The joy of growing old
(or why life begins at 46)

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High levels of public debt among countries in the euro zone turned into a full-blown crisis for the currency block. As markets began to lose confidence in the ability of a few countries to finance their debt, and rapidly pushed up their borrowing costs, the European Union and the IMF eventually resolved to bail out Greece and, later, Ireland. Investors also fretted over Spain and Portugal. Measures to tackle budget deficits were met with protests, especially in Greece, which endured strikes and riots. In France 1m people demonstrated against pension reforms in a single day.

As Europe tightened its fiscal belt, America passed more stimulus measures. Barack Obama also signed into law the most sweeping changes to America’s financial-regulatory system since the 1930s and a health-care reform act that was hailed by many as America’s most significant piece of social legislation since the 1960s. Conservatives challenged the act in the courts.

Unease about deficits and the “jobless recovery” were factors behind the increasing clout of tea-partiers in America. With their support the Republicans scored a sensational win in a special election for Ted Kennedy’s former Senate seat in Massachusetts. November’s mid-term elections saw the Democrats swept from power in the House by the biggest swing to the Republicans in decades. Congress ended the year on its lowest-ever Gallup approval rating—13%.

In China the main worry was of an overheating economy. The central bank unexpectedly raised interest rates for the first time in three years amid concerns about inflation. Official trade statistics showed China had overtaken Germany as the world’s biggest exporter. Tensions over currency policy were at the forefront during summits of the G20 and IMF.

Google had a spat with China over censorship and a cyber-attack on its website there, causing it to redirect its Chinese internet searches through Hong Kong. Separately, Google, Facebook and others promised to do more to protect privacy after an outcry about their handling of users’ personal data.

The year of living dangerously

An earthquake in Haiti was a humanitarian disaster, killing at least 230,000 people and leaving 1m homeless. The quake devastated Port-au-Prince and left swaths of the country’s fragile infrastructure in ruins. A deadly outbreak of cholera later in the year and political unrest compounded the misery.

Drifting ash clouds emanating from a volcano in Iceland led to the closure of European air space for several days, causing the biggest disruption to worldwide air travel since September 11th 2001.
American combat operations ended in **Iraq**, seven years after the start of the war. Around 50,000 troops remain in a support role until the end of 2011. Iraq continued to be troubled by violence and suicide-bombs after the Americans departed. An election was held in March, though a new government didn’t begin to emerge until November.

The war in **Afghanistan** rumbled on. Coalition troops mounted their biggest offensive against the Taliban since 2001. The deaths of civilians in targeted missile attacks aimed at the Taliban and al-Qaeda caused rows. **General Stanley McChrystal** was sacked as commander of coalition forces after a magazine published an interview in which he disparaged the handling of the war by America’s civilian leadership. General David Petraeus took charge.

**Pakistan** endured another year of severe terrorist attacks, starting on January 1st when a suicide-bomber killed 100 people at a volleyball match. In July, the Pakistani Taliban claimed responsibility for huge blasts at a Sufi shrine in Lahore and at a market in the tribal area. Rioting in Karachi after the assassination of a politician killed scores. Relentless **flooding** from exceptionally heavy monsoon rains affected 20m people, adding to the country’s woes.

Among the year’s other deadliest terror attacks were co-ordinated bombings at two crowded bars in Kampala, the **Ugandan** capital. The Shabab, a **Somali** Islamist militia, claimed responsibility.

**The heat is on**

A spate of terrorist assaults in **Russia**, including a suicide-bombing on the Moscow metro, killed scores of people. Chechen separatists were blamed. The hottest summer in Russian history resulted in hundreds of **wildfires**, causing a public-health crisis in Moscow when smoke enveloped the city.

A spoof broadcast in **Georgia** claiming that Russia had invaded the country caused panic. The bulletin, using imagery from the 2008 Russia-Georgia war, prompted people to flee Tbilisi, the capital.

After months of cajoling, **Israel** and the **Palestinians** sat around the table for direct talks, though the negotiations soon broke down over the building of Jewish settlements on the West Bank. The American-Israeli relationship became somewhat strained.

