccine, R21, from the University of Oxford. Unusually, this vaccine has been co-developed by a manufacturer—the Serum Institute in Pune, India. Its boss, Adar Poonawalla, has invested in manufacturing the vaccine. As a result, some 25m doses are already available this year; 100m doses could be made annually.

Better yet, R21 costs just \$3.90 per dose (four doses are also needed). So far it is not clear which vaccine might prove more effective or long-lasting. For now the global health community is treating the two as equivalent. Poor countries are being shielded from the difference in cost through international purchasing with donor funds. But the greater availability of R21 and its lower price mean it will probably dominate. Development of this vaccine is also continuing.

Other innovations may prove just as important. In 87% of countries where malaria is endemic, some mosquitoes have become resistant to the most common insecticide used to treat bed nets. One trial in Tanzania found that adding a second chemical almost halved the chance of infection in children. The WHO recommended the use of these dual-insecticide nets last year. Other new tools include baits which lure mosquitoes with sugar, then poison them, or sheets of film that can be stuck to walls, releasing insecticide into the air.

But the disease has new weapons too. Scoop a cupful of green water from the waste pools behind Dire Dawa University, in eastern Ethiopia, and it is easy to

spot the mosquito larvae swimming inside. In 2022 a malaria outbreak struck the nearby male dormitories. About 2,400 cases were recorded in the city, roughly 12 times the usual number for the dry season. Scientists noted that the disease clustered in places where they also recorded the presence of *Anopheles stephensi*, an invasive mosquito species. Tests confirmed the link.

The bite back

A. stephensi is native to parts of South Asia and the Arabian peninsula. At some point it crossed into Africa, to countries unprepared for its quirks. It bites earlier in the evening than many other species, before people are under bed nets, and feasts both indoors and out. It is good at surviving dry spells. And it is unusually fond of breeding in artificial containers, such as water tanks, making it a deadly counterpart to Africa's chaotic urbanisation. There were just 27 malaria cases in Djibouti when it became the first African country to detect *A. stephensi* in 2012; a decade later there were 41,000. One model suggests that 126m more people would be at risk of malaria if the intruder spreads across the continent.

In Dire Dawa, with support from the American government, teams of workers are covering open barrels, adding larvicide to tanks, and tipping out the rainwater from discarded tyres. But it is hard to stop a mosquito that can breed in a bottle cap. Last month Djibouti began releasing tens of thousands of genetically modified mosquitoes. They mate with wild mosquitoes and spread a gene that stops female offspring surviving to adulthood.

Climate change is another cause of flux. Many mosquitoes struggle in temperatures above 28°C, so in the hottest places malaria cases might fall. But in Africa's cooler highlands the transmission season has lengthened by about 18 days since the 1950s. Most worrying are natural disasters. Annual malaria cases rose fourfold in Pakistan in 2022 after devastating floods.

Meanwhile, *P. falciparum* itself is becoming resistant to artemisinin, the main drug used to treat malaria. Innovation is in a constant race with evolution. Instead of focusing only on nets, medicines and vaccines, countries must develop stronger health systems, better housing and wider education, and the "environmental resilience" to adapt to new challenges too, says Fredros Okumu of the Ifakara Health Institute in Tanzania.

The world's governments and philanthropists spent \$4.1bn on fighting malaria in 2022, less than Americans spend monthly on pet food. That sum is barely half of what the WHO reckons is needed to reach global targets. Besides the moral imperative, three practical arguments call for a big push on malaria now.

First, every case prevented makes further transmission less likely, saving money in the long run.

Second, more spending could help avert painful trade-offs. The RTS,S vaccine typically costs more for each life saved than other interventions, like bed nets, while R21 is roughly on a par. Both are meant to be used alongside other tools, not instead of them. There are already too few nets and medicines to go around.

The third argument for a big push is the huge cost of malaria itself. Days lost to malaria stifle learning in school and reduce productivity at work. A study of a malaria campaign in 27 African countries, which spent about one dollar per person per year, found that children who benefited spent five months longer in school. Another found that treating cases among workers on a Nigerian sugar-cane plantation raised their earnings and the labour supply by about 10% over the following weeks.

And there is a final, visionary argument: the promise of a world where malaria is eradicated. Existing vaccines save one life for every 200 children inoculated. Research is under way on improved versions.

The ultimate goal is to add a third vaccine which blocks transmission. Then, reckons Dr Adrian Hill, who led research on R21, the eradication of *falciparum* malaria would begin to look technically feasible. Ms Mirembe's son, battling his fever, is growing up in a world where malaria is a deadly scourge. Her grandchildren might grow up in a world without it. ■

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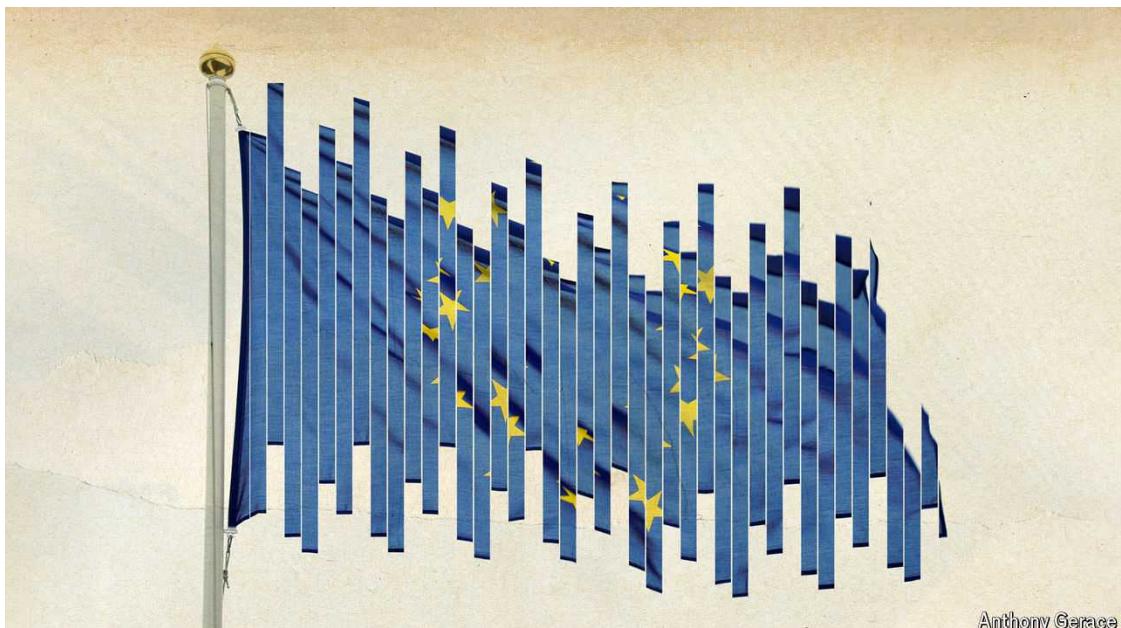
Europe

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The rise of the hard right threatens Europe's political stability

European elections could mean gridlock in Brussels and beyond

May 30th 2024



Voters in America are often asked by politicians if they are better off now than they were four years ago. As they look forward to European elections on June 6th-9th, their transatlantic counterparts would probably rather not delve much into the five years since they last trudged to the polls. The European Union has had a half-decade to forget. Eight months after the vote in May 2019 the bloc lost a member for the first time in its six-decade history when Britain left. Weeks later covid-19 hit. The continent emerged from lockdown to face war on its doorstep and an energy crisis that has laid its economy flat and boosted the fortunes of xenophobic parties.

Those assuming things can only get better may be in for a reckoning. Yes, Brexit has been dealt with, energy prices are lower and the pandemic a blurring memory. But the war in Ukraine endures and the hard right of Marine Le Pen in France or Viktor Orban in Hungary is gaining ever more ground. Worse, the probable outcome of the election will be a period of political rudderlessness. At best, its 27 national leaders and the EU's central institutions

will spend months focused on internal machinations, such as who gets what job in Brussels. At worst, rows about the future direction of the EU could last past the end of the year—leaving a political vacuum there, even as a putative Trump administration prepares for office.

Distant as the EU may seem to the average voter, what happens in Brussels matters: the bloc’s approach to industrial policy, defence, the environment and much else beside is crafted there. And if the union lacks clear leadership, it is not just its 450m citizens that will feel the impact. Ukraine still depends on its European allies for money and weapons: nobody would enjoy seeing the EU politically logjammed as much as Russia’s Vladimir Putin. And whoever wins the White House in November, Europe is now the sole global bloc that is still supporting free-trade rules at a time when China and America have all but forsaken them. Should the EU give up on its carbon-cutting ambitions, as Europe’s populists generally demand, a terrible signal would be sent to the rest of the world.

The irony is that so much has come to rest on elections that Europeans themselves care so little about. Turnout in the European Parliament vote is markedly lower than in national ones; few will follow the work of the 720 elected members who will take their seats in July. But the election will nonetheless have two serious political consequences. One of them will be to determine whether Ursula von der Leyen, the president of the European Commission, the bloc’s powerful executive arm, will get another five-year term. The other concerns national politicians, some of whom will end up with electoral bloody noses come June 10th, as their parties get trounced. Both developments have the potential to gridlock European politics.

The immediate focus will be on what happens in Brussels. Eight days after the elections, the EU’s leaders will hold a summit to decide who will lead the bloc’s institutions, notably the commission. Mrs von der Leyen has helped to shape some of the continent’s major policies. Her steadfast support of Ukraine has proved vital. It was the commission that pushed Europe to aim for net-zero carbon emissions by 2050. Mrs von der Leyen has set the tone for the continent’s relationship with China: “derisking” its supply chains from its imports, but not “decoupling” from it as America sometimes seems inclined to.

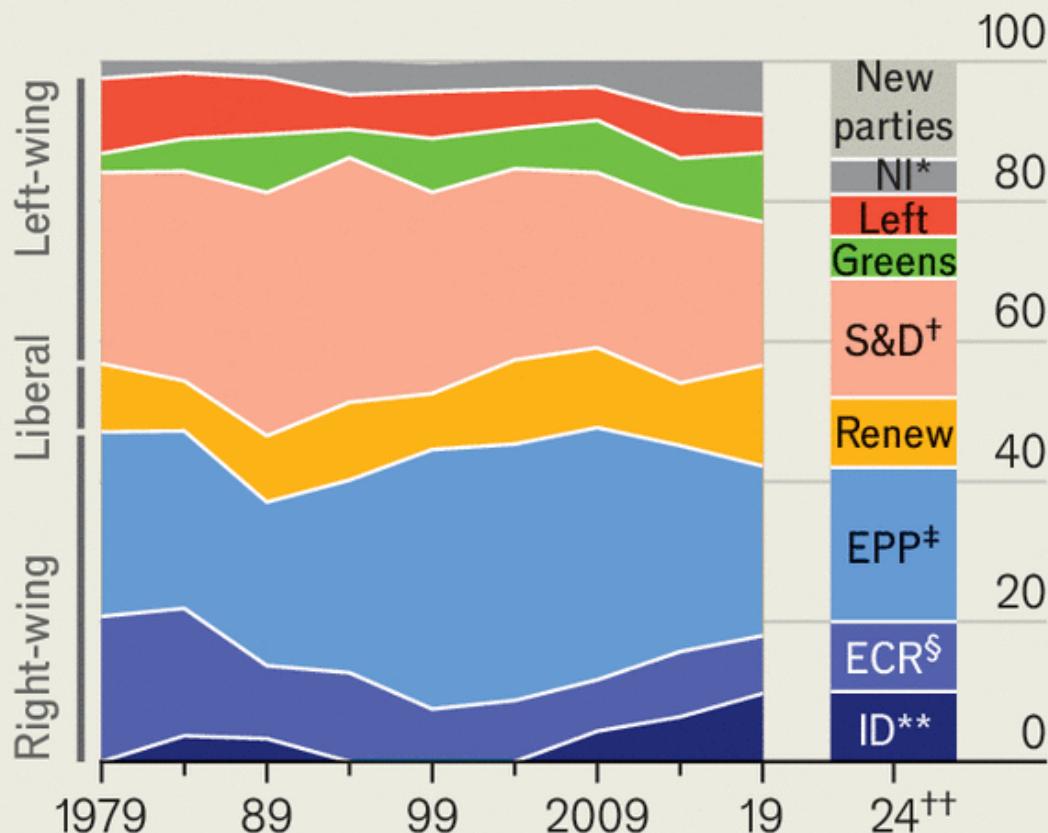
Yet her future is not assured. To get a second term, Mrs von der Leyen will need to be nominated by EU leaders, then approved by a majority of new MEPs. As the “lead candidate” for the centre-right European People’s Party (EPP), which is ahead in the polls, she is the front-runner. Yet the bloc’s treaties stipulate only that leaders must take the results of the elections into account when appointing a commission boss. Being favourite for a top Euro-job has meant little in the past.

Stuck in the mire with EU

Most of the EU's national leaders like Mrs von der Leyen, a former German defence minister whose earnestness includes having set up her living quarters in a glorified closet in the commission's headquarters in Brussels. But each president, chancellor or prime minister has priorities which may clash with their neighbours'. Every country wants a big portfolio in the commission, whether overseeing trade rules, enlargement or its economy. The machinations of European leaders are rarely predictable, but odds are the incumbent will be put forward for a second term, in one of two planned summits in June. (As well as a new head of the commission, a new foreign-policy chief and a new president of the European Council to chair meetings of EU leaders will also be needed.)

Rising right

Share of seats in European Parliament, %



*Unaffiliated †Socialists & Democrats ‡European People's Party

§European Conservatives & Reformists **Identity & Democracy

††Based on polling at May 28th

Sources: European Parliament; Europe Elects;
national polls; *The Economist*

The Economist

Few expect such a smooth ride in the European Parliament, at least half of whom must back the EU leaders' nominee. To secure her first mandate five years ago, a coalition of Liberals, Socialists and her own EPP was enough. But this centrist faction has since lost ground to populists (see chart), who are formed into two main groups, Identity and Democracy (ID), and the more moderate European Conservatives and Reformists. Once an opposition force, the hard right now includes national leaders like Giorgia Meloni in Italy. In several other big countries, including France, Poland and perhaps Germany,

polls indicate populist parties will come first or second in the EU vote (see map). Forming coalitions without them is becoming harder.



Parties of the hard right* polling in the top two for the 2024 European Parliament elections

■ 1st ■ 2nd ■ Other EU countries

*Parties affiliated with ID or ECR groups and ideological allies

Sources: Europe Elects; *The Economist*

The Economist

The 400 or so seats the centrist trio of parties are expected to win may not be enough to secure the 361 votes Mrs von der Leyen needs for a majority. That is because the ballot, which could happen in either July or September, is secret and MEPs have ditched their groups in previous confirmation votes. As Europe shifts to the right, a coalition bringing in more left-leaning parties (such as the Greens) seems unlikely.

It is this conundrum that has prompted Mrs von der Leyen to moot an alliance with Ms Meloni's party—part of the softer ECR group within the constellation of the hard right. But both liberals and socialists say they are reticent to join such an alliance. Tensions in the more hard-line ID group, which on May 23rd kicked out the Alternative for Germany (AfD) party after a scandal there, means a reshuffle of the EU-level alliances is on the cards.

The political contortions needed to get to a majority will only be clear once the votes are counted. As when forming national coalitions, both EU leaders and MEPs will be trying to ensure their agenda is heeded. If that happens, it could be several more months before the policies are fleshed out to everyone's satisfaction. The Dutch held elections in November and only this week got a new prime minister. The fear in Brussels is that a similar delay could occur. If all political parties stick to their red lines, it may mean no coalition is available to back any candidate for the EU's top executive job. What then? In contrast to the national level, fresh elections cannot be called to break a deadlock.

Should that happen, the current team of European commissioners would remain in office but lack the political legitimacy to get anything done. If these were quiet times, having Europe indulge in a bout of political navel-gazing would be no grave matter. But these times are not quiet.

With war still raging in Ukraine, Europe's economy falling behind its global rivals and the need to finance the green transition, many countries including France are keen to recast the EU budget. Poland and Greece have suggested a pricey missile-defence shield for Europe that could be funded by cash jointly borrowed through the union, as happened with the pandemic recovery fund. Germany and the Netherlands, whose incoming coalition includes the hard right, are less keen. Other brewing feuds include the need to reform the EU's rules to let in new members including Ukraine, and a mounting trade row with China over electric cars.

Such disputes are hard enough to mediate among Europeans with a fully functional commission in Brussels. Without it they may prove overwhelming. Worse, rudderlessness in Brussels would be compounded by the same in several member states. In France, Emmanuel Macron's party may finish a distant second to the National Rally, or even fall to third place. That would boost the opposition in France's parliament, where the minority government has at times scraped through in important votes. A figurehead for EU integration, Mr Macron will be weakened at home and thus in Europe.

Much the same will be true in Germany. The AfD may now fall short of once sky-high expectations, but could still edge the Social Democrats of Olaf Scholz, the chancellor, into third place. The expected poor showing by the

liberal Free Democrats could upset the fragile balance that now reigns in German politics. Soon enough all eyes will turn to national elections in 2025, making it even harder for politicians in Berlin to agree to grand EU initiatives of the sort Mr Macron regularly calls for.

Messrs Macron and Scholz put on a show of European unity this week as the French president descended on Germany for a state visit. Though the vital Franco-German relationship remains frosty, the pair went to great lengths to highlight where they agreed. Their time is limited to get much done. And several months of it will be spent on working out who ought to run Europe and how. ■

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Europe | Too sizeable to shun

Hard-right populists are pushing their way into the mainstream

Their latest victory came in the Netherlands

May 30th 2024



Getty Images

FIVE YEARS ago right-wing populist parties held office in only a couple of EU member countries. Today they have a share of power in eight, and expect to make gains in the European Parliament elections between June 6th and 9th. Some of these hard-right outfits have been banging away for decades. Others are relative newcomers. What unites them are the things they hate: immigration, Islam, climate-change regulations and the power of the EU over its member states. Most also dislike feminism, and gay and trans rights. Each adjusts the message to suit its circumstances.

Western Europeans like to think they set the continent's trends, but the wave of hard-right success started in the east. Viktor Orban's Fidesz party won power in Hungary in 2010 and took over the courts and the media. Poland's Law and Justice party imitated those moves while in office from 2015-23. Europe's migrant crisis of 2015-16 was a gift to both parties, but they fell out over Mr Orban's friendliness to Russia. That split runs

throughout Europe's hard right: in Poland, the Baltics and the Nordic countries, nationalists see the Kremlin as an enemy; in the Balkans and elsewhere, things are more ambiguous.

The new factor is the hard right's strength in western Europe. In France, which has western Europe's biggest Muslim minority, Marine Le Pen's National Rally (formerly the National Front) was substantial but marginal in the 1990s. It is now the right's main party and leads in the polls. Jordan Bardella, the 28-year-old frontman of its European campaign, is running on take-back-control themes, bashing migrants and promising economic sovereignty. He wants fewer rules for farmers (a perpetual *bête noire* in France). The smaller Reconquest party, launched in 2021, is even further to the right.

The Alternative for Germany (AfD) once looked as if it would pull off the biggest shift in the elections. It arose because of the euro-zone and migrant crises of the 2010s, first attacking EU aid packages for indebted Greeks and later the asylum policies that let in more than a million migrants in 2015-16. It is strong in Germany's formerly communist east, and opposes aid to Ukraine. Last December polls gave the AfD over a fifth of the vote. But its popularity fell sharply after scandals over its ties to racists and neo-Nazis. In May the leader of its European campaign suggested that not all SS officers were war criminals. He was sacked and the party was kicked out of its group in the European Parliament.

Italy has had a hard-right government since 2022, led by Giorgia Meloni's Brothers of Italy. The party, which descends from neo-fascists who never repudiated Mussolini, was once considered the most right-wing major one in the country. Ms Meloni made her name bashing multiculturalism and praising traditional gender roles. But she has proved pragmatic in power, supporting Ukraine against Russia and working within the EU system to craft tougher common policies on migration. That is popular: the Brothers are doing far better than Italy's other big hard-right party, the more Russia-friendly League.

Like Ms Meloni, many hard-right leaders are softening their messages to win power. Most used to call for leaving the EU; now almost none does. Ms Le Pen dropped her demand that France scrap the euro years ago. The Sweden Democrats, a party with neo-Nazi roots, spent years purging its hotheads and now supports a centre-right government.

Geert Wilders, an anti-Muslim populist, came first in a Dutch general election last November after a conciliatory campaign that led the press to dub him “Geert Milders”. In May his party struck a coalition accord full of concessions to centrists. On May 28th the coalition declared that the new prime minister will be Dick Schoof, the top civil servant at the ministry of justice. As a technocrat leading the first Dutch government to include the radical right, he will help test whether Europe can learn to govern with its populists. ■

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Europe | From Uffizi to office?

The Brothers of Italy take the fight to Florence

The city is an opposition stronghold

May 30th 2024



It is barely ten o'clock on a Saturday morning, yet Eike Schmidt has drawn nearly a hundred attentive listeners to a pizzeria in Le Cascine, a large park on the edge of Florence. But then the German-born Mr Schmidt is the most unusual mayoral candidate in the local elections in Italy that coincide with its European Parliament election on June 8th and 9th. Pink-faced and tall but paunchy, he is every inch a son of his native Freiburg. His Italian, though grammatically impeccable, is slightly accented and occasionally hesitant.

Mr Schmidt, who became an Italian citizen in 2023, spent eight years as director of Florence's Uffizi Galleries. Now he hopes to win, with a slate backed by the ruling coalition including Giorgia Meloni's Brothers of Italy, a city that is among the last strongholds of the centre-left Democratic Party (PD), and one with bitter memories of German occupation in the second world war. Mr Schmidt, 56, though born long after it ended, says, "I am

ashamed to be of German origin because of what was done in Europe during the Nazi era.”

Few dismiss Mr Schmidt’s chances. The latest poll suggests that, with 33% of the vote, he will make it to a run-off with the PD’s Sara Funaro. Ms Funaro, on 40%, was the choice of the departing mayor, Dario Nardella, with whom Mr Schmidt clashed repeatedly while managing Italy’s most visited art museum.

Le Cascine is the focus of his campaign. The park, which reputedly inspired Percy Shelley’s “Ode to the West Wind”, is today a haunt of drug pushers and a source of fear that Florence is becoming increasingly crime-ridden. Mr Schmidt proposes to reclaim the space with a special inter-force police unit, a big programme of cultural and sporting activities and the extension of a cycle path for 10km along the river Arno. But first he must beat Ms Funaro—and the ghosts of the past. ■

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Georgia's government cosies up to Russia

Pro-Western Georgians seem powerless to stop it

May 30th 2024



THERE ARE no Russian tanks rumbling towards Tbilisi, the capital of Georgia, or Russian missiles flying over it—both things that happened during a five-day incursion in 2008 when the Kremlin attacked its former imperial vassal. But Georgia is still in mortal peril. The struggle between Soviet past and possible European future has already devastated Ukraine, and plunged Russia itself into a state of dictatorship. Now it has spread to the Caucasus, threatening Georgia's democracy, its independence and its Euro-Atlantic calling.

Once considered a beacon of democracy and a staunch Western ally, Georgia is being pushed into Russia's sphere of influence and away from the West, not by Russian soldiers but by its own ruler, a reclusive businessman named Bidzina Ivanishvili. He made his billions in Russia in the 1990s and has ruled Georgia since 2012, largely from behind the scenes through the party he founded, Georgian Dream.

For ten years, Mr Ivanishvili kept up a pretence of democracy and trod a careful line between Russia and the West. Since the start of the war in Ukraine, though, he has thrown in his lot with Russia and has openly turned against the West, which he calls a “party of global war”. Georgia has reopened direct flights to Russia and helps it evade sanctions, as shown by increased trade flows. At the same time its helmeted police and vigilante thugs assault the young Westernised Georgians who have taken to the streets in protest. So far, the government has had the upper hand.

The trigger for the current crisis was a menacing law, nicknamed the “Russia law” by its critics, copied from Mr Putin’s lexicon. It requires any organisation that gets more than 20% of its funding from Western sources to register as an “agent of foreign influence”. On May 18th the law, which had easily passed through parliament, was vetoed by Salome Zourabichvili, Georgia’s president, for “contradicting our constitutions and all European standards”. But on May 28th Georgia’s parliament voted to override that veto, in good time for parliamentary elections in October.

Georgia’s democracy has been grounded not in strong institutions, competing political parties or an independent judiciary, but in its vibrant civil society, including the media and the often Western-funded institutions that provide checks and balances on political power. The law will force many of them to restrict their operations, shut down or leave the country, for fear of stigma and “harassing and costly audits”, as the Venice Commission, a committee of European lawyers, puts it. Those affected could include election monitors and pollsters such as the International Republican Institute and the National Democratic Institute, two important American NGOs. The law could also make it easier for Mr Ivanishvili to manipulate election results.

Besides the foreign-agent law, another is in the offing that could turn Georgia into a tax haven where cronies of Mr Ivanishvili could bank assets from all over the world, including Russia. The combination amounts to state capture by Mr Ivanishvili and turns Georgia into a private operation, says David Zedelashvili, a Tbilisi lawyer. The laws also make Georgia’s path towards NATO and EU membership difficult or impossible, even though both goals are enshrined in its constitution.

No bloodbath yet

The protests, some attended by tens of thousands of people, have stayed peaceful and gone unheeded. Georgia's youth has no appetite for a revolution. The EU flags they wave and the Georgian songs they sing are poor protection against the police, who have attacked them with tear-gas and truncheons, or thugs who follow them and beat them up outside their homes.

Mr Ivanishvili is equally undeterred by Western criticism. On May 14th Jim O'Brien, an American assistant secretary of state, flew to Tbilisi; Mr Ivanishvili refused to meet him. America has introduced visa restrictions for Georgians who are responsible for the foreign-agent law and is reviewing its financial assistance to Georgia, including to its armed forces.

America faces a dilemma. Georgia has been its ally, its soldiers fighting alongside American ones in Iraq and Afghanistan. For all of Mr Ivanishvili's drift away from the West, Georgia's military and intelligence services are keener than ever on their ties with America, notes a Western official.

Turning Georgia decisively against the West would be a victory for Mr Putin and a humiliation for NATO as it celebrates its 75th anniversary later this year. But Mr Putin's plans for Georgia extend beyond symbolism. He has designated the Russian-controlled breakaway region of Abkhazia as a new naval base for its Black Sea fleet that has been pushed out of Crimea by Ukrainian forces.

Mr Putin may be aiming to create a form of confederation between Georgia and its two breakaway regions of Abkhazia and South Ossetia, which he also controls. The idea was tested (unsuccessfully) when the Kremlin first fomented conflict in Donbas in 2014, then tried to push it back into Ukraine as a way to secure a veto over its European trajectory. Speaking on Georgia's independence day on May 26th, Irakli Kobakhidze, the Georgian Dream prime minister who is driving his country towards the Kremlin, promised that by 2030 "Georgians should be living alongside their Abkhazian and Ossetian brothers and sisters." Pledging to defend Georgia's sovereignty, Georgian Dream is making great strides to achieve the opposite. ■

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Europe | No way back

Ukraine's desperate draft-dodgers drown in the river of death

Thousands of military-age Ukrainians are risking their lives by swimming across treacherous waters

May 29th 2024



MATVIY, A 24-YEAR-OLD Ukrainian engineer, counts himself among the lucky ones. There were moments, he says, when he thought he wouldn't make it. The frigid waters of the Tysa river, which form part of the border between Ukraine and Romania, proved far more formidable than he and the trio of fellow draft-dodgers had bargained for. The fast currents carried the strongest swimmer 200 metres downstream. Two were thrown twice that distance, reaching the other side only by a minor miracle. "We could barely breathe by the time we emerged," Matviy says. "We very nearly drowned."

[Read more of our recent coverage of the Ukraine war](#)

War has turned the Tysa (or Tisza, as it also spelt) into a desperate frontier. Forbidden from leaving their country legally, thousands of [Ukrainian men of military age](#) (currently 18-60) gamble their lives by swimming across it. At least 33 have drowned since the start of the war, the youngest just 20. The death toll is probably much higher, Ukraine's border service says, with bodies

still stuck in the reeds under the water and unlikely ever to be recovered. After the tenth corpse was discovered, officials began posting graphic photos and videos in an attempt to deter others. But the growing fear of conscription and the promise of a better life in Europe mean the men keep coming. Romania says it recorded 2,373 illegal crossings from Ukraine in the first three months of this year alone.



The Economist

The southern floodplain of the mountainous Transcarpathia region is the starting point for most of the crossings. The area has long earned its living from the border: from contraband petrol, cigarettes, and other smuggling. The local settlements, rich and well-stocked by Ukrainian standards, owe much to such illicit dealings. But market forces are forcing local criminals to switch from trafficking cigarettes to draft-dodgers. It's a risky but lucrative business, with fees ranging from \$3,000 to \$12,000 per person. Matviy, for instance, paid \$5,000. In one border town, a few whispered inquiries lead to a short,

bald, gold-toothed fixer. Switching in and out of prison jargon, the man offers a competitive price of \$3,500.

The fixer is not alone in complaining that his work is getting much harder. “Two weeks ago we were moving them like flies,” he says. “Now there are a hundred soldiers any way you look.” An order from the capital has seen the area reinforced with national guard units and a dozen new checkpoints. There are rapid rotations of officers, he continues, meaning it is hard to develop a business relationship with any of them. The fixer now favours mountain routes to Romania, which can take from ten hours to several days. “Don’t even try the river. They keep finding bodies in the river for some reason. I don’t understand why.”

Another local smuggler going by the name of Vasyl insists that the river remains the most viable route. Contacted by phone, Vasyl says he uses it to slip in and out, even to visit family for the recent orthodox Easter holiday. His routes take a couple of hours. “You just need to know the places. I can show you where you can cross without getting your balls wet.” Vasyl says he helped with the onward transport of a group of 96 Ukrainians from Romania after returning from his Easter trip. The entire group had crossed in a single day. That was above average. Usually, he says, it’s 30-40 a day.

Ukraine’s border service won’t confirm the numbers. But Lesia Fedorova, a spokesperson, says new border protections, sensors and drones stop as many as seven in ten before the men get to the river. “The guys aren’t used to the law. They break right away when we stop them. It’s easy to figure out what they are doing.” Those caught are fined and handed over to the security services. Many try their luck again and again. One was stopped four times.

Ms Fedorova shows one treacherous section of the river, just upstream from the village of Teresva. It was near here that Matviy set out on a cold morning several weeks ago at 5am. The path to the water demands a short hike, followed by a hazardous descent on slippery and jagged banks. The river, ice-cold even in late May, appears calm but is often unexpectedly wild, with strong currents. Traffickers prefer the cover of night for these crossings, so they often leave the young men unaware of the river’s true ferocity until it is too late. The men injure themselves. They get muscle spasms. They get caught in the branches. “The body becomes uncontrollable after five minutes in cold water, even in a wetsuit,” Ms Fedorova says. “Add the current, anxiety, darkness, and the victim stops fighting for his life.” Border guards point to the spot where they found a new body just a few days earlier.

