The Economist

What next for Kashmir?

Europe's free-speech problem

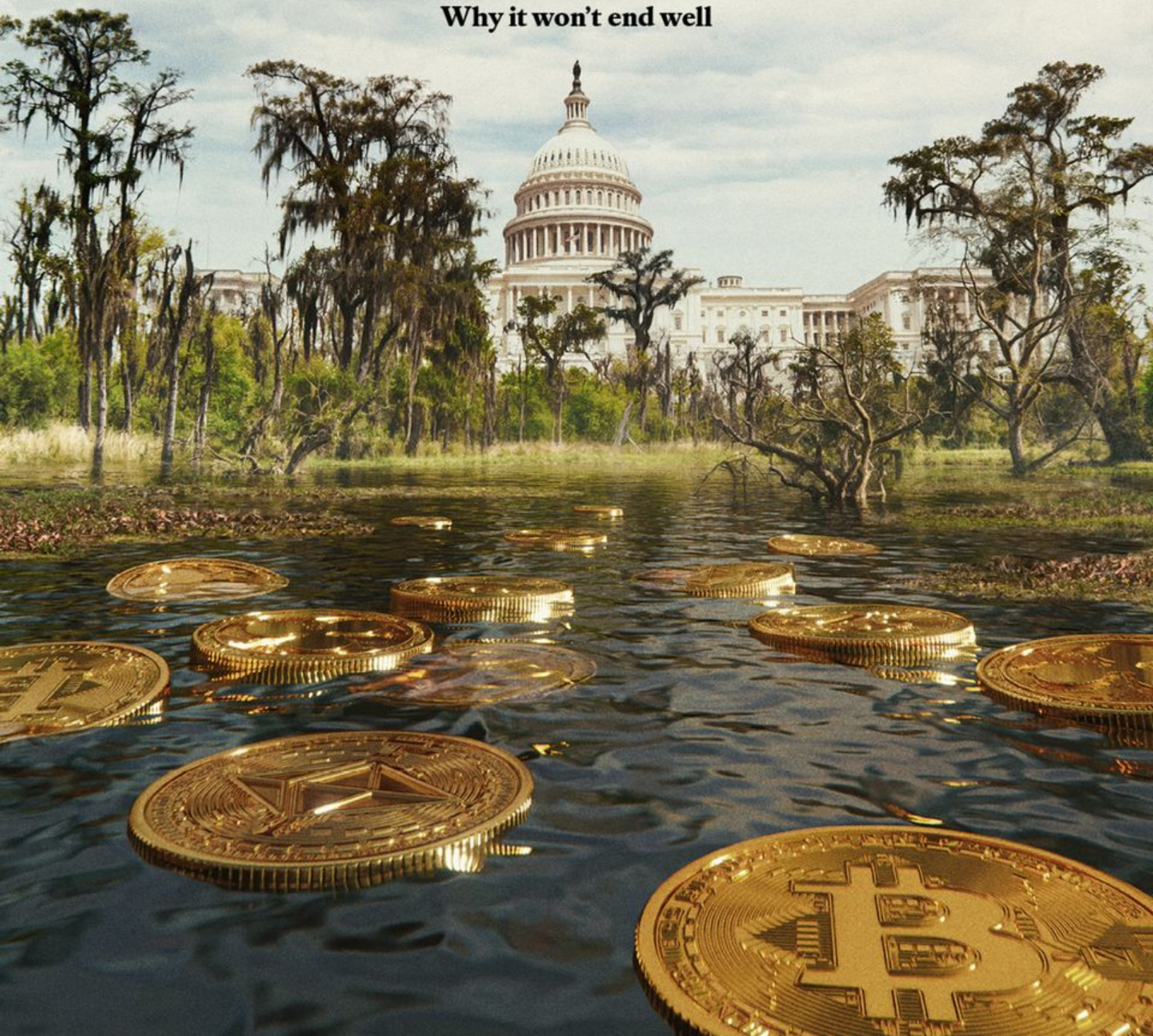
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MAY 17TH–23RD 2025

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Why it won't end well



The Economist

[May 17th 2025]

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The world this week

Politics

5月 15, 2025 03:34 上午



Donald Trump received a warm welcome in **Saudi Arabia**, where he described the kingdom's de facto leader, Muhammad bin Salman, as an "incredible man". In a speech emphasising his break from American foreign-policy orthodoxy, Mr Trump said that the "gleaming marvels" of Riyadh and other cities in the Gulf region were not created by "nation-builders, neocons or liberal non-profits" but by Arab regimes that embraced their "national traditions" and heritage. He also pleased his hosts by announcing that America would lift sanctions on **Syria**. Mr Trump briefly met Ahmed al-Sharaa, Syria's president, and urged him to reconcile with Israel. Qatar and the United Arab Emirates were also on Mr Trump's itinerary.

The sky's the limit

Before the trip **Qatar's** offer of giving Mr Trump a Boeing 747 to be refurbished as **Air Force One**, the presidential plane, raised eyebrows in America among MAGA conservatives as well as Democrats. Some Republicans have questioned America's close relationship with the Gulf state because of its support for Hamas.

As Mr Trump visited the Gulf states Israel intensified its bombardment of **Gaza**, killing 80 people, according to the Hamas-run authorities. The UN warned of an imminent risk of famine, saying around half a million face starvation. Israel, which has maintained a blockade on aid since March, denies there is a crisis and says it wants to work with private contractors to deliver supplies, so that Hamas can't steal them.

Hamas released an Israeli-American **hostage** after holding him for 19 months. Edan Alexander is thought to be the last living American to have been held by the militant group. Several Americans are among the more than 30 bodies of dead hostages that Hamas has not released.

The killing of a militia leader in **Libya** sparked the worst fighting in Tripoli, the capital, in years. The clashes took place between a unit aligned with the government of national unity and an opposing faction. Observers worry that any further trouble could see factions outside Tripoli being drawn into the city.

The junta in **Mali** dissolved all political parties, continuing a crackdown on the country's remaining vestiges of democracy. The opposition has been galvanised by an attempt by General Assimi Goïta, the "transitional" president, to stay in power until at least 2030.

Around 100 people died in flooding in eastern **Congo**, according to regional officials. The floods affected an area near Lake Tanganyika

that is still under the control of the government in Kinshasa and has not fallen to the Rwandan-backed M23 rebels.

Colombia's president, Gustavo Petro, announced that his country will join China's Belt and Road Initiative, a vast network of development projects. The symbolic shift towards China by a traditional ally of the United States will irritate the Trump administration. Colombia was one of the last holdouts in Latin America and the Caribbean against joining the BRI. At a summit in Beijing Xi Jinping pledged to provide the region with fresh credit and investments.

Luis Arce decided not to stand for re-election as **Bolivia's** president this August. Mr Arce is pulling out in order not to split the left, which is divided in its support for him and for a faction loyal to Evo Morales, a former president who is embroiled in legal troubles. The constitutional court has also ruled that Mr Morales cannot stand for another term.

Peru's prime minister resigned rather than face a censure vote in Congress over rising crime and the recent murder of 13 miners. It is another headache for the deeply unpopular president, Dina Boluarte, who registered an approval rating of just 2% in a poll this week.

Mexico has sued Google over its decision to label the **Gulf of Mexico** as the Gulf of America on maps it presents to users in the United States. Mr Trump signed an order in February seeking to change the name, which the House of Representatives has voted to include in federal documents. Mr Trump also wants to change the name of the Persian Gulf to the Arabian Gulf, much to Iran's chagrin.

After a few breaches at its start, a ceasefire held between **India** and **Pakistan** in their worst military conflict for 25 years, which was triggered by a terrorist attack in Indian-administered Kashmir. Donald Trump claimed credit for brokering the ceasefire, which

annoyed India. It wants any talks to focus on Pakistan's support for terrorist groups, rather than the future of Kashmir.

A midterm election in the **Philippines** brought gains for politicians allied with Ferdinand Marcos junior, the president. But politicians aligned with Sara Duterte, the vice-president, also did well, complicating plans in Congress to try her on impeachment charges. The president and vice-president are elected separately, and the current administration has been riven by fighting between the Marcos and Duterte dynasties.

In a ruling that could bring about more political transparency in the **European Union**, the EU's General Court found that the European Commission should not have withheld text messages between Ursula von der Leyen, the commission's president, and the chief executive of Pfizer, a drugs company, during the pandemic. Mrs von der Leyen was instrumental in striking a vaccine deal with Pfizer. The case was brought by the *New York Times*, which sued the commission after it refused to release the texts in 2022.

The Kurdistan Workers' Party (PKK), which is designated as a terrorist group in **Turkey**, officially decided to disband and end its militant push for a separate Kurdish state. Recep Tayyip Erdogan, Turkey's president, welcomed the announcement and said the authorities would monitor the situation. The PKK wants to see how the Turkish government responds to its decision to disband before it hands over its weapons.

Albania's prime minister, Edi Rama, who heads the Socialist Party, won his fourth election in a row, gaining 52% of the vote in a low turnout against the right-wing Democratic Party led by a former prime minister and president, Sali Berisha, with 34%. Mr Rama, who took office in 2013, is bidding for Albania to join the EU by 2030. European leaders are gathering in Tirana, Albania's capital, on May 16th for a summit of the European Political Community, which

includes EU and non-EU countries such as Britain, Norway, Switzerland and Turkey.

Britain's prime minister, Sir Keir Starmer, proposed a tougher policy on legal immigration, arguing that the system seems "almost designed to permit abuse". Changes to cut immigrant numbers include raising skill requirements for work, reducing the length of student work visas and extending settlement requirements from five to ten years. All immigrants, including spouses, will need to speak basic English. Sir Keir suggested that he was not responding to the recent success of the anti-immigration Reform UK in local elections.



Saints and Sinner

Pope Leo XIV had a busy first week after his election by the conclave of cardinals in the Vatican. As well as being the first pontiff to hail from the United States he also holds Peruvian citizenship. Pope Leo paid a surprise visit to a shrine and wrote a letter to the American Jewish Committee pledging to strengthen the Catholic church's "dialogue and co-operation with the Jewish people". He also met the world's number one tennis player, Jannik Sinner.

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The world this week

Business

5月 15, 2025 03:30 上午



Following a round of talks in Geneva, **America** and **China** agreed to pull back from their trade war and slash tariffs', for 90 days at least. Donald Trump said some of the duties could be reimposed if no progress was made in further negotiations, but at probably a far lower rate than the 145% tariff America ended up levying on Chinese goods. Scott Bessent, the treasury secretary, said America would now aim for a strategic, and not a general, decoupling from Chinese trade. In another sign of a thaw in the trade war, China reportedly lifted its ban on Chinese airlines taking delivery of Boeing aircraft.



Stockmarkets surged in response to the rapprochement on trade. The S&P 500 erased its losses for the year, though is still below its February peak. The NASDAQ Composite and Dow Jones Industrial Average weren't far behind. The gains were led by chipmakers such as Nvidia and AMD, and Tesla, which saw its market capitalisation climb above $1trn again.

Before the breakthrough in Geneva America struck a **trade deal with Britain**, the first in a line of countries that Mr Trump says are eager to come to reciprocal agreements. The deal, covering mostly cars and beef, was comparatively small potatoes in the wider trade

war. The bulk of trade between the two countries is in services, which are not subject to tariffs.

The American government's receipts from **customs duties** hit a record $16.3bn in April, over double the $7.1bn that was collected in April 2024.

Honda and **Nissan** both tore up their annual profit forecasts because of the hits they expect to take from tariffs. The Japanese carmakers have factories in America but also produce vehicles in Mexico to sell in the US. Nissan's troubles pre-date the imposition of the levies. It is restructuring its business, and this week announced that it would cut 20,000 jobs, 15% of its global workforce, and close seven of its 17 plants.

The perils of predictions

Foxconn lowered its outlook for the year, in part because of uncertainties in trade but also because of currency fluctuations. The contract manufacturer, best known for assembling the iPhone in China, is building a factory in Mexico to produce Nvidia's GB200, which brings together several processing units in one superchip.

Mr Trump's trade duties have not caused America's **inflation** rate to jump, so far at least. The latest figures showed annual inflation slowing to 2.3% in April from 2.4% in March. Month-on-month consumer prices rose by 0.2%. Economists think tariffs will eventually cause inflation to spike in the coming months.

Britain's economy grew by 0.7% in the first quarter of the year, compared with the previous three months, slightly more than markets expected.

The **pharmaceutical industry** found itself caught in Mr Trump's cross-hairs, when he signed an executive order that would force companies to lower the price of their drugs to align with those in

other countries. The president is seeking price reductions of between 59% and 90%, and is threatening to take action if the industry doesn't comply. But the order is fraught with difficulties, including the fact that generic drugs, which account for most American prescriptions, are far cheaper in America than in other rich countries.

Deep pockets of the state

Mr Trump's trip to the **Middle East** saw a raft of trade deals, including $142bn in defence equipment to Saudi Arabia that America described as the largest such pact in history. Qatar agreed to buy up to 210 Boeing aircraft. And the United Arab Emirates, already a global hub for artificial intelligence, hoped to strike deals to import advanced chips. Meanwhile, Saudi Arabia announced the creation of a new state-backed company to develop AI infrastructure and data centres. Humain will own AI assets as well as invest in them, with a focus on large language models based in Arabic. Nvidia and AMD will supply it with state-of-the art chips.
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As the Gulf states increase their public investments in AI, **SoftBank**, by contrast, denied reports that it is hesitating over its commitments to the technology because of market uncertainty. The Japanese tech conglomerate's chief financial officer said it was "very much making progress" in choosing data centres for Stargate, America's vast AI project, in which SoftBank is a major investor. SoftBank made its first annual profit in four years for the 12 months ending March, helped by the performance of its telecoms companies. Its Vision Fund 1, which houses investments in firms such as ByteDance, made a gain, but its Vision Fund 2, which invests in more recent startups, booked a loss.

CATL, based in China and the world's largest producer of batteries for electric vehicles, hopes to raise $4.6bn from its forthcoming secondary listing, which would make it the world's biggest stock

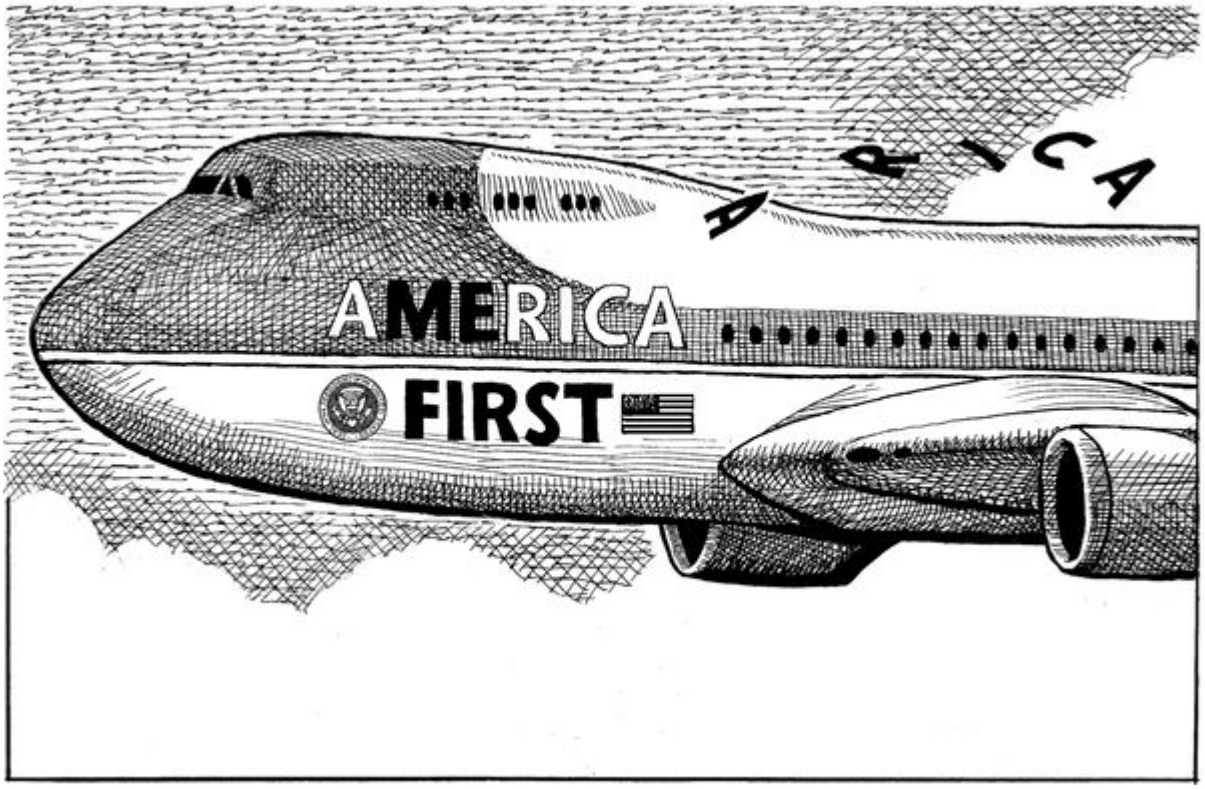
offering so far this year. The shares are due to start trading in Hong Kong on May 20th.

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The world this week

The weekly cartoon

5月 15, 2025 03:29 上午



The editorial cartoon appears weekly in The Economist*. You can see last week's here.*

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Leaders

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$WAMP coins

Crypto has become the ultimate swamp asset

An industry that dreamed of being above politics has become synonymous with self-dealing

5月 15, 2025 06:13 上午



WHEN OFFERED a Boeing 747 by the government of Qatar to replace Air Force One, President Donald Trump responded: why not? Only someone dumb would turn down free money. No presidency has generated so many conflicts of interest at such speed in modern history. Yet the worst self-dealing in American politics is found not on a runway but on blockchains, home to trillions of dollars in cryptocurrencies.

Over the past six months crypto has taken on a new role at the centre of American public life. Several cabinet officials have large investments in digital assets. Crypto enthusiasts help run regulatory agencies. The industry's largest businesses are among the biggest donors to election campaigns, with exchanges and issuers deploying hundreds of millions to defend friendly legislators and to crush their opponents. The president's sons tout their crypto ventures around the world. The biggest investors in Mr Trump's meme coin get to have dinner with the president. The holdings of the first family are now worth billions, making crypto possibly the largest single source of its wealth·.

This is ironic, given crypto's origins. When bitcoin was started in 2009, a utopian, anti-authoritarian movement welcomed it. Crypto's earliest adopters had lofty goals about revolutionising finance and defending individuals against expropriation and inflation. They wanted to hand power to small investors, who would otherwise be at the mercy of giant financial institutions. This was more than an asset: it was technology as liberation.

That is all forgotten now. Crypto has not just facilitated fraud, money-laundering and other flavours of financial crime on a gargantuan scale. The industry has also developed a grubby relationship with the executive branch of America's government that outstrips that of Wall Street or any other industry. Crypto has become the ultimate swamp asset.

The contrast with what is happening outside America is striking. Jurisdictions as varied as the European Union, Japan, Singapore, Switzerland and the United Arab Emirates have managed to give digital assets new regulatory clarity in recent years. They have done so without the same rampant conflicts of interest. In parts of the developing world, where expropriation by governments is rife, inflation is highest and the debasement of currencies is a real risk, crypto still fulfils something like the role that the early idealists once hoped it would.

All this is happening as the underlying technology of digital assets is coming into its own. There is still plenty of speculation. But crypto is slowly being taken more seriously by mainstream financial firms and tech companies. The amount of real-world assets, including private credit, US Treasury bonds and commodities, which have been "tokenised" to be traded on a blockchain has almost tripled over the past 18 months. Vanilla financial institutions like BlackRock and Franklin Templeton are large issuers of tokenised money-market funds. Crypto firms have become involved, offering tokens pegged to assets such as gold.

Perhaps the most promising use is by payments firms. Some are embracing stablecoins (digital tokens backed by other, more conventional assets). In the past month alone, Mastercard has said it will allow customers and merchants to pay and settle transactions in stablecoins. Stripe, a fintech firm, has launched stablecoin financial accounts in 101 countries. Stripe also bought Bridge, a stablecoin platform, this year. Three years after scrapping its Diem project, Meta may dip its toe in the water again.

This is an opportunity that crypto firms risk blowing. Boosters argue that they had no alternative but to fight dirty in America when Joe Biden was in the White House. Under Gary Gensler's leadership, the Securities and Exchange Commission took a dim view of the sector, enmeshing many of its most prominent firms in enforcement actions and legal cases. Banks were scared away from offering services to crypto firms and from dabbling in crypto, especially with stablecoins. In that sense the industry has a point. Clarifying the legal status of crypto through the courts, rather than through Congress, was neither particularly effective, nor always fair. The regulatory pendulum has now swung hard in the opposite direction, and most of the cases against crypto firms have been abandoned.

The result is that crypto needs saving from itself in America. New rules are still needed to ensure that risks are not injected into the financial system. If politicians, scared of the industry's electoral

power, fail to regulate crypto properly, the long-term consequences will be harmful. The danger of putting too few guardrails in place is not just theoretical. Three of the largest banks which collapsed in 2023, Silvergate, Signature and Silicon Valley Bank, all had large exposures to the crypto industry's flighty deposits. Stablecoins can be vulnerable to runs and should be regulated like banks.

Without such changes, the leading lights in crypto land will come to regret the bargains struck in Washington. The industry is largely silent about the florid conflicts of interest generated by the Trump family's crypto investments. Legislation is needed to clarify the status of the industry and the assets, to give the regulatory security the more sensible crypto firms have long hoped for. The blending of the president's commercial interests and the business of government is already making that harder. A crypto bill in the Senate failed to advance on a procedural vote on May 8th after many Democratic senators withdrew their support, along with three Republicans.

Me, me, meme

No industry that becomes so associated with one party can be immune to the mood swings of the American electorate. In hailing Mr Trump as a saviour, and becoming the favoured swamp asset, the industry has picked a side. Crypto has a new role at the policymaking table. But the industry's reputation and fate are now tied to the ups and downs of its political benefactor. Crypto has been good to the Trumps. But ultimately the benefits of this deal will flow only one way. ■

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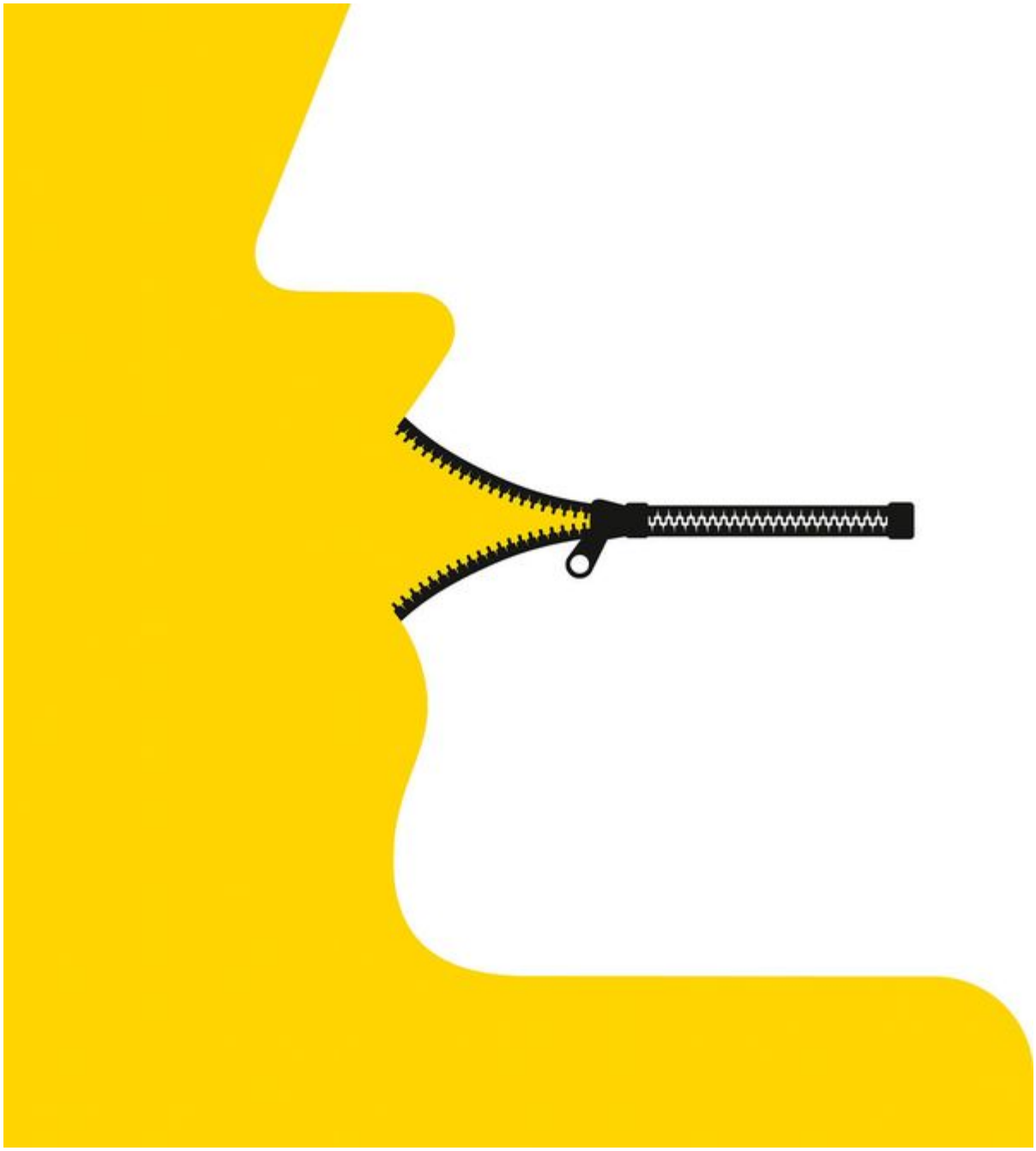
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Say it how it is

Europe’s free-speech problem

J. D. Vance was right

5月 15, 2025 06:34 上午



WHEN AMERICA'S vice-president accuses Europe of failing to protect free speech, the obvious retort is that he is a hypocrite. The White House in which J.D. Vance serves is an energetic foe of speech it dislikes, deporting students for their political views, harassing critical media and bullying universities. But just because he is a hypocrite does not mean he is wrong. Europe really does have a problem with free speech.

That problem is not evenly distributed. By far the worst offender in the European Union is Hungary, where the government has crushed or co-opted most independent news outlets. (Curiously, its pro-MAGA ruling party escapes Mr Vance's barbs.) Other notable offenders include Germany and Britain. Germany's ban on denying the Holocaust is understandable, given its history, but its law against insulting politicians is a travesty. The powerful wield it shamelessly. A former vice-chancellor has pursued hundreds of criminal complaints against citizens, including one who called him an "idiot". Last month a right-wing newspaper editor was given a hefty fine, plus a seven-month suspended jail term, for sharing a meme of a doctored photo showing the interior minister holding a sign reading "I hate freedom of opinion".

All European countries guarantee a right to free expression. However, most also try to limit the harms they fear it may cause. This goes well beyond the kinds of speech that even classical liberals agree should be banned, such as child pornography, leaks of national secrets or the deliberate incitement of physical violence. It often extends to speech that hurts people's feelings or is, in some official's view, false.

- Britain's police are restricting speech in worrying ways·
- Europeans are becoming less free to say what they think·

In some places it is a crime to insult a specific group (the king in Spain; all sorts of people in Germany). In Britain it is a crime to be "grossly offensive" online. Blasphemy laws still exist in more than a dozen European countries. The whole continent criminalises "hate speech", which is hard to define but keeps being stretched to cover new groups. In Finland it is illegal to insult a religion, yet quoting scripture can also be risky: an MP was prosecuted for posting a Bible verse on homosexuality.

Fuzzy logic

Britain's police are especially zealous. Officers spend thousands of hours sifting through potentially offensive posts and arrest 30 people a day. Among those collared were a man who ranted about immigration on Facebook and a couple who criticised their daughter's primary school.

The aim of hate-speech laws is to promote social harmony. Yet there is scant evidence that they work. Suppressing speech with the threat of prosecution appears to foster division. Populists thrive on the idea that people cannot say what they really think, a view now shared by more than 40% of Brits and Germans. The suspicion that the establishment stifles certain perspectives is heightened when media regulators show political bias. France fined a conservative TV channel €100,000 ($112,000) for calling abortion the world's leading cause of death—a commonplace view among pro-lifers, from which the public must apparently be shielded. Online-safety laws that slap big fines on social-media firms for tolerating illegal content have encouraged them to take down plenty that is merely questionable, infuriating those whose posts are suppressed.

Things may get worse. Vaguely drafted laws that give vast discretion to officials are an invitation for abuse. Countries where such abuse is not yet common should learn from the British example. Its crackdown was not planned from above, but arose when police discovered they rather liked the powers speech laws gave them. It is much easier to catch Instagram posters than thieves; the evidence is only a mouse-click away.

When the law forbids giving offence, it also creates an incentive for people to claim to be offended, thereby using the police to silence a critic or settle a score with a neighbour. When some groups are protected by hate-speech laws but not others, the others have an incentive to demand protection, too. Thus, the effort to stamp out hurtful words can create a "taboo ratchet", with more and more areas deemed off-limits. Before long, this hampers public debate. It is hard to have an open, frank exchange about immigration, say, if

one side fears that expressing its views will invite a visit from the police.

Because this point is made stridently by the populist right, many European liberals have grown queasy about defending free speech. This is foolish. Not only because laws that can be used to gag one side can also be used to gag the other, as can be seen in draconian responses to Gaza protests in Germany. But also because believing in free speech means defending speech you don't like. If democracies fail to do that, they lose credibility, to the benefit of autocracies such as China and Russia, which are waging a global struggle for soft power·.

What, practically, should Europeans do? They should start by returning to the old liberal ideas that noisy disagreement is better than enforced silence and that people should tolerate one another's views. Societies have many ways of promoting civility that do not involve handcuffs, from social norms to company HR rules. Criminal penalties should be as rare as they are under America's First Amendment. Libel should be a civil matter, with extra safeguards for criticism of the mighty. Stalking and incitement to violence should still be crimes, but "hate speech" is such a fuzzy concept that it should be scrapped.

Privately owned digital platforms will have different content-moderation policies. Some will be stricter than others; users are free to choose the platform they prefer. Legally, online speech should be treated the same as offline speech. Though there are obvious differences, such as the possibility of going viral, police should generally stay out of private chats. Clearer, less sweeping laws would help all platforms to focus on removing genuine threats and harassment.

Europeans are free to say what they like about Mr Vance. But they should not ignore his warning. When states have too many powers over speech, sooner or later they will use them. ■

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A ceasefire, not peace

Stop-gap deals do not mean Donald Trump’s trade war is over

Barriers between America and China are still far too high. So is uncertainty

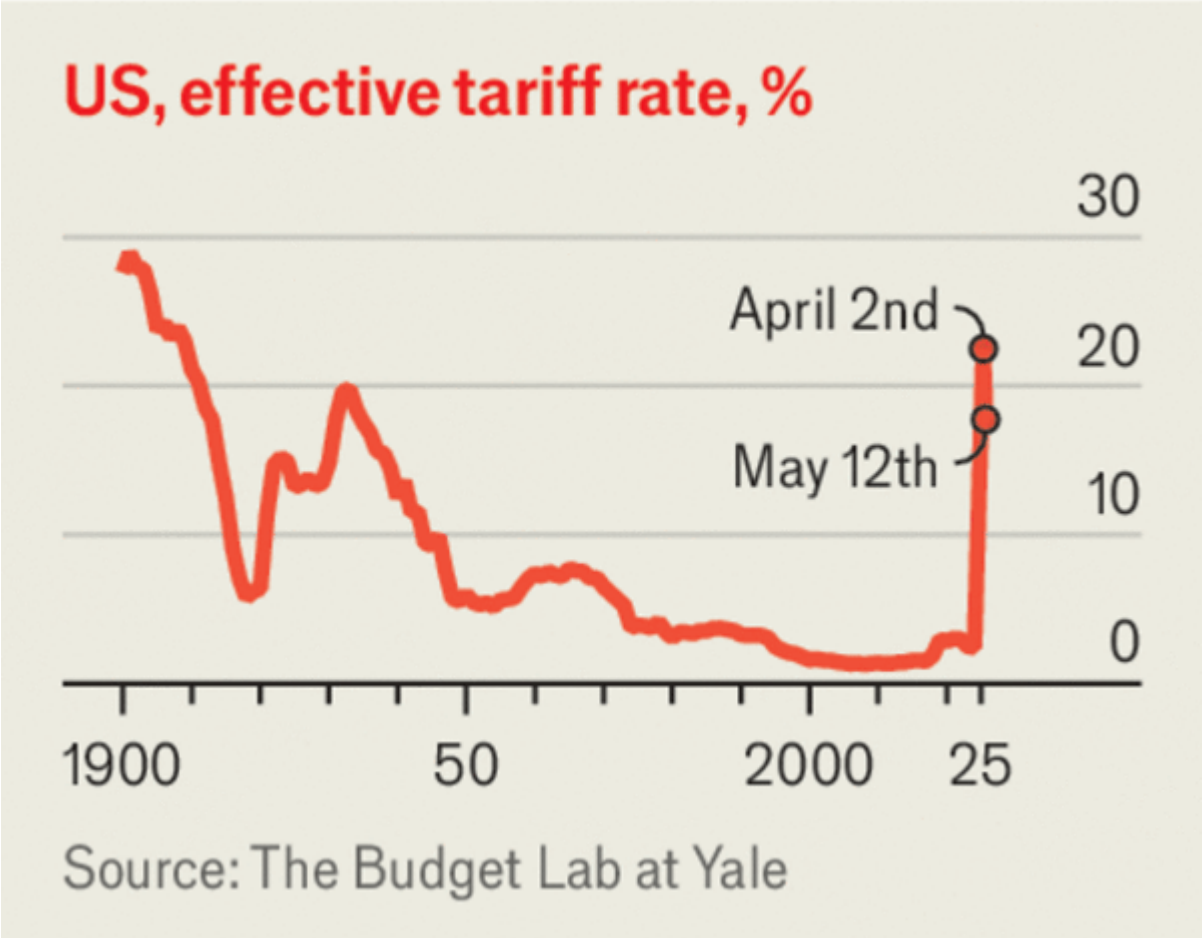
5月 15, 2025 06:13 上午



FOR WEEKS what was in effect an embargo between America and China had the world economy teetering on the brink. Now a headlong plunge has been postponed. On May 11th the two countries agreed to slash tariffs on each other· for 90 days while they talked further. Investors are rejoicing. Those who see Donald

Trump's tariffs as mere preludes to deals are jubilant; the president's more level-headed advisers appear to have muscled out the cranks.

Do not mistake the reversal of folly for the triumph of sanity, though. Trade policy between the world's two largest economies is more restrictive and less predictable than it was before Mr Trump took office. A crash has been averted, but the world will keep paying for the president's protectionism.



Like other countries, China is still subject to a 10% universal tariff. It must also pay a 20% charge Mr Trump says he has applied to punish China for producing fentanyl. Low-value items posted directly from China to American consumers used to attract no levies; today they incur a 54% duty or $100 flat charge. There are also tariffs on steel, aluminium, cars and parts; more may soon come for

pharmaceuticals, critical minerals and semiconductors. Moreover, America is trying to persuade other countries to trade less with China·.

It is hardly a return to the status quo. After adjusting for substitution away from foreign goods, America's overall tariff rate will be 15-20%, about five times its level in January and the highest since the 1930s. One rule of thumb suggests that the combined 30% tariff on China is enough to reduce long-run trade by about two-fifths. America's economy is big and diversified, and so can withstand high tariffs better than most. Nonetheless, the hit will probably roughly halve its economic growth this year, and inflation will rise. China will take a smaller hit to growth, but its economy was already struggling.

As important as the direct effect of the tariffs is the harm from the lingering uncertainty. Shipping companies talk of making best use of a 90-day window during which trade policy towards China is predictable. Anything short of clarity inhibits investment in foreign supply chains and domestic factories alike, because companies need to know what tariffs they and their competitors will face.

What happens next? The rosiest scenario is that America and China will strike a cosmetic deal, and then call off hostilities altogether. In his first term Mr Trump renegotiated NAFTA, a long-standing trade deal with Mexico and Canada, to much fanfare—but ended up with close to a carbon copy. He also struck the so-called "phase one" deal with China, as part of which the country promised to buy more American exports. Disregard the lowering of trade barriers that Mr Trump himself yanked up and the recent, much-ballyhooed "deal" with Britain is little more than scribbling in the margins.

The hope that trade wars fizzle out as agreements are struck is precisely what made investors sanguine about Mr Trump's second term. The trouble is that he still has three and a half years left in the White House, a genuine belief in tariffs as a tool of reindustrialisation, and a horror of America's trade deficit which will

continue to provoke him. The trade deficit may well widen, considering that Republicans in Congress plan vastly to increase government borrowing, which tends to suck in imports.

Mr Trump is a man who believes in keeping his options open and reneges on deals he himself has struck. China, too, failed to deliver what it pledged in the phase-one deal. Both sides may reasonably doubt the seriousness of the other. As long as Mr Trump is in the White House, another conflagration cannot be ruled out. ■

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American diplomacy

Is Donald Trump a good dealmaker?

Amid a flurry of moves, the president is turning America into the world's broker, not its underwriter

5月 15, 2025 06:13 上午



DONALD TRUMP wants to use his second term to revolutionise America and its relationship with the world. He is engaged in an astonishingly wide range of international crises and negotiations, in Europe, Asia and the Middle East. It is perhaps the most intense bout of White House diplomacy for a generation. So it offers clues as to whether Mr Trump is as skilled a dealmaker as he says. The answer so far is that he is good at catalysing negotiations, but bad at closing them.

You cannot deny his ambition and energy. On May 6th he cut a deal with the Houthis. On May 10th he claimed credit for a ceasefire between India and Pakistan. A day later his envoy met Iranian officials to discuss a possible nuclear deal. On May 12th America and China declared a trade truce. Mr Trump is now in the Gulf, where he said he would lift sanctions on Syria and has met its leader, Ahmed al-Sharaa, re-establishing relations after 25 years. Gaza is on the agenda. He has pushed Russia and Ukraine to meet for talks this week in Istanbul.

From the Bosphorus to the Brahmaputra, Mr Trump's impulse is to shake up what he sees as ossified orthodoxies. He has deployed force, bombing 1,000 Houthi targets. More often he makes threats, hinting he may strike Iran, sell out Ukraine and further weaken NATO. Sometimes he neglects conflicts America used to mediate, allowing them to escalate. He may let Israel smash up Gaza again and left India and Pakistan to duke it out until Pakistan hinted at using nuclear weapons on May 10th. His 145% tariffs on China caused a trade shock, a Wall Street slump and a mini-run on the dollar.

Wild escalation is often followed by reconciliation. Mr Trump pivots to sup with enemies, bring adversaries together and somehow find common interests, often via business deals and a shared desire for investment·. On April 30th he struck a minerals agreement with Ukraine. His Gulf tour is being oiled by huge promised transactions on warplanes, artificial intelligence and more. "Let's not trade nuclear missiles, let's trade," he told India and Pakistan.

The president's pragmatism can deliver results. Helping Syria's government avoid an economic collapse is the right call·, as we have long argued. The Middle East hungers for growth, a fact he harnessed to secure the Abraham accords between Israel and various Arab states in his first term. NATO's shocked members are raising defence spending. Stockmarket investors are now buying into his escalate-then-mediate logic. Remarkably, the S&P 500 index has

more than recouped its losses since his "liberation day" tariff-bomb exploded on April 2nd.

The problem is that after stoking crises, Mr Trump seldom succeeds in solving them. The deals he has notched up are narrow. His truce with China covers tariffs on goods but the trade war encompasses a far larger range of issues. A trade deal with Britain on May 8th was similarly thin. Details of the Houthi truce are murky, but it may cover only American ships, which account for a tiny share of container traffic heading through Houthi-menaced waters to the Suez canal. The Iran talks reportedly address nuclear enrichment but not missile technology or Iran's support for militias abroad. So they appear no more expansive than the Obama-era deal that Mr Trump scrapped in 2018. Any lasting peace in Ukraine would require muscular deterrence of Russia for years to come; Mr Trump ignores this obvious truth.

His deals may also prove transient, because fundamental disagreements are unresolved. He is often willing to broker talks, rarely to act as a guarantor or enforcer. The Gaza truce reached in January, in part thanks to Mr Trump's envoy, Steve Witkoff, lasted only 58 days. The Houthis carried on launching missile attacks on Israel. The China truce is for 90 days. The US-Ukraine proposal to Russia is for a 30-day ceasefire.

Mr Trump's clumsy negotiating: is storing up trouble ahead. By bowing too easily to Pakistan's demands after its nuclear sabre-rattling and ignoring its tolerance of terrorism, America has created an incentive for India to strike harder and faster next time. After backing down on his trade war, Mr Trump mumbled about an opportunity for "unification" with China, a remark the administration hastily retracted but which spooked Taiwan.

Mr Trump's limits as a dealmaker have long-term consequences. One is to embed a risk premium into economic decision-making, discouraging investment. Stockmarkets have bounced back but the

dollar has not, as investors worry about America's reliability. The shipping market expects a temporary reprieve on China-US trade and more disruption of the Suez canal, not a return to normal.

Those same doubts affect diplomacy. The world leaders who flatter Mr Trump in public are quietly making plans to be let down by him. His tactic of "escalate, then negotiate" will have diminishing returns as other countries conclude America is bluffing. Some of his dealmaking will succeed, but at the expense of fomenting broad and long-lasting instability. America and the world deserve a better deal than that.■

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Claudia Sheinbaum’s folly

Mexico’s government is throttling the rule of law

Elected judges will be bad for governance and good for gangs

5月 15, 2025 03:30 上午



ON THE FACE of it, Claudia Sheinbaum has had a fine year. She won a landslide victory in June 2024, took office as Mexico’s president in October and has enjoyed sky-high approval ratings ever since. She has won praise for deftly handling Donald Trump’s trade belligerence. Her security policies, which stress better intelligence and detective work, are an improvement on those of her predecessor and mentor, Andrés Manuel López Obrador.

But Ms Sheinbaum is about to enact Mr López Obrador's worst and most dangerous idea: a sweeping, populist reform of Mexico's justice system that will undermine the rule of law, poisoning Mexico's economic prospects and weakening its young democracy. On June 1st Mexicans will vote in the first of two rounds of elections to replace the judiciary from top to bottom. Every judge in the country will be chosen by popular vote, from lowly local magistrates to those who sit on the Supreme Court and powerful electoral tribunals. The old system of exams, nominations and appointments has been scrapped.

Only a handful of democracies (such as the United States) elect any judges at all. Mexico will be the only one to elect all of them. This is a terrible idea. Judges are supposed to uphold the law impartially. Answering to voters makes them more likely to uphold only popular laws. Judges are supposed to be experts in the law. Mexico's new vetting process requires only a law degree, adequate grades and a willingness to submit to the new system. Many current judges are not standing, thus ceding the bench to novices and partisans. Decades of institutional knowledge and legal clarity are being tossed on a scrapheap.

Voting will politicise the courts, bringing the neutrality of their judgments into question. It will also make the courts a less effective restraint on politicians. This is particularly dangerous in Mexico, where Morena, the ruling party founded by Mr López Obrador in 2011, has become the supreme political force. Having first won power in 2018, Morena and its allies have majorities in both chambers of Congress. It controls most state legislatures. It has systematically dismantled checks and balances, weakening or eliminating most of the independent regulators in Mexico. Increasingly, Morena looks like the Institutional Revolutionary Party, which ruled Mexico virtually unopposed for seven decades until 2000. The courts were the biggest remaining curb on Morena's power, striking down several of its flagship policies in recent years. No longer.

The gift of the gavel

Making matters worse, Morena has sway over the process for electing judges. It controlled two of the three committees for vetting judicial candidates. Turnout is expected to be low, meaning the voters who show up are likely to be those mobilised by the party. This all but ensures that Morena's favourites will be elected. A new disciplinary tribunal, also to be elected from the same Morena-friendly lists, will help the party keep the new judges in line.

The new system will not only hasten Mexico's slide back towards de facto single-party rule. It is also a gift to gangsters, who already threaten and kill unco-operative judges. Judicial elections will give drug lords an easier way to influence the courts, by deciding who can run in towns where they are strong, and by getting out the vote. They are probably fielding their own candidates, as they already do in local elections.

The rule of law is essential for democracy. It also underpins prosperity. Private firms will not build factories in Mexico if they believe the courts will not enforce their rights. Investment is already falling. What's more, the elected judiciary may well constitute a breach of Mexico's free-trade agreement with the United States and Canada. That deepens the peril for Mexico's export-led economy, already under assault by Mr Trump.

Ms Sheinbaum has shown no inclination to change course: she pushed through the implementing legislation in October. Improving the process for the second round of judicial elections due in 2027 would be mere tinkering. She once had a reputation for pragmatism. She may be remembered as the leader who dismembered the rule of law in Mexico. ■

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Beware the business bots

How to handle the AI manager. Advice from our new podcast

For tips on good management, listen to the latest season of "Boss Class"

5月 15, 2025 06:13 上午



ARTIFICIAL INTELLIGENCE ought to improve a manager's lot. Administrative tasks and grunt work take up almost a full working day of a middle manager's week, according to a survey by McKinsey. Anything that cuts down on the drudgery of fielding holiday requests and writing up meeting minutes is welcome. Tools that make it

easier to match employees to internal job opportunities, or help plug skills gaps, ought to help firms and workers.

But as ever with AI, it's as easy to imagine things going awry. Perhaps one day the job of a manager will become more about supervising AI agents. For now, however, people matter. And if the technology is seen only as a way to cut managers, or encourages humans to indulge their worst instincts, the workplace will suffer. Turning bad bosses into good ones will need more fundamental problems to be addressed.

First, the risk of over-aggressive cost-cutting. Layers of bureaucracy can accrete even in the most successful companies. Andy Jassy, the boss of Amazon, is among those trying to get rid of middle managers who "want to put their fingerprint on everything". Microsoft is targeting managerial bloat, too. AI smooths the path to such lay-offs, many of which are warranted.

But good middle managers are the unsung heroes of many organisations. They bring down quit rates among front-line employees. They are closer to the customer than C-suite types. They act like ribosomes, translating the plans of the higher-ups into something real. The risks of full-blown automation have already become apparent. Klarna, a fintech company, now says that lower costs weighed too heavily in its rush towards AI customer-service assistants. The same danger applies to bosses. You can have too many; you can also have too few.

The second risk is that AI encourages people to behave in perverse ways. Machines could substitute for human attention, rather than enabling more of it. Research shows that more one-on-one time with a manager helps reduce employee turnover. But if an AI can feed bosses the latest employee-sentiment scores, they may spend less time actually talking to workers. If your manager starts emailing you back faster than usual but the message ends with a cut-and-paste

"would you like me to write this in a chattier style?", will you feel more motivated?

Moreover, as more things are measured, they invariably turn into targets. An AI that measures how often individuals pipe up in meetings may prompt bosses to encourage quieter sorts to give their views. Maybe. It may also incentivise even more people to ramble on when they have nothing of value to say.

The third risk of AI is that it distracts from tackling deeper problems. The best way to raise the quality of bosses is to make sure that people want to do the job in the first place, and are given the resources to perform well. In Britain four out of five new managers receive no formal training. Far too many bosses still take on the responsibility of direct reports because they are good at other things. Better sales performance increases the likelihood of American salespeople being promoted, for example, but is also associated with worse performance among their new underlings.

AI does have huge potential to improve management. But as the latest season of Boss Class, our subscriber-only podcast on how to be a good manager, makes clear, the job of leaders is to blend efficiency and humanity. Innovation· depends on planning and creativity: Lego gives its designers room to let imaginations roam but within the constraints of launch calendars and supply chains. Culture is the secret sauce of many organisations: a Toyota plant is not just a car factory but also a belief system. Lime's boss credits both prioritisation and a sense of mission with getting the e-bike firm through the pandemic. Management can be learned. But it cannot all be codified. ■

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Letters

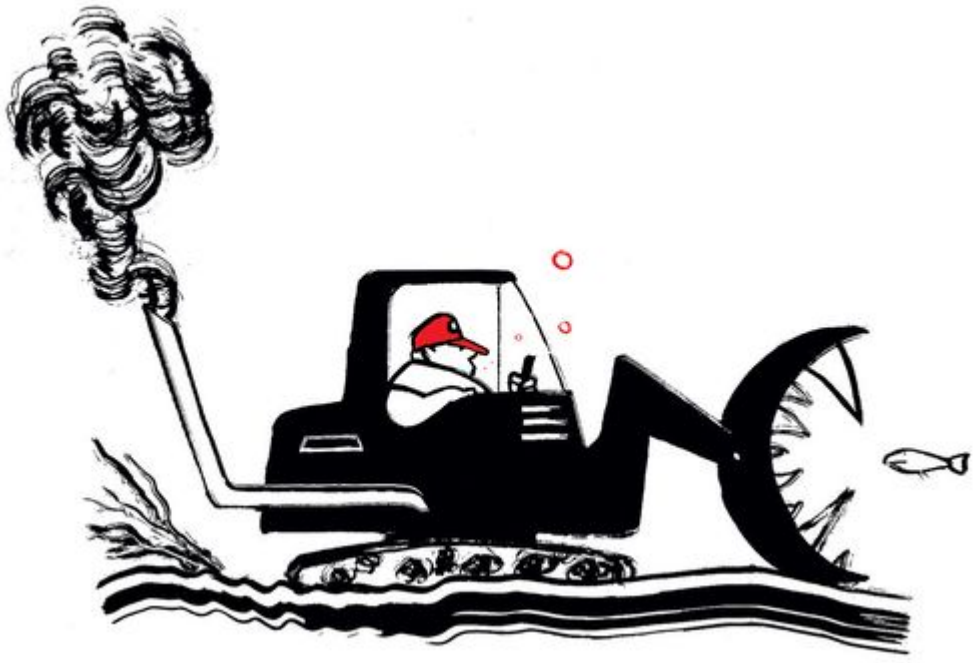
- **The problems with deep-sea mining**
  A selection of correspondence :: Also this week, Ivory Coast, China and Taiwan, positive reporting, alcohol

A selection of correspondence

The problems with deep-sea mining

Also this week, Ivory Coast, China and Taiwan, positive reporting, alcohol

5月 15, 2025 03:29 上午



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Diving into the dark

Where are the data to validate your assertion that deep-sea mining will be better for the environment than mining on land ("Race to the bottom", May 3rd)? Large-scale land-based mining produces millions

of tonnes of waste in the form of tailings and rock-waste dumps. Potential metal leaching and acidic rock drainage are other uncomfortable by-products of land-based mining. But we know about those issues, which can be monitored and regulated accordingly.

Mining activities must address closure and post-closure scenarios, all of which carry significant financial liabilities when properly regulated. And yet these are never addressed when discussing deep-sea mining. Do we truly want to trade a known environmental issue for an unknown one? It will take another 20-30 years before we may have sufficient data to understand the impact of large-scale deep-sea mining. Moreover, it would not stop unregulated mining for cobalt in Congo. Indeed, if deep-sea mining were to cause metal prices to fall it would only increase demand for more unregulated land-based mining. Hence, a bigger indirect environmental impact.

Maybe we should start acknowledging the problem of needing more metals to make bigger batteries for our ever-larger vehicles.

Dr Davide Elmo
Professor of rock engineering
University of British Columbia
Vancouver

Donald Trump's executive order sponsoring deep-sea mining in international waters runs contrary to international law. This is because it bypasses the common understanding that no country has the right to unilaterally exploit the mineral resources of the seabed outside the legal framework established by the UN Convention of the Law of the Sea. It is a common understanding that this prohibition is binding on all countries, including those like America, that have not ratified the convention.

Andy Whitmore
Stevenage, Hertfordshire

Ivory Coast responds

Regarding your assertion that Ivory Coast will hold an unfair election ("Back to the bad old days?", May 3rd), a robust democracy requires a robust opposition. It is a matter of fact that one opposition party has selected a candidate who led the country into civil war. Laurent Gbagbo is ineligible because of his criminal conviction in Ivory Coast. Another opposition party opted to select a candidate, Tidjane Thiam, who was a French citizen, despite knowing that this was against the law. A court has determined that Mr Thiam is not eligible because he was a French citizen when he registered with the electoral authorities.

We have seen the terrible cost that ordinary people bear when ambitious politicians insist on their rights while abandoning their responsibilities to uphold due process. Democracy is a process, not an event. The lesson for responsible political parties in Ivory Coast is as clear as it is everywhere else in the world: don't pick candidates who are not eligible or fit to contest elections. The lesson for the media is not to accept their hubris and delusion.

As you note, there have been "years of progress in one of the region's most impressive economies." Every indicator of national well-being since the end of the civil war in 2011 has improved significantly. The institutions of Ivory Coast have been rebuilt and our agency as a regional power and international partner has been restored.

The process of national revival is down to the hard work of the Ivorian people and the enabling environment of peace and the rule of law under President Alassane Ouattara. The process of recovery has been long and difficult but sure. Ivory Coast has put itself back together. Genuine opposition voices know this, and should be prepared to come out to argue on the issues, to build our democracy rather than abusing a position of leadership to distort and dilute the challenges we face.

Amadou Coulibaly
Minister for communication
Abidjan

China tries to isolate Taiwan

The idea that China might "quarantine" Taiwan rather than launch a full-scale invasion ("A darker shade of grey zone", May 3rd) is a reflection of the failure of Russian naval power in the Ukraine war. Neither a seaborne invasion nor a traditional blockade is likely to succeed in reincorporating Taiwan. But a quarantine lacks any definition in international law. It is, to use an Australianism, the blockade you have when you are not having a blockade.

The term was used by John F. Kennedy in the Cuban missile crisis of October 1962 as a tool of de-escalation. Kennedy wished to prevent the transfer of missiles to Cuba without provoking a nuclear war. Hence, he wanted to avoid declaring a blockade, which is a well-defined act of war. The Soviets, also wishing to avoid nuclear war, did not break the quarantine, and did not challenge Kennedy's characterisation of it.

This history makes it clear that the term "quarantine" is a legal fiction, dependent on the assent of both parties. There is no reason for Taiwan to take such a fiction seriously. Rather, any purported quarantine is, in reality, a blockade, and therefore an act of war. The only effect of using this terminology, rather than openly declaring a blockade, is to hand the initiative to Taiwan, which can choose whether and how to respond militarily.

John Quiggin
Professor of economics
University of Queensland
Brisbane

You made a strong case for firming up deterrence before China tests American resolve. But pushing for greater strategic clarity risks collapsing the very ambiguity that has preserved peace for nearly half a century. For both Washington and Beijing, calibrated vagueness has allowed political red lines to coexist with strategic restraint.

It is true that domestic divisions in America may weaken deterrence. But more than inconsistency in posture, it is inconsistency in policy that should give allies, and adversaries, pause. A clearer commitment from America may not reassure if it cannot be sustained across electoral cycles or administrations. Clarity without reliability may embolden, not deter.

A more durable peace may lie not just in arming Taiwan or hardening pledges, but in restoring long-term credibility: bipartisan alignment, consistent regional diplomacy, and a quiet emphasis on economic and civil resilience. In this volatile moment, steadiness may matter more than sharpness.

Frank Liu
Associate professor
University of Western Australia
Perth

Buying fakes

There is a deep structural issue to the problems of the luxury industry ("Bags of money", April 12th) that it is reluctant to acknowledge: the dupe economy. A McKinsey study noted that a third of American consumers have bought a low-cost imitation of a luxury product. Research from Ghost Data reveals that 15.5% of Instagram content on fashion brands is posted by counterfeiters. Chinese factories use TikTok to market luxury dupes directly to consumers. Consumers can no longer reliably distinguish quality from imitation.

Some companies are fighting back. Lululemon offered a "dupe swap". Hermès doubles down on craftsmanship and scarcity. Fendi and Gucci are expanding resale services. If luxury brands wish to preserve exclusivity they should seek to control the second-hand market. After all, in an era of fleeting trends and algorithmic mimicry, the ultimate luxury is knowing what's real.

Alexander Booth
London



Editorial suggestions

My name is Maya and I am in the fifth grade at school. I have been reading *The Economist* since I was in the third grade. My mother reads it and leaves it on the dinner table. I find your pictures and illustrations intriguing. I enjoy the obituaries and the bits that are provocative. I very much enjoy reading *The Economist*, but sometimes I find the news is a bit too gory or depressing. I think you should add a Good News Section. In this section, you might add something about a species being saved from the brink of extinction, someone's big plan going smoothly or other things that I am sure

you can figure out. Maybe an article about an interesting fun fact, or about how something works. If you cannot find any good news, maybe you could make some puzzles or draw some pictures or comics.