Israeli intelligence was said to be behind the assassination of a senior **Hamas** military leader, who was killed at a hotel in Dubai. A diplomatic row ensued when it emerged that the assassins had travelled under the stolen identities of European and Australian citizens. There was another international ruckus when Israeli commandos shot dead nine people on a **Turkish ship** with humanitarian supplies bound for Gaza.

The world cheered when all 33 men trapped underground for 69 days at a mine in Chile were brought safely to the surface. But **mining** accidents in China, Russia, West Virginia, New Zealand and Turkey each killed dozens of workers.

An election in **Britain** saw Labour booted out of power after 13 years. The Conservatives emerged as the biggest party but without an overall majority. After a few tense days of talks, the Conservatives formed a coalition (the first in Britain since the 1940s) with the Liberal Democrats, who came third at the polls. The new government, led by David Cameron, embarked on a radical programme of spending cuts.

**Joyful and triumphant**
In other big elections, Dilma Rousseff won the presidency in Brazil, the first woman to do so. Julia Gillard became Australia’s first female prime minister after ousting Kevin Rudd; she kept the job after a subsequent election. For the first time in 50 years Chile elected a conservative president, Sebastián Piñera. Mahinda Rajapaksa was re-elected as Sri Lanka’s president; his opponent was arrested soon after. Benigno Aquino won a presidential election in the Philippines; he is the son of a late president, Corazon “Cory” Aquino. And Viktor Yanukovich was elected president of Ukraine, though Yulia Tymoshenko, his opponent, mounted a brief challenge to the result in court.

Poland’s president, Lech Kaczynski, was killed in a plane crash near Smolensk, Russia, along with the head of Poland’s central bank, senior diplomats and military leaders. The ensuing presidential election was won by Bronislaw Komorowski, who defeated Mr Kaczynski’s twin brother, Jaroslaw.

An explosion at a BP well in the Gulf of Mexico in April killed 11 men and caused the world’s biggest civilian oil spill to date, before the wellhead on the sea floor was finally sealed in September. The catastrophe forced a halt to commercial fishing in the area and a moratorium on drilling. The Obama administration faced sustained criticism of its handling of the crisis. BP’s share price slumped, wiping out almost half its stockmarket value. In December America launched a lawsuit against BP and other companies potentially liable for the spill for billions of dollars in damages.

North Korea’s increasingly bellicose attitude towards South Korea rattled the world. The sinking of a South Korean navy ship with the loss of 46 sailors was blamed on a torpedo attack by the North. Later in the year the North launched an artillery barrage against a tiny South Korean island. Kim Jong Un, the youngest son of Kim Jong Il, North Korea’s ailing Dear Leader, moved up the ranks as heir apparent.

Naoto Kan became Japan’s third prime minister within two years when Yukio Hatoyama resigned after reneging on a promise to remove the American marine base near Okinawa.

A recall of Toyota vehicles in America amid reports of sticking accelerator pedals proved to be a public-relations disaster for the carmaker, compelling its boss to apologise at a congressional hearing.

There was more turmoil in Thailand when red-shirted opposition protesters set up an encampment in central Bangkok. After a two-month stand-off the army moved in to clear the streets; 50 people were killed in the resulting clashes.

Aung San Suu Kyi was released from house arrest by Myanmar’s ruling military junta. She had spent much of the past 20 years in detention and was freed after Myanmar’s first national election since 1990. The ballot was rigged to favour the junta’s candidates.

Goodluck Jonathan became president of Nigeria when the ailing and absent Umaru Yar’Adua was deemed too ill to continue in office (he died in May). There was further bloody conflict along ethnic lines between Christians and Muslims near the city of Jos.

Ethnic rioting in Kyrgyzstan between Kyrgyz and Uzbeks in the south of the country displaced hundreds of thousands and threatened to turn into a civil war.