Recounting his own near-death experience, Matviy says he does not remember seeing any border guards when he was in the river. It was so dark, and so scary,

he might not have noticed them if they were. The guides had by this point long abandoned the group, leaving them with ripped wetsuits and unclear instructions. But on the other side of the river, things soon picked up. The wetsuited Ukrainians shivered their way to the nearest Romanian village, where they were taken in by locals. Police filled out paperwork, and stamped the passports they had carried with them in watertight bags.

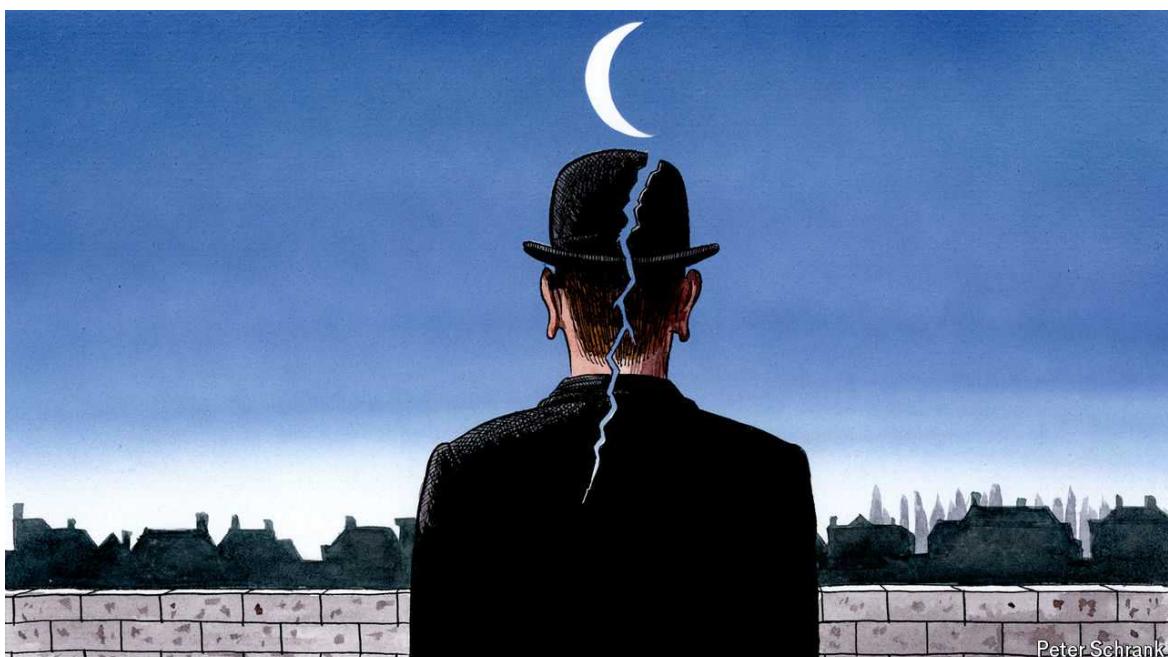
Matviy is now in another European country, chasing an engineering career that he says would have been cut short in Ukraine. He understands other Ukrainians may criticise him, but says he was driven by a survival instinct. He had seen enough of the “safari” in his own city in western Ukraine, where draft officers scour the streets for potential recruits. He still believes in his country, he insists. Ukraine will continue fighting for its freedom and independence. It could rise again after the war. But it will be without him. “The country does not exist for me any more. There’s no way back.” ■

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Ceci n'est pas un divorce: why surging separatism won't break Belgium

A surreal country with the politics to match

May 30th 2024



One Wednesday evening in 2006, Belgian television interrupted its regular programming to announce the unexpected demise of the country. The regional parliament of Flanders, the Dutch-speaking rich northern region, had unilaterally declared independence. Footage was proffered of the king fleeing his palace; a news crew filmed as Flemish crowds cheered the birth of a new nation and commuters grumped when told their trams were stranded at the newly erected border splitting the country for the first time since its birth in 1830. What turned out to be a spoof was convincing enough for thousands of Belgians to call the television station in a panic. Ambassadors posted to Brussels were said to have hastily relayed the news back home (whether any foreign ministries were paying much attention to the fate of Belgium is another matter). Politicians fumed that the joke had been in poor taste—not surprisingly, given it had been at their expense.

Looking at the polls ahead of Belgium's regional and federal elections on June 9th, some may think reality has caught up with fiction. Flemish nationalist parties are poised to fall just short of a majority in their region, where a bit more than half Belgium's population of 12m live. The leader of the biggest such outfit, Vlaams Belang (VB), has called Belgium a "forced marriage" and says he will work towards an amicable dissolution from Wallonia, the French-speaking region which along with bilingual Brussels makes up the rest of the country. Failing that, a unilateral declaration of independence will be proposed, for real this time. In the federal parliament around a third of seats will go to parties which would rather there was no federal parliament.

The question of whether and how Belgians can live under the same banner has poisoned politics for decades. The history is fraught. French-speaking *bourgeois* once dominated the realm, lording over the agrarian north whose Dutch dialect they sneered at. But as coal-rich Wallonia turned from 1950s boom region to 1980s rustbelt, the industrious Flemish turned their economy into a free-trading powerhouse. Much as Germans once proved loth to bail out Greeks within the EU, Flemings were not minded to share their newfound riches with their southern compatriots. Over time more and more power seeped to regions, leaving the federal state with little to do. As married couples stay together longer than they should for the sake of the kids, Belgium is stuck in its union to cheer the national football team and service a huge national debt.

Thus a place known for its surrealist vibe—lest anyone forget, a statue of a small urinating boy is its main tourist attraction—now has the politics to match. In most European countries forming a ruling coalition after elections is a matter of a few weeks or months. Twice since 2010 the process in Belgium has taken over a year. Seven parties currently make up the government, a mix of political and regional factions focused more on avoiding collapse than getting anything done. Even if the liberal party of the sitting prime minister, Alexander De Croo, performs abysmally in the elections, as opinion polls suggest, he will probably be around for the foreseeable future as the victors try to forge a new coalition. Given that the biggest three parties will be VB, another separatist group in Flanders, and a Maoist-inspired communist faction strongest among French-speakers, compromise will be elusive.

So is a divorce on the cards? Probably not. For the main selling-point of Flemish separatists is not their view on separatism so much as the xenophobia that comes along with it. VB is best thought of as a hard-right

party that dislikes immigrants first and other Belgians second; it grew out of a predecessor that was banned for race-baiting in 2004. It has ridden the same wave of anti-system resentment as National Rally in France and others. Barely a majority of VB voters say they want to exit the country, and nearly four-fifths say democracy is flawed because politicians do whatever they want regardless of voters (other conspiracy theories, involving Jews and vaccines, are also popular). At the federal level VB can scarcely hope to enter government given that no other party will work with it, part of a policy to isolate perceived extremists behind a *cordon sanitaire*. Even at a regional level, the softer separatists have said they will not ally with the VB.

Declaring independence would result in a lot more chaos than delayed trams. The capital of Flanders is Brussels, which is not part of the region—and is mainly Francophone. Flemish separatists insist they would somehow capture it, or find some clever way of divvying it up between French and Dutch factions (the example of Jerusalem is held up, as if it had proved successful). A carved-out state would not automatically be a member of the EU. Spain, petrified that secession anywhere in Europe could turbo-charge its own breakaway regions, would insist that a new country go through a long EU accession process. That might leave those Belgians who were left behind—ie, French-speaking Walloons—with a veto on a freshly independent Flanders joining the club.

You say *pata*, I say *patat*

Part of the reason few Flemish want to secede is that most things that matter to voters, such as schools, buses and housing policy, are already run by politicians at the regional or local level. This should give pause to those who focus only on Belgium's dysfunction. Perhaps accidentally, the country that hosts the EU's institutions has heeded a key principle of liberal polities: that decisions should be made at the lowest possible rung of government. Belgium is among the rich countries where the highest share of money is spent at regional and local levels, often in ways better than those imagined by national politicians far from the people. Over-centralised countries like neighbouring France would do well to take a look. Flemings and Walloons will keep bickering. But even for a miserable couple, that can count as a happy outcome. ■

Read more from Charlemagne, our columnist on European politics:
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Britain

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Generation K: Keir Starmer's cohort of Labour candidates

Who are the people who might reshape British politics for years to come?

May 30th 2024

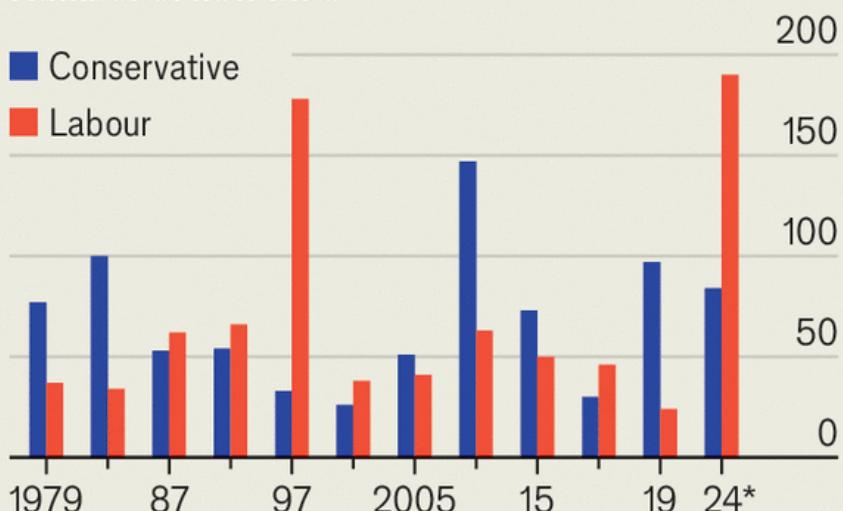


IMAGINE the seats up for grabs in the general election on July 4th are sorted in order, from ones that Labour are most likely to gain from other parties to those they are least likely to. As of May 29th *The Economist's prediction model* shows that High Peak in Derbyshire would be most likely to fall to Labour if an election were held tomorrow; Jon Pearce, an employment lawyer who once worked shifts in McDonald's, has a 99.96% chance of becoming its MP. If the party wins 389 seats—the central scenario in our prediction, giving Sir Keir Starmer a majority of 128—the last seat to turn red would be Amber Valley, also in Derbyshire, where Linsey Farnsworth, a former public prosecutor, is the candidate.

Intake analysis

Britain, general-election years

Number of new MPs



Labour PPCs[†], % of candidates who are female



*Forecast based on a scenario in which Labour win 389 seats and Conservatives win 185 seats

[†]Prospective parliamentary candidate

Sources: Democracy Club; House of Commons Library; Sofia Collignon, Queen Mary University of London; PolicyMogul; *The Economist*

Mr Pearce and Ms Farnsworth are among a cohort of candidates for a parliamentary party that could double in size next month, with what may well be the biggest new intake of MPs since at least 1979 (see chart). When the election was called on May 22nd, all bar around 100 Labour candidates had been selected; the remaining seats are being filled in a fast-track process. This batch of candidates is in many respects rather like [Sir Keir himself](#): outwardly disciplined, rooted in public service and ideologically ambiguous. If the polls are right, they may reshape British politics for years to come. Call them Generation K.

Gen K is the product of a selection process that has been overhauled by Sir Keir's team. Before a roster of candidates is put before a constituency branch, Labour Party staff comb through their social-media profiles and company records. Officially, the aim is to make the Labour rosette a sign of quality and to weed out “shortlist meat” (dud candidates used to boost a favourite's chances).

See our other coverage of [Britain's election](#), including our [poll tracker](#), updated daily

Unofficially, many see it as stopping the sorts of lefties who flourished under [Jeremy Corbyn](#), Sir Keir's predecessor. Diane Abbott, a veteran left-winger, is at the centre of a controversy over whether she can stand in her rock-solid seat of Hackney North and Stoke Newington; other Corbynistas have already been axed. Gen K has a handful of former soldiers and securocrats—among them Mike Tapp, a National Crime Agency official, who is standing in Dover, and Hamish Falconer, a former foreign-office official standing in Lincoln.

Some things are not that different from before. Publicly available data suggest a fifth of candidates in the top 100 winnable seats went to Oxbridge. A clutch belonged to Oxford University Labour Club, the haunt of Rachel Reeves, the shadow chancellor, and Ed Miliband, the shadow environment secretary. So far 47% of Labour candidates are female, a slight dip on 2019.

But whereas parties have often flaunted their best recruits, members of Gen K are discouraged from showy profile-building. They have undergone a round of training courses to build cohesion and prepare them for office with sessions covering public speaking and campaigning. They are paired up with serving MPs to learn how to run an office. They get regular “lines to

take” on hot-button issues and briefings with the shadow cabinet; discipline is “drummed into us”, says one.

More than two-thirds of Gen K biographies stress candidates’ connection to their constituency (one would-be MP details precisely where their grandparents and cousins lived). Since the expenses scandal in 2009 MPs of all parties have emphasised their local roots, and Gen K reinforces this trend. Many might be described less as candidates who have been parachuted in, more as boomerangs returning from London to their childhood towns. To have been born in a marginal seat is to win first prize in the Labour lottery.

Pinning down Gen K’s beliefs is hard, as it is with Sir Keir himself. Their biographies tend to say things like: “My mum was a school-dinner lady and my dad was in the army.” Ask what they believe and they emphasise values over policies: “that public service is a duty and an honour,” says one. Another defines the cohort’s views as two Rs: “responsible” on the economy, defence and so on and “responsive” to people’s everyday concerns, such as crime. After the vaulting constitutional rows of the past decade the subject-matter of Parliament will become grittier: Gen K’s stated interests are work, low pay, welfare and the like.

Based on an analysis of public profiles by Apella, a consultancy, the candidates in the 100 most winnable seats hail roughly equally from the private sector, the public sector and organisations such as trade unions and charities. The unions’ presence seems weaker than it used to be (exceptions include Anneliese Midgley, a former political director of Unite, a big union, and Andrew Pakes of Prospect, which represents engineers and scientists). This will be an intake au fait with the workings of Parliament: there are lots of policy wonks, lawyers and lobbyists.

Ms Reeves’s dash for growth by combining planning reform with private investment will probably meet little parliamentary opposition. There are a lot of millennials in Gen K—the average age of a new candidate is 42, according to Apella—and so far a dozen candidates under 30. Having started their careers in the wake of the financial crisis, there is a “a deep sense, felt personally, of stagnation”, says one candidate. Gen K is also overwhelmingly pro-Remain, something that Sir Keir won’t be advertising but that will help him if he chooses to do business with the EU.

That does not guarantee harmony, however. Gen K’s discipline is a product of the logic of winning elections, not lobotomisation, insist several

candidates. They feel acutely that the job of a Labour government is to fix poverty and repair public services. No one expects a repeat of the Corbyn-era wars or the volatility of the Tory intake of 2019. But the tension between tax and public spending will be felt: an early flashpoint will be a debate over whether to repeal a restriction on child benefit to two children per family. Sir Keir says that he can end the political instability that has dogged Britain recently. Gen K will decide whether that claim is hubris or not. ■

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Britain | Outlier or omen?

Half of Northern Irish patients wait over a year for treatment

The crisis in health care is a warning to the rest of Britain

May 30th 2024



IF YOU ARE ever in Northern Ireland, pray that you never need a gallbladder removal, a neurology appointment or a hip replacement. For these treatments, patients routinely face waits of several years to be seen. Hospital waiting lists, on which the equivalent of a quarter of the population languish, are just the tip of the province's health-care crisis. According to the Royal College of Emergency Medicine, three times as many people died due to delays in emergency departments in 2022 as did during the worst year of [the Troubles](#). General practice (GP) and social care are also on the brink. People still love the National Health Service (NHS, or Health and Social Care as it is officially known in Northern Ireland). Increasingly, however, they admire a service that no longer exists.

On the other side of the Irish Sea the leaders of the main political parties may be tempted to dismiss these horrors as an outlier. Health care, after all, is a matter for devolved administrations. Before the return of the Northern

Irish executive in February, the country had gone two years without a government. Northern Irish politics is still coloured primarily by constitutional questions, which means health care may have comparatively less salience. “There’s a feeling of ‘oh well, we used to kill each other’,” says Deirdre Heenan of Ulster University. Waiting times, though awful in many parts of Britain, are nowhere near as bad as in Northern Ireland: half of patients there wait more than a year for treatment compared with only 4% in England.

In fact, the province is better treated as a warning. Whatever the specific characteristics of Northern Ireland’s health service, its symptoms are also acute versions of those that bedevil the NHS elsewhere. Without fundamental changes, it provides a glimpse into a gloomier future.

One shared issue is that [too much activity is centred on hospitals](#).

Politicians in Northern Ireland are particularly wary about closing small local hospitals: the province has the same number of acute stroke units (eight) as London and 7m fewer people. But across Britain too many people are being jammed into a single bit of the system. Although hospitals are comparatively well-funded, not enough money goes to capital investment and technology. Long waiting times for diagnostic treatments are in part because Britain has the fewest CT, MRI and PET scanners per person of 16 comparable countries, as well as a shortage of radiographers to run them.

Other parts of the health-care system get too little money and attention in comparison. In a deprived part of Derry, Tom Black, a GP, has started accepting private patients to make up a shortfall produced by a miserly NHS contract. General practice in Northern Ireland now accounts for only 5.4% of health spending, even though GPs play a key role in managing patients with chronic conditions and preventing them from becoming more acute. Hundreds of GP surgeries all across Britain are closing for similar reasons. In the province and elsewhere, hospital beds are full in part because there are not enough places in social care to provide a route out for older patients who are ready to be discharged.

As the NHS struggles, the private sector is meeting more and more demand. In the four years to September 2023 the number of people paying for health care in Northern Ireland went up by 218% (albeit from a low base). One private hospital group, Kingsbridge, claims to carry out more hip and knee replacements than all of the NHS hospitals in Northern Ireland combined.

Similar patterns are visible elsewhere: the number of people [paying for health care](#) in England went up by 20% in the same period, a significant rise given that the use of private health care was already relatively high there. In some areas, the promise of universal health care has been completely abandoned; 83% of dental practices in Britain will not accept new NHS patients. “There’s been a retreat in the amount of activity that the state is doing,” says Mark Dayan of the Nuffield Trust, a think-tank. In Northern Ireland, as elsewhere, the poorest are left most exposed.

The two main parties have not laid out plans commensurate with the scale and nature of these problems. Few are likely to trust the Tories to fix the NHS, although a long-awaited workforce plan is due to come into effect after the election. Labour is focusing on the immediate problem of waiting lists: it promises over the next five years to cut by half the number of treatments with a wait of more than 18 weeks.

It plans to do so by paying NHS staff to do more overtime and by using the independent sector. That may work, though harried staff could be reluctant to put in extra hours; junior doctors announced more strike action on May 29th. But as the population ages, more radical action will be needed if the crisis in Northern Ireland is to remain a warning to the rest of Britain, rather than turning into a template. ■

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Britain | Lights, camera...inaction!

Sir Keir Starmer meets the public. Sort of

The Labour leader is better than he was at campaigning but that is not saying a lot

May 26th 2024



Getty Images

It IS two days after the general election was called and Sir Keir Starmer, the leader of the [Labour Party](#), is on the campaign trail. Sir Keir likes to meet people, in a natural way, “where they are”. In Ipswich he once went “to the bingo” to find people “where they are”; in Blackpool he went “on the beach, on the pier” to find them; today he is visiting a builders’ merchant in Lancashire. Psephologists believe that there are also people in Waitrose in Islington but Sir Keir seems less bothered about meeting those people.

In Lancashire a freshly washed forklift truck waits on the tarmac to allow Sir Keir to meet its driver, naturally, as he walks past. Less naturally, its driver is not doing any actual work or else, a fellow-employee explains, “Starmer would have to chase after him” to talk. And Sir Keir is here not just to meet people “where they are” but ideally have them stay there for long enough to have his photo taken with them.

[For more on Britons' voting intentions, see our poll tracker, updated daily](#)

Election campaigns are odd things. In theory, Sir Keir is in Lancashire to see a business “at the heart of the...manufacturing industries”. In truth, the manufacturing on any election campaign is that of carefully curated clips to be shown and re-shown in the media and on social media. By the time Sir Keir arrives at today’s two venues (he also visits Glasgow) they feel—with their lights, speakers, cameras, trailing wires and officious flunkies with clipboards—more like film sets than anything real. Albeit for boring films.

If his visits are minutely stage-managed, it is with good reason. These kinds of “pseudo-events”, as academics call them, have been an unavoidable part of political life since at least the 1970s, when Margaret Thatcher first cuddled a calf for photographers (it died shortly afterwards). The potential for them to go very wrong, very fast is high—as Rishi Sunak, the prime minister, has already shown. His [campaign](#) already includes failing to get things going in a brewery (by asking locals in Wales if they were looking forward to a football championship for which their team had not qualified) and visiting a titanically ill-judged dock in Northern Ireland.

The list of other campaign casualties is long. It includes Gordon Brown, the prime minister at the time, calling one voter a “bigoted woman” and John Prescott, then the deputy prime minister, punching another; it also includes Boris Johnson doing almost anything—though “fridgegate”, when he hid in a fridge to avoid being interviewed, was a notable low. Politicians on campaign enter a “really hostile environment”, says Tom Baldwin, author of “Keir Starmer: The Biography”. To go into it relaxed and genuine is “like going into jungle warfare singing folk music...Good people have tried to do it and they have been eaten alive.”

No wonder then that political parties usually have “ops teams” (the vocabulary of electioneering is relentlessly military) sweep a venue before any engagement to find and neutralise any unflattering visual metaphors. In 2019, when Theresa May was in danger of being ousted as prime minister by members of her own party, a crack team carried around gaffer tape in different colours so that they could tape over door signs lest she be photographed next to a sign saying “EXIT” (another trap that Mr Sunak has already fallen into). In the general-election campaign later that year Mr Johnson’s lackeys carried a supply of butcher’s hats lest he had to visit a kitchen and confine his vote-winning hair beneath a hairnet. As a former flunkey says, this seems “weirdly neurotic” but it matters.

The problem is not just the press but the person. An extrovert such as Mr Johnson could cope, even revel in, humiliation. Sir Keir could not. While Mr Johnson was larger than life, Sir Keir is somehow smaller than it: the former human-rights barrister has been described as “a mystery wrapped in a riddle wrapped in something sensible and beige”. He often quotes things that people have said that “stay with” him. Mind you, it is not surprising that they do stick in his mind, for people apparently say such unexpected things to him as “Keir, we know...that you understand stability”—rather than, as you might expect, “Keir, what on earth are you doing in a bingo hall in Ipswich?” or “Why do you keep referring to yourself in the third person, Keir?” He is not a natural.

Though he is also not as awkward as he used to be. At the builders’ merchant a woman has arranged a group of people into a horseshoe shape, like a choir in high-vis jackets, so that they can say things to Sir Keir that will stay with him. He looks swishier, more silver-haired, more at ease than the Sir Keir of a year ago. He is still not exactly charismatic but when people speak, he listens. If they ask him a question, he answers. In the moments in between he doesn’t call them a bigot, punch anyone or hide in a fridge. And in British politics at the moment, that would appear to be enough to win. ■

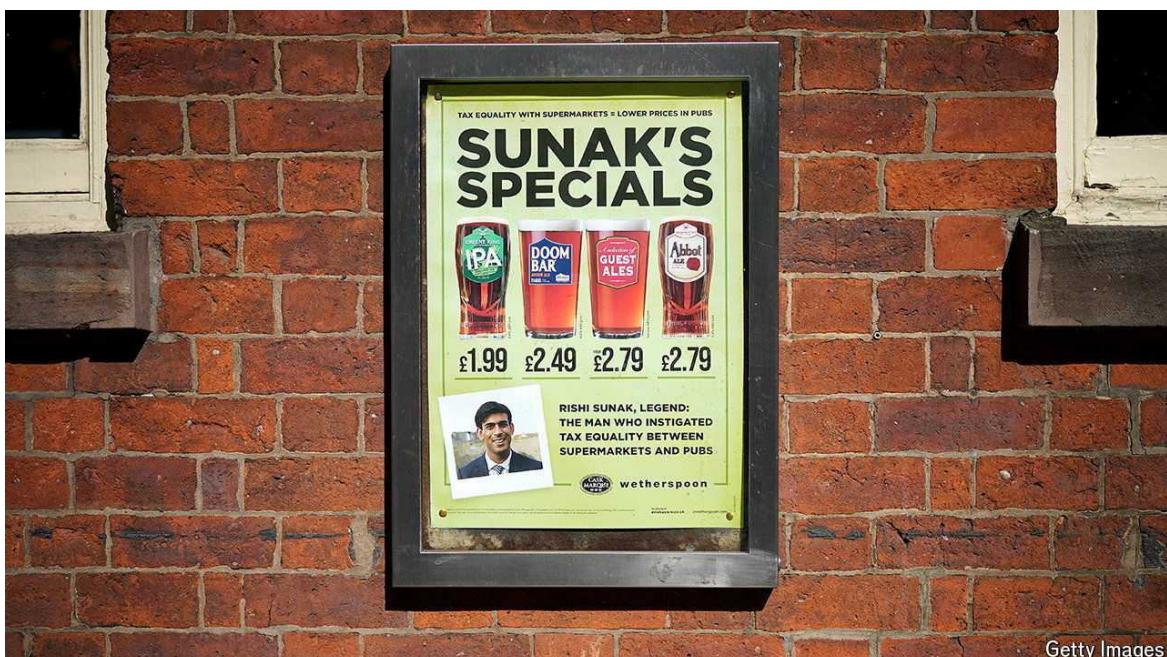
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Brexit is the only big legacy of the 2019-24 parliament

An abrupt election crimps the Tories' already-slim legislative record

May 30th 2024



Getty Images

Rishi Sunak's plan to introduce a phased ban on smoking always had the look of a last-ditch effort to secure a legacy. It was apposite, then, that in hurrying towards a snap election the prime minister accidentally stubbed out his own ground-breaking law (which could not be passed in the "wash-up" period after Mr Sunak announced the election on May 22nd and before Parliament dissolved). No matter. The lesson voters should take, Mr Sunak insisted brightly at a campaign event on May 27th, is that "I was the prime minister that put that bold policy on the table".

What some might notice instead is that the Conservatives have achieved remarkably little since winning a landslide in the general election four-and-a-half years ago. Most governments that win big majorities of the sort that the Tories got in 2019 can point to a coherent set of laws that shape the country in their image, notes Dan Gover of Queen Mary University of London.

See our other coverage of [Britain's election](#), including our [poll tracker](#), updated daily

In the late 1990s and 2000s New Labour passed bills that introduced a minimum wage, established human rights in domestic law, overhauled Britain's approach to discrimination and set the country's course in cutting carbon emissions. The 2010-15 coalition government managed a set of reforms to legalise same-sex marriage in England and Wales, extend the academisation of schools and introduce universal credit, a new welfare system.

Hand future historians the statute book for 2019-2024, however, and they will be hard-pressed to discern much of a thread. Although a similar number of laws were passed compared with other recent parliaments, it is not clear that—with one glaring exception—many will amount to much. That exception, of course, is [Brexit](#). Equipped with a fresh mandate, Boris Johnson's government in 2020 passed the EU Withdrawal Agreement Act, a law that will be remembered as one of the most consequential in Britain's post-war history. There is little prospect of it being overhauled soon.

Yet elsewhere the record is slim. The Tories' main constitutional reform—a Bill of Rights, which would have reformed Britain's relationship with European law and courts—was abandoned when its architect, [Dominic Raab](#), was sacked. One bad by-election result, a loss to the Liberal Democrats in Chesham and Amersham in 2021, was enough to see off a tilt at reforming the planning system. Levelling up—the central promise of the 2019 victory—does at least have its own act, passed in 2023. But it is a sprawling one that few think will do much to shift regional inequalities.

The Conservatives were, in part, unlucky. Governments tend to get big reforms through early, when they have most political capital. Mr Johnson's administration was hit by a pandemic two months after taking office. But ideological incoherence and constant turnover are also to blame; the average tenure of cabinet ministers has been under a year, compared with almost three in the 2010-15 parliament. A bill to improve online safety changed in focus multiple times. A clampdown on unhealthy foods was mostly abandoned. Rental reform was repeatedly promised and repeatedly delayed.

Mr Sunak is now trying to project himself as an energetic prime minister [with bold ideas](#) for the country. But under his premiership Parliament had fallen into a torpor. “You kept seeing lots of filler and then the adjournment

debate would be at half-three in the afternoon”, says Alice Lilly of the Institute for Government, a think-tank. The smoking bill was not the only piece of legislation that was lost in the wash-up. But any sense of urgency had long since vanished. ■

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Britain | Not a postcode lottery

Labour is worried about safe seats with big South Asian populations

Our analysis shows that activists are not just being dispatched to Tory targets

May 30th 2024



Getty Images

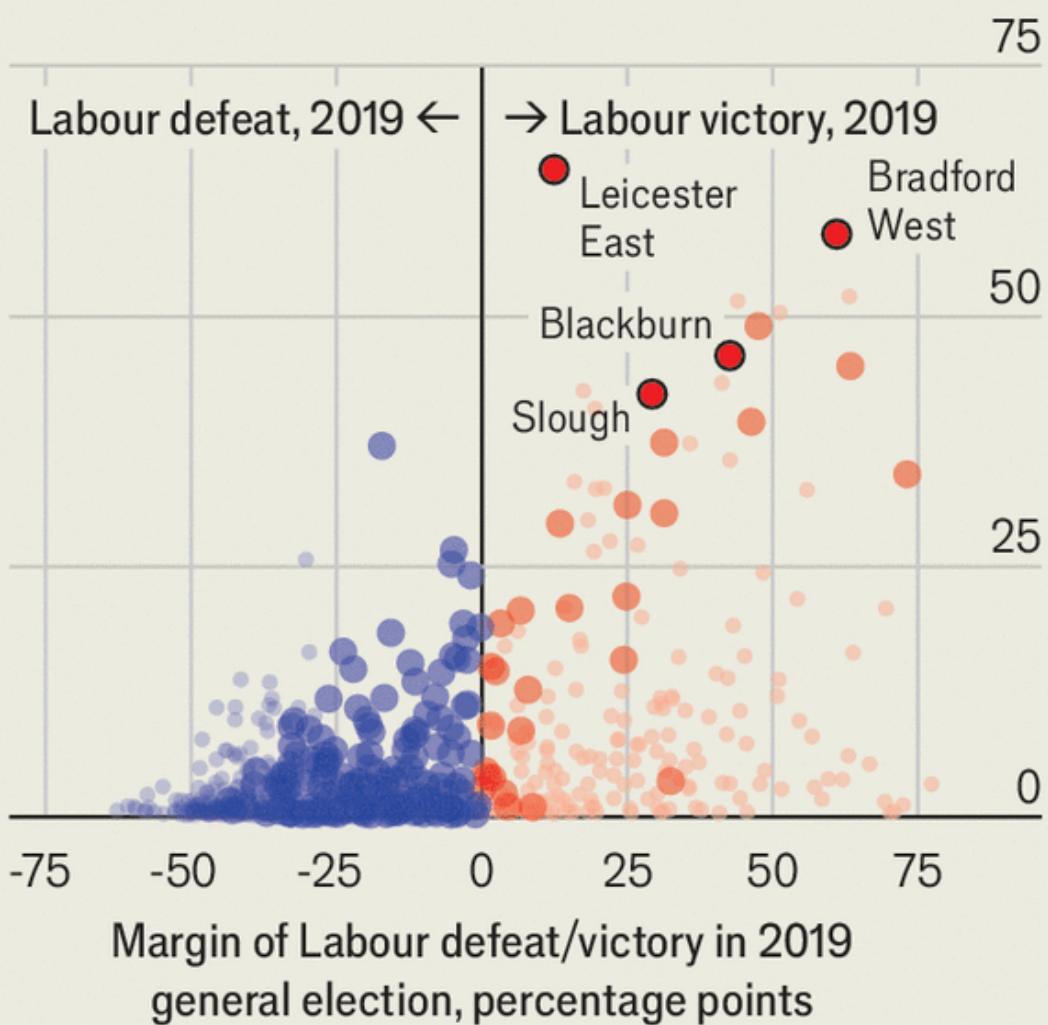
Party activists are the infantry troops in any general election. They are the ones delivering leaflets, canvassing voters and getting out the vote. But their number is limited and parties must use them wisely. That means sending activists to marginal constituencies where the election will be won or lost.