Maya S
San Francisco

The costs of alcohol

"Sobriety is taking over the world", you said, but economists should like booze and teetotallers are "free-riders" who benefit from the "joviality of hard-working drinkers" (Free exchange, May 3rd). Perhaps we ought to refund teetotallers for their contributions to tax and insurance premiums that are spent treating alcohol-related illness, funding treatment programmes and repairing damaged cars, not to mention the costs of policing alcoholic "joviality". I'm sure sober customers at restaurants would happily pay more to be rid of the loud, boorish and inane conversation at the neighbouring table of six who are on their eighth bottle of claret.

And alcohol to help overcome "adolescent loneliness"? Setting aside the effects of alcohol on adolescent brains, society would be better served by addressing the isolation and angst associated with social media rather than medicating these mental-health issues with a cocktail. If you need to drink before chatting up (or bedding) the one you fancy then you're probably not adult enough for a real relationship.

Steve Jobs and Larry Ellison didn't require alcohol to come up with new ideas. I've participated in a sample of drinks-fuelled discussions. No cures for cancer were found.

Adrien McKenzie
London

As economists routinely do, you ignored the externalities of alcohol. Many tens of thousands are killed and even more seriously injured every year by drunk drivers. I am no teetotaler, but alcohol is a dangerous drug and it is irresponsible of *The Economist* to extol its virtues while blithely ignoring the harm it does. Like advertisements from the alcohol industry you call for responsible drinking. However, many, many people will not stop after a couple of drinks, and the ad industry thrives on those people.

Joshua DeVries
Austin, Texas

It was most refreshing to read, cocktail in hand or not, your column about the generosities afforded by booze. As with all things, one must weigh the trade-offs. Just as smoking bans reshaped a bohemian culture that once inspired minds from Van Gogh to Camus, today's teetotaler crusade carries its own repercussions. So I salute you, *The Economist*, for standing your ground and offering a fuller and less puritanical view of our changing habits.

Pablo Izurieta
Philadelphia

I take issue with your conclusion that "it is best not to mess around with traditions too much. Gin from the freezer, good vermouth, and a twist." I prefer to follow Noel Coward's guide for a perfect Martini: "Filling a glass with gin, then waving it in the general direction of Italy."

Gareth Harper
Rickmansworth, Hertfordshire

An important benefit that every drinker should be aware of is encapsulated in this somewhat apocryphal quote: We might never know how utterly charming, brilliant and entertaining we are, were it not for martinis.

Sunny Mahajan

Jackson, Tennessee

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By Invitation

- **Lifting sanctions will catalyse Syria’s recovery, says its central-bank governor**
  Syria unshackled :: But the country must also modernise monetary policy, rewire banking and reconnect with global markets, argues Abdulkader Husrieh
- **Tanvi Madan on the geopolitical shifts revealed by the India-Pakistan crisis**
  South Asian mutation :: Russia is less visible, the Gulf more so, and America and China are rethinking their traditional roles

Syria unshackled

Lifting sanctions will catalyse Syria’s recovery, says its central-bank governor

But the country must also modernise monetary policy, rewire banking and reconnect with global markets, argues Abdulkader Husrieh

5月 15, 2025 03:29 上午



AS WELL AS the enormous human suffering, Syria’s conflict has exacted an extremely heavy economic toll—wrecking infrastructure, hollowing out institutions and isolating the country from global capital markets. Yet amid devastation, a new opportunity is emerging: to rebuild the economy on sounder foundations, freed

from the shackles of crippling international sanctions. That begins with monetary and financial stabilisation.

The Central Bank of Syria is navigating one of the most difficult policy environments in the world. Sanctions have severely restricted its access to international finance, impairing its ability to stabilise the currency, manage reserves or finance imports. Though these sanctions were initially imposed to apply pressure to the regime of Bashar al-Assad—which ultimately collapsed last December—they continue to obstruct efforts to reform economic institutions and restore basic financial functions.

This paralysis has exacerbated hardship for ordinary Syrians, stymieing economic activity, driving inflation, eroding livelihoods and obstructing aid delivery. The Syrian economy has shrunk by more than 60% since the start of the civil war in 2011. Unemployment is over 24%. More than 80% of the population lives below the poverty line, and over half of Syria's 24m people face food insecurity, according to the UN's World Food Programme. To cap it all, an estimated half of Syria's infrastructure has been destroyed.

The impact of this economic pain and instability, and Syria's financial isolation, goes far beyond the country's borders. The central bank's isolation undermines broader regional financial stability, particularly as neighbouring economies contend with the spillover effects of Syria's prolonged crisis.

President Donald Trump's announcement this week that his administration will lift its sanctions on Syria marks a turning point. This decision opens the door for renewed engagement, economic recovery and Syria's reconnection to the global financial system. However, it remains to be seen how it will be implemented within the American legal system and by international financial institutions, which will play an important role in determining the scope and effectiveness of this policy shift.

The mandate of Syria's central bank should now not simply be to preserve monetary stability, but to restore trust—among citizens, savers, investors and the international community. That means doing three things in parallel.

The first is to modernise monetary policy. Syria's monetary framework must move from ad hoc interventionism to rules-based, transparent policy. We are preparing to introduce inflation-targeting over the next three years, supported by better data, clearer communications and greater central-bank independence. In the interim, a credible nominal anchor—a peg that determines the value of money—and disciplined liquidity management are essential to managing expectations and stabilising prices.

A critical part of this reform process is exchange-rate unification—the convergence of the official and black-market rates, long avoided due to worries about instability. In the past the black-market rate was the significantly higher of the two, creating economic distortions; recently it has been below the official rate. Unifying these rates is essential for creating a transparent, properly functioning foreign-exchange market. However, this must be done carefully to avoid stoking inflation and destabilising the economy.

The second task is to rebuild the financial system. This will involve transforming Syria's banks from institutions focused mainly on safeguarding deposits into dynamic lenders and investors, supporting reconstruction and development. That will require policies that encourage banks' participation in long-term investments, including infrastructure projects, and more financing for private-sector growth. To enable this, capital adequacy, asset quality and governance standards must be improved, particularly in public-sector banks. We are revising prudential regulations in alignment with Basel principles—the international standard—and working to strengthen the main markets regulator.

We will welcome regional and international financial institutions willing to partner responsibly in recapitalising and modernising the sector. A number of regional banks from Saudi Arabia, Turkey and the United Arab Emirates have expressed interest in investing once sanctions are lifted. We expect more to do so in the wake of Mr Trump's announcement.

The final task is to integrate Syria's economy into the global financial system. Domestic resources will never be sufficient to fund reconstruction. We will need external capital, both public and private. That demands credibility: transparency in public finance, clear legal protections for investors and strong antimoney-laundering safeguards.

Diaspora Syrians, many of whom are investors and entrepreneurs, have a vital role to play. We are exploring vehicles and instruments, from infrastructure bonds to investment funds, that would allow Syrians abroad to contribute to their homeland's recovery without political risk or bureaucratic friction.

We recognise that Syria cannot do this alone. We will engage multilaterally, drawing on the expertise of the IMF, the World Bank and Arab financial institutions, not simply for funding, but for capacity-building and policy design. The recent decision by regional partners to clear Syria's arrears to the World Bank is a welcome vote of confidence.

Syria's future will be shaped not only by the absence of conflict, but by the presence of sound institutions. A central bank that is credible, capable and transparent is one such institution. We intend to make it a cornerstone of recovery. ■

Abdulkader Husrieh is the governor of the Central Bank of Syria.

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South Asian mutation

Tanvi Madan on the geopolitical shifts revealed by the India-Pakistan crisis

Russia is less visible, the Gulf more so, and America and China are rethinking their traditional roles

5月 15, 2025 03:30 上午



LAST WEEK, in the midst of the India-Pakistan crisis, J.D. Vance, America's vice-president, noted: "We're not going to get involved in the middle of [a] war that's fundamentally none of our business." A few days later, however, as tensions escalated, so did American involvement, which helped lead to a ceasefire on May 10th. The Trump administration discovered what its predecessors and other

countries have: they might not want to get involved in India-Pakistan crises, but such crises inevitably involve them.

Hostilities between India and Pakistan have never just been bilateral. America, China and others have closely watched and often been involved in their wars and lesser spikes in tensions. This was true even before the two South Asian countries became declared nuclear powers in 1998, but that turning-point only heightened the stakes and intensified international interest.

Third countries have played various roles, including as diplomatic partners, military suppliers and crisis managers. What has changed over time is the cast of international characters and the nature of their involvement. That has generally reflected the geopolitical context, and the countries' relationships with India and Pakistan.

That has been true in this crisis, too. American experience with terrorism and its interest in India as a strategic and economic partner meant quick American condemnation of the April 22nd terrorist attack against Indians that sparked the crisis. America did call for de-escalation, but Mr Vance subsequently suggested that the Trump administration expected an Indian military response and just hoped it was calibrated. And there was no criticism from America after the initial Indian strike across the border on May 7th. But, in a departure from American management of previous India-Pakistan crises in 2016 and 2019, Donald Trump bowled a googly—pre-emptively announcing a ceasefire and offering to mediate—that threw India off.

China, on the other hand, moved to support Pakistan, a long-standing partner. It did condemn the terrorist attack in Kashmir. However, its call for a "fair and just" investigation will have pleased Pakistan; India has rejected the idea of an international probe. China was also one of only a few countries to criticise India's military strike, terming it "regrettable". But whether to prevent regional instability, to protect its citizens in Pakistan or to preserve its effort

to stabilise relations with India, China called on Pakistan, too, to show restraint.

The influence of Sino-American competition should not be overstated—India and Pakistan made their own choices—but it has affected their involvement. On the strategic level, American support for India has been driven in no small part by the idea that India can serve as a geopolitical counterbalance and economic alternative to China. The partnership between China and Pakistan has always been about balancing India, but that goal has become even more important as China's own competitions with America and India have grown and their ties have deepened. These partnerships—and the competitive context—also help explain China's backing of Pakistan over the crisis at the UN Security Council in late April, while America (and France) reportedly supported India. They have also resulted in America and China contributing to the arsenals of the antagonists.

Other countries are also involved as defence suppliers. India uses several Soviet/Russian platforms, though in recent years Russia's share of Indian defence imports has fallen. France, Israel and America all now supply, transfer defence technology to or co-produce with India. China remains Pakistan's biggest supplier, though Pakistan's air force does have some American F-16s. This crisis also showed that Turkey has become an important partner for Pakistan, particularly as a supplier of drones.

Last week's flare-up has elicited international interest of another kind, because of its role as a testing ground. It saw Chinese and Western weaponry and systems used against each other (or against indigenous Indian platforms). Officials in Beijing and Western capitals will doubtless be closely analysing their performance, and the lessons that can be applied should they have to face off against each other.

Despite the competitive atmosphere, however, both America and China shared an interest in de-escalating the crisis. China's desire for

a ceasefire was clear as the situation deteriorated. America's efforts included conveying messages and presenting an off-ramp while also, probably, using leverage.

Over time, though, America's ability to pressure India, for instance through sanctions, has waned as India's power, its partnerships with others and its strategic usefulness to America have grown. So instead America has used promises—for example, of counter-terrorism co-operation. As for Pakistan, it is not clear if the Trump administration used carrots or sticks, or whether its moves were co-ordinated with China, as was the case during India-Pakistan crises before Sino-American competition intensified.

It was clear that America co-ordinated de-escalation efforts with a traditional player in this space—Britain—as well as a newer one, Saudi Arabia. The latter and the United Arab Emirates have been involved in recent India-Pakistan crisis-management efforts. This is a result of both their growing power and ambitions, and the fact that they now combine leverage with Pakistan with deepening ties with India. The role of Russia, by contrast, appears to be decreasing; it was noticeably less full-throated in its support for India than it has been in past crises.

One thing that has not changed is how India and Pakistan perceive such efforts. India dislikes third-party intervention (though it is always happy to see America put pressure on Pakistan). And it will not be thrilled with Mr Trump's intervention. His mediation offer, his apparent susceptibility to Pakistan's nuclear sabre-rattling and the perception that he is equating India and Pakistan will not go down well in Delhi, where it is sure to fire up sceptics of America.

Pakistan, on the other hand, has always sought such mediation. But its current pleasure at Mr Trump's offer might be short-lived as the president's attention turns to other issues, and India's greater strategic and economic utility for America comes to the fore again. ■

Tanvi Madan is a senior fellow in the foreign-policy programme at the Brookings Institution and the host of the Global India podcast.

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Briefing

- **The crypto industry is suddenly at the heart of American politics**
  Cryptocracy :: Thank the Trump family's investments, friendly regulators and lavish election spending

Cryptocracy

The crypto industry is suddenly at the heart of American politics

Thank the Trump family's investments, friendly regulators and lavish election spending

5月 15, 2025 03:29 上午 | New York



IN LATE APRIL Fr8Tech, a logistics firm based in Texas with a market capitalisation of about $3m, initiated an unusual investment. It said it was borrowing as much as $20m to buy $TRUMP coins, a cryptocurrency Donald Trump had launched three days before beginning his second term as president. ("Join my very special Trump Community. GET YOUR $TRUMP NOW," he urged on social

media.) The company managing $TRUMP had just announced that the biggest investors in the meme coin would be invited to dine with the president in late May. Javier Selgas, Fr8Tech's CEO, said buying the coin would be "an effective way to advocate" for the sort of trade policies Fr8Tech wants.

That same week, on the opposite side of the world, fireworks lit up the sky in Lahore, a big city in Pakistan. The Pakistan Crypto Council, which had been established by the finance minister in March to promote the "digital-asset" industry, was celebrating a tie-up with World Liberty Financial (WLF), a firm belonging to Mr Trump and his family. WLF promised to help Pakistan develop blockchain products, turning real-world assets into digital tokens, and to provide advice on the crypto industry more broadly. The precise details of the pact, including the financial terms, were not disclosed. India's press interpreted the deal as an effort by Pakistan to win Mr Trump's favour—an interpretation that became more awkward two weeks later when Mr Trump took credit for a ceasefire in a fast-escalating military conflict between India and Pakistan. Many Indians believe the truce is unduly favourable to Pakistan·.

The two events are signs of a revolution in Washington. Crypto is ascendant. The president, his wife and his children all promote it at home and abroad. Regulators appointed by Mr Trump are taking a more permissive approach to it. Investors are piling into it. Big pressure groups have sprung up to back political candidates who support it and to punish those who oppose it. Investors and cheerleaders, including foreign governments, are discovering that it can provide access to well-connected people. The young industry suddenly finds itself at the heart of American public life. But its close association with the Trump family is also turning it into something of a partisan cause. Mr Trump's enthusiasm for crypto may end up doing the industry more harm than good.

Token presence

Many industries have become enmeshed in the political class over the years. Banks, arms manufacturers and big pharmaceutical companies have long maintained a presence in the corridors of power. In the late 19th century, railroad firms wielded enormous influence in national and local politics, securing favourable regulation that contributed to a dramatic boom and a ruinous bust.



But no industry has leapt from near-pariah status to the darling of officialdom at the astounding speed of crypto. At the beginning of Mr

Trump's first term, the combined value of all cryptocurrencies in the world was less than $20bn. Today it is more than $3trn (see chart 1). When Mr Trump nominated Jay Clayton to head the Securities and Exchange Commission (SEC) in 2017, crypto received no mention at all during his confirmation hearing in the Senate. As recently as 2021, the president disdained digital assets. "Bitcoin just seems like a scam" he said of the biggest cryptocurrency. "I don't like it because it's another currency competing against the dollar." His views seemed vindicated the following year, when a slump in the prices of digital assets and an $8bn fraud at FTX, a big cryptocurrency exchange, heralded a downturn for the industry known as "the crypto winter".

Regulators, too, took a dim view of many crypto assets. Gary Gensler, the head of the SEC under Joe Biden, Mr Trump's predecessor as president, insisted that many cryptocurrencies were in fact securities and should therefore be traded only on exchanges regulated by the SEC. The agency duly sued big crypto-trading websites such as Coinbase and Binance, along with many other digital-asset firms.

Since Mr Trump returned to office, however, the very same financial watchdogs that were trying to curb crypto under Mr Biden are suddenly eager to foster it. That is because Mr Trump has appointed true believers to lead them. Paul Atkins, the new head of the SEC, spent eight years as the co-chairman of a crypto industry group. Brian Quintenz, Mr Trump's nominee to head the Commodity Futures Trading Commission, another financial regulator, was previously head of crypto policy at Andreessen Horowitz, a prominent venture-capital firm.

The change of leadership at the SEC has already led to a dramatic shift in policy. It now takes a far narrower view of which crypto assets are securities, and therefore of what it needs to police. Hester Peirce, who runs the commission's new crypto task-force, is affectionately known in the industry as "crypto mom". More than a

dozen enforcement actions against crypto firms have been halted since Mr Trump's inauguration, including against Coinbase and Crypto.com, two of the largest brokerages, against Ripple Labs, issuer of one of the largest cryptocurrencies, and against Kraken, the first crypto firm to secure a state bank charter. All this has of course boosted the industry: venture-capital funds poured almost $5bn into crypto firms in the first three months of 2025, the highest sum in almost three years.

Big regulatory reversals are not unheard-of when a new president comes into office and installs like-minded officials. The pendulum often swings from the meddling to the permissive when a Republican administration takes over from a Democratic one. What is unusual, however, is how deeply the president and his family are involved in the industry benefiting from the relaxation of regulation.

Coin flip

From a standing start a few months ago, the president's family's investments in crypto have been growing by the day. WLF, in which the Trump family owns a 60% stake, was launched in September. The firm announced a new stablecoin (a cryptocurrency pegged to the value of another asset, typically American dollars) in March. The coin, named USD1, already has a market capitalisation of more than $2bn, making it one of the largest dollar-pegged cryptocurrencies in the world.

Steve Witkoff, Mr Trump's main foreign-policy fixer, is WLF's "co-founder emeritus"; his son Zach Witkoff is a "co-founder". Mr Trump himself is "chief crypto advocate". His sons are on the "team". A footnote on its website cautions, "Any references to or quotes or imagery attributed to or associated with Donald J. Trump or his family members should not be construed as an endorsement." A spokesman says WLF is a private enterprise, with no political affiliations, and that nobody working in Mr Trump's administration is involved in its management.



Mr Trump has other crypto assets beyond WLF. There is the $TRUMP meme coin (a cryptocurrency created to capitalise on a trend or joke), which surged in value after its launch on January 17th, reaching a peak of around $15bn in market capitalisation before slumping to a fraction of that. Companies associated with the Trump family own 80% of the coins. Another meme coin was launched by Melania Trump, the president's wife, on January 19th. Its value surged, too, then collapsed (see chart 2). The president also has direct financial interests in crypto through Trump Media and

Technology Group, a social-media company in which Mr Trump owns a 52% stake. In April the company announced a tie-up with Crypto.com, one of the firms that the SEC recently dropped a case against, to sell exchange-traded funds involving both digital assets and other securities. Trump Media and Technology says it is also considering launching a crypto wallet and currency itself.



The volatile nature of the assets and uncertainty about their ownership makes it tough to determine exactly how much of the Trump family's wealth is tied up in these investments. Crypto may now constitute the family's largest single line of business. The family's holdings of the $TRUMP meme coin alone are worth almost

$2bn, not much less than all his properties, golf courses and clubs (see chart 3).

It's not only the Trump family who have helped rehabilitate crypto. Big electoral pressure groups (superPACs, in the jargon) have been spending lavishly to promote the interests of the industry: Protect Progress, Fairshake and Defend American Jobs, a network of affiliated superPACs, dispensed over $130m in the run-up to last year's elections, making them among the highest spenders of the campaign. All of them had been founded since the previous presidential election. With $260m in receipts during the last electoral cycle, Fairshake is not just the largest PAC advocating for a specific industry, but also the largest non-partisan superPAC of any kind. The National Association of Realtors, by comparison, raised about $20m. Ripple and Coinbase are the biggest corporate donors to Fairshake, and Marc Andreessen and Ben Horowitz of Andreessen Horowitz are the largest individual contributors.

Rather than stress candidates' views on crypto, Fairshake runs ads on any issue that may boost favoured politicians or hinder those it dislikes. It helped secure the defeat of Katie Porter, a Democratic congresswoman, in California's Senate primary with an ad that criticised her for trying to sell a list of donors to her campaign. Another, in support of congressman Pat Ryan of New York, praised him as tough on crime. "Many industries have tried this. The difference is the singular focus, that's what really changed the game," says Josh Vlasto, a spokesman for Fairshake. "The founding strategy is and still is: support supporters, and oppose opponents."

"It's the most brute force display of money and power in the legislature I have ever seen," says Amanda Fischer, chief operating officer for Better Markets, an advocacy group that pushes for closer supervision of American finance. Ms Fischer was also chief of staff to Mr Gensler, the head of the SEC under Mr Biden. Fairshake alone has $116m in cash on hand to deploy at the midterm elections in 2026.

The industry's intimidating war chest should help it to persuade Congress to adopt its preferred policies. Above all, it would like Congress to clarify the legal status of crypto assets, to prevent the regulatory pendulum swinging away from it at a future election. Presidents and their appointees, after all, come and go; legislation tends to be more lasting.

The industry's preference would be to have most cryptocurrencies declared commodities, regulated by the Commodity Futures Trading Commission (CFTC) rather than securities under the purview of the SEC. The CFTC supervises trading in most financial derivatives, and is by far the smaller of the two regulators. It requested a budget of $399m and 725 full-time staff for the current financial year, compared with the SEC's $2.6bn and 5,073 staff. The crypto industry sees it as a lighter touch.

A bill making the CFTC the primary regulator of cryptocurrencies foundered in Congress last year. But Republicans, who tend to favour lighter financial regulation, have been in control of both chambers since January. What is more, plenty of Democrats acknowledge the benefit of putting crypto assets on a clearer legal footing. Yet the Trump family's crypto frenzy is making it harder for the industry to win sufficient support in Congress.

Losing currency

Mr Trump's clear conflicts of interest have triggered a wave of criticism from Democratic lawmakers. They argue that many investors are going into business with the Trump family or buying Trump-related crypto assets simply to curry favour with the president. In effect, they are accusing Mr Trump of selling access to power. They point to the jump in the price of the $TRUMP meme coin, for example, after the dinner with Mr Trump for big investors was announced. Another furore concerns the decision by MGX, an investment firm established by the government of Abu Dhabi, to use WLF's USD1 as a vehicle to invest $2bn in Binance. The use of a

cryptocurrency to fund such a large investment is in itself unusual. The commercial logic for using such a new and untested one is even less clear. But the benefit to WLF has been enormous: the transaction launched USD1 from obscurity to become the world's seventh-largest stablecoin.

On May 8th a bipartisan bill creating a clear regulatory framework for stablecoins failed to win the Senate's approval. Advocates for the bill had been confident that it would pass. But Democrats who had previously seemed well disposed towards it have begun fretting that it might fuel what they consider to be the president's influence-peddling. Jeff Merkley and Chuck Schumer, two Democratic senators, have introduced a bill to stop the president, members of Congress and senior White House officials from issuing, sponsoring or endorsing crypto assets. Even Cynthia Lummis, a Republican senator who has campaigned energetically for clearer regulation of cryptocurrency and who is a co-sponsor of the bill in question, told NBC, an American broadcaster, that Mr Trump's meme-coin dinner "gives me pause".



Concerns about crypto regulation are not limited to the president's connections to the industry. Steven Kelly of the Yale Program on Financial Stability, part of Yale University, argues that a fast-growing crypto industry, supervised by a relatively small regulator with a hands-off philosophy could pose risks to financial stability. He notes that crypto was at the centre of the crisis that shook American banks in 2023. The banks where the crisis began—Silvergate, Silicon Valley, and Signature—did lots of business with crypto firms and investors and therefore were badly hurt by the crypto winter. When concern about their losses turned into runs, the panic quickly spread to the wider financial system. To sceptical analysts, normalising the use of volatile crypto assets is bound to inject greater danger into the financial system. Elizabeth Warren, another Democratic senator, says the stablecoin bill would raise the risk of a financial blow-up.

In public, cheerleaders for crypto remain optimistic that the industry will secure supportive legislation. In private, though, some of the industry's leading lights are scathing about the president's crypto ventures. They fear that the appearance that the industry has become a vehicle for the president's influence-peddling will make it impossible for legislators to support favourable legislation. Nic Carter, a prominent investor in the crypto industry and a supporter of Mr Trump, is one of the few willing to say publicly that the president's family's financial interests in the crypto industry are making it harder to get crypto-friendly legislation approved. The White House, he says, responds badly to such criticism. "The times I've spoken about this, people from the Trump administration have gotten in touch and complained about it." Trying to silence those stating the obvious, however, is unlikely to work. "The conflicts are real," Mr Carter says. "Nobody can really dispute it." ■

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Truce trouble

Why India is annoyed by its ceasefire with Pakistan

America's intervention irked India's leadership and many of its people

5月 15, 2025 06:13 上午 | Delhi



NARENDRA MODI, India's prime minister, sounded as defiant as he did triumphant in speaking to the nation two days after a ceasefire with Pakistan. India's four-day military operation, he said on May 12th, established a "new normal" for responding to terrorist attacks, such as last month's one in Kashmir. India had only paused that operation and would carefully monitor Pakistan's actions in the coming days. In future, India would not differentiate between

terrorists and the government that supports them. Nor would it bow to nuclear blackmail.

The speech was designed to warn Pakistan and reassure Indian critics of the ceasefire. But it also conveyed Indian frustration at America's role in freezing the nuclear-armed neighbours' worst fighting in 25 years. There was no mention of President Donald Trump's claim to have brokered the truce. Mr Modi said Pakistan had requested it after suffering heavy losses. And he stressed that, despite America's promise of broader peace talks, any such negotiations would cover only terrorism and the future of the part of Kashmir that Pakistan controls.

Pakistan seems happier with the outcome. It too claims victory. It denies requesting the ceasefire and has thanked America and other mediators. While denying any links to terrorism, it welcomes the proposal for broader talks. And it wants them to cover the status of the Indian-ruled portion of Kashmir, India's suspension of a river-sharing treaty and Pakistan's allegations that India backs insurgencies on Pakistani soil. Pakistan agreed to the ceasefire "in the spirit of peace" but will not tolerate violations of its sovereignty, said Shehbaz Sharif, its prime minister.

For now, the ceasefire seems to be holding. After the two sides accused each other of violating it on May 11th, their military operations chiefs spoke on a hotline again the next day and agreed to consider immediate measures to reduce the number of troops in border and forward areas. But the two countries are now locked in a fierce battle of narratives.

America's intervention allowed both sides "to claim victory and climb down from a war footing", says Lisa Curtis, who was the top South Asia official in the White House during the last big India-Pakistan crisis in 2019. She expects the ceasefire to endure. But she says Indian officials are clearly irked by comments from Mr Trump.

America will have to back away from its promise of broader talks if it wants to keep building closer ties with India.

Mr Modi has reason to be upset. He prides himself on improving relations with America, especially under Mr Trump, based largely on a shared fear of China. But while Pakistan demonstrated new Chinese warplanes and missiles, which it claims shot down five Indian fighters (although India has not confirmed this), India has less to show in terms of American backing.

Indian officials say they were blindsided by Mr Trump's announcement of the ceasefire, which prevented India from first presenting it as coming at Pakistan's request. They were further put out when Mr Trump offered on May 11th to help negotiate a deal over Kashmir, despite India's longstanding objection to third-party involvement. Indian officials also deny that trade was mentioned in any ceasefire talks, despite Mr Trump's assertion on May 12th that he had threatened not to trade with either side if they continued to fight.

In India's view, America first neglected the crisis, then bowed too easily to Pakistan's demands after its nuclear signalling. American officials say they intervened after receiving alarming intelligence as fighting escalated on the night of May 9th. They have not given details. But on May 10th Pakistani military officials circulated a notice announcing a meeting of the country's National Command Authority, which controls its nuclear arsenal. Pakistan's defence minister later denied that. But India saw it as another example of Pakistan—the weaker conventional power—resorting early to nuclear threats, as it did in stand-offs in 1990 and 1999.

Indian officials also fear that America's proposal of broader talks and mediation on Kashmir is drawing international attention to that region rather than to Pakistan's ties to jihadist groups. And Mr Trump, who also upset India in 2019 by offering to mediate on Kashmir, has again implicitly questioned India's insistence on

handling the issue bilaterally. “Have we opened the doors to third-party mediation?” asked a spokesman for the Congress party, the main opposition.

Criticism came even from within India’s military elite. V.P. Malik, a retired general who was India’s army chief during its last major conflict with Pakistan, in 1999, praised India’s armed forces. But in an interview on Indian television, he questioned whether India achieved its goal of preventing future terrorist attacks. He also suggested that by allowing America to intervene, India sacrificed the “strategic autonomy” it has long sought and allowed itself to be “re-hyphenated” with Pakistan after years of portraying itself as an emerging economic giant that should be dealt with on different terms. “Have we been in a bit of a hurry to accept the ceasefire?” he said.

Many Indians saw America’s praise for both countries’ leaders as implying equal treatment, whereas India sees its military action as a legitimate response to the attack in Kashmir’s Pahalgam region on April 22nd. “How on earth can Trump equalise between what has happened in Pahalgam and what has happened thereafter?” asked Arnab Goswami, a nationalist Indian television anchor, in a viral social-media clip. “It’s a clear overstretch.”

India’s narrative of the combat is under scrutiny at home, too. It has shown satellite imagery of the damage it says was done at 11 Pakistani airbases. It claims to have killed more than 100 militants as well as 35-40 Pakistani soldiers. It also claims to have shot down some “high-tech” Pakistani aircraft. But despite mounting open-source evidence that some Indian aircraft were lost, India has yet to confirm or deny Pakistan’s claim to have downed three of India’s new French Rafale jets and two Russian models. Pakistan, meanwhile, says that only one of its aircraft was lightly damaged. It claims to have inflicted heavy losses on 26 Indian military installations, sent drones as far as Delhi and killed between 40 and

50 Indian soldiers. But its air defences may not have performed as it claims against incoming Indian missiles and drones.

Whatever the exact losses on each side, one lesson from this crisis is that India can strike key Pakistani military targets in response to a terrorist attack without triggering a full-blown war or a nuclear stand-off. The more alarming conclusion is that next time India will try to hit even harder—and to keep going even after Pakistan rattles its nuclear sabre. ■

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Top Gun

Chinese weapons gave Pakistan a new edge against India

America and its allies are now scrambling for details

5月 15, 2025 03:30 上午 | Delhi and Islamabad



Flying high

INDIA'S FOUR-DAY military showdown with Pakistan set several new precedents. For military officials from outside the region, the most intriguing one was Pakistan's use of advanced Chinese fighter jets and missiles in aerial combat with Western-made counterparts.

What's more, Pakistan claims that its Chinese J-10C fighters and their PL-15 air-to-air missiles prevailed. It says they shot down five of India's fighters, including three French Rafales and two older Russian ones, on May 7th. And the dogfight of more than an hour involving 114 aircraft was conducted entirely beyond visual range, according to Pakistan's air force.

India has neither confirmed nor denied that, saying only that all its pilots are safe while claiming to have destroyed some "high-tech" Pakistani warplanes (which Pakistan denies, reporting only minor damage to one). Still, independent reports suggest that some Indian jets crashed, including at least one Rafale.

Pakistan's use of Chinese arms is no surprise. China has provided them for decades and is now its biggest supplier. But China's modern fighters were previously untested in combat and thought inferior to Western equivalents. This would be the first combat loss of a Rafale.

China's government has said only that it is unfamiliar with the issue. But *China Space News*, one of its state-run defence industry publications, reported on May 12th that Pakistan had used a new system in which air defences locked on to targets. Fighters would then fire missiles at them from afar, guided towards them by other aircraft. It did not say Chinese hardware was used but Pakistan also has Chinese air-defence equipment (which India says it jammed) and airborne radar aircraft.

The claims have grave implications for India. It has modernised its forces in the past decade by buying 62 Rafales and is considering buying more. Pakistan, meanwhile, has added 150 JF-17 fighters, most jointly made with China, since 2007 and has bought 20 J-10Cs since 2022.

America and its allies have cause for alarm too. China does not use the smaller, older JF-17 but it operates J-10Cs, including around Taiwan, so they could feature in a war with America over the self-

governed island. And though China has sold them only to Pakistan, others may now show interest (shares in the J-10C's manufacturer have surged).

Even if Pakistan's claim is confirmed, that would not prove the J-10C's superiority over the Rafale or other Western aircraft, many of which can perform a wider variety of missions. Still, military officials around the world are scrambling for more details and, in some cases, preparing to update war plans. ■

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The new normal

Kashmir’s uncertain future

India’s most troubled region remains in crisis

5月 15, 2025 03:30 上午



WHAT’S NEXT for Kashmir? Since India blamed Pakistan for backing a terrorist attack in Pahalgam on April 22nd, thousands of Kashmiris have been displaced from their homes. Pakistani shelling has killed nearly two dozen people in Indian-administered Kashmir. Two days after a ceasefire Narendra Modi, India’s prime minister, announced a “new normal”: terrorist attacks will be treated as acts of war. Many Kashmiris fear that this new normal will entrench old problems.

Indian governments have wrestled with Kashmir for decades. A war with Pakistan over the former princely state in 1947 left it divided and its borders contested. Under Article 370 of India’s constitution,

the Indian-administered Jammu & Kashmir (J&K), the country's only Muslim-majority state, was granted notional autonomy except on foreign policy, defence and communications. Since 1989 a homegrown insurgency against Indian rule, and repeated attacks by Pakistan-based militants, mean that J&K has been governed by anti-terror laws designed for exceptional circumstances.



In 2019 Mr Modi fulfilled a long-held Hindu-nationalist promise and scrapped Article 370. J&K was stripped of its statehood and brought under federal rule. In exchange, Mr Modi promised "normalcy": the restoration of peace and prosperity in the absence of self-rule. The government placed Kashmiri politicians under house arrest, detained thousands of civilians and forced a months-long internet and phone blackout. Half a million security personnel watch over the 1.4m locals of J&K.

Three outcomes now seem likely. For a start, Kashmir may face more repression. Since April 22nd, security forces have pursued what Mohamad Yousuf Tarigami, a member of the J&K legislative assembly, called "collective punishment", including bulldozing the homes belonging to families of suspected militants. Within two weeks of the attack police said they had questioned or detained 2,800 Kashmiris.

This includes one journalist: Hilal Mir, a reporter working with Indian and international media, was detained for "anti-national" social-media posts. A police officer in Srinagar, the largest city, is prepping for more crackdowns: "Modi has taken this to another level and set a red line," he says. This is despite locals distancing themselves from the attack in Pahalgam. Kashmir Valley shut down on April 23rd as various political, religious and trade organisations protested against terrorism.

Second, Kashmiris may now struggle to earn a living. In 2020 residency cards became available for non-Kashmiris, as did the right to buy land and property. This happened to fit a long-standing Hindu-nationalist desire to rebalance the demography of the Muslim-majority region. But it was also supposed to bring investment to the province. Last year a record 3.5m tourists came to witness the mountains and meadows of Bollywood lore. The government credits this to the relative calm enforced on Kashmir since 2019.

Now, locals worry. A 48-year-old taxi driver in Pahalgam says the summer months used to make him $900, or enough to pay his loans and keep his children in school for the rest of the year. With tourism set to plummet just before the high season, his sums no longer add up.

Finally, hopes of restoring Kashmir's statehood appear to be shelved—for now. Although the Supreme Court gave its blessing to the revocation of J&K's special status in 2023, it also ordered the government to reinstate the region's rights as a regular state. Critics believe that the volatile security situation has become the government's excuse for doing what it had hoped to do all along: ignore the order for the foreseeable future. ■

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A massive muddle

Prabowo Subianto’s economic policy is weakening Indonesia

And it comes at a time where America is slapping tariffs on the world

5月 15, 2025 03:29 上午 | Jakarta



A lot of hot air?

HOW WOULD Prabowo Subianto grade his first six months in office? Indonesia’s president recently said he would give himself six marks out of ten. His administration has certainly been busy. It has launched an expensive school-lunch programme and created a sovereign wealth fund. It has given teachers a pay rise, enacted economic stimulus and junked a plan to increase value-added tax.

Yet what has all this achieved? The economy is suffering: first-quarter growth figures released this month were the weakest since 2021. In Jakarta, the capital, businessmen grumble about a dearth of animal spirits. This year’s Eid al-Fitr holiday, usually a boon for spending as over 150m Indonesians return to their hometowns, was a bust; the number of travellers fell by 24% from the previous year. Consumer confidence has soured since December, while sales of cars and two-wheelers both dipped 3% between January and April, compared to the same period last year. All of this has happened before Donald Trump’s now-delayed 32% tariff on Indonesian exports to America takes effect.



Investors are not impressed. Since Mr Prabowo took office in October, Indonesian stocks have fallen by more than a tenth and the rupiah has weakened by 7% against the dollar, briefly reaching an all-time low in April, below the depths reached during the Asian financial crisis of 1997-98 (see chart). Spreads on credit-default swaps, which pay out if Indonesia defaults on its bonds, have crept up.

The government's muddle has disoriented investors. Some worry about overspending. A 2003 law limits fiscal deficits to 3% of GDP. Years of self-restraint have granted Indonesia a decent credit rating. Keeping investors happy is crucial: the Indonesian government relies on external financing, in part because its income from tax, equal to 10% of GDP, is only half the average in the region. The budget for 2025 assumes a deficit of 2.5% of GDP.

Yet in recent months Mr Prabowo's administration has been boasting about new outlays. The most expensive relates to free school lunches, the president's most high-profile campaign promise. In January the president's brother said Mr Prabowo had promised an extra $6bn for the programme this year, on top of the $4bn already budgeted for 2025. This and other new commitments will cost 0.9% of GDP, according to an estimate in February by Euben Paracuelles of Nomura, a bank. Without more revenue, that would bust the deficit cap.

The government has implied that there are two ways it could find the extra cash. One is through austerity. In January Mr Prabowo made one-off "efficiency" cuts worth $19bn, including slashing funding for the public-works ministry, which oversees infrastructure, by 70%. A second way is to collect more tax: the budget assumes that tax receipts will rise by 11%.

To help achieve this Mr Prabowo has set up a state revenue agency, reporting directly to him, and the finance ministry has launched an online portal, called Coretax, that is meant to ease tax filing and collection. Mr Prabowo's top economic adviser suggested this portal could raise the tax-to-GDP ratio by two percentage points. But a previous e-filing system set up in 2018 did not change much. Coretax is prone to bugs: one analysis counted 34 technical errors. In February an older system had to be revived so Coretax could be patched up. In the first two months of the year Indonesia posted a surprise fiscal deficit, driven by a 30% drop in tax revenue related to Coretax's shaky rollout.

Despite these concerns Sri Mulyani Indrawati, the finance minister, has stuck with the 2.5% deficit target, urging investors to ignore short-term fluctuations. Finance-ministry officials have said forthcoming April numbers will also show year-on-year revenue growth, according to Ari Jahja of Macquarie, a bank. But investors remain worried. Weak global and domestic growth and low prices for key Indonesian exports such as nickel and coal could weigh down revenue later in the year.

The launch in February of Danantara, Indonesia's new sovereign wealth fund, has only added to the confusion. It has been put in charge of $900bn in state-owned enterprise assets, which in 2024 yielded around $5bn in dividends. This is money that would once have flowed directly to the central government.

Were Mr Prabowo's policies creating difficulties now in exchange for near-certain gains later, that would be one thing. Yet even if the government manages to find the money it needs for all its pledges, the cuts required to pay for them could backfire. Investments in infrastructure tend to bring higher returns than many other kinds of public spending. So the government's decision to chop the public-works ministry looks misguided. Meanwhile the abrupt reallocation of resources has weighed on growth: government spending contracted by 1% in the first quarter compared with the previous year.

The expensive school-lunch programme looks flawed—it aims to provide calories in a country where poor nutrition is the bigger problem. Dozens of children have been hospitalised after eating bad food provided by it. Corruption watchdogs have called for a halt to the programme, alleging that money may be leaking out.

From Washington with love

Looming over all this are Mr Trump's tariffs. Indonesia is less exposed than South-East Asian neighbours, such as Vietnam. But tariffs are disruptive nonetheless; Sri Mulyani has said they could cut

Indonesia’s long-run growth rate by half a percentage point. Indonesian negotiators hope the Trump administration will smile upon a package of concessions. But in the chaos caused by Mr Trump’s tariff threats, there is a silver lining for Indonesia’s economy. American bullying could push Mr Prabowo to scrap protectionist policies that have long deterred foreign direct investment. For example, his support for local-content requirements has recently wavered. Despite their “good nationalist intentions” they may need to become “more realistic”, Mr Prabowo said in April.

As with all Mr Trump’s tariff talks, what America wants is not clear. Indonesia may agree to lower non-tariff barriers in principle, while fudging the implementation. But there is, at least, a narrow path to a mutual reduction in trade barriers and an end to Indonesia’s most self-defeating policies. If Mr Prabowo chooses to go down that road, he would be able to give himself much higher marks. ■

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Excel diplomacy

After the revolution, Bangladesh is hoping to reform

Protests and spreadsheets are part of the process

5月 15, 2025 03:30 上午 | Dhaka



FOR 16 YEARS Bangladesh has been shuddering from a continuous "earthquake", says Muhammad Yunus. The microcredit pioneer and Nobel peace laureate is referring to the authoritarian regime of Sheikh Hasina and her Awami League party, which was ousted by a massive uprising in August 2024. Now, as the country's interim leader, Mr Yunus is trying to "fix everything that has been

destroyed", he says. "We're moving in the right direction, and the people are with us. We are hopeful," he adds.

That optimism is needed. Since Sheikh Hasina's toppling, the seeming extent of her regime's excesses has emerged. Last year a white paper alleged that around $16bn was siphoned annually during her reign. Cases against Sheikh Hasina, including charges of murder, abduction and genocide, are piling up. (She denies all charges.) Parties across the political spectrum have demanded democratic changes to prevent the return of such abuses. But nine months since the revolution, making big changes is proving tricky.

The process began almost immediately after Sheikh Hasina fled the country to India. In September Mr Yunus began setting up commissions to provide ideas for reform in several areas, including elections, the judiciary and the constitution. These groups are staffed with experts from civil society and academia. And to sift through the papers from these commissions, the government set up another one: the national consensus commission. This group has compiled all the recommendations (there have been 166 so far) and put them on a spreadsheet to which 35 political parties have contributed. The consensus commission will work with political parties to establish a "July Charter" that will allow elections to take place and usher in a "new Bangladesh", says Mr Yunus.

But finding consensus is tricky. For a start, politicians and the public disagree over what commissions should even exist. Some grumble that there should have been one for textiles, the pillar of Bangladesh's economy; others complain about the inattention to education. The biggest controversy has been sparked by a commission that was formed belatedly on women's reform. Its recommendations included changes to Islamic inheritance law that give women greater rights and have sparked mass protests by Islamist parties.

Still, reformers remain optimistic. Ali Riaz, the vice-chairman of the consensus commission, points to some changes that have already been implemented, such as an independent process for appointing judges to the High Court. The second phase of the dialogue will begin soon after May 15th, but Mr Riaz is confident of having a charter finalised by August.

Should that timeline be met, it would mean elections as early as December this year. Mr Yunus insists polls will take place no later than June 2026 (and that he will not take part). But the delay is already coming with some costs. The interim regime has steadied prices and the banks, but growth remains weak. And the political situation is fragile. According to one survey, nearly 60% of those polled believe that law and order have not improved since the regime change. Protests on the street have become routine.

The protesters' most common demand is for retribution against the Awami League. On May 12th the election commission suspended the party's registration, banning it from contesting any elections. But for all the revulsion for the party, it still enjoys some support. Mohammad Arafat, a senior Awami official, insists that the party had the "mandate of the people", had been usurped by "jihadists" through violence and that it would "fight to claim their rightful place in Bangladesh". Even out of power, the Awami League may still be able to cause tremors across the country. ■

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Banyan

India’s broadcast media wage war on their audience

When hyper-nationalism goes feral

5月 15, 2025 05:02 上午



EVEN THOSE who closely followed the recent nightly air battles between India and Pakistan might have missed some of the most earth-shattering developments. They may not know that the Indian navy launched strikes on Karachi’s port; that India’s army crossed the international border; that Pakistan’s prime minister fled to a bunker; that its army chief was deposed in a coup. These events were nowhere to be found in India’s newspapers or even in supposedly reliable Western journals. Why?

Because none of these things happened. That did not stop Indian broadcast news from reporting each confection as fact, while sirens blared and animated fighter jets zoomed in the background. One presenter helpfully reassured viewers that "All information coming in goes through a system of vetting". If news segments were merely outrageous, commentary was unhinged. One anchor demanded: "Set fire to Karachi, blow up the entire city." On another channel a former army officer called Iran's foreign minister a "son of a pig", triggering a minor diplomatic incident. Over the past few weeks Indian television achieved the astonishing feat of making social media appear sane.

Indian TV news long ago relinquished membership of the reality-based community. Night after night presenters praise the government and the prime minister, heap scorn upon the opposition, disparage minorities and foreigners, and insult on-air guests who dare utter an errant word. The nationalist types who make up the audience treat it as amusement: a kind of World Wrestling Entertainment in suits. But there is at least a logic to it. TV news exists to support India—in the form of the ruling Bharatiya Janata Party (BJP)—and to destroy its enemies. The past few weeks' hyper-nationalism was the culmination of decades of descent into inanity.

Yet as Manisha Pande, a media critic, puts it, "If you're claiming to be a nationalist news channel at least serve the national interest." Instead, ever since India launched strikes on Pakistan on May 7th in retaliation for unprovoked terrorist attacks on tourists in Kashmir last month, feral news anchors have worked counter to both India's and the BJP's interests.

In press briefings, diplomats and defence officials repeatedly stressed the "non-escalatory" nature of India's strikes. The government's messaging was measured and sober. But on television, one guest prayed that, "For the future of this country, Pakistan should make the mistake of attacking India: then see what fun we will have." If one job of a nationalist media is to take the state's

message to its people and the world, TV news failed miserably. India has emerged looking like an aggressor instead of a victim.

On the home front, TV news did a disservice to its own audience. Disinformation about drone swarms and mass suicide attacks was amplified rather than squashed. Border communities—which bore the brunt of blackouts and drone attacks—were left groping for facts. The rest of the country was less vulnerable to bombs, but not to lies. Newspapers proved reliable, but the nocturnal nature of the skirmishes meant they were badly out of date by the time they arrived. Only a handful of private citizens and the government's own fact-checking service provided useful information in real time.

The harm to the BJP is no less pronounced. Indians watching television thought their country was only moments away from annihilating Pakistan. They believed that under the muscular leadership of Narendra Modi, the prime minister, India was on the verge of wiping out Pakistani terrorism once and for all. So when President Donald Trump suddenly announced a ceasefire on May 10th, the feeling was one of anti-climax.

Disappointment quickly turned to rage. Arnab Goswami, who pioneered the belligerence now common across channels, exemplified it with an on-air rant: "This is typical Trump overreach… Last night we were pummelling them back… I don't buy this and we will finish this." Angry nationalists fed a nightly diet of Mr Goswami's outrage took to X, subjecting India's foreign secretary and his family to vicious attacks for selling out the country.

On May 12th Mr Modi addressed the nation, seeking to project strength· and denying that India would enter wide-ranging talks with Pakistan, as America had claimed. His party also announced nationwide victory rallies. But few in India really believe in the triumph the government is peddling. The BJP can thank its own cheerleaders for that. ■

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China

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China-Russia relations

Xi Jinping has Vladimir Putin over a barrel

Despite a show of comradely solidarity in Moscow, the two are not equal partners

5月 15, 2025 06:13 上午 | MANZHOULI



AS PRESIDENT XI JINPING stood shoulder to shoulder with his Russian counterpart, Vladimir Putin, watching Russian and Chinese soldiers marching across Red Square on May 9th, they could have been mistaken for equals. The commemorations of the 80th anniversary of Nazi Germany's defeat in the second world war painted a picture of the two Eurasian neighbours locking arms against the West and the international order that followed that victory. Mr Putin boasted that their strategic co-operation was built

on the “unshakeable principle of equality”. China’s president praised their “everlasting” friendship.

Mr Xi first attended such a parade in 2015, after Russia’s annexation of Crimea and its first incursion into Ukraine. That first visit was a clear sign of Russia’s pivot towards Asia. The two men have long seen each other as comrades-in-arms against American dominance, and the two have co-ordinated policy closely since President Donald Trump began his second term. Parading their friendship in Red Square was meant to show that Mr Trump’s idea of splitting Russia from China is futile. But its futility is less because Mr Trump faces a strong alliance against him than because of Russia’s utter dependence on China. Indeed Russia is more dependent on China now than at any time in its history.

Nowhere is that clearer than in the cities along the countries’ 4,300km-long border. Manzhouli is a Chinese town bursting with symbols of Sino-Russian amity. Statues of a Chinese panda and a Russian polar bear hold hands on the high street. Bustling restaurants serve Russian staples like vodka, borscht and black bread. Blonde Russian dancers in traditional dress cajole Chinese patrons to twirl with them.

The town has enjoyed a trade boom in recent years. Chinese-made equipment is piled ready to be shipped over the border. Lorries and trains are stacked with timber and coal that have come the other way. Total trade between the two countries increased by 66% from 2021 to 2024, to $245bn. Russia supplies oil, gas and other energy exports, accounting for 80% of total Russian shipments to China. In return it gets Chinese ready-made consumer goods, cars and technology. Many are “dual-use” goods like machine tools and semiconductors, which can have military as well as civilian uses. These have helped prop up the Russian war machine.

But the shipments matter far more to Russia than to China. While China accounted for 34% of Russia’s total trade in 2024, Russia

made up just 4% of China's. Western sanctions have left Russia with few alternative buyers for its raw materials, and no real alternative supplier for all the imported goods it needs. Dependencies in the other direction are diminishing. Russia is still China's biggest foreign supplier of weapons. But these days China can make most of what it needs itself. Its total weapons imports fell by 64% from 2020 to 2024 compared with the previous five years, according to the Stockholm International Peace Research Institute, a think-tank.



All this gives China a lot of leverage. After the war began, it snapped up lots of Russian oil at a discount. Since 2019 a pipeline called the "Power of Siberia" has delivered Russian gas at low prices into north-eastern China. But Russian requests to build a second pipeline farther west are on hold because Chinese officials think they can force Russia to sell its gas more cheaply. China also wants to diversify its energy imports. There are only "limited" prospects for Russian commodity exports to China to continue to grow, wrote Filip Rudnik of MERICS, a think-tank in Berlin, in a recent article. In March some Chinese state-owned firms reportedly curbed Russian oil imports for fear of American sanctions being tightened.

Sanctions have also pushed Russia to cut its reliance on the dollar. In 2023 the Chinese yuan overtook the dollar to become the most popular currency traded on the Moscow Exchange, the country's largest. Most of Russian trade with China is now settled in the currency. Last year Russia's central bank said it had no real alternative to the yuan to use for its reserves. This makes them vulnerable to losses if relations with China worsen.

Colonial? Moi?

China is happy to buy Russian commodities and dump its own consumer goods there, but its investment remains low, and it has little interest in helping Russia modernise or diversify its economy. Cumulative direct Chinese investments in Russia in 2024 reached just $18bn—equivalent to 1% of Russia's GDP and barely twice as much as China has invested in Kazakhstan, a much smaller economy.

Transactions with the EU, by contrast, made up 37% of all Russian trade before Mr Putin's pivot to China. Energy exports were just 62% of what Russia shipped to the EU. Before the war the EU was Russia's largest investor. In 2019 its foreign direct-investment stock was €311bn ($346bn), while Russia's FDI stock in the EU was €136bn. As Re-Russia, a Vienna-based analysis firm, notes, "the

model of China's economic interaction with Russia looks much more colonial than the Russian-European partnership before the war."

At the same time, China maintains some diplomatic distance. Both Mr Putin and Mr Xi enjoy railing against "hegemonism" (read: America). And China wants to keep Mr Putin in power and his war economy afloat. But it would rather not encourage Mr Putin to engage in more militarist adventures, says Alexander Gabuev, of the Carnegie Russia Eurasia Centre, another think-tank in Berlin. For China, Russia's invasion of Ukraine is like "a barbarian king has launched a war against his little barbarian brother," he says.

One sign of China's caution can be seen at the UN General Assembly, where it has abstained in most votes on the war. China is also trying to cosy up to Europe. In April it dropped sanctions on several EU parliamentarians, in place since 2021 as a result of the EU's own sanctions on Chinese officials over human-rights abuses.

Russia could reduce reliance on China by improving relations with America, where the Trump administration has been friendlier than its predecessor, says Sergey Radchenko of Johns Hopkins School of Advanced International Studies. Rather than having no partners at all, "Putin could say, 'We have options'," he says. But China is keen to keep Russia where it is. As Mr Xi wrote in an article in the Russian media on May 7th, "Together we must foil all schemes to disrupt or undermine our bonds of amity and trust." Mr Putin's war and the extent of China's influence make any Russian turn to the West unlikely.

The economic imbalance between Russia and China contrasts sharply with Russia's sense of its own importance. Many Russians still see China like a younger brother. According to a recent poll, twice as many (56%) believe their country has greater influence in the world than those who think that China has (27%). China is still seen as Russia's friend, but the number of people who

feel the relationship is improving has fallen from 63% to 50% over the past two years.

In Manzhouli, the ironies of the increasingly unequal relationship are glaring. The town was founded by Russia in 1901, after it forced a decaying imperial China to allow access to the region's resources. Now local Chinese increasingly regard Russians with pity. The brotherly relationship "has been reversed", says one shopkeeper. The younger brother has pulled ahead. ■

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Claiming a win

China is celebrating victory against American trade warriors

But its negotiating triumph comes with two stings in the tail

5月 15, 2025 03:29 上午 | BEIJING



Stack 'em high (once again)

"CHINA WAS being hurt very badly." According to Donald Trump, the 90-day trade truce· between America and China is a win for his administration and its tactics of kamikaze trade escalation. A common view inside China is the exact opposite: America, faced with tanking markets and upset consumers, blinked. The truce is seen as a national triumph that has secured concessions, confirmed

America's low pain tolerance, raised GDP forecasts and made China a hero in the global south.

The often-acid state media sounded a note of magnanimity: "The road ahead still requires both sides to explore and shape it together with wisdom and courage," intoned Xinhua. Others were more blunt. "A great victory," crowed Hu Xijin, a nationalist commentator.

Yet there are worries for China. One is that the deal is so good that Mr Trump may change his mind. The other is that the Communist Party might now backpedal on reforms. Many in China had feared a protracted near-embargo after Mr Trump's "liberation day" announcement on April 2nd. Six weeks later he has backed down.

America will slash the "reciprocal" tariffs on Chinese goods from 125% to 10%, for at least 90 days. That puts China in the same position as other countries, none of whom struck back at America. An earlier additional levy of 20% designed to punish China for its role in the fentanyl trade will remain in place, but its specificity suggests it could be negotiable. America more than halved a separate 120% tariff on e-commerce packages valued below $800 that enter America via a separate "de minimis" customs regime.

In return China will cut tariffs on American goods to 10%. It lifted its ban on importing Boeing aircraft, which it needs. Constraints on rare-earth exports may be eased. The result, it is claimed, is proof America cannot stomach a fight. Americans can't cope "when their supermarkets run out of goods," wrote one netizen under a statement about the deal posted by the American embassy on social media.

China's economy will still suffer the effects of the tariffs that remain. But forecasts for GDP growth have now risen. Goldman Sachs, a bank, raised its estimate for this year from 4% to 4.6%. It expects exports to remain stable rather than fall by 5%, as it previously had predicted. China will get kudos in the global south, too. "Someone

has to stand up and say that hegemony is unreasonable," Zheng Yongnian of the Chinese University of Hong Kong in Shenzhen told one outlet. "China's approach has won the support of so many countries." Xi Jinping, China's president, rubbed it in at a meeting with Latin American leaders on May 13th, saying China must "champion true multilateralism and uphold international fairness and justice".

The sight of America making threats it is not prepared to carry out may have broader implications. China's leaders may conclude that America's appetite to punish China, let alone attack it militarily over Taiwan, is lower than previously thought. Perhaps coincidentally, on May 13th China pushed through new national-security laws tightening its grip on Hong Kong. The brief war between India and Pakistan has spawned more nationalist jingoism; a Chinese warplane used by Pakistan may have shot down Western-made Indian ones.