The “hot potato” effect

Stockmarkets around the world had a bumpy year, none more so than the Dow Jones Industrial Average, which plunged dramatically within a matter of minutes on May 6th, only to recover the losses some 20 minutes later. An investigation found that a poorly executed algorithmic trade
was at the root of the “flash crash”.

**Kraft Foods** bought **Cadbury** in a $19 billion takeover, one of the biggest of the year, though the sale was contentious. After stepping down as Cadbury’s chairman, Roger Carr said that Britain had become “the most open goal of almost any country...in terms of foreign takeovers”. Mr Carr becomes head of the Confederation of British Industry in June.

**All I want for Christmas...**

Apple started selling the **iPad**, a computer tablet that looked set to revolutionise digital publishing. Apple overtook Microsoft as the world’s biggest technology company. 

Among the year’s **sporting events**, the winter Olympics were hosted by Vancouver, the World Cup was held in South Africa (and won for the first time by Spain) and the Commonwealth games took place in Delhi, though some competitors threatened to pull out because of poor hygienic conditions at the athletes’ village. An annual event in England where challengers chase a wheel of cheese down a hill was officially cancelled on health-and-safety grounds.
KAL's cartoon

Dec 16th 2010 | from PRINT EDITION

Tweet
“HOPE” is one of the most overused words in public life, up there with “change”. Yet it matters enormously. Politicians pay close attention to right-track/wrong-track indicators. Confidence determines whether consumers spend, and so whether companies invest. The “power of positive thinking”, as Norman Vincent Peale pointed out, is enormous.

For the past 400 years the West has enjoyed a comparative advantage over the rest of the world when it comes to optimism. Western intellectuals dreamed up the ideas of enlightenment and progress, and Western men of affairs harnessed technology to impose their will on the rest of the world. The Founding Fathers of the United States, who firmly believed that the country they created would be better than any that had come before, offered citizens not just life and liberty but also the pursuit of happiness.

Not that the West was free of appalling brutality. Indeed, the search for Utopia can bring out the worst as well as the best in mankind. But the notion that the human condition was susceptible to continual improvement sat more comfortably with Western scientific materialism than with, say, the caste system in India or serfdom in Russia.

Now hope is on the move. According to the Pew Research Centre, some 87% of Chinese, 50% of Brazilians and 45% of Indians think their country is going in the right direction, whereas 31% of Britons, 30% of Americans and 26% of the French do. Companies, meanwhile, are investing in “emerging markets” and sidelining the developed world. “Go east, young man” looks set to become the rallying cry of the 21st century.

Desperation Road
The West’s growing pessimism is reshaping political life. Two years after Barack Obama’s hope-
Inauguration the mood in Washington is as glum as it has been since Jimmy Carter argued that America was suffering from "malaise". The Democrats' dream that the country was on the verge of a 1960s-style liberal renaissance foundered in the mid-terms. But the Republicans are hardly hopeful: their creed leans towards anger and resentment rather than Reaganite optimism.

Europe, meanwhile, has seen mass protests, some of them violent, on the streets of Athens, Dublin, London, Madrid, Paris and Rome. If the countries on the European Union’s periphery are down in the dumps it is hardly surprising, but there is pessimism at its more successful core too. The bestselling book in Germany is Thilo Sarrazin’s “Germany Does Away with Itself”, a jeremiad about the "fact" that less able women (particularly Muslims) are having more children than their brighter sisters. French intellectuals will soon have Jean-Pierre Chevènement’s “Is France Finished?” on their shelves alongside Eric Zemmour’s “French Melancholy”.

The immediate explanation for this asymmetry is the economic crisis, which has not just shaken Westerners’ confidence in the system that they built, but also widened the growth gap between mature and emerging economies. China and India are growing by 10% and 9%, compared with 3% for America and 2% for Europe. Many European countries’ unemployment rates are disgraceful even by their own dismal standards: 41% of young Spaniards are unemployed, for example. And the great American job machine has stalled: one in ten is unemployed and more than a million may have given up looking for work. But the change goes deeper than that—to the dreams that have propelled the West.