Which doors to knock on?

England and Wales, by constituency

- Labour's main target seats in 2024
- Others

South Asian population*,
2021, % of total



*Bangladeshi, Indian and Pakistani

Sources: ONS Census, 2021; C. Rallings and M. Thrasher, University of Plymouth; the Labour Party; *The Economist*

The Economist

The Labour Party has a website that invites its supporters to enter their postcodes, so they can be directed to nearby “battleground” seats. By entering a large sample of postcodes from across the country, *The Economist* has come up a list of seats in England and Wales that Labour has apparently identified as its main targets (see chart).

Labour’s choices project confidence overall. It is directing activists to every constituency it lost to the Conservatives in 2019 by a majority smaller than 28 percentage points, as well as to some with much larger majorities. In total it is directing activists to 174 Conservative-held seats, a sign that it has a substantial majority in its sights.

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But Labour is also fighting a rearguard action in some of its own seats. The app directs activists to 11 constituencies where Labour won a majority of more than 25 percentage points in 2019. In ten of the 11, people of Indian, Pakistani or Bangladeshi ethnicity make up more than 30% of the population.

Labour’s support among Hindu voters has been eroding for some time. The Tories made further inroads in recent local elections in areas with big Hindu populations, such as Slough, Leicester and Harrow. But the party’s support among Muslims is a more recent concern, triggered in particular by its response to Israel’s war in Gaza.

In February it lost a parliamentary by-election in Rochdale to George Galloway, a former Labour politician standing on an explicitly pro-Palestine platform. At the election Labour will have to contend with a rag-tag bunch of candidates looking to replicate his success. Sir Keir has become more unequivocal in calling for the fighting in Gaza to stop. But the votes of British South Asians cannot be counted upon. Labour is plainly taking that threat seriously. ■

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Britain | In the box, and on it

Footballer, broadcaster, podcast mogul: the career of Gary Lineker

And what it says about modern Britain

May 25th 2024



Getty Images

The afterlives of English footballers typically involve a stint in coaching or a spot of punditry. The glaring exceptions are David Beckham, a businessman and walking brand, and Gary Lineker. “He’s probably got the edge on looks,” Mr Lineker concedes, in the self-deprecatory tone that helped make him an A-list broadcaster and, in his latest incarnation, a podcast star. His career—a startling run of successes, punctuated by controversy—encapsulates deep trends and faultlines in England’s personality.

Listening to Mr Lineker, now 63, you might conclude that he was never much of a footballer. On his podcast, “The Rest is Football”, another retired striker, Alan Shearer, ribbed him recently for scoring goals from a few yards out. “I couldn’t kick it any further,” Mr Lineker deadpanned. The show, he says, aims to mix insight with fun. A team of him, flinty Mr

Shearer and exuberant Micah Richards, also an ex-player, has helped make it one of the most downloaded sports podcasts in Britain.

It is made by Goalhanger, a firm Mr Lineker founded with two former BBC producers. Its basic shtick is amicable dialogue in a shouty world: chats between well-matched presenters which, as he puts it, let you feel as if “you’re with them in the room”. The output includes “The Rest is Politics”, which pairs Alastair Campbell, once a Labour spin-doctor, with Rory Stewart, previously a Conservative MP. An American version features Anthony Scaramucci, briefly an aide to Donald Trump.

Goalhanger wants to crack America thoroughly. But it is doing pretty well already. “The Rest is Politics” is Britain’s top political podcast. Another title, “The Rest is History”, is downloaded 11m times a month and is a hit in America and Australia. In a very 21st-century feedback loop, whereby digital interaction drives a yearning for the physical kind, the history and politics hosts play live events to improbably huge audiences. “I’m much more heavily involved than people would think,” Mr Lineker says. He “takes a big interest in what we do”, Mr Campbell confirms.

Podcasts are his third career. Banter aside, in the 1980s and early 1990s he was an elite footballer. A striker’s lot can be gruelling: “99% of the time”, he recalls, “you’re getting battered, you’re missing, you hit the post.” But nothing—not even in podcasts—rivals the joy of scoring a big goal. He netted plenty, including six at the World Cup of 1986. That tournament “changed my life”, earning him a move to Barcelona and acclaim at home. In “An Evening with Gary Lineker”, a play of 1991 and later a film, an unhappy wife announces she is running off with him. “Gary Lineker, eh?” says her husband. “Well done!”

Like Mr Beckham, who had a foot in fashion while the other was still on the pitch, Mr Lineker plotted his second career—in broadcasting—while still playing. Teammates nicknamed him “junior Des” because of his fascination with Des Lynam, then the BBC’s football anchorman. “I always knew what I wanted,” he says now. Beneath the congeniality and corny puns, observes a former BBC insider, he has “a nucleus of steel and ambition”.

“I’m never going to be able to crack this,” he remembers thinking of his early, slightly wooden turns on the telly. He did. Along with other headline gigs, for 25 years he has presented “Match of the Day”, a football-highlights show and BBC flagship (its rousing theme-tune is a kind of

sporting national anthem). Two episodes in that long run stand out. In 2016 he vowed to appear in his underwear should Leicester City, his home-town club, win the Premier League. Leicester won. Urged on by the prime minister, Mr Lineker stripped.

On the other occasion he didn't appear at all. Last year he was [taken off air](#) amid accusations, from ministers and others, that he had violated the BBC's impartiality rules. (Since he never got a yellow card for foul play on the field, this counted as his first professional caution.) On the social-media platform now called X, where he has 8.9m followers, Mr Lineker said the language of government asylum policy was "not dissimilar to that used by Germany in the 30s". The spat proved how unwise it is for politicians to take on celebrities. Colleagues downed microphones in solidarity. Mr Lineker was swiftly reinstated.

It is the sort of opinion for which, among right-wingers, his name has become a byword for *bien-pensant* liberalism; not an obvious fate for a footballer. Mr Lineker says the real cause of the furore was the yen of "BBC haters" to discredit the broadcaster. He still shares opinions on what he calls "humanitarian" rather than political issues. His lopsided views on Gaza have distressed many British Jews.

Cherish or revile him, Mr Lineker has scored an impressive hat-trick: in [the national sport](#), at the national broadcaster and now in digital media. If the striker could have peered forward 30 years, "he'd have been stunned." (Conversely, if today's man were to meet his "cold", "driven" younger self, he doubts he would like him much.) His life's connecting thread, he says, has been football. But other English preoccupations have fed into his success.

One is even deeper than footie or the BBC: the eternal subject of class. Mr Lineker had a working-class upbringing; his father ran a market stall on which he helped out. He attributes some of his slapdowns from bigwigs to snobbery. Yet these days, suave and cosmopolitan, he is hard to place class-wise—an asset in a country where people make snap judgments about each other's backgrounds and vowels. "I can't place myself," he says, "so I don't know what chance anyone else has got."

The other national theme, or neurosis, which he embodies is Englishness, an identity often thought to be jingoistic and exclusive. As Mr Campbell sees it, "there's something very 'positive English' about Gary Lineker." Outspoken and occasionally wrong-headed he may be, but he is not

boastful or insular. An avowed English patriot, he is a handy mascot for a maligned, leaderless tribe.

Besides encouraging people to vote, he won't be opining on the election. But he will be the face of the summer's other main event: the European football championship in Germany, which he is fronting for the BBC. For once, he reckons England have "a really good chance". Football is only a game, but "it's almost like a religion to a lot of people," Mr Lineker notes. "The good thing about football," he adds, with his talent for drollery and the odd provocation, is that "it does actually exist." ■

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The British election is becoming an episode of mob justice

A punishment beating is on the cards for the Conservatives

May 29th 2024



The Conservative Party is deeply unpopular. That is a simple point, but one still often missed. Rishi Sunak, the prime minister, enjoys an approval rating that matches Sir John Major's at his mid-1990s nadir, when the party was on the cusp of a historic defeat at the hands of Sir Tony Blair. The Conservatives enjoy an average [poll rating](#) of 23—about 20 points behind the Labour Party. It is a decent score for a third party; it is a cataclysmically awful one for a party of government. Polls may narrow, say pathologically nervous Labour advisers and desperate Conservative ones. Equally, they may widen.

Every so often politics is more about punishment than policy. Sir Tony recognised as much when recalling his 1997 election victory. “Once the mood had turned from the government and embraced us, the mood was merciless in its pursuit, indifferent to anything other than satisfying itself.”

Sometimes voters are judicious electors seeking a government. Sometimes they are nothing more than a mob seeking revenge.

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In 2024 every genre of voter has a reason to be angry. Liberal voters are livid that their world has crumbled. The rise of centrist reactionaries has been perhaps the most consequential political trend of the past decade, with Britain's vote to leave the European Union in 2016 being the moment of radicalisation. Being proved right about [Brexit](#)—that it was a pointless, painful blunder—is not enough for these voters. Dragging Britain back into the European club is a long-term project. Battering the party that was responsible is a necessary first step.

Politics now has a visceral edge. The Liberal Democrats have put sewage at the heart of their campaign. Incomprehensibly large numbers are bandied about. Did you know that 14bn litres of sewage were dumped in the Thames last year? But stripped down, the argument is simple. Vile Conservatives are pumping sewage into Britain's rivers and seas. That Britain's waterways are, if anything, cleaner than they were in the 1990s is irrelevant. In the political imagination, there is shit in the water and the Conservatives are to blame. Electoral disgust is the only option in such a world.

Anger among one-time Conservative voters comes in two forms. One is the rage of first-time voters who feel like schmucks for being taken in by Boris Johnson's pledge in 2019 to lavish attention and cash on forgotten corners of England. Those with more pungent right-wing views are furious that rather than cut taxes and cut immigration, the Conservatives have increased taxes and overseen gigantic inflows of people. "Zero seats" is their cry. If both these types of voters stay at home on July 4th, the party truly is toast. Being a bystander to a beating is akin to joining it.

Even Labour, usually so ineffectual, has become ruthless. The Conservatives have been in power so long because Labour spent years arguing with itself rather than preparing for office. Internecine conflict trumped the constitutional duty of providing a viable alternative government. Today Labourites have fallen in behind Sir Keir Starmer even though the only clear purpose is the hollow one of gaining power. Better ensure it is a hammering to make the moral compromise worthwhile.

Younger voters have good reason to grab their pitchforks, too. However badly Labour is thought to treat young people, such as by reducing its green spending plans, the Conservatives treat them worse. If a Tory government is re-elected, pensioners will receive tax breaks to ensure their un-means-tested benefits are free from tax; younger voters will be offered the [prospect of national service](#). The Tories are operating a “Get The Vote Out” strategy that is aimed squarely at incentivising their opponent’s voters, who face compulsory unpaid work on a weekend or bayoneting sandbags unless they join in the beating.

Mr Sunak is a perfect victim for an electoral mob on the hunt for political catharsis. The prime minister is unimaginably rich and has succeeded at every point in his life. At times he has the air of someone for whom two years of being prime minister are simply another achievement to put on a LinkedIn profile. If Mr Sunak does lead his party to historic defeat, nip into a helicopter and emerge in a well-paid job in California, contempt will follow. It will be a case of exile rather than sunny retirement.

Faced with a punishment beating, the Conservatives are doing the political equivalent of crawling into a ball. National service is just one of a glut of measures designed to please their base. The revival of grammar schools, selective state schools that are another perpetual Tory pipedream, is surely next. This is politics at its most desperate, no more a programme for the government than posting a picture of some Spitfires on Facebook with the caption: “The clocks go back this weekend so I’m setting mine to 1940 when this country had some bollocks!”

Piñata politics

Mob justice may not be pleasant but it is a vital, even healthy, part of British electoral politics. A party must be pummelled until it is reshaped into a more acceptable form. If need be, a party can sit broken and useless on the sidelines for a decade. As the Conservatives found in the late 1990s and 2000s, and Labour discovered in the decade after 2010, electoral beatings continue until the voters’ rage is properly spent.

In truth, voters are seeking redemption as much as revenge. Everything that voters now abhor, they once asked for. Whether it was cutting public services sharply, or leaving the EU, or the spectacle of Mr Johnson leading a country through a national crisis, some sense of shared guilt is justified. In 2024 the punishment beating that the Conservatives face from the

electorate can also be explained by projection. If voters are angry at anyone, they should first be angry at themselves. ■

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International

- Is your rent ever going to fall?

International | Control yourself!

Is your rent ever going to fall?

Too often politicians tout awful solutions for helping tenants

May 29th 2024



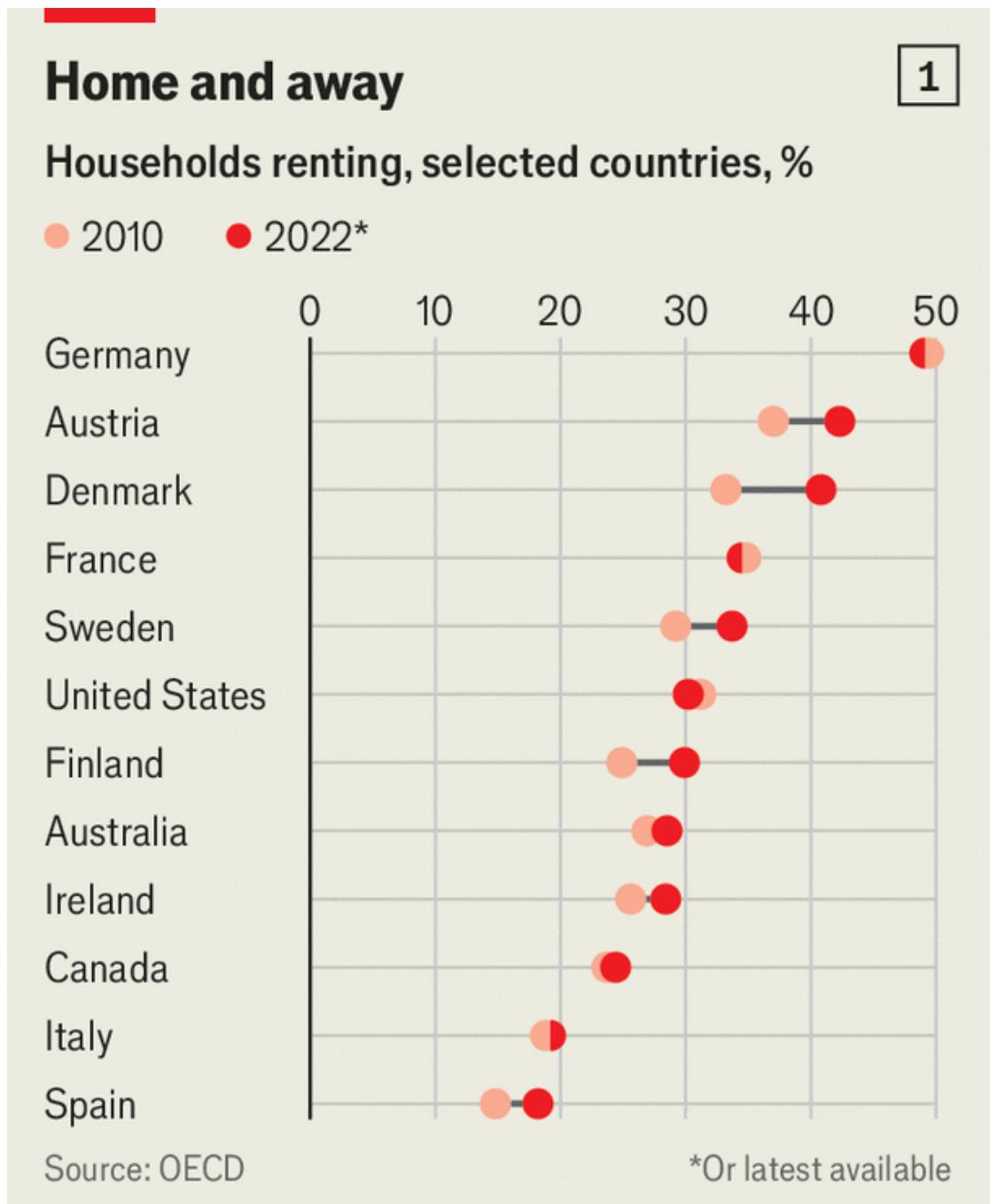
Rob en Robin

An entire generation of tenants is tearing its hair out. Across the rich world—from America to New Zealand—millions spend more than a third of their disposable income on rent. The squeeze extends from social democracies that prize strong tenancy rights to Anglophone countries that prefer homeownership—and it is mostly getting worse. The good news for anxious renters is that they are gaining a louder voice as their numbers swell. The bad news is that campaigners and politicians mostly focus on the wrong kinds of solutions to their woes.

The 20th century saw an astonishing rise in homeownership. In 1920 about 20% of Britons owned their own home; by 2000, 70% did. Many Anglophone countries followed a similar path. Even in countries less attached to the idea of owning, private renting became less common after a boom in social housing.

The story in the 21st century has been different. Rod Hick of Cardiff University in Wales calculates that in countries such as Britain, Denmark, Ireland, New Zealand and Spain, homeownership rates fell by ten percentage points in the decade or so to 2018. Data on renting are patchy. But figures from

the OECD, a club of rich countries, show that there has been a shift towards renting in most wealthy countries since 2010 (see chart 1). A bigger private-rented sector is probably here to stay, predicts Peter Kemp of Britain's Oxford University.



The Economist

One of the most dramatic shifts has been in Britain. A fifth of the population now rent privately, up from a tenth in the early 2000s—an increase of more than 6m renters. It was a British bank, Halifax, that coined the term “generation rent” in 2011. But British millennials, born between 1981 and

1996, were not special. A sagging jobs market, high house prices, rising rents and tighter mortgage rules left many youngsters less able to afford a first property.

Employment and housing pressures have eased somewhat. Generation Z, which includes those born between 1997 and 2012, is now earning much more than millennials did at the same age. Cooling housing markets may be helping some millennials get their first set of keys, albeit often with the help of mum and dad. But others remain stuck. In Britain half of renters are now over 35. What was seen in many places as the sector for the young and footloose is increasingly home to families and the elderly. Politicians are beginning to fret about a coming wave of retired renters.

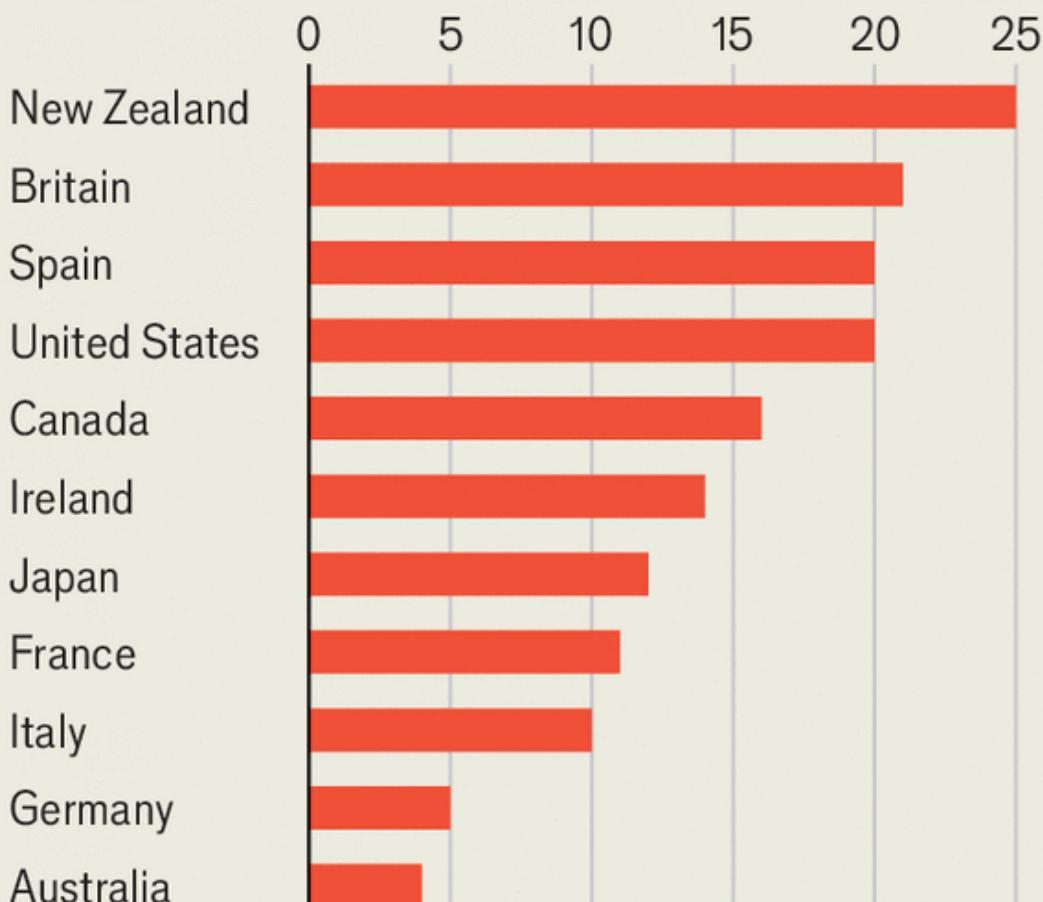
Rents have risen particularly sharply in the past three years, fuelled by workers returning to cities after the pandemic and by wages rising even as the supply of properties remains constrained. High interest rates have crimped already inadequate levels of building. Housing starts in Sweden were down by 50% in the first quarter of 2023. And lending rules remain tight.

Some tenants complain about insecurity and grotty conditions. But the biggest problem, particularly for those on low incomes, is affordability. The definition of “unaffordable” is open to debate, but the OECD and others commonly focus on housing that accounts for more than 30% of gross income or, alternatively, 40% of disposable income (ie, income after tax and social-security charges). In 2022 almost half of American households in the private-rental sector were being charged more than 30% of gross income, according to the Joint Centre for Housing Studies at Harvard University in America. That was the highest level on record—and up by 2m in three years. Across the rich world, rents at 40% or more of disposable income are common (see chart 2). And those data miss large black markets—where sublets do not comply with regulations—in countries such as Sweden and Germany.

Luxury living

2

Share of private renters spending more than 40% of disposable income on rent, %
Selected countries, 2022*



Source: OECD

*Or latest available

The Economist

High rents do not just lighten people's wallets. A dysfunctional rental market can make it harder for those on low incomes to get good jobs. Stockholm's metro is part of one of the best public-transport networks in the world. Yet one in five businesses says high costs and a shortage of affordable housing make it difficult to hire young workers. Lucas Persson, a 28-year-old who works at a think-tank, says many of his friends have considered leaving the city. Spotify, a Swedish music-streaming business, has called the broken rental market a barrier to expansion.

Many of those taking up the cause of renters choose to blame landlords—or as some activists call them, “social parasites”. The urge to control prices often follows. In 2022 the Scottish government introduced a rent freeze. Sadiq Khan, London’s mayor, has long wanted to do the same. Cities in France and Germany have tightened rent controls in response to rising unaffordability. The Australian Greens say a rent freeze would rein in “wealthy property moguls”.

In America there have long been rent controls for existing tenants in New York and San Francisco. In recent years Oregon and California have passed state-wide laws; since 2023 Michelle Wu, the mayor of Boston, has been trying to follow suit.

The appeal of all this to politicians is fairly obvious, says Professor Kemp. Landlords are unpopular (Joe Biden has reassured voters he will be “cracking down” on them). So, too, in many places is building houses. By contrast, rent controls often attract broad support: after all, who is against lower rents? Even better, they cost the government nothing upfront and can be set up at the stroke of a pen.

Economists object. Rent controls first became popular in the aftermath of two world wars—a time when tenants were a large voting block. Milton Friedman attacked controls in an essay in 1946, warning that they would result in the “haphazard and arbitrary allocation of space, inefficient use of space, [and] retardation of new construction”. Liberal economists regard controls as a zombie policy.

No city today better demonstrates the distortions Friedman warned of than Stockholm. On paper Sweden’s system of rent controls, the *hyresreglering*, is the strictest in the world. A powerful tenants’ union negotiates with landlords, holding rents as much as 50% below the market. In practice lots of people lose out. Swedes must join waiting lists for a rent-controlled apartment: in central Stockholm the average wait is 20 years; across the city it is about half that. Many who reach the front of the queue are in their 50s and own a home. Young Swedes often have to put up with expensive sublets agreed to under the table, laments Mr Persson.

Those lucky enough to have a flat refuse to move. Families come up with ingenious ways of passing contracts to distant relatives. If a couple is so bold as to want more space for children, they must engineer a complex chain of swaps. Or resort to bribes. In 2021 a court case revealed that a woman paid SKr2.4m, or \$220,000, for a black-market contract for an apartment in Ostermalm, a posh part of Stockholm.

“The queue system allocates scarce apartments to wealthy, upper-middle class Swedes while those who need them live in shitty, uncertain accommodation outside the city,” says Brett Christophers, a geographer at Uppsala University in Sweden. Swedes like to think their approach is fair and progressive. But immigrants fare worst of all because they find the system hardest to navigate, according to Fredrik Kopsch of Lund University, also in Sweden.

Not all forms of rent control are equally harmful—and their impact depends on where and how they are implemented. One reason the idea never dies is that proponents keep adapting it. The most destructive policies see rents artificially capped or frozen at a fixed level. Most governments have long since abandoned these. But every so often one is mad enough to try again, such as the authorities in Berlin in 2020 and Scotland in 2022.

More common now are controls that seek to limit rent increases within tenancies, for instance to a fixed percentage above inflation. The idea behind these is that landlords and tenants do not always have equal bargaining power, so in theory landlords can gouge tenants by taking advantage of high moving costs. Yet if such policies create a wedge between controlled and market rents, they will still encourage landlords not to invest in their properties and tenants not to move.

In Boston Ms Wu proposed an annual cap on increases of CPI plus 6%—a level few landlords would try to exceed. But the problem is that once politicians have control over rental prices, they are tempted to keep bearing down on them, which gums up the market. In Germany recent clampdowns have done exactly that, according to Stefan Kofner of the country’s Görlitz University. In Sweden the cost of rent-controlled apartments fell far below market rents long ago.

Price controls can act like a ratchet: easy to tighten but very hard to relax. Sweden’s parliament has debated reforms for years; in 2021 a modest proposal helped cause a government to fall. If the concern is protecting tenants from gouging, Anglophone countries should improve tenants’ ability to appeal against above-market increases or challenge bad behaviour.

Rent controls are most damaging when supply is constrained and demand is high, squeezing those searching for somewhere to live. The *hyresreglering* is failing partly because wealthy municipalities around the city have increasingly resisted new building, says Mr Kopsch. American lefties talk dreamily of Vienna, where 80% of the city’s inhabitants live in rent-controlled apartment blocks. Last year the *New York Times* even dubbed it a “Renters’ Utopia”. But that city’s planning laws have long made it easy to keep adding apartment blocks and, in any case, its population has barely increased since the second

world war. Seeing Vienna-style rent controls as the answer to problems in Manhattan misses the point.

The foundations of change

One city provides a good model for helping renters, however. Frustratingly, its lessons are being ignored. In 2016 Auckland in New Zealand, which had some of the least affordable housing in the world, passed a law allowing more dense development on three-quarters of residential land. Lawmakers particularly wanted to encourage more apartments within walking distance of the city centre, public transport or commercial areas.

A housing boom followed—adding 44,000 homes in seven years, equivalent to around 8% of current stock. A new study by Ryan Greenaway-McGrevy of the University of Auckland estimates that the extra homes have held rents almost 30% below where they otherwise would have been. In 2021 Jacinda Ardern, New Zealand's then prime minister, passed a law nudging other cities to follow Auckland's lead. But progress has stalled. All around the world, the only way renters will get a better deal is for cities to enable more building. In Stockholm, Mr Persson is not optimistic. In a few years he hopes to get a rent-controlled flat in Rinkeby-Kista, a suburb struggling with crime that is 12km outside of the city. ■

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Business

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Business | Flyover country

Japanese businesses are trapped between America and China

Could geopolitics kill off an incipient corporate revival?

May 28th 2024



Not since the 1980s have Japanese businesses generated so much excitement. Japanese companies' profit margins have doubled in the past decade or so. They are forking out twice as much to their owners in the form of dividends and share buy-backs as they did ten years ago. Shareholder-friendly changes to corporate governance in Japan have caused foreign investors to flock to the country once again. Having languished for decades, the Nikkei 225 index, which tracks the value of the country's largest listed firms, is up by 25% over the past year (see chart 1). In February it at last exceeded the record it set in 1989, just before Japan's bubble burst.