Yet the tentative deal does come with two downsides for China. One is that the prospect of an economic crunch could have forced leaders to undertake deeper reforms to rebalance its economy towards domestic consumption. Now the pressure has decreased. That may explain the muted reaction on the Hong Kong stockmarket, which fell by 2% on May 13th. The other danger is that Mr Trump rethinks the deal or reneges on it. One sign of this is in the container-shipping market: rather than pricing in a return to business as usual, shippers are rushing to move goods in the 90-day window, according to Bloomberg, presumably in part because they worry what might happen after it. In Mr Trump's new world it is easy to call America's bluff and hard to cut a deal that lasts. ■

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Making friends, not babies

Young Chinese are turning to AI chatbots for friendship and love

It is not doing anything for the low birth rate

5月 15, 2025 03:30 上午



Good listener

XIAO TING wears a short-sleeved white shirt tucked into a pair of blue jeans. He has wavy, coiffed hair and big brown eyes, and smiles gently with the air of a high-school heart-throb. From morning to evening he attends to Ms Zhong, his 32-year-old girlfriend. They do everything together, from discussing the news and playing games to sharing deep thoughts and giving life advice.

The only thing is, Xiao Ting is not real. He is a virtual character—a "perfect boyfriend"—created by Ms Zhong on Wow, a Chinese "AI companion" app. Tech companies have for several years provided AI companions (such as Microsoft's Xiaoice, pictured), but now users can create their own.

The biggest app in this category is called Maoxiang (meaning Catbox). In February, it had 2.2m monthly active users on iOS (Apple's operating system), up from 1m in July last year, according to data from SensorTower, a market intelligence firm. Another app, Xingye (Wilderness of Stars), had 1.1m. For comparison, DeepSeek had 13.8m users in China in February.

Users divide almost equally between males and females. The common thread is that the AI is fulfilling an emotional need not being met by people in real life. (Those who can work out how to bypass the built-in guardrails can have sexually explicit conversations with them, too.)

Multiple forces are fuelling this trend. One is rapidly changing technology. Large language models have become so good that they are capable of mimicking human emotion and empathy. Ms Shuai, a 29-year-old user of Maoxiang, is married. But unlike her real-life husband, with whom she often argues, her AI partner listens and is always there for her. On the app, Ms Shuai is the "empress", and her AI is a "minister" of her court. The "minister" sends her messages and even calls her throughout the day, just as a real-life partner would.

Another driver is the pressures of life for young Chinese. Mr Zhou, a 28-year-old man, set up an AI girlfriend by integrating DeepSeek into his account on WeChat, a messaging platform. He says it is much cheaper to date an AI girlfriend than a real one, who would take time and significant financial resources to woo. For him, having an AI girlfriend is like being in a long distance relationship with a real woman.

Loneliness is a contributing factor, too. In 2024 the average Chinese spent just 18 minutes per day socialising, while internet use soaked up five-and-a-half hours daily. The number of new marriage registrations in China more than halved to 6.1m from 2014 to 2024, a record low.

AI companions are not the first to cater to such loneliness. For several years "*otome*" video games, in which (usually female) players develop romantic relationships with handsome anime men, have been big in China. One of the most popular, "Love and Deepspace", grossed 1.3bn yuan ($179m) in 2024 on iOS. Another game, "Love is All Around", is designed for men and full of videos of flirtatious young women.

Perhaps not surprisingly, the authorities are worried about whether the technology could be used in harmful ways. Users say they suspect that is why they have noticed some companions' responses have become less emotional. Perhaps a bigger worry for the government is that, in 2024, China's total fertility rate was 1.0, half that of India and one of the lowest in the world. If young men and women are finding emotional solace in AI partners not real ones, that is not going to help the birth rate. ■

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The great murder mystery

Violent crime is falling rapidly across America

Baltimore's success may illustrate why

5月 15, 2025 06:13 上午 | BALTIMORE



TAKE THE subway to Upton, a station on Pennsylvania Avenue in West Baltimore, and when you emerge onto the street, you may think you have arrived in a scene of *The Wire*, an old hit HBO show. Young men hang around, a few hawking drugs. Speak to Malik, a 40-year-old man selling knock-off Ray-Bans from a bin bag, however, and you will quickly be disabused of the idea that nothing has changed. "Where you are standing, try about ten years ago, you couldn't hear yourself think," he says. "It was all guys shouting 'red top', 'red top', 'yellow top', 'yellow top'." Now, he says, "it is all

cleared out. I don’t know what’s going on. It’s gentrifying I think. Shit looks nicer, know what I mean?”

Baltimore was associated with violence even before *The Wire* made it famous for it. But something seems to be changing. So far this year there have been just 45 homicides in the city, down by a third from the same period last year. Last year was already Baltimore’s best in over a decade, with 199 homicides. In 2021 the city recorded 344. At the Johns Hopkins Hospital, Katherine Hoops, a paediatric doctor and researcher, says that it hasn’t admitted a child injured by a gun for months. A few years ago it treated at least one a month.



Baltimore's decline in violence is not unique. Its improvement is especially stark, but in fact crime appears to be falling all over America. Jeff Asher, an analyst who compiles a real-time crime index from agency-level records, reckons that this year is on track to be the least murderous nationwide since the 1960s. Summer could

always change that, but at this point, says Mr Asher, the trend looks solid. The mystery is what is behind it.

Academics are still working out why violence surged in 2020. But the most likely reason is that trust in police collapsed just as the pandemic shuttered social services and heightened stress. In the wake of the murder of George Floyd by a police officer in Minneapolis that spring, and the subsequent outpouring of rage at bad policing, demoralised cops quit in droves. But the improvement now is too big to just be a reversion to pre-pandemic trends. Despite hiring programmes, most police departments are still woefully undermanned.

So what is happening? Explanations abound. For example, Ray Kelly, a police-reform activist, says that fentanyl is now so cheap it is not worth standing on a street corner to sell it any more. Car theft has fallen, thanks to immobilisers and wheel locks, which may make other crimes harder to carry out. These reasons may matter, but they understate the value of work done both in Baltimore and nationally since 2020. Under Joe Biden the federal government poured hundreds of millions of dollars into "community-violence interruption" programmes. Police chiefs meanwhile tried—often fitfully—to rebuild trust. Baltimore's success looks like a particularly striking example of how this may have actually worked.

The city's own surge in violence came in 2015, after the death of a young black man, Freddie Gray, at the hands of police. In the years after, horrendous police-corruption cases distracted from reform. But now it is under way. According to Richard Worley, the city's police commissioner, "we are nowhere near the same police department we were five years ago." He stresses that police are not the only ones to credit. The local model, known as the Group Violence Reduction Strategy, brings together community groups and prosecutors, too.



This model, according to Daniel Webster, an expert on gun violence at Johns Hopkins University, is one of focused deterrence. It is tricky to get right, he says, but Baltimore seems to be managing it. Young men caught up in the criminal-justice system are given a choice: sort yourself out or, ultimately, end up in jail. The carrot is provided by charities: two in Baltimore, Roca and YAP, give therapy and job training to young men referred to them by the police. If the men do not co-operate, cops provide the stick. In recent years arrests have

increased somewhat in the city, having plummeted after 2015 (see chart).

Can the improvements continue? Mr Worley says he would like to get the annual number of murders in Baltimore below 100 before he retires. That is ambitious. Unfortunately, the model is now under threat. The new administration in Washington has little time for nuanced approaches to policing. Kurtis Palermo, the head of Roca in Baltimore, says that last month, $1m of its federal funding was cut suddenly. At the same time, federal law enforcement is being redirected towards a new goal: mass deportations. And instead of reform Mr Trump wants to offer pro bono legal help to cops accused of wrongdoing (which might help a bit with morale).

The good news is that lower levels of violence can be self-reinforcing. With fewer murders, detectives have more time to solve each one. With fewer calls, beat cops can do more to build trust. On a ride with police in Baltimore, on a rainy Tuesday afternoon, *The Economist* saw how lower violence helps officers refocus. Two cops spent half an hour helping one lady resolve an argument with her mobile-phone company. Your correspondent was chastised for using a banned phrase: "it's quiet." Long may it remain so.■

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Elephant dung

Republicans have a plan to add trillions to the national debt

Their unwieldy bill may get even worse

5月 15, 2025 03:30 上午 | WASHINGTON, DC



MUCH AS he may wish to, Donald Trump cannot govern through imperial decree alone. Congress is drafting legislation to remake the tax system and alter federal spending—something only it can do. On May 12th Republicans unveiled their new plan. Unfortunately, it is a mess.

Congressional Republicans need to act for a few reasons. First, many of the tax cuts passed in 2017 under the first Trump administration are due to expire this year. Second, the president made a series of generous campaign pledges that he wishes to see enacted quickly. Third, the spending cuts that Mr Trump has unilaterally made across the federal government are of questionable legality and would be much more defensible if endorsed by Congress. To avoid the filibuster in the Senate, Republicans are seeking to accomplish all three goals in an omnibus bill passed using a procedure called reconciliation (which imposes strict limits on its contents). They would like to get it to the president's desk by July 4th. The hard deadline is August, when America must raise its debt ceiling or risk a partial default.

In order to do all of this, Republican leaders in Congress seem set to blow out the deficit (which, over the past 12 months, has been 6.9% of GDP). On May 12th the House Ways and Means Committee, which oversees the tax code, released a 389-page draft of its plan. It is stuffed with even more largesse and accounting gimmicks than expected. The expired tax cuts from 2017 are not only going to be extended. Many of them, like the standard deduction and the child tax credit, would become more generous. The Joint Committee on Taxation (JCT), a non-partisan congressional committee, estimates that, relative to the status quo, the bill would add $3.7trn to the national debt in the coming ten years.

Republicans did not just pick one of the many giveaways touted by Mr Trump on the campaign trail; they tried to pack in as many as possible. The bill includes proposals to remove taxes on tipped income, overtime income and even interest on car loans. To meet Mr Trump's pledge to remove taxes on Social Security income, which is technically barred by the rules of reconciliation, senior citizens will instead be treated to a higher standard deduction. The bill would also create new tax-preferred savings accounts—dubbed "MAGA" accounts—for newborns, which the federal government would seed with $1,000.

Because these ideas are expensive, they are slated to last only until 2028, when Mr Trump's presidency ends. These new benefits would cost nearly $80bn per year for the rest of Mr Trump's term. This time limit reduces the bill's official costs, even though future lawmakers would find the proposals difficult to unwind. Most tax reforms at least aspire to simplifying the tax code. This would make the tax code significantly more kludgy and inefficient, says Marc Goldwein of the Committee for a Responsible Federal Budget. "It's just kind of a dumpster fire to be honest. I wish I could say nicer things about it."

These trillions in additional costs are not balanced by measures elsewhere. The grandest cost-savings idea from the Ways and Means committee is to sunset some clean-energy tax credits, which were greatly expanded under Joe Biden. In total, the JCT estimates this would save $559bn over ten years (or 15% of the spending outlined). Other targets in the "Working Families over Elites" section of the bill are not that lucrative: rich universities would pay more tax on their endowment income, peaking at 21% (netting $23bn); certain migrants would face the imposition of an excise tax of 5% on their remittances (providing another $22bn).

Some ideas that Republicans had sounded open to, like increasing the top marginal tax rate and removing the carried-interest loophole, do not appear in the text. Congress could theoretically write Mr Trump's tariffs into law to make up some revenue. In reality, they will not want to bear the political cost for endorsing them, and they are unlikely to be large enough to fill the yawning budget gap.

The only chance Republicans have of coming close to balancing their budget bill would be through almighty spending cuts. A separate committee has drafted a plan to cut spending by nearly $900bn, principally by reducing expenditures on Medicaid·, the health-insurance programme for the poor. Further proposed cuts are expected on food stamps, the nutrition-assistance programme for the poor.

Even though Republicans do not need Democrats to enact these plans, they would need near unanimity among themselves. Some fiscal hawks are crying foul over the deficit spending. But another faction of Republicans in high-cost states are pushing for an increase in the state-and-local-tax (SALT) deduction, which is both expensive and regressive. What's a hundred billion more among friends, after all? Like so much about the Republican Party of old, its reputation for fiscal discipline and economic management is unwinding. ■

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Work-life balance

The Medicaid calculus behind Donald Trump’s tax cuts

Republicans want to save billions through Medicaid work requirements. Millions could lose coverage

5月 15, 2025 03:30 上午 | NEW YORK



Working it

HOW REPUBLICANS will find enough budget savings to pay for tax cuts is the political maths question of 2025. One of the most important calculations involves Medicaid, a government health programme for poor and disabled Americans. The problem is that Donald Trump has promised not to touch it, and on May 12th, he also vowed to lower prescription-drug prices. His populism on health benefits complicates the work of congressional Republicans. A

proposal from a committee that oversees Medicaid steers clear of the deepest cuts that had been debated in Washington, but it nonetheless seeks large savings by imposing work requirements on Medicaid recipients who are unemployed.

Together with a hotch-potch of other money-saving schemes, the committee's approach would reduce the deficit by $715bn over the next ten years, according to the Congressional Budget Office (CBO), a non-partisan scorekeeper. But it would also cause 8.6m fewer Americans to have health insurance by 2034. That trade-off raises two questions about the budget fight ahead. Will the president accept any plan that forces millions of low-income people off Medicaid? And are work requirements—long a fixture of conservative thinking on social benefits—a viable fix?

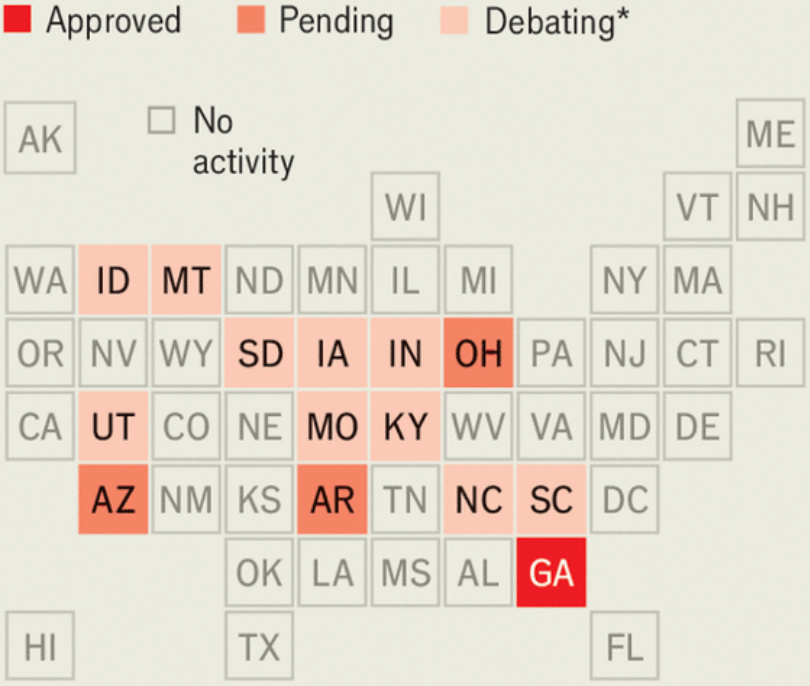
Today Medicaid provides health coverage for 71m Americans, 20m more than 15 years ago. The Affordable Care Act fuelled that growth but has also supercharged the price of the programme: in 2024 it made up 3.2% of GDP, up from 2.6% in 2010. The point of instituting work requirements would be both to cut health-care spending and to push people into work. The House plan would make recipients aged 19 to 64 do 80 hours of work, job training or volunteering per month from 2029. There would be various exemptions for those with dependents or disabilities. The policy has public backing—although cutting Medicaid in general is deeply unpopular, six in ten Americans support adding work requirements. The problem is less with the principle than with the implementation.

To start, very few people who receive Medicaid do not work. Creating a policy that targets these people but does not sweep up others is hard. During Mr Trump's previous term Arkansas experimented with requirements and the results were messy. People had to report their working hours every month or risk losing their insurance. By the time a judge put a stop to the programme, 18,000 people had lost their coverage. Researchers found that most of

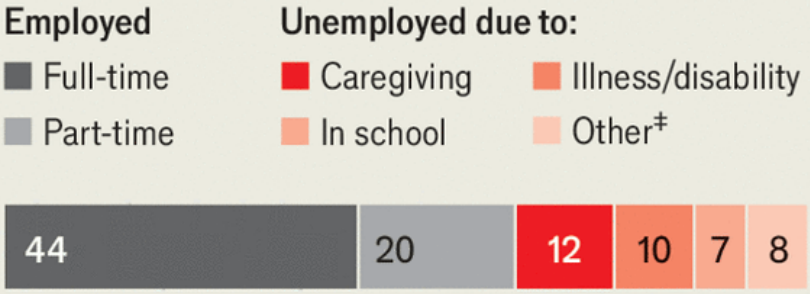
those were still eligible; they had just missed or messed up their paperwork.

Contagious politics

Medicaid work-requirement waiver status, at May 2nd 2025



Adult Medicaid recipients†, 2023, % of total



*States with proposals released for public discussion or with legislative activity that involves work requirements
†Aged 19-64 not receiving social-security income or disability insurance and not covered by Medicare
‡Includes early retirees and people unable to find work
Source: KFF

Among those who lost Medicaid, half reported serious problems paying off medical debt and almost two-thirds delayed taking medicines because of cost. Health-care providers said that it was the neediest, such as disabled and homeless people, who were left uncovered. And for all that, there was not even an increase in employment in the 18 months after the change.

This problem of policy design is not unique to Arkansas. In 2023 the CBO found that a House Republican plan for work requirements would not increase employment. It would save money, however. The Commonwealth Fund, a think-tank, estimated gains of about $500bn over ten years—or roughly a third of the overall budget cuts that Republicans are seeking.

The allure of work requirements is "more of a political thing", says Tom Scully, who led the Centre for Medicare and Medicaid Services under George W. Bush. It feeds an ideological urge that Medicaid should not be an entitlement, he says. Work requirements have plenty of support at the state level too. Since Mr Trump re-entered office, 13 states have started proposing their own schemes through waivers that make policy experiments possible (see map).

Expand and contract

That enthusiasm points to a possible side-effect of work requirements. Big federal subsidies incentivise expanding Medicaid, but ten states have not done that, in part because of the welfare-state connotations of such a move. That stigma may fade as MAGA builds a political coalition grounded in working-class communities that rely on benefit programmes. Chris Pope of the Manhattan Institute, a conservative think-tank, sees work requirements as "sweetening the pill" for such laggard red states, making it easier for their leaders to sell a flip-flop to voters. Mr Pope reckons that work requirements might end up increasing Medicaid spending, as more states expand the programme. ■

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Giving fast

Why some tycoons are speeding up their charity

Governments are doing less, but the need for aid has not diminished

5月 15, 2025 03:30 上午



EARLIER THIS month Bill Gates announced that the Gates Foundation will close its doors in 2045, earlier than expected. Since it was established at the turn of the millennium the foundation has become the world's largest, spending $100bn to fight disease and poverty. The plan is to dish out another $200bn in the next 20 years. That is virtually all of Mr Gates's fortune. It is the latest example of a trend towards speedy giving.

The grandfathers of modern philanthropy—Gilded Age industrialists like Andrew Carnegie and John D. Rockefeller—set up foundations that still operate. Some of today's wealthy are experimenting with models that get money out of the door fast. MacKenzie Scott, the ex-wife of Amazon's founder, Jeff Bezos, has dished out more than $19bn in just a few years. In the past ten years the share of American family foundations spending down their funds has risen to 13% from 9%. Why the rush?

Some tycoons seem genuinely uncomfortable with their wealth. That was true of Chuck Feeney, a duty-free billionaire, who quietly gave away $8bn and closed his foundation before he died a couple of years ago. Others want to give while they're alive in order to control how money is spent. The Ford Foundation's decades-long feud with the founder's family is a warning to all. It helps that the rich are minting money younger. Mr Gates, the founder of Microsoft, became a billionaire aged 31, making him the youngest one in the world at the time. Some of today's tech bros earned their first billion in their 20s. They have time for "giving while living".

Add to that a newly urgent need for funding. The Gates Foundation is trying to plug some of the gap left by government donors. America, which has historically spent more on aid than other rich countries, has gutted its aid agency. Others are slashing budgets, too. Official development assistance from the world's largest donors dropped for the first time in six years in 2024, according to estimates from the OECD, a club of rich countries. Mr Gates reckons there is no reason for private donors to hold back. "The needs are very urgent," he says, "and there will be a lot of rich people 20 years from now."

There is also political pressure to act fast. Donald Trump's team is critical of private giving. First buddy Elon Musk has referred to philanthropy as "bullshit". (The world's richest man does have a foundation, but it has not donated the legally required 5% of assets annually to charitable causes for each of the past three years.)

Donors are braced for executive orders that block grants to projects abroad or rule that green causes don't count as charity. Rob Reich of Stanford University says the Trump administration's hostility has put pressure on donors to make big gifts now, both to beat any new rules and to advertise the benefits of philanthropy.

Mark Suzman, head of the Gates Foundation, says $200bn is a "conservative" estimate of what it will spend in the next 20 years. Not everyone is excited about donors dishing out so much so quickly. It can be hard to give effectively at full speed. In his note announcing the closure of his foundation, Mr Gates quoted Carnegie's "The Gospel of Wealth": "the man who dies thus rich dies disgraced." It's hard to think of a statement that is more joyfully counter-cultural. ■

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Concession stand

Why a vote dispute in North Carolina should worry Americans

Partisan judges endorsed specious claims until a federal court stepped in

5月 15, 2025 03:29 上午 | RALEIGH



IT WAS ALMOST a normal concession. On May 7th Jefferson Griffin, a Republican candidate for a North Carolina Supreme Court seat, thanked his family for giving "a lot to this campaign" and said he would pray for his opponent's success. But the timing of the statement was unusual. It came a full six months and two days after election day.

On May 5th a federal judge rejected Mr Griffin's bid to overturn the election he lost by 734 votes in November. Up until that point he had successfully argued in court that North Carolinians living overseas who had voted by absentee ballot without presenting a photo ID should have their votes nullified. He believed that the state election board rules that allowed such ballots were unconstitutional, but chose to challenge only voters in four Democratic counties, out of the state's 100.

Two state courts, both made up of a majority of elected Republican judges, upheld his petition. But after months of appeals the first federal judge to hear the case concluded that at issue was "whether the federal constitution permits a state to alter the rules of an election after the fact and apply those changes retroactively to only a select group of voters". On that he was unambiguous: no.

Election wonks across the country breathed a sigh of relief. The case's momentum in state court had alarmed even some of Mr Griffin's political allies. Stephen Richer, a Republican who until January ran elections in Arizona's Maricopa County, reckons that if the challenge had taken hold it would have set the precedent that "no election is settled". Republican officials in Georgia feel similarly. "We should never be in a position where anybody can say we put our thumb on the scale," says Gabriel Sterling at the secretary of state's office.

Allison Riggs, Mr Griffin's opponent, was sworn in on May 13th; she will sit on the state's Supreme Court until 2032. But the mood was not entirely jubilant. As voters increasingly rely on judges to make consequential election calls, the North Carolina saga presents an alarming model of what happens when a candidate tries to bend the rules and partisan judges go along. "The worst-kept secret of the Griffin case is their desire to export this around the country," says Morgan Jackson, North Carolina's top Democratic strategist.

Scrappy politicians watching from afar will see that Mr Griffin did not prevail. But they might also learn from the fact that he nearly did. ■

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White sox and white smoke

Are American Catholics ready for an American pope?

As Leo XIV settles in, filial joy gives way to anxiety about the pontiff's politics

5月 15, 2025 03:29 上午 | WASHINGTON, DC

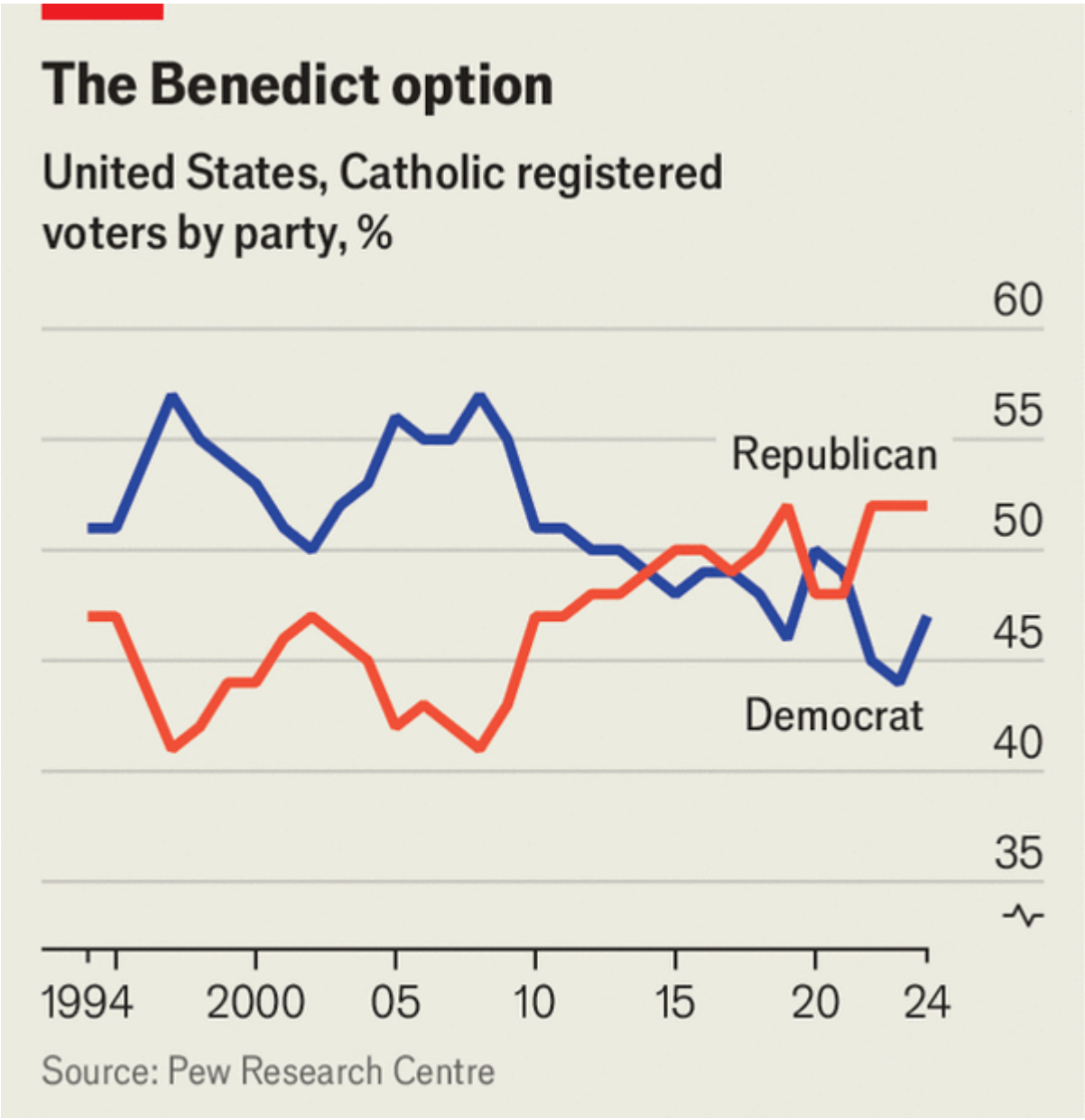


But who would he vote for?

POPE BENEDICT XVI held a synod in 2012 to discuss evangelisation in an increasingly secular world. One of the most dynamic speakers was an American priest named Robert Prevost. The then-leader of the Augustinian order delivered a brief but profoundly countercultural speech, criticising "Western mass media" for fostering sympathy with anti-Christian practices like "abortion, homosexual lifestyle, euthanasia". With time the future pope

evolved. “Doctrine hasn’t changed,” he told Catholic News Service after Pope Francis made him a cardinal in 2023. “But we are looking to be more welcoming and more open.”

Francis X. Rocca, a longtime Vatican correspondent, has called the 2012 speech “the first controversy” of the new pontificate. In recent days the new pope has said that he would continue his predecessor’s “courageous and trusting dialogue with the contemporary world”. At the same time he decried the “many settings in which the Christian faith is considered absurd, meant for the weak and unintelligent”. These messages have left millions of Americans wondering if Pope Leo XIV is really on their side in the unending battle between progressive and conservative. That is the wrong question.



The world has come to expect the leader of the Catholic church to serve as an intellectual, politician, chief executive and media star. Yet above all he is a religious leader intent on nurturing and expanding a flock of 1.4bn Catholics. As a man born, raised and educated in America, Leo no doubt has opinions about American politics. But his place on the American political spectrum is not particularly important.

Leo's focus is on unifying a church that had been splintering for decades; his papal motto is *In Illo uno unum* (In the One, we are one). Francis spoke of unity and was generally consistent with past popes on doctrine, but many of his off-the-cuff remarks alienated conservatives. "When Leo talks about peace, it's not only worldly peace," says Kishore Jayabalan, an American former Vatican staffer. "Bishops talk about unity so much, because it really is the highest good for them."

The new pope will try to placate disaffected conservatives while building on Francis's legacy of openness. Early gestures—such as donning papal garb the previous pope eschewed—and a rumoured move into the apostolic palace have encouraged many tradition-minded Catholics. Talk of "synodality" (consultation with bishops and others, including members of the laity), a big Pope Francis theme, sent a signal of continuity. Americans are still forming opinions about Leo but his more reserved nature could serve him well.

Though Catholicism transcends politics, that doesn't mean Leo isn't interested in changes sweeping through the world. Pope Leo XIII (1878-1903) wrote about social problems created by industrialisation in his encyclical *Rerum Novarum* (Of New Things). As the foundation of Catholic social teaching—an alternative to all-consuming socialism and no-guardrails capitalism—the document influenced America's New Deal and Europe's post-war economic arrangements.

Habemus partisan

That influence has persisted, sometimes in unlikely places. As a senator Marco Rubio, now secretary of state, referred to Leo XIII's work. The new Leo says he took the name mainly because the church's social teaching can respond "to developments in the field of artificial intelligence that pose new challenges for the defence of human dignity, justice and labour".

Those who have spent time with Pope Leo offer the expected descriptions of a pope: a sharp intellect, kind demeanour and holy character. But Leo is also methodical in what he says and does. Though he is a listener, acquaintances also say that this pope is not a pushover. That quality will be important when undertaking needed reforms to the Vatican.

Financial mismanagement and bureaucratic dysfunction have plagued the Holy See. Francis was chosen, in part, as an outsider to shake up the Vatican. He made some progress but fell short. Leo—whose CV includes running a religious order, diocese and Vatican department—knows how the church runs. Past popes elevated American bishops to show seriousness about cracking down on the bureaucracy. The idea that an American could own the reform process is tantalising to those frustrated and embarrassed by the institutions that run the church.

Leo, like many popes, is fluent in several Romance languages. But "one of the most revolutionary aspects will be that we have a pope who thinks and speaks in direct, American English," says Roger Landry, a priest from Massachusetts. "The world has never had a pope that communicates so clearly in the new lingua franca." This is an opportunity to make a distant institution seem closer to Americans.

Too many see the Catholic church solely through the lens of culture-war issues, reckons James Martin, a Jesuit priest. "People who aren't religious, that's something they don't get. It's about preaching the Gospel," he continues. "It's about Jesus. Christ has died. Christ is risen. Christ will come again." In the coming years, the pope will visit his homeland, meet presidents and find himself an unwilling villain or hero in America's political struggles. And the longtime missionary's overarching goal will be to overcome those distractions and spread the faith, not least in the increasingly secular place that formed him. ■

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Lexington

Embrace the woo woo

Donald Trump's quest for a surgeon general meets man's search for meaning

5月 15, 2025 03:41 上午



NOTHING IN this column is meant to suggest vaccines are hazardous. Nor should it be read as implying all doctors are quacks. You should, in any event, consult a medical professional, probably a psychiatrist, before taking health advice from Lexington. That said, amid the chaos, crowing and lamentation enveloping the second term of Donald Trump, it might be good for everyone to take some time to marvel at how he is making the Republican party a home for people who ask trees for help with their love lives, dabble with psychedelics, bemoan consumerism, long for European-Union-style

regulation, and turn for insight to the poet Sylvia Plath and the Disney movie “Moana”.

“Women are lunar beings who exist on a 28-day moon cycle, inherently reflecting the cycles and patterns of the cosmos,” mused one such person, Casey Means, Mr Trump’s nominee to be America’s surgeon general, after she watched “Moana” recently. Yet, she continued in her weekly newsletter, the modern world “rejects, even demonises,” these cycles: “it demands constant productivity, endless yang energy, and punishing speed.”

Mr Trump has largely imposed his taste and views as he has coaxed or bullied Republicans to reverse their former orthodoxies when it comes to tariffs, autocrats, certain forms of rioting or a president’s receipt of lavish gifts from foreign potentates. There is one seeming exception: the Make America Healthy Again (MAHA) movement. It hates the junk food Mr Trump loves, frets over the sort of ecological catastrophe he considers a hoax and yearns after achieving spiritual fulfilment not popularly associated with the Trump brand promise. To borrow Dr Means’s taxonomy, her feminine yin energy seems less to complement Mr Trump’s “endless yang energy”—what an elegant distillation of MAGA’s essence, by the way—than to contradict it. Yet as part of his movement Mr Trump is fostering an emerging hippy right.

In some respects, Dr Means is a typical Trump appointee. She lacks some conventional credentials, and, he has said, he does not know much about her. Dr Means, who is 37, does not have an active medical licence. She graduated from Stanford Medical School and embarked on a five-year residency to train as a surgeon. But she quit just months before finishing.

In interviews and a best-selling book, “Good Energy”, Dr Means has recounted a classic MAHA awakening. She describes a dawning realisation, as she puts it in the book, “that every institution that impacts health—from medical schools to insurance companies to

hospitals to pharma companies—makes money on 'managing' disease, not curing patients". Her brother, Calley Means, with whom she wrote the book, has said he quit lobbying for the food industry after a similar Damascene conversion. He is now a top adviser to Robert F. Kennedy junior, the MAHA poobah who is secretary of health and human services. On Mr Kennedy's recommendation, Mr Trump nominated Dr Means on May 7th after credentials claimed by his previous nominee came under challenge. Dr Means must be confirmed by the Senate. There is reason to look forward to her confirmation hearing.

After giving up her residency, Dr Means embarked on a search for the underlying causes of illness. It led her to conclude, as she puts it in the first words of "Good Energy", that "everything is connected". She warns that rising rates of all sorts of maladies—from cancer to Alzheimer's to erectile dysfunction—stem from plastics and chemicals in the food chain, over-medication, needless surgery, bad lifestyle choices and disregard of nature.

Her message is apocalyptic. "We're becoming infertile and we're losing our minds," she declared in an appearance with her brother last autumn on Joe Rogan's podcast. As her passionate delivery gathered steam, she sounded less like a member of a conservative movement than a Cassandra speed-reading the *Whole Earth Catalogue*. "Health is the tip of the iceberg of fundamentally, like, a planetary issue but, like, the planetary issue is the tip of the iceberg of what I think is really really going on here which is, like, a spiritual issue," she told Mr Rogan. The central question, she said, is this: "are we committed to life and to awe and to connecting with source, and then listening?" If not, "I do think we're on the road to existential disaster."

Vax on, vax off

Dr Means, who co-founded a company to help people monitor their glucose levels, has built a career as a wellness adviser,

recommending dietary supplements, skincare products and other choices. Her tips range from ethereal to pragmatic. In describing how she "found love at 35", she urged readers to "embrace the 'woo woo'"—she "did full moon ceremonies" and asked the trees for help—but also to "get extremely tactical": she moved from relative seclusion in Oregon to Los Angeles and joined the dating site Bumble, where she met her fiancé.

Dr Means has called vaccine mandates "criminal" and the childhood vaccine schedule "insane". But some MAHA adherents, suspicious that Mr Kennedy is prioritising food quality over combating vaccination, find her scepticism too mild. "She's not a vaccine truther," one influential anti-vaxxer, Mike Adams, wrote on X. "She'll never recommend natural cancer cures or remedies."

One can hope. When it comes to overseeing Americans' health, the post of surgeon general, once significant, is itself a vestigial organ; what authority it has left is not regulatory but hortatory. Mr Trump could do worse than appoint someone concerned that Americans take too many pills and eat too much lousy food, or even that society puts quarterly profits ahead of "sustainable living". But Democrats should worry that Mr Trump, having already co-opted some of their economic policies and their working-class constituency, may make off with their yin energy, too. ■

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The Americas

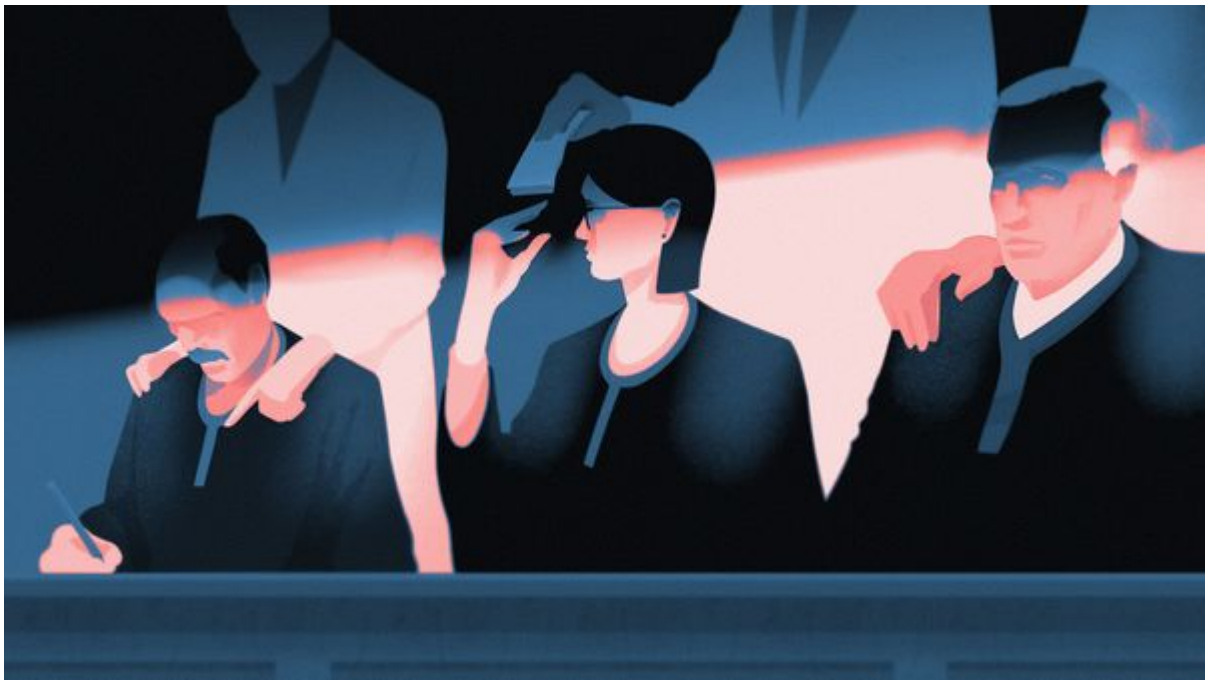
- **Mexico will be the only country that elects all its judges**
  The end of independence :: The last meaningful check on Morena, the powerful ruling party, will fade away
- **Brazilian supercows are taking over the world**
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The end of independence

Mexico will be the only country that elects all its judges

The last meaningful check on Morena, the powerful ruling party, will fade away

5月 15, 2025 12:06 下午 | Mexico City



ON JUNE 1ST Mexicans will vote to elect judges to 850 federal posts, nine Supreme Court seats, 22 powerful tribunal jobs and thousands of roles in lower courts. In 2027 a second vote will see the rest of Mexico's judiciary filled. A few countries elect a handful of judges, mostly to lower courts. Mexico will become the first country

in the world where every judge on just about every court is chosen by popular vote.

Mexico's Congress passed the constitutional changes required for this upheaval in September last year. It was Andrés Manuel López Obrador's final act as president, achieving one of his most cherished goals. His successor, Claudia Sheinbaum, has followed in his footsteps. Their party, Morena, argues that the election of judges will make the judiciary more democratic, purge corruption and nepotism, and widen access to justice. "The public isn't stupid," says Olivia Aguirre Bonilla, a candidate for the Supreme Court. "If we trust voters to choose a president, why not judges?"

The country's justice system has been in bad shape. Although the federal judiciary has become more professional over the past 30 years, well over 90% of crimes go unreported. Just 14% of reports lead to convictions. Some judges are corrupt. But there are good reasons why so few democracies ask voters to select judges. Having to seek election subjects judges to the warping power of public opinion. Elected judges are less likely to uphold the law when doing so is unpopular. They are also less likely to hold politicians to account when those politicians are following the public's mood. "Nobody elected me," says Martha Magaña, a sitting federal judge who is not running for election. "So when I issue a ruling, I don't owe anyone anything." Electing all judges is a bad idea "full stop", says Julio Ríos, a political scientist at ITAM, a university in Mexico City.

The only place where judges are currently elected to higher courts is Bolivia. Its Supreme Court judges have been elected since 2011. The selection mechanism has been a disaster, with the court's authority undermined by an endless political squabble to control it. Two-fifths of Bolivians who voted in the most recent judicial election spoiled their ballots.

In Mexico, judicial elections pose a graver danger than mere chaos: control of the justice system by drug gangs. Criminal gangs are happy to kill or threaten public officials to get what they want. The gangs already field their own candidates in local elections. More quotidian corruption of judges by businessmen and officials, also endemic, will probably expand.

It is hard not to see the elections as a final step that entrenches Morena as Mexico's political hegemon. Mr López Obrador came to power dismissing judges as elitist and partial. By blocking several of his signature reforms, such as an attempt to hand control of the National Guard to the army (subsequently pushed through by constitutional amendment), the Supreme Court became a target. Gerardo Fernández Noroña, a Morena politician who leads the Senate, claims that judges in Mexico's old, appointment-based system don't apply the law. "They respond to political and economic interests," he says. "They are the ones who have broken the rule of law."

The chances of coercion and corruption have been increased by the limp process whereby candidates get on the ballot. They need only a law degree with good grades, five years of legal experience and five letters of recommendation. In little more than six weeks three committees vetted 24,000 candidates. Interviews often lasted just a few minutes. Moreover, the committees were drawn from the executive, legislature and judiciary, meaning two of the three were dominated by Morena.

As a result, some candidates with known criminal ties have got onto the ballot, a fact Morena admits. This has led to farce. The Senate insists that only the electoral authority has the power to remove the gang-linked names. The electoral authority says it us unable to do so. Instead it looks like the names of tainted candidates will appear on ballots, but that if any of them win a judgeship, their victories will be annulled. Amid the chaos, it is hard to imagine that the gangs

have not managed to slip some of their own people, or those they control, into at least some of the thousands of races unnoticed.

Institutional knowledge will be lost. Only a minority of sitting federal judges are standing for election. Just three of the current 11 Supreme Court judges are running. A study by Mr Ríos found that it took an average of 24 years to become a magistrate. From June, cases on constitutional law and million-dollar commercial disputes will be heard by people who may have never set foot in a courtroom.

Morena is unlikely to suffer many defeats in the new courts. Not only does it have a big sway over which candidates get onto the ballot. It also, via its people on the disciplinary tribunal, has some control of judges' behaviour once they are elected. "We can expect the government will not lose the cases it cares about," says Mr Ríos.

And although Morena says the elections are all about democratic accountability, turnout is expected to be very low. Just 7% of voters showed up in 2021 to vote in Mr López Obrador's referendum on whether he should prosecute a handful of former presidents. In contrast, turnout in last year's presidential election was 61%.

Even some Morena fans recognise the flaws of judicial elections. But the time for resistance has passed. Mauricio Flores Castro, a lawyer who is running for a seat on the Supreme Court, says there are two options: "Criticise from the sidelines or get involved and try to improve things. This path may not be perfect, but it's the one we've chosen. History will judge it." ■

Correction (May 15th 2025): An earlier version of this story said that every court will have elected judges; in fact a very few, such as military courts, will not. Also, it omitted Gerardo Fernández Noroña's paternal surname. Sorry.

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| 章节菜单 | 主菜单 |

Cash cows

Brazilian supercows are taking over the world

What a bovine beauty pageant says about the future of the world's beef supply

5月 15, 2025 03:30 上午 | Uberaba



Dear Dairy, today I had my pedicure

THE MASTER of ceremonies at ExpoZebu, a cow gala in the state of Minas Gerais in south-east Brazil, could see the dilemma. One animal had "elliptical eyes" and an "excellent mammary apparatus". The other had a delicate neck and a curvaceous rump. The judges faced "a difficult decision". When he finally announced the winner of the contest (they plumped for the rump), cowhands shed tears of joy and the crowd erupted with a riotous "yeehaw".

ExpoZebu is the world's largest fair of zebu, an Indian strain of cattle whose distinguishing features are a humped back and sagging dewlaps. Brought to Brazil in the 19th century, it proved more resistant to heat and parasites than European breeds. Today zebus make up 80% of Brazil's 239m-strong herd of cattle. Their proliferation has helped to transform Brazil from a country where hunger was common to the world's largest net exporter of food.

Brazil's agricultural revolution began in the 1970s, when a series of military governments poured money into rural credit and created Embrapa, the state-owned agricultural-research firm. Its scientists developed crops well adapted to tropical weather, in particular a tall, drought-resistant grass from Africa called *brachiaria*. This opened the country's vast interior up to farming and cattle ranching (at the cost of massive deforestation). Breeding programmes then began beefing the zebus up. The average weight of a slaughtered cow in Brazil has gone up by 16% since 1997.

In a country of tropical supercows, crowning bovine beauty queens is a big deal. Buyers flock to ExpoZebu from as far afield as Angola and India to see the finest creatures. They then bid in auctions to buy elite genes from champion cows and bulls. The wealthiest ranchers compete for shares in the cows themselves. This year's fair attracted 400,000 visitors. Its auctions raised $35m. The ultimate prize is a cow like Viatina-19 (pictured below), a zebu that fetched $4m in 2023 to become the most expensive ruminant ever sold at auction. She weighs 1,100kg (2,400 pounds), more than twice the average of less distinguished counterparts. In an auction in November her crown was stolen by Carina, another Brazilian beauty. Each animal has three owners, each with the right to harvest eggs from their cow for four months of the year, for sale to keen breeders. The cows have been cloned to insure their genes.

Famous country singers and powerful politicians roam ExpoZebu, but the cows are the stars (with names like "Genghis Khan" and "Lady Gaga"). Champions seem aware of their celebrity. When

photographed, Viatina appears to straighten her legs, lift her head and peer thoughtfully into the distance. Picture taken, she returns to munching her feed. Lorrany Martins, a vet whose family co-owns Viatina, says the cow is given daily baths with a clarifying shampoo to keep her hair gleaming white. Her horns are moisturised with sunflower oil and she receives regular pedicures. She is watched over by surveillance cameras and travels in her own lorry while her brethren cram into pickup trucks.

The improvements that Viatina embodies have allowed Brazil to account for almost a quarter of the world's beef exports. That share is set to expand. The World Organisation for Animal Health, based in Paris, is expected soon to declare Brazil free of foot-and-mouth disease. The move "will totally change Brazil's image", says Luiz Josakhian of the Brazilian Association of Zebu Breeders. Protectionist countries may find it harder to refuse cheap Brazilian beef imports on sanitary grounds. Indeed, exports to the United States are soaring despite President Donald Trump's tariffs.

Beside the road out of Uberaba, an advertisement featuring muscular cows boldly declares Brazil's mission: "Better cows for a better world." ■

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Man of the Uruguayan people

José “El Pepe” Mujica became the antithesis of a caudillo

Uruguay’s former president died on May 13th aged 89

5月 15, 2025 03:29 上午



Fiery at first, pensive later

IT IS NOT a flashy country and José Mujica, who died on May 13th aged 89, became its epitome. As Uruguay’s president from 2010 to 2015 he continued to drive a battered sky-blue Volkswagen Beetle and to lunch in workaday bars on the main street of Montevideo, the capital. Foreign dignitaries or journalists who sought an audience with “El Pepe” usually had to trek to his scrabbly farm with its three-roomed concrete house where he lived for the last 40 years of his life. He often dressed in a tracksuit and fleece. He gave away much

of his presidential salary. If it was partly a theatrical act, almost a caricature, it was one he lived to the full. He had a deep and genuine hatred of pomp and flummery, which he saw as inimical to the egalitarian principles of a democratic republic.

This frugal authenticity was one factor that turned Mr Mujica into a global icon, especially for those uncomfortable with a voracious and environmentally predatory consumer society. Another was his extraordinary life story, for the journey to the presidency had been long, tortuous and hard. The son of a florist and of a smallholder farmer who died when he was six, as a young man he joined the Tupamaros, an urban guerrilla group inspired by Che Guevara and the Cuban revolution. They were fond of Robin Hood stunts, robbing supermarkets to distribute food to the poor. Mr Mujica was hit by six bullets when he and three comrades exchanged fire with police who had found them in a bar. He was imprisoned for a total of 14 years (he twice escaped), ten of them in solitary confinement, two at the bottom of a well with only ants and mice for company.

Far from fighting for democracy as leftist myth holds, Mr Mujica and the Tupamaros fought to extinguish it in what had long been a peaceful country. In that they succeeded: in response to guerrilla violence, the armed forces staged a coup in 1973 and ruled for 12 years. At least incarceration gave Mr Mujica time to think, which he said he did a lot (as well as "listening to the ants", he added).

He emerged a changed man. Though he never made an explicit self-criticism of his guerrilla past, his actions offered one. He became a parliamentarian and a minister (of agriculture), accepting the market economy, foreign investment and liberal democracy—"and I have to make it work as well as I can," he told *The Economist*. The "enormous advantages" of democracy, he concluded, were that "it doesn't believe itself to be finished or perfect" and its tolerance of disagreement. Because of that and because of the suffering he underwent, Uruguayans pardoned his past.

A third factor in his fame he owed to Uruguay. It is a secular, progressive country, one of the first to establish a welfare state. Younger members of Mr Mujica's coalition drew on that tradition to propose new rights. As president he legalised cannabis, abortion and gay marriage.

Unlike other Latin American leftist leaders, such as Rafael Correa in Ecuador or, more recently, Gustavo Petro in Colombia, he did not try to "refound" his country. Nor did he try to rewrite the rules, in contrast to Claudia Sheinbaum in Mexico with her espousal of a constitutional change to elect judges. When Uruguay's courts knocked down six of his government's laws, he accepted it without criticism.

He was not particularly good at governing. He tried and failed to reform a deteriorating education system dominated by an over-mighty trade union. He was good at talking. With a twinkle in his small, penetrating eyes, he enjoyed the cut and thrust of argument. Above all, he was not vindictive, not even against his jailers. "I don't hate," he said. "Can you imagine the luxury it is not to hate?" He disappointed his own supporters by rejecting attempts to put the dictators on trial. "Justice has the stink of vengeance," he insisted. In that he was in tune with majority opinion in his country.

He retained a vestigial, if misplaced, loyalty to the Cuban regime (he acted as a discreet messenger between Barack Obama and Raúl Castro when the two negotiated a diplomatic thaw between their countries). But in practice he had evolved into a social democrat, one who mistrusted extreme positions. He came to believe that the key to a lasting change in material conditions was to change cultural attitudes and that was harder and took longer. Ironically, perhaps, for a former Marxist, he became a tribune for anti-materialism, at least up to a point. He invited young people to live modestly because "the more you have, the less happy you are".

In a region not known for it, he was self-deprecating. "I dedicated myself to changing the world and I didn't change anything, but it was amusing and gave sense to my life," he said last year in one of his final interviews. His lasting legacy to the Latin American left was that he became the antithesis of a *caudillo*. ■

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Middle East & Africa

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Trump on tour

Trump resets America's Middle East policy in surprising ways

Hawks are out and pragmatists are in, at least for now

5月 15, 2025 06:13 上午 | RIYADH



THE SAUDIS put on plenty of pomp for Donald Trump when he visited Riyadh, their capital, this week: F-15 fighter jets to escort his plane, riders on Arab horses to accompany his motorcade, lunch in a palace with chandeliers the size of cars. But the most enduring image came from a nondescript antechamber, where on May 14th he shook hands with Ahmed al-Sharaa·, Syria's president, a former jihadist who not long ago had a $10m American bounty on his head.

The first meeting between American and Syrian presidents in 25 years had been expected, though it was not confirmed until the last minute. But the previous afternoon brought a genuine surprise. In a speech at an investment forum, Mr Trump announced that he would lift sanctions on Syria, where Bashar al-Assad, its longtime dictator, had been toppled in December. The audience gave him a standing ovation. "Good luck, Syria," he said. "Show us something very special."

The stated focus of Mr Trump's four-day, three-country trip (which was still happening as *The Economist* went to press) was trade and investment. In Saudi Arabia he signed a package of deals said to be worth $600bn; Qatar and the United Arab Emirates (UAE), his other two stops, had prepared their own mega-deals. They make for good headlines—even if large chunks turn out to be illusory.

Saudi Arabia is probably serious about its pledge to invest tens of billions of dollars in artificial intelligence, health care and sport, which all fit with its plans to develop new industries and diversify its oily economy. It may be less committed to an arms deal valued at $142bn, almost twice its $78bn defence budget, especially when its finances are under strain from low oil prices. Some of those weapons will not be sold for years; others never will be. No matter: Mr Trump adores superlatives, and the kingdom gave him a chance to tout the "largest defence sale" in history.

Indeed, down to the small details, the Saudis showed a keen understanding of their guest. They played two of Mr Trump's favourite campaign-season jams during his speech: he took the stage to Lee Greenwood's "God Bless the USA" and walked off to "YMCA". Muhammad bin Salman, the crown prince, drove him to dinner in a golf cart. A mobile McDonald's was parked outside the media centre in case any Trump-friendly journalists shared the president's fast-food fetish.

Mr Trump returned their affection. His nearly hour-long address was full of fulsome praise for Prince Muhammad and his father, King Salman (the latter was a curious omission from the schedule, raising questions about his health). He hailed America's bond with Gulf states and spoke of a "golden age" in the Middle East.

He is not the first American president to herald a fresh start in the region. Barack Obama promised a "new beginning" in 2009. Those were welcome words after the wars of the George W. Bush era, but it was never clear what they meant in practice. The Arab spring began the following year, upending whatever plans Mr Obama had. He spent the rest of his presidency fighting fires (and occasionally fuelling them).

America's current president sounded very different. Where Mr Obama urged democracy and human rights, Mr Trump praised "safe and orderly" autocracies. He offered some surprising self-criticism—albeit of his country, not himself. At one point he assailed the American "interventionists" who had "wrecked" the region. "The gleaming marvels of Riyadh and Abu Dhabi were not created by the so-called 'nation-builders'," he said. "The birth of a modern Middle East has been brought by the people of the region themselves."

He made only a brief mention of Israel·. He did urge Saudi Arabia to join the Abraham accords, a 2020 pact in which four Arab states recognised the Jewish state. But he told them to do it "in your own time": a recognition that Saudi Arabia has its own priorities, and that (for now) normalisation is not one. It sounded, to many Arab ears, as if Mr Trump was promising a new era in relations—one in which America would listen more, lecture less and break with old orthodoxies.

The Syria announcement showed how that might look in practice. Mr Trump ignored the hawks in his own administration, who view Mr Sharaa with suspicion, and the lawyerly caution of many Washington

foreign-policy hands. Here was a chance to do something bold, and he took it.

Iran is still smarting over the fall of the Assad regime, a longtime ally. But it may have taken cheer from Mr Trump's friendliness towards Syria's new rulers. If he could lift sanctions and embrace an old American foe—he later called Mr Sharaa a "young, attractive guy"—perhaps he might do the same with the Islamic Republic.

Allies found it encouraging, too. Mr Trump said he decided to remove the sanctions at the urging of Prince Muhammad and Recep Tayyip Erdogan, the Turkish president. Both have long complained that America does not listen to them. Yet they convinced Mr Trump to take a controversial—but commendable—decision that offers him few political benefits at home.

It was no less remarkable that Saudi Arabia and Turkey, longtime rivals, were united in their backing for Mr Sharaa. Unlike in Mr Obama's days, the region now seems ripe for a positive change. The fall of the Assad regime gives America a chance to pull Syria out of Iran's orbit; a peace deal with Israel is plausible. Joseph Aoun, the new president in neighbouring Lebanon, is serious about trying to disarm Hizbullah, an Iran-backed militia that has ridden roughshod over the state for decades. Gulf states are keen to preserve their detente with Iran, which in turn is desperate to make a deal with America to avoid war and shore up a rickety regime.

Will he stick with it?

The question is how long such enthusiasm will last. This most recent version of Mr Trump denounced interventionism and said the people of Gaza "deserve a much better future". Just two months earlier, though, he ordered the Pentagon to start an open-ended bombing campaign against the Houthis, a Shia rebel group in Yemen, and allowed Binyamin Netanyahu, the Israeli prime minister, to wriggle out of a ceasefire and resume Israel's war in Gaza.