For most of its history America has kept its promise to give its citizens a good chance of living better than their parents. But these days, less than half of Americans think their children’s living standards will be better than theirs. Experience has made them gloomy: the income of the median worker has been more or less stagnant since the mid-1970s, and, thanks to a combination of failing schools and disappearing mid-level jobs, social mobility in America is now among the lowest in the rich world.

European dreams are different from American ones, but just as important to hopes of a peaceful and prosperous future. They come in two forms: an ever deeper European Union (banishing nationalism) and ever more generous welfare states (offering security). With the break-up of the euro a possibility, and governments sinking under the burden of unaffordable entitlements as their populations age and the number of workers contracts, those happy notions are evaporating.

Shift happens

In the emerging world, meanwhile, they are not arguing about pensions, but building colleges. China’s university population has quadrupled in the past two decades. UNESCO notes that the proportion of scientific researchers based in the developing world increased from 30% in 2002 to 38% in 2007. World-class companies such as India’s Infosys and China’s Huawei are beating developed-country competitors.

The rise of positive thinking in the emerging world is something to be welcomed—not least because it challenges the status quo. Nandan Nilekani of Infosys says that his company’s greatest achievement lies not in producing technology but in redefining the boundaries of the possible. If people in other countries take those ideas seriously, they will make life uncomfortable for gerontocrats in China and Arabia.

But there are dangers, too. Optimism can easily become irrational exuberance: asset prices in some emerging markets have risen too high. And there is a danger of a Western backlash. Unless developing countries start taking their responsibility for global security seriously, Americans and Europeans may begin to wonder why they are policing the world to keep markets open for others to get rich.

As for the Westerners’ gloom, it has its uses. There is a growing recognition that the old rich
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Behold 2011, the year of sovereign shocks

Get ready for more volatility in government bonds

IF YOU want to know what to worry about in 2011, here’s a place to start. Sovereign-bond yields are rising—not just in beleaguered economies on the edge of the euro zone, but across much of the rich world. During the first two weeks of December Spain’s ten-year borrowing costs hit 5.5%, the highest rate in more than a decade. Yields on American ten-year Treasuries jumped more than half a percentage point to 3.5%, a six-month peak. German ten-year Bunds rose to 3%, a yield not seen since May. This simultaneous shift in the rich world’s core as well as the enfeebled euro periphery raises two questions. Are the rising yields being driven by similar forces? And are they the harbingers of a broader bond-market bust?

The pessimistic interpretation is that this reflects concerns about America’s fiscal mess (see article), in a paler version of bondholders’ jitters about Greece and Spain. The worries point out that bond yields jumped after the recent announcement of a tax-cut plan that is likely to add some $800 billion to America’s public debt over the next decade, and which utterly fails to explain how the country’s medium-term finances are to be sorted out. Likewise, Germany’s dearer borrowing costs may have less to do with optimism about its economy than with concerns about the costs to its exchequer of keeping the euro zone together.

But optimists argue that the scale of the bond-market moves and the dynamics behind them are totally different in the core and in the periphery. Investors may be fretting about the Irish or Spanish governments’ ability to pay their debts, but elsewhere, especially in America, the rise in bond yields—from extraordinarily low to merely very low—is a reflection of better growth prospects rather than worsening government finances. As the economy accelerates, the risk of deflation recedes, private investment rises and the Fed is less likely to engage in further rounds of quantitative easing (printing money to buy bonds). These shifts all push government-bond yields up, but they are a cause for cheer rather than gloom.

So far the evidence suggests that it is confidence rather than fear that has pushed bond yields up of late. In America especially, a rising stockmarket, the strength of the dollar and absence of a spike in credit-default swaps all suggest the recent bond-market sell-off is being driven by hopes for growth rather than by fear of deficits.