A cherry on top

1

Nikkei 225 stockmarket index

May 1949=100



Source: LSEG Workspace

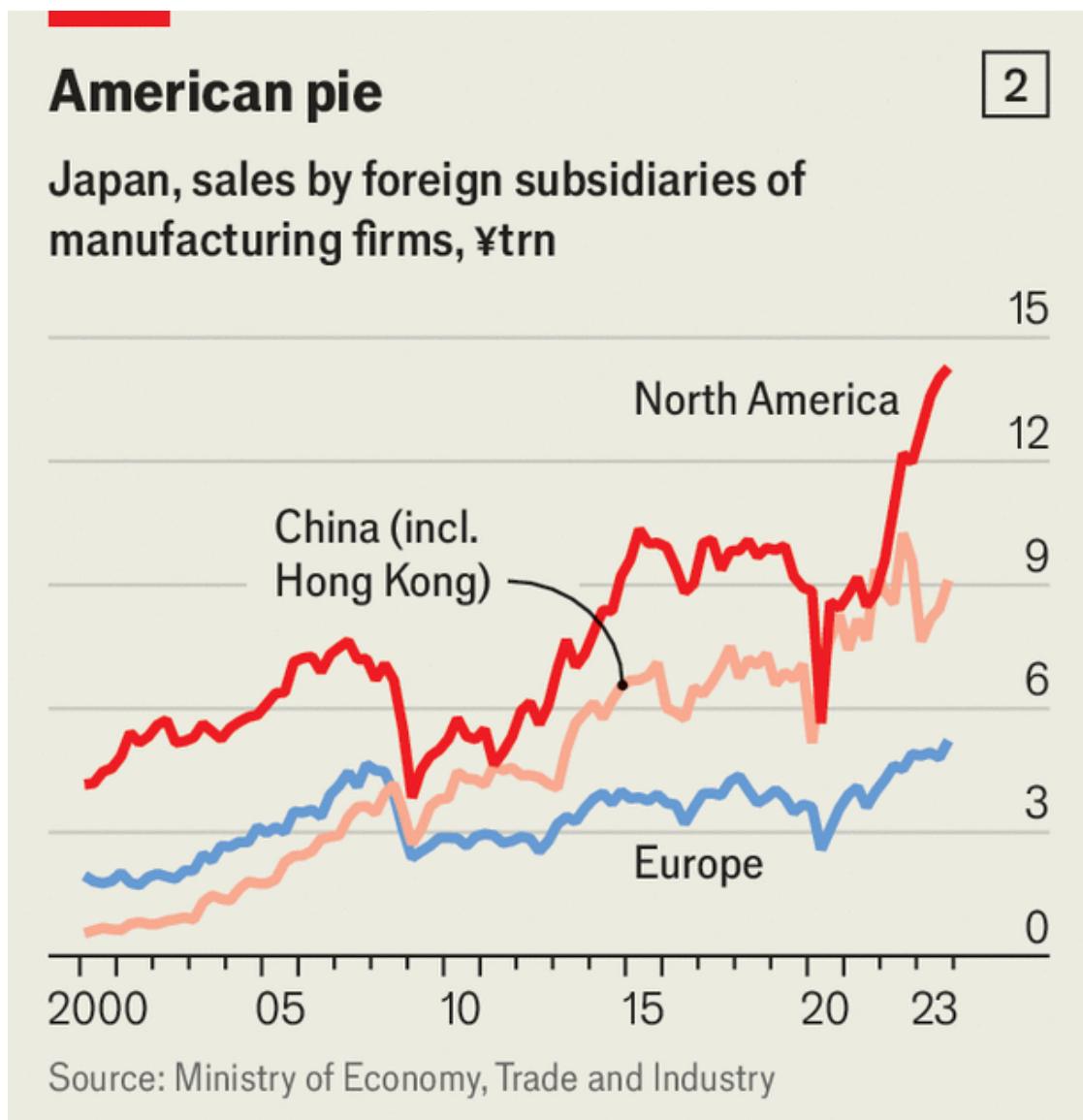
The Economist

Much of this success reflects Japan Inc's transformation over the past 35 years. Faced with economic torpor at home, brought on by the stockmarket crash and an ageing population, the country's industrial giants have spent the past few decades hunting for growth abroad. In 1996 revenue booked by the foreign subsidiaries of Japanese manufacturers was just 7% of their total sales. Last year that figure reached 29%, a record high.

Two markets have been central to this wave of global expansion: America and China. America has long been the largest destination for Japan's manufacturers. In recent years China has made up a growing share of business. All told, more than half of all sales made by Japanese firms' foreign subsidiaries comes from one or the other of the two superpowers. Japanese executives therefore understandably view the intensifying Sino-American

rivalry with trepidation. Being forced to choose between the two superpowers may, they fear, imperil corporate Japan's revival.

Some companies appear ready to side with America. A few are shifting manufacturing out of China, often to South-East Asia, in an effort to diversify their supply chains and placate customers worried about geopolitical risks. In September Mitsubishi Motors announced that it would stop making cars in China. It has been expanding production in Thailand and Indonesia instead.



The Economist

Many are doing the same in America itself. Toyota, a Japanese carmaker, and Panasonic, an electronics firm, are among the companies that already receive more than \$1bn apiece in handouts courtesy of state and federal efforts to revive American manufacturing since 2021, according to Good Jobs First, a subsidy watchdog. Rahm Emanuel, America's ambassador in Tokyo, has been

busily courting Japanese investment. American governors regularly visit Japan, in the hope of attracting money and creating jobs in their states. In return for an \$8bn investment by Toyota in battery production in North Carolina, the state has provided hundreds of millions of dollars in tax and infrastructure incentives. America's comparatively strong economic growth is adding to its attraction as an investment destination for Japanese firms. Sales of their subsidiaries in America have surged in the past two years, helped by the strong dollar (see chart 2).

Yet Japanese bosses also grumble about the domestic-content requirements and restrictions on their investments in China that come with some American subsidies. And they fear America's increasingly volatile politics. The phrase *moshi tora*, Japanese for "if Trump", frequently crops up in boardrooms. Many worry that, if re-elected in November, America's former president could dismantle the current subsidy regime, or alter it to give preference to American firms. Meanwhile, President Joe Biden's opposition to the acquisition of US Steel by Nippon Steel, a Japanese rival, has shown that protectionism is ascendant on both sides of the political aisle. America is becoming "selfish", grumbles a Japanese semiconductor executive.

Chinese takeaway

3

Japan, goods trade, ¥trn

Exports



Imports



Source: Japan Customs

The Economist

Mistrust of America is one reason why few Japanese firms are prepared to cut ties with China in the way that Mitsubishi Motors has. Even those that reduce their Chinese manufacturing often remain reliant on suppliers across the Sea of Japan. And for many, the Chinese market remains too lucrative to forsake. In April Toyota and Nissan respectively teamed up with Tencent and Baidu, two Chinese digital giants, in an effort to boost the popularity of their cars among technology-mad Chinese motorists. In the past two years annual trade between Japan and China was roughly a third higher than in the late 2010s (see chart 3). “Japan cannot afford to live without China,” says a board member of one large Japanese company.

A big problem for Japanese companies intent on staying in China is that China seems increasingly able to live without Japan. In many industries Chinese competitors are giving Japanese rivals a run for their money. A chemicals-

industry executive in Tokyo complains that Chinese rivals have gained an advantage by procuring cheap energy and materials from Russia, which is out of bounds for Japanese companies owing to Ukraine-related sanctions. But low cost is not Chinese industry's only selling point. Many are offering increasingly sophisticated products, especially in areas once dominated by Japan, such as industrial automation, batteries, carmaking and electronics.

Chinese cars, especially electric ones, have been edging out Japanese vehicles both in China and in other Asian markets. CATL, a Chinese battery behemoth, has out-innovated Japanese rivals such as Panasonic. In February Junta Tsujinaga, chief executive of Omron, a Japanese maker of industrial robots, lamented that his firm was facing greater competition from Chinese challengers. It is cutting 2,000 jobs from its global workforce this year.

Japan's cutting-edge semiconductor firms may be next. As America tightens restrictions on sales of advanced technologies to its geopolitical rival, the Chinese government is trying to reduce its reliance on foreign providers of such things as chips, as well as the materials and tools used to make them. According to Bernstein, a broker, the domestic market share of Chinese makers of equipment used in chip manufacturing rose from 4% in 2019 to an estimated 14% last year. This is a concern for Japanese chip-industry champions such as Tokyo Electron, a manufacturer of equipment to process silicon wafers and Japan's fourth-most-valuable company, which generates almost half its total sales in China. Such worries will be compounded if, as seems all too likely, American sanctions are extended to the older technologies which Japanese firms are still selling to Chinese buyers.

To navigate the minefield of great-power rivalry, a growing number of Japanese firms are war-gaming how politics could disrupt their businesses. "Economic security" is the latest buzzword. A survey of large Japanese companies by the Institute of Geoeconomics, a think-tank in Tokyo, found that 38% had established economic-security departments. The divisions, which often report directly to a board member, monitor political risks to the company's operations and supply chains. Many large companies that are particularly exposed to geopolitical winds receive money from Japan's government to support such efforts.

Knowing where they stand can be a source of solace for Japanese firms. Another is improving relations across East Asia's wealthy democracies. Governments and businesses in South Korea and Taiwan face similar challenges in maintaining crucial economic relationships with both America and China.

In an interview with *Nikkei*, a Japanese newspaper, on May 23rd Chey Tae-won, chairman of SK Group, a South Korean conglomerate with a leading memory-chip business, said that his company would expand tie-ups with Japanese semiconductor firms. [TSMC](#), a Taiwanese giant that is the world's leading manufacturer of advanced microprocessors, opened its first factory in Japan in February, and has announced plans to build a second.

Domestic bliss

An increasingly unpredictable outside world is also leading some Japanese companies to retreat to the comfort of home. It helps that, while manufacturing wages have surged in China, Japan's sluggish growth has made repatriating production relatively less expensive than it once was. The government has also granted modest subsidies to hundreds of companies in industries deemed sensitive, including aircraft parts, medical devices and rare-earth minerals (which are used in electronics). Last year Panasonic announced it would shift some production of air-conditioners from China to Japan. Such moves may calm Japan Inc's nerves. But if this foreshadows a less globalised future, they may also stall its comeback. ■

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Business | Upping the X ante

Can Elon Musk's xAI take on OpenAI?

It has some advantages. But it is entering a crowded field

May 29th 2024



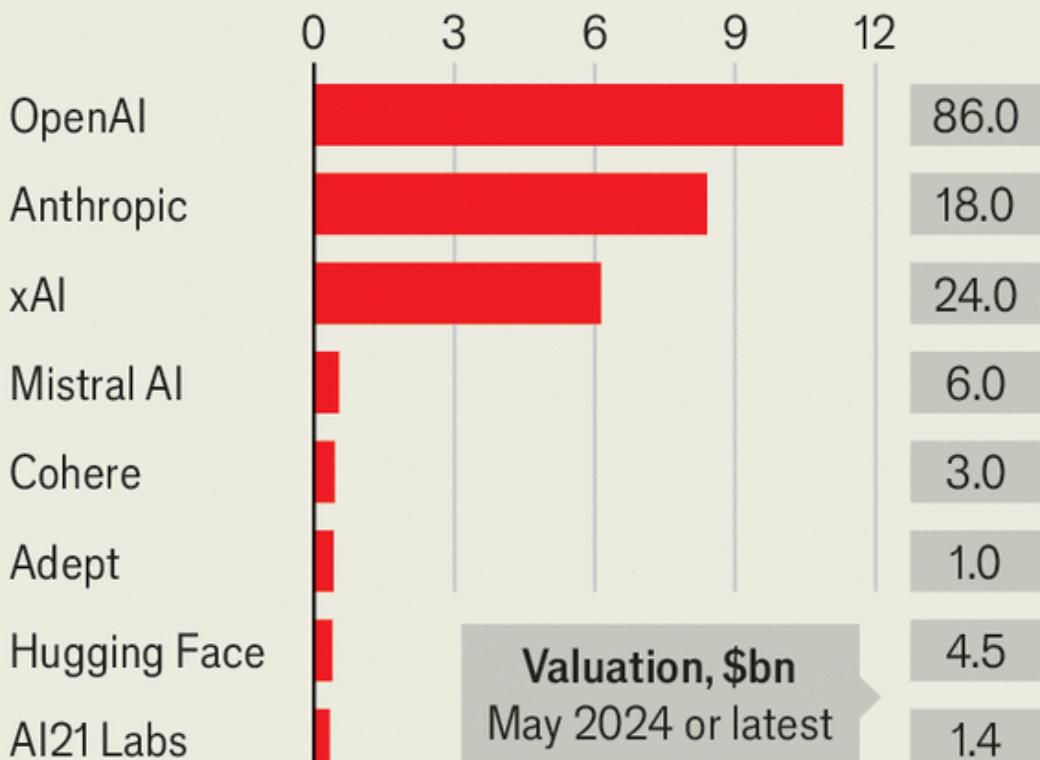
Getty Images

Every day seems to bring fresh bets on artificial intelligence (AI). In the past few weeks CoreWeave, an AI cloud-computing company, and H, a French AI startup, have raised hefty sums of money. On May 26th it was Elon Musk's turn. The tech billionaire's startup, christened xAI, said it had raised \$6bn at a valuation of \$24bn. The investors include such Silicon Valley stalwarts as Sequoia Capital and Andreessen Horowitz, two venture-capital (VC) giants, and an investment fund with ties to the Saudi royal family. Their lavish backing puts xAI's financial firepower in the big leagues, alongside model-builders such as [OpenAI](#), the creator of ChatGPT, and Anthropic (see chart). Can Mr Musk compete with the AI superstars?

The money isn't artificial

AI startups, cumulative capital raised, \$bn

May 2024



Sources: PitchBook; company reports

The Economist

This is not his first foray into AI. Mr Musk co-founded OpenAI, then left after falling out with Sam Altman, its boss. In April he told investors that Tesla, his [electric-vehicle maker](#), should be viewed as an AI firm. Never one for modest ambitions, Mr Musk wants his latest venture, which he launched last July, to “advance our collective understanding of the universe”.

That is tech-speak for building large AI systems that are as good as humans at many intellectual tasks, or better. In this pursuit, xAI has many of the necessary strengths. Through Mr Musk’s purchase in 2022 of Twitter, a social-media site now called X, it enjoys access to reams of human-generated data. That is ideal for teaching an AI system how to interact with people. Footage from Tesla cars, which are equipped with plenty of cameras, could in time feed xAI’s models, too. Through an arrangement with Oracle, a business-software and cloud-

computing behemoth, xAI is renting specialist AI servers with the chips that machine-learning algorithms need to crunch the data.

Mr Musk is also a magnet for talent: xAI has poached boffins from Google and Microsoft. Founders of other startups have complained that xAI prices them out of the market by offering astonishingly generous pay packages. It might also benefit from talent from elsewhere in Mr Musk's empire. When he bought Twitter, he reportedly called in some 50 software engineers from Tesla to help with tasks such as code reviews. A handful of Tesla engineers have recently been hired by xAI.

All that has helped xAI "develop high-performing models from a standing start", notes Nathan Benaich of Air Street Capital, a VC firm. In November xAI released Grok, its answer to ChatGPT, which it sells to X users on a subscription basis. An update followed in the spring along with a preview of another version of Grok that can interpret images.

Mr Musk wants to go further. He has said that he needs 100,000 AI chips to build the next version of Grok. According to the *Information*, a tech-news outfit, he told xAI investors that he wants to construct an enormous supercomputer that will come online in late 2025. This "gigafactory of compute" would rival a similarly ambitious project being discussed by OpenAI and its big-tech partner, Microsoft.

There are, as ever with the mercurial Mr Musk, plenty of risks. One is his increasingly packed schedule. Along with Tesla, xAI and X (where he is not the CEO but does hold the post of executive chairman), he also runs SpaceX, a rocketry business, Neuralink, a brain-implant firm, and the Boring Company, which builds tunnels. If that didn't keep him busy enough, he is involved in numerous legal battles, including one to reinstate a \$56bn pay package from Tesla that was struck down by a judge in Delaware, and another to move Tesla from that state to Texas.

A bigger problem is competition, which is white-hot in model-making. Startups are up against the titans of tech—including Alphabet, Amazon, Microsoft and Meta—which are building their own AIs. Many less titanic but still large companies, such as Adobe and Salesforce, are getting in on the AI action, too. Switching between rival models tends to be easy for users, and xAI's Grok lacks distinctive selling points.

OpenAI in particular still has more money and better access to processing power than its rivals, including this latest one. That may force xAI to follow the lead of other startups and develop models that are smaller (and cheaper)

than OpenAI's, but not quite as powerful, Mr Benaich suggests. Not quite the cosmic understanding that Mr Musk seeks. ■

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Can Benetton be patched up?

Italy's threadbare casual-fashion icon is stained with red ink

May 30th 2024



Getty Images

IT WAS A bitter farewell. On May 25th Luciano Benetton, the 89-year-old eponymous co-founder, with his three siblings, of the maker of colourful jumpers, told *Corriere della Sera*, an Italian daily, that he would step down as chairman. Signor Luciano, as he is known, explained that he felt “betrayed” by Massimo Renon, the firm’s chief executive. Mr Renon was, in Mr Benetton’s telling, insufficiently transparent about a pre-tax “hole” of some €100m (\$108m). That lack of transparency, and Benetton’s threadbare results, provoked the near-nonagenarian to throw in the towel. For the first time since its creation in 1965, Benetton will have to make do without a Benetton.

The company says that Mr Renon did not break any rules or laws. On May 28th its board approved the financial statement for 2023. Revenue was €1.1 bn, with a net loss of €230m. Still, on the same day it said that Mr Renon would be replaced by Claudio Sforza, a restructuring expert with no experience in fashion but plenty in the turnaround of struggling firms.

The Benettons will still call the shots. The company is entirely owned by Edizione, the family vehicle headed by Alessandro Benetton, Luciano's 60-year-old son. Today it represents a mere 2% of the net value of Edizione's assets. Lucrative stakes in Mundys (motorways and airports), Generali (insurance) and Mediobanca (investment banking), among others, are keeping Benetton alive. Since 2020 Edizione has pumped €350m into the ailing fashion house. It will bail out Benetton again to the tune of €260m over the next four years; €150m of that will come in the next 12 months.

Benetton has lost money continuously since 2013. By 2018 it had accumulated net losses of €600m. That year the elder Mr Benetton returned from retirement to save the company. But the silver-haired tycoon had lost his golden touch. He may have been distracted. Also in 2018 the Benetton name was tarnished after 43 people were killed in the collapse of Genoa's Morandi bridge, which was managed by Autostrade per l'Italia, then owned by what is now Mundys (and later sold). Luciano's two younger brothers, Gilberto and Carlo, died that year, too. Since then Benetton's cumulative losses have swollen to €1bn.

Can the new boss patch things up? Fashion retail has become fiercely competitive. Newcomers such as Shein and Temu, two online clothes merchants with ties to China, are giving even profitable rivals like Zara and H&M a run for their money. Mr Sforza will present his turnaround plan at the company's annual general meeting on June 18th, when he will also be formally enthroned as chief executive. The Benettons have plenty of affection for the company that has made theirs a household name the world over. But Signor Luciano's departure may hint that it is not infinite. ■

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How to write the perfect CV

A job applicant walks into a bar

May 30th 2024



Paul Blow

IMAGINE MEETING a stranger at a party. What makes for a successful encounter? Lesson one is to heed the wisdom of a shampoo commercial from the 1980s: you never get a second chance to make a first impression. Lesson two is to remember that you do not need to wear a beret or a fur stole in order to stand out. Lesson three is not to forget that what you leave out matters as much as what you say.

These same principles, it turns out, apply to writing a CV. A resumé is not a list of every job you ever had. It is not your autobiography. It is, like that hair-care advert, a marketing tool. Your audience is made up of recruiters and hiring managers. Like cocktail-party guests, they do not take a long time to decide if they want to keep talking. According to one study, such professionals spend an average of 7.4 seconds skimming a job application. Your guest Bartleby has a few tips on how best to ensure that these seconds count.

The CV's number-one task is not to put the reader off. If you are thinking of adding a watermark with your initials, think again; you are trying too hard. Use a clean, simple format and avoid fancy fonts (Arial or Helvetica are fine; Century Gothic is not).

Adding colour does not mean using a teal background. Nor does it mean using purple prose. Clichés can be a reason you are passed over for an interview. So can typos; spell-check and proofread over and over. You would be surprised how often someone forgets to include their name and contact details. Dispense with hackneyed descriptors (“cultivated and passionate professional”, “a keen eye for detail”)—facts should speak for themselves. But not all facts. You may think including your ranking on “Overwatch” is a quirky way to illustrate how quick you are on your feet. A recruiter may conclude that it shows you spend hours on the sofa tethered to a gaming console.

Do not hammer your CV out in an hour—take your time to polish it. Condense, filter and distil until what you are left with captures the essence of you. Anyone's CV can fit on a page, even if you have held residencies in the world's eight top hospitals or are Christine Lagarde. Forget the personal statement—no one has time for that. If you spent three weeks in the summer when you were 17 keeping the books in your uncle's hardware store, no one needs to know that if you are now over the age of 25. The older you get, the more you should prioritise work experience over education.

Tailor your resumé for every application by making the relevant tweaks and highlighting different areas. Otherwise you are like the bore who tells the same story to every person he meets. Not everyone—and not every recruiter—is interested in the same things. If you can quantify an accomplishment, do. A second-year law student who just completed his summer internship having worked on six M&A deals? Put that in.

Reasonable gaps in a resumé are not cause for concern. Life happens and sometimes people take time off; you do not have to explain that you spent three months between jobs hiking around Machu Picchu to clear your head and recharge your batteries. A ten-year gap from the workforce may be another matter. So might constant job-switching, which is as much of a red flag to recruiters as admitting to never having had a long-term relationship might be to a stranger at a party. But if this describes your work history then you probably have bigger problems that a CV alone, no matter how masterful, will not fix.

Once you have sent your application, refrain from emailing prospective employers to see if they received it. You risk coming across as that annoying person who texts to see if their previous texts have got through.

In his commencement address at Kenyon College in 2005, David Foster Wallace, an American novelist, used the metaphor of fish oblivious to the element surrounding them in order to point to the dangers of the “natural, hard-wired, default setting which is to be deeply and literally self-centred”. Your life, he implied, should illustrate an acute awareness of the outside world. So should your CV. Drafting a presentation of your skills and achievements will inevitably reflect the sovereignty and self-absorption of your “skull-sized kingdom”, as Wallace described it. So as you launch yourself into the job market, follow his counsel to young graduates to try always to be aware of their place in the greater scheme of things: “This is water...this is water.”

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Business | Back, with a vengeance

ExxonMobil redisCOVERS its swAGGER

The bad boy of big oil goes after its shareholders

May 29th 2024



FOR YEARS ExxonMobil was the top dog among the world's private-sector oil companies. It was the biggest of the Western majors, and the best-managed. It regularly posted higher returns on capital than its peers and enjoyed superior stockmarket valuations. This led to an arrogance among its chief executives that infuriated not just greens but even other oilmen. In 2003 Lee Raymond, a former boss with a ferocious temper, bragged that "everyone at this company works for the general good—and I'm the general of that general good."

More recently ExxonMobil appeared to have lost some of this braggadocio. Between 2016 and 2020, together with the rest of the industry, it eked out meagre returns as oil prices languished. At the same time it was hounded by climate activists and asset managers concerned about environmental, social and governance (ESG) issues. The lowest point came three years ago when it suffered an unprecedented defeat at the hands of Engine No.1, an obscure activist fund that managed to get three climate-minded directors elected to its board.

With profits resurgent on the back of two years of buoyant oil prices, the bad boy of big oil is back. In October it launched a \$60bn takeover of Pioneer, an independent shale-oil producer. Later it claimed a contractual right of first refusal to a lucrative concession in Guyana held by Hess, a smaller oil firm. That claim, currently in arbitration at a court in Paris, could derail the \$53bn acquisition of Hess by Chevron, ExxonMobil's main American rival. Darren Woods, the current chief executive, is once again infuriating climate campaigners and ESG investors by criticising global efforts to eliminate fossil fuels as unrealistic, even foolhardy. And on May 29th the company's management got its full slate of directors approved at this year's annual shareholder meeting—ESG objections from critics notwithstanding.

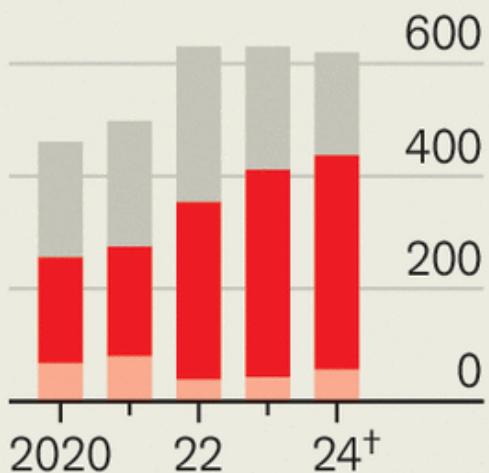
Yet Mr Woods's brashest recent move concerns another shareholder fracas. In December Arjuna Capital, an American activist fund, and Follow This, a European one, each with a tiny stake in ExxonMobil, submitted a proposal to expand the company's emissions-reductions efforts by including targets to limit indirect emissions from the supply chain and the end use of its hydrocarbons. ExxonMobil has roundly rejected such ideas as somewhere between impractical and suicidal. It argues that the two funds' latest proposal sought not to create shareholder value but rather to make the company "shrink". Similar efforts made by the duo at previous annual meetings have flopped, receiving 27% support in 2022 and barely 10% last year. Yet rather than let them fail once again, Mr Woods has taken the unusual step of suing the two small shareholders.

Active measures

United States, ESG* shareholder proposals

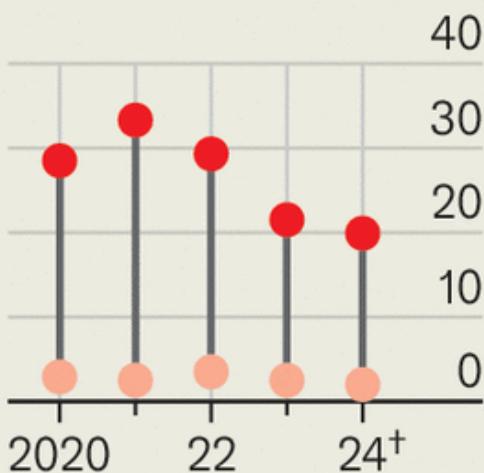
Number of proposals

■ Omitted ■ Withdrawn
■ Voted/pending



Average support, %

● Pro-ESG
● Anti-ESG



*Environmental, social and governance [†]To May 29th

Source: Proxy Preview, Sustainable Investments Institute

The Economist

Many large companies, in the energy industry and beyond, are contending with a spate of ESG campaigns (see chart). Many of these proxy proposals are ill-founded and impractical, promoted by gadflies with token shareholdings. Bosses typically deal with such nuisance petitions by appealing to the Securities and Exchange Commission (SEC), America's markets regulator. Historically, the SEC let companies know (through something known as a "no action" letter) that they were not required to allow a troublesome motion to reach a vote at the annual meeting. The problem, in the eyes of ExxonMobil, is that the proxy process "has become ripe for abuse" and the way the SEC goes about excluding frivolous proposals is "flawed".

Self-serving, perhaps. But Mr Woods is not alone in this view. BlackRock, the world's largest asset manager, has also argued that the SEC's pro-ESG stance has led to lower-quality and more politicised shareholder resolutions. Robert

Eccles, an ESG scholar at Oxford University's Said Business School, rejects as hysteria the claim from some progressives that the oil giant is trying to crush small shareholders. In his view, "Exxon is really after the SEC's broken regulatory review process."

Mr Woods's decision in January to bypass the SEC entirely and instead take Arjuna and Follow This to court won plaudits from those fed up with pesky ESG activists. Tom Quaadman of the US Chamber of Commerce, which filed a court brief in support of the oil company's case, brands actions like those taken by Arjuna and Follow This as "the tyranny of the minority".

Corporate-governance types are less complimentary about ExxonMobil's hardball tactics. Mary-Hunter McDonnell of the Wharton School adds that denying shareholders access to corporate proxies that the regulator has deemed legitimate is "just bad governance". Charles Elson of the University of Delaware, who has served on many corporate boards, thinks that the company erred in bringing litigation against its owners, however small. "You don't bite the hand that feeds you," he cautions. Such criticisms mounted when ExxonMobil did not drop its lawsuit even after the two activists were browbeaten into withdrawing their proposal.

It is unclear why ExxonMobil decided to fight the two investors tooth and nail. One conservative scholar close to the oil industry thinks it may have had more to do with shoring up political support on America's right, to which ESG is a red rag, than with actual concerns about the SEC's revised approach to corporate governance.

Whatever the reason, the firm's heavy-handed tactics have led several large investors to express displeasure with its conduct. Norway's \$1.6trn sovereign-wealth fund voted against ExxonMobil's nominee for lead independent director. CalPERS, which manages California's public-sector pensions, rejected its entire slate, including Mr Woods. That its directors nonetheless won, on average, 95% of the proxy vote must leave ExxonMobil feeling vindicated—and further emboldened. ■

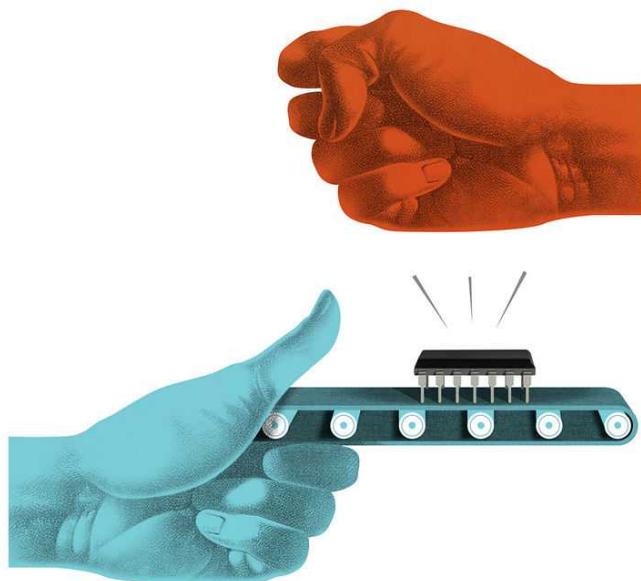
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The soldiers of the silicon supply chain are worried

Geopolitics risks distorting a miracle of modern technology

May 30th 2024



Brett Ryder

There is a wry sense of seen-it-all-before in the crucible of the world's semiconductor industry. When your columnist took the bullet train to Hsinchu Science Park, home to Taiwan Semiconductor Manufacturing Company (TSMC), the world's biggest chip producer, on May 24th, China was simulating a military encirclement of Taiwan in waters not far over the horizon. An invasion would be cataclysmic. A blockade could starve the island of vital energy resources. Even cyber-attacks could be crippling. Yet after decades of belligerence, many Taiwanese greet such threats with a shrug. "It's nothing new to me," chuckles one seasoned chip executive. "Since 1996 China has been throwing missiles."

Semiconductor executives to whom Schumpeter spoke on a tour of Taiwan, South Korea and Japan are not nearly as relaxed about America's economic manoeuvres against China, though. They say sanctions, subsidies, tariffs and other blunt instruments of geopolitical rivalry and industrial policy may

have strategic logic. But they jeopardise one of the miracles of modern technology: the fragile semiconductor supply chain that stretches from East Asia to America and Europe, with Taiwan at its crux. Along it silicon wafers are made and polished, etched with billions of nanometre-size transistors, sliced into microchips and packaged into the brain cells of the digital age. It is a process masterfully honed to combine government support with the invisible hand of the free market. The chip war threatens to bludgeon it.

Consider the ecosystem stretching outwards from TSMC's Hsinchu headquarters. On one side of the entrance, with a driveway shaped like a silicon disc, is one of its many fabrication plants, or fabs. Across the street is UMC, Taiwan's other chip giant. Both companies emerged in the 1980s from the government-funded Industrial Technology Research Institute. Since then a quasi-free market has flourished amid the rice fields of north-western Taiwan. Eight square kilometres (three square miles) house hundreds of suppliers, from ASML, the Dutch maker of the world's most cutting-edge lithography tools, to small laundries that ensure engineers' white "bunny" suits are dust-free in the light-filled purity of the clean rooms.