Mr Trump’s visit to the Gulf seems like an effort to reboot his Middle East policy. But neither consistency nor seeing things through are his strong suit: he could reboot it again—or simply abandon it. ■

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Ignoring Bibi

Donald Trump bypasses Israel on the path to peace in Gaza

Binyamin Netanyahu looks increasingly isolated from his closest ally

5月 15, 2025 03:29 上午 | JERUSALEM



A background figure

THE RELEASE on May 12th of Edan Alexander, an American-Israeli soldier held in Gaza for 19 months, ended the 21-year-old's ordeal but left many questions unanswered. Was this a one-off gesture by Hamas, the Islamists in Gaza, for an American president about to arrive in the region? Could it be the start of diplomacy by Donald Trump to force an end to the war?

For Mr Alexander, his family and the many Israelis who have been campaigning for the hostages in Gaza, his release brought relief and joy. For Binyamin Netanyahu, Israel's prime minister, it was a moment of diplomatic embarrassment.

Read all our coverage of the war in the Middle East

Not only had personal representatives of Mr Trump negotiated with Hamas against Israel's express wishes, but Mr Netanyahu was left out of the loop. "It doesn't mean they didn't know what was happening," said one Israeli official. "But for the prime minister to be aware of American negotiations with Israel's enemies through the intelligence reports, and not because they were updated by the administration, is a very bad position to be in."

Mr Trump said he hoped Mr Alexander's release was "the first of those final steps necessary to end this brutal conflict". But he did not mention Israel's insistence that war can end only with Hamas vanquished and banished. As the sole living hostage in Gaza with American citizenship, Mr Alexander was a major bargaining chip for Hamas. It seems safe to assume that Mr Trump assured them that he would push Mr Netanyahu to end the blockade of Gaza and accept a long-term truce in return for Mr Alexander's release.

Israel plans to "expand" its military operations in Gaza throughout most of the strip, forcing Gazans into encampments around "hubs" where Israel would distribute meagre rations. That now seems at odds with the president's wishes as well as those of a majority of Israelis who, according to recent polls, want to end the war with a deal to bring the hostages home.

This diplomatic setback is only the latest episode in the apparent breakdown of co-ordination between Israel and America. On May 6th Mr Trump announced that he was ending America's seven-week bombing campaign against the Houthis in Yemen, after they had agreed to cease attacks on American ships in the Red Sea. There

was no mention of the Houthis' frequent missile attacks on Israel; nor was its government notified in advance.

Four weeks earlier, sitting in the White House, Mr Netanyahu was blindsided by Mr Trump's announcement of talks with Iran about its nuclear programme. In his first term Mr Trump had, to Mr Netanyahu's delight, withdrawn from a previous nuclear deal with Iran. Now the American president could be on track to signing one of his own, in which Israel has no say.

All this has been building up as Mr Trump has visited Saudi Arabia, Qatar and the United Arab Emirates, but pointedly not Israel, on his tour of the Middle East. Mr Netanyahu hoped that Mr Trump might set in motion "normalisation" between Israel and Saudi Arabia. But the Saudis have made it clear that there will be no diplomatic engagement with Israel while the war in Gaza continues. And Mr Trump seems to have other priorities. He wants to agree to massive arms sales and even a civil nuclear-energy deal with his Gulf allies.

Is it personal? In 2020 Mr Trump was enraged when Mr Netanyahu congratulated Joe Biden on his election victory. Before the inauguration, Steve Witkoff, the president's Middle East envoy, forced Israel to accept a ceasefire in Gaza.

But after Mr Trump's inauguration it seemed the ties had been mended. Mr Netanyahu was the first foreign leader invited to the White House, where Mr Trump presented a far-fetched plan to remove Gaza's population. Israel then broke the ceasefire, cut off aid and restarted its war. Over 2,000 Gazans have since been killed.

Now it seems Mr Trump's patience has run out. In a meeting with hostages' families Mr Witkoff is reported to have said: "Israel is prolonging the war, even though we do not see where further progress can be made." Mr Netanyahu has been forced to send a team to Qatar for more talks with Hamas. American officials have made it clear that they want speedy progress.

Mr Netanyahu has known the president longer than any other world leader has. In the 1980s, as Israel's ambassador to the UN, he met the thrusting entrepreneur in New York. Israel was trying to stop the Reagan administration from dealing directly with the Palestine Liberation Organisation. Mr Netanyahu and his colleagues failed. Four decades later the Israeli prime minister is once again watching from the sidelines as another American administration engages with Israel's enemies.

Mr Netanyahu has only himself to blame. He relied on his influence in Washington to hold back any independent initiatives to end the war. He held out against Mr Biden. Now he is up against a president who demands immediate results. Mr Trump is not waiting for him. ■

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Helping Syria's economy

Trump's decision to lift sanctions is a triumph for Syria's president

But Ahmed al-Sharaa badly needs to reassure minorities at home

5月 15, 2025 03:29 上午 | DAMASCUS



Holding out for a hero at home

THE BEAMING portrait of Donald Trump in central Damascus was a tribute to the Syrian revolution's most unlikely hero. His face filled a giant billboard. Fireworks painted the sky behind. Celebratory gunfire provided the soundtrack. It was reminiscent of the scenes five months ago, when rebels swept into the capital and toppled Bashar al-Assad. The revelries this time were to celebrate Mr

Trump's declaration on May 13th that he would lift sanctions against Syria. It would, Mr Trump said, give Syria "a chance at greatness".

The American president then met Ahmed al-Sharaa on May 14th in Riyadh, the Saudi capital. He urged Syria's leader to join the Abraham accords that establish diplomatic ties with Israel, to rid Syria of foreign terrorists and to deport Palestinian fighters. He made no mention of protecting minorities or building Syria's democratic institutions. Mr Sharaa for his part said he accepted the 1974 disengagement deal that set up a buffer zone between Israel and Syria. And he invited American firms to invest in Syrian oil and gas.

Lifting sanctions will allow money, from the diaspora and from countries in the Gulf and elsewhere, to flow in. Rejoining SWIFT, a financial-messaging system, would allow Syrian banks to do business with foreign financial institutions. Syria will be able to print banknotes and fix a chronic cash shortage. Foreign firms may start bidding to rebuild infrastructure.

Still, dismantling the punishing sanctions regime will take some time. Repealing the most restrictive will take an act of Congress. And as Lindsey Graham, a Republican senator, pointed out, Congress will want to see evidence that Syria is no longer a state sponsor of terrorism.

Nonetheless the announcements are a triumph for Mr Sharaa. Securing sanctions relief and international legitimacy has been central to his strategy since the former jihadist declared himself president. As well as wooing Mr Trump, he has visited Emmanuel Macron, the French president, at the Elysée Palace. Yet while he has courted foreign leaders, Mr Sharaa's administration has seemed unwilling to tackle Syria's worsening problems at home.

Fears are growing over sectarian divisions. The Druze are increasingly wary of Mr Sharaa's intentions. Calls from Syria's Alawites for international protection have grown since sectarian

violence broke out in March. In Homs, a mixed city often seen as one of the country's faultlines, Alaa Ibrahim, an Alawite activist attempting to mediate between the government and local Alawite communities, says the authorities have been slow to embrace his efforts. In a single night earlier this month 14 people were kidnapped, probably by local groups. Many Alawites now avoid going out after dark in the city. Mr Sharaa's wins abroad are little comfort: "You can't afford to forget the internal," warns Mr Ibrahim.

In Homs and in Alawite-majority coastal areas, vigilante justice persists, driven in part by Sunnis frustrated by the government's reluctance to prosecute figures from the Assad era. Efforts to weld Syria's myriad militias into a national army have foundered. The issuance of ID documents has stalled. Civil registries outside Idlib have not reported births, deaths or marriages since Mr Assad's fall. The government seems loth to recruit minorities, particularly Alawites, into its new security institutions. Power is held tightly by a few men in Damascus; perhaps half a dozen people are making any big decisions.

Hardliners close to Mr Sharaa are making matters worse. Religious zealots have harassed Christian-run bars in Damascus. Gunmen recently stormed a nightclub, killing a woman. In both cases, arrests were made. But many minorities worry such attacks are ominous signs of Islamist rule creeping in. This is not official policy, insist those in charge. But some Syrians wonder whether Mr Sharaa may be tacitly allowing it. The interim constitution that he signed in March, which leant heavily on Islamic law, has compounded such fears.

"Foreign legitimacy seems to matter more to [Syria's leaders] than local grievances," says Mazen Gharibah of the London School of Economics. Perhaps most troubling, says Mr Gharibah, is the absence of any real national dialogue about where the country is going.

Reviving the economy will ease some tensions. But even after the sanctions regime is unravelled, it will be some time before ordinary Syrians feel any benefit. Mr Sharaa is enjoying a string of foreign-policy advances. But stitching Syria back together will be a much harder task. ■

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The trillion-dollar illusion

The chimera of private finance for development

A fashionable idea has yet to fulfil its promises

5月 15, 2025 03:30 上午



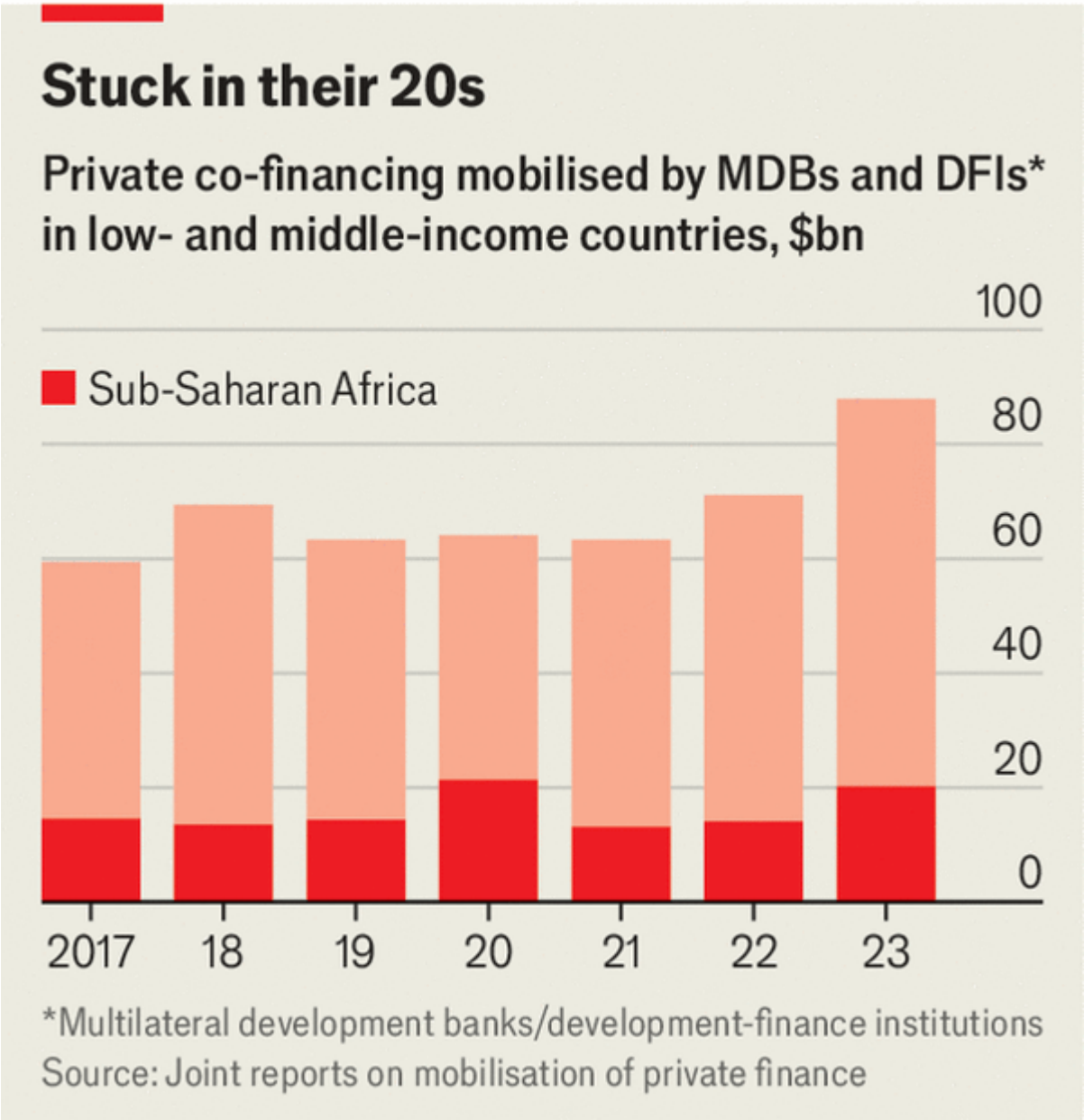
The long and winding road to prosperity

TEN YEARS ago world leaders agreed on 17 sustainable development goals (SDGs), from ending hunger to ensuring decent work for all. An ensuing conference in Ethiopia's capital, Addis Ababa, had the harder task of working out how to pay for them. The World Bank and other multilateral lenders talked of turning "billions to trillions". One idea was that small dollops of public money could spur much larger flows of private capital. The pensions and

insurance premiums of the rich would build roads and power plants for the poor.

A follow-up conference will begin in Seville next month in a glum mood. Public finance for development is in crisis. Almost every big bilateral donor is cutting aid. Government spending is falling in two-thirds of African countries as they grapple with debt. More than ever, they will pursue private finance to fill the gaps. But so far they have been on a wild-goose chase. Billions have not become trillions, however you choose to measure it.

The slogan was “well-meaning but silly”, says Philippe Valahu of the Private Infrastructure Development Group, which funds projects in developing countries. Its silliness is most obvious in Africa. The idea was always angled at places with middling incomes, and many African countries are still quite poor. But Africa is also where needs are greatest. The familiar cycle of grand promises and modest delivery is seen by Africans as “a betrayal of trust”, says Daouda Sembene, a former presidential adviser in Senegal.



Start with projects backed by multilateral development banks or bilateral financiers. They hoped to attract co-financing from private partners by shouldering some of the risks. For example, they might offer cheap funding to get a project off the ground or a guarantee in case it fails. By their own reckoning they mobilised $88bn of private finance for low- and middle-income countries in 2023, only a belated jump after years of stagnation (see chart). Just $20bn went to sub-Saharan Africa, of which $10bn reached the poorest countries. By comparison, the region received $62bn of aid that year.

In 2018 a task-force launched at Davos, the annual gathering of the World Economic Forum, envisaged that every public dollar could whip up two or more from the private sector. Such ratios are rarely achieved. A forthcoming study by ODI Global, a think-tank in London, examines a subset of investments called "blended concessional finance", where some of the capital comes at below-market rates. It finds that by 2021 each dollar was attracting about 59 cents of private co-financing in sub-Saharan Africa, and 70 cents elsewhere. Besides, too narrow a focus on ratios can distort priorities. The simplest way to bring in private capital is to pick easy projects in safe countries. But development finance is most needed where investors least want to go.

Many of those places are in sub-Saharan Africa. Less foreign investment trickles into the region now than it did when the phrase "billions to trillions" was coined. Private investment in infrastructure projects has also tumbled. The financial flows between African governments and their private creditors have reversed: since 2020, banks and bondholders have received $36bn more in repayments and interest than they have given out in new credit. Capital swilled out of the continent as interest rates rose elsewhere.

The World Bank's president, Ajay Banga, has acknowledged that the language of "billions to trillions" was "unrealistic" and "bred complacency". Its chief economist, Indermit Gill, has called the vision "a fantasy". That is a change of tone, not of heart. The bank has asked a team of business executives to identify barriers to investment. It is experimenting with new models where loans are bundled up and sold on to private investors, rather than sitting on its books as they do now. The African Development Bank, another multilateral lender, has pioneered similar ideas.

It's still all about the money

The last decade offers some lessons. Mr Valahu thinks the mistake was to assume that institutional investors in rich countries were

queuing up to buy infrastructure assets in Africa, while overlooking local pools of capital such as Nigerian pension funds. Mr Sembene argues that investors stay away because they overestimate risks. The evidence on that front is mixed. Over the past three decades private companies in sub-Saharan Africa were more likely than those in other places to default on development-finance loans—but when they did, more of the outstanding debt was eventually recovered.

Meanwhile, investors complain there is nowhere to put their money. The UN reckons an annual $4trn more is needed to reach sustainable development goals. But there is not a queue of oven-ready projects. Four-fifths of African infrastructure schemes fail at the feasibility or business-plan stage. "How do we intervene early to get projects to bankability?" asks Tshepidi Moremong of Africa50, a fund set up by African governments, to help with technical studies and financial structuring.

But wooing private money can backfire. Governments get themselves into tangles when trying to assure investors of revenues. Under offtake agreements with private energy firms, Ghana has handed over hundreds of millions of dollars for power it does not use. It also loses money by selling electricity to consumers at less than it costs to buy. The problem is a general one: in countries with a lot of poor people, it is hard to run utilities profitably while also making them affordable.

An "ideological faith" in market-based approaches has blinded policymakers to their shortcomings, argues James Leigland, who used to work on public-private partnerships in Africa for the World Bank. About 95% of infrastructure spending on the continent comes from the public purse, he notes. Why not try to use that money more efficiently, rather than tilting at privately financed windmills?

The standard response is to gesture at the scale of the challenge. Only 17% of SDG targets are on track to be met by their original end date of 2030. Many delegates in Seville will argue that Africa needs

more of both kinds of finance, public and private. Right now, it is getting little of either.■

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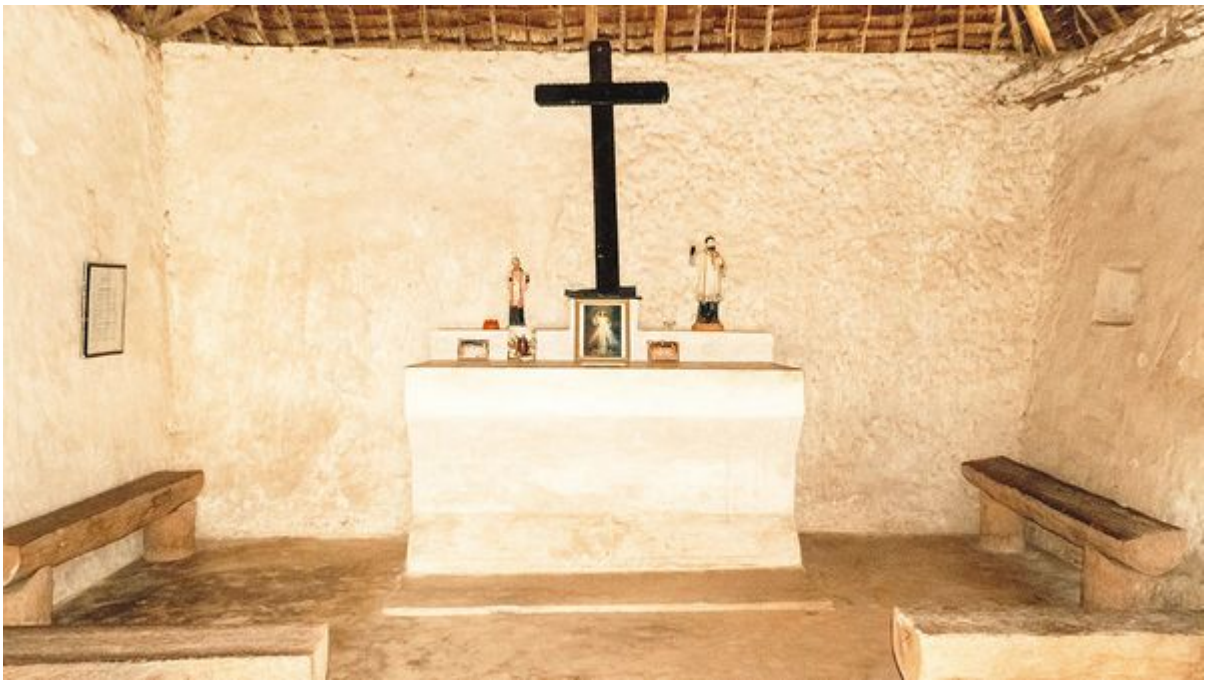
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End days

Africa’s oldest surviving Catholic church is under threat

A centuries-old chapel is a testament to Christianity’s deep roots in Africa

5月 15, 2025 06:13 上午 | MALINDI



Will the old things pass away?

ITS SURVIVAL down the centuries is a miracle worthy almost of Francis Xavier, its patron saint. The tiny chapel in Malindi, an ancient port on Kenya’s Indian Ocean coast, is believed to date to the turn of the 16th century, when Vasco da Gama, a Portuguese explorer, arrived on his way to India. He left some of his crew behind to

establish a trading post there. They built their small, vulnerable Christian settlement in what was a Muslim city. In the centuries that followed, the chapel withstood invasions, economic decline and the sea itself.

But St Francis Xavier Chapel, which has a strong claim to be the oldest surviving Catholic church in sub-Saharan Africa, faces a new threat today. A three-storey building belonging to a Chinese-owned fishing company is under construction on a previously empty plot next door. This towering presence is "shaking the foundation rock of our faith", says Reverend Willybard Lagho, the Bishop of Malindi, only partly metaphorically. The proposed fish-processing factory, and on-site borehole, are dangerously close to the chapel's foundations.

Local campaigners accuse the county government of approving the project improperly. "Something is fishy," says Salim Ali, a fisherman whose family property backs onto the chapel. Last year, construction halted following a complaint from National Museums of Kenya, the state heritage-preservation body. The bishop says the next step is for the building to be demolished entirely. But the company has appealed, and activists fear that the court might buckle.

That would be a loss. The building is a reminder of the Catholic church's long and chequered history in Africa. An openness to foreign influences, including Christianity, goes back to the Sultan of Malindi's welcoming of the first Portuguese settlers in the early 16th century. Yet the church's expansion elsewhere in Africa owed much to European demand for African resources, including slaves. Some African Catholics have been uneasy about the Church's colonial origins. Today many, especially in Kenya, prefer looser ties to the Vatican, says Stan Chu Ilo, a Nigerian priest and scholar at DePaul University in Chicago.

But the chapel also hints at how much more African Catholicism has become. Europeans fill its cemetery, but in recent years local Catholics have thronged there. Their number in Malindi—and

elsewhere in Africa—continues to grow. In the local diocese only two European missionaries remain. “The sense of ownership is passing from missionaries abroad to locals at home,” says the bishop. All the more reason for them to want to preserve their chapel. ■

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Europe

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A view to kill?

Europeans are becoming less free to say what they think

It’s becoming dangerous to anger minority groups and politicians

5月 15, 2025 06:17 上午 | BRUSSELS



SHOULD THE Finnish Lutheran church sponsor the Pride parade, a festival of rainbow flags and sexual inclusivity? Many might argue that a staid institution would do well to show prospective parishioners that it has kept up with the times. Paivi Rasanen is not among them. A staunch conservative, mother of five and member of parliament since 1995, she questioned on social media whether the church endorsing Pride was compatible with the Bible’s teachings on sin and shame. An accompanying picture of some of the book’s less tolerant passages made clear her own conclusions. That was in

2019. The temerity of her questioning has resulted in six years of police investigations, prosecution, trials and the threat of a hefty fine.

As Finland's interior minister in the early 2010s Mrs Rasanen had overseen the police. Soon she was sitting in their interrogation rooms, for 13 hours in all, she says. Ultimately a court in 2022 found that her views, offensive as some may have found them, were no crime under Finnish law. An appeal also went her way. But the ordeal is not over. The Supreme Court will soon announce whether prosecutors' wish for a judicial rematch will be granted.

Europe regards itself as a liberal kind of place, complete with laws and institutions to ensure its citizens enjoy fundamental rights, including the freedom to say what they please. Most of the time for most of the people, that is true. Yet the case of Mrs Rasanen is not so rare. From Spain to Germany, critics of kings and lesser figures of authority have found themselves in the dock for their opinions. On incendiary issues like migration, covid-19 or Gaza, the free exchange of opinions has given way to a more buttoned-up type of discourse. New European Union rules that regulate online platforms—the natural home of cranks, contrarians and conspiracy theorists—further threaten to inhibit debate.

What happened? On paper, Europeans from Ireland to Greece enjoy free-speech rights similar to the First Amendment protections afforded to their American cousins. The European Convention on Human Rights that applies across the continent states that "everyone has the right to freedom of expression". With a nuance: exercising that freedom comes with "duties and responsibilities", the convention adds. Competing rights, such as rights to privacy, to living free from discrimination or to live in a well-functioning polity in effect frame the limits of free speech far more tightly than in America. Your right to offend is limited, in some instances, by my right not to be offended.

Many European polities start—perhaps unsurprisingly—by protecting the public figures who craft the laws. Countries that have monarchies typically have *lèse-majesté* provisions, too. Plenty of countries, including France, Italy and Poland, extend the courtesy to leading politicians. A French pensioner who had beseeched Emmanuel Macron to "piss off" on a banner hung from his house was sent on a "civic-awareness course" as part of a plea deal to evade further prosecution. Also in France a broadcaster whose rabble-rousing talk-show host trenchantly criticised the mayor of Paris in 2022 was ultimately fined €150,000 ($167,000).

Politicians defend such laws on the grounds that if elected officials face endless abuse the pool of people willing to enter civic life will shrink. Germany offers the highest-profile example of what the restrictions mean in practice. It has long been an offence to make critical remarks about politicians that cannot be substantiated. The law, tightened in 2021, has been used with abandon by some thin-skinned ministers. Robert Habeck, vice-chancellor until last week, filed no fewer than 800 complaints, for example for being called "a professional idiot". A right-wing journalist who published a satirical meme involving an interior minister got a seven-month suspended prison sentence.

In 1990 around 80% of Germans felt they could express their opinions freely; now it is less than half. The authorities have been accused of trying to silence pro-Palestinian voices on the grounds of antisemitism. More controversially, the hard-right Alternative for Germany party has been branded as "extremist" by intelligence services; many politicians want to see it banned outright. Romania annulled its presidential election in December over concerns that the hard-right candidate had won only with the help of dodgy social media, in breach of electoral laws.

It is not just politicians who are protected from harassment. "Hate-speech" rules also shield minorities—whether gays or Muslims, migrants or the disabled—from others' opinions. What Americans

dismiss as tasteless, European prosecutors sometimes treat as criminal. Most notably, the right to offend religious groups is no longer assured everywhere. Once upon a time Denmark lived with the political consequences of racist agitators burning the Koran (which sparked terrorism threats). Since 2023 it has deemed "improper treatment of a religious text" to be a criminal offence. To liberal critics, that seems a lot like an unwelcome return to once-abolished blasphemy laws.

In practice most of the stuff over-eager censors might focus on is expressed these days online. The Digital Services Act (DSA), a new set of EU rules, introduced guidelines for purveyors of internet content. Mostly the rules ensure that what is said online, in a blog post or in a comment below a YouTube video, say, is treated on a par with what is said offline. But the DSA also imposes further obligations on the largest platforms, such as Facebook or X, in line with Europe's rights-come-with-responsibilities approach to speech. In particular the EU now wants the tech giants to take into account "any actual or foreseeable negative effects on civic discourse" as they design their services, for example what content they tolerate.

Critics think this is a vague and potentially chilling notion. Beyond regulating "hate speech", entreaties to ban "disinformation" from online forums invite questions as to who decides what is real. In the case of the DSA, quasi-judicial codes of practice policed by opaque out-of-court dispute-settlement bodies muddy the waters, often by encouraging platforms to take down more than they might otherwise. Getting it wrong carries a hefty price: fines can reach 6% of global turnover. Americans worry that Europeans' more restrictive approach to speech will seep into their own public sphere, as tech firms apply a single set of rules globally.

Much of the speech that ends up in the digital censors' dustbin, perhaps wrongly, involves views that even liberals might take issue with (racist bilge is often posted anonymously for a reason). It is also stuff people believe. Using the law to settle debate is

convenient for those in the majority. It also tends to exacerbate disagreement rather than settle it. “I understand these issues are controversial,” says Mrs Rasanen. “But we must be able to disagree.” ■

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Will they, won't they?

Peace talks are starting in Istanbul, but who will be there?

Vladimir Putin seems to have developed cold feet

5月 15, 2025 05:21 上午 | KYIV



Where's Putin?

AFTER A WEEK of brinkmanship, Volodymyr Zelensky departed for peace negotiations in Turkey still unsure who he would be talking to. Vladimir Putin stayed silent for nearly four days, before turning down the Ukrainian's dare of a face-to-face meeting. Pressure on the Russian leader seemed to be mounting even at the eleventh hour, with Donald Trump hinting that he would attend if Mr Putin did, and

allies like the Brazilian president, Luiz Inácio Lula da Silva, urging him to "go to Istanbul and negotiate, dammit."

But the rush towards diplomacy, marked by the visit of four European leaders to Kyiv on May 10th, nonetheless suggests Ukraine's three-year war could still be heading towards a decisive period. As far as negotiations are concerned, the starting positions of the two sides remain far apart. The Kremlin still says it wants to tackle the "root causes" of the conflict, a euphemism for NATO enlargement into eastern Europe and Ukraine's very existence. Ukraine and its allies are pressing for something different: a ceasefire first, and then negotiations about a just peace.

Read more of our recent coverage of the Ukraine war

At their meeting in Kyiv the European leaders suggested yet more sanctions on Russia's energy and banking sectors would follow if Russia did not agree to that sequencing. The confidence of their rhetoric suggested that Mr Trump, on whom the most consequential sanctions would depend, was on board at that point. Whether he actually was or not depends largely on whom you speak to.

Few expect a serious breakthrough in Turkey. By sending a third-level delegation, with nobody empowered with a mandate to make any decision, Mr Putin has all but determined the limits of the talks. Mr Zelensky was still expected to meet Turkey's president, Recep Tayyip Erdogan, on May 15th. America looks set also to attend with a high-level delegation headed by the secretary of state, Marco Rubio. But Oleksii Reznikov, Ukraine's former defence minister, who took part in peace talks abandoned without agreement three years ago, says the most that should now be expected is the "resumption of dialogue". A Ukrainian defence source is more blunt. "This is theatre. The Russians talk about peace but we see their true intentions on our screens: massing troops in the east." There, Russia continues to take Ukrainian territory, albeit at a snail's pace.

The delays and evasions risk making Mr Putin look hesitant and disrespectful. He appeared to have been caught off guard by the European ultimatum on May 10th—waiting hours to deliver a brief statement to sleep-deprived journalists at 2am on May 11th. He ignored the proposed ceasefire before floating a counter-proposal to resume direct talks, with conditions soon added by his chief foreign-policy aide, Yury Ushakov.

Instead of backing the Europeans' threats with action on sanctions, Mr Trump then equivocated, and encouraged Mr Zelensky to take up the offer of talks. After discussion with allies, and with France's Emmanuel Macron in particular, the Ukrainian came up with the idea of challenging Mr Putin to a negotiation. This clever fudge kept Ukraine on the right side of the peace effort while turning the screw on Mr Putin. But the absence of a serious response on sanctions by Mr Trump—or acknowledgment of the Kremlin's obfuscation—highlighted an apparent split between the Europeans and the Americans.

Even so, insiders insist that recent weeks have been positive ones for Ukraine. "Now there is momentum and hope that something might come out of it," says a Western source. Ever since the disaster of the Oval Office showdown between Mr Trump and Mr Zelensky, the Ukrainians have been working in lockstep with their Western partners. The White House argument has since been succeeded by much better moments: the presidents' far more cordial encounter in St Peter's Basilica; and the conclusion and unanimous ratification of a new economic and minerals deal. The essence of this new unity was perhaps clearest during a six-way conversation with Mr Trump on May 10th, after which the European leaders planned how best to respond to Mr Putin's expected next moves.

Those involved say that with Mr Trump and Mr Putin in the mix, the road ahead will be unpredictable. Even if the Europeans want to impose a greater cost on Russia, whether they can do so will depend on Mr Trump's appetite for sanctions. Despite recent developments

and his public acknowledgment of Senator Lindsay Graham's punishing secondary sanctions package, that still seems a stretch. The American president continues to position himself as a broker between Russia and Ukraine. The Ukrainians understand it will require a lot to move Mr Trump from mediator to supporter. But there is now hope that continued Kremlin missteps could take him there. "The Russians are very dangerous, very strong negotiators," says Mr Reznikov. "But they make mistakes." ■

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Pushing back populists

Why so much is riding on Poland’s presidential elections

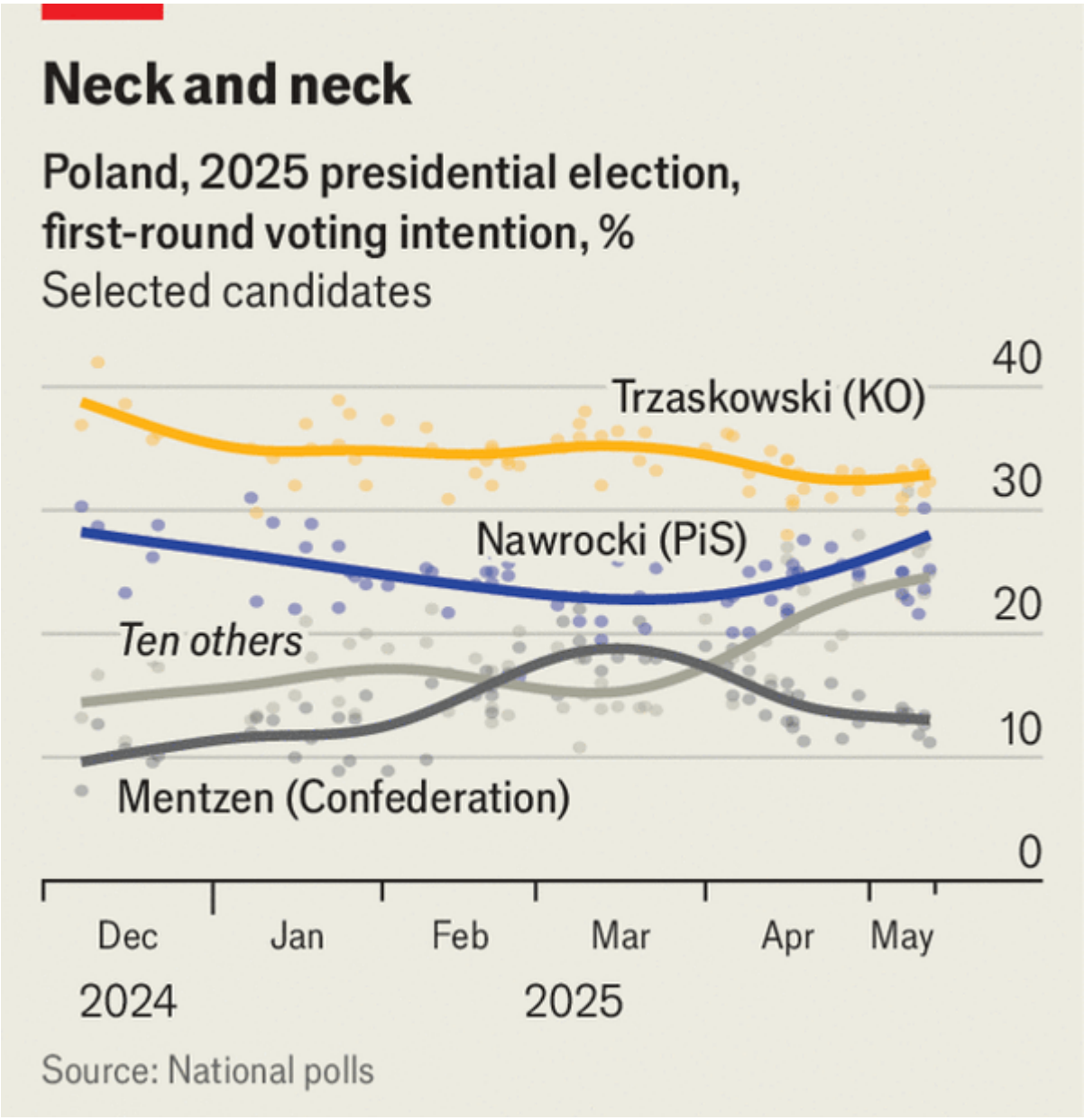
Watch what happens in Warsaw

5月 15, 2025 03:30 上午 | WARSAW



FANS OF POLAND’S main opposition party, the nationalist Law and Justice (PiS), called it a PR coup big enough to swing the country’s presidential election. Two weeks ahead of the vote, set for May 18th, Karol Nawrocki, the PiS-backed candidate, surfaced alongside Donald Trump in the White House for a photo op. “You will win,” Mr Trump told him, according to Mr Nawrocki.

The blessing could be a curse in disguise. Polish attitudes towards Mr Trump, and towards America more generally, are changing dramatically. A study published three months into Mr Trump's presidency revealed that only 31% of Poles are happy with the state of their country's relations with America, a drop of 49 percentage points since 2023. Poland has long been one of the most staunchly pro-American countries in the European Union. It may be no more. The share of Poles who have a positive view of America, the same study suggests, is the lowest on record.



Mr Nawrocki's poll numbers barely budged after his visit to Washington. They dipped days later, amid claims, which he denies, that he once defrauded an elderly pensioner. Mr Nawrocki trails behind Rafal Trzaskowski, the Warsaw mayor backed by Civic Coalition (KO), the party at the head of Poland's ruling alliance. Slawomir Mentzen, of Konfederacja, a hard-right party that unites MAGA types, libertarians and Eurosceptics, is expected to come third. A gaggle of ten other candidates follow. In so crowded a field, neither Mr Trzaskowski nor Mr Nawrocki has a chance to clear the 50% needed to win outright in the first round. The two are thus expected to meet in a run-off on June 1st.

Power in Poland rests primarily with the prime minister and parliament. But the president wields real influence by signing laws into force, or vetoing them, appointing judges and ambassadors, and helping to shape foreign policy. Presidents can rarely impose their own agenda, but they can certainly frustrate the government's.

Just ask the current one. Donald Tusk, the prime minister and KO leader, whose coalition came to power in 2023, has repeatedly locked horns with the incumbent president, Andrzej Duda, now in his second and last term. Mr Duda, who remains close to PiS, has blocked some two dozen laws passed by the new parliament, vetoing some and sending others to the constitutional court for review.

Mr Trzaskowski's win would end the impasse, allowing Mr Tusk and his coalition to move ahead with many of the changes Mr Duda opposes. These include a reform of the courts, packed with judges appointed under the previous PiS government through a flawed and politicised procedure, and an overhaul of the public media, which PiS had turned into a propaganda machine (PiS accuses the KO of doing the same). Mr Trzaskowski also pledges to back plans to ease the country's abortion ban, championed by PiS and imposed in 2020 by the constitutional court.

But there is only so much he would be able to do. The coalition over which Mr Tusk presides, which includes conservatives, liberals, leftists and greens, remains divided on the abortion ban, as well as over issues such as same-sex unions, housing and state funding for the Catholic church. Many of Mr Tusk's campaign promises remain unkept. That helps explain why only 39% of Poles view his government favourably. Having a political rival as president has helped the government mask those divisions. Having an ally in office may not make them go away.

To appreciate just how much is at stake in the election, set aside the idea of a Trzaskowski presidency and consider the opposite. A win for Mr Nawrocki would be a major, and possibly a fatal, blow to the government, setting PiS on a course to victory in the 2027 elections to parliament. Mr Tusk's coalition could start to crumble; partners like the agrarian Polish People's Party could jump ship. "This would call Tusk's entire project into question," says Piotr Buras of the European Council on Foreign Relations. "It might be the beginning of the end."

Even if such fears were to prove misplaced, politics would get nasty. For Mr Tusk, cohabitation with Mr Duda, who was prepared to break with PiS on a number of important issues, has been hard, but manageable. The same would probably not be true if Mr Nawrocki wins. "We would have PiS and Konfederacja breathing down our necks, and smelling blood," says an official. "Nawrocki would enter as a bulldozer, someone who's supposed to clear the path for a new PiS government," says Andrzej Bobinski of Polityka Insight, a think-tank. "He's a completely different partner."

Neither of the two main candidates has a straight road to victory. A strong showing for Konfederacja's Mr Mentzen could prompt both Mr Trzaskowski and Mr Nawrocki to pander to his party, possibly by promising to get tough on migrants and refugees, ahead of the run-off.

Politics in Poland for the past couple of decades has become a contest between right-leaning parties, whether moderate, religious, nationalist or extreme. That is not about to change soon. But Poles on May 18th will have a real choice, between staying the course or handing the country back to the populists. ■

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Outrage on the Oder

Germany’s border controls are annoying the neighbours

Especially the Poles

5月 15, 2025 03:30 上午 | Frankfurt an der Oder and Slubice



Shadows of the past

“WHAT CAN you do?” shrugs Ryszard Noryskiewicz, zipping along the A12 motorway in his old Chrysler on a bright spring morning. “The Germans are going to do what they do.” Mr Noryskiewicz, a Berliner originally from Warsaw, has been driving back and forth between his two countries since the early 1980s. In 2007 Poland’s accession to the EU’s Schengen passport-free zone changed everything. What had been a fraught border crossing marked by

intrusive inspections and suspicious guards became as simple as slipping from Berlin into Brandenburg.

Not any more. German angst over irregular migration—which peaked in 2015 but remained high for years—has seen the steady expansion of controls on the country's land borders. Checks have been in place between Slubice in Poland and Frankfurt an der Oder on the German side since 2023. They are hardly onerous; the bored policemen manning the post on the Oder river wave Mr Noryskiewicz through, along with most other vehicles. (The police's criteria for inspection are unknown, but not hard to guess. Either way, few seem likely to be deterred.) But on the A12 traffic is compressed into a single lane to enable them, creating long tailbacks. On bad days the crossing can take hours, says Mr Noryskiewicz. And for what? "It's just populist nonsense."

Friedrich Merz, who took office as Germany's chancellor on May 6th, campaigned promising both a day-one clampdown on illegal migration, and better relations with Germany's neighbours, Poland (and France) chief among them. These pledges sit in tension. On May 7th Alexander Dobrindt, Mr Merz's interior minister, rescinded an order dating from Angela Merkel's time that obliged border police to let asylum-seekers into Germany. Now they may turn all but the "vulnerable" away. Locals have not noticed big changes. But the groundwork has been laid.

That has turned Polish grumpiness to anxiety. Standing with Mr Merz in Warsaw last week, Donald Tusk, his Polish counterpart, said he would "not accept anyone—including Germany—sending groups of migrants to Poland." (The Swiss, Czechs and Luxembourgers are also annoyed.) For years Belarus, a client state of Russia's to Poland's east, has been shipping hapless migrants from the Middle East and Asia into Poland, many of whom move on to Germany. Efforts should be focused on the external border to avoid checks at Schengen ones, says Maciej Duszczyk, Poland's deputy interior minister. Poland

has reportedly already refused to accept two Afghans turned back by Germany under the new rules.



The concern is not hard to fathom. Commuting from Poland to Germany has surged in recent years (see chart). And for companies juggling just-in-time delivery obligations with regulations like mandated breaks for drivers, border delays can be more than an irritant. Damian Golunski of Dago Express, a courier company, explains that the Polish drivers he contracts must often endure

three-hour traffic jams and then checks that can take an hour or more. So far his firm has absorbed the costs, but tighter controls might make that impossible. "Political decision-makers are seriously underestimating the consequences of border controls," says Norma Gross at the East Brandenburg Chamber of Commerce. Officials in the self-proclaimed *Doppelstädte* (twin cities) of Frankfurt and Slubice gripe that the controls hamper the joint city planning they had got used to.

Mr Merz's policy has also sparked dismay at home. He wants to get asylum claims below 100,000 a year, and to arrest the rise of the hard-right Alternative for Germany (AfD). The government says its new proposals rely on a clause in the EU treaty that allows for border turnbacks to protect internal security. That supersedes the Dublin regulation, which obliges authorities to take in claimants while they work out which country should adjudicate their claim. But Constantin Hruschka at the Protestant University of Freiburg says that even the pre-existing controls are illegal, let alone Mr Dobrindt's new directive. The opposition Greens are crying foul. Courts will surely have their say.

The current controls may be largely symbolic. But not all of Germany's EU partners mind it tightening its borders; they may wish to do the same. Meanwhile, luck may ride to Mr Merz's rescue. Asylum claims have tumbled in the past year, the result less of policy tweaks in Germany than changes elsewhere, and a relative decline in mayhem outside the EU's borders. Should that decline continue, it may provide Mr Merz with an excuse to take the credit and magnanimously ease his controls. Whether that will be enough to stop the AfD is another question. ■

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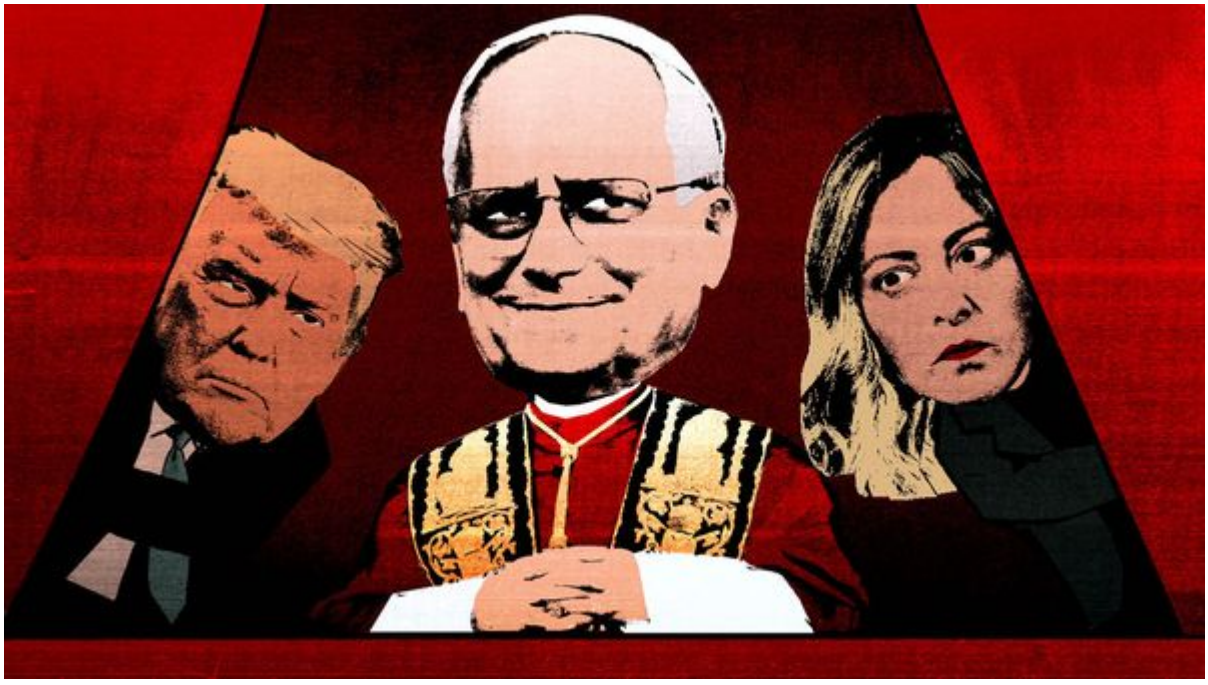
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Charlemagne

Leo XIV will pose some tricky problems for Giorgia Meloni

The newly enthroned pope has criticised the MAGA bigwigs whom the Italian leader supports

5月 15, 2025 03:29 上午



FROM TIME to time, Charlemagne comes face to face with a pope. The first occasion was in the year 800 when Leo III placed a crown on his head and proclaimed him emperor of a reborn Roman Empire. More recently, it has become a ritual for a new pope—the latest is another Leo—to thank the scribes who have covered his election, this time including your columnist. Since 2005 the death of a pope has also been marked by a new ritual. Barely is the poor man's body cold than articles appear in Italian newspapers arguing that the

chances have never been better of a return to normality (John Paul II had been the first non-Italian pope for 455 years) and predicting that the next pope will be an Italian. When lists are published of cardinals deemed *papabile* (literally, pope-able), half or more are invariably Italians. Non-Italian commentators, who assume their Italian counterparts have an inside track, repeat these names until, by the time the cardinals are locked into the Sistine Chapel, it has become a near-certainty they will choose an Italian. It happened again this time. The odds on Pietro Parolin becoming pope had shrunk to 6 to 4 on; but it was an American who emerged onto the balcony of St Peter's.

The choice of Robert Prevost has jolted the relationship between Italy and the papacy perhaps more than anything since the French transferred the headquarters of the Catholic church to Avignon more than 700 years ago. John Paul II, who became pope in 1978, may have been a Pole. But he was a European from a solidly Catholic country with which Italians could identify. Benedict XVI was also a European, though from a country that is only partly Catholic. But because of that coronation in 800, Germany's history was tangled up with Italy's for more than eight centuries. As for Francis, plucked "almost from the end of the earth" to quote his own words, he had an Italian surname, Italian forebears and spoke Italian almost like a native.

Cardinal Prevost's transformation into Leo XIV takes the papacy beyond not just Italy, but Europe. Yet the Catholic church remains centred in its own mini-state inside the Italian capital, creating an uncomfortable juxtaposition for the current Italian government. So far, Giorgia Meloni, Italy's prime minister, has succeeded in persuading President Donald Trump that she is that rare thing: a sound MAGA-loving European. Now she finds herself sharing Rome with a head of state who has belaboured on social media not only Mr Trump's deputy, J.D. Vance, but indirectly Mr Trump himself. And—worse—she has to laud and court this most hallowed critic of the administration. It would be more than the career of any Italian

politician is worth to gainsay a pope. And that is even truer of the leader of a party like the Brothers of Italy, many of whose followers regard themselves as faithful Catholics.

Francis, of course, posed a similar problem. But his alienation from Ms Meloni's rightists could be taken for granted; he had no liking for them, and to them he was little better than a Marxist. One of his earliest statements was *Evangelii Gaudium*, which inveighed against an "economy of exclusion and inequality". That was never likely to be a work popular with American oligarchs like Ms Meloni's chum, Elon Musk.

Leo poses a greater difficulty, not just for Ms Meloni, but for that part—and it is a large part—of the international populist right that considers itself Christian. First, his age. At a sprightly looking 69, we can expect him to be around for another 20 years or more, in which he will have ample time, opportunity and authority to hammer home his messages. Then there are the beliefs that underlie them. Branding him a Francis clone, as some of the more extreme MAGA types have done, won't wash. The new pope has been described as middle-of-the-road. But, based on what we know so far, it would seem more accurate to say that, unlike many diehard Catholic liberals and traditionalists, he embraces with equal conviction the whole of Catholic teaching.

A pope for all

Leo's papal name honours Leo XIII, the father of Catholic social doctrine. He is passionate about caring for the marginalised, protecting the environment and guaranteeing the welfare of migrants. But unlike Francis, who made his first appearance in plain white robes, Leo sported a *mozzetta*, a shoulder-length cape of red velvet like that worn by Benedict and scores of traditionalist popes before him. Back in 2012, the future Leo XIV deplored the "homosexual lifestyle" and non-traditional families. And while he was the head of the Augustinian order and Francis the archbishop of

Buenos Aires, the two men clashed, as Leo has disclosed. Relations between them were sufficiently poor that when the former Cardinal Bergoglio was elected pope, Leo told some fellow-Augustinians that, as a result, he would never be made a bishop.

Francis must have come to appreciate Leo's qualities, however, because he later did make him a bishop, then gave him a key role in the Vatican and finally made him a cardinal. But Leo has rejected the ordination of women, even as deacons. And as a bishop in Peru from 2015 to 2023, he opposed the teaching of gender theory in schools. In his native Illinois he has voted more often in Republican than Democratic primaries. None of this squares with his being an out-and-out progressive. Thus, if and when he speaks out about, say, the Italian government carting asylum-seekers off to Albania, it will have far greater credibility.

But will he speak out? Might he be tempted to blunt his barbs now he is pope? If his new name is anything to go by, he will not shrink from confrontation. Leo X excommunicated Martin Luther. And Leo I, known as Leo the Great, travelled north from Rome to eyeball Attila the Hun near Mantua. After meeting the pope, Attila meekly turned around his horde and left Italy without sacking Rome. Moral? Never underestimate a Leo. ■

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Britain

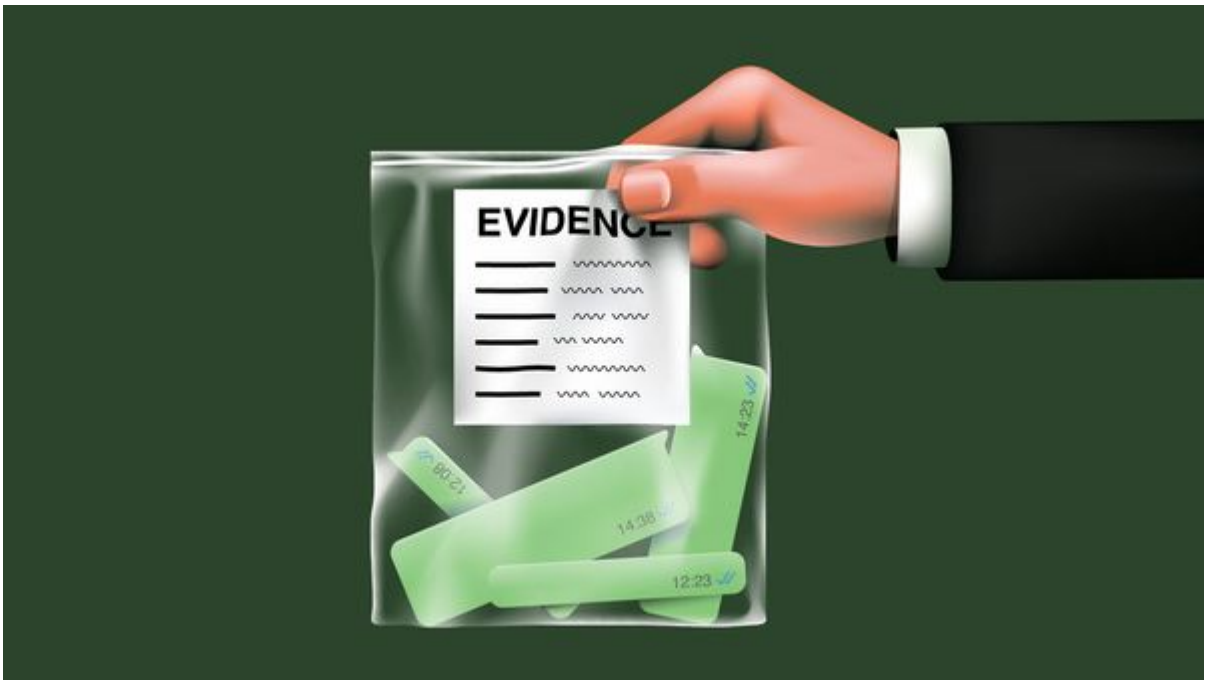
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Hate to say it

Britain’s police are restricting speech in worrying ways

Muddled laws give them wide discretion

5月 15, 2025 10:40 上午



THE POLICE arrived at Maxie Allen’s door at midday on January 29th. None of the six officers seemed to know much about why they were there, recalls Mr Allen. But they read out a list of charges and searched the house, before arresting him and his partner and taking them to the police station, where they were held for eight hours. The couple’s alleged crime? Disparaging emails and WhatsApp messages about their daughter’s primary school.

Free speech in Britain has been put under the spotlight. J.D. Vance, America's vice-president, frequently cites cases involving religious activists. Elon Musk, a tech mogul, has claimed that thousands are being locked up for social-media posts. It would be nice if Brits could simply dismiss such attacks as ill-informed and staggeringly hypocritical from an administration that now strives to stifle dissent. Yet the Americans are right in one crucial respect: Britain does have a serious problem.

Speech is being restricted, particularly online, in alarming ways and at an increasingly alarming rate. The number of arrests—more than a thousand a month for online posts—shows this is no longer about a few rogue cases. The root cause can be found in the country's speech laws, which are a mess and ill-suited to the digital age: Brits are prosecuted for the sorts of conversations they would have had in the pub. And things are set to get worse.

Mr Vance, who reiterated his criticism at an event on May 7th, has focused on Britain's "backslide away from conscience rights", and sees religious lives stifled by woke conformity. But the difference in how America and Europe deal with difficult speech has less to do with recent wokery than with the evolution of laws and attitudes over centuries.

America's First Amendment provides by far the strongest free-speech protections in the world; its founding fathers wrote into the constitution that "Congress shall make no law" limiting freedom of expression. This protection has been tested and expanded, especially in the 20th century. Europeans, meanwhile, codified such a right only in the mid-20th century—and even then it had clear limits. Lawmakers have long sought to balance the right to free expression and the harm it may cause.

Mr Musk is closer to the mark in focusing on how Britain handles online speech. He seems to have been radicalised by the government's response to riots last summer, in which thugs reacted

to a heinous stabbing spree by targeting mosques and asylum hotels. But his claim that several thousand Britons were locked up for posts where there was "no explicit link to actual violence" was overblown; around 450 people were sentenced, the vast majority for violent disorder.