In the coming year, however, a different dynamic may take hold. The surge in private savings in the wake of the economic crisis has masked big changes in the rich world’s sovereign-bond markets. First, governments are much more indebted, compared both with their recent past and with fast-growing emerging economies. At 70% of GDP, the average rich economy’s net sovereign debt is 50% higher than it was in 2007, and more than twice as high as the average debt burden in emerging economies. That has happened at a time when the rich world’s growth
prospects are deteriorating. Second, with budget deficits still gaping and lots of short-term debt coming due, many governments’ financing needs are rising. Calculations by the Institute of International Finance, a bankers’ group, suggest that America needs to raise over $4 trillion in 2011 and European governments collectively need to borrow almost $3 trillion. Japan, with the world’s highest government-debt burden and short maturities, must raise funds worth more than 50% of GDP by the end of 2011.

Meanwhile, policy uncertainty has increased. Quantitative easing means that central banks now have a big role in long-term government-bond markets. Worries are sharpest in the euro zone, not just because sovereign defaults are now regarded as a distinct possibility, but also because policymakers have managed to confuse sovereign-bond holders by offering them no losses in the short term and plenty in the medium term.

New year’s irresolution

Amid all this uncertainty, only one thing is clear: sovereign yields are likely to rise, and even the strongest governments cannot afford to be sanguine about a bond-market bust. America may be the issuer of the world’s reserve currency, but its debt markets are not immune to a sudden upward lurch, which in turn could threaten the fragile recovery.

Governments could, and should, minimise this volatility. America needs to complement its short-term tax cuts with an agreement on medium-term deficit reduction. Japan should kick-start growth and overhaul the tax code. But the most urgent task is in Europe, where leaders need to blend inconsistencies between today’s rescues and tomorrow’s reform proposals into a coherent plan for managing the euro.

There are, unfortunately, few signs of any of this happening. That is why 2011 could be a year of more, and bigger, sovereign-debt shocks.

from PRINT EDITION | Leaders
A sort of progress

The UN climate-change process is back on the road. Try not to crash it again

THE relief was as palpable as the surf on the beach. After the procedural nightmare of 2009’s Copenhagen climate-change summit, its successor in Cancún, Mexico, played out surprisingly well, achieving a fair bit of what its overhyped and acrimonious predecessor had fluffed.

Copenhagen produced a lot of ill will and an “accord” put together by only a small subset of nations. In Cancún the ill will faded and large chunks of that accord were at last translated into the official UN process. These included $100 billion a year for developing countries by 2020 as climate assistance; a climate fund, partly under the auspices of the World Bank, through which much of the money might flow; and a much-needed deal on the conditions under which countries may be paid to decrease the damage being done to their forests. The details were left vague (see article). But even an appearance of progress constitutes progress, of a sort.

Mitigated success, not success on mitigation

The worry is where the process might go next. Under the Kyoto protocol of the UN climate convention, all developed countries save America must make binding commitments to reduce their greenhouse-gas emissions. Rich countries bound by Kyoto are unhappy about this; developing countries, in the rare position of having an international agreement that demands things only of the rich, rather like it. The refusal of some rich countries to accept a second set of commitments under Kyoto (the current ones run out in 2012) was a big stumbling block in Copenhagen. It would have been in Cancún, too, without some nifty diplomatic footwork.

That the world’s largest carbon emitters, China and America, are not bound by the protocol makes it absurd. That they will not be so bound—neither is willing to give up so much sovereignty to an international legal process—makes seeking its extension moot. No super-Kyoto seeking to constrain the world would fare better, even if it were fair to constrain poor countries that have next-to-no blame for the problem.
Yet some from Europe and from developing countries left Cancún talking of a revived push for broad-based and legally binding constraints. They argue that, without cuts in emissions far more drastic than those volunteered in the Copenhagen accord, there is only the slimmest chance that serious climate change will be averted. They are right. Unfortunately, that fact shows no sign whatever of turning into a winning argument. Rather, the pursuit of a universal legally binding agreement is doomed. If the negotiations try to achieve one, they will quickly return to deadlocked irrelevance.