The network stretches far beyond Taiwan. From South Korea, SK Hynix supplies TSMC with the latest high-bandwidth memory chips that are crucial for the graphics-processing units it makes on behalf of Nvidia, the artificial-intelligence juggernaut. In Japan, companies like Tokyo Electron, which makes other chipmaking tools, Resonac, producer of chemicals, and Advantest, which tests the quality of finished chips, work alongside numerous small firms to make the country the source of almost a third of equipment and more than half of materials used in chip manufacturing. At the start of the chain, China supplies raw materials like polysilicon. America, for its part, provides the most sophisticated chip designs that breathe life into smartphones and cloud servers.

Now picture a world divided into two semiconductor blocks, with America on one side and China the other, that aim to replicate this cat's cradle of relationships in an effort to gain strategic autonomy. It is almost impossible to imagine. First, even for staunch American allies such as Taiwan, South Korea and Japan, China remains a crucial semiconductor market, notwithstanding American sanctions on tech firms like Huawei, and export controls on the sale of the most advanced microchips to the mainland. They would be loth to give it up, except in extremis.

Second, decoupling would come at a big cost. One of the marvels of the chip supply chain is how lean it is. The risk is that as big powers such as America offer large subsidies to “reshore” semiconductor manufacturing, the economics will be upended. Subsidies from America’s CHIPS and Science Act, as well as investment tax credits, have helped entice TSMC to build three fabs in Arizona, at a planned cost of \$65bn. The company believes it is in its own and its customers’ interests to diversify some of its operations beyond Taiwan. Yet America is not cheap: construction and labour costs are high. Moreover, though it can attract some big suppliers to move with it to America, smaller ones will need to be nurtured in the Arizona desert. This, too, will be expensive. In order to maintain its margins, TSMC has to persuade big customers, such as Apple, to pay more for the option of using American-made chips. Failing that, subsidies will need to flow indefinitely.

Third, consider how different cultures complicate the picture. In Taiwan, semiconductor engineers are renowned for dropping everything, day or night, to fix problems. That helped the industry survive a big earthquake in April with minimal disruption, just as it did the covid-19 pandemic. In America there is, to put it mildly, more regard for work-life balance—and that is if you can find enough qualified semiconductor engineers in the first place.

Headaches aside, many in the industry understand America’s desire to thwart China. They know that China plays hardball with American firms; they accept the region is rife with industrial policy; they understand that Japan, South Korea and Taiwan have to pay a price for living under America’s security blanket. They are loyal soldiers defending the silicon island chain.

Have some vinegar with your chips

What irks them, though, is the feeling that America is upsetting one of the last remaining bastions of globalisation not just for geopolitical reasons, but out of a selfish desire to preserve its economic dominance. One Japanese executive fumes that America is “childish” to try to stifle Chinese competition. A Taiwanese expert asks drily whether it would satisfy the “America First” contingent if TSMC simply changed its name to America Semiconductor Manufacturing Company. Quietly, many hope their firms will continue to straddle the geopolitical divide for years to come. ■

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Finance & economics

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Baby-boomers are loaded. Why are they so stingy?

The mystery matters for global economic growth

May 26th 2024



Baby-boomers were born between 1946 and 1964—and are the luckiest generation in history. Most of the cohort, which numbers 270m across the rich world, have not fought wars. Some got to see the Beatles live. They grew up with strong economic growth. Not all are rich, but in aggregate they have amassed great wealth, owing to a combination of falling interest rates, declining housebuilding and strong earnings. American baby-boomers, who make up 20% of the country's population, own 52% of its net wealth, worth \$76trn (see chart 1).

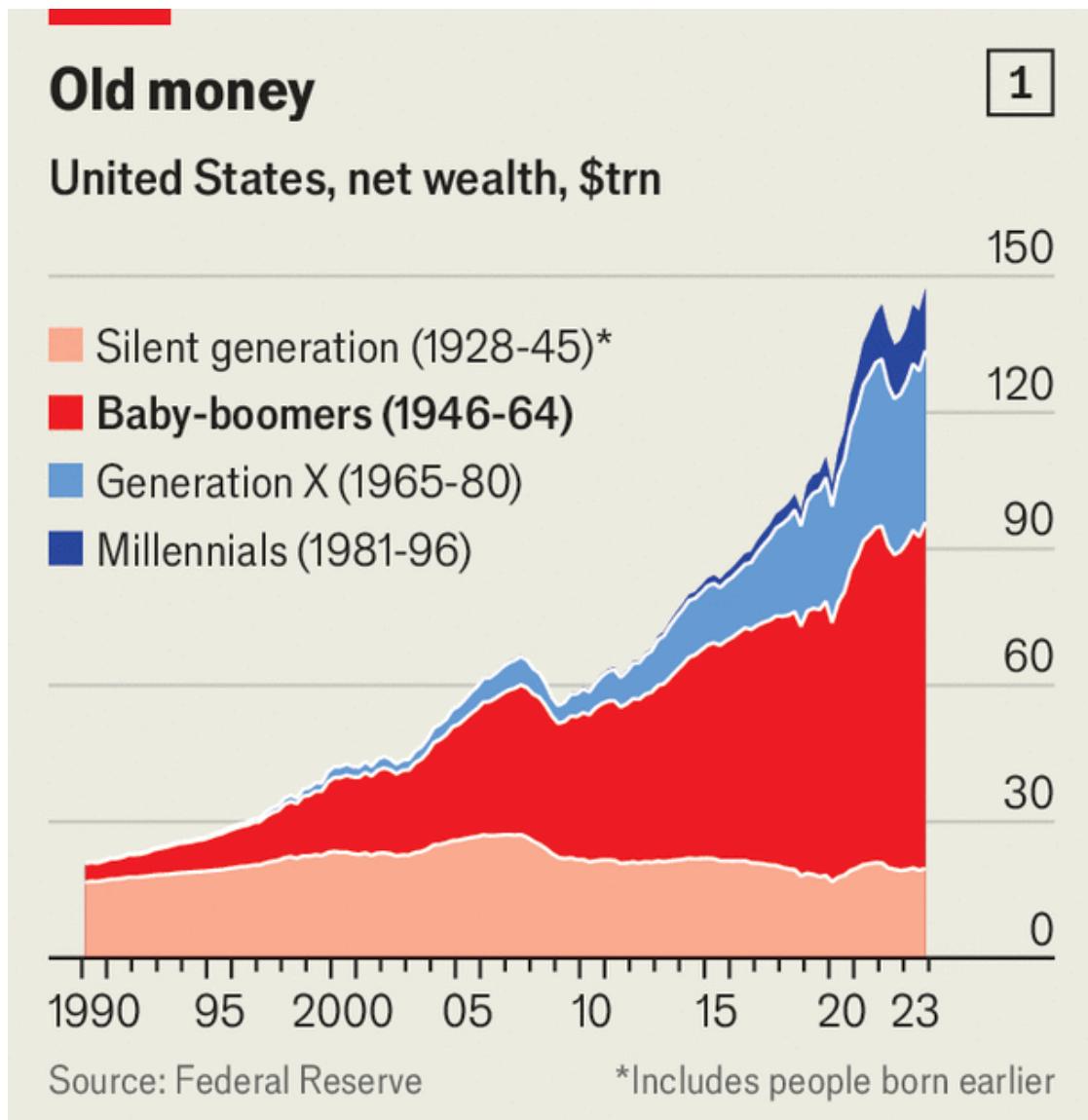
Read more about the wealth of different generations:

[Generation Z is unprecedentedly rich](#)

[British boomers are losing out for the first time](#)

Now that the generation is moving into retirement, what are they going to do with their money? The question matters for more than just suppliers of cruises and golf clubs. Boomers have deep pockets, so their spending choices will exert a huge influence on global economic growth, inflation and interest rates. And it turns out boomers are remarkably stingy—not just in America but

across the rich world. They are not spending their wealth, but trying to preserve or even increase it. The big question for the economy in the 2020s and 2030s will not be why boomers are spending so much, as many had anticipated. It will be why they are spending so little.



The Economist

Economists have a simple model of how people spend as they age. In youth, people's outgoings exceed their incomes, as they borrow to invest in education or to buy their first house. In middle age people accumulate money for retirement. And in old age they spend more than they earn, funding their lifestyles by selling assets (such as houses) and eating into savings.

Many researchers following such a "life-cycle hypothesis" argue that, as boomers retire, higher interest rates and inflation will result. A growing number of free-spending boomers will demand goods and services from a

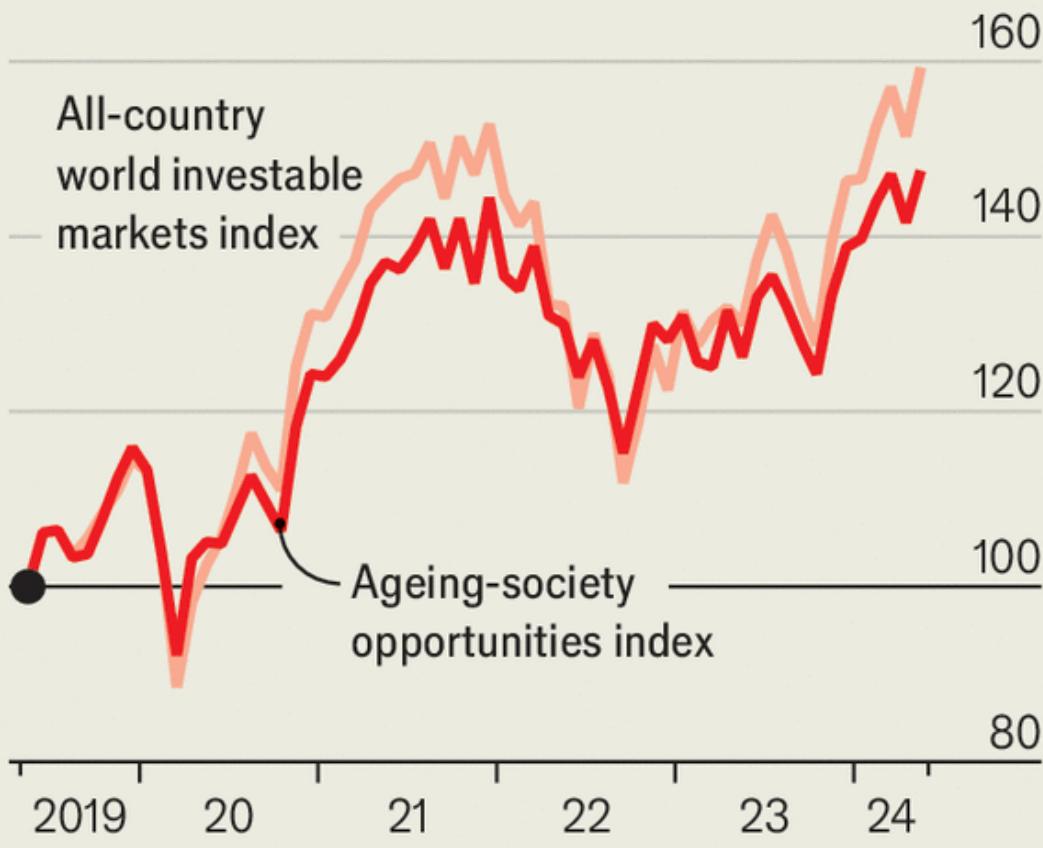
shrinking pool of workers, leading to high wage inflation. As boomers shift from accumulating wealth to spending it, the global balance between savings and investment will shift, leading to higher interest rates, suggest Charles Goodhart and Manoj Pradhan, perhaps the most famous proponents of this view.

Yet recent evidence has cast doubt on the notion that a spending splurge is on the way. Italy and Japan, the world's oldest countries, have had low inflation and interest rates for years. Academics point to the "wealth decumulation puzzle", an observation that oldies spend down their lucre more slowly than the life-cycle hypothesis predicts. A paper from 2019 by Yoko Niimi and Charles Horioka, two economists, notes that those in Japan spend only 1-3% of their net worth a year, meaning many die rich. In Italy, Luigi Ventura, another economist, and Mr Horioka find that 40% of the retired elderly continue to accumulate wealth. Walk around any Italian town and the message is clear. Elderly Italians like to sit around chatting—and that's free.

The joy of youth

2

MSCI stockmarket indices, May 31st 2019=100



Source: Bloomberg

The Economist

Our analysis suggests that the wealth-decumulation puzzle is becoming still more puzzling, for boomers are more miserly than previous generations. Some evidence comes from financial markets. Investment managers have created indices that track the share prices of firms which do well when oldies spend big. One index produced by MSCI, a data provider, includes companies that provide treatments for age-related diseases, leisure and tourism, and anti-ageing skincare products. In the past five years the index has underperformed the stockmarket, returning one percentage point less a year on an annualised basis (see chart 2). Investors are betting boomers are hoarders, not splurgers.

We have looked at household data from a range of rich countries. Turn first to America. In the recent past, old people behaved largely as expected by economic models. In the mid-1990s, those aged between 65 and 74 spent 10% more than they made, eating into their wealth. But since 2015 people in this

cohort have saved about 1% of their income. Boomers are also likelier than previous generations to say they save, suggests a survey by the Federal Reserve. In 1995, 46% of retired households claimed to have saved in the past year. By 2022, 51% of retired households did.



The Economist

In Canada the saving rate of people over the age of 65 fell during the 2000s. But around 2015, after boomers had started to retire, the decline stopped. More recently the rate has risen. In South Korea from 2019 to 2023 the saving rate of over-65s jumped from 26% to 29%, a bigger rise than in other age groups. In [Britain](#) retirees are spending an ever-smaller share of what is coming in. In Australia in the early 2000s, people over 65 saved next to none of their income. In 2022 they saved 14% of it. In Germany from 2017 to 2022 the saving rate for retired folk rose from 17% to 22%. And in Japan the old-age saving rate has soared (see chart 3). Pensioners account for about 40% of total

consumer spending in Japan, less than they did a decade ago, even though there are far more of them.

Few boomers are downsizing to smaller homes, which would free up cash for the finer things in life. Empty-nest boomers own 28% of America's homes with three or more bedrooms, according to Redfin, a property firm. Every self-respecting boomer has a spare bedroom. Indeed, in England about 20% of all bedrooms are spare bedrooms. A spectacular apartment overlooking the Colosseum owned by Jep Gambardella, the 65-year-old protagonist of "The Great Beauty", a film about Rome's boomers, sleeps seven. Only Jep lives there.

At least he knows how to party

Perhaps boomers will stop hoarding. Many are healthier than their predecessors, which has allowed them to delay retirement and accumulate more wealth. Across the OECD club of mostly rich countries, labour-force participation by people aged 55 to 64 recently hit an all-time high of 66%, up from 58% in 2011. Governments have introduced anti-ageism legislation, encouraging older people into the labour force.

Yet there could be deeper forces at play, making boomers reluctant to spend what they have earned, and in turn pressing down on interest rates and inflation. Three factors stand out: "bequest motives", the covid-19 pandemic and worries about care.

Many boomers recognise how lucky they are to have accumulated such enormous wealth. They want to pass it on to their children, many of whom are struggling to buy a house or pay school fees. Research by Messrs Ventura and Horioka, focusing on Europe, finds that bequest motives often go a long way towards explaining why retirees do not spend down their wealth. It is difficult to measure whether boomers have stronger bequest motives than previous generations, though some evidence points in this direction. The flow of bequests from the dead to the living, as a share of GDP, is rising fast across the rich world. Americans inherit about 50% more each year than they did each year in the 1980s and 1990s, for instance. Irish people inherit about twice as much.

Then there is the pandemic. Old people faced grave risks from covid. Many developed hermit-like habits, which they are struggling to shake off. In 2022 American boomers spent 18% less in real terms on dining out than in 2019. Bosses at Darden Restaurants, which runs chains including Olive Garden, a purveyor of pasta, recently noted that custom from people aged over 65 "is still

below pre-covid”. In Italy, another place that serves pasta, retirees’ spending on restaurants is falling fast. As you sip a negroni at a bar overlooking the Colosseum, you notice millennials, Gen X-ers and some Gen Z-ers. But where, if they are so rich, are all the boomers? Now that they buy fewer experiences, many are accumulating wealth almost by accident.

The final factor is “longevity risk”. Many boomers will live to 100 and beyond, meaning lots will spend a third of their lives in retirement. This poses a financial burden, especially for those who may eventually need round-the-clock medical care. According to research from the Employee Benefit Research Institute, a think-tank, in America the share of retirees who are very confident they will have “enough money in retirement” has fallen from more than 40% in the mid-2000s to less than 30% today.

These fears are changing behaviour. A study by the Institute for Fiscal Studies, a British think-tank, finds that those who believe they have “zero” chance of needing to pay for long-term care spend down wealth more quickly. For the many people who worry about eventually losing their mobility or developing dementia, however, the risks of spending big today seem too great. One paper from 2014 calculates that 13.5% of aggregate American wealth is attributable to saving for old-age medical expenditures. Ms Niimi and Mr Horioka, looking at Japan, arrive at an extraordinary conclusion. Many Japanese retirees are not only saving for the cost of their own care, but also for that of their parents, who are still alive. In an ageing world, taking care of the basics seems more urgent than enjoying drinks in front of the Colosseum. ■

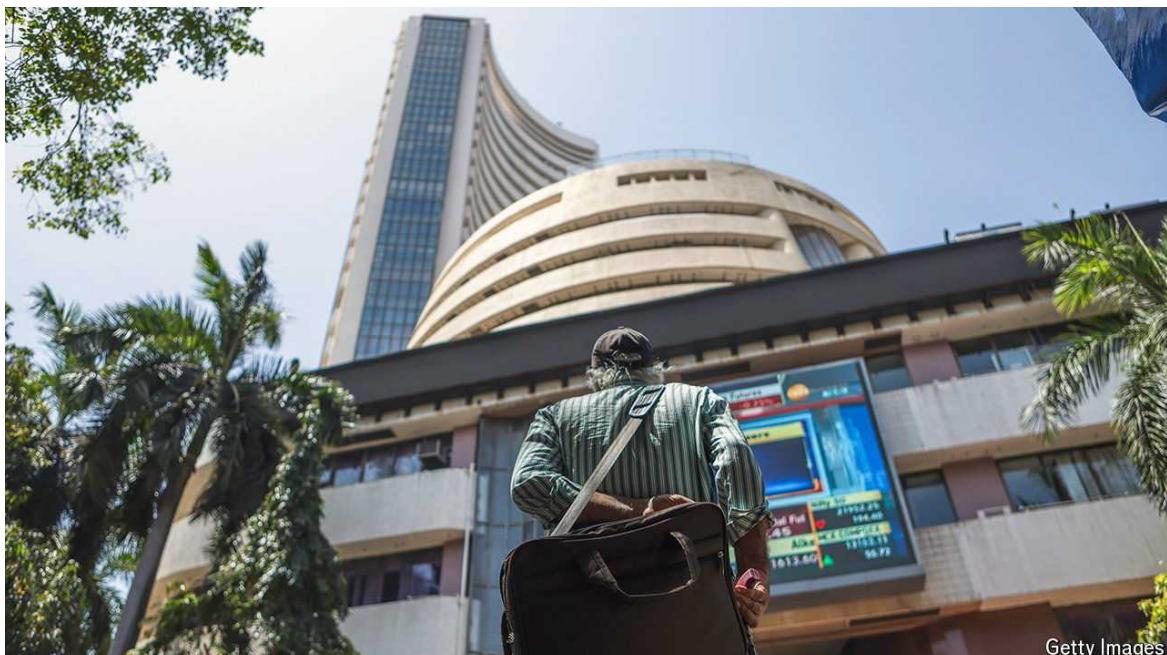
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Foreign investors are rejecting Indian stocks

A roaring economy is not enough to entice them

May 30th 2024



How to explain the disparity? India's economy is growing astonishingly fast, Bangalore and Mumbai have become destinations for bosses of global financial firms and Narendra Modi trumpets the country's appeal in his electoral campaign. Given the enthusiasm, surely foreign money is flooding into the country.

Not quite. In April foreign investors dumped \$1bn-worth of Indian shares. In May they dumped another \$4.2bn. This is a sliver of the roughly \$900bn of Indian shares in foreign hands, but it is a striking move given the mood music—and one that has pushed the share of the Indian stockmarket held by foreigners to just 18%, its lowest in a dozen years.

The usual explanations for the trend are unconvincing. India's election has prompted jitters, yet locals remain happy to enter the market and Mr Modi, who looks certain to win, is a sure-footed custodian of the economy. Indian companies are expensive, trading at double the level of both their

accounting (“book”) value and their Chinese competitors. Still, India’s economy is on a tear, its firms offer superior returns on equity and they are deleveraging, meaning that they are producing more profits while taking less risk.

An alternative—more convincing—explanation rests on how India treats foreign investment. The country has never been a straightforward destination for international capital, owing to disclosure rules and taxes on capital gains and dividends. Until recently, however, such taxes could be avoided or minimised if the investing firm was registered in a country with which India has a tax treaty. The most popular such countries were Mauritius, which since 1983 has offered an escape route from Indian levies, and Singapore, which has a treaty designed to mirror Mauritius’s.

The first sign of change came in 2017 when India imposed its own tax regime on new funds registered in these countries. Then, in March, officials confirmed reports that tweaks to its treaties might put older funds at risk. They asserted that a fund must be located alongside a large portion of its operations, which would exclude many in Mauritius. Although ministers declined to provide details, investors are confronting the possibility of vast tax claims and the need to move businesses.

These changes are not entirely without cause. Local investors were annoyed that their foreign peers received better tax treatment; some channelled domestic investments via foreign funds to minimise tax bills. That, in turn, irked officials, since local investors were then able to avoid India’s stringent disclosure requirements.

Moreover, the government planned to compensate for making investment tougher in this way by easing things in another. Nishith Desai, a lawyer, recalls a trip to Singapore in 2007 on behalf of the state of Gujarat, with its then chief minister, Mr Modi, who asked why India could not build its own Singapore-like financial hub. Today that is his signature project: the Gujarat International Financial Tec-City (GIFT City) sits within an hour of Ahmedabad, Gujarat’s biggest city, and contains 19 modern glass buildings, which are home to 660 firms, as well as several hotels and schools. A new regulator, the International Financial Services Centres Authority, is intended to consolidate the usual Indian regulatory chaos into a single Singapore-style mechanism for efficient control.

Among the rush of laws drafted to support GIFT City are ones allowing investment funds to move from Mauritius without triggering the kind of

liquidation and taxable event that such a move would normally entail. Dozens of fiddly little rule changes have been made to welcome reinsurance and aeroplane-finance firms that would run into ownership restrictions and other impediments elsewhere. Over a hundred local funds have registered in the city, drawn by provisions expanding the limited rights Indians have to invest overseas. Banks have been pushed to add workers.

For all this, GIFT City retains a Potemkin quality. New bank operations carry out work no different from that which they would have done in Mumbai, India's financial centre. The new regulator is, in theory, a big step; in reality, many approvals must still go through the central bank and securities authority, with disputes adjudicated by clogged courts. The rules applicable to equity investment remain half-formed and muddled. Foreign-denominated equity indices can be traded in GIFT City, but the underlying shares cannot. Funds established in GIFT City require a physical presence. Whereas Singapore offers efficient courts, low and well-administered taxes, and few operating demands, India's equivalent offers the opposite.

Perhaps these are growing pains. Among the rule changes are ones to allow securities listed on Mumbai's stock exchanges to trade on stock-exchange affiliates in GIFT City in dollars, which may offer a boost. Bureaucrats with ties to Mr Modi have been installed. Ironing out problems is said to be a post-election priority. But until things improve, foreign investors will see the messy situation and conclude that, for now, it is best to stay away. ■

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Xi Jinping's surprising new source of economic advice

What China's leader may learn from a pair of reform-minded academics

May 30th 2024



Getty Images

Zhou Qiren is an unusual economist. A professor at Peking University, he spent ten years toiling in the countryside during China's cultural revolution. "The same farmer", he observed, "worked like two totally different persons on his private plots versus on collective land." Unlike most economists, Mr Zhou still studies incentives and constraints from the ground up, starting not with abstract principles, but with concrete cases, often drawn from his travels around China and beyond.

After a visit to a rice-noodle bar in Qinzheng, he wondered why it offered one-week courses showing others how to replicate its prized dish. On trips to China's sprawling new city districts, he notes that it takes 70 steps to cross the road compared with 15 or so for many streets in Manhattan. He is sceptical of state-owned enterprises, which he once compared to public passages crowded with private "sundries". He also has doubts about the

feasibility of national self-reliance. Prosperity, he has pointed out, is built on “coming and going” across borders.

It was, therefore, a surprise when Mr Zhou was invited to brief Xi Jinping, China’s ruler, at a symposium on May 23rd in Shandong, a coastal province. The symposium was supposed to gather ideas for a big meeting on economic reform in July, the third plenary session of the Communist Party’s central committee, held twice a decade. Although expectations for this year’s “third plenum” are low, previous meetings have shaken the world. Investors are eager for any hints about the problems Mr Xi intends to tackle this year.

To many foreign economists, these problems seem clear. China’s leaders have damaged the confidence of households and entrepreneurs through capricious and intrusive policymaking, from the draconian zero-covid regime to the regulatory crackdown on data transfers across borders. They have prioritised investment in technological self-reliance over decisive measures to boost consumption, stabilise the property market and dispel deflation. Foreign investors sometimes worry that China’s leaders are trapped in an echo chamber. Seen in that light, the symposium in Shandong was a crumb of comfort. It suggested that Mr Xi is at least willing to listen to homegrown economists who have a grasp of what is going wrong.

As well as the peripatetic Mr Zhou, the symposium included Zhang Bin, a doveish economist at the Chinese Academy of Social Sciences. He has studied America’s escape from the Depression and Japan’s lost decades after its housing bubble burst. He has looked into what would happen if China cut its interest rates to zero. In a review of the economy in the first quarter of this year, he and his co-authors concluded that the central bank should reduce rates and set a target for credit growth to stop inflation expectations falling dangerously low.

The review’s authors also cautioned that attempts by local governments to cut debts could weaken demand at a bad time. Their report compared China’s indebted property developers to financial institutions facing a run. Since they pose a systemic danger, they require a systematic response, rather than a piecemeal local one. It is not known whether Mr Zhang shared these views with Mr Xi directly in Shandong. But these positions did not, at least, disqualify him from being invited.

After the symposium, Mr Xi dropped some encouraging hints that he is getting the message. He emphasised the need for easing some of the social

burdens that weigh on households, such as medical expenses and child care. A few days later he called for more jobs that would make use of the talents of unemployed college graduates. That was a more sensible message than a year ago, when he spoke about his own character-building hardships during the cultural revolution and encouraged the jobless young to show similar stoicism.

In Shandong, according to official reports, Mr Zhang pointed out that China's productivity push would have to avoid the problem of regions copying and undercutting each other. He used the word "involution": when the effort someone exerts brings little benefit, but merely raises the effort required of everyone else.

Almost three years ago, Mr Zhou raised a similar concern about efforts to nurture local champions. He drew an analogy with attempts to reverse desertification in China's western region. Planting lots of trees failed. What was required was a mix of grasses and shrubs that could enrich the soil and co-exist with trees. By a similar logic, local governments need to nurture diverse entrepreneurial ecosystems, out of which trees will spontaneously grow.

The aim, as he put it, is ecological resilience. In Africa, Mr Zhou was impressed by the hardy, spiky grass of the savannah. It reaches only a few centimetres in height during the dry season. But when the weather turns, the grass can draw on deep roots to grow 2m tall. China's private firms must also endure a harsh climate. But the roots of entrepreneurialism run deep. If Mr Xi listens to economists like Mr Zhou and Mr Zhang, the season could turn in July. ■

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Young collectors are fuelling a boom in Basquiat-backed loans

Auction houses are on a lending spree

May 30th 2024



Getty Images

Buying art can be a nerve-racking experience. But investors have long been able to console themselves with the thought that, if their purchase plummets in value, they will at least have something nice on their wall. Now they can also console themselves that they will have something to borrow against.

That is because there has been a boom in “art-secured lending”. Until recently this was only available to the wealthiest clients of private banks. In the past five years, though, auction houses and boutique lenders have become more involved. Deloitte, a consultancy, reckons that such outfits increased their lending by 119% over the period, compared with a 31% rise at banks. Last year non-banks doled out as much as \$8bn against art and collectibles, or 23% of all such loans, up from 15% in 2019.

The boom has been produced by changes in both the economy and the art market. As central banks raised interest rates in 2022, banks tightened lending. Insiders say private banks became more exclusive, making loans only above \$10m, up from as little as \$1m before. This created a gap in the market for auction houses, which have more knowledge about the art they lend against.

Meanwhile, demand for lending grew, paradoxically because of a bearish art market. According to UBS, a bank, prices for the most sought-after pieces fell by 40% last year. As a consequence, “many collectors decided to leverage their art instead of selling it,” explains Philip Hoffman of Fine Art Group, an art-investment firm and boutique lender.

Young owners are especially keen. According to Deloitte, 83% of collectors under the age of 35 say financial considerations are a reason they buy art. Sayuri Ganepola of Christie’s, an auction house, notes that the rise in demand for art-backed loans has coincided with more young people entering the market.

In turn, this is changing how auction houses finance themselves. Sotheby’s recently announced it would tap bond markets to lower its financing costs. In April it also issued an asset-backed security worth \$700m and comprised of 89 loans against more than 2,000 works of art, including Basquiats and Rothkos. It was able to do so because it has information on the performance of its loans stretching back at least 15 years.

How long will the boom last? As interest rates fall and lending standards relax, demand for art-backed loans may fall. Art prices are also volatile, so lenders only accept work from established artists, which puts a limit on the market. But for those in search of ready cash and with a Picasso to hand, a new way of accessing funds has opened up. ■

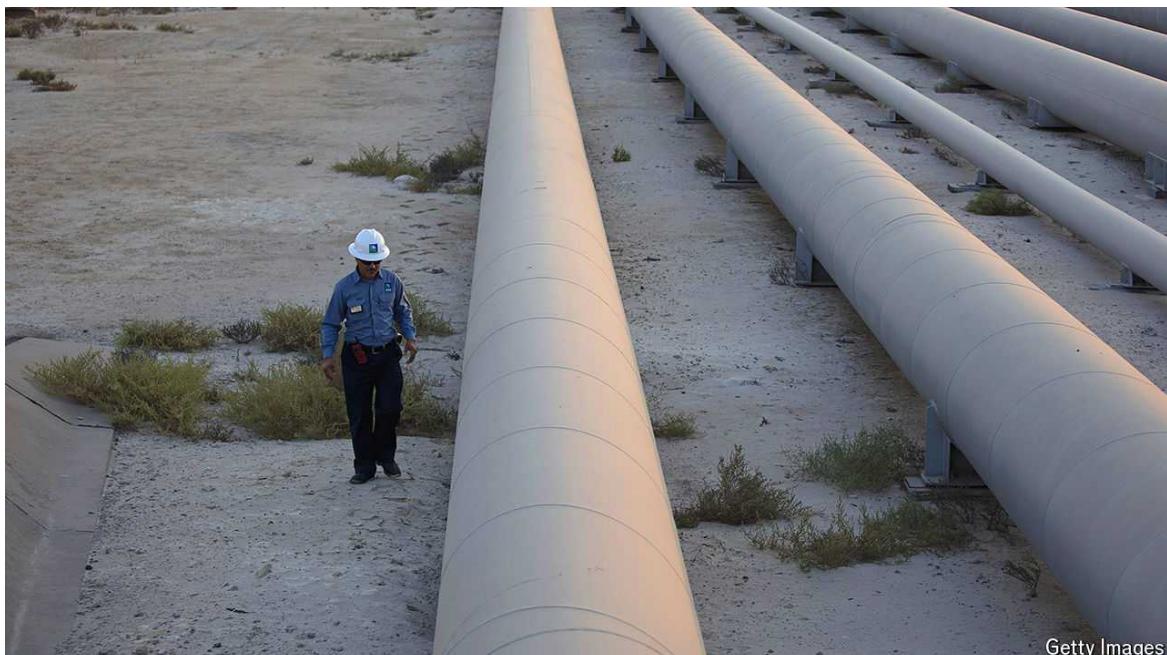
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OPEC heavyweights are cheating on their targets

That is tamping down global oil prices

May 27th 2024



Getty Images

The Organisation of the Petroleum Exporting Countries (OPEC) and its allies, a group that produces 40% of the world's crude, wants to keep oil prices high and stable. Lately they have certainly been stable, if not very high. Despite the recent [death of Iran's president](#) and the escalating war in Gaza, prices of Brent crude, the global benchmark, have stayed within \$2 of \$82 a barrel since the start of May.