A few dozen were prosecuted for online posts. Among them were people who said things like "blow the mosque up" and "set fire to all the fucking hotels full of the bastards". That probably would have been legal in America, says Gavin Phillipson of Bristol University, since it falls short of presenting a clear and imminent danger. Under laws in Britain and much of Europe, it is likely to be seen as inciting violence.

Others, however, were prosecuted for milder statements. Jamie Michael posted a 12-minute video on Facebook after the stabbings, in which he ranted about illegal immigration and warned that the country was "under attack". He was arrested and held for 17 days on charges of "stirring up of racial hatred", before being acquitted.

Britain, we have a problem

Consider three more recent examples. A man posted a picture of himself on the way to a Halloween party dressed as the Islamist who carried out a terrorist attack in Manchester in 2017. Another man criticised pro-Palestine protesters, tweeting: "One step away from storming Heathrow looking for Jewish arrivals." Six retired police officers sent racist messages in a WhatsApp group chat called "Old Boys Beer Meet-Wales".

The first man faced up to two years in prison before his case was overturned in April. Police ransacked the house and inspected the bookshelves of the second—bizarrely on suspicion of antisemitism—and questioned him at a police station before releasing him. The former police officers all got suspended sentences and mandated community work.

Such bizarre—and chilling—cases arise because Britain has no idea how to police online speech. Its problems largely stem from two outdated laws: the 1988 Malicious Communications Act and the 2003 Communications Act. The former focused on indecent, offensive, threatening or false information. The latter made it a crime to be "grossly offensive" on any "public electronic communications network".

Under these laws, British police arrest more than 30 people a day for online posts, double the rate in 2017. Some are serious offenders, such as stalkers. Many have simply said something that someone else considers offensive.

The police are coy about what exactly is behind the rise in arrests. But there appear to be several factors. Officers must investigate every post reported to them, and the volume of content they receive has risen sharply. In turn more officers have been assigned to it. In 2010 the Metropolitan Police in London created a small team of 24 officers to monitor unlawful social-media activity, the first of its kind. Now every force in the country has a team sifting through people's posts trying to determine what crosses an undefined threshold. "It is a complete nightmare," one officer admits.

The public might well question why so much time is spent on this, while burglaries routinely go unsolved. Some commentators suggest that a strain of wokeness exists in the police, or that chiefs face pressure to enforce strictures. Neither explanation is convincing if you have met many police officers or home secretaries. A more likely one is that the police have a naturally authoritarian streak when it comes to speech. And with charge rates for crimes overall near an all-time low, they find it hard to resist cases presented with a bow.

Either way, the arbitrariness continues in court. These cases have to be heard in magistrates' courts, meaning they are argued in front of a lay bench with little or no understanding of the case law. Defendants often don't know their rights, either. The Free Speech

Union, a not-for-profit, has started to challenge, and successfully overturn, some convictions (including that of the man with the crass costume). Yet Britain is clearly getting the balance wrong.

It is hardly alone. Frustrated by their weak grip over American platforms, European politicians have struggled to come up with a coherent approach. The result is broad and vague laws that provide excessive discretion to public authorities, says David Kaye of the University of California, Irvine. Both Britain and the EU have introduced legislation that has increased the pressure on platforms to remove "illegal" content with the threat of fines. That is likely to lead to a chilling effect. A bust-up is brewing between regulators and Mr Musk's platform, X.

But Britain has the deepest muddle. One particular concern is increasing intrusion into private messages. That stems from the 2003 act; a clause written to prevent pests harassing telephone operators is being used to sift WhatsApp chats. "In English law there is no concept of a private conversation online," says Adam King, a barrister. In addition a 2022 law widened the scope of public-order offences. That has allowed the police to take a draconian approach to pro-Gaza protests; recently they raided the home of a journalist.

Messrs Vance and Musk see a concerted leftist campaign to restrict certain kinds of freedom. In fact, Britain's problem is more one of neglect: MPs fret about online harm while seeing free speech as a secondary issue, worth sacrificing in some circumstances. Attempts to fix bad laws have fizzled out. Of all the recent cases, it is Mr Allen's that best captures the careless erosion of a crucial liberty. At one point during his questioning Mr Allen's partner asked for an example of a WhatsApp message that constituted "malicious communication". The detective had to stop and Google the crime. ■

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Raising the drawbridge

Britain’s experiment with liberal immigration policies is over

It was unpopular, but it worked

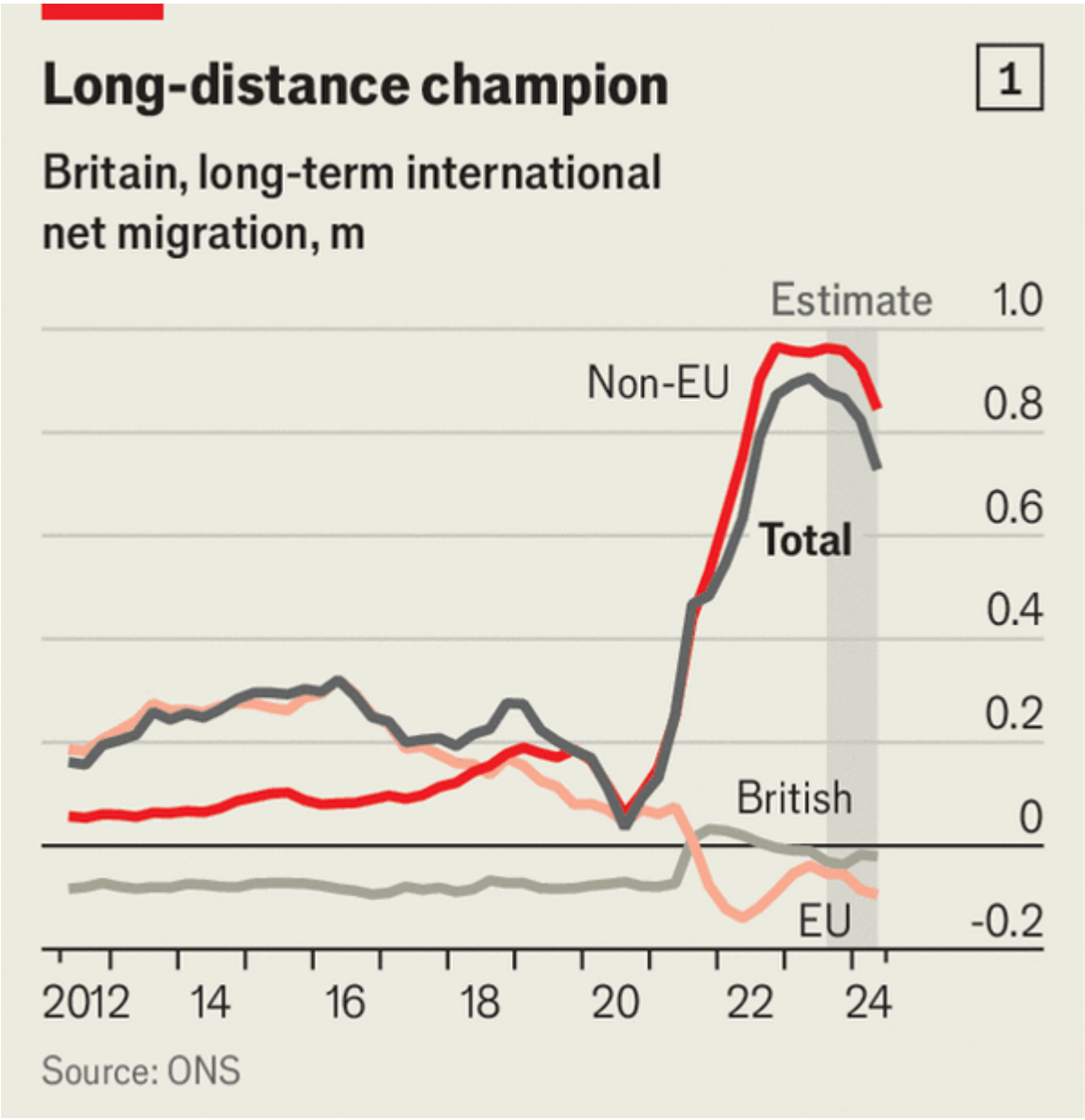
5月 15, 2025 03:30 上午



IN APRIL BRITAIN’S prime minister gave a forceful speech about immigration. Migrants should be celebrated, he said, for they make a “huge contribution”. Far from being a burden on public services, they are often the very people delivering those services. Almost all migrants follow the rules. Those who claim that migration is out of control are “simply wrong”.

That was Sir Tony Blair, in April 2004. The current occupant of 10 Downing Street, Sir Keir Starmer, speaks differently. Britain has conducted "a one-nation experiment in open borders", he argued while unveiling a new immigration policy on May 12th. Unrestrained immigration has caused "incalculable" damage to the country. His government will "close the book on a squalid chapter for our politics, and our economy, and our country."

Although Sir Keir denies it, politics is spurring him. Reform UK, an anti-immigration party, tops many polls. In local elections on May 1st it humiliated both Labour and the Conservative Party—which has also turned in a nativist direction. Polling by Ipsos in April shows that immigration is seen as the second-most-important issue in Britain, after the economy.



Britain has certainly seen a lot of movement. For much of the 2010s net migration (immigration minus emigration) was between 200,000 and 300,000 a year. Covid-19 cut it to almost nothing. Then it surged, reaching 900,000 in the year to June 2023. Whereas most immigrants in the 2010s were Europeans, most these days are from farther afield (see chart 1).

After leaving the EU in 2020 Britain created an immigration system that treated people from every country the same. The bar to entry

was low. Salary thresholds for work visas were set at modest levels; health and care workers were welcomed; foreign students were invited to work after graduating. Combined with generosity to Hong Kongers and Ukrainians, the changes pushed up migration numbers.

On May 22nd the Office for National Statistics will release new estimates of net migration to 2024. They will almost certainly show a dramatic fall from the extraordinary heights reached after Brexit. But the government is determined to push the figure lower. To do that it will press down on almost every kind of immigration.

Eligibility for work visas will be restricted, and care workers will no longer receive them. Companies that want to hire foreigners will have to convince a new outfit, the Labour Market Evidence Group, that they are straining to train natives—and pay a higher levy. Most graduates will be given work visas for 18 months, not two years as at present. People who want to join their spouses will have to speak basic English.

Most striking, though for now most vague, are the government's plans to make migrants wait longer for settlement and citizenship. Currently many can apply for settlement after five years. That will rise to ten years, although exceptions will be made. The change is likely to retard migrants' integration, says Madeleine Sumption of the Migration Observatory, a think-tank at Oxford University. But it will be a boon to the government, since migrants will keep paying fees while in limbo.

To misquote P.G. Wodehouse, it is not difficult to distinguish between the government's plan and a ray of sunshine. The worst is assumed of everyone. Immigrants are said to be undercutting native workers. Businesses are hooked on them, and have grown lazy about training. Student visas are misused, as is the asylum system. Community cohesion is eroded. But has Britain's brief experiment in liberal immigration policy really been such a disaster?



In economic terms, it has not. Foreign students have shored up universities' finances, allowing them to get by even as domestic tuition fees have fallen in real terms. Those who work in Britain after graduating, and go on to receive skilled-worker visas, earn almost exactly as much as recent British university graduates.

Migrants from outside Europe start by earning less than Britons, but soon catch up. Indeed, recent arrivals are overhauling the natives even more quickly than earlier ones did (see chart 2). Jonathan

Portes, an economist at King's College London, points out that many migrants do not arrive on work visas; others might be family members, students or asylum-seekers. The decision to lower the bar for economic migrants could have made them a bigger share of the immigration population, making it more dynamic overall.

An honest reckoning of Britain's experiment in liberal immigration policy would admit that it has been an economic success but a political failure. That is the trade-off Sir Keir must grapple with. His government could succeed in pushing immigration down. If Britons feel a little more pinched and a little poorer as a result, they might not thank him. ■

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Cost of living

Cheap petrol offers a small respite for squeezed households

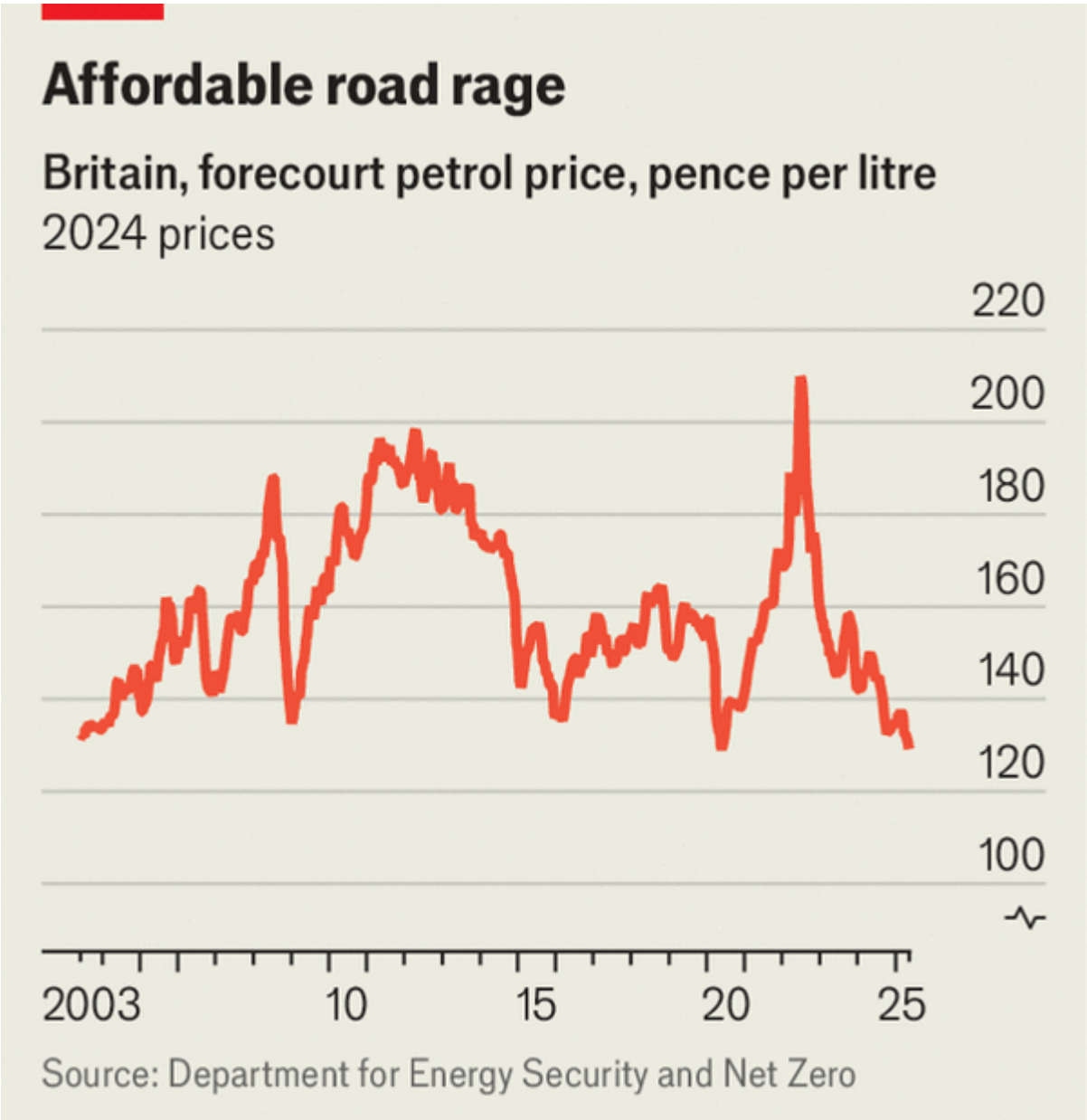
A silver lining to Donald Trump's tariffs

5月 15, 2025 03:30 上午



GIVEN THE state of the country, no sane minister would boast like Harold Macmillan, a post-war prime minister, that "most of our people have never had it so good." But for motorists, life is cheaper than it has been for years. A litre of unleaded petrol now costs £1.32 ($1.75), on average, according to government data released on May 13th. That is the lowest price at the forecourt since July 2021 and a plunge from the peak of £1.92 in July 2022, after Russia's full-scale

invasion of Ukraine. Adjusted for inflation, filling up is now cheaper than at any point since 2003.



For British drivers, it amounts to a thin silver lining to Donald Trump's tariffs. The anticipated global slowdown worsens the outlook for the British economy. But it has also pushed down the wholesale price of oil and gas as expectations of demand fall. The Bank of England expects cheaper energy to help control inflation, with

annual price increases predicted to reach 3.5% this autumn, falling back to 2% by 2027.

And Britain's government could do with good news: Sir Keir Starmer's polling is in the gutter, and the share of Brits who think the economy will deteriorate over the next year has reached its highest since Ipsos, a pollster, began tracking it in 1978.

Politicos obsess over migration statistics shaping the public mood; fuel prices can be overlooked, perhaps because Westminster is on the Tube network. David Cameron's victory of 2015 was preceded by two years of tumbling prices on a global oil glut. *The Economist*'s analysis of opinion polling since 1990 finds that British prime ministers tend to enjoy a slight bump when petrol prices fall. (Disentangling the effect of any single variable on public opinion is tricky, especially because falling petrol prices have historically coincided with periods of economic tumult.) And the motoring lobby is powerful: Rachel Reeves, the chancellor, has stuck with an eye-wateringly expensive Conservative policy of refusing to increase fuel duty with inflation.

Ministers are reluctant to trumpet positive data, after the experience of Rishi Sunak, a Tory prime minister, who they thought looked out of touch with squeezed voters when he declared victory over inflation. But there are glimmers of hope. The economy grew by 0.7% in the first quarter of 2025, according to new data. Real wages are increasing. Interest-rate cuts are reducing the cost of mortgages. Supermarkets are preparing for a price war. If Britain strikes a deal with the EU to harmonise its agricultural-import rules, ministers will sell it not as a victory for European integration but as a recipe for cheaper dinners.

Indeed Brits are so down on their living standards that any change to the upside may carry political rewards, reckons Christabel Cooper of Labour Together, a think-tank close to the government. In surveys, it presented voters with official forecasts that project

electricity prices to fall markedly over the next three years. Some responded with disbelief, says Ms Cooper: “People say, ‘All this seems too good to be true, I can’t imagine those prices being like that in 2028.’” But in energy prices, like so much else, Sir Keir’s fortunes are hostage to forces beyond his control. ■

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Red herrings

When levelling-up comes to town

In Great Yarmouth, cash alone couldn't fend off populism

5月 15, 2025 04:16 上午 | Great Yarmouth



TREVOR WAINWRIGHT pauses for a second, totting up the new building projects that dot Great Yarmouth, in Norfolk. "I mean, we're talking about millions…probably 80, 85 million. Then we got the new bridge, that was 100 million." Not bad for a seaside town with fewer than 70,000 inhabitants. However you slice it, the local councillor concludes, Yarmouth (as locals call it) astutely navigated the post-Brexit years, when successive governments had a rush of enthusiasm for getting cash to "left-behind" parts of the country.

Yarmouth's screeching seagulls, blaring funfairs and faded air of Edwardian grandeur epitomise what is now a well-worn trope in British politics. Herring and the medieval wool trade made the town rich. Victorian holidaymakers flocked to its sandy beaches. Many still come, but the go-go years are over—package-deal holidays to the Mediterranean saw to that. Oil and, lately, offshore wind have helped, but not quite enough.

So when the Brexit vote came in 2016, the result wasn't close. Yarmouth voted to leave the European Union by more than 70%. The pro-Brexit UK Independence Party (UKIP) was already winning council seats back in 2009. If the past few Conservative governments have had one goal in the post-Brexit years, it was to win back places like Yarmouth.

Hence the cash. A visitor can drive in across the Herring Bridge, a £120m ($160m) bit of congestion relief that opened last year. Wandering into the town centre, they might walk past The Place, a £17m library and "learning hub" that opened this week, then buy a kebab from the market piazza, refurbished for £6m. By the beach the glass-and-iron Winter Gardens, a derelict Victorian greenhouse, sticks out on the horizon. A £16m renovation is due to finish in 2027.

The typical critique of "levelling-up", the label that Boris Johnson's government used for plans to spend big on worse-off parts of Britain, was that it was never really tried: too little money got set aside to make a difference. In that respect, Yarmouth is an exception. But the town still turfed out the Conservatives at the last general election in favour of Reform UK, a successor to UKIP.

Sir Brandon Lewis, the old MP, says the explanation is simple. "We made a big commitment on immigration and just didn't do it." No matter that Yarmouth managed, unusually, to win a high-court injunction against housing asylum-seekers, on the basis that doing so would damage tourism. The national narrative, he says, was

simply too unpopular. “I don’t think the 2024 election reflects what was done locally.”

Now Labour is mulling another big round of funding for projects in Reform-leaning areas. Yarmouth’s seafront might be worth a visit first, before too many grandiose ambitions take hold. ■

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Better angels

How to prevent drunken punch-ups

Violence inflicted on the weekend has fallen by half over the past decade

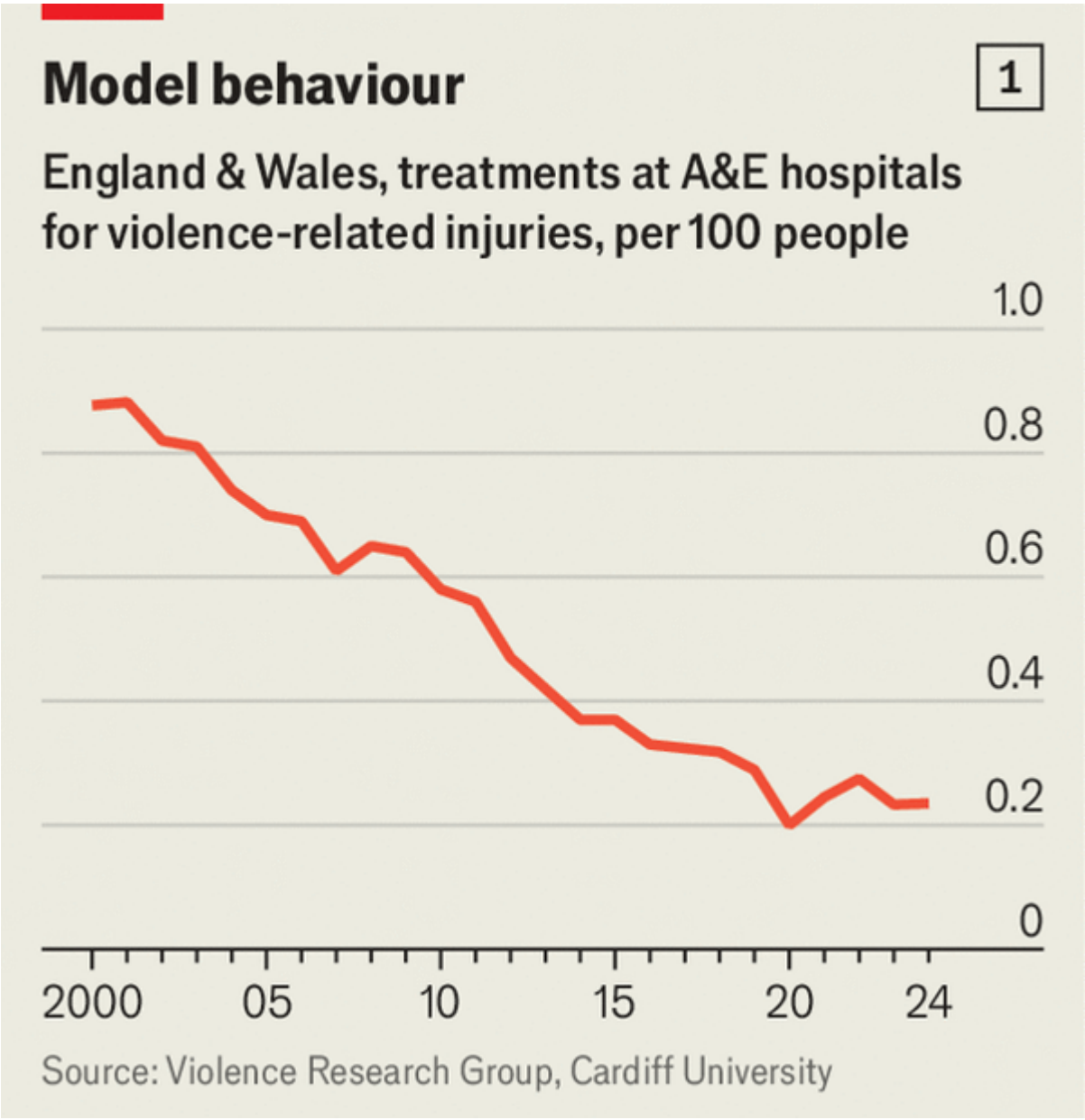
5月 15, 2025 03:29 上午 | CARDIFF, WALES



SATURDAY NIGHT on St Mary Street in Cardiff is a sight to behold. The thoroughfare is thronging with inebriated revellers, some stumbling semi-naked, others dancing and singing, venturing from one bar to the next. Nearby Caroline Street (aka "Chippy Lane") is strewn with drunkards and discarded kebabs. But the alcohol-fuelled violence often associated with British nightlife is absent.

Data recently published by Cardiff University corroborate this observation. Over the last 25 years the annual number of Brits seeking treatment in hospitals for violence-related injuries has fallen from 450,000 to 150,000. Thank better policing and changing social norms.

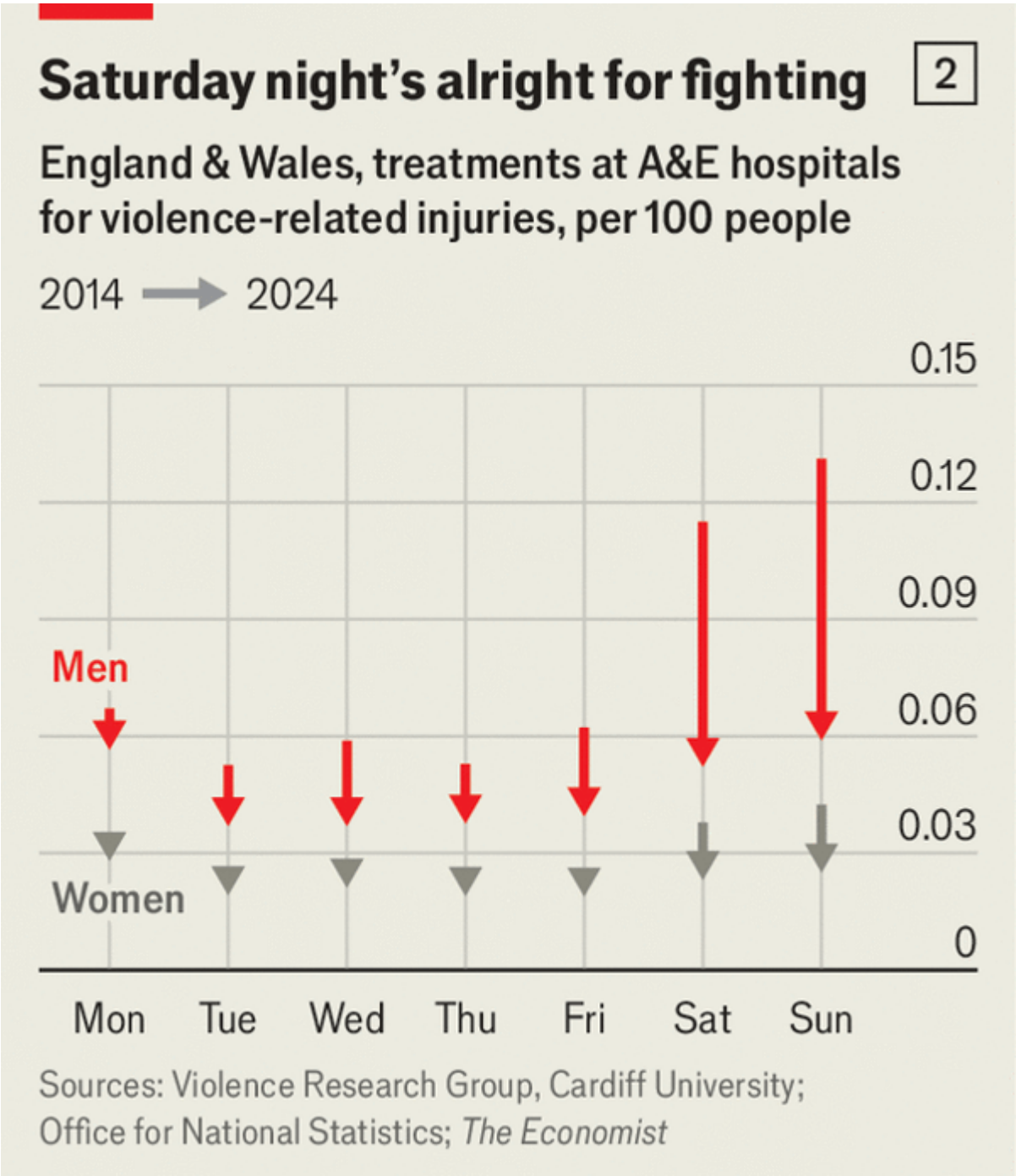
Jonathan Shepherd, the founder of Cardiff University's Violence Research Group, emphasises prevention. As a young doctor in the 1980s he noticed the abundance of patients arriving in hospital at the weekend with lacerations. His research led to toughened glass becoming mandatory in bars and pubs, so that drinking vessels did not produce shards when they shattered. "Weapon use is strongly linked to weapon availability", he says, "[drunk] people will use whatever is at hand" (see chart 1).



Police statistics undercount violent behaviour, as many assaults are not reported. Professor Shepherd realised that hospital attendances would provide a more complete picture. So 25 years ago Cardiff University set about collecting such data nationally. The latest annual figures, for 2024, were collected from 189 accident-and-emergency departments and other treatment centres across England and Wales.

Some local police forces use the anonymised hospital data to target crime hotspots. South Wales Police began doing so in the mid-2000s.

They found that employing better data, at a cost of £200,000 ($360,000) a year, led to a 42% drop in violent injuries in Cardiff, saving £3m in health and criminal-justice costs. The technique, now known as the "Cardiff model" for violence prevention, has since been employed in 16 American cities, too.



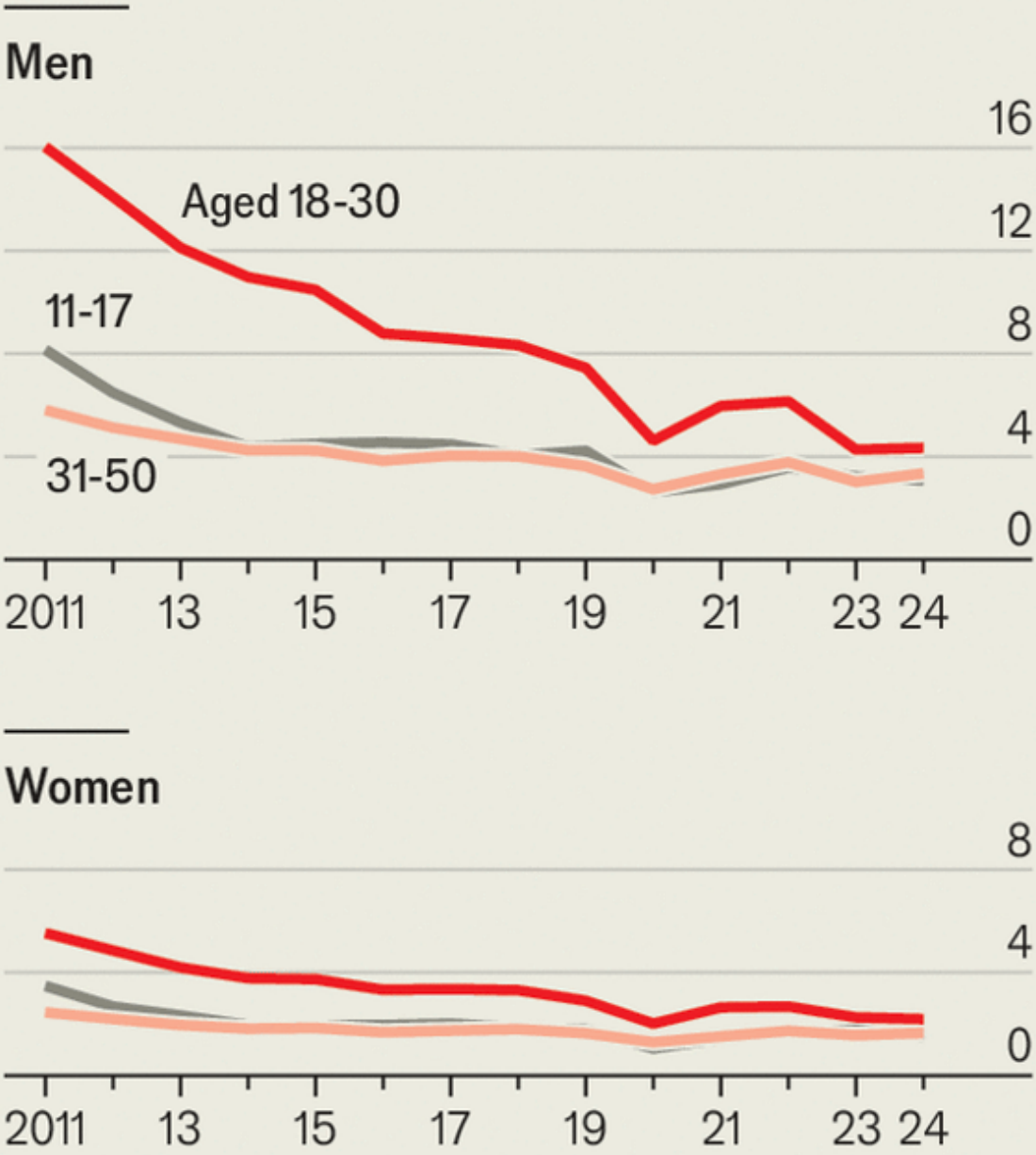
The Welsh capital—which has the highest density of licensed drinking places in Britain—shows how revelry can be made safer. On Friday and Saturday nights the authorities operate "Cardiff After Dark": St Mary Street is closed to traffic; bouncers share intel on troublemakers; CCTV is monitored and bobbies are on patrol. The police typically issue half a dozen "Section 34" notices each night for misdemeanours such as public urination, forcing perpetrators to leave the area for up to 48 hours or face arrest. Inspector Adrian Snook of South Wales Police says this ensures that "minor anti-social behaviour at 9pm does not become grievous bodily harm at 3am."

Beyond Cardiff, the data show, violence has fallen across the board in England and Wales. The number of men seeking treatment for injuries on Sundays—after getting into scraps on Saturday night—has declined by 55% over the past decade (see chart 2). Violence inflicted on young women has fallen by 42% over the same period and by 21% among men aged between 31 and 50 (see chart 3).

Age of enlightenment

3

England & Wales, treatments at A&E hospitals for violence-related injuries, per 100 people



Sources: Violence Research Group, Cardiff University; Office for National Statistics; *The Economist*

But the biggest fall has been among young men. *The Economist*'s analysis of the data finds that 65% of the decline in violence over the past decade is due to men aged 18-30 getting into fewer scrapes. Less alcohol is likely to be the main reason: the share of 16- to 24-year-olds who say they do not drink has increased from 18% to 28% in 11 years. Nerys Thomas from the College of Policing, a think-tank, says that preventative policing has coincided with a new generation of sensible drinkers.

It is not all good news. Social media may result in angry men acting violently in the digital realm rather than on the street. And the number of people treated in hospitals for assaults caused by sharp objects (ie, knives) has stubbornly flatlined over the past decade, at 4,000 incidents a year. To help tackle knife crime, the government has funded 20 "violence reduction units" in big cities which are employing many of the Cardiff model's techniques.

Writing in "The Better Angels of Our Nature", Steven Pinker, a psychologist at Harvard University, argued that, over millennia, humanity has become "less violent, more empathetic and more peaceful". Remarkably, that appears to be true in a single generation, too. The only aggression your correspondent witnessed in Wales was at the rugby match between the Newport Dragons and Llanelli Scarlets.■

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Hello shallow

How to build tram lines quickly and cheaply

Scrape the road, don’t dig it up

5月 15, 2025 03:30 上午 | COVENTRY



Untrammelled success

“IT TOOK US four weeks to build what you are about to see,” says Jim O’Boyle, a Coventry city councillor. The sight is not exactly spectacular. Behind a fence in the city centre, a small team of workers have constructed a short tram line. The tracks begin abruptly outside an estate agent, run gently downhill, turn a corner, then stop after a mere 220 metres. But the humdrum nature of the project is the exciting thing about it.

Coventry had a tram network in the early 20th century. The tracks were damaged by heavy bombing in the second world war, and the city (which now has a population of 345,000) decided that buses and cars were better. Many other cities in Britain and continental Europe made the same decision. The last tram ran along London's pre-war network back in 1952. The journey took three hours longer than usual, such were the crowds.

Since the 1990s new tram lines have been built in the West Midlands, Greater Manchester and London, among other places. Buses are cheaper and more flexible, but the fixed nature of tram tracks can actually be an advantage. The glint of steel in tarmac is likely to reassure residents and businesses that a route will endure. Unfortunately, Britain has been exceedingly bad at building this kind of infrastructure.

Creating a tram track normally involves digging a trench at least half a metre deep and filling it with concrete. Do that in an old city centre, and you are highly likely to hit gas and water pipes, among other things. Contractors in Edinburgh unearthed many pipes and underground structures that were on no plans, as well as a medieval graveyard. That tram project ran well over budget and behind schedule, turning into "hell on wheels", in the words of an executive.

In Britain tram developers are responsible for moving utility pipes, and must pay almost the entire cost of doing so. That hugely pushes up the cost of construction. Ben Hopkinson of Britain Remade, a think-tank focused on infrastructure, estimates that British tram lines cost more than twice as much per kilometre as Dutch ones and more than three times as much as German ones.

Coventry is trying something different. Instead of digging a deep trench, contractors have scraped away about 30cm of road surface. Thin slabs of ultra-high-performance concrete are positioned on the ground, and the gaps under them filled with a concrete screed. Rails, which are about 15cm deep, are attached to the concrete

slabs, then tarmac is added to bring the road surface up to the level of the rails.

By any standard, but especially a British one, the truncated track has been built incredibly quickly. The city's cabinet approved it in January; road scraping began in mid-March; by mid-April the rails were attached. The work has been carried out by a single construction crew, which was unfamiliar with the new method. "We have not tried to do this in Formula One style," says Christopher Micallef, an engineer who is involved with the project.

Beginning on May 28th, members of the public will be able to ride up and down the track in a small new tram, which is innovative in its own way. Thanks to special bogies (the parts to which the wheels are attached) the tram can go around tight bends without screeching. It promises to be among the world's briefest, least exciting journeys. Yet as *The Economist* went to press, every seat had been booked.

Coventry is not about to rebuild its pre-war tram network. But if it demonstrates that a line can be built quickly and cheaply, the city could benefit anyway. The council owns much of the technology, and could license it. When it comes to infrastructure, shallowness is a virtue. ■

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Bagehot

A world without Nigel Farage

British politics hinges on one man's survival

5月 15, 2025 03:29 上午



NIGEL FARAGE'S eulogy has already been written. "Nigel was so full of promise and energy," begins the vicar in St Mary the Virgin in Downe, Mr Farage's hometown. "Everyone liked him. At the pub, the golf club and at least one church fete, he talked to everyone with such ease and understanding." In his autobiography, Mr Farage recalls conjuring this scene while prone in hospital after a Volkswagen Beetle left the then 21-year-old crumpled like a "sort of fractured swastika".

If Mr Farage is obsessed with death, it is because death is obsessed with him. The car crash was only the first of three near-misses,

about which he speaks and writes often. A few weeks after the plaster from the crash was removed, one of his testicles swelled to the size of a tangerine or lemon (accounts vary) because of cancer. A quarter of a century later, a plane carrying Mr Farage smashed into English soil at about 80mph, leaving him inches from non-existence.

Four decades after his imagined funeral, the question of Mr Farage's mortality is the subtext of every other conversation in Westminster. Reform UK sits atop the polls after local elections demonstrated the party is a potentially lethal threat to the Tories and Labour. Yet without its leader, the party is nothing. So politics has been reduced to a medieval court discussing rumours about the health of an elderly pretender. Mr Farage is only 61, but trades on his love of a smoke and a drink. It is a miracle he is still alive. British politics hinges on how long his death-defying luck lasts.

It may seem crass to ponder Mr Farage's mortality. No one does it more than he does. At times, it is with bravado. "They laid this paragon in the graveyard and returned to the City to get very drunk in my memory," he wrote of his funeral. Beneath the banter, Mr Farage has been shaped by terrifying experiences. "I'm scared, I'm scared, I'm scared," he said, hanging upside down from a mangled single-engine Wilga-35A, aviation fuel soaking his clothes. "Just get me out of this fucking thing." Nearly dying made him more of a risk-taker, he writes in his autobiography. Mr Farage's career is a series of preposterous gambles that eventually pay off.

Some in Westminster discuss a world without Mr Farage out of desperation. Neither Labour nor the Conservatives know how to deal with him politically. Each offers a similar slogan: "Nigel Farage is right—don't vote for him." Only the Liberal Democrats seem happy to take him on directly. And so Labour and Tory MPs hope instead that the universe will deal with him. If politics is impossible, then fate must intervene.

British politics is often contingent. “He’s fat, he’s 53, he’s had a heart attack and he’s taking on a stress-loaded job,” wrote the *Sun* when John Smith became leader of the Labour Party in 1992, in a piece wondering whether the then leader of the opposition would qualify for life insurance. Two years on, Smith had a heart attack and died. Sir Tony Blair took over and won three elections. Sometimes actuarial tables are a better guide than polling tables.

A world without Mr Farage is a world without Reform. The party is an odd set-up: there is Mr Farage and there are millions of voters. There is still, for all its attempts to professionalise itself, little in between. Should Mr Farage be hit by a proverbial bus, there is no clear successor. Reform’s deputy leader, Richard Tice, a businessman who bankrolled the party at times, is a wallet with a haircut. To voters, Reform is a one-man band.

Perhaps Mr Farage is simply irreplaceable. His is a shtick honed in pubs and half-empty village halls over decades, as he dragged the idea of Britain’s departure from the EU out of the fringe and into the mainstream. As head of the UK Independence Party, he led a strange band of politicians to victory in a national election in 2014 (for seats in the European Parliament), helping guarantee an in-out vote on Europe. Mr Farage repeated the feat in 2019 while leading the Brexit Party (as Reform was known), helping guarantee the hardest possible Brexit. A missed scan here, a few inches there and none of it would have happened.

Hints of a Nigel-less world are painful for Reformers. Staff grumble about pictures that show the effects of Mr Farage’s bibulousness and bad luck. When a woman hurled a milkshake at him in 2024, Mr Farage wanted jail time. The plane crash left him with near-crippling back pain. A phalanx of burly men surround Mr Farage wherever he goes to protect him from being buffeted, as much as from being shot. In British politics, the image of someone carrying a Ming vase is a common metaphor. Usually, the vase refers to a delicate political consensus. In the case of Reform, it is Mr Farage himself.

Rivals may think that the demise of Mr Farage would lead to political salvation. What comes next could well be worse. Mr Farage has been successful because he knows, more or less, where to draw the line. In the European Parliament he refused to deal with out-and-out fascists. In his own telling, he is a one-man *cordon sanitaire*. Reform would, most likely, wither without him. But the demand for something new—and perhaps nastier—on the right would remain.

The man who fell to Earth

"Who knows what heights he might have attained had he lived?" said the imaginary vicar when Mr Farage wrote the eulogy for his 21-year-old self. Four decades on Mr Farage has reached higher than he could have imagined. Britain is out of the EU, thanks in no small part to his efforts. No one else has led not one but two insurgent parties to victories in national elections. Now he stands on the brink of something bigger. A once-in-a-century shift, with the death of the Conservative Party and the rise of Reform, is possible. If Mr Farage goes, this future goes with him and the same eulogy would be delivered today. ■

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International

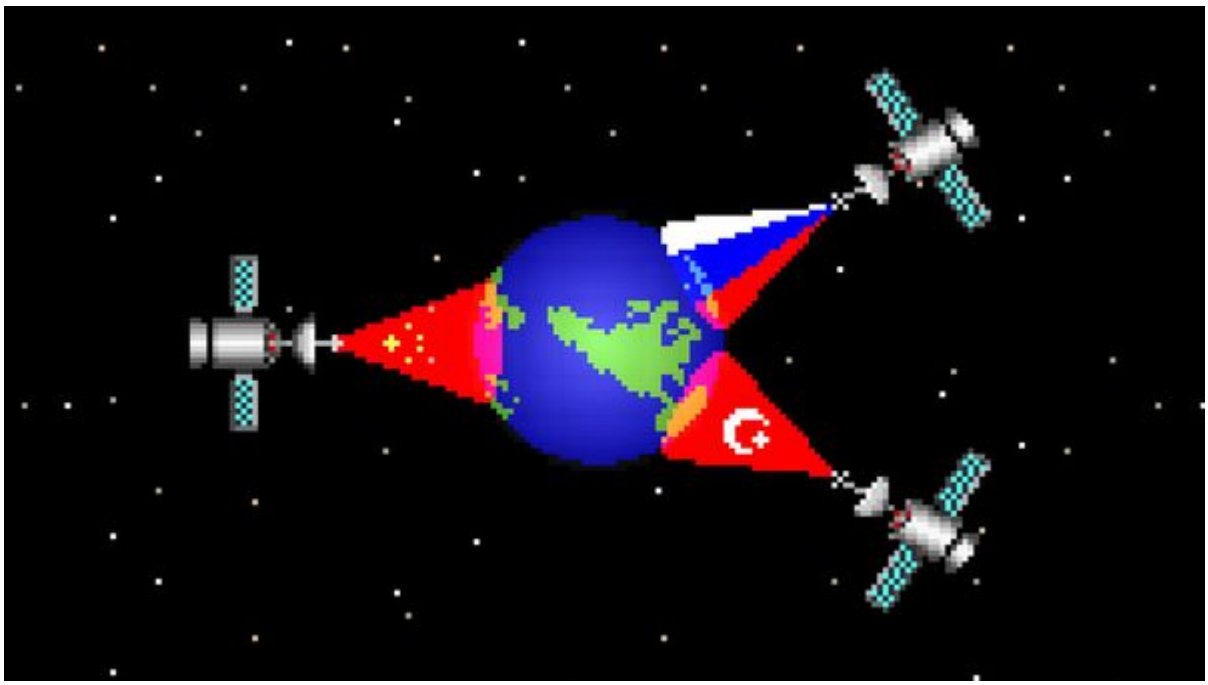
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  News wars :: The West is retreating from the battle of the narrative
- **Fact-checkers forecast which dodgy claims will do most damage**
  The lie-detectors :: How to distinguish between weapons-grade disinformation and everyday codswallop
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News wars

China and Russia are deploying powerful new weapons: ideas

The West is retreating from the battle of the narrative

5月 15, 2025 03:30 上午



SIXTY LUCKY students got the chance to train as journalists last year at African Initiative, a new press agency in Bamako, Mali's capital. Trainees were given online and in-person lessons in reporting, with the promise that three of them would eventually be hired as full-time staff at the agency. The catch, as reported by Forbidden Stories, a network of investigative journalists, was that African Initiative is run by Russian intelligence.

Many Western countries are winding down their efforts to broadcast to the world. In March President Donald Trump pulled funding for Voice of America and its sister networks, and dismantled USAID, which funded thousands of journalists around the world. Public broadcasters' budgets have been trimmed everywhere from Australia to Canada and France.

A battle of ideas is under way. As Western countries quieten down, others are speaking up. China and Russia are investing hundreds of millions or possibly billions on disinformation, Tim Davie, the director-general of the BBC, reportedly said on May 14th. "The future of our cohesive, democratic society feels, for the first time in my life, at risk," he said in a speech. He called for increased funding to double the reach of the BBC's World Service

Eighteen months ago RT, Russia's state-controlled news network, launched a bold advertising campaign in countries including Mexico, India, Serbia and Tunisia. "Why won't Britain return the Koh-i-Noor diamond?" asked an RT ad on the front page of the *Times of India*. Last year it opened the RT Academy, which trains journalists in Africa, South-East Asia and China. Sputnik, another state-run Russian news organisation, recently launched an Africa service. RT and Sputnik have been expanding in Latin America, where they share producers, camera crew and office space with Venezuela's Telesur and Iran's HispanTV, according to Emanuele Ottolenghi of the Foundation for Defence of Democracies, an American think-tank.

Smaller countries are distributing news around the world, too. Turkey's state-run TRT news network launched an Africa service in 2023, opening a Somali-language branch in March. It has been hiring former BBC staff, according to an ex-BBC reporter. Besides promoting Turkey's good deeds in Africa, where it invests in infrastructure and exporters arms, TRT delights in poking fun at former colonial powers.

The biggest investment in foreign journalistic operations seems to have been made by China. Xinhua, a state-run news agency, has increased its Africa bureaus from a "handful" two decades ago to 37 last year, according to the Africa Centre for Strategic Studies (ACSS), a think-tank within America's defence department. Like Russia, it also offers training and scholarships to journalists: the China Africa Press Centre flies African reporters out to Chinese media outlets for ten-month assignments to absorb their newsroom culture. StarTimes, a Chinese firm, is now the second-largest digital-TV service in Africa.



Chinese news is especially strong on social media. While American congressmen fret about TikTok, China appears to be relying on Facebook, an American social network, to spread its message internationally. The most-followed news organisation on Facebook is not CNN or the *New York Times*, but CGTN, China's state-run TV network, which with 125m followers is just ahead of Shakira, a pop

star. Despite the fact that Facebook is banned in China itself, the five most-followed news organisations on Facebook are all Chinese, disseminating news in English (see chart).

The Chinese organisations appear to have bought much of their reach using Facebook advertising. None of them is anything like as popular on other social networks. (On YouTube, for instance, the top four news channels are all Indian; on TikTok, the most-followed news account is Britain's *Daily Mail*, followed by Saudi Arabia's Al Arabiya.) Facebook's ad library reveals a sophisticated operation, with Chinese outlets trying out multiple ads before pouring dollars into the most effective. Some ads are innocuous clickbait, showing off Chinese tourist hotspots. Others are politically charged: last year Xinhua paid Facebook to boost a story implying that Filipino fishermen in disputed waters were spies, with the hashtag #fishyfishermen.

Does this kind of promotion count for much? A study in the Harvard Misinformation Review examined nearly 1,000 Facebook ads bought by Chinese state media in 2018-20, which were seen 655m times, mainly outside the rich world. The authors, Arjun Tambe and Toni Friedman, found that when a country saw more of these ads, its media produced more positive coverage of China—for instance, dubbing pro-democracy protests in Hong Kong "riots". With exposure to more ads came more pro-Chinese coverage of subjects including covid-19 and China's economy.

As well as distributing news under their own brand, countries are doing deals to insert their stories into local titles, which are often grateful for cheap content. Xinhua has an agreement with Kenya's Nation Media Group, giving it access to that firm's eight radio and TV stations, 28m social-media followers and 90,000 daily-newspaper readers in four African countries, according to the ACSS. RT reportedly has contracts with more than 30 African TV stations to broadcast its content. Russia is particularly keen on this kind of "narrative laundering", in the words of Victor Ilie of Snoop, a news

site in Romania. As audiences grow suspicious of outlets like Sputnik, Russia is increasingly co-opting influencers. Romania's presidential election was cancelled in December after its security agencies claimed to have uncovered a Russia-led influence operation on TikTok; in a re-run this month another pro-Russia candidate came first.

Western countries still have loud megaphones. On YouTube, the BBC's Hindi-language channel has more followers than its English one; on Facebook its Burmese-language page has more followers than Fox News. And despite dwindling resources, independent journalists in contested regions are carrying on. Ziarul de Garda, a Moldovan outlet, has lost 40% of its salary budget since America stopped funding donors. Yet its boss, Alina Radu, is determined: "We have a rule in our newsroom. Russia never gets relaxed about Moldova. So we have to never get relaxed as well." ■

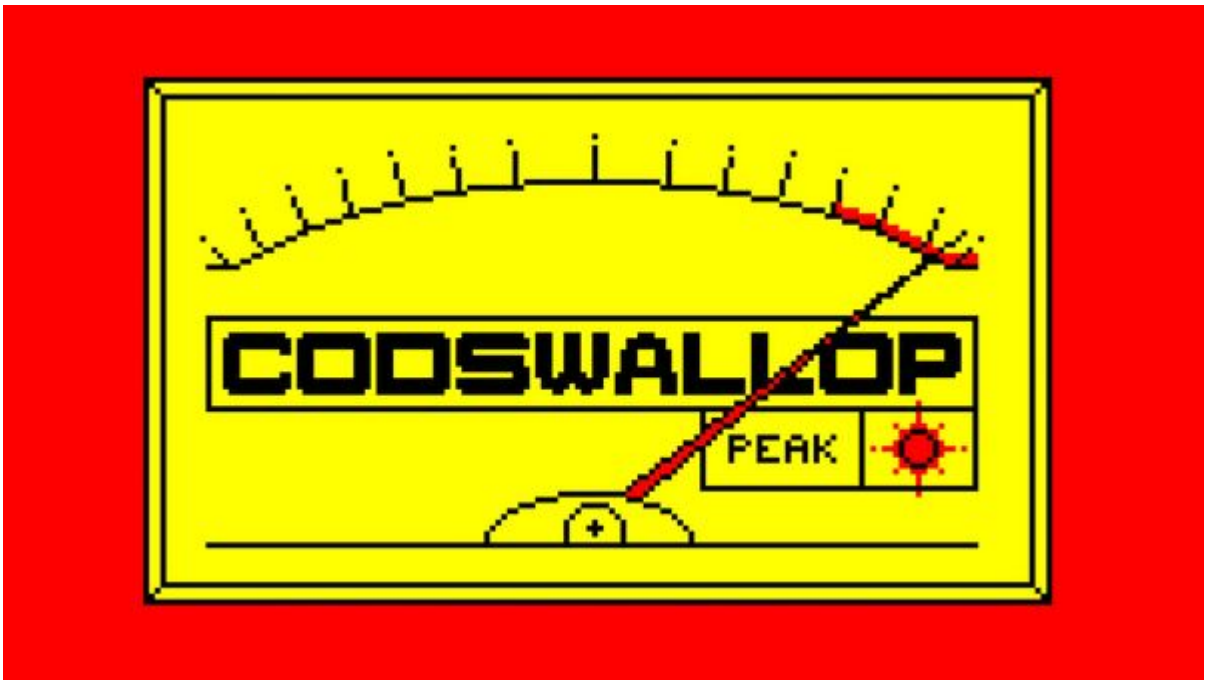
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The lie-detectors

Fact-checkers forecast which dodgy claims will do most damage

How to distinguish between weapons-grade disinformation and everyday codswallop

5月 15, 2025 03:29 上午 | PERUGIA



CORRECTING THE gigabytes of digital gibberish that circulate at high speed online is a never-ending task. YouTube removed more than half a million channels last year for broadcasting misinformation. Facebook and Instagram deleted 27m falsehoods about covid-19 at the height of the pandemic. The doughty fact-

checking organisations that try to keep the internet honest face more claims than they can handle. How should they prioritise?

The question is growing more pressing as fact-checking resources become scarcer. Meta, which built probably the world's largest network of fact-checkers for its social networks, announced in January that it would start to replace professional sleuths with volunteers. America's government is dismantling USAID, which had channelled funds to fact-checking organisations.

So checkers came up with a new approach: forecasting which claims are most dangerous and thus which most deserve to be put under the microscope. Researchers from the University of Westminster and fact-checkers from Full Fact, Africa Check and the AFP news agency developed a triaging system to sort weapons-grade misinformation from everyday nonsense.

One test of a false claim is whether enough people will believe it for it to cause any harm. To swing an election with misinformation, you need to persuade many people; to kill someone with fake medicine you need to convince only one. Another test is whether those believing a false claim have the capacity to act on it. People may be misled about the genesis of covid-19, for example, but whether they think it came from a market or a lab is unlikely to change their behaviour. The researchers estimated that, of the false claims in their sample, 57% were unlikely to contribute to any specific real-world effect.

Of the remaining, potentially consequential falsehoods, the checkers considered whether the consequence would be "direct"—such as persuading people not to take a vaccine—or "cumulative", contributing to a false narrative about immigration, say. The claims were roughly evenly split. "Cumulative" harm is harder to assess, says Peter Cunliffe-Jones of the University of Westminster, but large data sets make it possible to see how often a claim is repeated, and thus when a narrative is forming.