There is an alternative that should be welcome to all. Take the good things agreed in Cancún—the fund, the deforestation deal, technology transfer and so on—and devote all possible energy to making them work. Make the UN process deliver for developing countries. And make it so useful that nobody would want to jeopardise it for the totemic triumph of a Kyoto renewal. Press for further emissions cuts too—but not in the everybody-or-nobody format of the UN. Deals struck in smaller clubs of like-minded countries, such as the Major Economies Forum, which brings together big emitters, may be more promising. One of the benefits of the Cancún agreement is that it has enabled the UN process to bless, retrospectively, progress made elsewhere.

It would be wonderful to solve climate change with a global deal. But no such thing looks remotely achievable. Better to use the newly roadworthy process to achieve worthwhile goals—to pay for adaptation, save forests, build up renewable-energy capacity—than to crash it again into a wall.

from PRINT EDITION | Leaders
The rights and wrongs of hacktivism

Protest can be disruptive but legal. But furtiveness removes its moral weight

DEMONSTRATORS are a tiresome lot. They block streets and clog traffic, costing other people time and money; they divert police attention, draining budgets and perhaps helping criminals. But decent countries allow disruptive protests and even deploy the forces of law and order to protect them. That is the price of political freedom, negotiated over many years and subject to many checks and balances.

Now the issue has arisen in cyberspace, with online protests both in defence of and in opposition to WikiLeaks, a whistle-blowing site. Working out which sorts of activities deserve protection and which prosecution is tricky—and the details of prosecution even more so (see article).

Two ends of the spectrum are clear. Consumer boycotts are a matter of individual choice. There is nothing wrong with people expressing their disapproval of companies that have dumped WikiLeaks, such as Visa, MasterCard, Amazon, PayPal, by stopping doing business with them. But using the internet to try to disrupt, say, power supplies or the fire service, as happened in Estonia in 2007, is a crime.

The difficult areas lie in the middle, especially around the “hacktivists” who are the main actors on both sides. Their favoured technique is a “denial of service” (DOS) attack, from one computer or a distributed network of many (hence the acronym DDOS). This involves bombarding computers that run the target’s website with more traffic than they can handle. As a result the website becomes hard to reach, or crashes completely. That hurts the victim and signals to the world the strength of feeling of the perpetrators. It causes no direct physical harm but may be disruptive and costly.

In many countries DDOS attacks are illegal. In Britain, for example, they carry a maximum ten-year jail term. That does not necessarily make them wrong: civil disobedience, against British rule in India, or against segregation in America, has a long, honourable history. Such tactics may
even be useful against authoritarian regimes (even if more often it will be the governments that use them against their opponents).

The closest equivalent to a DDOS attack in the offline world would be a mass sit-in or a mob milling around a building, making entry and exit impossible. In most countries the police would respond to such cases by clearing a path to the door, arresting protesters if they resisted violently, but allowing the protest to go ahead. Some argue that DDOS attacks are, similarly, a legitimate expression of dissent. Governments should have computers large and sophisticated enough to deal with such attacks; if necessary, they should help vital commercial services such as banks and energy companies to resist them.

But in a free society the moral footing for peaceful lawbreaking must be an individual’s readiness to take the consequences, argue in court and fight for a change in the law. Demonstrators therefore deserve protection only if they are identifiable. Some countries (like Germany) even prohibit protesters from wearing masks.

**The name and shame game**

Protesters in cyberspace, by contrast, are usually anonymous and untraceable. The furtive, nameless nature of DDOS attacks disqualifies them from protection; their anonymous perpetrators look like cowardly hooligans, not heroes. This applies to those attacking WikiLeaks too—a point American politicians calling for reprisals against Julian Assange’s outfit should note. Posses and vigilantes, online and off, mete out rough justice, at best. That is no substitute for the real thing.
The tasks undone

Eastern Europe is back from the economic brink. But some political trends are gloomy

Dec 16th 2010 | from PRINT EDITION

DOOM-MONGERS are eating their hats. Despite their worst predictions, not one of the ex-communist countries of eastern Europe has so far defaulted or even devalued. Indeed, most are seeing a recovery from the financial crisis that a year ago seemed likely to herald not just economic collapse but political turmoil too. Some of the success stories are remarkable: Poland’s continuing economic growth, Latvia’s climb back from a deep recession and Estonia’s qualification to adopt the euro (on January 1st). The latter is a huge achievement for a country that was under Soviet occupation only two decades ago.