Part of the reason why OPEC is failing to boost prices is because its members are failing to stick to their output targets. In March the group's leaders and Russia extended production cuts, vowing a reduction of 2.2m barrels a day (b/d), or 2% of global supply, until the end of June, on top of 3.7m b/d of previously agreed cuts for 2024. Yet the cartel is now overproducing so much that its daily output in 2024 is little changed from the last quarter of 2023. This will create tensions when members decide their strategy at OPEC's ministerial meeting on June 2nd.

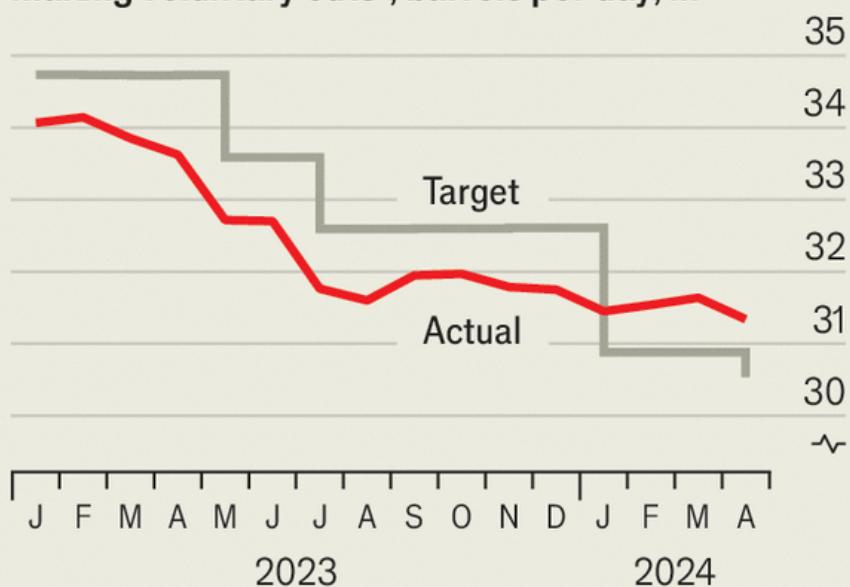
Cheapish oil also reflects other factors. Iran-Israel tensions are cooling, which has reduced the risk premium that prompted April's price spike. Inflation is falling too slowly for America's Federal Reserve to cut interest rates soon, even as the country's economy decelerates. Chinese growth is tepid. And new supply is entering the market from outside OPEC, especially America, which is pumping record amounts.

Sticky situation

Brent crude oil price, \$ per barrel



Crude-oil production by OPEC+ members making voluntary cuts*, barrels per day, m



*Algeria, Iraq, Kazakhstan, Kuwait, Oman, Russia, Saudi Arabia and UAE

Sources: LSEG Workspace; Rystad Energy

But OPEC's surprisingly strong output is also helping things along. For most of the past two years the alliance has produced less than the total allowed by its quotas. That changed in January, when the newest cuts were implemented. Since then the cartel and its partners have overshot their target every month. In April the excess neared half a million b/d—a level last seen three years ago. As a consequence, global oil stocks have continued to build, despite expectations to the contrary.

OPEC and its allies have two types of cuts in place: compulsory reductions, which apply to all members via quotas, and voluntary cuts, announced by a subset of big producers, including Saudi Arabia, Russia and the United Arab Emirates. The problem is that individual producers have an incentive to cheat, selling above their quotas and freeriding on the efforts of others to keep prices high. Analysis by Jorge León of Rystad Energy, a consultancy, shows some countries are misbehaving on a grand scale. Last month the voluntary cutters produced 806,000 more b/d than called for by their collective targets.

The worst offenders—Iraq and Kazakhstan—have consistently flouted commitments. Russia, which is ever less compliant, appears to like the effect of announcing cuts but to dislike selling less, perhaps because it needs to finance its war effort. Some estimates suggest that even Saudi Arabia, the cartel's de facto leader and traditional enforcer, has been overproducing slightly. These countries must hope that producers such as Azerbaijan, Nigeria and Sudan continue to pump below their targets, as they are doing now, because of graft, underinvestment and war.

In the short term, the cartel may see some respite. Global oil demand is expected to strengthen in the coming quarter. Having undergone maintenance this spring, many refineries will come back online and seek more crude. Demand for petrol will rise, too, as tourists travel for the holiday season. Most analysts expect Saudi Arabia and its friends to keep their announced cuts unchanged for the rest of the year. This may add \$10 to the oil price, reckons JPMorgan Chase, a bank.

Yet OPEC's strategy will come under even more strain in 2025, when extra supply from non-OPEC members is expected to hit the market. In May Canada inaugurated a long-awaited, \$25bn pipeline that will allow it to export much more oil, encouraging its energy firms to boost production. Argentina's shale-men are ramping up output. And a flurry of offshore drilling projects, which have long lead times and are largely insensitive to prices, will be finished in South America.

This will make it difficult for Saudi Arabia to maintain high levels of production without flooding the market. In the interim, the kingdom might gain some room for manoeuvre by lifting production a little, so that it can cut again next year without losing too much market share. The remainder of 2024 provides just such an opportunity, argues Walt Chancellor of Macquarie, a bank. It is, therefore, possible that Saudi Arabia will decide to unwind some of its cuts, prompting others to follow. A decision to do so would delight Joe Biden, whose chances in November's presidential election in part hinge on prices at the pump, as well as central bankers with an eye on stubborn inflation.

Such a decision would do little to quell dissent in OPEC, however. Many members think that the quotas are unfair, and do not reflect increases of capacity. By 2025 all current output cuts will expire. On May 14th Kazakhstan opened the debate about those for next year by arguing that it should be granted an increase (it has a mega-project near completion). When the last big revision happened, in 2023, the acrimony was enough to delay a meeting and to prompt Angola to leave the alliance.

This time around, mistrust is sufficiently high that the group has commissioned three Western companies to put members' production capabilities under the microscope. Their findings will not arrive in time for the meeting on June 2nd, which means oil-watchers will be in the dark about the cartel's intentions for next year. But one thing is abundantly clear: OPEC is unlikely to reach a compromise that pleases everyone, which means the temptation for members to misbehave will only grow. ■

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When to sell your stocks

Poker provides investors with helpful guidance

May 30th 2024



Watch professionals play poker, and one of the first things to strike you is how often they fold when the game has barely begun. Rounds of Texas Hold'em, a popular variant, start with each player being dealt two cards and then deciding whether to bet on them. Amateurs are more likely to proceed than not, while pros fold immediately up to 85% of the time. Naturally this does not mean that high-stakes casinos are frequented by the timid. It is simply that most hands are too likely to lose to be worth betting on, and the pros are better at judging when this is the case.

Investors usually dislike gambling comparisons. Yet at a recent conference held by Norges Bank Investment Management, which oversees Norway's oil fund of \$1.6trn, a packed hall sought to learn from a former poker pro. Annie Duke was there to talk about quitting decisions, a topic on which she wrote the book ("Quit: The Power of Knowing When to Walk Away"). Ms Duke argued that many factors stack the deck against people considering quitting, pushing them to act irrationally. That applies to poker players

wondering whether or not to fold—and also to investors considering whether to exit a position.

Selling out of a position is much harder to do well than buying into it. To see why, start with some now-famous biases popularised by Daniel Kahneman and Amos Tversky, two giants of behavioural science on whose work Ms Duke draws. People hate losses a lot more than they enjoy equivalent gains (“loss aversion”) but reserve a special loathing for crystallising a certain loss, even if the probable alternative is a greater one (“sure-loss aversion”). They also value things they own more than identical things they do not (the “endowment effect”). All this makes closing a losing position an absolute wrench. Already smarting from a paper loss, you must turn it into a certain one, while also letting go of an asset you value more than you would any equivalent alternative.

Small wonder retail traders are bad at this. Alex Imas of the University of Chicago has studied the behaviour of those who set take-gain and stop-loss orders when they enter a trade. Although these are supposed to neuter harmful biases by exiting the position if a specified profit or loss is reached, Mr Imas found that few investors reached their take-gain orders, having already sold manually rather than risk their profits disappearing. Meanwhile, they tended to cancel and blow through their stop-losses, preferring to keep gambling rather than take a certain hit.

Are the pros any better? Only up to a point. Last year Mr Imas and colleagues published a paper on the buying and selling choices of 783 institutional portfolios with an average value of \$573m. Their managers were good at buying: the average purchase, a year later, had beaten the broader market by 1.2 percentage points. But they would have been better off throwing darts at the wall to select which positions to exit. After a year, sales led to an average of 0.8 percentage points of forgone profit compared with a counterfactual in which the fund selected a random asset to sell instead.

Unlike retail traders, the pros were not clinging on to losers. Yet neither were they making selling decisions analogously to how they make buying ones: by choosing the asset adding the least to their risk-adjusted return and offloading it. Instead they used a simpler heuristic, disproportionately selecting positions where relative performance had been very bad or good, and exiting those. As a result, they were throwing away two-thirds of the excess returns their skilful buying had won them.

Ms Duke's prescriptions for these problems are at once obvious and underused. Most important, recognise that buying and selling are two sides of the same coin and start treating them as such. Many investors keep watch lists of assets they may buy; they should also track those they have sold to test their decision-making. Fund managers routinely justify purchases to an investment committee in advance; they should have to do the same for exits. Traders of all stripes must set strict "kill criteria", such as stop-losses, and actually stick to them (though even Ms Duke admits to having outstayed hers at the poker table).

Professionals face constraints that prevent them from selling perfectly. Timing may not be in their gift: the capital could be needed for another purchase, or to return to investors. But if the faces in Oslo were anything to go by, many will now be giving their exit strategies a good deal more thought. ■

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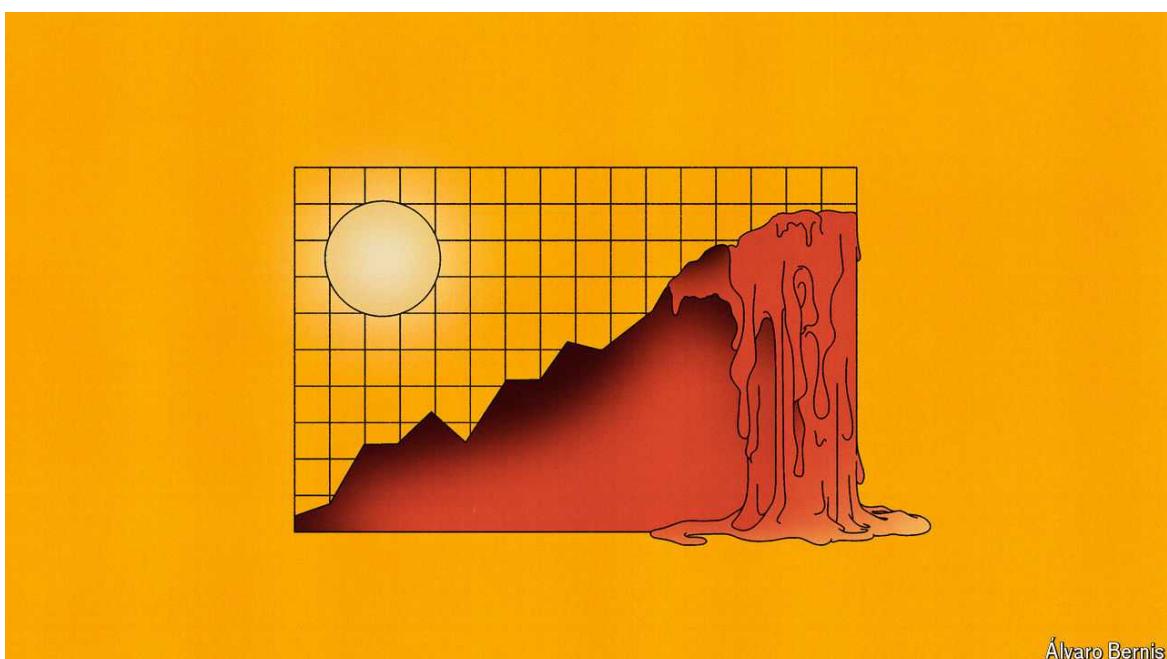
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Why any estimate of the cost of climate change will be flawed

Temperature fluctuations are unpredictable. Humans are even more so

May 30th 2024



When William Nordhaus, who would later win a Nobel prize in economics, modelled the interaction between the economy and the atmosphere he represented the “damage function”—an estimate of harm done by an extra unit of warming—as a wiggly line. So little was known about the costs of climate change that he called it “terra incognita”, unknown land, compared with the “terra infirma”, shaky ground, of the costs of preventing it. Eventually, a rough calculation gave him an estimate that 1-2% of global GDP would be lost from a 3°C rise in temperature. This was no more than an “informed hunch”, he wrote in 1991.

A new working paper puts the damage far higher. Diego Kängig of Northwestern University and Adrien Bilal of Harvard University use past changes in temperatures caused by volcanic eruptions, as well as El Niño, a years-long increase in heat released by the Pacific Ocean, to model the impact of a warmer planet. Employing long-term data on global economic

growth and average annual temperature, they find that an additional 1°C of warming will lead to a 12% fall in GDP. A climate-change scenario with more than 3°C of warming would be, according to their estimates, an equivalent blow to fighting a permanent war.

The damage function is one of the inputs to modelling the “social cost of carbon”, a measure policymakers use to gauge whether investments to reduce climate change are worthwhile. Different methodologies produce wildly different answers. In 2022 America’s Environmental Protection Agency (EPA) proposed revising up its estimate of the social cost of carbon from \$51 to \$190. Messrs Känzig’s and Bilal’s calculations produce a figure more than five times higher, at \$1,056 a tonne of carbon-dioxide equivalent. Thus they calculate that it would be worthwhile for America to pursue radical decarbonisation even if no other country joined in.

For all the advances in technical capabilities since 1991, the process of removing the damage function’s wiggles is still a tough one. Economists ideally would observe two identical planets: one warming, the other not. In the absence of another Earth, they must instead find terrestrial counterfactuals. An early approach was to compare hotter countries with colder ones to see how incomes differed. This left some things out, however. Norway is not only richer than Nigeria because of its temperature, and no set of “controls” in a statistical analysis can account for all the differences.

One “top down” strategy preferred today follows a sample of regions over time. This is better, but has its own problems. Both temperature and economic growth are, in the jargon, “non-stationary” and “autocorrelated”. Imagine a drunk walking home. He heads in the right direction but missteps at random, sometimes going too far left and sometimes too far right. At any point, his position will depend not only on the direction in which he is heading but on all such stumbles. Economic growth and temperature are similar: they head in the same direction (up), but in any year their level will depend on past deviations. Trying to find a relationship between the two will almost inevitably lead to a spurious result.

The solution is to look at “temperature shocks”, observing how these correlate with income shocks. The extent to which areas grow more slowly after a hot spell indicates the potential damage from climate change. Using short-term variations in temperature, however, introduces a new problem: adaptation. Farmers would not stop growing wheat and start growing bananas in response to a year of warmth, but they might in response to

several decades of it. Using data from small areas also misses the global nature of climate change. If one county faces a drought, it can buy food from elsewhere. If the world as a whole loses farmland, it cannot.

Messrs Käenzig and Bilal use the whole world as their panel. Although this approach solves the small-area problem, it also suffers from new ones. Historical variation in global temperature, such as that caused by El Niño, has typically been small—more like a tenth of a degree of warming, rather than the two or three that climate change will probably bring. Using data for the whole planet also cuts the number of observations. The sample used by Messrs Käenzig and Bilal starts only in 1960. El Niño has coincided with economic shocks, including the Latin American debt crisis in the 1980s and the Asian financial crisis of the 1990s. Having fewer observations makes it harder to control for such factors, meaning the model may overstate the fall in GDP from climate change.

There is another, “bottom up” approach, employed by the EPA, which uses several different indicators of the damage done from a higher temperature, rather than solely its impact on economic growth. One of the models estimates changes in agricultural yields and mortality, as well as sea-level rises and additional energy demand for cooling. These estimates are then aggregated into a single dollar amount. But the list of the costs of climate change is not exhaustive. Nor can it account for the sum total of the global effects, such as interrupted trade, that a “top down” estimate could at least in theory capture.

Here be dragons

The range of difficulties is telling. Earth’s climate is a complex system, in which even basic facts, such as the extra warming produced by a tonne of greenhouse gas, are uncertain. There could be tipping points when global warming suddenly accelerates. On top of this, humans are even more complex. Adaptation to a warming planet, perhaps via migration or cooling technology, could dramatically reduce the damage. Humanity has managed to carve out a living, of sorts, in both Alaska and the Amazon rainforest.

So expect the costs of carbon to stay uncertain. Yet they are no longer quite the terra incognita Mr Nordhaus described. Despite their flaws, the methods agree on one thing: climate change carries far heavier costs than Mr Nordhaus first imagined. ■

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Science & technology

- Progress on the science of menstruation—at last
- Hordes of cicadas are emerging simultaneously in America
- Many Ukrainian drones have been disabled by Russian jamming
- A second human case of bird flu in America is raising alarm

Progress on the science of menstruation—at last

Newly developed research models show promise

May 29th 2024



Eiko Ojala

HISTORY OFFERS no shortage of unhinged takes on menstruation. In 77AD, Pliny the Elder claimed that contact with menstrual blood would turn crops barren and drive dogs mad. A medieval medical text warned that the presence of menstruating women would make men ill, and that sex with them would cause cancer of the penis. In the first half of the 20th century, some theorised that periods contained toxins that could wilt flowers.

Such thinking is, obviously, misogynistic nonsense. But menstruation, though not unnatural, is certainly unusual. Humans are among the very small proportion of creatures capable of the feat. That, coupled with the fact that scientists have historically shied away from studying menstruation, has made it far harder to understand the problems that can come with periods, or to develop treatments for them. Fortunately, researchers are now developing a suite of new tools to do just that.

Questions about menstruation abound: scientists are not sure why it evolved in humans, nor what constitutes a “normal” menstrual cycle. It is also not obvious what makes some bleed so much more or experience worse pain than others. The mechanisms behind many diseases related to the lining of the uterus or endometrium—such as adenomyosis or endometriosis—are frustratingly unclear. The lack of research has also damaged women’s health care more broadly: drugmakers, wary of how bodily processes fluctuate during a menstrual cycle, have often preferred not to use women in research studies. That in turn has limited knowledge about how medical interventions affect female bodies. A study in 2020, for example, found that women experience adverse reactions to drugs nearly twice as frequently as men do, often because the wrong dosage is prescribed.

To study a physiological process in the body often requires the use of “model systems”—animals whose organs or other bodily systems are physiologically similar to humans. Models for menstruation have proved scarce, however, since only 1.6% of all placental mammals regularly grow and shed the endometrium. Primates such as orang-utans and bonobos menstruate, as do a handful of species of bats, elephant shrews, and a single rodent. In all other mammalian species, however, the endometrium is reabsorbed into the uterus at the end of each, much longer, menstrual cycle.

Worse, the few species with female reproduction systems resembling humans’ generally make poor test subjects. Using primates is prohibitively expensive and ethically questionable. Bats fly off, and elephant shrews suffer in captivity. The lone menstruating rodent, the spiny mouse, has a disobliging tendency to slough off large quantities of skin when pursued, making them tricky to manage in a lab.

Hilary Critchley, a consultant gynaecologist and professor of reproductive medicine at the University of Edinburgh, and her colleagues have therefore spent over a decade trying to build a model system of menstruation by inducing the process in mice. This is doable, but difficult. The human menstrual cycle—amounting to the repeated injury and repair of the whole lining of the womb—is like a jigsaw, says Dr Critchley, involving moving parts coming together with exquisite timing.

Replicating menstruation in a mouse requires taking total hormonal control of the animal. First, the mouse’s ovaries must be removed (to stop the mouse’s natural hormones from interfering), and then exact amounts of oestrogen and progesterone must be administered and withdrawn at precise

intervals. This forces the animal's endometrium to build up and break down, as it does in humans when no fertilised egg is implanted.

At the same time as optimising their mouse model, Dr Critchley's team has created a database of anonymised tissue generously donated by gynaecological patients at various points throughout their menstrual cycles. Access to this resource has helped the researchers spot differences between patients who do and do not have menstrual bleeding problems, as well as how to mimic these in mice, allowing them to start unpicking how periods happen, and how they can go wrong.

Some of their most recent findings suggest that menstruation is an inflammatory process, involving the body's immune system. They also found that a lack of oxygen in endometrial tissue is part of what drives its reconstruction. Faulty inflammation and regulation of oxygen supply within the endometrium may contribute to the abnormally heavy periods which affect as many as one in three women. These can often be debilitating; Dr Critchley says that some of her patients lose the equivalent of a pint of blood (roughly a tenth of total blood volume) a month, risking both dangerous anaemia and serious iron deficiency.

Trial period

Mouse models and patient samples can explain only so much on their own, however. For one thing, proper study of the uterus requires the whole organ to be removed. What's more, mice are frustratingly imperfect models. Although they share almost all their genes with humans, these are frequently expressed in different ways. This means that diseases, and interventions against them, can function quite differently in the two species. More than 80% of the drugs that reach clinical trials after showing promising results in mice, for example, do not end up working well in humans. Human cells are, therefore, needed.

Such cells no longer have to be taken directly from a patient's body. Organoids, clusters of cells grown from a patient's stem cells and designed to resemble miniature simplified organs, are already transforming research in fields from [neurology](#) to [dentistry](#). But they lack complexity and are often held together in a gel-like medium that prevents proper communication between different cell types. This limits their usefulness in modelling processes like menstruation, which are strongly dependent on

chemical signals sent between the two different types of cells that cover and support endometrial glands.

Progress is being made. In 2023 a group of biological engineers and gynaecologists from American universities published a paper describing how they had successfully grown organoids of both endometrial cell types in a way that allowed “crosstalk” between them and let the endometrial tissue thicken in response to progesterone in a realistic way. But such combined structures still need to be connected up with simulations of blood vessels and immune cells, among others, before they can shed light on how the endometrium functions.

Clues on how to do this may lie in an alternative way of modelling the uterus. “Organs-on-a-chip” (also called microphysiological systems) are small circuit-board-like devices in which minuscule cultures of human cells are connected via tiny channels. Blood-like liquid can then be pumped between them, allowing researchers to better simulate the environment within an organ. Some of the most advanced versions, pioneered by Linda Griffith and her team at the Massachusetts Institute of Technology, are now more akin to a “human-on-a-chip”, with up to ten organs integrated in a physiologically representative way.

The cell tissues used in chip-based organs are simpler and more artificial than those developed as organoids, but there is increasing ambition to combine the two technologies. This would, ideally, give researchers the best of both methods: the biologically realistic models offered by organoids, plus the ability to manipulate the environment around and between them.

To understand the endometrium, in particular, one more major hurdle then needs to be overcome: assembling the exquisitely timed jigsaw of what goes where, when. Fortunately, this too is being tackled. In 2021 Roser Vento-Tormo and her team at the Wellcome Sanger Institute, a research outfit in Cambridge, published the first map of the uterus lining to show how its architecture changes throughout a menstrual cycle. Taken together, these advances might finally allow scientists to arrive at a more complete model of the endometrium using human tissue. Indeed, Dr Griffith and Dr Vento-Tormo have received a grant from America’s National Institutes of Health to do just that.

When Dr Critchley began her career in the 1980s, menstruation was described to her as an enigma. It has broadly remained so ever since. The

advent of new modelling techniques, though, means that things are starting to feel different. “The time is changing,” she says. The phenomenon that so terrified Pliny is, almost two millennia later, slowly becoming explicable. ■

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Hordes of cicadas are emerging simultaneously in America

The ancestors of these two neighbouring broods last met in 1803

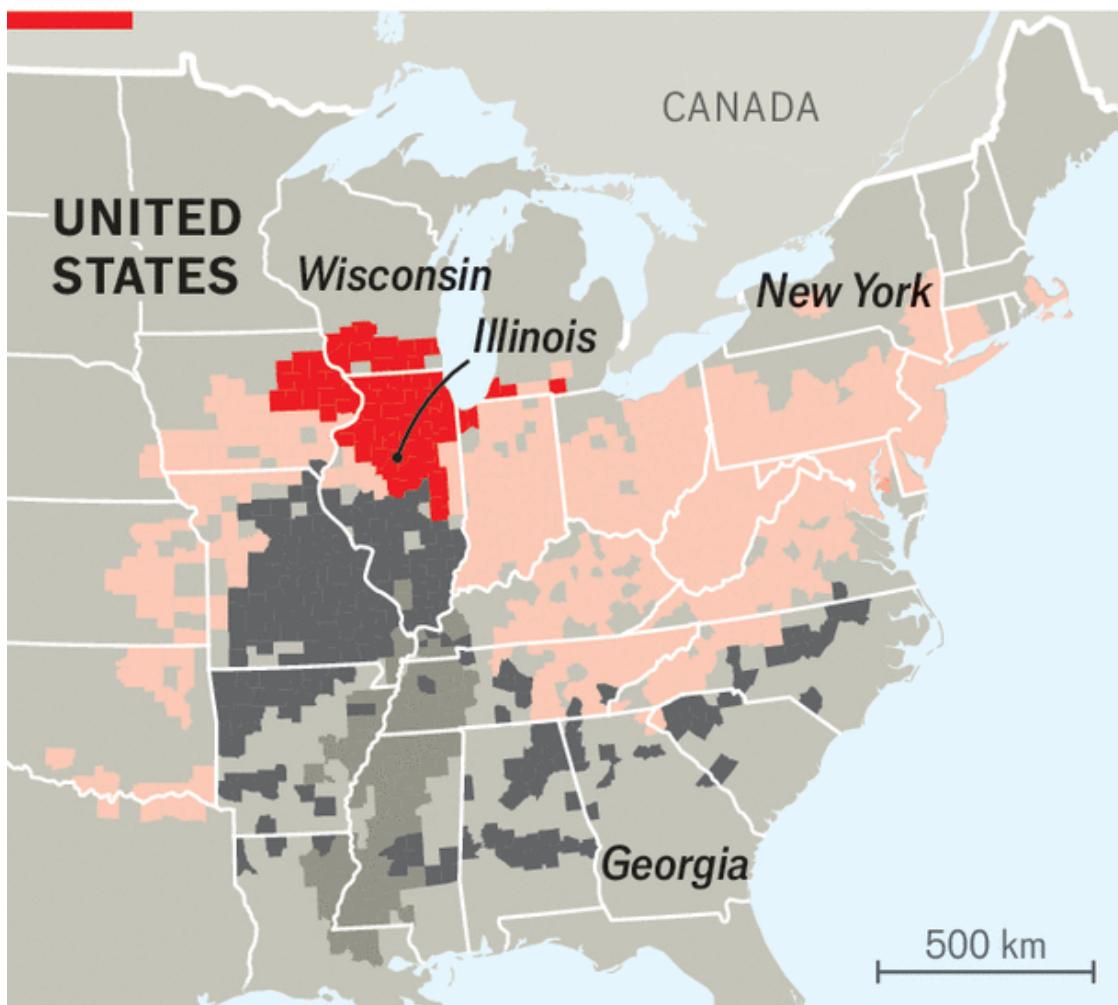
May 28th 2024



AP

All across the eastern states of America, it is cicada season. These small winged insects roughly the size of a paperclip emerge at regular intervals in vast hordes known as broods, many millions or billions of individuals strong. They spend a few frantic weeks breeding before the females lay eggs in slits carved into tree branches. When these hatch, around six weeks later, the juveniles head underground to find a root into which they can plunge their feeding tubes. Many years later, the cycle repeats.

Fifteen such broods of the genus *Magicicada* exist in North America. Some, like Brood VII in New York and Brood XIII in the Midwest, live on a 17-year cycle. Others, like Brood XXII in the South, emerge every 13 years. This year, for the first time this century, two broods with contiguous territory are emerging simultaneously. The exact number of insects expected to fill the air from Georgia to Wisconsin, though disputed, is high. “Maybe a trillion’s not out of the question,” says John Lill at George Washington University. “It’s going to be pretty extraordinary.”



US, active periodical cicada broods, by county and last emergence

17-year cicadas

■ 2008-23 ■ 2024*

Source: USDA Forest Service

13-year cicadas

■ 2014-15 ■ 2024*

*Predicted area

The Economist

The American periodical cicada has long intrigued observers owing to the unusual prime-number life cycle of its broods. One widespread explanation suggests that this is an evolutionary adaptation to outsmart any predator that lives on a shorter life cycle. As prime-number cycles synchronise only with multiples of themselves, any such predator would get lucky only rarely.

But, says Martha Weiss of Georgetown University, “The prime number thing turns out to be kind of a red herring.” More important than exactly how long the cicadas wait to reach full maturity may simply be that they do wait a very

long time. No other insect is known to spend so much of its life cycle—upwards of 99%—waiting to reach maturity. By the time it emerges, in other words, the world (including any predators) will have probably forgotten about its existence. And when the insects emerge in bulk, as all periodical cicadas do, the odds of the species' survival are raised even further. Similar advantages accrue to cicadas in India and Fiji, which have non-prime-number life cycles of four and eight years, respectively. Besides, prime-number cycles are not enough to outsmart everything. *Massospora cicadina*, a cicada-eating fungus, has the same lifespan as its host. “They’ve figured it out,” says Dr Lill.

The insects themselves are thought to count the passage of time in two ways. The years are tracked by tallying the starting and stopping of sap flow in the roots on which they feed, and the season is tracked by waiting for the temperature 20 centimetres underground to approach 18°C. This normally happens in late May.