Triaging may help overworked fact-checkers to focus on the most dangerous false claims. But harm is not everything. Karl Malakunas of AFP points out that one of his organisation's most-read fact-checks concerns a photograph of an elephant carrying a lion cub in its trunk (fake, alas). It seems most unlikely that anyone fooled by it would seek a pachyderm playmate. But correcting viral falsehoods matters for digital literacy, Mr Malakunas says.

Time devoted to selecting which dodgy claims to check is probably well spent. It takes five minutes to triage a claim, whereas carrying out a thorough check takes five to six hours. The fact-checking world needs to get more systematic in its approach, says Mr Cunliffe-Jones. "If this community is going to learn anything from Meta…it's that data is the future." ■

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The Telegram

Why Donald Trump is a globalist

The mystery of an America First president fascinated by foreigners' disputes

5月 15, 2025 03:30 上午



FOR A SELF-STYLED America Firster, President Donald Trump is strikingly keen on solving other countries' problems. Even as Mr Trump began a business-focused tour of Arab states on May 13th, geopolitical disputes on several continents had a claim on his attention. In the few days before he flew to the Middle East, Mr Trump suggested that he is just the man to end conflicts in Ukraine and in Gaza, halt Iran's nuclear ambitions and broker a solution to India and Pakistan's decades-old contest over Kashmir. For good

measure, he hailed a 90-day pause of the highest US-China tariffs as great for "unification and peace". Alas, that promptly set nerves a-jangling in Taiwan, since "peaceful reunification" is China's euphemism for conquering that democratic island.

On the face of it, this frenetic diplomacy might seem hard to square with Mr Trump's long-standing disdain for interventionism, and for predecessors who sought to use American power for nation-building in far-off places. During his first presidency in 2019, Mr Trump told world leaders gathered for the UN General Assembly in New York that "the future does not belong to globalists" but to "patriots" who pursue their national interests without shame and respect the differences that make each country unique.

In the second Trump era, ambitions to tackle global crises might seem to sit uncomfortably with the world-weary instincts of many in his inner circle. Old-school Reagan Republicans, committed to defending allies and deterring adversaries, have lost ground to "restrainers" who seek to avoid foreign entanglements. The restrainers include Vice-President J.D. Vance, whose initial public response when violence broke out between India and Pakistan was to declare the conflict "fundamentally none of our business".

Mr Trump is appalled by lives lost in war, seeing many conflicts as simply incomprehensible. At times he seems moved by arguments as old as America itself, depicting the country as a new Eden providentially set on its own continent, far from Europe's ancient hatreds and grudges. In February Mr Trump asserted that the war in Ukraine matters far more to Europe than it does to America, which has "a big, beautiful Ocean as separation". He could have been quoting America Firsters of the 1930s, campaigning to keep out of a war with Germany.

Actually, Mr Trump's dealmaking zeal has its own logic. He is not a traditional isolationist. In part, that is because since the 1930s mankind has invented weapons, notably nuclear ones, that threaten

the whole planet. The Trump administration's insouciance about India-Pakistan clashes crumbled at the first hints that each side might target or use their respective nuclear arsenals.

In part, Mr Trump is too proud of his dealmaking prowess to forswear chances to show it off. That surely explains his proposal to help India and Pakistan resolve disagreements over Kashmir, appalling Indian officials who seek no international mediation of that dispute. Nor is he a pacifist. Rather he is a leader who seeks to intimidate foes with bluster and shows of military might, or with targeted strikes that avoid the need for all-out war.

Most importantly, the president and his inner circle—especially his most-trusted diplomatic envoy, a New York property developer, Steve Witkoff—do subscribe to a global value system. That universal value is money. Mr Trump is a globalist of a particular kind. He has no illusions about the brotherhood of man. Instead, he trusts in the solidarity that binds powerful individuals in a position to enrich themselves and one another. Evidence abounds of his belief that this globalism of greed can resolve even tangled disputes, for a price. Time and again, Trumpian statecraft follows the same playbook, seemingly adapted from Mr Trump's years as a builder of hotels and other shiny properties. First, Mr Trump stokes or allows tensions to reach a crisis point. Then he suggests compromises that offer doses of pain and of economic profit to each side. Praising his own efforts to calm India and Pakistan, he boasted that he told the two governments: "If you don't stop it, we're not going to do any trade." This is a brilliant innovation, he suggested: "People never really use trade the way I use it."

A long interview that Mr Witkoff gave in March to Tucker Carlson, a conservative pundit, is regarded as an authentic glimpse of Mr Trump's worldview by a Washington insider. Asked about his diplomatic missions, Mr Witkoff offers an unvarying reply: peace would be profitable, and is thus "logical". Hamas leaders are not "ideologically intractable", he suggests, but want better lives for

Gazan children. Iran once had a "wonderful economy" and could do so again. Russia could work with America on energy deals and on shared Arctic shipping lanes.

The survival instinct beats greed

Sceptics may counter that Trumpian globalism is shockingly incurious about ideological and sectarian enmities that underpin many disputes. Mr Trump struggles to understand those moved to sacrifice by great causes, calling American war dead "losers". At times, Mr Trump looks frankly naive, as when he showed a film to the North Korean despot, Kim Jong Un, depicting beach resorts North Korea could build if it abandoned nuclear weapons. Mr Kim, a man who had his own uncle and (allegedly) his half-brother killed to preserve his grip on power, was not swayed.

Other governments, at least, understand Mr Trump. Arab rulers have offered Trump-family businesses property and cryptocurrency investments worth billions. Qatar wants to give a Boeing 747 to serve as Air Force One. The Democratic Republic of Congo has offered America mineral rights in exchange for security support, inspired by a deal imposed on Ukraine. Syria's interim ruler suggests Damascus as the site for a new Trump Tower. For his pains, Mr Trump is said to covet a Nobel peace prize. For an America First president, that is a revealingly globalist bauble. ■

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Business

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The other "everything store"

How Walmart became a tech giant—and took over the world

Inside the stunning reinvention of the planet's biggest company

5月 15, 2025 06:13 上午 | Bentonville, Arkansas



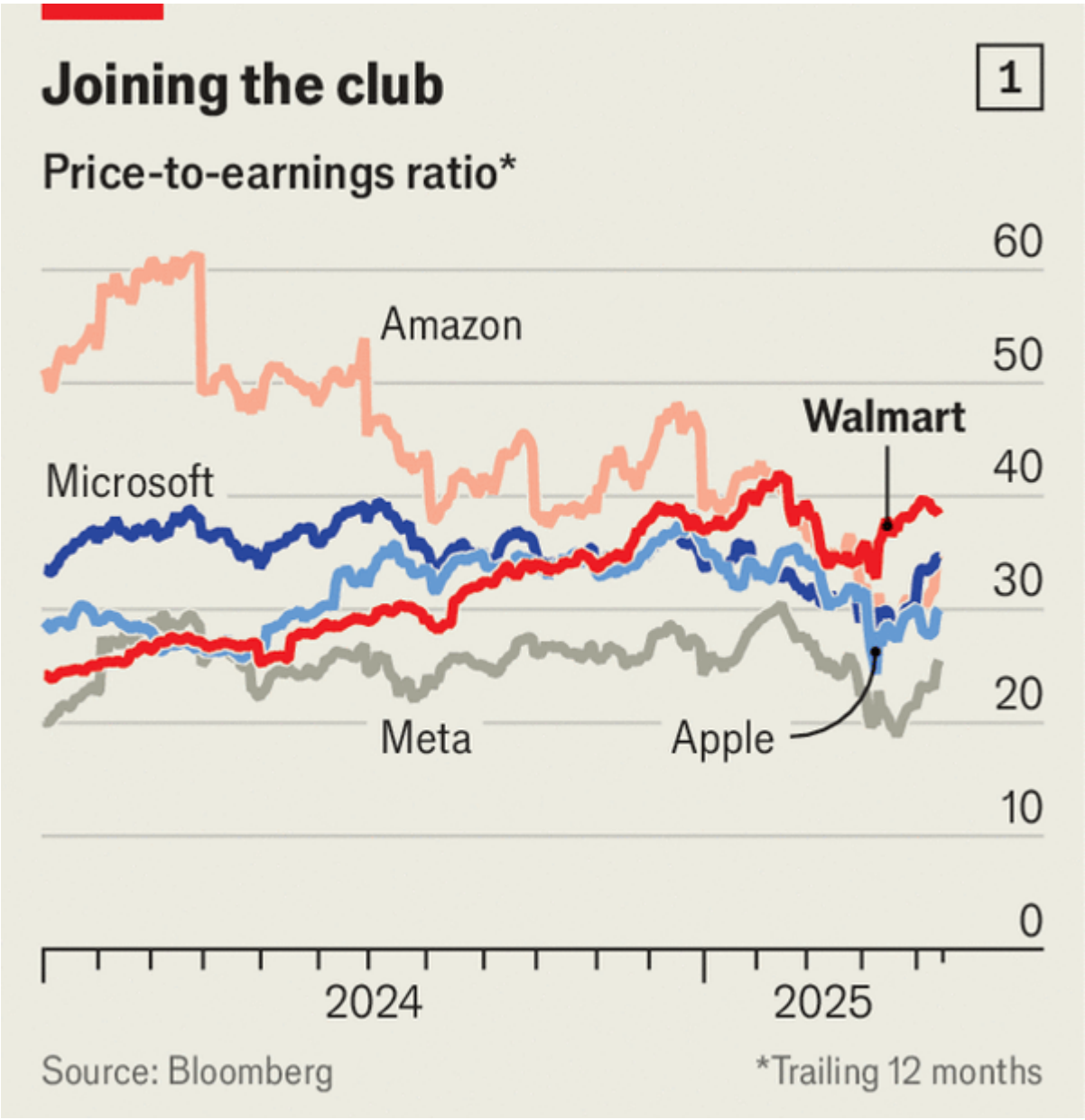
***Editor's note**: This article has been updated to incorporate Walmart's latest quarterly results.*

DOUG MCMILLON began his career at Walmart as a teen in the 1980s loading trucks in an Arkansas warehouse. Back then Walmart warehouses were small, noisy, chaotic places. Staff hauled crates off trailers and sorted items by hand.

How things have changed. The newest Walmart warehouses are vast hangars filled with conveyor belts, computer screens and robotic arms that silently pick and pack products. Artificial-intelligence (AI) tools ensure pallets are loaded onto trucks in such a way that they can be unloaded in stores with ease: fragile items at the top, urgent products at the front and things that go in the same aisle together. A few people lend the machinery a hand. If it sounds familiar—a lot like one Seattle-based tech giant—it should.

When Mr McMillon was appointed chief executive just over a decade ago Walmart was in peril. Amazon, an online bookseller turned "everything store", was upending retail. Its endless variety and doorstep delivery made Walmart's vast out-of-town stores seem like relics of a bygone age. Walmart's same-store sales were in decline; profits were cratering.

Today, however, the retail colossus is resurgent. With $680bn in revenue last year and 2.1m workers, it is the largest company in the world on both measures. In America it takes in a tenth of all retail spending, excluding cars, and a quarter of the outlay on groceries. Mr McMillon has reinvigorated the company by reinvesting profits into new technologies while using its bricks-and-mortar infrastructure to beat Amazon at its own game.



Investors have rewarded Walmart handsomely. In the past year its market capitalisation has soared by over 50%, to more than $750bn. At nearly 40 times earnings, it is now valued at a higher multiple than Alphabet, Amazon, Apple, Meta or Microsoft (see chart 1). In its quarterly results on May 15th Walmart reaffirmed that it expects its sales this year to grow at a comfortable rate of 3-4%, with operating profits rising faster still, even as Donald Trump's chaotic trade war disrupts global supply chains and squeezes other retailers. Can anything hold the giant back?

In 1962 Sam Walton—a trucker-capped, pickup-driving penny-pincher—founded Walmart as a general-merchandise retailer with a business model based around a simple flywheel. Keep costs low, pass savings on to customers, win market share, harness scale to further lower costs—and listen as the cash registers sing. Over time it added groceries and opened vast supercentres, where shoppers could buy everything from guns to butter, pick up prescriptions at a pharmacy and get their tyres checked at a garage. As Carl Mela of Duke University puts it, Walmart was "the original everything store".

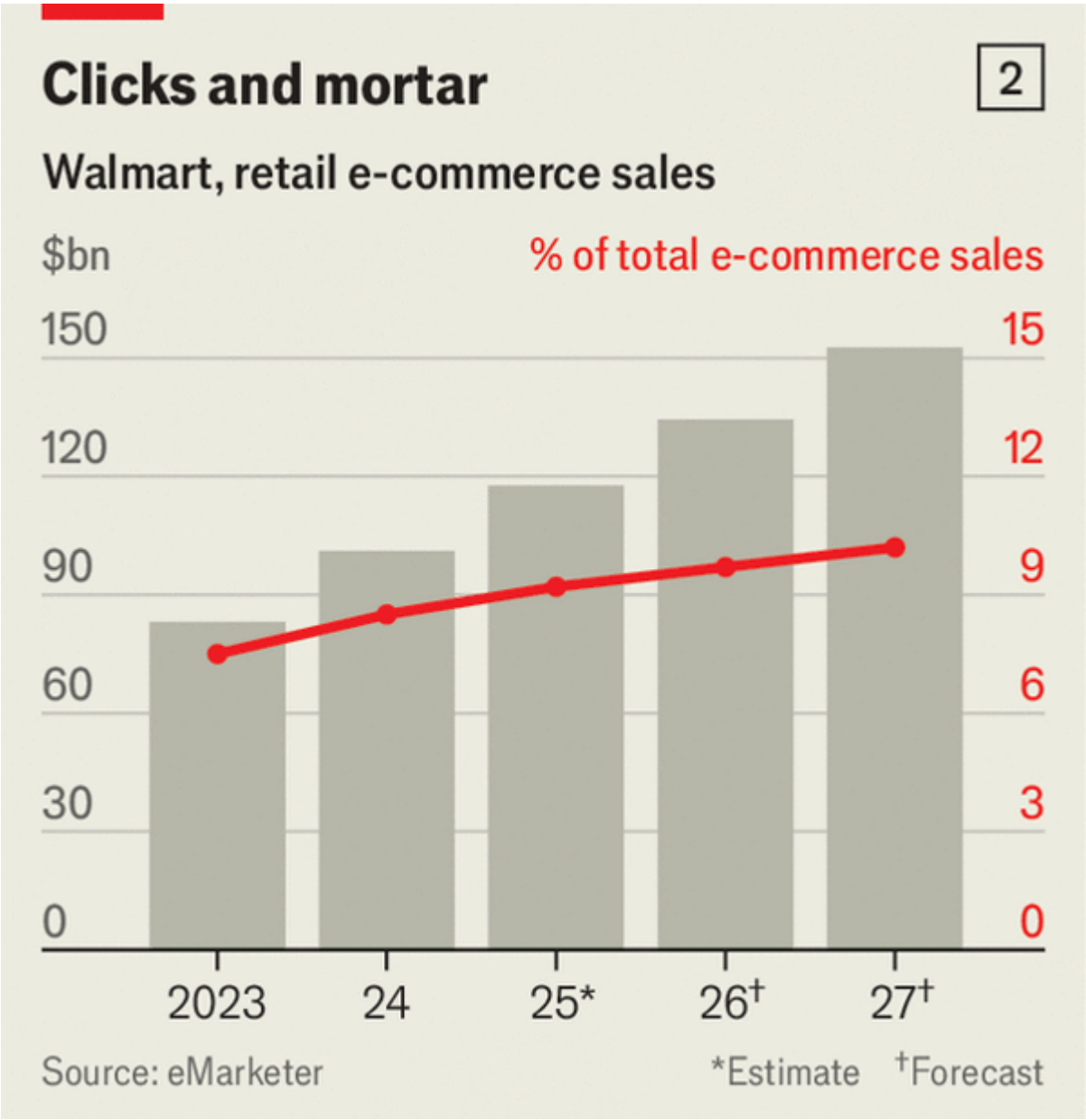
Today the company is spinning a new flywheel, centred on e-commerce. Dan Bartlett, Walmart's corporate-affairs chief, admits that it "missed the first wave of e-commerce" around the turn of the millennium. Its strength has always been its physical footprint. Walmart has some 5,000 stores across America; 90% of Americans live within 10 miles (16km) of one.

Mr McMillon has put that infrastructure to work to boost online sales. Supercentres, which on average stock 120,000 discrete products, have been turned into distribution hubs. Warehouses built to serve shops now deal with online orders, too. With a third-party marketplace much like Amazon's, Walmart has expanded its online range to hundreds of millions of products. As well as handing the retailer a cut of sales, many merchants on the platform pay extra to use its logistics network. Morgan Stanley, a bank, reckons Walmart takes 12% of third-party sales plus an average 8% for storage, packing and delivery.

A new spark

Walmart's American e-commerce unit made over $100bn in sales last year, according to eMarketer, a research firm (see chart 2). Although it remains a distant second to Amazon, with $480bn of e-commerce sales in America in 2024, Walmart is gaining ground: its online sales are growing at around 20% a year, twice as fast as its rival's. In the tricky category of grocery deliveries—which require a temperature-

controlled supply chain and speedy distribution—it already has the lead.



E-commerce has also opened up new revenue streams. Walmart has an Amazon-Prime-like membership programme, called Walmart+, which provides customers in America with perks including free delivery for $8.17 per month. Combined with Sam's Club, its answer to Costco's members-only stores, Walmart made $3.8bn from

membership programmes in 2024, double the figure five years earlier.

Meanwhile, the trove of proprietary data Walmart collects through e-commerce allows it to target ads at shoppers and check whether they buy what is marketed to them. Suresh Kumar, the firm's chief technologist, calls it "closing the loop". Walmart has lined its shops with screens playing ads. The Walmart app is plastered with them, too. And Walmart's recent acquisition of Vizio, a maker of smart televisions, means that the company can also show viewers ads on TV.

All told, Walmart's advertising unit generated $4.4bn in revenue in 2024, up almost 30% on the previous year. That is fun-sized compared with the rest of its business. But given the operating margin on ad sales is around 70%, Morgan Stanley reckons they made up 10% of Walmart's operating profit last year, and will account for 16% by 2027.

Walmart has been pouring its profits back into its reinvention. The retailer was once a pioneer in deploying new technologies. When computers began to transform business in the late 1960s Walton signed up to a computer class at IBM. Shortly after that his company set up the largest private-satellite system in the country to connect its stores. Today it is spending big to make up for lost time in e-commerce. Its capital expenditure has doubled since 2019, reaching $24bn last year, equivalent to two-thirds of its operating cashflow. The retailer is now training up Sparky, an AI assistant that helps customers find products, and Wally, which helps its merchandising teams choose items to sell. "Everything is going in one direction for them," says Robert Ohmes of Bank of America. "The flywheel is turning faster and faster."

Where does growth come from next? With its promise of "everyday low prices", Walmart has long been the retailer of choice for low- and middle-income Americans. Now it is trying to woo wealthier

consumers. It has launched a premium food label, Bettergoods, which offers items like French macarons and olive-oil crackers that wouldn't be out of place in a high-end grocer like Whole Foods. Shoppers can now find second-hand designer handbags on Walmart's marketplace. The firm has been remodelling hundreds of its dingiest stores every year. And for those who still wouldn't be seen dead in one of them, its online options are more convenient than ever.

Walmart is also looking abroad. Its strategy has been to experiment with different business models in different markets without fear of pulling out if need be. Walmart de México is the most-valuable firm on the local stockmarket; in China a Sam's Club membership is seen as a ticket to the aspirational middle-class. In both countries Walmart is considered far more premium than it is at home. In India Walmart majority-owns Flipkart, an online marketplace, and PhonePe, a payments app. Since 2021, when it sold off businesses in Argentina, Britain and Japan, Walmart's international division has been growing speedily. It expects to double its sales and operating profit between 2024 and 2028.

Made in America

Walmart now confronts another disruptive force: the man behind the Resolute Desk. The retailer has been doing its best to ingratiate itself with Mr Trump since his return to the presidency. Mr McMillon was one of the few bosses who attended the presidential-inauguration ceremony in January, and has called on Mr Trump both at his Mar-a-Lago resort and the White House. In November Walmart said it was rolling back some of its diversity, equity and inclusion policies amid Mr Trump's crusade against wokeness. It has also said it will miss its 2030 target for cutting greenhouse-gas emissions.

Mr Trump's trade war has put Walmart in a delicate position, given its importance to American consumers. Its executives have been back and forth between the company's headquarters in Bentonville,

Arkansas, and Washington sharing real-time data with officials on prices and shopping behaviour to help inform policy. “This situation that we’re in today is very fluid,” says John Furner, head of Walmart’s business in America, diplomatically.

Tariffs may not be as much of a problem for the company as it would seem at first glance. Walmart has certainly benefited from cheap imports. Roughly a third of the products it currently sells in America are made or grown outside the country, largely in China, Mexico or Canada. Some of these Walmart has procured directly from foreign suppliers; others come from American firms that have offshored production in response to pressure from the retailer to lower prices.

Yet Walmart seems better placed to weather Mr Trump’s tariff storm than most of its competitors. It has already made progress diversifying its supply chain away from China over the past few years, observes Zhihan Ma of Bernstein, a broker. It has, for instance, been sourcing a greater share of its products from India. The retailer has been expanding its domestic supply chain, too. Take children’s car seats, most of which are made in China. In October, in anticipation of Mr Trump’s election, the company signed deals to secure much of America’s manufacturing capacity, according to Ms Ma.

Walmart’s heft also allows it to shift much of the burden of tariffs onto suppliers. Before the recent trade truce with China, which has resulted in American tariffs being lowered to 30% for 90 days, Bernstein estimated that new import duties were on course to raise the cost of products sold at Walmart by an average of 5.2%. Suppliers, it reckoned, would absorb half of that, with the average sticker price in Walmart stores rising by 2.6% to make up the balance. Sales volumes would drop by 2% in response, giving revenue a net boost of around half a percent. For most other big retailers, by contrast, Bernstein predicted a decline in sales. Walmart’s product mix helps: groceries, demand for which is less sensitive to price movements, account for three-fifths of its sales in

America. That compares with one-fifth for Target, a bricks-and-mortar rival, and a sliver for Amazon.

Indeed, as Americans start to feel the pinch, Walmart's lower prices may help it win over yet more customers. Research by JPMorgan Chase, another bank, suggests that it is typically 4-5% cheaper than Target and 8-10% cheaper than other grocers. Walmart will use that to its advantage. At a meeting with Wall Street analysts in April Mr McMillon said that the retailer plans to "play offence". "Manager's special" signs are already popping up around its stores, advertising discounts.

And what of Amazon? Over the past decade it has sought to become more like Walmart, purchasing Whole Foods in 2017 to expand its grocery business and experimenting with various types of physical stores. The effort has been a disappointment. A technology it pioneered to monitor customers as they pick items from shelves and charge them as they walk out has failed to entice the masses into its shops. Walmart may soon have little left to learn from the disrupter. ■

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Not so slick

Donald Trump is throttling America's oil industry

Many shale producers cannot turn a profit at current prices

5月 15, 2025 04:14 上午 | New York



Drilling down

"IF I'M NOT president, you're fucked." So Donald Trump reportedly told a roomful of oil bosses gathered at Mar-a-Lago after his re-election. During the campaign Mr Trump positioned himself as the oil industry's only hope against the supposedly hydrocarbon-hating Democrats—brushing aside the fact that domestic oil production rose sharply during Joe Biden's time in office. Mr Trump has since set about rolling back environmental rules and expedited permitting in an effort to get America's oilmen to "drill, baby, drill".

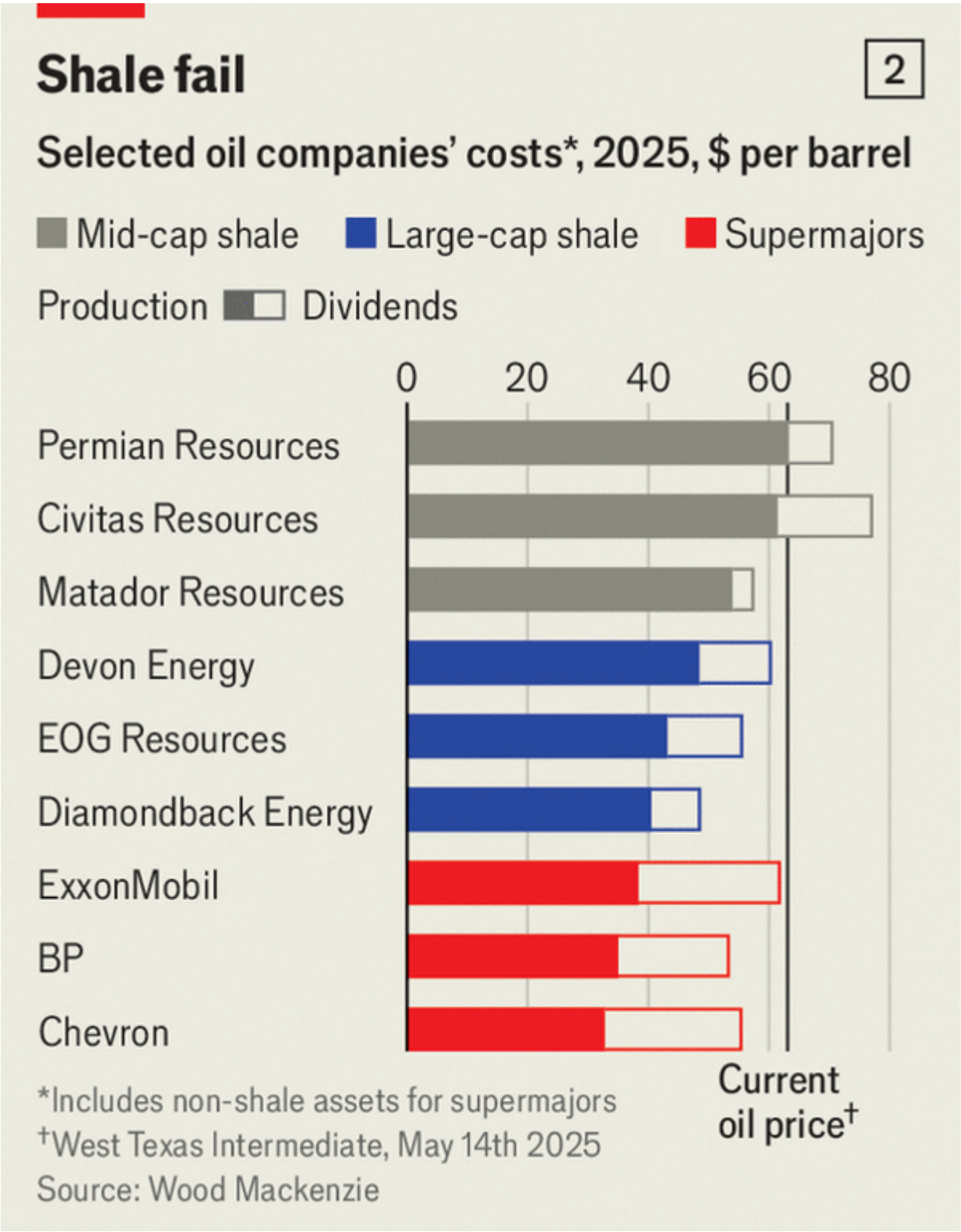
With his trade war, however, the president has also trampled on global demand for hydrocarbons. Since he returned to the Oval Office the benchmark West Texas Intermediate oil price has fallen from $80 a barrel to $60 (see chart 1). Some also speculate that Mr Trump's noisy demands for a lower price contributed to a recent decision by the OPEC cartel to boost production, which it made ahead of the president's visit to Saudi Arabia on May 13th and 14th. All this is a problem for the country's shale patch, which accounts for two-thirds of domestic output—and for smaller producers in particular, who have been among the president's most enthusiastic backers.



Today's price is troublingly low for America's shale drillers. Matthew Bernstein of Rystad, a consultancy, calculates that, on average, they need an oil price of around $63 a barrel to cover their production costs, overheads, debt interest and dividends. On May 5th Diamondback Energy, a shale firm, said that it was slashing its production target for the year and cutting capital spending by $400m. Others, including Coterra Energy, EOG Resources and Matador, have also announced plans to reduce drilling. "We are at a tipping point for US oil production," says Travis Stice, Diamondback's

boss. “If these prices persist for a year, US oil production will decline,” warns Ben Dell of Kimmeridge, a private-equity firm focused on energy.

In addition to weighing on prices, Mr Trump’s tariffs are also raising costs for oil businesses. Tariffs on steel products such as drilling pipes, casings and tanks are of particular concern for the industry.



All this is especially worrying for smaller producers. Thanks to recent consolidation, oil giants such as BP, Chevron and ExxonMobil account for roughly 60% of American shale output, notes Scott

Gruber of Citigroup, a bank. Smaller independent firms tend to have less productive wells and higher costs (see chart 2). Unlike the giants, they lack the bargaining power to force suppliers to absorb the impact of tariffs. Capital to help weather the storm tends to be harder to get—and costlier—and the smaller firms are typically not diversified beyond American shale. So far at least, BP, Chevron and Exxon have announced no plans to cut production.

The giants, however, are not enthused by the president's proposal to axe his predecessor's subsidies for carbon-capture and hydrogen technologies, which they have been investing in. Exxon recently said it would spend up to $30bn by 2030 on such low-carbon endeavours.

That contrasts with the support for Mr Trump among smaller oil firms. Their godfather is Harold Hamm, a shale billionaire from Oklahoma who backed the president's campaign and persuaded Mr Trump to name Christopher Wright, a fellow shale driller, as America's secretary of energy.

Mr Hamm recently convened a secret meeting of oilmen in Tulsa, supposedly to promote the use of natural gas to power data centres for artificial intelligence. Insiders say that plans were hatched to tilt the federal regulatory playing field to favour fossil fuels over renewables. Four members of the cabinet were reportedly present. Despite the pain brought on by Mr Trump's trade war, little oil still has big hopes for his presidency. ■

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A turn for the worse

Big pharma’s jumbo profits are under threat in America

Price targets and tariffs will hurt drugmakers and do little for patients

5月 15, 2025 03:30 上午

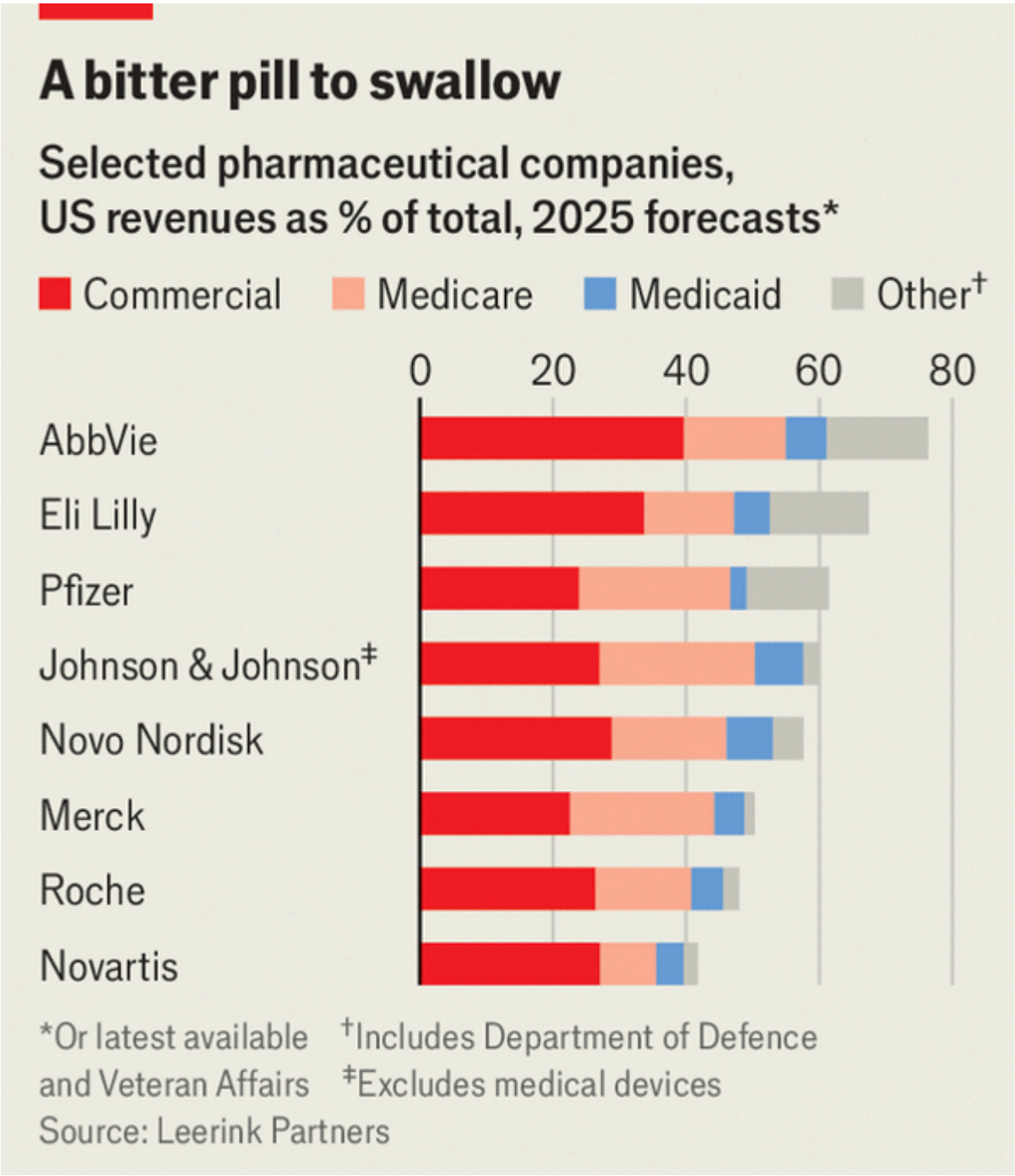


FOR AMERICA’S politicians there are few easier bogeymen to rail against than pharma bosses. Only a fifth of the country has a positive opinion of the industry, according to Gallup, a pollster—meaning its executives rank below even estate agents in the public’s esteem. The lofty prices of many drugs in America have created the impression of a greedy industry that exploits the sick·.

Donald Trump, at least in this respect, seems all too happy to follow convention. On May 12th the president signed an executive order that seeks to force drugmakers to reduce their prices in America to the lowest rate they charge in other rich countries. That adds to the consternation of pharma bosses already fretting about Mr Trump's protectionism. Although drugs were excluded from the sweeping "reciprocal" tariffs announced on April 2nd, duties remain on the table. Executives warn that the combined effect would be to snarl supply chains, raise treatment costs and slow the development of new medicines.

Start with the president's attempt to rein in prices. The executive order instructs his administration to "communicate price targets" to firms based on international benchmarks and establish a mechanism for patients to buy their drugs directly, bypassing the middlemen that pervade America's convoluted health-care system. Companies that do not comply could face "aggressive measures", though the order offers little detail on what these might be.

There are many problems with the plan. For instance, it ignores the fact that generic drugs, which make up 90% of prescriptions in America by volume, cost a third less than in other rich countries, according to the RAND Corporation, a think-tank.



And although branded drugs are more than four times as pricey in America as in comparable markets, pegging prices to those abroad may not achieve the president's aims. America is by far the biggest market for most drugmakers, accounting for around two-fifths of sales and two-thirds of profits for the industry (see chart). Rather than cutting prices there, many firms would raise them abroad and

perhaps pull out of some countries altogether. Mr Trump's policy would thus shrink their businesses while doing little to lower health-care costs in America.

That is supported by recent research. A study in 2022 by Pierre Dubois of the Toulouse School of Economics and co-authors simulated what would happen if America's drug prices were benchmarked to those of Canada. They concluded that drugmakers would only modestly reduce prices in America—but sharply increase them in Canada. Another paper by Margaret Kyle of the École des Mines, in Paris, reaches a similar conclusion using evidence from European countries that tie their prices to those elsewhere.

For now, the industry is taking comfort from the fact that the order faces many hurdles before it becomes reality. A similar proposal during Mr Trump's first term was struck down in court, and drugmakers may challenge this effort, too. Moreover, the order is "plagued with implementation issues", notes Melanie Whittington of MEDACorp, a research firm. Enforcement will probably require congressional approval, which may not be forthcoming. Although some Republicans support the idea, Mike Johnson, the speaker of the House, has said he is "not a big fan".

Such consolations do not apply when it comes to Mr Trump's trade policies. On April 1st the administration launched an investigation into whether pharmaceutical imports threaten national security. If they are deemed to do so, tariffs could follow. The president has floated rates of between 25% and 200%.

That would be a pain for drugmakers. They rely on global supply chains that have been designed to cut not only production costs but taxes, too. Take the example of Keytruda, a cancer treatment from Merck, which is manufactured in Ireland. According to Jefferies, an investment bank, Merck holds the intellectual property (IP) for Keytruda in the Netherlands. The arrangement allows the firm to

book profits at a tax rate of 10.5%, roughly half what it would pay if the IP resided in America.

Several big pharma firms are pledging to boost output in America in response to the tariff threat. Johnson & Johnson plans to invest $55bn, Roche $50bn, Eli Lilly $27bn and Novartis $23bn over the next few years. But factories take time to build. David Ricks, Eli Lilly's chief executive, warns that if tariffs are imposed, firms like his will take a hit to profits, as existing contracts with health insurers limit their ability to pass on higher costs.

All this could force firms to cut costs elsewhere, most likely in research and development, thus slowing the creation of new medicines and ultimately costing lives. Meanwhile, the production of generics, for which profit margins are thin, will not move from low-cost countries such as India, so tariffs will merely push up prices for Americans. Mr Trump's policies may achieve little more than a giant headache for patients and drugmakers alike. ■

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Game over

Nvidia’s original customers are feeling unloved and grumpy

Gamers are cross with the chip giant

5月 15, 2025 03:29 上午

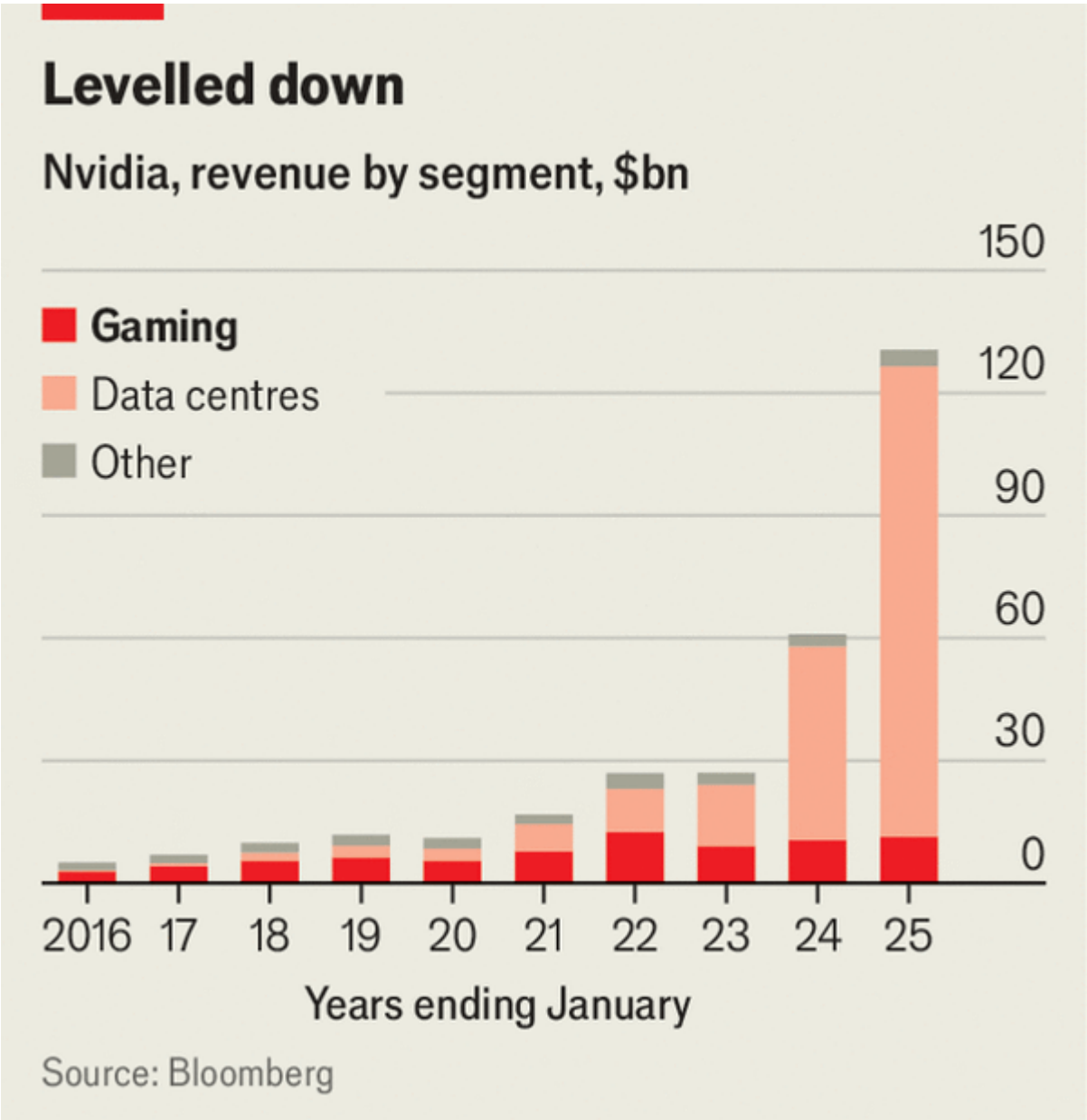


MOST COMPANIES like to shout about their new products. Not Nvidia, it seems. On May 19th the chip-design firm will release the GeForce RTX 5060, its newest mass-market graphics card for video gamers. PR departments at companies like AMD and Nvidia usually roll the pitch for such products by providing influential YouTubers and websites with samples to test ahead of time. That allows them to publish their reviews on launch day.

This time, though, Nvidia seems to have got cold feet. Reviewers have said that it is withholding vital software until the day of the card's launch, making timely coverage impossible. May 19th is also the day before the start of Computex, a big Taiwanese trade show that often saturates the tech press.

Trying to slip a product out without fanfare often means a company is worried it will not be well received. That may be the case with the 5060. Nvidia, which got its start in gaming, has more recently become a star of the artificial-intelligence (AI) business. But some of its early customers are feeling jilted. Reviews for some recent gaming products have been strikingly negative. Hardware Unboxed, a YouTube channel with more than 1m subscribers, described one recent graphics chip as a "piece of crap". A video on another channel, Gamers Nexus (2.4m subscribers), complains about inflated performance claims and "marketing BS". Linus Tech Tips (16.3m) opined in April that Nvidia is "grossly out of touch" with its customers.

Price is one reason for the grousing. Short supply means Nvidia's products tend to be sold at a much higher price than the official rate. The 4060, which the 5060 is designed to replace, has a recommended price of $299. But on Newegg, a big online shop, the cheapest 4060 costs more than $400. The 5090, Nvidia's top gaming card, is supposed to go for $1,999. Actually getting hold of one can cost $3,000 or more.



Quality control seems to have slipped, too. Power cables in some of the firm's high-end cards have been melting during use. In February Nvidia admitted that some cards had been sold with vital components missing (it offered free replacements). Reviewers complain about miserly hardware on the firm's mid-range cards, such as the 5060, that leaves them struggling with some newer games.

In February Nvidia reported that quarterly revenue at its gaming division was down 11% year on year. Until recently that would have been a problem, as gaming accounted for the majority of the firm's revenue. Now, though, the AI boom has made it a sideshow. Data-centre sales brought in $35.6bn last quarter, more than 90% of the total and up from just $3.6bn in the same period two years earlier (see chart). With that money fountain gushing, gamers can grumble as much as they like—but unless the firm's AI business starts misfiring too, neither its bosses nor its shareholders are under much pressure to listen. ■

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Bartleby

The myths of corporate innovation

Forget the breakthrough moments. Embrace the grind

5月 15, 2025 04:52 上午



IF INNOVATION HAS an iconography, it involves a genius, a breakthrough and a dash of serendipity. Alexander Fleming notices mould growing on a plate of bacteria and discovers penicillin. John Snow produces a map of the victims of a cholera outbreak in 19th-century London and traces the outbreak to a single water pump. A German chemist called August Kekulé falls asleep, dreams about snakes eating their tails and realises upon waking that the benzene molecule has the shape of a ring.

Moments like these make for good film scenes, but they are precisely the wrong way to think about corporate innovation. Firms make advances through sustained effort, the passage of time and teamwork. Take, for example, three stories of innovation from the new season of Boss Class, our podcast on how to be a great manager.

Wayve, a self-driving software firm that is now one of Europe's hottest artificial intelligence (AI) startups, was an outlier for years. Alex Kendall, a co-founder, was studying at Cambridge when he became convinced that the best way to solve the self-driving problem was to have an AI learn patterns of driving behaviour for itself.

That made him unusual. At the time the industry was trying to write rules for what a car should do when it encounters a specific situation. Wayve's approach is much more orthodox now; last month the firm signed a deal with Nissan to be part of the Japanese carmaker's autonomous-driving technology. But it's been an eight-year effort to get there. "The biggest bullshit is eureka ideas where you just wake up and have an idea that solves things," says Mr Kendall.

A good idea can go nowhere if the circumstances are not right. By the same token, having tried something before is not a reason to ignore it in the future, as the case of Google shows. Liz Reid, its head of search, says that many of the tech giant's successes were tried several times before they finally caught on. One example is reviews for restaurants on Google Maps, a feature that the team was sure would be useful but that initially asked too much of reviewers. The arrival of notifications and location data was crucial. Before then, you had to remember to write a review or indeed where you had been to eat. After that, Google's knowledge that you had been to a specific restaurant, and its ability to prompt you to give a rating, made reviewing much simpler.

Finally, consider Monumental, a four-year-old Dutch startup that is trying to mechanise bricklaying using robots. It depends on constant feedback to improve. Salar al-Khafaji, a co-founder, sold his first startup to Palantir, a data-analytics giant; there he saw the practice of "forward deployment", whereby Palantir's developers work directly with customers to configure software to suit their needs. His new firm adopts a similar principle of getting out into the world.

Monumental acts as a subcontractor on construction jobs, using human masons to finish any work that its machines cannot do. Working on projects in this way gives the company both a flow of money and, even more usefully, information about all the problems it has yet to overcome. Building sites are messy, unstructured places, where things get moved, weather changes and lots of things can go wrong. Operators on the site note down every glitch and obstacle that the robots encounter in a shared "friction log"; engineers and coders at the firm's headquarters in Amsterdam try to resolve them.

Companies achieve breakthroughs all the time. Dramatic scenes can unfold. Wayve chose to train its cars in London, because the city's narrow streets, cyclists and jaywalkers make for a particularly testing environment for drivers. Late last year the firm tested its software for the first time in America: on its first day the car learned for itself to drive on the right side of the road, as well as mastering other oddities. You can almost hear the soaring music in the film version.

But for the most part corporate innovation is not cinematic. The myths of lone geniuses and moments of inspiration undoubtedly capture the imagination. But the reality—of problems solved by groups of determined people over many years—is an even better story.■

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Schumpeter

Will OpenAI ever make real money?

The artificial-intelligence darling's CFO has an impossible job

5月 15, 2025 03:30 上午



BEING SAM ALTMAN is a glamorous gig. Since the launch of ChatGPT in November 2022 the boss of its creator, OpenAI, has turned into a global business superstar. He is the darling of both the starch-collared Davos set and Silicon Valley's dishevelled techno-Utopians. He hangs out with everyone from Katy Perry to Donald Trump, whom he accompanied on a visit to Saudi Arabia this week. It would shock no one if by its next funding round his startup, currently worth $300bn, overtook SpaceX and ByteDance to become the world's most valuable unlisted firm. The AI wunderkind recently

told the *Financial Times* that he has the "coolest, most important job maybe in history". No kidding.

Being Sarah Friar is not nearly as fun. As OpenAI's chief financial officer, the Irishwoman has two main tasks. The first is to make sure that the numbers add up. The second is to persuade investors to part with the billions of dollars the firm needs in order to train and run ever cleverer artificial-intelligence (AI) models.

Happily for Ms Friar, moneymen swept up in the AI mania need little persuading. They are falling over themselves to fund OpenAI. On May 13th SoftBank, a Japanese tech piggy-bank, said that its $30bn investment in the firm was unaffected by OpenAI's recent decision not to ditch its odd governance structure. A non-profit board will keep control of its for-profit arm.

That is just as well, for going with the flow of investor enthusiasm leaves the CFO more time to tackle her other responsibility. And when it comes to charting a path to profits, the former Oxford University rower is paddling upstream.

For OpenAI, as for any startup, making money involves a series of steps: attract and retain brainboxes, have them create something clever, turn that something into a marketable product, sell more and more of that product while minimising costs until cashflow turns positive. Despite defections, including of several co-founders, OpenAI remains a talent magnet. The cleverness of its tech is indisputable. Mr Altman's claim that the latest o3 model, with an enhanced ability to reason, displays "genius-level intelligence" should be taken with a pinch of salt—but only a pinch.

It is at the next stage that Ms Friar wades into problems. To see why, consider OpenAI's two more richly valued startup cousins. ByteDance's recommendation algorithm, which makes TikTok and its Chinese sister app the time sinks that they are, may be a bit more addictive than when it debuted in 2016. SpaceX's rockets are bigger,

more reliable and cheaper than at its first successful launch in 2008. But neither underlying technology has dramatically changed; any additions are, like SpaceX's Starlink satellite internet, complementary. This stability has enabled both firms to build products and, in time, business models around them. Especially for ByteDance, these are lucrative. Last year the social-media titan turned a net profit of $33bn on sales of $155bn.

The reason OpenAI will struggle to follow suit is precisely what excites its backers—the sheer pace of AI innovation. It would be one thing for advances to be frequent. The challenge for Ms Friar is that they also frequently upend her firm's economics.

Some of the disruption comes from OpenAI's rivals. In January a Chinese startup called DeepSeek came out of nowhere with a model that was almost as clever as OpenAI's flagship but required many fewer power-hungry chips to train and use it. DeepSeek also made its code freely available to all and sundry, lowering barriers to entry into advanced model-making. This has eroded OpenAI's competitive advantage at the cutting edge, which it had maintained thanks to access to oodles of computing power courtesy of Microsoft, its big-tech partner. It also constrains its ability to keep raising prices for using its models, which can run to as much as $200 a month per licence.

Competition is, of course, tech's Schumpeterian lifeblood. Nothing stops OpenAI from making its models more efficient, including by adopting some of DeepSeek's ideas. The trouble is that the economics are changing in more fundamental ways too.

Compare o3 with GPT-4, the model that powered ChatGPT in 2023, and take energy use as a proxy for cost. OpenAI is cagey about its numbers. But according to estimates, for every $1 in training costs, GPT-4 would cost around $4 a year to run, based on OpenAI's current level of traffic. For o3, whose reasoning relies on more

computing in the post-training "inference" phase, the ratio could be as high as one to 100.

Confounding variables

These ballooning operating costs explain OpenAI's mounting losses. Despite tripling its sales to $3.7bn in 2024, it lost perhaps $5bn (excluding stock-based compensation). This year it expects revenue to triple again, to $13bn, and inference costs to grow at the same rate, to $6bn. A shifting cost structure also makes it hard to price products and plan budgets. A fixed subscription fee that made sense in the age of GPT-4 looks unviable for o3. You could try keeping subscriptions for older, dumber versions and add a variable usage fee for inference-heavy reasoning. But how many people will pay anything for an obsolete technology? And how long until the next model forces another complete rethink?

Any projections for revenue and costs beyond the next few months rest on heroic assumptions. OpenAI's forecast of $125bn in sales and $12bn in cashflow in 2029 might as well be pulled out of a hat. Not because it is too rosy; because it feigns certitude. The same goes for its $300bn price tag: an ungodly sum by startup standards but a trifle next to the $1.4trn in shareholder value Microsoft has created since teaming up with OpenAI in late 2022. This gap may make it easier for Ms Friar to marshal more capital. Yet it also highlights the uncertainty around what her company is truly worth—and the scale of her bookkeeping challenge. ■

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Finance & economics

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America divided

Why the MAGA economy is thriving

The world's largest market is becoming two

5月 15, 2025 06:13 上午 | Jupiter, Florida and Yuba City, California

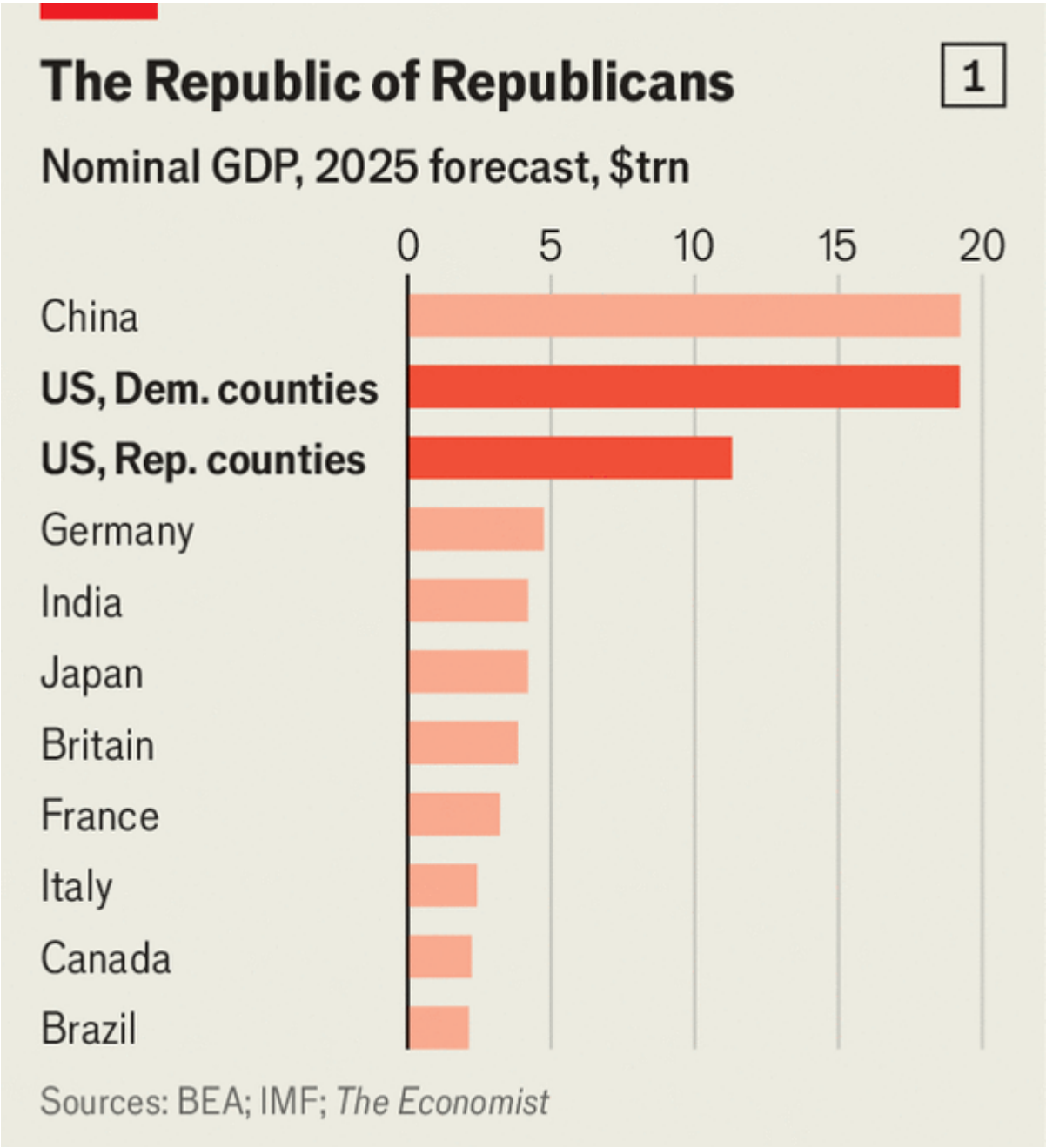


IMAGINE THE perfect morning. After sleeping between sheets from MyPillow—a company established by Mike Lindell, a conspiracy theorist—you drink some Black Rifle Coffee, which "serves coffee and culture to people who love America". You shave with Jeremy's Razors ("built for rugged jawlines....not feelings"). Then you eat some bacon from Good Ranchers, which pledges to "make the American farm strong again", before going for a spin on your Harley-Davidson.

The broader MAGA universe extends beyond goods with over-the-top marketing to products and employers merely favoured by Republicans. And each economic choice adds up to something bigger. According to our analysis, America is splitting into two different economies and markets: one conservative, the other liberal. People on each side think about the economy differently; they buy different things and work in increasingly different industries. Not only that, the MAGA economy is doing surprisingly well.

American liberals tend to look down on companies that market themselves to conservatives. Although this is in part because they do not like the opposing side, some MAGA products seem like scams. President Donald Trump's crypto coin soared following its launch, only to crash quickly and leave many supporters holding the bag. His branded watches, including the "Fight Fight Fight" model, cost up to $100,000 and have received mixed reviews.

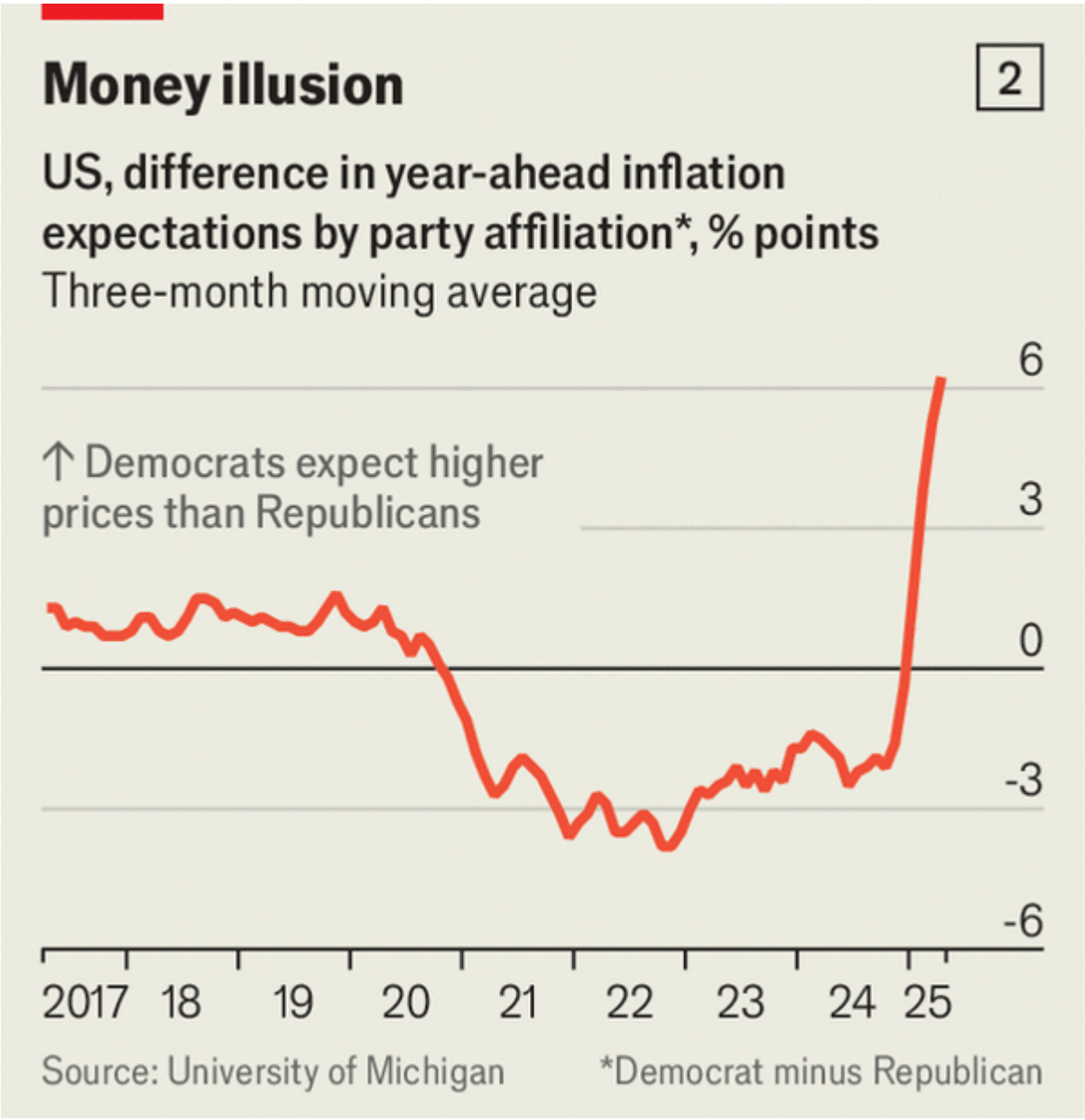
Such snobbery also reflects a belief that the conservative economy is backward. Hillary Clinton, the Democratic presidential nominee in 2016, noted that she had "won the places that represent two-thirds of America's gross domestic product...the places that are optimistic, diverse, dynamic, moving forward". Kamala Harris, the nominee in 2024, won a similar share of America's GDP. Of course, some solidly Republican districts have long been rich. In Jupiter, a town in Florida, activities include playing golf and wearing white chinos. Yet Yuba City, in northern California, where lots of locals are farmers and people voted strongly for Mr Trump, may be more illustrative of MAGA-land. Incomes are low; shops sell hardware, guns and fast food. There are no chinos in sight.



Despite this, the association of Republicanism with backwardness is at odds with the data. Even places like Yuba City are doing better than before and together MAGA-land is enormously powerful. If Democrats have two-thirds of American GDP, that still leaves Republicans with around $10trn—making them the world's third-largest economy (see chart 1). As anyone who has watched "Friday Night Lights" will know, all parts of America have big spenders.

Buddy Garrity, a car dealer, is the archetypal MAGA rich guy. He is not wealthy enough to own a private jet or plugged-in enough to attend the Met Gala; still, he has plenty in the bank.

The growing gap between the MAGA and Democratic economies can be seen in both “soft” and “hard” data. Surveys suggest that Democrats and Republicans now live in separate realities. Before the presidential election 50% of Democrats believed that the economy was getting better, against just 6% of Republicans. Today 8% of Democrats and 49% of Republicans respond in the same way. Such partisanship has become more pronounced. Look, for instance, at the gap in inflation expectations by party, as shown in chart 2.



Hard data tell a similar story. According to a recent paper by Verena Schoenmueller of Esade University and co-authors, residents in each economy consume in increasingly different ways. After Mr Trump's victory in 2016, liberals faced a threat to their identity, "which they possibly compensated for by stronger support for liberal-oriented brands"—buying more Patagonia fleeces, perhaps. Tesla shows the power of partisanship better than any other company. TD Cowen, an investment bank, forecasts that Elon Musk's alliance with Mr Trump will reduce sales by more than 100,000 vehicles a year in

Democratic-leaning counties, while boosting sales by twice as much in Republican ones.

Official data also suggest that consumer tastes are splitting along partisan lines. Compare New York, a blue state, with Wyoming, a red one. Since the 1990s blue people have spent more on stereotypical blue goods and services, and red people more on red. New Yorkers have splurged on dining out. They have also jacked up spending on public transport. People in the Equality State, by contrast, spend more than they did on things you might associate with an older, more conservative population, such as vehicle parts and nursing homes.

It is not just consumption. MAGA and blue economies are behaving increasingly differently, too. They reacted in different ways to the first wave of covid-19. Economic activity in red states, where locals were not so afraid of the virus, fell by half as much as in blue ones. This divergence was the culmination of a long-term trend. The variance in the GDP-growth rates of Democratic and Republican counties widened sharply around 2008. It has remained about twice as high ever since. In the olden days, when a red place was doing well, you could be pretty sure that a blue place would also be thriving. No longer.

The two economies are separating in part because their industrial compositions are changing. We have analysed data on work and pay across counties. Over time, places that voted Democratic in 2024 have taken a greater share of knowledge-intensive forms of economic activity. In 1993 roughly the same share of employee compensation came from the “information” sector, comprising software and the like, in Republican counties as elsewhere. Now the share is 30% lower than average, while dependence on manufacturing has risen. All told, employment patterns in the Democratic and Republican economies have diverged by 20%, as measured by the difference between “location quotients”, a gauge of job dispersion by industry.

Buddy up

Nevertheless, there are more Buddy Garritys today. In 2024, 47% of Americans reporting annual incomes above $1m lived in Trump-voting states, up from 43% in 2014. Incomes among poorer folk are rising, too. Population growth is strong. And the MAGA economy has lots of big businesses that liberals rarely encounter. Yuba City is home to WinCo, which feels like a knock-off Costco, and Boot Barn, which sells cowboy boots. Fox News's viewers are on the poorer side, yet over the past year the firm's share price has been on a tear.

Olive Garden, an Italian-restaurant chain, is another example in Yuba City. According to a YouGov poll in 2023-24, it is the dining option second most favoured by Republicans, relative to Democrats, behind Cracker Barrel, which offers wooden rocking chairs and Southern cuisine. Although the pasta at Olive Garden may not be *fatta in casa*, it is popular. The share price of Darden, which runs the chain, has nearly tripled in the past five years.



These trends play out across America. Along with Kai Wu of Sparkline Capital, a fund manager, we assembled 30 listed firms that are seen favourably by Republicans or Democrats, based on surveys. The process was inevitably imprecise: there is no single poll that covers all companies. In the end, the Republican basket included firms such as John Deere, Fox and Harley-Davidson, whereas the Democratic one featured Etsy, Lululemon, Lyft and more. Recent market turmoil hit the Republican basket hard. But in the past

decade its shareholder returns, including dividends, have thrashed the blue one (see chart 3).

Why do MAGA firms seem to outperform? Maybe they eschew virtue-signalling. Point Bridge America First, an exchange-traded fund that uses the stock ticker MAGA, includes only those firms which support Republicans. The Democratic Large-Cap Core Fund, with the stock ticker DEMZ, invests in companies that make big donations to the Democrats. Since the end of 2020 MAGA's price has easily outperformed that of DEMZ. Goldman Sachs, a bank, has built a stock index containing firms "that could benefit from key Republican policies", such as those in oil. Over the past decade their share prices have comfortably beaten the market.

The future for the MAGA economy is uncertain. By raising the cost of imported components, Mr Trump's tariffs will hurt manufacturing. Harley-Davidson is a soft target for foreign politicians looking to retaliate. On the flip side, however, Republican states, including Florida and Texas, are still enticing internal migrants. And with local consumer confidence strong, expect spending in MAGA-land to hold up better than in Democratic-leaning areas. It does not just rely on MyPillow. ■

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Seeing red or blue

Is the market up or down? Republicans and Democrats disagree

Retail investing suffers from partisanship

5月 15, 2025 01:29 下午 | New York



Driven to distraction

ALTHOUGH EXPERTS say that hypnosis can make broccoli taste like chocolate, it is unlikely to make someone jump out of a window. There is, however, something able to induce self-harm: partisanship.

Investors have every incentive to make smart decisions regardless of their party affiliation. Yet a recent YouGov poll—conducted on behalf

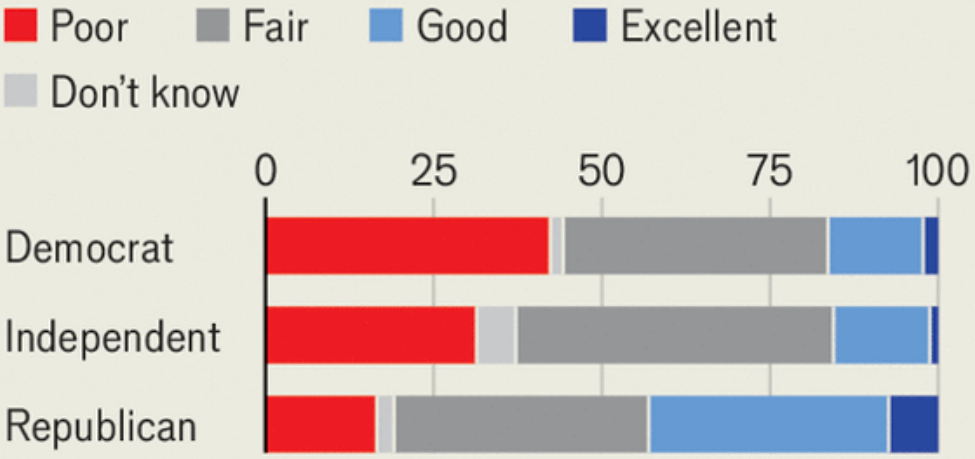
of *The Economist* from May 2nd to 5th, when the stockmarket was down by an average of 8% since its peak on February 19th—indicates they nevertheless struggle. The polling suggests that partisanship coloured trading decisions and perceptions of the market in the wake of President Donald Trump's recent tariffs.

There has been little academic research into the impact of partisanship on retail investors; the work that exists mostly focuses on the attitudes and behaviour of credit analysts, portfolio managers and regulators. In 2017 a rare study by Yosef Bonaparte of the University of Colorado, Denver, and co-authors found that retail types tend to prefer riskier assets and to invest at home when their party is in power, reflecting greater optimism about the economy.

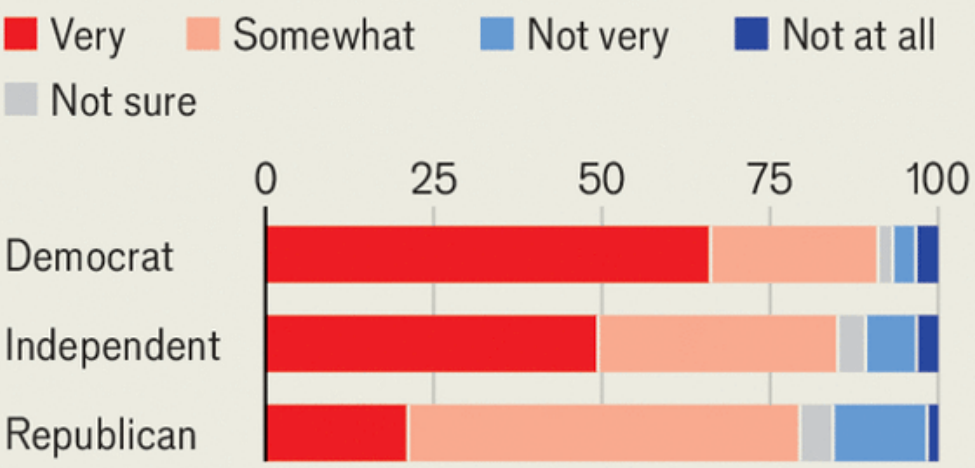
Condemnation

United States, May 2nd-5th 2025, % responding*

"How would you describe the current state of the stockmarket?"



"How responsible, or not responsible, is Donald Trump for the stockmarket?"



*Respondents who said they owned stocks in 2024 or 2025

Source: YouGov

Our polling suggests that the topic may be worthy of further study. Among Americans who owned stocks this year or last, a fifth of Democrats (and the same proportion of independents) reported taking money out of the stockmarket or mutual funds owing to Mr Trump's salvo, compared with just a tenth of Republicans. Red Americans were much more upbeat about the state of the market. Some 43% said that it was in good or excellent condition, compared with only 16% of Democrats. As for the influence of the president, 66% of Democratic investors held Mr Trump "very responsible" for market conditions, compared with just 21% of Republicans.

Even on matters of fact, Democrats' and Republicans' perceptions differed wildly. Among Democrats, two-thirds correctly said in early May that the stockmarket had dropped since January, compared with less than half of Republicans. Likewise, in a poll that was conducted from July 9th to 11th 2022, when Joe Biden was president, less than half of Democrats versus more than two-thirds of Republicans reckoned the market had dropped since January 2021; in fact, it had risen. Expectations blind some investors to reality.

Yet reality can break through. A recent study by Alok Kumar of Miami Herbert Business School and colleagues finds that, on revelations of large boss-worker pay gaps, institutional shareholders in Democratic-leaning, "inequality averse" counties at first sell off more than those in Republican-leaning areas—before then reversing course within three months when the firms demonstrate strong performance. Democrats "recognise that their initial perception was wrong", says Mr Kumar.

The S&P 500 is now up by 18% since its low in April. Forecasts of economic disaster look overdone owing to Mr Trump's willingness to reverse course on tariffs. Will Democratic retail investors similarly shake off their partisan hypnosis? ■

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Sofa so good

America has given China a strangely good tariff deal

For the next 90 days, at least

5月 15, 2025 03:30 上午 | Hong Kong



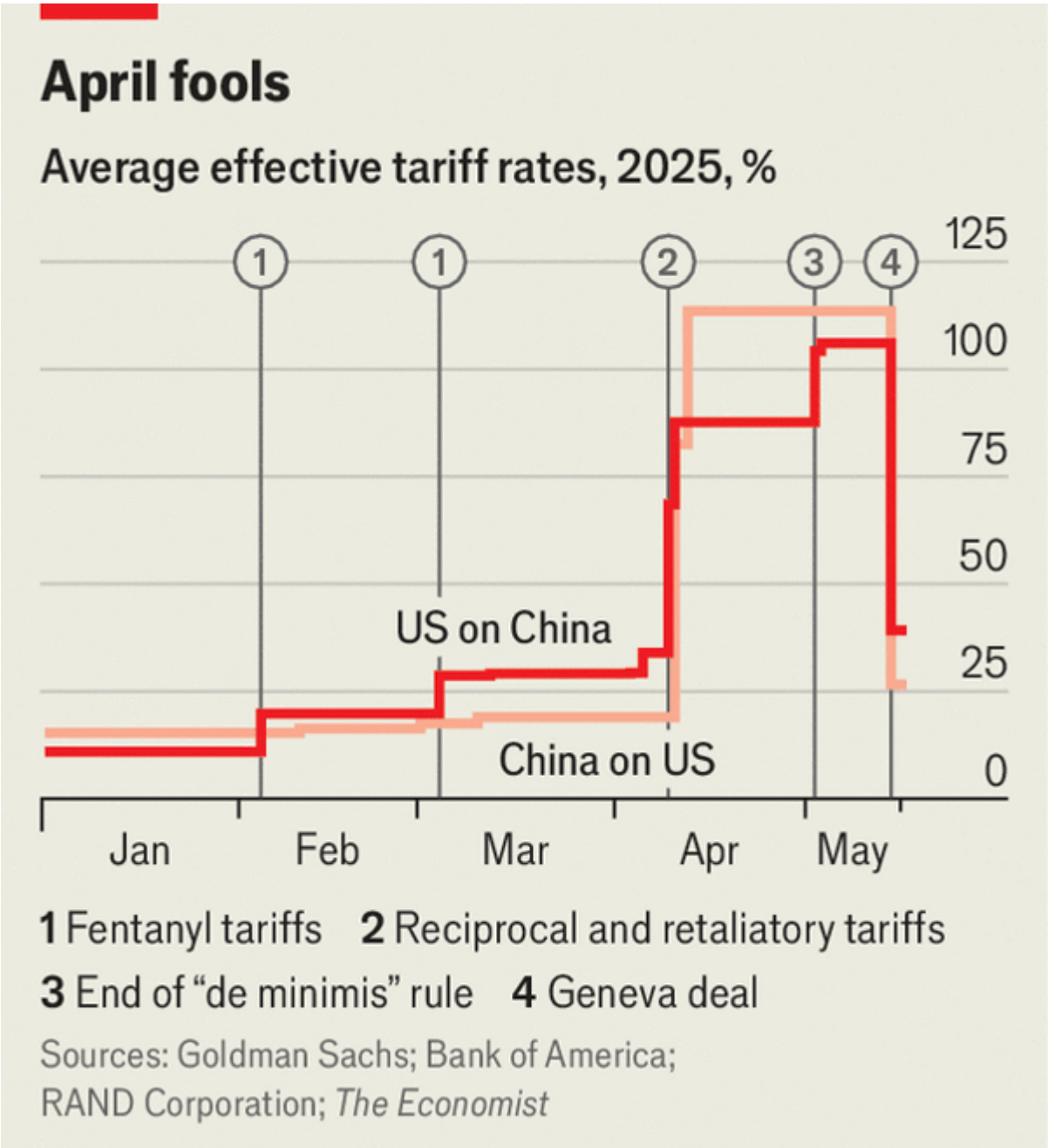
AFTER A BUSY weekend of trade negotiations in Geneva, an impatient reporter asked when the results would be revealed. Li Chenggang, a Chinese official, replied with a wry smile and an old saying: "Good food is never too late."

The dish, when it at last arrived on Monday May 12th, was surprisingly tasty. America had agreed to cut the "reciprocal" tariff it inflicted on China last month from 125% to a more digestible 10% for at least 90 days. China has agreed to do the same. It will

also suspend other retaliatory measures, such as restrictions on 17 American companies deemed “unreliable entities”.

The agreement therefore reverses much of the April madness. Indeed, the S&P 500 share-price index of large American companies is now 5% higher than it was at the end of March. China’s CSI 300 is about the same as it was back then.

Tariffs imposed by each country before April will, however, remain. They include an American levy of 20% intended to punish China for making the ingredients of fentanyl, a synthetic opioid, as well as the narrower duties that China adopted in retaliation. Moreover, America’s tariffs now apply even to “small value” packages, worth less than $800, which previously escaped duties on the grounds the revenue was not worth the hassle of collecting. That exception ended on May 2nd.



The result is that even after the agreement, America's tariffs on China average about 39%, according to Goldman Sachs, a bank, when they are weighted by the value of last year's imports. At the same time, China's tariff on America averages about 27%, at least assuming that China continues quietly to exempt American chemicals, medicines and other essential goods from the duties. Both of these averages are far higher than when the year began,

although they are also much lower than seemed likely a few weeks ago, when Mr Trump was admonishing China for a "lack of respect" and China was digging in for a protracted trade war (see chart).

Before the talks began, Scott Bessent, America's treasury secretary, had said the two sides were seeking merely to agree on what to talk about. Mr Trump had posted on social media that a tariff of 80% on China "seems right!" When the negotiating teams were seen leaving the venue after only a few hours on Saturday, some feared the talks had broken down. In fact, the negotiators were just going for lunch.

What, then, explains China's unexpected success? Jamieson Greer, America's trade representative, gave credit to the venue. The negotiations took place not in a "sterile" hotel, but in the intimate rooms and attractive grounds of an ambassador's residence. According to Mr Greer, many of the most difficult issues were discussed on patio sofas under a beautiful tree.

Meanwhile, the economic backdrop was becoming much less comfy. Chinese exports to America fell by more than a fifth in April compared with a year earlier. The prices of Chinese goods listed on the websites of big American retailers have also been rising slowly but relentlessly, according to data scraped by Alberto Cavallo of Harvard University and his co-authors.

In a press conference on May 12th, Mr Bessent all but conceded that tariffs on China had got out of hand. Mr Trump had announced a "reciprocal" levy of 34% on China on April 2nd, or "Liberation Day", as the president called it. That had quickly jumped to 84% and then 125% in response to Chinese retaliation. The result was the "equivalent of an embargo", which neither country wanted, Mr Bessent said.

Sealed with the Swiss

The financial chaos following Liberation Day included a bond-market revolt and a plunging dollar. This disturbance persuaded Mr Trump to offer a 90-day reprieve to most of America's trading partners on April 9th. After the Geneva talks, China has now been added to the list. Its reciprocal tariff of 10% is as low as any country enjoys. Moreover, this low rate applies even though China, unlike other countries, still has a 10% retaliatory tariff in place.

Now the most important question is what happens after Mr Trump's latest 90-day pause. Typical trade agreements take considerably longer to negotiate. And America's commercial grievances with China run especially deep, encompassing its industrial policies and implicit subsidies for state-owned enterprises. Mr Bessent was careful to point out that the 34% tariff chosen for China on Liberation Day is not a dead letter. It is the default to which America will return after the pause, if nothing happens in the interim.

To forestall that possibility China could conceivably agree to buy more commodities, such as oil or soyabeans, from America—goods that it might anyway have bought from elsewhere. It could also convince American politicians that it really is working harder to crack down on the production of fentanyl ingredients. Mr Bessent was impressed that China's delegation included a minister of public security, who was well-versed on the drug-traffic issue. Maybe the two superpowers will orchestrate a compromise in which America raises the reciprocal tariff back to 34% but removes the 20% fentanyl penalty. That might be enough to turn the Swiss truce into a more lasting peace.

The Chinese adage about the punctuality of good food often continues to another line: "Interesting talk is never too slow." If they are to avoid a return to the tariff disaster of the past months, China and America must hope that their talks over the next 90 days do not drag or bore. ■

***Correction (May 13th, 2025)**: An earlier version of this piece said that Mr Bessent was impressed that China's delegation included the minister of public security.*

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Everyone, everywhere, all at once

How the Chinese Communist Party learnt to love villages

It wants people to move to cities. And the countryside

5月 15, 2025 03:30 上午 | Xiaotao Village, Anhui province



FROM A DISTANCE Xiaotao looks like any other village. But stroll down its main path and a café comes into view, with baristas manning an espresso machine. Next door is a tiny bakery with a wood-fired oven. Nearby, a farm-house pottery studio and an artist's gallery.

In a country where rural areas remain poor, Xiaotao stands out. It is part of a state project to revitalise China's countryside with businesses, industry and youngsters. A university campus has been

built close by. There are new eateries and hotels. “The hope is that young people can find something to do and end up staying,” says a local art professor.

For decades urban factories have sucked up able rural bodies, in a process officials have depended on for economic growth, even as it hollowed out villages. In recent years, local governments have sought to make it easier to move from the village to the city by reforming the *hukou* system, which keeps individuals tethered to the places they are born.

But at the start of the year the central government released a “rural revitalisation plan”. At its heart is an effort to lift rural incomes: in 2024 urbanites made on average more than double what rural folk did. The plan aims to make it easier for entrepreneurs to set up businesses; Xiaotao is a model village.

Surely it is contradictory to want to fill both cities and the countryside? Communist Party officials would suggest otherwise. Their most commonly used term for urbanisation roughly translates to “urban- and town-isation”. The goal is not to cram people into megacities, which are already crowded, but to spread them among a wide range of urban areas. Recently that has meant making villages a bit more citylike. Many have grown and are becoming increasingly commercial, says Shen Jianfa of the Chinese University of Hong Kong.

It is not just the coffee shops and bucolic scenery that are drawing young people back to villages. As China’s economy deteriorates, jobs in cities are becoming scarcer. Urban youth unemployment is uncomfortably high, having reached 17% in February. Many young people feel burnt out and see little opportunity for progress. Xiaotao, says the art professor, should be a place they can come to get away from the pressure. ■

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Deal mania

China has got lucky with Trump. Can the rest of the world?

Progress in trade talks has so far been slow

5月 15, 2025 06:13 上午 | Bangkok and Tokyo



Washington is nice in spring, at least

AS SCOTT BESSENT, America's treasury secretary, negotiated with China in Switzerland late into the evening on May 11th, trade negotiators from the rest of the world found themselves at a loose end. Many had arrived in Washington for talks, desperately seeking trade deals, only to find America's negotiators abroad and their meetings delayed or cancelled. One official, who expected to present

painstakingly crafted positions on bovine-vaccination rules and currency manipulation, took the chance to visit the newly refurbished Air and Space Museum. He then left "about as empty-handed as before".

America's stated ambition has been to sign 90 trade deals in 90 days. The clock started ticking on April 9th, when reciprocal tariffs on roughly as many countries were paused, and will continue until a deadline on July 8th. Over a third of the way through the period, only two deals have been announced. One with Britain, an ally with which America has been in talks for a decade. The other with China·, a rival with which President Donald Trump had ignited a fierce trade war. Tariffs came down in both instances; neither country granted America big concessions.

The remaining 88 countries have employed plenty of diplomatic charm in seeking to advance their case, but have made slow and uneven progress. No negotiating team has stayed at the front of the queue for long. Squabbling over a deal's fine print leads to a swift demotion. As the clock ticks down, the stakes rise. Nobody wants to be out in the cold on July 8th.

Since mid-April, the Trump administration has prioritised 20 or so economies. These include big trading partners that would be heavily penalised by the deferred reciprocal tariffs, such as the European Union, Japan and Vietnam, as well as a few minnows, such as Fiji. A smattering of leaders with whom Mr Trump gets on, such as Argentina's Javier Milei, also made the list. The larger the trading partner, the more American consumers would feel painful price rises in the absence of a deal. American policymakers believe that negotiations with Britain and Fiji are a useful signal of their desires to countries that are further back in the queue, and one which should accelerate other negotiations.

Given the tumultuous nature of talks so far, such rationalisations are not entirely convincing. All the discussions are vulnerable to

presidential whims. At first, America's priority was big East Asian exporters, including Japan and Vietnam. But after Ishiba Shigeru, Japan's prime minister, said that America's insistence on excluding sectoral tariffs from negotiations was unfair, India stole his country's position—only to then lose ground because of the slow pace of its own negotiations. Having lost priority status, Indian officials duly filed a motion with the World Trade Organisation, seeking to toughen their export controls on America. After Mr Trump's negotiators received a warm welcome from Switzerland over the weekend, the president said that it would be bumped up the line. Only the EU has maintained a consistent position throughout: at the back of the queue. Mr Trump has called the bloc "nastier than China" as a negotiating partner. More diplomatically, Mr Bessent notes that talks are tough because, "The Italians want something that is different from the French."

Three themes stand out so far. The first, and most important, is that no country manages to hold America's attention for long. In normal times, trade deals are negotiated bilaterally. Even defining broad terms, which is what Mr Trump is mostly attempting at present, tends to take years. American negotiators seem to believe that their current speed-run approach offers leverage. If they reach a stumbling-point with one country, well, no problem—they can simply move on to the next. Witness the fate of Japan when it urged America to remove its tariff of 25% on car imports.

The difficulty is that as different countries make it to the front, the hopes of their negotiators rise. Perhaps it will be they who charm the Trump administration into a uniquely good deal. For example, India also attempted to persuade America to remove car and steel tariffs as part of a "zero for zero" deal. Yet only Britain has earned any such carve-out, and even then for just 100,000 cars a year. As such attempts fail, churn is the result. "It feels like the window of opportunity each time is very small," says a Vietnamese official.

Beijing barrier

Next is the China factor. Third countries have two superpowers to keep happy. On May 14th Chinese officials attacked Britain's deal with America, alleging that it indirectly targets China. Under the terms of the agreement, Britain escapes tariffs on steel exports, but only if America gets a say over who owns its plants. Other "national security" measures in the deal also upset China. Such complaints will arise again. Japan feared that America's demands on strategic goods would irritate China. America's negotiators raise the question of "What are you doing and what could you do vis-à-vis China?" in every negotiation, according to one official.

The third theme concerns unforeseen sticking-points. Countries that exchange hundreds of thousands of goods each year often have specific gripes. British officials complained to their American counterparts about the quality of Uncle Sam's beef. American officials have demanded that Japanese politicians liberalise their rice market, a political taboo, and made unsubstantiated allegations of currency manipulation against Thailand. Sometimes disputes have little to do with commerce. On May 1st Thailand dropped charges against Paul Chambers, an American academic imprisoned for *lèse-majesté* (insulting royalty) in a move Thai officials insisted was unrelated to trade talks. Diplomatic dances over such issues would usually take years. Mr Trump has less time, meaning they can derail negotiations.

America is not going to meet its original ambition of signing 90 trade agreements by July 8th. More deals will nevertheless have been signed by that time. And negotiations with many countries will continue beyond the deadline, with their officials hoping for an extension of the present tariff pause to tide them over.

At the same time, Mr Trump will need to show his threats are credible, so as to garner concessions, predicts Josh Lipsky of the Atlantic Council, a think-tank: "There will be a few examples made." For most countries, the goal should not be to make it to the front of the queue. It should be to avoid falling to the back. ■

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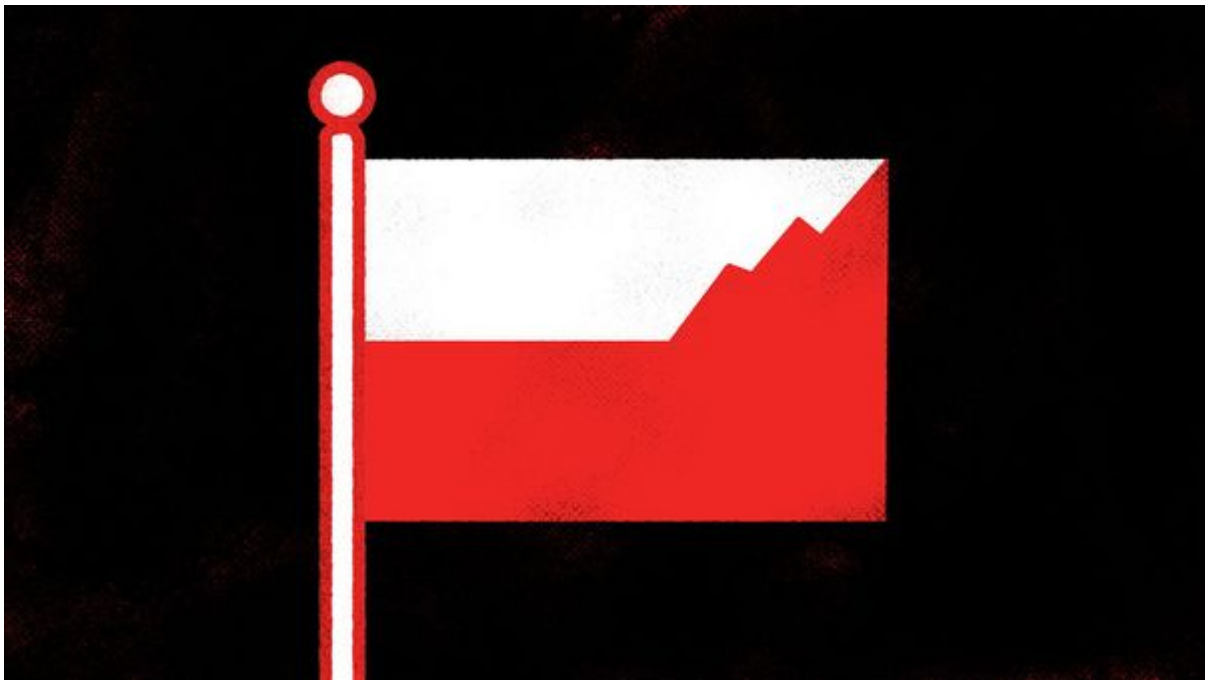
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Buttonwood

Poland: the ignored stockmarket superstar

Why the country's shares are going gangbusters

5月 15, 2025 03:29 上午



EUROPE'S BOURSES have not shone so brightly in years. Speak to those who analyse them for a living and you will still detect a note of disbelief—they can hardly remember the last time foreign investors were paying them as much attention. Why that should be is no mystery. Measured in dollars, Europe's Stoxx 600 index has risen by 16% in 2025, compared with 3% for the MSCI World.

More mysterious, Europe's highest-soaring stockmarket has slipped beneath many investors' radars. Everyone knows that share prices in

Germany have rocketed, and that those of its armsmakers have gone ballistic. Yet its DAX index is up by a paltry 27% (in dollars again) this year. Poland's WIG has risen by over 40% and, since a trough in 2022, has nearly tripled. Quietly, a long-moribund market has become Europe's superstar.

"Poland is the new Germany," says Peter Bosek, chief executive of Erste Group Bank, an Austrian lender that is acquiring Santander Bank Polska, Poland's third-largest. The analogy works in several ways. Since the fall of the Soviet Union, but especially over the past two decades, Poland has achieved a stunning economic transformation—reminiscent of Germany's in the second half of the 20th century. By the World Bank's standards, it dodged the "middle-income trap" that ensnared economies elsewhere, moving to high-income status in just 15 years. The IMF reckons that, this year, Poland's GDP per person will exceed Japan's, adjusted for purchasing power. In 2005 Poland's income on this measure was 50% of the EU average; in 2025 the IMF thinks it will rise to 85%.

Until recently, though, Poland's success did little to boost the appeal of its stockmarket to international investors. Between 2010 and 2020, share prices were more or less flat in dollar terms. During the covid-19 pandemic and the crash of 2022, they convulsed along with markets elsewhere. Then, in 2023, Poles started looking more German in a second way: by booting their populist, interventionist and anti-EU Law and Justice (PiS) party out of power.

In its place they elected an investor-friendly alliance led by Donald Tusk, a former president of the European Council. PiS's approach to markets had included installing a crony to run Poland's central bank, which then slashed interest rates during the 2023 election campaign, despite inflation being at 10%. Meanwhile Orlen, a state-run and PiS-controlled energy firm, conveniently cut fuel prices. Mr Tusk's comparatively hands-off administration has made Poland far more investible. And it has so far unlocked €21bn ($23bn) in post-covid

aid from the EU, which had previously been withheld owing to PiS's meddling with the courts.

That left Polish shares poised to participate—and then some—in Europe's rally this year, as investors have reconsidered their outsize allocations to America and wondered where else they can park their cash. How about the stockmarket of a mid-sized, rich country that is boosting its growth prospects with a big fiscal stimulus and a determination to re-arm?

The reasoning that has led many to Germany applies to Poland, too. In 2025 it expects to spend 4.7% of its GDP on defence, more than any other NATO member and up from 2.2% in 2022. So far, much of that has gone on imports to replace the hardware Poland sent to Ukraine after Russia's invasion, and so has done little to raise GDP. But that will soon change, since Poland is also acquiring manufacturing and maintenance capacity. The government says it will spend 50% of its funds for technological modernisation on equipment made in Poland. Faster growth should follow.

More immediately, points out Mai Doan of Bank of America, Poland should benefit from German growth, which is set to speed up as Germany spends more on defence and infrastructure. She estimates that higher German growth passes through almost one-for-one across the border, since it translates into higher demand for Polish exports, including capital goods and military gear.

There are limits to how fast money can flow into Polish stocks with the WIG index's market value at just $520bn. Nevertheless, 40% of that is made up of the shares of financial firms which are well-placed to harvest returns from a strong economy. The market remains enticingly cheap. Share prices are only ten times firms' expected earnings for this year, compared with 15 for Europe more broadly and 22 for America. For now, the rise of the Warsaw Stock Exchange has attracted little attention. Do not bet on that continuing. ■

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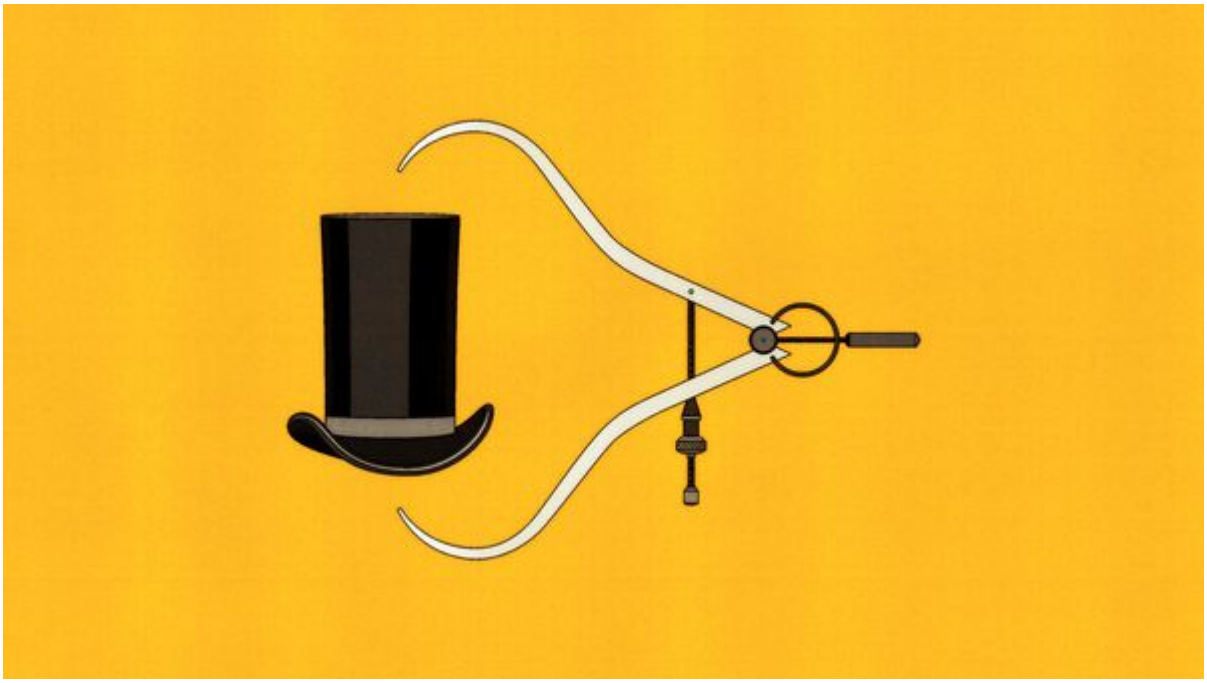
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Free exchange

Economists are as confused as Trump about taxing the rich

Forget technocracy. The top rate is set by gut instinct

5月 15, 2025 03:29 上午



IF YOU WANT to put a policymaker on the spot, ask them what the top rate of income tax should be. The question befuddles everyone. On May 8th President Donald Trump broke with decades of Republican convention when he reportedly urged Mike Johnson, the speaker of the House of Representatives, to increase America's highest federal levy on incomes from 37% to 39.6%, where it stood before the president's own reforms in 2017. Mr Trump then took to

social media to announce that although he would "graciously accept" such a change "in order to help the lower and middle income workers", Republicans in Congress "should probably not do it". He is nevertheless "OK if they do".

This is usually the point at which to compare Mr Trump's haphazard argument with the staid advice of economists. But they seem just as confused as the president. Their research on the best level for the top rate of income tax can include statements such as: "alternative parameter values give a range of -26% to 50%" (you read that right: a negative tax for top earners may be best). Other economists recommend rates as high as 70% or more, once taxes at all levels of government and income are included.

Why is it as hard for economists as it is for politicians to deduce the correct level for one of the most high-profile numbers in economic policy? One reason is the ethical judgment involved. Economists are more comfortable talking about efficiency than redistribution. Historically, research on "optimal taxation", rooted in the work of Sir James Mirrlees, a British economist, combined the two concepts with an intuitive belief that an extra dollar of wealth buys less additional happiness the richer you are. A utilitarian government—one that seeks to maximise the sum total of human well-being—might redistribute a lot of cash if (to use mathematical terms for the idea) utility functions are concave.

But happiness cannot easily be measured, and utilitarianism is anyway controversial: it ascribes no clear value to rights, meritocracy, poverty thresholds or notions of just desert. In 2016 Emmanuel Saez of the University of California, Berkeley, and Stefanie Stantcheva of Harvard University demonstrated that aggregated utility functions could be replaced by more general "weights". Under such an approach, you tell economists how much you value—for whatever ethical reason—each person's marginal dollar of income, and they can tell you how to set efficient taxes.

Or at least, they can try. Because even after "society" decides those weights, the economics that remains is supremely difficult. Mirrlees's framework focused on the degree to which taxes on labour, by discouraging work, reduce the incomes of the rich. To the extent there is a consensus on this distortion, it is that a 1% fall in the after-tax returns to work for high earners prompts their pre-tax earnings to drop by only 0.25%. Plug that number into a traditional formula, alongside other standard results, and you get an ideal top rate of tax in the region of 70% or more, including taxes at all levels of government and social-security levies.

The trouble is that the framework ignores a timeless question: how much does society as a whole benefit from letting people get rich? This is no small omission, given the spillover benefits from entrepreneurship and innovation. William Nordhaus of Yale University has estimated that innovators have historically captured for themselves only about 2% of the total surplus they create. In the extreme, such spillovers matter a great deal. The benefits of entrepreneurship are part of the explanation for why capitalism outperforms control economies such as that of North Korea.

Economists have only recently tried to incorporate the incentive to innovate into their calculation of optimal top taxes. It was one attempt to do so, by Charles Jones of Stanford University, that entertained the negative top rate of -26%. If high earners produce a lot of ideas that help society, then "subsidising the discovery of new ideas through low tax rates may be as effective as redistribution in raising worker welfare", he writes. In April Ms Stantcheva won the John Bates Clark medal, awarded each year by the American Economic Association to the leading economist under the age of 40, in part for her work on the matter. She has found that personal income taxes (and corporate levies) significantly deter innovation, though also that targeted policies, such as research and development subsidies, can be used as counterweights.

Business, unfinished

Perhaps this line of research will in time produce a consensus on the top rate of tax. Until it does, politicians have no choice but to follow their gut, and what works elsewhere. They might look to Scandinavia, which is home to dynamic economies and raises lots of tax, in part, it seems, by avoiding super-high levies on the rich. Sweden's top rate of income tax, for example, is only a smidgen above America's, once state and local levies are included. The big difference between the systems is that Sweden has a swingeing 25% rate of VAT, a levy on consumption that is painful for the poor but does not discourage work. It is a means to an end: Scandinavia's additional redistribution is done on the spending side of the ledger, with taxes kept pretty efficient.

"Efficient" is not the word you would use to describe the plans of Republicans in Congress. As they prepare to cut taxes, they have so far resisted Mr Trump's half-hearted call for a more progressive system. But their draft bill, released on May 12th, includes all manner of distortions, from exempting overtime and tips from taxable income, to increasing the deduction for state and local levies —a hand-out that subsidises tax increases at lower levels of government. Mr Trump's tariffs, meanwhile, stray about as far from optimal tax theory as it is possible to get. Economics may not be able to tell you how much to tax the rich. Nevertheless, it can still identify these ideas as foolish. ■

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Science & technology

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Jumbo jets

The race to build the fighter planes of the future

They can hold more fuel, carry more weaponry and boast more computing power

5月 15, 2025 06:13 上午



"THERE'S NEVER been anything even close to it—from speed to manoeuverability…to payload," gushed Donald Trump, as he announced on March 21st that America's future fighter jet, the F-47, would be built by Boeing, an aerospace giant. The jet is one of several so-called sixth-generation aircraft on drawing boards around the world.

In December China showed off what was believed to be a prototype of the J-36, an imposing plane with stealthy features and a large flying-wing design. Britain, Italy and Japan are co-developing their own plane, in Britain provisionally called the Tempest, which is due to enter service in 2035. France, Germany and Spain hope that their Future Combat Air System (FCAS) will be ready by 2040. Together, these represent the future of aerial warfare.

Fighter jets tend to be categorised by their age, features and sophistication. The first generation appeared in the 1940s and 1950s. Many of those in NATO service today, like America's ubiquitous F-16, are fourth-generation ones, built from the 1970s to the 1990s. The latest fifth-generation planes, such as the F-35 and F-22, the latter perhaps the leading fighter jet in operation today, tend to enjoy stealth, the capacity for sustained supersonic flight and advanced computer systems.

By comparison with earlier planes, the sixth generation of jets all have one thing in common—they're big. Early images of the F-47 have been heavily obscured and edited, and might bear little resemblance to the final plane. But photos of the J-36 and models of the Tempest (pictured) indicate aircraft far larger than the fourth-generation Chinese J-20 and European Typhoon or fifth-gen American F-35 and F-22. The similarity suggests that all these countries have similar prognoses about the future of war in the air.

One shift they all predict is more, and better, surface-to-air missile systems, a lesson reinforced by the strong performance of air defences in Ukraine. That requires more stealth to keep planes hidden from enemy radar. Stealth, in turn, requires smooth surfaces —bombs and missiles cannot hang off the wing, but must be tucked away inside a larger body.

Keeping their distance

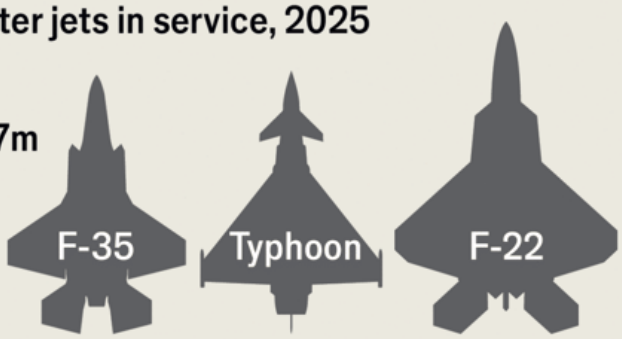
A second shift is in the increasing range of air combat. For the past 40 years, the proportion of air-to-air kills that occur "beyond visual range" has grown steadily—from a tiny fraction of all in the 1970s to more than half between 1990 and 2002. Since then air-to-air missiles have been able to travel ever farther. Europe's Meteor, with a 200km range, was at the forefront of technology when it was first tested a decade ago. America's AIM-174B and China's PL-17 can now hit things 400km away. That means planes need better sensors to spot and fire at targets from farther away; they also need better electronic warfare equipment to parry incoming threats. These technologies require more space to generate power and remove all the heat that electronics tend to produce.

Finally, planes are especially vulnerable to long-range missiles when they are on the ground. That means they need to fly from more distant airfields, requiring larger fuel tanks and less drag for more efficient flight. The huge wings seen on the Tempest and the J-36 allow for both those things, notes Bill Sweetman, an aviation expert. Range is a particular concern for America. Its airbases in Japan are within reach of vast numbers of Chinese ballistic missiles. It plans to disperse its planes more widely in wartime and to fly them from more distant runways, such as those in Australia and on Pacific islands.

Top-flight

Selected fighter jets in service, 2025

F-35
Wingspan **10.7m**
Length **15.7m**

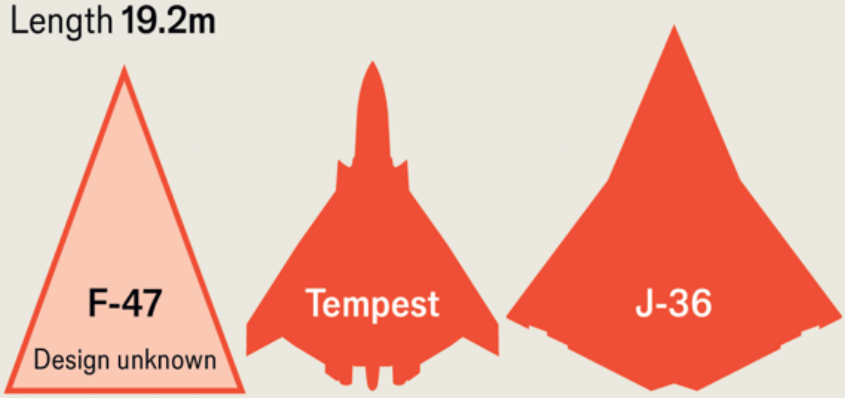


Combat radius, km



Selected sixth-generation, due in service 2030s

F-47
Wingspan **14.25m**
Length **19.2m**





*Estimate
Sources: Lockheed Martin; BAE Systems; Boeing; media reports

Long-range planes are appealing for several reasons. “We’re talking about really extreme ranges,” notes Group Captain Bill, the Royal Air Force (RAF) officer in charge of thinking through how the service will use the Tempest, speaking recently (without his surname) on the “Team Tempest” podcast, which is produced by the consortium building the aircraft. The plane will need to be able to cross the Atlantic Ocean on a single tank of fuel, he says, a journey that would require today’s Typhoon jet to be refuelled three or four times. One reason for that might be that big refuelling tankers, which once sat safely to the rear of the front line, are increasingly vulnerable to new air-to-air missiles, like China’s PL-17. Another is that the Tempest could then take circuitous routes, avoiding Russian air defences along the obvious paths.

Put all this together and you get planes that look like old-fashioned bombers. Mr Sweetman compares the hulking J-36, with massive wings and cavernous weapon bays, to an “airborne cruiser”, optimised for range, stealth and carrying capacity over dogfighting agility. The single most important requirement for the Tempest is the ability to carry a lot of weapons, says Group Captain Bill, noting that it will have roughly double the payload of the beefiest F-35. That makes sense: if you can deliver more firepower per sortie, you can destroy a target with fewer risky flights into enemy airspace. “The same answers tend to pop up for all,” says Mike Pryce, who has advised Britain’s defence ministry on combat air design. “Stand off, don’t be seen, shoot first, don’t get into a knife fight.”

As the planes get bigger, their insides are also evolving into what are essentially “flying supercomputers”, says Roberto Cingolani, the CEO of Leonardo, an Italian company that is developing the wider Tempest programme along with Britain’s BAE Systems and Japan’s Mitsubishi. Leonardo says that the Tempest will be able to “suck up” a medium-sized city’s worth of data in one second, according to Tim Robinson of the Royal Aeronautical Society. That could include anything from radio traffic to the emissions of air-defence radars. The point is to share that data with friendly forces, including tanks

and ships, says Mr Cingolani, perhaps via satellite, with a "central artificial intelligence" making decisions—presumably which targets should be attacked, by what, and when. Some might suggest "that's science fiction," he says. "No, that's a vision."

Flying together

Perhaps the most contentious design choice is whether sixth-generation planes should have pilots. Elon Musk, Mr Trump's aide, recently mocked the fact that "Some idiots are still building manned fighter jets." In practice, most air forces believe that artificial intelligence (AI) and autonomy are not yet mature enough to allow a computer to replace a human pilot entirely; that will take until 2040, reckons the RAF. Images of the F-47, though unreliable guides to the final product, depict "a relatively large bubble canopy", notes Thomas Newdick of the War Zone, a website, "providing the pilot with excellent vision". Some missions are particularly sensitive: France will use the FCAS to deliver nuclear weapons, a task that may always remain a human prerogative.

Nevertheless, the prevailing idea is that sixth-generation planes will be the core of a larger "combat air system", in which a human in the cockpit controls a larger fleet of uncrewed drones, known, in American parlance, as collaborative combat aircraft (CCA). "The concept is that you have an aircraft-carrier that is flying," says Mr Cingolani. "It's an entire fleet that moves in the sky and makes decisions." The human in the cockpit is best described not as a pilot, says Group Captain Bill, but as a "weapons system officer", the RAF's term for someone managing sensors and weaponry.

On May 1st America's air force announced that it had begun ground testing its two CCA prototypes in advance of flight tests later this year. Current order numbers suggest that each F-47 will get two CCAS. The drones might scout ahead, spot targets or carry weapons themselves—all within line-of-sight and under "tight control", notes Frank Kendall, a former air-force secretary. Much of the intensive

computing required to carry out these tasks will need to take place on board the crewed mothership, with relevant data shared to all craft instantaneously, says Mr Cingolani, speaking in the context of the Tempest. He emphasises that the communication links have to be secure. "I'm not sure in ten years we can make it."

If he and his company can pull it off, it will cost a pretty penny. Mr Kendall, in the Biden administration, paused the development of the F-47 in large part because it was expected to cost twice as much as the F-35—perhaps as much as $160m-180m apiece—which would mean the government could afford only a small fleet of 200 or so planes. Many in the Pentagon wanted a greater emphasis on building CCAs to complement the existing fleet of F-35s, rather than pouring money into a new platform that might not turn up until long after a war with China.

In Britain, Justin Bronk, an air power expert at the Royal United Services Institute, expresses similar concerns, drawing an analogy with the experimental versus war-winning weapons of the second world war. "Pouring all the money that defence can spare…into a programme that, in the best case, will not deliver a fully operational capability before 2040 feels to me like the UK concentrating all Air Ministry resources on Avro Vulcan development in 1936," he says, citing a plane that did not appear until a decade after the war was over, "rather than Hurricanes, Spitfires, Blenheims, Whitleys and Wellingtons." ■

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Cool heads

Britain is now the biggest funder of solar-geoengineering research

It is supporting experiments to thicken sea ice and make clouds more reflective

5月 15, 2025 04:27 上午

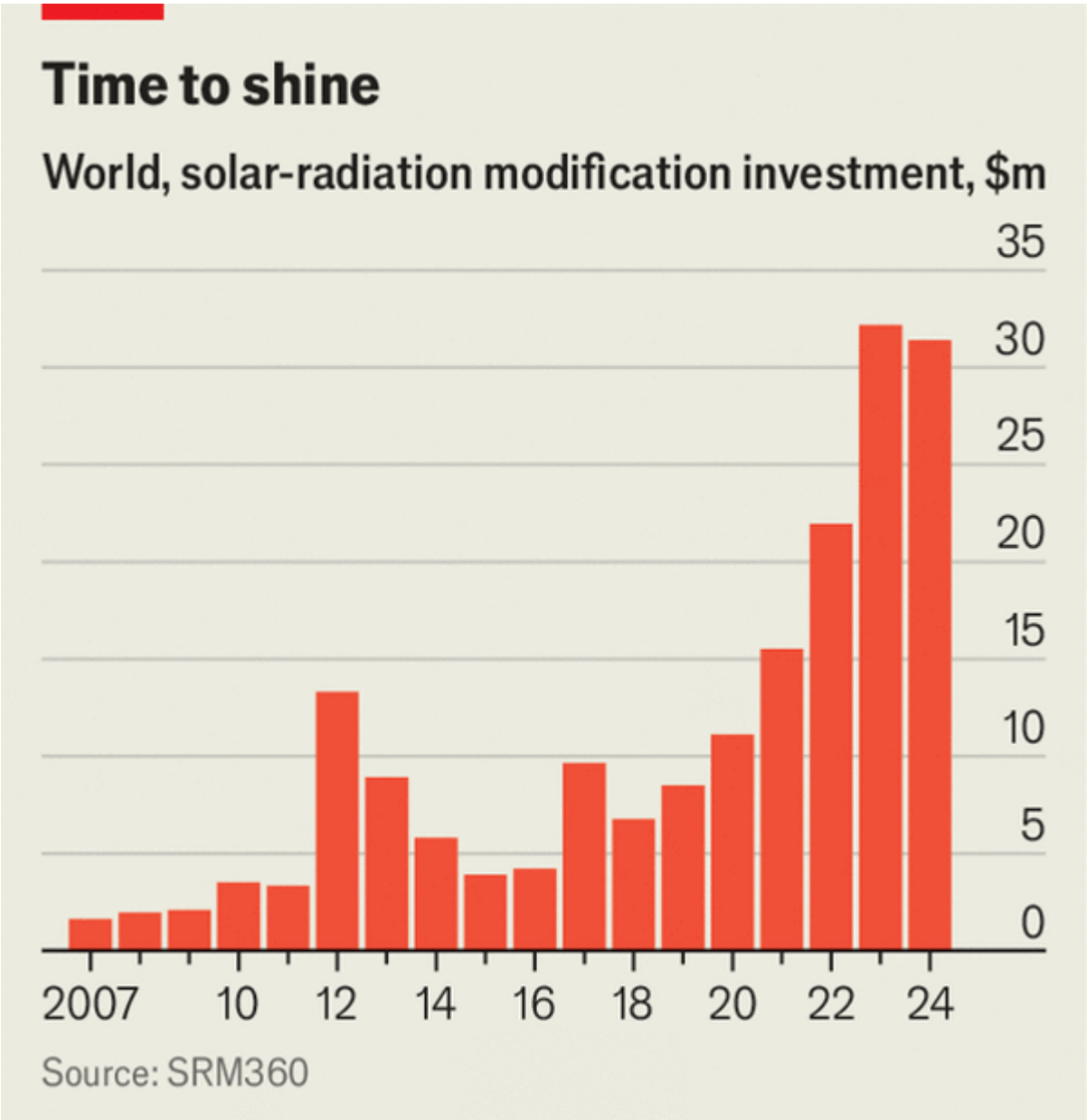


SOLAR GEOENGINEERING is a heated topic. The core idea is to deliberately interfere with the environment in order to cool the climate, thus averting the worst consequences of the unintentional interference caused by rampant fossil-fuel combustion. Most of the potential methods involve reflecting sunlight back into space, thereby stopping that energy being trapped in the atmosphere as

heat. Those in favour of researching them point to their potential to cheaply and substantially reduce global temperatures. Critics, meanwhile, highlight the risk of altering weather systems and disrupting atmospheric chemistry (with global and ungovernable consequences) while distracting countries from the hard but necessary work of cutting carbon emissions.