The two broods of cicadas emerging this summer will have ancestors that last met in 1803. This year’s glut will, therefore, provide entomologists with a rare opportunity. The most pressing questions concern what happens when individuals from different broods meet, as is expected to happen at the boundary between their territories, in central Illinois. Should mating occur, for example, what cycle will any viable offspring follow, and over which territories will they subsequently spread?

Speculation abounds. Some biologists believe that the 17-year brood will slowly evolve into a 13-year one. (All 13-year broods are thought to have arisen in this fashion.) As 17-year cicada broods come with a contingent misleadingly referred to as “stragglers” that emerges four years early, it is possible that early stragglers will breed further generations of early stragglers. This year’s convergence may shed light on that process.

Scientists are also keen to understand how climate change is affecting the cicada. When the insects are in their juvenile stage underground, they feed off water-carrying tissue in tree roots known as xylem. As xylem flow begins and ends with a tree’s annual growing season, warmer temperatures mean cicadas could feed for longer each year, potentially accelerating their growth. That, in turn, could increase the number of early stragglers in future broods. Warmer temperatures will also let broods expand northwards, to territories previously too cold to colonise. “Overall,” says Dr Lill, “they’re pretty buffered.” ■

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Many Ukrainian drones have been disabled by Russian jamming

Their latest models navigate by sight alone

May 29th 2024



AS UKRAINE'S STOCKS of artillery shells have dwindled, its army's reliance on drones has grown. These are able to deliver ammunition with great precision over long distances—provided they can maintain connections with GPS satellites (so they know where they are) and their operators (so they know what to do). Such communication signals can be jammed, however, and Russia's electronic warfare, as signals scrambling is known, is fearsomely effective. With large numbers of its drones in effect blinded, Ukraine's drone technologists have been forced to get creative.

Enter Eagle Eyes, a remarkable software package for drones. Developed by Ukraine's special forces, it allows drones to navigate by machine sight alone, with no need for outside input. Using artificial-intelligence (AI) algorithms, the software compares live video of the terrain below with an on-board map stitched together from photographs and video previously

collected by reconnaissance aircraft. This allows for drones to continue with their missions even after being jammed.

Eagle Eyes has also been trained to recognise specific ground-based targets, including tanks, troop carriers, missile launchers and attack helicopters. The software can then release bombs, or crash-dive, without a human operator's command. "Bingo for us," says a captain in White Eagle, a special-forces corps that is using and further developing the technology. The software has been programmed to target jamming stations as a priority, says the captain, who requested anonymity. Russia's vaunted S-400 air-defence batteries are priority number two.

Optical navigation, as this approach to guidance is known, has a long history. An early version was incorporated in America's Tomahawk cruise missiles, for example, first fired in anger during Operation Desert Storm in 1991. But lightweight, inexpensive optical navigation for small drones is new. In the spring of last year Eagle Eyes was being tested in combat by just three special-forces teams, each with two or three drone handlers. Today Eagle Eyes is cheap enough for kamikaze drones and is in wide use, says Valeriy Borovyk, commander of a White Eagle unit fighting in Ukraine's south. With a range of about 60km, the system also guides fixed-wing drones that have struck energy infrastructure in Russia, he says.

Last autumn the number of Ukrainian drones with optical navigation probably numbered in the hundreds. Today the figure is closer to 10,000, says an industry hand in Odessa whose design bureau builds prototype systems for two Ukrainian manufacturers. Anton Varavin, chief technologist at a competing design bureau, Midgard Dynamics in Ternopil in western Ukraine, says optical navigation is increasingly seen as a "must have", especially for drones with a range above 20km.

Optical navigation works best near distinctive features such as crossroads, power lines, isolated trees, big buildings and nearby bodies of water. For small drones with inexpensive optical navigation, the ideal cruising altitude is about 500 metres, says Andy Bosyi, a co-founder of MindCraft.ai, a developer of optical-navigation prototypes with workplaces at undisclosed locations in and near Lviv. That altitude is low enough for the software to work out terrain details, and yet high enough for a sufficient field of view. The height is also beyond the range of small-arms fire.

Jamming dodgers

MindCraft.ai shipped its first models, appropriately dubbed NOGPS, to manufacturers in December. While cruising, the system needs to fix on at least one object per minute to avoid drifting more than 50 metres off course. That's good enough for reconnaissance, if not precision bombing. To improve accuracy and allow night flights, MindCraft.ai is incorporating a heat-sensing infrared camera. The upgrade should be ready by the end of this year.

MindCraft.ai has also developed a NOGPS feature for what they call semi-automated autonomous targeting. Now being tested by clients, it allows drone operators to lock onto targets they spot in live video. If jamming subsequently severs the video link, the system delivers the munition without further human input. This function is valuable because jamming typically gets worse as drones approach enemy assets, says Mr Bosyi, who is also MindCraft.ai's lead data scientist. MindCraft.ai's clients serially manufacture NOGPS models for a unit cost of between €200 and €500 (\$217-\$550).

Other systems cost more. Midgard says the componentry in its designs costs its manufacturer clients roughly €1,500 per unit. Their systems augment optical navigation with inertial data from accelerometers and gyroscopes like those used in smartphones. To stay on course while cruising, Midgard's optical system needs to find a match between a terrain feature below and one in an onboard map only every 20 minutes or so. Mr Varavin says that in ideal conditions precision is within several metres. That is comparable to GPS.

Demand for optical navigation is rising elsewhere, too. An Israeli firm called Asio reports brisk sales of an optical-navigation unit to the Israel Defence Forces and American firms. (Israel forbids exports of such technology to Ukraine.) Introduced in 2021, the roughly \$20,000 system, now dubbed AeroGuardian, weighs as little as 90g, draws just five watts of power and is accurate, in good conditions, within a metre or so, says David Harel, Asio's boss. Asio expects sales this year to exceed \$10m, double the figure for 2023.

Ukraine now sees optical navigation as a capability "focal point", says Anders Fogh Rasmussen, a former chief of NATO. Ukraine's defence ministry has provided detailed terrain maps to Atlas Aerospace, a drone manufacturer in Riga, Latvia. One way to better compare such maps with a drone's view is with lidar techniques, which record the travel time of laser pulses bounced off the ground. As lasers reduce stealth, Atlas designed a

“virtual lidar” system. This measures what founder Ivan Tolchinsky calls “optical flow”—the time it takes a pixel representing a terrain feature to transit the onboard camera’s view. Since an initial shipment in October, Atlas has delivered over 200 reconnaissance drones with such a system to Ukraine’s army, and more have been ordered.

Might optical navigation help Ukrainian forces get off their back foot? Perhaps, says Kurt Volker, a former American ambassador to NATO and, until 2019, Donald Trump’s special representative for Ukraine negotiations. He reckons it could prove to be one of the “technological step changes” that some Ukrainian military leaders have said will be needed to turn the tide. It will take time, however, for the actual effectiveness against Russian jamming to become clearer. Ukraine’s military leadership, Mr Rasmussen says, is rightly keeping tight-lipped about the technology. ■

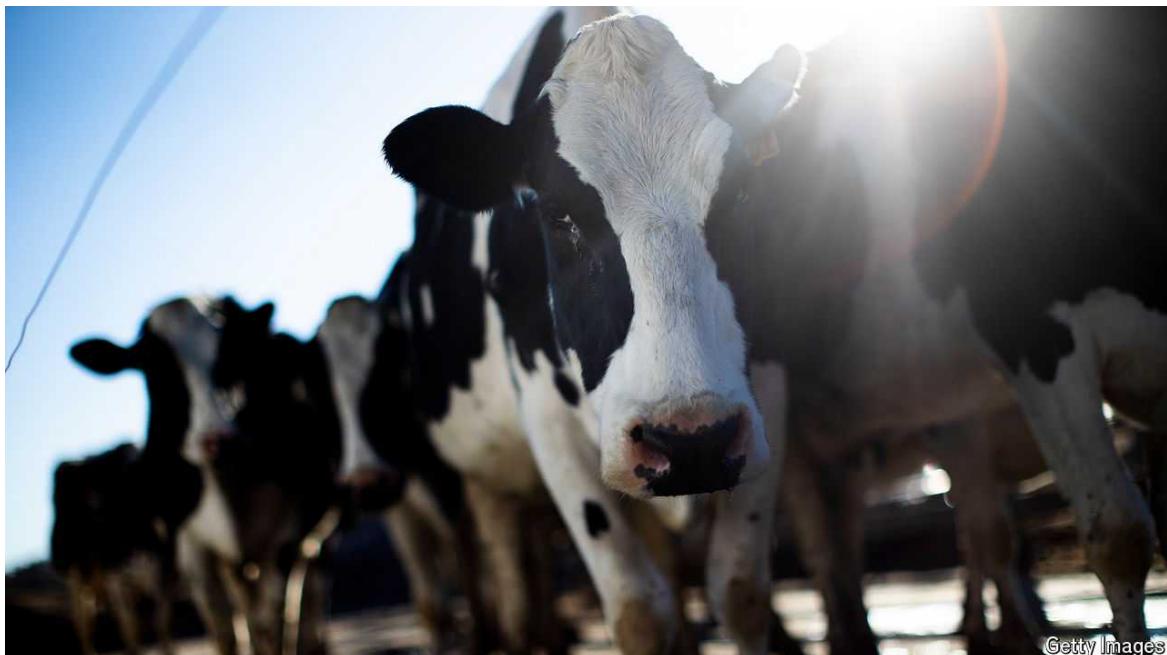
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A second human case of bird flu in America is raising alarm

How close is the H5N1 outbreak to becoming the next pandemic?

May 24th 2024



Getty Images

On May 22nd America's Centres for Disease Control and Prevention confirmed a new human infection with the H5 avian influenza virus, a bug with pandemic potential that has recently spread rapidly among dairy cows in America. This is the second identified human case linked to the cow outbreak. Both are farm workers who probably got infected through contact with infected animals and had only mild symptoms. Although there is no evidence yet of human-to-human transmission, America's public health authorities are on high alert. Half of the national pandemic stockpile of H5N1 vaccine is being made ready to deploy.

Influenza viruses infect many species and, every now and then, a virus will cross over and infect a species that is not its speciality. When that happens, it could be highly lethal for the new host species. H5N1, an avian influenza virus that has now crossed over into numerous bird and some mammalian species, is one of those with pandemic potential because there is no

immunity to it in humans. In the nearly three decades since H5N1 was first detected in geese in China, there have been around 900 known human infections worldwide, usually from contact with infected poultry or other birds. Nearly half of these were fatal. Still, mild or asymptomatic infections would have gone undetected, making the fatality rate lower.

In 2022 H5N1 began to spread more widely among wild bird species, which carried it around the world, infecting numerous species of wild mammals, as well as farmed poultry and mink, as they went. The virus is highly lethal in poultry, so farms in Europe, America and Asia have all had to cull hundreds of millions of birds in an attempt to stop its spread.

This spring, H5N1 turned up in dairy cows on a farm in Texas. It has since been found in dairy herds in at least nine states. In early May, the Food and Drug Administration found that about 20% of milk samples from store shelves across America contained H5N1 (which is killed by pasteurisation), which suggests that the spread in dairy cows was wider than the limited testing of animals had confirmed.

Farmers have balked at reporting outbreaks or testing cows, for fear of losing income. Surveillance for infections in farm workers has also been far weaker than what experts say is needed to keep tabs on how bad the cow iteration of H5N1 may be for humans. This has been exacerbated by the fact that many farm workers, for example, are undocumented immigrants who do not speak English and are paid daily wages (which they will forgo if they have to isolate). Reaching them with information and convincing them to get tested has therefore been a challenge. As of May 22nd only 40 people with suspected H5N1 had been tested.

All of this leaves scientists trying to piece together various bits of imperfect data to assess how H5N1 is evolving. A scientific consortium in America is starting to look for H5N1 in wastewater, but this method can only single out places where there is a lot (or suddenly more) virus circulating. It cannot identify whether the source is cows, humans, discarded milk or infected wild birds shedding it into the sewer systems.

What is clear about H5N1 at the moment is that “if this were spreading human-to-human we’d know”, says Jennifer Nuzzo, an epidemiologist at Brown University. The immediate health concern, she says, is that farm workers are being infected in unknown numbers through exposure to sick animals, because little is being done to stop the spread in cows.

Despite the lack of testing, it is encouraging that only two human cases linked to the cow outbreak have been confirmed so far, given that lots of people on farms are typically in contact with infected cows. Milk from infected cows is loaded with the H5N1 virus, so exposure to it at milking stations would, invariably, lead to human infections, says Michael Worobey, an evolutionary biologist at the University of Arizona. If serious symptoms from such infections were common, more cases probably would have come to the attention of doctors by now.

Both of the infected farm workers identified so far had only one symptom: conjunctivitis (an eye infection known commonly as “pink eye”). Cells in the human eye have specific receptors that are also present in bird cells —“docking stations” through which a virus enters, says Dr Worobey. That means H5N1 can infect a person when it lands in their eye without having to first develop the specialised mutations it usually needs. It is a similar story with the cells in human lungs, which is why the virus has caused severe lung infections in many people in past outbreaks who have caught it from birds.

But cells in the upper respiratory tract of humans—a part of the body that is important when viruses spread between people through coughs and sneezes—do not have these bird-like receptors. In order to start spreading easily between people, the virus needs to acquire genetic mutations that will allow it to infect those cells in the upper airways. So far, genomic analysis of H5N1 samples from American farms has not found any with these crucial mutations. A nasal swab from one of the infected farm workers did not find any virus; only the eye sample tested positive.

Nonetheless, the situation in America is concerning. The widespread presence of H5N1 in mammals with whom lots of humans are in close contact increases the chances that a version adapted to humans could emerge at some point. The virus mutates as it spreads among cows, so a human-infecting mutation may occur by chance in a viral particle that is picked up by a person. Another possibility is the emergence of a recombinant version of H5N1, which happens when a person is infected with both the cow H5N1 and one of the seasonal flu viruses that circulate every year in humans. Influenza viruses are notorious for swapping bits of their genetic code between them when they infect a cell. The cow H5N1 virus could acquire, in that way, the genes that make the seasonal flu highly contagious among humans.

Though it is impossible to predict what will happen, the way the current outbreak has unfolded in America does not bode well for preventing a future pandemic, whether by H5N1 or another virus. It is worrying that “this was spreading under our noses in a totally new host for months before it was identified”, says Dr Worobey. Surveillance systems that can detect, track and limit the spread of new pathogens in animals that are farmed in large numbers is how future pandemics can be prevented. Without that, the next pandemic could just as easily start in Texas as in Wuhan. ■

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Culture

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Culture | Beaches like no other

Remembering D-Day, as a new war rages in Europe

World leaders and surviving soldiers will attend the 80th anniversary of Normandy

May 30th 2024



Getty Images

Bob Fagan was a 21-year-old private from Texas when he plunged from his assault craft into the cold sea off Utah Beach in Normandy, under the rattle of Nazi machinegun fire and air bombardment. “The water was red with blood,” he later recalled. “There were bodies floating all around us.” A fellow member of the 299th combat battalion landing on Omaha Beach had a simpler description: “Hell.”

Of the more than 150,000 Allied troops who arrived in Normandy on [June 6th 1944](#), 9,000 were killed or wounded within the first 24 hours. D-Day (which stands simply for day) or *Jour J* (as it came to be known in France) was a turning-point in the Allied campaign to push back Nazis on the Western Front, liberate France and defeat Hitler’s Germany in 1945.

President [Joe Biden](#), France's [Emmanuel Macron](#) and Ukraine's [Volodymyr Zelensky](#) are among the leaders who will attend the 80th anniversary and celebrate veterans, present and passed. Those who fought on and survived D-Day are around 100 years old. This will probably be the last decennial commemoration where they are in attendance. Fagan himself persevered through D-Day, making it up over the dunes and on through France to Belgium, before being captured by the Nazis in December 1944. He died in March aged 100.

Normandy occupies a prominent place in the Allied mind, as the scale of the D-Day tourism industry attests. In 2023 nearly 22m people visited Normandy's landing beaches, 56% French and the rest foreigners. Around 3.2m were either American or British, the two most common other nationalities. Among day visitors, the third-biggest foreign contingent was Germans, who have worked hard to reckon with their past. There are six German war cemeteries in Normandy, the biggest of which lies just inland from Omaha Beach at La Cambe, containing the bodies and remains of over 21,000 German soldiers transferred there after the war from scattered fields.

Since the first D-Day museum opened in Arromanches in 1954, the number of official sites and museums has climbed to 123 in and around the landing beaches, according to Normandy's tourism office. These range from the remains of a single German bunker or "doodlebug" rocket launcher to the airy three-storey museum in Caen. Memorabilia are scattered everywhere. Sherman tanks, military jeeps and American flags punctuate the winding inland lanes. Dozens of war cemeteries lie behind the hedgerows.

For Anglo-American visitors, D-Day tourism is about reflecting on sacrifice and heroism. Some bring family stories, others a sense of national honour, shaped by Hollywood films such as "The Longest Day" and "Saving Private Ryan". Some participate in annual re-enactments (see photo).

American tour operators offer package trips to France only to visit the landing beaches, bypassing all else. Such is the enthusiasm among amateur historians that, at international transport terminals in Paris, signs warn passengers that it is forbidden to export "war relics" such as shells, artillery or ammunition, including those turned into decorative knick-knacks.

Tour guides say visitors often expect to find the 90-kilometre stretch of beaches frozen in time. But along most of the coastline children play on the formerly blood-soaked sand. "Some American visitors find it inappropriate

to see people sunbathing on Omaha Beach,” says Gwenaël Pierre, a D-Day tour guide. “But in France we’ve learned to co-exist with the battlefields.”

The biggest change is that the cliffs are crumbling in some spots due to erosion. In 2016 the footpath was closed between Omaha Beach and the American Cemetery, a breathtaking site of white crosses and pine trees overlooking the sea. To the west of Omaha, at Pointe du Hoc, where 200 American Rangers scaled the cliffs, the American Battle Monuments Commission recently closed and rerouted footpaths due to landslides and heavy use.

Why does D-Day tap into such deep fascination, 80 years on? The answer is partly a reflection of its sheer military scale and ambition, daring and subterfuge. The Normandy landings on five beaches constitute the most successful amphibious military assault in the history of warfare. Nearly 7,000 Allied ships and landing craft took part, with troops from 13 countries. Combined air forces flew over 14,000 sorties to cover the landings; 18,000 paratroopers were dropped behind enemy lines. Another reason is that D-Day embodies a treasured but fading ideal: the triumph of courage and hope over adversity, as well as the virtue of personal sacrifice for collective purpose.

But for the French the Normandy landings occupy a more complex place in national memory. They regard D-Day as one element of a bigger liberation story, alongside campaigns in Corsica (by the French army), the Vercors (by *maquisards*, [resistance](#) fighters) and Provence (by the Allies). For them D-Day also evokes the darker memories of wartime France. On the morning of June 6th 1944, the Gestapo executed around 80 political prisoners at the jail in Caen, Normandy’s administrative centre. Many were *résistants* who had been rounded up by French militia, working as Gestapo auxiliaries.

Today the memorial planners are keen, as was [Charles de Gaulle](#), wartime leader of the Free French, to give the *résistants* a firm place in the liberation story. But the organisers also want to talk about those French citizens who fought against them and collaborated with the Nazis. “This is a history that we have to look at in the face,” says a presidential adviser.

The French ambition for the 80th anniversary is to recognise what officials call the “plurality” of memories. This includes remembering the civilians killed by Allied bombardments. “Ever since the war there has been a tension between local family memories, which were profoundly marked by this destruction, and the collective memory,” says Denis Peschanski, a

French historian in charge of the 80th anniversary advisory group. During the battle of Normandy 20,000 civilians were killed. Parts of several towns, including Caen, were razed to rubble. To acknowledge this, Mr Macron will also hold a ceremony in Saint-Lô, the wartime headquarters of the 84th German Army Corps, which was flattened by Allied bombs.

The public theatre of the 80th anniversary in Normandy, therefore, will bring some moments of French national self-scrutiny and discomfort. The centrepiece, though, will be what the world expects and cherishes: a display of international gratitude and a tribute to extraordinary valour on the Normandy sand. The poignancy will be all the greater at a time when war has returned to European soil in Ukraine, and America has once again stepped in to help the continent repel an aggressor.

In this respect, the sight of Mr Biden and American veterans on the Normandy beaches will constitute both a solemn homage to the strength of the transatlantic alliance, and a sober reminder that it can no longer be taken for granted. Mr Biden may turn out to be one of America's last great Atlanticists, of a generation that instinctively looked to Europe and made it a priority.

Whether or not Donald Trump returns to power, Europeans could face an uncomfortable new world order in which America may not always have their backs. Commemorating the 80th anniversary of D-Day will be a time for thanksgiving—but also for reflection on what could come to be seen as the end of an era. ■

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Culture | Bad sport?

Bullfighting is under attack

It reveals a lot about politics and attitudes towards Spain

May 29th 2024



BOCINERO, half a tonne and dull black, impressed the crowd more than the two bulls who had come and died before him. He hooked his left horn under the right leg of Tomás Rufo, the matador, who landed nearby. The bull pressed his advantage, rolling Mr Rufo several times before other *toreros* jumped in to distract him. Mr Rufo was soon up limping, shaking off his pain, and before long Bocinero fell under his sword. He died within a minute. (To your correspondent it felt like a very long minute.)

Bullfighting, defying many predictions, still lives. Bocinero was killed in a sold-out stadium at Madrid's annual San Isidro festival, which honours the city's patron saint. Every year on May 16th Spanish bullrings observe a moment of silence for Joselito, one of the greatest matadors of all time, killed in the ring in 1920. Danger hangs over the spectacle at all times. A statue of Alexander Fleming, who discovered penicillin in 1928, stands outside Madrid's bullring, as thanks from all the fighters who survived severe injuries due to modern medicine.

The ritual of bullfighting has changed little since Joselito's demise. That familiarity and tradition are part of the spectacle's appeal: passes with the cape to test and tire, spear-jabs from mounted *picadores*, the placement of barbed shafts in the bull's upper back by *banderilleros* and then the matador's passes with the red *muleta* cape before the killing blow.

Bullfighting is practised in eight countries. It is not just popular in Spain but in parts of Latin America, too. Mexico City has the biggest bullring in the world. But those intent on fighting bullfighting are becoming more emboldened.

On May 28th Colombia approved a national ban on bullfighting; it will soon be signed into law by Colombia's leftist president, Gustavo Petro. This year Mexico City's season went ahead only after a judicial decision banning it was overturned. Protesters stopped traffic with signs reading, "It's not art. It's torture." Five of Mexico's 32 states have outlawed it. In May Ernest Urtasun of Sumar, Spain's far-left party and a junior partner in the government, announced the cancellation of the national bullfighting prize. "People understand less and less that animal torture is practised, and that prizes are given for it," he said.

In other words bullfighting has left the sporting arena and entered a political one. In Spain voters on the left increasingly want bullfighting banned, while those on the right want it not only to stay legal but to be subsidised by the state. It is not quite, "Tell me what you think about the bulls, and I'll tell you what you think about Palestine," says David Mejía, a columnist for the conservative Spanish newspaper *El Mundo* who is critical of the Socialist government but is also against bullfighting. Yet tastes have changed from a decade ago, when it was considered a more acceptable tradition.

Remaining left-wing supporters today are older and rural. *El País*, Spain's centre-left newspaper, does not cover boxing, considering it both brutal and sordid, but in deference to remaining left-leaning aficionados, it does cover *los toros*. Bullfighting belongs to the *pueblo*, the broad masses, says Vicente Zabala de la Serna, who writes about bullfighting for *El Mundo*, and thinks it is a shame for the left to criticise it. Writers like Mr Zabala are printed in the culture section of their newspapers, not in sport.

Criticism is not just modern and left-wing. A papal decree forbade bullfighting in 1567 and has never been repealed. [Ernest Hemingway](#), an American writer, called the sport "decadent" in "Death in the Afternoon"

(1932), though he loved it still, big-game hunter that he was. In 2010 the Catalan government, spurred by regional nationalists, [imposed a ban](#) (later reversed by the constitutional court, but bullfights have not returned). In 2022 Spain's Socialist-led government said that a “culture voucher” for young people to spend on activities after the pandemic could not apply to bullfights. (A court disagreed and allowed it to apply to fights.)

In Mexico criticism depends less on left versus right but instead divides parts of the population with closer links to Spain from the rest. Eleven states in the centre of the country have named bullfighting a cultural patrimony. Ramiro Alatorre, president of the National Association for the Breeding of Fighting Bulls, says that protesters are limited to the capital and are “outsiders to our culture and roots”.

The sport has already defied many predictions of disappearance, but it is in decline. In Spain the number of full-fledged bullfights has fallen by about a third since 2010. Mr Zabala says that he was not sure bullfighting could [survive the pandemic](#). But after low attendance in 2019 and during covid, it has come back. That may well be due to a defiant reaction by fans in response to what they perceive as nannyng. Supporters, as well as activist opponents, can be rather bull-headed. ■

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Is time more on America's or China's side?

A new book offers practical advice about how America can win against China

May 30th 2024



World on the Brink. By Dmitri Alperovitch and Garrett Graff.
PublicAffairs; 400 pages; \$32.50 and £25

THOUGH THE wording may vary between “containing”, “deterring”, “decoupling” or “de-risking”, the Washington consensus is that China represents the pre-eminent threat to America. Changes of administration scarcely matter on this point. In 2019 Joe Biden slammed Donald Trump, then the president, for threatening to impose tariffs on Chinese imports, only to impose some stiffer ones himself in May. The China challenge has prompted a barrage of punditry; since March at least two books have been published whose titles declare a “new cold war” with China.

All the chatter makes the challenge of offering a unique and coherent take all the harder. But “World on the Brink” is a breezy and mercifully jargon-light book and an excellent source for the layman. Dmitri Alperovitch,

chairman of Silverado Policy Accelerator, a think-tank in Washington, and Garrett Graff, a journalist, neatly sketch the relevant history and current predicament, quote intelligently from a range of top “China hands” and suggest a number of prescriptions. Some of these are already happening, such as controlling the export of [chip technology](#), diversifying and securing supply chains and funding research in [artificial intelligence](#). Others are not.

Mr Alperovitch, who moved to America in his teens and remains a close observer of his birthplace, Russia, also draws lessons from the [war in Ukraine](#). (He won kudos for correctly predicting Russia’s invasion in 2022 two months early.) One of these is that the perfect is the enemy of the good: America must urgently shift defence spending away from costly bespoke wonder-weapons (like F-35 fighter jets, which are estimated to cost \$2trn over the programme’s lifetime to 2088) to cheaper, reliable mass-producible tools (like Javelin missiles at just \$178,000 apiece).

However, this book’s biggest contribution is that it also proposes a single goal for American policy, which is deceptively simple: America should just play for time. More specifically, its objective should be to buy time for Taiwan to [build up its defences](#) and to systematically whittle away the West’s dependence on China.

To supply a singular goal may not sound groundbreaking. But considering that the rivalry between America and China is escalating, it is paramount that America retain clarity regarding its goals. Trying to hold on to the almost absolute global dominance that America has enjoyed since the end of the cold war in 1991 would be hugely expensive. However, too much accommodation also carries risks, as numerous Western countries that have seen industries gutted by Chinese competition are aware.

This does not mean dropping caution, or failing to maintain or even raise the American alliance’s capacity for military deterrence. But it does mean taking a clear-eyed view of China’s long-term disadvantages, such as a precipitously [declining population](#), lack of natural allies, constraints of its political system and dependence on imported energy and food. As Mr Alperovitch says, taking the long view also means working to sustain America’s demographic, technological and geopolitical advantages by, for instance, encouraging talented people to immigrate and nurturing alliances.

But China’s ability to navigate big obstacles, such as air pollution or weak infrastructure, and its speed in overtaking others in building solar panels or electric vehicles, suggests that it is a mistake to assume it cannot catch up

in making advanced semiconductors or in honing more effective international diplomacy.

China's rulers could well look at America's polarised politics and reach the same but opposite conclusion as Mr Alperovitch—namely that all they need to do is wait, since America might only grow weaker and more distracted. Xi Jinping, China's president and a fan of the novelist Leo Tolstoy, is certainly familiar with the quote from "War and Peace" that is this book's epigraph: "The two most powerful warriors are patience and time." ■

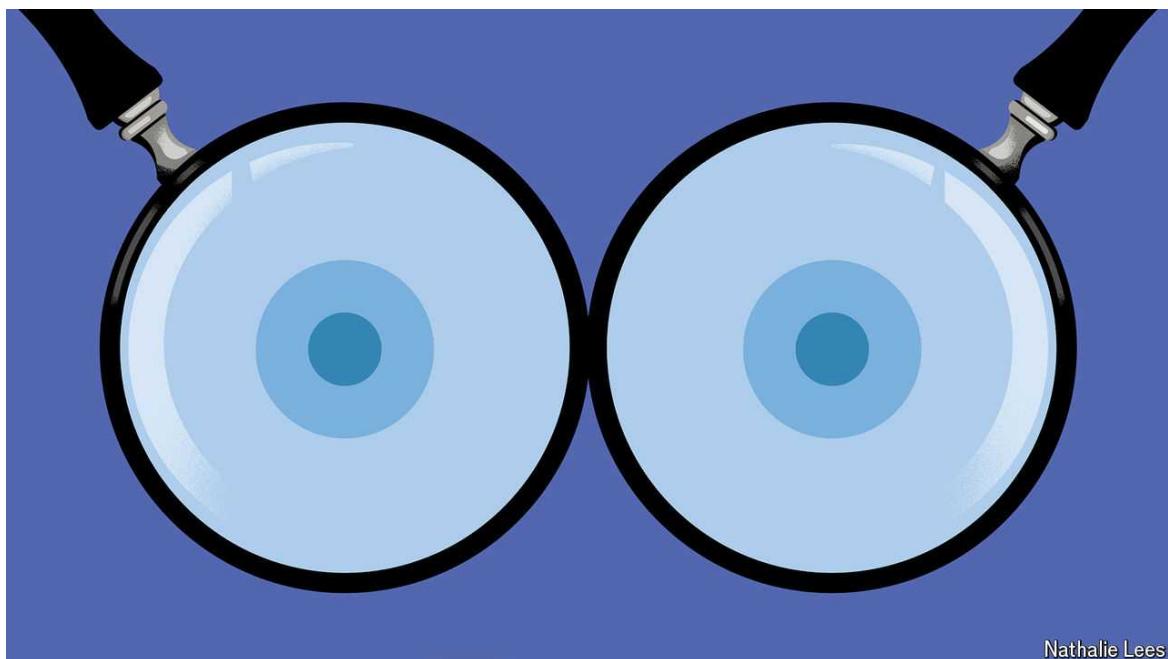
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There is more to breasts than meets the eye

A new book offers a cultural history of mammary glands

May 28th 2024



Nathalie Lees

Tits Up. By Sarah Thornton. *W.W. Norton; 336 pages; \$28.99. Bluebird; £20*

DEPENDING ON HOW you look at them, breasts can take very different shapes. Bare busts can be eroticised or neutral, a symbol of women's liberation or their oppressive objectification. Perky, ample bosoms are held up as a feminine ideal in popular culture, but those in possession of them report discrimination at work and other negative effects. They are glorified as sources of sustenance for infants: the World Health Organisation preaches that "[breast is best](#)", and doctors call the milk "liquid gold" for its nutrients and antibodies. In some countries, however, those who nurse in public attract uneasy glances, sometimes even reproof.