In an attempt to provide some evidence, Britain's Advanced Research and Invention Agency (ARIA), an independent funding organisation backed by public money, announced at the end of April that it would be providing £56.8m ($75.4m) to geoengineering projects. The funding will be disbursed over the next five years to 21 projects exploring various dimensions of the problem. That announcement is enough to make Britain the largest state funder of solar-geoengineering research. That represents nearly 40% of all solar geoengineering funding that SRM360, an educational non-profit, estimates was awarded up to the end of 2024.

ARIA is spending heavily in part because it is throwing a wide net. It wants to "look holistically" across different technologies and approaches, to see if "they could ever be effective or scalable", says Mark Symes, an electrochemist at the University of Glasgow and the programme's director.



To that end, half of the cash is earmarked for five projects which propose to conduct outdoor experiments. One, in the Canadian Arctic, will look at deliberately thickening patches of sea ice to see if that helps it last through the summer season. Two others (one at a site on Australia's Great Barrier Reef, another somewhere in Britain) will attempt to use fine sprays of seawater to increase the reflectivity of either the clouds or the atmosphere more broadly. Another experiment, also in Britain, will assess whether changing a cloud's electric charge will affect its brightness. And the final experiment, to

be conducted in either America or Britain, will see what happens when tiny amounts of reflective aerosols are exposed to the stratosphere.

Such experiments are a novelty: almost all previous proposals have been cancelled or put off due to public outcry. That means a lot of critical basic science has not been done, says Dr Symes. To minimise the chance of harmful consequences, ARIA has imposed strict limits on the scale of these experiments, including their geographic extent. All must also be subject to an environmental assessment and secure the agreement of nearby communities. An oversight committee will also provide ARIA with independent expert advice.

Of the other projects, roughly a quarter are aimed at answering questions either about the ethics of geoengineering or how it might be regulated. Another seven are dedicated to modelling efforts, and a further four aim to study the real-world processes that affect how sunlight is reflected to improve future monitoring. (One modelling project is being conducted by The Degrees Initiative, a non-profit chaired by a member of *The Economist*'s staff.)

Such projects should clarify whether geoengineering can ever be a viable option to avert dangerous climate tipping-points. But ARIA remains adamant that it is no silver bullet. "This is not a substitute for decarbonisation," says Dr Symes. He believes that should remain the priority. ■

***Editor's note (May 15th)**: This article has been amended to better reflect the role of the oversight committee.*

For more coverage of climate change, sign up for the Climate Issue, our fortnightly subscriber-only newsletter, or visit our climate-change page.

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One of a kind

For the first time, a CRISPR drug treats a child's unique mutation

Scientists hope more children will benefit

5月 15, 2025 07:30 上午



WITHIN DAYS after KJ was born in Philadelphia in August 2024 it was clear that something was wrong. He was not eating and slept too much. Blood tests revealed sky-high levels of ammonia, a toxic substance the body usually expels. Genome sequencing confirmed that he had a rare genetic disease called carbamoyl-phosphate synthetase 1 (CPS1) deficiency, which often kills in infancy, and for which no good neonatal treatment exists. Then one of his doctors

suggested something radical: a gene-editing drug designed specifically for him.

At face value, the idea was preposterous. Drug development takes years, time KJ did not have. But his doctor, Rebecca Ahrens-Nicklas, a metabolic-disease expert at the Children's Hospital of Philadelphia and her colleague Kiran Musunuru, a geneticist from the University of Pennsylvania, believed they could produce a drug in months. Remarkably, their plan seems to have worked. KJ is now preparing to leave the hospital for the first time and go home to his family, after becoming the first person to be treated with a bespoke gene-editing therapy. This breakthrough could allow such treatments to one day become a routine option for children with debilitating genetic diseases.

Gene editing works by tweaking the molecular building blocks of DNA, known as bases, to restore the normal function of a mutated gene. KJ's disease was caused by just such a mutation in a gene responsible for producing an enzyme called CPS1. Normally CPS1 helps turn ammonia, which is produced when the gut digests protein, into another chemical that is excreted with urine. Without a working enzyme, ammonia build-up eventually poisons the brain, which can lead to coma and death.

Dr Ahrens-Nicklas and her colleagues opted to make the necessary correction with a new version of the gene-editing tool CRISPR known as base editing. Whereas conventional CRISPR edits genes by excising or inserting bases, base editing chemically converts one base into another. In all other respects it works like any CRISPR drug: an enzyme known as the editor is guided to the right place in the genome by an RNA molecule designed to match the mutated stretch of DNA. Drs Ahrens-Nicklas and Musunuru had spent years pairing editors with RNA molecules to fix metabolism-related mutations in more common diseases. They felt hopeful they could do the same for KJ on a much shorter timescale. Working in human

cells modified to carry his unique mutation, it took them less than two months.

The next step was to get approval from America's Food and Drug Administration (FDA) to give KJ the therapy. This required the researchers to demonstrate that the editor worked and was safe. They did this by inserting KJ's mutation into mice and using the editor to edit DNA in their liver cells, where ammonia conversion happens. Around 42% of the mice's liver cells were edited, enough to suggest a therapeutic effect might be possible in KJ. Following a small number of safety tests in monkeys, the FDA gave its permission.

As part of the treatment protocol, KJ was given his first intravenous dose in February, a second dose 22 days later and a final third dose in April. To ensure the editors reached his liver cells, the doctors wrapped them in tiny bubbles of fat called lipid nanoparticles—the same vehicle that delivered the covid-19 mRNA vaccines—which carried them naturally to the liver.

KJ's ammonia levels improved significantly after that and his doctors were able to decrease the amount of medication he needed to take in order to keep them in check. The most important test, says Dr Ahrens-Nicklas, came when he contracted a virus. In kids with CPS1 deficiency, infection tends to send their ammonia levels flying. KJ's stayed normal.

"They've done a great job if they've managed to put that together for an individual patient that needs treatment in the first few months of life," says Waseem Qasim, a cell- and gene-therapy specialist at University College London and a paediatrician at Great Ormond Street Hospital, who was not involved with the work. Whereas most new gene-editing therapies work by turning off mangled genes, rather than correcting mutations, says Dr Qasim, "This is cleverer."

Drs Ahrens-Nicklas and Musunuru hope that KJ's case will be the first of many, a vision shared by their collaborator Fyodor Urnov of the Innovative Genomics Institute at the University of California, Berkeley. He connected the team with Danaher, a life-sciences company, which produced the editor. Now, Dr Urnov says, "We can never look back." The years-long approach to drug development works for diseases that do not kill or disable very quickly. But in cases where a child born with a unique mutation needs treatment within months, he believes this new approach has to become the standard. He hopes diagnosis, production, testing and approval could one day be done in less than a month.

Baby steps

Much more monitoring is needed to know if KJ's improvement is permanent and whether he will continue to need the medication he was previously on. For now, though, there is cause for optimism. His disease could have been a death sentence. Instead it has resulted in a preliminary protocol for a new way to get drugs to the most vulnerable patients. With a bit of luck, KJ will not be the only beneficiary. ■

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Well informed

Are juice shots worth the price?

Fresh fruit is probably a cheaper alternative

5月 15, 2025 06:13 上午



ADVERTS FOR ginger shots line the walls of London’s underground network. Companies like MOJU and Suja juice, an American brand, tout the immunity-boosting properties of the daily dose. Plenish advertises similar such products as “Turmeric Recovery” and “Berry Gut Health”, which it says are nutrient-packed, providing “100% of the recommended daily intake” of various vitamins. Are these trendy tonics a shortcut to good health?

Ginger has long been used in traditional Chinese medicine and in Ayurveda, a system of medicine that originated in India. Although robust clinical trials in this field are few, there is some evidence to show that ginger can help with ailments ranging from nausea to inflammation. Turmeric, a plant closely related to ginger, may also be helpful. Curcumin, the active compound in the plant, has been shown to ease pain and reduce levels of cholesterol.

Berry-based shots are also proving popular. The fruits have several health benefits. In one randomised, placebo-controlled trial 61 men and women aged 65 to 80 consumed a mixture made up of 26 grams of freeze-dried whole berries every day for 12 weeks. The results, published in the *American Journal of Clinical Nutrition* in 2023, showed that those who had the powder scored more highly on tests of memory and attention, and had lower blood pressure than those given the placebo. A trial led by researchers at Washington State University in October 2024 found that drinking about 355 grams of elderberry juice every day for a week results in a healthier gut microbiome and improves the body's ability to manage and regulate glucose levels.

But do these benefits translate to commercialised juice shots? MOJU has conducted some clinical trials to prove the efficacy of their own concoctions. One small study, conducted in collaboration with London South Bank University, and published in *Foods*, a journal, tested the benefits of MOJU's prebiotic daily shot—which combines apple, lemon, ginger, and raspberry juices (among other ingredients)—on 14 healthy individuals for three weeks. The results suggested they could affect the gut microbiome in beneficial ways.

Vasantha Rupasinghe, a food scientist at Dalhousie University, says that concentrated juice shots (such as MOJU's) can be a handy way to get beneficial nutrients. Anthocyanins, a group of antioxidants found in some berries, for instance, lower blood pressure only if enough are consumed. Dr Rupasinghe notes that a single shot may contain as many as multiple servings of berries.

But proceed with caution: some natural substances present in juice can be toxic in high quantities. A juice's other ingredients also matter: the body is better able to absorb curcumin, for example, when it is combined with piperine, a compound in black pepper.

Eating whole fruit, sticky and time-consuming as it may be, may offer certain advantages over fruit-based shots. Juicing often removes a fruit's pulp and skin, for example, where much of the fibre integral to healthy digestion is stored. Skin is also rich in antioxidants, which are thought to protect against cancer and heart disease.

All in all, there is some evidence to suggest that the occasional properly processed juice shot is beneficial, and little evidence of harm. For the busy commuter, a $2.48 shot from Walmart will probably do no damage to anything but their wallet. Though it may be better (and cheaper) to have some fruit.■

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Culture

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Child-rearing

Why the best time to be a dad is now

The bloody history of fatherhood bends towards co-parenting

5月 15, 2025 06:13 上午



Fatherhood: A History of Love and Power. By Augustine Sedgewick. *Scribner; 320 pages; $30. Picador; £20*

OUR FOREFATHERS had some odd ideas about fatherhood. In ancient Athens, a baby was not legally a person until its father said it was. At a ceremony called the *amphidromia*, the patriarch would hold up the newborn for inspection and either welcome it into his household or abandon it on a hillside to face near-certain death.

Typical reasons for rejecting an infant included deformity or the mere fact that it was a girl.

All this may sound horrible today, but some of it had a harsh underlying logic. For most of history, a man had no reliable way to tell whether he was the biological father of a child and, in a world where nearly everyone was poor, most were reluctant to risk wasting bread on another man's offspring. Many therefore asserted oppressive control over female fertility, forbidding their wives and daughters to mingle with other men and—in the Athenian case—claiming the right to kill any child they did not wish to acknowledge.

Men have long shaped the law to their advantage. Fully a third of the rules in the 4,000-year-old code of Hammurabi, a Babylonian king, cover domestic relations. Alert readers of the big phallic stone on which they are inscribed will detect a certain pro-dad bias. A son who strikes his father should have his hands cut off, for instance, and a wife who plots to murder her husband should be publicly impaled.

In "Fatherhood: A History of Love and Power", Augustine Sedgewick, an American scholar, describes how thinking about dads has changed over time. What is striking is the sheer variety of nonsense that people have believed.

Aristotle argued that hotter sex and livelier semen were more likely to generate a male child. Sigmund Freud believed that all boys secretly yearn to kill dad and have sex with mum. (Spoiler warning: many don't.) Saint Augustine of Hippo, an influential early Christian, observed the selfish behaviour of his infant son (who died in childhood) and conceived the notion of "original sin": that a baby inherits wickedness from its father, transmitted by the act of sex itself. The father in turn inherits sin from his father, and so on, all the way back to Adam. This became church dogma, and was used to justify infant baptism.

Another common theme is cruelty. Martin Luther is reputed to have said he "would rather have a dead son than a disobedient one". In 1662 Virginia's colonial government scrapped the old English tradition that status passed from father to son, decreeing that children should inherit it from their mothers instead. This was not, as it sounds, a breakthrough for early feminism. It was so that male plantation owners could impregnate their slaves, secure in the knowledge that the offspring would also be chattel. This rule greatly increased the market value of enslaved women, since it gave the buyer ownership of all their descendants. It also "joined blackness to enslavement", since "slavery was defined as heritable and congenital, rather than a consequence of capture, military defeat or indebtedness." The dismal consequences of this rule are still felt in race relations throughout the Americas.

In modern times, two big changes have affected how people view fatherhood. One is that, thanks to DNA tests, "For the first time in human history, it has become possible to establish paternity with certainty." The other is that fathers spend more time on child care than ever before. Women earn more than in the past, thanks to reliable contraception, the spread of education and the (partial) triumph of feminism. No longer needing a husband's wages to feed and clothe their offspring, they can be pickier about whom (or whether) they marry. This in turn has allowed them to demand a fairer division of labour at home—even as washing machines and food-delivery apps have freed up time for child care. And though perfect equality is some way off, most modern dads have found that co-parenting is deeply rewarding.

Now is probably the best time ever to be a father, at least in rich countries. Many employers offer generous paternity leave; in much of Europe, they are required to. American dads do three times as much child care today as they did in the 1960s. When covid-19 forced them to stay at home in 2020-21, the habit partly stuck: when the pandemic ended, the time American dads spent on child care remained higher than it had been in 2019.

The notion that it is unmanly to read bedtime stories is now hopelessly out of date: men are more likely than women to say they wish they saw more of the rugrats. Whereas their grandads enforced discipline with smacks, today's fathers are more gentle and talkative. Children have benefited from more-engaged dads, not least because mothers and fathers often parent in complementary ways. As Richard Reeves of the Brookings Institution observes in "Of Boys and Men", dads are more likely to encourage openness to the world and a bit of risk-taking. Paternal involvement tends to reduce adolescent delinquency. Teenage girls who are close to their fathers exhibit better mental health as adults.

Popular culture has embraced the shift towards less hierarchical households. No television studio today would produce a show like "Father Knows Best", an American sitcom of the 1950s with a self-explanatory title. If anything, the trend is towards portraying dads as doofuses. In "Family Guy", a cartoon, the father, Peter Griffin, is so stupid that he jealously punches a killer whale that nuzzles his wife at Sea World.

Daddy issues

The blessings of greater equality have come with a big caveat, however. Not all men have adapted well to the new world. Whereas college-educated dads in America are spending more time with their children, their less-educated peers are spending slightly less than they did 20 years ago. They are also far more likely to live apart from their kids and hardly see them at all. This has created a class divide in parenting, with the financial advantages that upper-middle-class children have always enjoyed compounded by a more stable and stimulating home environment.

Many working-class men, meanwhile, are missing out entirely on the joys of fatherhood: now that women can afford to be pickier, more men are being left on the shelf. Many resent it intensely, and this has fed a politics of male grievance in much of the developed world.

Disappointingly, Mr Sedgewick fails to grapple with these trends. Instead, he concludes on a personal note. When he asks his young son what a father should be, the boy replies that a dad should be "funny and good at hugging". As parenting advice goes, that is hard to beat. ■

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Holding court

The WNBA will soon be the most valuable league in women’s sport

Already wildly popular, women’s basketball still has room to grow

5月 15, 2025 03:29 上午



Jostling for your attention

WHEN THE Dallas Wings tip off against the Minnesota Lynx on May 16th, it will mark the start of the most anticipated season of women’s sport in history. The schedulers of the Women’s National Basketball Association (WNBA) have picked a game with muscle. The Lynx have won four titles, a joint record. The Wings, meanwhile, have snapped up this year’s most exciting recruit in Paige Bueckers,

a 23-year-old point guard. Thanks to her, the Wings' ticket sales so far are up almost 350% from last season.

The WNBA is powering forward. Last year a total of 54m viewers tuned in to watch the regular season, almost double the number that watched in 2022. Games broadcast on ESPN attracted an average of 1.2m viewers in America; 1.5m watched the equivalent matches in the men's league across all channels. (Men make up 60% of the WNBA's audience, in part because the league plays when the NBA does not.) And next year a new media-rights deal will come into effect, worth $200m a year. This will make the WNBA the most valuable women's sports league in the world, surpassing the National Women's Soccer League. How did it get so popular?

In the past decade, women's basketball has become easier to find and watch. WNBA matches used to be broadcast sporadically, on obscure channels and at random times of the day. In 2015 ESPN televised only 11 games in the season. "You had to guess when it would be on," remembers David Berri of Southern Utah University.

In 2021, to mark the league's 25th anniversary season, mainstream networks agreed to increase their programming and broadcast at least 100 games. (This season more than 175 will be televised or streamed.) ESPN began offering more coverage of women's college basketball too. Viewers could tune in for the annual "March Madness" knockout tournament as well as the draft, in which WNBA teams select new players. "It's not a magic trick to get people to watch women's sports," says Howard Megdal, a sports writer. "You simply need to give people access."

As in other leagues, stars have played a vital role in winning the sport new fans. Athletes such as Cameron Brink and Angel Reese have shone on the court. The brightest talent is Caitlin Clark (pictured, left), a point guard for Indiana Fever, who scored 122 three-pointers in her debut season last year, after finishing college in Iowa. Much as people watch the Premier League to see spectacular

goals, fans want to watch Ms Clark effortlessly float a ball into the basket from a great distance. She has greatly accelerated interest in the league, argues Mr Megdal: "An incline on a graph turned more or less into a straight [vertical] line."

All of which means that money is flowing in. Last year companies jumped to sponsor the league and its players. (Ms Clark made $11m.) Investors are spying opportunities. New teams in Portland, San Francisco and Toronto will have joined by 2026, and rumours swirl around several more cities. In February a bid of $250m was made to add a franchise in Cleveland. Consider that in 1975, at roughly the same point in the NBA's history, the Boston Celtics sold for $4m ($24m in today's prices). That team is now worth $6bn.

To follow a similar trajectory, the WNBA will need to find more foreign viewers—and household names. Today the NBA has the most followers on social media of any domestic sports league in the world. Almost 70% of fans who engage with it online live outside America. Many of the league's stars learned the game elsewhere. Giannis Antetokounmpo grew up in Greece to Nigerian parents. Joel Embiid was born in Cameroon. The international male talent pool is such that the United States finished fourth at the most recent World Cup, behind Germany, Serbia and Canada. By contrast, the American women's team has lost just one match at the Olympics and World Cup in three decades. For Indiana Fever to catch on globally, it would help for the next Ms Clark to turn up not in Des Moines, but Dakar, Dalian or Dortmund. ■

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Back Story

Anna Politkovskaya knew that tyranny respects no borders

A timely tribute to a martyred critic of the Kremlin

5月 15, 2025 03:29 上午



"THE ENTRANCE is well adapted for murder," Anna Politkovskaya wrote in 2003, "with dark corners in which you are your own rescue service." She was describing the building in which a fellow journalist had been bludgeoned, but also foretelling her own assassination three years later. The shooting in her apartment block is the inexorable ending of "Words of War", a new film about her life and fate. Politkovskaya's story and warnings are vital even now, amid the carnage in Ukraine. Especially now.

Already out in America and released in Britain in June, "Words of War" opens in 2004, when Politkovskaya (played by Maxine Peake, pictured above) was poisoned en route to the mass hostage crisis in Beslan, southern Russia. It spools back to depict her coverage in *Novaya Gazeta,* a beacon of independent journalism, of the Kremlin's second war in restive Chechnya, which began in 1999 and oiled Vladimir Putin's ascent. She reports unflinchingly on torture, massacres and forced disappearances, incurring surveillance, assaults and threats.

"Words of War" focuses on three relationships. One is with Dmitry Muratov (Ciarán Hinds), her editor, who in 2021 would win the Nobel peace prize. A second is with her husband (Jason Isaacs) and anguished children. The third is with Mr Putin, a spectral presence whom she denounces as "a vain, brutal, power-hungry authoritarian".

Artistically and historically, the drama has limitations, only some inevitable. It leaves out Ramzan Kadyrov, a Chechen warlord whom Politkovskaya enraged. Chechnya did indeed become the hellhole that the film suggests, but in reality is beautiful as well as benighted. In this Russia it is snowing even in summer. The heroine negotiates with the terrorists who seize a theatre in Moscow in 2002; but the script omits the actual Politkovskaya's hunch that some Russian spooks had enabled the attack, a view which was not, to her, a conspiracy theory but a plausible Russian scenario.

All the same, the film captures her moral clarity, bravery and mordant wit. And it conveys her belief that, against the odds and the ruthless enemies she made, her work could make a difference. Her devotion to her profession, and her faith in it, are one reason her story still matters.



In America and elsewhere, trust in the media is at dismal lows—hardly surprising given the "fake news" mantra with which politicians lazily fend off awkward truths. Other screen portrayals of the profession don't much help. A few hacks are dogged crusaders, as in "Spotlight" or "She Said"; others are venal cynics. Fictional female reporters have a weird habit of sleeping with their sources.

Yet as disinformation and crankery swamp the facts, principled journalism like Politkovskaya's has rarely been more essential. Nor more perilous: globally, the Committee to Protect Journalists counts at least 25 reporters murdered because of their work last year. Many more died doing their jobs in danger zones. Often, as in Politkovskaya's case, the ultimate culprits are not caught.

Besides being a journalist, her other salient characteristic is that she was a Russian. This is not a category of victim liable to attract much sympathy just now. As it happens, that was true of Chechens when she chronicled their suffering. Many Russians reviled them as bandits and fanatics, not seeing that Chechnya prefigured the wider country's fate in miniature: a lawless place, with no one to complain to. Few Westerners cared about the fiddly little region, nor, in those

days, about Russia's other abuses—unless its corruption jeopardised their assets, or its violence erupted on their streets in extraterritorial hits.

Part of Politkovskaya's message, though, was that horrors in a distant land should not be blithely ignored from the apparent safety of another. Fascists and despots, after all, tend not to respect borders, internal or otherwise. "Do you still think", she asks in the film, "that if there is a war in one place, it has no bearing on another and that you can sit it out in peace?" The link to Ukraine isn't mentioned. It doesn't need to be.

Politkovskaya's death was a milestone and omen in Russia's slide into tyranny. Her life sets an awesome standard of courage. Like Alexei Navalny, another poisoning survivor who was later killed, her heroism can almost seem an alibi for inaction—as if the choice were between sacrificing yourself for a cause and doing nothing. But the moral of her story is not that ordinary mortals must decry autocrats or call out war criminals. You just have to pay attention, before it's too late. ■

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You can go your own way

Travel buddies are out; solo trips are in

More people are going on holiday alone

5月 15, 2025 03:30 上午



See for yourself

INTREPID YOUNGSTERS have long ventured abroad in search of edification and excitement. In 1608 Thomas Coryat, an Englishman sometimes called "the world's first backpacker", embarked on a Grand Tour of Europe. Friendless and on foot, Coryat discovered foreign delicacies ("frogs used for food") and newfangled technologies ("forks used in feeding").

Four centuries later, nomads move faster and farther than Coryat did, for cheap flights and mobile phones have made things more straightforward. Yet many are following his lead and setting off alone. In the past decade Google searches for "solo travel" have more than doubled. In Britain the share of travellers going on holiday by themselves has nearly tripled, says the Association of British Travel Agents, from 6% in 2011 to 17% in 2024.

Why are so many people going it alone? Just as Grand Tours became a rite of passage for young noblemen, solo travel today is less about finding far-flung places than finding yourself. Hilton, a hospitality company, calls the trend "me-mooning" (as opposed to "honeymooning"). Travel bloggers attest that on white-sand beaches in Bali or Belize you can "become a truer version of yourself".



Those not searching for themselves are looking for an adventure. People "travel not to go anywhere, but to go", as Robert Louis Stevenson, the author of "Treasure Island", put it. Solo travellers describe the thrill of doing whatever they want, whenever they want. Research has shown that self-imposed solitude can boost creativity and well-being.

And, rather than hanging out with the mates they have, many travel alone in order to meet new friends and lovers. The isolation of the pandemic made people "more open" to roaming with strangers, says Lee Thompson of Flash Pack, a tour operator. The firm, which uses the slogan "arrive solo, leave as friends", now takes twice as many bookings as it did before covid-19.

Millennials and Gen Z are particularly keen on travelling: they spend a larger share of their income on trips than their older peers do, says McKinsey, a consultancy. Many are deferring getting married and having children, so have the flexibility to head off on jaunts when they please. On TikTok influencers preach the virtues of independent excursions: "Stop waiting for someone to join you."

Women, in particular, are embracing that mantra: by one estimate, 84% of solo travellers are female. A century ago etiquette books warned women not to travel without a male chaperone; today many say they are not afraid to travel unaccompanied (though safety tips are readily available online). Much as Coryat did 400 years ago, women today have the means, and the time, to follow their feet. ■

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Electronics manufacturing

Can Apple extricate itself from China?

Thanks to the trade war, a supply chain that was once an asset has become a liability

5月 15, 2025 03:30 上午



Apple in China. By Patrick McGee. *Scribner; 448 pages; $32. Simon & Schuster; £25*

THE WHIPLASH of Donald Trump's trade war has been dreadful for thousands of American companies: including, most prominently, Apple. Rapid escalation between America and China in early April threatened to hit the smartphones it makes in China and sells in America with 145% tariffs. Then, on May 12th, a preliminary deal

was reached, sending tariffs for most Chinese imports down to 30% for 90 days.

No one knows what will happen next. But Apple has reportedly scrambled to move some iPhone production from China to India. The uncertainty about its future has wiped hundreds of billions of dollars off its market value. Despite the deal, on May 13th Apple's share price was still down by 13% since the start of the year.

Any decision to pivot away from China will not come easily for Tim Cook, Apple's boss and the man behind the company's hefty presence there. A new book by Patrick McGee, a journalist at the *Financial Times*, explains how Apple became inseparable from China and what the fracturing of global trade means for one of the world's most valuable companies. (Apple says the book is riddled with inaccuracies and rejects many of its claims.)

The debate at Apple over who makes what, and where, dates back to the firm's founding in the 1970s. The idea that parts—let alone machines—would be made outside a company's watch, or outside America, was alien to the early computer industry. But, in the late 1990s, "Apple began to abandon this strategy," Mr McGee writes, "in favour of offshoring its production to contract manufacturers."

China was in a strong position. Foxconn, a Taiwanese pioneer of contract manufacturing, had been instrumental in training China's vast but largely unskilled labour force in the 1990s. Terry Gou, the founder of Foxconn, is credited with being a deft political operator who persuaded local governments in China to provide his company with big subsidies. This allowed Foxconn to buy the world's best machinery for its Chinese factories, which gave them an edge over rivals.

Once Apple handed over production of its music player, the iPod, to Foxconn, sales of the device soared from fewer than 1m in 2003 to more than 22m in 2005. This success was replicated on an even

bigger scale with the iPhone, starting in 2007. Critics said conditions at Foxconn were inhumane; several workers committed suicide. But the low costs forced others to move to China. Soon it was too expensive to manufacture electronics anywhere else.

By 2015 Apple was investing somewhere in the region of $55bn per year in China. It flies in a constant stream of thousands of engineers to train suppliers. Yet in recent years Apple's dependency on an authoritarian regime has appeared less sensible. Under the rule of Xi Jinping, China's supreme leader, officials have wanted more and more from the firm, often in the form of technology transfers. Mr Xi has also wanted Chinese people to buy local devices, such as those made by Huawei, rather than foreign ones. Officials have been told to stop buying iPhones. Apple's smartphone sales in China have tumbled.

Mr McGee excels at describing the intricacies of supply chains. Yet some of his political analysis fails to convince. It is unlikely, for example, that Mr Xi was personally involved in state media attacks on Apple. But his timely book poses a question for investors and policymakers alike: can the company thrive without China? If the answer is no, then a failure to end the trade war will bruise Apple even more deeply than the global economy. ■

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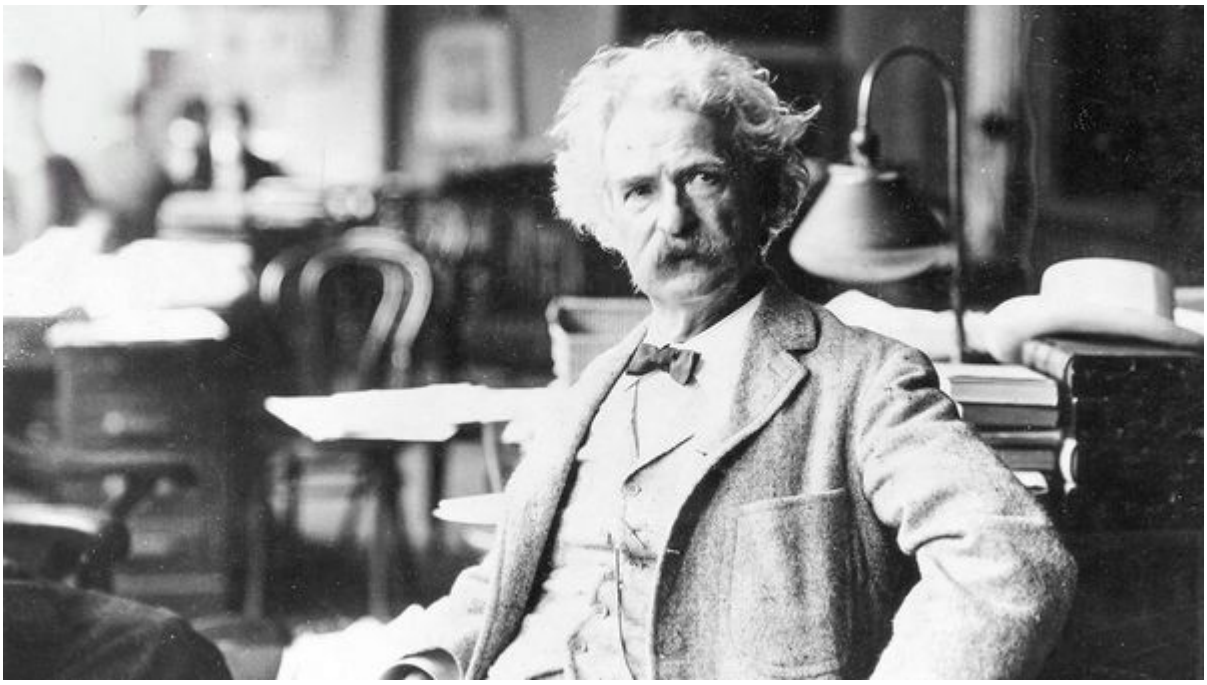
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Old times on the Mississippi

Mark Twain was a literary celebrity with a moral compass

Ron Chernow has produced an exhaustive biography of a giant of American letters

5月 15, 2025 03:29 上午 | ELMIRA, NEW YORK



Sharp dresser, sharper wit

Mark Twain. By Ron Chernow. *Penguin Press; 1,200 pages; $45. Allen Lane; £40*

THE OCTAGONAL study overlooks the green of Elmira College in upstate New York. In it, Mark Twain wrote "Adventures of

Huckleberry Finn", "The Adventures of Tom Sawyer", "A Connecticut Yankee in King Arthur's Court", along with umpteen other stories, articles and speeches. Twain spent his most productive summers on his wife's family's farm in Elmira, writing by day and reading his work to his wife and children on the porch in the evening. The unusual shape notwithstanding, the study is small, austere and unremarkable —three words that are in every way the opposite of Twain's life.

In fact, argues Ron Chernow in a titanic new biography, Twain was "the largest literary personality that America has produced". He is the first literary figure to receive the Chernow treatment: in the past the Pulitzer-prizewinning biographer has focused on tycoons (John D. Rockefeller), presidents (George Washington) and treasury secretaries (Alexander Hamilton, a book which, improbably, inspired Lin-Manuel Miranda's hit musical).

Mr Chernow argues that Twain "fairly invented our celebrity culture". It is true that Twain's biting wit, along with his oratorical and self-promotional skills, made him a star, as beloved by the crowds who packed into halls to watch him speak as by presidents and the literati. But that is not why generations of American children read him in school, nor why he still deserves to be read today. What he really invented was a way of being American in the world and on the page: bold, irreverent and unpretentious. Twain was the laureate of America's unruly adolescence.

Born Samuel Langhorne Clemens on November 30th 1835, Twain grew up in Hannibal, Missouri. His father was anxious, stern and, as Mr Chernow notes, "forbiddingly humourless"; his mother was pious and quick-witted. Like Abraham Lincoln, Twain was a product of the American frontier. What he lacked in formal education he made up for in ambition.

Hannibal sits on the banks of the Mississippi river, which, in the pre-railroad days, was perhaps America's most important commercial artery. The river gave the author his name: the cry "mark twain"

from a boatman meant that the river was of safely navigable depth. To him the river represented liberty and a connection to the wider world. In his most famous novel, "Adventures of Huckleberry Finn", Huck (the narrator) and Jim (his enslaved companion) were free and relatively equal on the water, but harassed by the law and a host of unsavoury characters on land.

Twain's upbringing put him in close contact with black Americans. The Missouri of Twain's youth was a slave state. His father owned and rented people. His mother took a dim view of abolitionism. Yet as a boy Twain enjoyed listening to people telling stories in the "negro quarter" of his uncle's farm. He became an ardent opponent not just of slavery, but of racial discrimination in any form.

In his writings he railed against the vile bigotry common in his day and supported women's suffrage long before it was popular. William Dean Howells, Twain's editor at the *Atlantic*, called him "the most desouthernised southerner I ever met. No man more perfectly sensed and more entirely abhorred slavery."

That abhorrence comes through clearly in "Huckleberry Finn", from which Ernest Hemingway claimed "all modern American literature comes". Twain quipped in a preface to the novel that "Persons attempting to find a moral in it will be banished; persons attempting to find a plot in it will be shot." Both moral and plot are evident in the book. In its celebration of vernacular speech, sympathy with the underdog and lack of pretence, the book created a uniquely American style of fiction.

Jim was Twain's most radical creation. Readers today might be put off by his stereotypical dialect, superstition and devotion to Huck, but he was perhaps the first nuanced black character written by a white novelist. Jim is thoughtful and decent, possessed of all the compassion that Huck's own father, an abusive drunkard, never provided, Mr Chernow argues.

Once a mainstay of school curricula, in recent years "Huckleberry Finn" has fallen out of favour. The book is "banned from most American secondary schools", Mr Chernow writes, "and its repetitive use of the n-word has cast a shadow over Twain's reputation." But readers who see past the use of that ugly word (common in Twain's time) will find a work that—in its panoply of cruel southern whites blind to Jim's intellect and manifest virtues—shows how bigotry not only harms its victims, but also deforms the people who spout it.

Huck yes

Mr Chernow devotes curiously little space to the novel. Instead, his biography spends a great deal of its 1,200 pages on topics such as the young Twain's hair-care habits, his opinion on street cleaning in the city of Buffalo and his disappointments later in life. By around page 700 even the most devoted Twainiac may wish the book had a more vigorous editor.

Still, Mr Chernow's doorstopper is worth reading for its portrait of an author sure of himself and his gifts, even as he toiled as a steamboat pilot or printer's devil, and its insight into the frenetic, violent, optimistic country that made him. ■

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Economic & financial indicators

- **Economic data, commodities and markets**
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Economic data, commodities and markets

5月 15, 2025 03:29 上午

Economic data

1 of 2

	Gross domestic product, % change on year ago: latest		quarter*	2025†	Consumer prices, % change on year ago: latest		2025†	Unemployment rate, %	
United States	2.0	Q1	-0.3	-0.1	2.3	Apr	3.4	4.2	Apr
China	5.4	Q1	4.9	4.4	-0.1	Apr	0.9	5.2	Mar‡§
Japan	1.1	Q4	2.2	0.4	3.6	Mar	2.2	2.5	Mar
Britain	1.3	Q1	2.9	0.7	2.6	Mar	3.0	4.5	Feb††
Canada	2.4	Q4	2.6	-0.6	2.3	Mar	2.3	6.9	Apr
Euro area	1.2	Q1	1.4	1.0	2.2	Apr	2.2	6.2	Mar
Austria	-0.5	Q4	-1.4‡	0.3	3.3	Apr	2.6	5.4	Mar
Belgium	1.1	Q1	1.6	1.0	3.1	Apr	2.9	5.9	Mar
France	0.8	Q1	0.5	0.7	0.8	Apr	1.3	7.3	Mar
Germany	-0.2	Q1	0.8	0.3	2.2	Apr	2.3	3.5	Mar
Greece	2.7	Q4	3.7	2.2	2.6	Apr	2.7	9.0	Mar
Italy	0.6	Q1	1.0	0.5	2.1	Apr	1.9	6.0	Mar
Netherlands	2.0	Q1	0.4	0.6	4.1	Apr	3.6	3.8	Apr
Spain	2.8	Q1	2.3	2.6	2.2	Apr	2.3	10.9	Mar
Czech Republic	1.8	Q4	2.6	1.6	1.8	Apr	2.2	2.7	Mar‡
Denmark	3.9	Q4	7.6	2.6	1.5	Apr	2.0	2.9	Mar
Norway	-0.4	Q1	-0.3	1.4	2.5	Apr	2.0	4.1	Feb‡‡
Poland	3.4	Q4	5.7	3.0	4.2	Apr	4.3	5.2	Apr§
Russia	4.5	Q4	6.3	1.6	10.3	Mar	7.7	2.3	Mar§
Sweden	1.6	Q1	nil	1.8	0.3	Apr	2.1	8.5	Mar§
Switzerland	1.5	Q4	0.8	1.1	nil	Apr	0.3	2.8	Apr
Turkey	3.0	Q4	6.9	2.9	37.9	Apr	33.0	8.0	Mar§
Australia	1.3	Q4	2.4	2.1	2.4	Q1	2.1	4.1	Apr
Hong Kong	2.4	Q4	3.2	1.3	1.4	Mar	1.6	3.2	Mar‡‡
India	6.2	Q4	9.3	6.2	3.2	Apr	4.3	7.7	Apr
Indonesia	4.9	Q1	4.8	4.7	1.9	Apr	1.8	4.8	Feb§
Malaysia	4.4	Q1	4.6	4.2	1.4	Mar	2.3	3.1	Mar§
Pakistan	3.2	2024**	na	3.0	0.3	Apr	6.0	6.3	2021
Philippines	5.4	Q1	4.9	6.1	1.4	Apr	2.0	4.3	Q1§
Singapore	3.8	Q1	-3.0	1.7	0.9	Mar	0.5	2.1	Q1
South Korea	-0.3	Q1	-1.0	0.6	2.1	Apr	1.7	2.9	Apr§
Taiwan	5.4	Q1	9.7	3.8	2.0	Apr	1.9	3.4	Mar
Thailand	3.2	Q4	1.5	1.9	-0.2	Apr	0.5	0.9	Mar§
Argentina	2.1	Q4	5.7	5.5	47.3	Apr	40.4	6.4	Q4§
Brazil	3.6	Q4	0.7	1.9	5.5	Apr	5.4	7.0	Mar§‡‡
Chile	4.0	Q4	1.5	1.9	4.5	Apr	4.6	8.7	Mar§‡‡
Colombia	2.4	Q4	2.5	2.3	5.2	Apr	5.1	9.6	Mar§
Mexico	0.8	Q1	0.8	-0.2	3.9	Apr	3.7	2.6	Mar
Peru	4.2	Q4	2.0	2.9	1.7	Apr	1.7	5.3	Mar§
Egypt	4.3	Q4	0.8	3.2	13.9	Apr	13.0	6.4	Q4§
Israel	7.2	Q4	2.1	3.2	3.3	Mar	3.0	2.9	Mar
Saudi Arabia	1.8	2024	na	3.4	2.3	Apr	2.6	3.5	Q4
South Africa	0.9	Q4	2.3	1.7	2.7	Mar	4.0	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

Economic data

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	Current-account balance % of GDP, 2025†	Budget balance % of GDP, 2025†	Interest rates 10-yr gov't bonds latest, %		change on year ago, bp	Currency units per $ May 14th	% change on year ago
United States	-2.6	-7.6	4.5		8.0	-	
China	1.7	-6.4	1.6	§§	-52.0	7.21	0.4
Japan	2.4	-4.8	1.5		50.0	146	6.9
Britain	-2.9	-3.9	4.6		47.0	0.75	5.3
Canada	-0.6	-2.0	3.3		-43.0	1.40	-2.1
Euro area	3.1	-3.3	2.7		16.0	0.89	3.4
Austria	1.6	-4.5	3.1		7.0	0.89	3.4
Belgium	-0.1	-4.5	3.2		16.0	0.89	3.4
France	-0.1	-5.8	3.4		33.0	0.89	3.4
Germany	5.8	-2.6	2.7		16.0	0.89	3.4
Greece	-6.0	-0.4	3.5		-10.0	0.89	3.4
Italy	0.8	-3.6	3.7		-14.0	0.89	3.4
Netherlands	8.4	-2.4	2.9		9.0	0.89	3.4
Spain	2.4	-3.2	3.3		-3.0	0.89	3.4
Czech Republic	0.3	-2.3	4.2		5.0	22.2	3.0
Denmark	12.3	1.2	2.5		-11.0	6.65	3.6
Norway	16.1	9.8	4.0		31.0	10.3	4.5
Poland	0.3	-6.1	5.5		-26.0	3.77	4.5
Russia	2.8	-1.3	15.7		173	80.4	13.7
Sweden	5.8	-1.0	2.5		13.0	9.71	11.4
Switzerland	6.5	0.6	0.4		-34.0	0.84	8.3
Turkey	-1.5	-3.6	32.0		636	38.8	-16.7
Australia	-0.8	-1.8	4.3		-4.0	1.55	-2.6
Hong Kong	12.0	-5.4	3.1		-79.0	7.81	0.1
India	-0.3	-4.4	6.2		-87.0	85.3	-2.1
Indonesia	-1.4	-3.2	6.9		-8.0	16,550	-2.7
Malaysia	1.6	-3.9	3.6		-32.0	4.29	10.0
Pakistan	-1.4	-6.1	12.5	†††	-170	282	-1.2
Philippines	-3.6	-5.4	6.2		-66.0	55.9	3.5
Singapore	16.2	-0.2	2.6		-75.0	1.30	3.9
South Korea	3.1	-2.3	2.7		-83.0	1,420	-3.6
Taiwan	13.7	nil	1.6		-6.0	30.3	7.1
Thailand	1.8	-5.8	2.1		-48.0	33.2	10.4
Argentina	-0.8	nil	na		na	1,127	-21.5
Brazil	-2.5	-7.1	13.9		227	5.61	-8.6
Chile	-2.1	-1.9	5.8		-20.0	939	-2.3
Colombia	-2.7	-6.0	12.3		123	4,198	-7.7
Mexico	-0.2	-3.5	9.4		-30.0	19.4	-13.0
Peru	1.6	-2.9	6.4		-73.0	3.67	1.6
Egypt	-5.4	-7.3	na		na	50.4	-7.0
Israel	3.8	-4.7	4.3		-28.0	3.54	4.2
Saudi Arabia	-3.5	-4.6	na		na	3.75	nil
South Africa	-0.8	-5.1	10.5		2.0	18.2	1.0

Source: Haver Analytics §§5-year yield †††Dollar-denominated bonds

Markets

In local currency	Index May 14th	% change on: one week	% change on: Dec 31st 2024
United States S&P 500	5,892.6	4.6	0.2
United States NAS Comp	19,146.8	7.9	-0.8
China Shanghai Comp	3,404.0	1.8	1.6
China Shenzhen Comp	2,010.6	2.2	2.7
Japan Nikkei 225	38,128.1	3.7	-4.4
Japan Topix	2,763.3	2.5	-0.8
Britain FTSE 100	8,585.0	0.3	5.0
Canada S&P TSX	25,692.5	2.1	3.9
Euro area EURO STOXX 50	5,403.4	3.3	10.4
France CAC 40	7,836.8	2.8	6.2
Germany DAX*	23,527.0	1.8	18.2
Italy FTSE/MIB	40,356.7	5.3	18.0
Netherlands AEX	929.2	3.7	5.8
Spain IBEX 35	13,840.2	2.7	19.4
Poland WIG	103,815.4	3.4	30.5
Russia RTS, $ terms	1,148.3	4.0	28.6
Switzerland SMI	12,132.2	0.2	4.6
Turkey BIST	9,701.6	6.9	-1.3
Australia All Ord.	8,520.2	1.4	1.2
Hong Kong Hang Seng	23,640.7	4.2	17.8
India BSE	81,330.6	0.7	4.1
Indonesia IDX	6,979.9	0.8	-1.4
Malaysia KLSE	1,583.5	2.2	-3.6
Pakistan KSE	118,536.5	7.8	3.0
Singapore STI	3,871.1	0.1	2.2
South Korea KOSPI	2,640.6	2.6	10.0
Taiwan TWI	21,782.9	6.0	-5.4
Thailand SET	1,216.7	-0.3	-13.1
Argentina MERV	2,301,643.0	11.7	-9.2
Brazil BVSP*	138,422.8	3.8	15.1
Mexico IPC	57,644.9	-0.5	16.4
Egypt EGX 30	31,827.9	nil	7.0
Israel TA-125	2,683.7	1.6	10.6
Saudi Arabia Tadawul	11,532.0	1.2	-4.2
South Africa JSE AS	92,474.0	1.1	10.0
World, dev'd MSCI	3,830.7	3.6	3.3
Emerging markets MSCI	1,173.7	3.2	9.1

US corporate bonds, spread over Treasuries

Basis points	latest	Dec 31st 2024
Investment grade	109	95
High-yield	369	324

Sources: LSEG Workspace; Moscow Exchange; Standard & Poor's Global Fixed Income Research *Total return index

Commodities

The Economist commodity-price index

2020=100	May 6th	May 13th*	% change on month	% change on year
Dollar Index				
All items	134.9	135.6	1.9	-0.6
Food	153.4	153.9	2.2	6.8
Industrials				
All	119.5	120.4	1.6	-7.3
Non-food agriculturals	127.7	128.6	-1.0	-3.5
Metals	117.5	118.3	2.4	-8.3
Sterling Index				
All items	129.6	131.4	1.8	-5.6
Euro Index				
All items	135.9	138.8	3.4	-3.6
Gold				
$ per oz	3,395.3	3,245.6	0.8	38.1
Brent				
$ per barrel	62.2	66.7	3.0	-19.1

Sources: Bloomberg; CME Group; FT; LSEG Workspace; NZ Wool Services; S&P Global Commodity Insights; Thompson Lloyd & Ewart; USDA; WSJ *Provisional

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Obituary

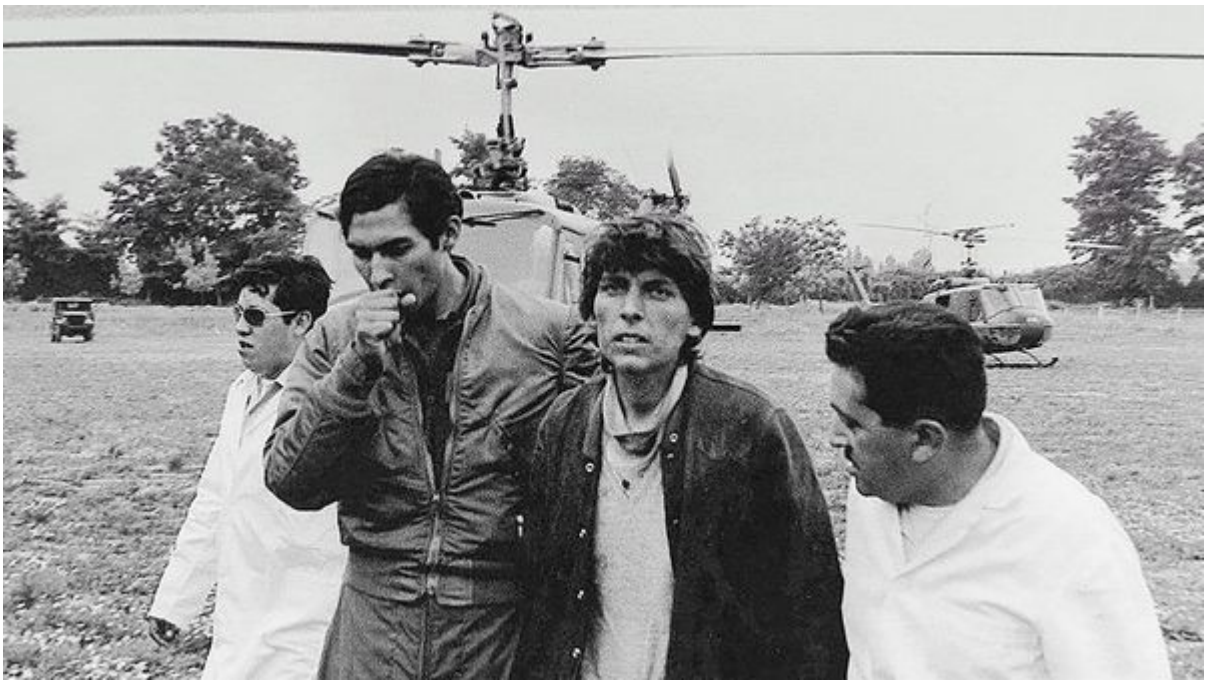
- **Álvaro Mangino survived a plane crash by eating his companions**
  The society of the snow :: The survivor of the “Miracle in the Andes” died on March 29, aged 71

The society of the snow

Álvaro Mangino survived a plane crash by eating his companions

The survivor of the "Miracle in the Andes" died on March 29, aged 71

5月 15, 2025 06:13 上午



THE FIRST bite was the hardest. They had laid the meat—it was whitish, cut in slivers as thin as matchsticks—on a makeshift aluminium tray. Later, the boys would find that if they cooked it, it tasted better: like beef, but softer. But on that first day they just ate it raw, almost frozen. Some swallowed it like medicine. One ate it with snow, to mask the taste. He still gagged. One joked that it was

like a fine delicatessen ham. Álvaro could not eat it at all. He wanted to: they all knew that eating it was their only hope of living. They also all knew that to eat it they had to die a little, first.

Later, Uruguayan Air Force Flight 571 would become many things to many people. It would become a film, a book, a parable, an inspiration and a management research paper ("Enacting project resilience: Insights from Uruguayan air force flight 571's crash in the Andes"). It would be called many things, too: it would be called the "miracle" of the Andes and the "tragedy" of them. Certainly it had tragic elements. There was hubris: just before the crash, the pilot and co-pilot were so relaxed they chatted and drank tea. There was dramatic irony: their plane, they said, was so modern it "practically flies itself". Moments later, both were dead.

Above all, it had the miasma. That terrible, tragic pollution from which Álvaro Mangino could never escape. Just as in a tragedy, the realisation of the pollution dawned slowly on the watching audience. In 1972, the world was captivated by the disappearance of the plane and its young passengers (most were students). It was even more captivated when, after 72 days, some were found alive. How, people asked in joy, had they survived? What birds had they eaten? What lichen? Álvaro could not lie. The crash site was 11,500 feet up: there were no birds; no lichen. They had eaten each other.

Flight 571 should have just been fun: it was taking a young Uruguayan rugby team and a few others to Chile for a match. And at first it was fun. Then the plane started to jolt, violently. One student started to say the "Our Father". Mountain peaks appeared in the windows, far too close. He switched to the "Hail Mary": a shorter prayer; for speedier salvation. Salvation never came. A little after 3:30pm, the plane hit the mountain. The right wing sheared off; then the left. Slim as a toboggan, the fuselage slid down the mountain, before coming to rest in the Valley of Tears.

People had often wondered what would happen to young people if they were somehow suddenly stripped of society. Almost two decades earlier, William Golding had answered with "Lord of the Flies"; with anarchy and cruelty. Álvaro and those on Flight 571 answered instead with a new society. Their proto-society started to form almost as soon as the plane stopped. Two medical students, Roberto and Gustavo, moved among the injured; Roberto dressing wounds, taking pulses, tying a tourniquet. The next morning, a hierarchy appeared; and jobs. Some melted snow for water; others planned expeditions to get help. When, after the crash, there was an avalanche, they worked together to recover from it. Later, some came to call it (as the journalist Pablo Vierci noted in his book of the same name) the "society of the snow".

Álvaro could do little for this society at first. After the crash, he had been trapped beneath the twisted seats. When they got him out he saw his left leg, beneath the knee, was completely loose. Just hanging there, as if it didn't belong to him. Roberto had rolled up his trouser leg, looked at the fracture, then told Álvaro not to look. He gave a sharp movement; it cracked; Álvaro shrieked. The bone was reset. Later, Álvaro asked a surgeon if it should be redone. The surgeon said: he could not do better than Roberto. Roberto had, then, seemed so old. He had been 19. After the crash, he had worn a woolly jumper his mother had given him, for comfort.

And above all, the society had its notorious initiation. Each member of the society justified what Roberto would call that "depraved" moment in their own way. One justified it with theology. It was like the Eucharist: take, eat: this is my body, which is broken for you. Roberto saw it as biology: he had studied the Krebs cycle. He knew protein can transform into sugar. He knew that all the nutrients they needed were there, in the bodies of their friends who had already died. Álvaro later described it with bureaucracy. There were three lists: the list of those who survived the crash; the list of those who survived the avalanche; the list of those who survived to the end. To make it into the third you had to eat.

It was the hardest decision of his life. So hard that, on that first day, he couldn't manage to do it. But he dragged himself out of the fuselage and along the snow to watch the others eat; to say "I am with you guys." Then he became a "cutter". His job was to chop the meat into minuscule pieces, so small that there was no hint of what it was. They all found it easier to eat if they did not know whether the meat came from a hand, or a leg. At first, they just ate the muscles. Eventually, they ate everything: the kidneys; the liver; the heart. Finally, they cracked open the skulls with an axe and ate the brains and spooned the marrow from the bones.

Then, finally, on December 21st, the society of the snow made contact with outside society. One of the expeditions encountered a horseman; another man went to fetch help. Two months after the crash, helicopters arrived. Society welcomed them back with joy—and with the questions that Álvaro so hated. How had they survived? Álvaro said: dead bodies. He had hoped for compassion. Instead, he saw shock. For years after, when he worked as a businessman and even at home, to his own family, he didn't speak about it. Happiness, he felt, was ephemeral.

There had been one, final, list. The parents of the children on Flight 571 knew that survivors had been found and that some of their children were still alive. But they were not told whose. Álvaro's father flew to Santiago. When he arrived, he was handed a list of names: the survivors. He took it and read. There, eleventh on the list of sixteen, was Álvaro. His father let out a howl. ■

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