Breasts, Sarah Thornton avers, are both ogled and strangely overlooked: "Mine had been hanging out under my nose for 40 years before I began to contemplate their significance." She begins "Tits Up", an excellent new

book with a bad title, by recounting her experience of a double mastectomy and reconstruction in 2018. She decided to undergo this procedure after years of biopsies and monitoring, owing to a family history of [cancer](#). To her dismay her request for “lesbian yoga boobs”—implying an unobtrusive size between an A and a B cup—goes unheeded. The surgeon fits her instead with sizeable Ds.

She is irritated that her cups runneth over, lamenting the presence of these “silicone aliens”, their bulk and lack of feeling, and how they change her sense of her own personhood. What follows is a four-year quest to seek “the multifarious meanings and uses of breasts”. Ms Thornton, a sociologist and former contributor to *The Economist*, identifies five places where women’s chests are revered: strip clubs, milk banks, operating rooms, lingerie ateliers and female spiritual gatherings.

Readers meet a diverse cast of characters, including a woman who finds high-end escorts with specific bra sizes for her clients; a mother whose child died shortly after birth and so donates more than ten litres of her milk a week to other babies in need; and a male surgical assistant who served in Iraq. Together the interviews show a complex picture of breasts’ utility and seriousness.

Along the way Ms Thornton offers fun flashes of art, history, religion and science. Readers learn, for instance, that there is a bridge in [Venice](#) called *Ponte delle Tette* (Bridge of the Tits), so named for the prostitutes who would advertise their assets there in the 16th century.

In France, meanwhile, you may spy roads with names such as *Rue des Poupardières* (Street of the Breastfeeders, or Street of the Nurseries). That alludes to the wet-nursing industry that took off during the Renaissance: some rich women would send their babies away to be fed by poor rural women. Separated from suckling, busts were easier to eroticise. “Unclaimed by infants, breasts could become the possession, fetish and status symbol of husbands and lovers,” the author writes. Centuries later France boasts some of the world’s best lingerie designers; it also has one of the lowest rates of breastfeeding.

“Tits Up” is an enjoyable but somewhat lopsided book. Some chapters are insubstantial, but those on [sex work](#) and plastic surgery are riveting. Ms Thornton is a witty writer, observing that for those in the titillation business, “Breasts are not sex toys as much as salaried assistants.” She addresses broader themes, such as [treatment](#) for gender-dysphoric people,

and touches on moral judgments, race, class and cultural differences, as well as medical need. She notes that feminists have long had an uncomfortable relationship with breasts, as they are “associated with nature and nurture rather than reason and power”.

Indeed, it is the topic of boob jobs that best embodies the richness of her subject. Breast procedures—including implant removal as well as augmentations, lifts and reductions—made up 40% of all plastic-surgery operations in America in 2021. The female surgeons Ms Thornton meets are exacting; one, Carolyn Chang, has made a name for herself with “proportionate and appropriate” results. But the majority of surgeons are men, who impose their own aesthetic preferences (often involving unusually high nipples) on patients, regardless of their frame.

Even if some women may still feel awkward about the appendages on their torso after reading her book, Ms Thornton succeeds in offering an appreciation of the oft-derided, oft-maligned organ. Though the terminology for them tends towards the silly and frivolous—think of “bazookas”, “jugs”, “norks” or “funbags”—this book suggests they are anything but. Owners and admirers will not look at breasts in the same way again. ■

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<https://www.economist.com/culture/2024/05/28/there-is-more-to-breasts-than-meets-the-eye>

A century after his death Franz Kafka is still in the zeitgeist

From TikTok to TV to new tomes, the author continues to inspire writers and readers

May 30th 2024



Alamy

Franz Kafka was not a social person: he spent much of his time alone, trying, and often failing, to write. But on social media he is a hit. #Kafka posts on TikTok have been viewed around 2bn times. Users—particularly young women—swoon over his soulful letters to Milena, his on-again, off-again paramour. [Kafka](#) is “the OG lover boy”, reads a caption, below a video of a girl with a T-shirt that says “Reading is sexy”. Other posts dissect his toxic relationship with his father, immortalised in a letter, never delivered, in which Kafka blamed him for being emotionally abusive.

A century after his death on June 3rd 1924, Kafka still has allure, and not just among social-media addicts. A crop of new books pays tribute to him, from fresh translations to even a management book on “Franz Kafka and the Truths of Leadership”. The Bodleian Library at the University of Oxford—home to many of the writer’s manuscripts since 1961, when an

aristocratic don drove them there from Zurich—is mounting a special exhibition, “Kafka: Making of an Icon”. A suitably weird biographical series will appear on ChaiFlicks, a Jewish streaming service, in June.

Kafka’s literary immortality would probably be a surprise to him—and a betrayal. He was not famous when he succumbed, age 40, to tuberculosis, two years after retiring from his job at the Workers’ Accident Insurance Institute in Prague. He had no wife or heirs; in his will he instructed his friend, the author [Max Brod](#), to burn his unpublished writings. Luckily Brod did not oblige. Instead he worked hard to build Kafka’s legacy. It is thanks to him that Kafka has become a household (and schoolroom) name, with people continuing to be drawn to the absurdity of his fiction, including “The Metamorphosis”, in which a salesman has the bad luck to wake up one morning as a big insect.

He has even spawned a vocabulary to talk about the world: “Kafkaesque”, first coined in the late 1930s, has become a label for nightmarish, complex and illogical situations, from government investigations to customer-service lines to nowhere. Covid restrictions in many countries—from quarantines to rapidly changing travel bans—made many think of Kafka, too.

Why does a sickly Austro-Hungarian Jew from Prague with father and commitment issues loom so large over modern culture? Kafka’s status is due, in part, to his prescient portrayal of one of the defining experiences of modern life: the co-existence of rationality and absurdity. The best-drawn example is “The Trial”, a fragmentary novel published a year after Kafka’s death, about a man prosecuted by a mysterious authority for an unknown crime. Readers, including the philosopher [Hannah Arendt](#), have read the tale as foreshadowing totalitarianism. “The Castle” (1926) recounts the experience of a land surveyor who arrives in a village and tries and fails to be recognised by the authorities who govern it from a mysterious castle.

But [Kafka’s fame](#) is not only the product of literary excellence and relevant themes. He also got lucky, as Karolina Watroba, an Oxford academic, argues in “Metamorphoses: In Search of Franz Kafka”, a new biography of his afterlife that traces the author’s reception worldwide. Kafka wrote in widely spoken German, rather than provincial Czech; he benefited from an entrepreneurial literary executor in Brod, who assembled fragments and edited his texts for publication. It does not hurt that his name, which means “jackdaw” (a type of bird) in Czech, is easy to remember and fun to pronounce.

His fluid identity has also allowed him to be a part of many literary traditions without being confined to any of them. He was born in “a decaying, impotent empire” in the form of Austria-Hungary, “which would disappear from the map during his lifetime”, Ms Watroba writes. He cannot comfortably be called Czech, German, or Austrian, yet he is celebrated by all three cultures. Though Kafka never wrote an explicitly Jewish character, Jews have claimed him, and some of his papers are preserved in Jerusalem. At the same time, his depiction of oppressive bureaucracy and senseless violence has moved many, including Israeli and Palestinian authors critical of Zionism, such as Mahmoud Darwish. One of Kafka’s greatest literary achievements is his ability to metamorphose, depending on his audience.

His clear, memorable stories travel well, too. Unlike the dense fiction of other modernist writers, including James Joyce, Kafka’s work is easy to relate to, even if some of the subtext remains elusive. Beyond the West, where he has been a lodestar for everyone from [Gabriel García Márquez](#) to [Paul Auster](#), Kafka has found large audiences in Asia. In South Korea female authors have found inspiration in Kafka for their dissection of gender dynamics, notably in Han Kang’s novel “The Vegetarian”, which plays with Kafka’s theme of psychological alienation.

Although he was far from an optimist—there is an infinite amount of hope in the universe but “not for us”, he is said to have observed—Kafka’s future is bright. While other old books gather dust, Ms Watroba writes, “The man from Prague seems to have adapted to the age of the cloud remarkably well.” The Goethe Institute, a German cultural group, has rendered “The Metamorphosis” [in virtual reality](#), so people can see how it feels to wake up as a giant bug; and last year researchers used ChatGPT, an AI tool, to take a stab at completing “The Trial”. The results are better than you might expect. The world is still mirroring Kafka’s imaginings. If only he were here to write about it. ■

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The Economist reads

- [Five of the best books on climbing mountains](#)

The Economist reads

Five of the best books on climbing mountains

The books and a documentary that capture the pull of the peaks

May 24th 2024



Tashi Tsering/Xinhua/Eyevine

MOUNTAINEERING HAS gone mainstream. What was once a pursuit for only the hardiest adventurers is now the extreme sport *du jour*. Take [Mount Everest](#). In the four decades after Sir Edmund Hillary and Tenzing Norgay first reached the summit in 1953 an average of 12 people a year followed in their footsteps. In 2023 more than 1,200 people attempted the climb; 655 reached the summit and 18 died trying. The ascent of Everest is now an industry: for between \$35,000 and \$110,000 guides will take novices to the top of the world. But the new commercialism should not detract from the romance of mountaineering. These five books and a documentary allow armchair alpinists to experience a bit of the thrill with none of the peril.

Killing Dragons. By Fergus Fleming. *Atlantic Monthly Press; 416 pages; \$26 and £24.50*

The early history of mountaineering in Europe is in no small part one of British adventurism, which is surprising. Ben Nevis, at 1,345 metres, is

Britain's highest peak. That is less than half as high as Mont Blanc in the Alps (4,805 metres). Yet many of the Alp-conquering protagonists of "Killing Dragons" were Britons. The Alpine Club, the world's first for mountaineering, was founded in London in 1857. Edward Whymper, the first person to ascend the Matterhorn (4,478 metres), started the craze for tourism in the Alps. Fergus Fleming, a British author, traces the lives and obsessions of explorers, some eccentric, some simply eminent. "Killing Dragons" tells the story of the age and conveys the pull that these—at the time unclimbed—peaks exerted. The exploits of these Victorians were a prelude to the conquests, again often by British climbers, of even loftier mountains in Asia in the 20th century.

Eiger Dreams. By Jon Krakauer. *Lyons Press; 202 pages; \$18.95 and £14.99*

Jon Krakauer is a seasoned chronicler of calamities. He wrote "Into Thin Air", about a disaster on Mount Everest, and "Into the Wild", about a one-way journey into the Alaskan wilderness. "Eiger Dreams", a collection of essays and articles published in 1990, explores the minds of mountaineers as they explore the mountains. Each of the dozen short chapters, most of which first appeared in magazines, tells a story of an adventure. The locales include Denali (North America's highest mountain), K2 (the world's second-highest) and the Eiger (a punishing Swiss peak). Mr Krakauer gives concise accounts of climbers' personal stories and spares us technicalities. In one gripping tale, the author recounts his own solo trip as a young man. He travels by boat and ski to a remote part of Alaska to climb the icy flanks of Devils (sic) Thumb, using ice axes and crampons. Mr Krakauer writes of the mad enterprise: "Below was thirty-seven hundred feet [1,100 metres] of air, and I was balanced atop a house of cards."

Time on Rock. By Anna Fleming. *Canongate; 272 pages; \$26 and £16.99*

Although most famous mountaineers have been men, some of the best books about climbing are by women (see also Nan Shepherd's "The Living Mountain", written in the 1940s but not published until 1977). "Time on Rock", by Anna Fleming, an academic and journalist, is the story of a young woman's climbing life, from nervy teenage apprentice to lead climber, the person who takes charge of putting in place security equipment. It is also a "journey into the rock", which takes place primarily in the British Isles, although one chapter is about Greece. "Time on Rock" is partly about what it's like to be a woman in a sport dominated by men. It is also about rocks themselves—Ms Fleming dilates on their characteristics

and variety as she clammers up or across them. She describes one as “a good stone, the kind dropped by a retreating glacier perhaps. Large, bald, flat-topped, grey-coloured with little white, blue and green lichen splodges, it made an ideal lunch stone.” The more time Ms Fleming spends on mountains, the more she realises that the joy of climbing is not the brief elation upon reaching the summit but rather the “journeys across the stones”. Read our [full review](#) from 2022.

No Picnic on Mount Kenya. By Felice Benuzzi. *MacLehose Press*; 320 pages; \$29.99. *Quercus*; £18.99

Spikes from the rusted fences of a prisoner-of-war camp do not make for ideal crampons. But Felice Benuzzi did not have the luxury of choosing his equipment. An Italian soldier in the second world war, he spent half a decade in internment camps after British forces took Abyssinia (modern Ethiopia) in 1941. At one camp a few days’ trek from Mount Kenya, Africa’s second-highest mountain, Benuzzi, a climber, dreamed of standing on the summit. “No Picnic on Mount Kenya” is his account of how he and two accomplices escaped, reached the lower peak and then, surprisingly, broke back into the camp (the consequences of being recaptured outside it might have been dire). In [our review](#) from 2015 of a new edition we wrote that the book crackles with dry humour, and has become a classic among climbers since it first appeared in Italian in 1947, and in English in 1952.

Into the Silence. By Wade Davis. *Knopf*; 672 pages; \$32.50. *Vintage*; £25

“Into the Silence” gives a detailed account of George Mallory’s failed and fatal attempt in the early 1920s to climb Chomolungma, as Tibetans call Mount Everest. The thick, meticulously researched book paints a vivid picture of life after the Great War. It presents the reader with a varied cast of soldiers, dignitaries and adventurers and follows the expedition from the Royal Geographical Society in London to the far reaches of the Himalayas.

Free Solo. By Elizabeth Chai Vasarhelyi and Jimmy Chin. (2018)

This Oscar-winning documentary from 2018 follows Alex Honnold, a 33-year-old climber, in his quest to scale El Capitan, a famous 914m-high precipice in California. His ambition is to scale it “free solo”, ie, without a rope or any other safety equipment. The scenes of Mr Honnold inching up a featureless flat wall are vertiginous and at times almost too tense to watch. If your nerves aren’t quite up to the hair-raising scenes in “Free Solo”,

search on YouTube for a video of Mr Honnold (this time on the ground) reviewing famous climbing scenes from Hollywood films.

Also try

The Economist's sister magazine, *1843*, published a [story](#) on whether climbers will have to brave Everest without Sherpas. In 2019 we published a [deep-dive](#) into data about the popularity of ascending Everest. In 2020 *1843* interviewed [Erik Weihenmayer](#), a blind adventurer who has climbed the highest mountain on every continent.

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Economic & financial indicators

- Economic data, commodities and markets

Economic data, commodities and markets

May 30th 2024

Economic data

1 of 2

	Gross domestic product			Consumer prices			Unemployment rate	
	% change on year ago:			% change on year ago:			% rate	
	latest	quarter*	2024†	latest	2024†		%	
United States	3.0	Q1	1.6	2.2	3.4	Apr	3.0	3.9 Apr
China	5.3	Q1	6.6	4.7	0.3	Apr	1.0	5.0 Apr‡§
Japan	-0.2	Q1	-2.0	1.3	2.5	Apr	2.3	2.6 Mar
Britain	0.2	Q1	2.5	0.4	2.3	Apr	2.6	4.3 Feb††
Canada	0.9	Q4	1.0	1.9	2.7	Apr	2.4	6.1 Apr
Euro area	0.4	Q1	1.3	1.0	2.4	Apr	2.4	6.5 Mar
Austria	-1.7	Q4	0.2‡	0.5	3.4	Apr	3.5	4.9 Mar
Belgium	1.3	Q1	1.2	1.1	4.9	Apr	3.0	5.5 Mar
France	1.1	Q1	0.9	1.1	2.4	Apr	2.7	7.3 Mar
Germany	-0.2	Q1	0.9	0.2	2.8	May	2.1	3.2 Mar
Greece	1.1	Q4	0.6	2.8	3.2	Apr	3.2	10.2 Mar
Italy	0.6	Q1	1.2	1.0	0.9	Apr	1.6	7.2 Mar
Netherlands	-0.7	Q1	-0.4	0.4	2.6	Apr	2.8	3.7 Apr
Spain	2.4	Q1	2.9	2.4	3.4	Apr	2.9	11.7 Mar
Czech Republic	0.2	Q4	2.0	1.4	2.9	Apr	2.2	3.0 Mar‡
Denmark	-0.2	Q1	-6.9	1.4	0.8	Apr	1.7	2.9 Mar
Norway	-0.8	Q1	0.7	1.0	3.6	Apr	3.3	3.9 Mar‡‡
Poland	1.9	Q1	1.6	2.9	2.5	May	3.8	5.1 Apr§
Russia	5.4	Q1	na	2.7	7.8	Apr	7.1	2.7 Mar§
Sweden	-0.9	Q1	-0.4	0.3	3.9	Apr	2.0	8.9 Apr§
Switzerland	0.6	Q4	1.2	1.0	1.4	Apr	1.4	2.3 Apr
Turkey	4.0	Q4	3.9	3.0	69.8	Apr	54.4	8.8 Mar§
Australia	1.5	Q4	1.0	2.0	3.6	Q1	3.2	4.1 Apr
Hong Kong	2.7	Q1	9.6	3.2	1.1	Apr	2.2	3.0 Apr‡‡
India	8.4	Q4	8.0	6.6	4.8	Apr	4.9	8.1 Apr
Indonesia	5.1	Q1	na	5.1	3.0	Apr	3.2	4.8 Q1§
Malaysia	4.2	Q1	na	4.4	1.8	Apr	2.5	3.3 Mar§
Pakistan	2.8	2024**	na	1.8	17.3	Apr	19.7	6.3 2021
Philippines	5.7	Q1	5.3	5.4	3.8	Apr	3.7	4.5 Q1§
Singapore	2.7	Q1	0.2	2.4	2.7	Apr	3.0	2.1 Q1
South Korea	3.2	Q1	5.2	2.7	2.9	Apr	2.6	3.0 Apr§
Taiwan	6.5	Q1	1.1	3.3	2.0	Apr	2.0	3.4 Apr
Thailand	1.5	Q1	4.6	2.8	0.2	Apr	1.2	1.1 Apr§
Argentina	-1.4	Q4	-7.3	-3.0	289	Apr	249	5.7 Q4§
Brazil	2.1	Q4	-0.1	2.0	3.7	Apr	4.1	7.5 Apr§‡‡
Chile	2.3	Q1	7.8	2.8	3.5	Apr	3.6	8.7 Mar§‡‡
Colombia	0.9	Q1	4.4	1.1	7.2	Apr	6.4	11.3 Mar§
Mexico	1.6	Q1	1.1	2.3	4.7	Apr	4.5	2.7 Mar
Peru	1.4	Q1	3.2	2.5	2.4	Apr	2.6	8.5 Apr§
Egypt	2.3	Q4	na	2.6	32.6	Apr	30.7	6.7 Q1§
Israel	-0.6	Q1	14.1	1.9	2.8	Apr	2.9	3.4 Apr
Saudi Arabia	-0.8	2023	na	2.0	1.6	Apr	2.1	4.4 Q4
South Africa	1.2	Q4	0.2	1.6	5.1	Apr	4.8	32.9 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. Note: Euro area consumer prices are harmonised.

The Economist

Economic data

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	Current-account balance % of GDP, 2024 [†]	Budget balance % of GDP, 2024 [†]	Interest rates 10-yr gov't bonds latest, %	change on year ago, bp	Currency units per \$ May 29th	% change on year ago
United States	-3.8	-6.3	4.6	81.0	-	
China	1.2	-4.8	2.1 §§	-42.0	7.25	-2.3
Japan	2.9	-4.8	1.1	63.0	158	-10.9
Britain	-2.8	-4.2	4.3	5.0	0.79	2.5
Canada	-0.4	-1.1	3.8	43.0	1.37	-0.7
Euro area	2.9	-3.0	2.7	25.0	0.92	1.1
Austria	2.8	-2.4	3.2	8.0	0.92	1.1
Belgium	-0.2	-4.6	3.2	-4.0	0.92	1.1
France	-0.7	-4.9	3.0	-9.0	0.92	1.1
Germany	6.5	-1.5	2.7	25.0	0.92	1.1
Greece	-5.5	-1.4	3.7	-17.0	0.92	1.1
Italy	1.1	-5.4	4.0	-25.0	0.92	1.1
Netherlands	8.7	-1.1	3.0	17.0	0.92	1.1
Spain	2.5	-3.5	3.3	-23.0	0.92	1.1
Czech Republic	-0.3	-2.5	4.4	-21.0	22.9	-3.3
Denmark	9.5	1.6	2.7	-6.0	6.90	0.9
Norway	15.9	12.0	3.7	26.0	10.6	5.4
Poland	0.2	-5.2	5.8	-31.0	3.95	6.8
Russia	1.8	-1.6	14.7	386	89.6	-10.1
Sweden	5.6	-1.0	2.4	-9.0	10.7	1.8
Switzerland	6.6	-0.3	0.8	-24.0	0.91	-1.1
Turkey	-3.1	-4.6	26.2	1,736	32.2	-37.7
Australia	1.2	-1.0	4.3	70.0	1.51	1.3
Hong Kong	8.1	-2.8	3.9	27.0	7.81	0.3
India	-1.1	-5.3	7.0	-1.0	83.3	-0.9
Indonesia	-0.2	-2.4	6.9	55.0	16,160	-7.4
Malaysia	2.1	-4.4	3.9	4.0	4.70	-1.9
Pakistan	-2.9	-7.0	14.1 +++	-95.0	278	2.5
Philippines	-2.5	-5.9	6.8	83.0	58.4	-3.9
Singapore	18.3	0.1	3.4	41.0	1.35	nil
South Korea	2.5	-1.6	3.5	-10.0	1,365	-3.0
Taiwan	14.5	0.1	1.6	44.0	32.3	-5.2
Thailand	3.0	-3.6	2.8	12.0	36.8	-5.4
Argentina	0.1	-1.2	na	na	894	-73.3
Brazil	-1.4	-7.7	11.8	24.0	5.19	-3.5
Chile	-3.3	-2.3	6.1	47.0	906	-11.8
Colombia	-2.9	-5.1	10.8	-27.0	3,858	14.7
Mexico	-0.3	-5.0	9.8	81.0	17.0	3.4
Peru	-0.4	-3.1	7.1	-24.0	3.76	-2.4
Egypt	-3.4	-5.0	na	na	47.3	-34.7
Israel	5.3	-6.6	5.1	112	3.70	0.8
Saudi Arabia	0.9	-1.3	na	na	3.75	nil
South Africa	-2.0	-5.2	10.5	-59.0	18.4	6.7

Source: Haver Analytics. §§5-year yield. +++Dollar-denominated bonds.

The Economist

Markets

In local currency	Index May 29th	% change on: one week		Dec 29th 2023
United States S&P 500	5,267.0	-0.8		10.4
United States NAScomp	16,920.6	0.7		12.7
China Shanghai Comp	3,111.0	-1.5		4.6
China Shenzhen Comp	1,734.1	-2.8		-5.6
Japan Nikkei 225	38,556.9	-0.2		15.2
Japan Topix	2,741.6	0.2		15.9
Britain FTSE 100	8,183.1	-2.2		5.8
Canada S&PTSX	21,898.0	-2.0		4.5
Euro area EURO STOXX 50	4,963.2	-1.2		9.8
France CAC 40	7,935.0	-1.9		5.2
Germany DAX*	18,473.3	-1.1		10.3
Italy FTSE/MIB	34,150.5	-0.9		12.5
Netherlands AEX	905.8	-0.5		15.1
Spain IBEX 35	11,145.1	-1.6		10.3
Poland WIG	85,697.0	-3.0		9.2
Russia RTS, \$ terms	1,167.7	-3.0		7.8
Switzerland SMI	11,793.7	-1.4		5.9
Turkey BIST	10,479.2	-3.9		40.3
Australia All Ord.	7,935.7	-2.2		1.4
Hong Kong Hang Seng	18,477.0	-3.7		8.4
India BSE	74,502.9	0.4		3.1
Indonesia IDX	7,140.2	-1.1		-1.8
Malaysia KLSE	1,605.4	-1.0		10.4
Pakistan KSE	74,836.3	-0.2		19.8
Singapore STI	3,323.2	0.5		2.6
South Korea KOSPI	2,677.3	-1.7		0.8
Taiwan TWI	21,662.5	0.5		20.8
Thailand SET	1,349.8	-1.5		-4.7
Argentina MERV	1,567,731.0	0.3		68.6
Brazil BVSP*	122,707.3	-2.3		-8.6
Mexico IPC	55,212.6	-2.2		-3.8
Egypt EGX 30	27,089.7	-0.5		8.8
Israel TA-125	1,989.9	1.1		5.4
Saudi Arabia Tadawul	11,696.5	-3.8		-2.3
South Africa JSE AS	78,576.1	-1.2		2.2
World, dev'd MSCI	3,430.0	-1.0		8.2
Emerging markets MSCI	1,072.1	-2.1		4.7

US corporate bonds, spread over Treasuries

Basis points	Dec 29th	
	latest	2023
Investment grade	103	154
High-yield	345	502

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

The Economist

Commodities

The Economist commodity-price index

2020=100	May 21st	May 28th*	% change on	
			month	year
Dollar Index				
All Items	140.1	141.4	3.7	16.5
Food	145.7	149.4	3.5	11.2
Industrials				
All	135.5	134.7	3.8	21.9
Non-food agriculturals	135.2	137.8	3.0	25.0
Metals	135.6	134.0	4.1	21.2
Sterling Index				
All items	141.5	142.2	1.6	13.2
Euro Index				
All items	147.4	148.5	1.9	15.0
Gold				
\$ per oz	2,431.8	2,356.1	2.6	20.3
Brent				
\$ per barrel	83.1	84.0	-4.5	14.1

Sources: Bloomberg; CME Group; Fastmarkets; FT; LSEG Workspace; LME; NZ Wool Services; S&P Global Commodity Insights; Thompson Lloyd & Ewart; Urner Barry; WSJ.

*Provisional.

The Economist

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Obituary

- June Mendoza captured both the famous and the unknown

June Mendoza captured both the famous and the unknown

Britain's most prolific portrait-painter died on May 15th, aged 99

May 29th 2024



The Times

The moment she set eyes on him, June Mendoza knew he would be ideal. She was busy painting four presidents of the Royal Society of Engineering when his face appeared at the window. A nice face, plump and cheery, with brawny shoulders under a purple T-shirt. He was hard at work too, expertly fixing scaffolding with a twist of the tool that swung cheekily at his groin. When the engineers had left, she went to the window and asked if he would sit for her. He agreed at once.

Her career, as Britain's most-called-on portrait-painter, was to encompass most of the grandes of the land. The list began with royals: three Prince Philips, two Annes, three Charleses, two Dianas, five queens. She got very good at painting pearls. (The queen's face, though, was not easy, soft rather than sharp.) After these came archbishops, generals, prime ministers, eminent musicians, famous sports personalities, captains of industry and entertainers. But generously mixed in with these—perhaps a third of her

productions—were her “pick-ups”. She spotted them across restaurants, at the theatre, in shops, and would boldly ask if she could paint them. All were surprised, but almost all went along with the novel experience of watching this small, slim woman darting back and forth from her unwieldy old easel, chatting.

Her gift for catching likenesses was nothing she had learned. It was something you were born with, like perfect pitch. Her upbringing, with touring theatrical musicians in Australia, spurred her to watch performers and record them on paper. She would sit backstage with her drawing book, solitary but deeply happy. At school, she drew her classmates. At 12 she asked Sir Malcolm Sargent, then a doyen among conductors, whether she could draw him (he said yes). Two years later, still in plaits and her school uniform, she went to life classes, naked men and all; it didn’t bother her. In short, her childhood already revolved round portraits.

Her professional sessions, though, often had to be done at breakneck speed, especially with the royals (so busy, poor dears!). They might last merely an hour, scattered over several weeks. On first meeting she would set the rules, because no matter how grand her subject, here she was the boss. Even at Buckingham Palace she was free to choose the chairs, the background and the clothes, too, unless uniform was required. Fancy outfits, on men or women, were turned down; she wanted to do her subjects as they were, rather than pretending to be something else. At the start, most sat carefully. It was in breaks, when they dropped the pose, that she could think, “That’s it!” and pounce with her brush.

Yet portraiture was not just about faces. Body language was almost more important. She needed to observe, straight away, the shape people made as they stood or sat: the tilt of their shoulders, how they held their heads. (John Major’s shape was a diagonal, Ann Widdecombe’s a plump curve; Chris Evert’s, off the court, a tall thin rectangle.) That gave her a frame for the rest. She once had to paint eight members of an academic committee who, at first, stood meekly in a row in their suits. When she asked them to sit, though, each sat differently. Together they made the design she needed, delightfully irregular.

After shape came colour, almost always oils for richness. (She hated working from photographs, a gauze between her and her subjects. She wanted their energy, and the paint, to show.) Around 17 colours made up her palette; one was flesh tone, used only as a base. When this baffled people, she asked them to look at the palms of their hands. They seemed

pink, but she also saw Naples yellow, olive green, oranges and mauves. Some sitters, when she encouraged them to inspect the work in progress, were alarmed to find their noses blue. It would all make sense in time.

Her formal artistic training had been spells at two art colleges, where she took nothing in. When she moved to London in her 20s, perching like many Australians in Earl's Court with a single gas ring and no bus fare, she used her paintings as barter: once for cough syrup, once for a fur coat. Her first paid job was drawing the "Belle of the Ballet" strip for *Girl* magazine for five years. But meanwhile her reputation as a painter grew steadily. She worked like mad, through bringing up four children to well into old age, driving miles from south London to wherever her subjects might be, lugging her easel up and down stairs, intrepid as ever.

As she painted, she made many friends. The intimate situation encouraged chat. But there were also long comfortable silences, the sort you would not get in ordinary socialising. Both she and the sitter were working hard then. The only person she could not connect with was Margaret Thatcher, who controlled herself so rigidly that she reported nothing there. A portrait emerged, but not one she was particularly pleased with.

In fact, she was never totally happy with any of them. There was always a flaw. She was painfully aware that a beautiful painting could be a poor likeness, and vice versa. A good likeness had to catch alertness, dynamism —life, in short—and please the sitter. A good painting, in colour and composition and technique, had to satisfy and even move viewers who had no idea who the sitter was. That perfect balance was partly why she kept returning to the "ordinary" people who caught her eye. Perhaps, too, she was after the soul? No, that was much too pompous. She had enough tricky criteria to think about, without that.

What she undoubtedly glimpsed on the fly were great faces to draw. And thus her lovely scaffolder Chris McCann, "tubular structural engineer", found himself hanging in a gallery in Girton College Cambridge, radiating pride and affability from his high perch, all his own work. His portrait hung alongside those, by other artists, of a coracle-maker, a fish-delivery man, a vagrant, a milk-tester and a wheeler-dealer. To June Mendoza, he might justifiably have hung beside the queen. ■

The Economist

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