Look more deeply though, and worries abound. Much of the recovery is thanks to swingeing spending cuts and tax hikes, often imposed at the behest of outsiders such as the IMF, and sometimes with scant regard for legality or democratic niceties. East European politicians, perhaps because of their history, are used to obeying tough instructions from outside, and imposing them brusquely. Their voters do not object much. Whereas West Europeans riot when squeezed, their eastern counterparts just glumly emigrate.

A fondness for short cuts among politicians, and resignation among voters, may have helped return the region’s economy to rights, but they do not bode well for its democratic health. There is a worrying trend in eastern Europe towards what, with only some exaggeration, might be called “Putinisation”: a noxious cocktail of cronyism and authoritarianism exemplified by Russia’s strongman prime minister, Vladimir Putin. Political and economic power fuse, undermining independent institutions and silencing criticism. It is most visible in Ukraine, whose president, Viktor Yanukovich, has moved backwards from the “orange revolution” of 2004, edging into Russia’s orbit diplomatically (shunning NATO and slowing down talks with the European Union), squeezing the media and independent universities, and showing a worrying habit of election-rigging.

Signs of the same ailment are visible in Hungary (see article), where the strong-willed prime minister Viktor Orban (pictured left with Mr Putin), backed by a huge parliamentary majority, is wielding power vigorously. He has installed a party pal as president; required public buildings to display official propaganda; restricted the powers of the constitutional court; expropriated private pension funds; and collared all the seats on a new media council (which can levy fines for ill-defined misdeeds such as offending “human dignity”). The government is now trying to nobble the central bank.

Magyar boo sucks

Hungarian voters seem unfazed by this, and outside criticism has been muted too. One reason is that Hungary will take over the EU’s rotating presidency for six months in January. Its debt-
sodden economy could still damage Western countries’ financial systems, and many outsiders (and Hungarians) agree that tough measures are needed.

But it is not just Hungary. All over the region, reforms stalled even before the economic crisis. Public services are mostly still deplorably shoddy. The media are weak. Party fund-raising is a scandalous source of corruption. One reason is that once many east European countries got into the EU, their efforts to meet its political and economic standards slackened. At the same time, the whole idea of emulating the Western model has taken a big hit, partly from the crisis and partly from America’s diminished prestige. All this is fertile ground for more Putinisation. Eastern Europe has done better than many expected economically. But undoing all communism’s damage will take a lot more effort.
Letters

On America and Europe, WikiLeaks, GM crops, students, Sarah Palin, happiness, the number 11

Dec 16th 2010 | from PRINT EDITION

A tsar for Europe

SIR – **Charlemagne** (November 27th) missed the obvious reason why Barack Obama treats American-European summits with such disdain: the gaping power imbalance between the parties. On one side is the world’s most powerful elected politician, commander-in-chief of overwhelming force; on the other, two unelected Brussels bureaucrats, the presidents of the European Council and the European Commission, with zero geostrategic clout.

For many years now the European Union has struggled to strengthen its side, most recently through the uninspiring contortions of the Lisbon treaty. But this hasn’t worked and won’t. The only way to achieve real balance is to reduce the power quotient on the American side.

Mr Obama is an avid appointer of unaccountable policy “tsars” who benefit from the kind of “democratic deficit” so notoriously enjoyed by EU leaders. He now has more than 30 in charge of topics ranging from energy to the Middle East. He should name an “EU tsar” to take charge of Washington’s European policy, represent him at summits with the Europeans and report back as necessary. Such an arrangement would not provide exact institutional equivalence, but it would moderate the power imbalance and end the acute embarrassment that ensues each time the EU tries to match its own “presidents” with that of the United States.

Reginald Dale
Senior fellow
Centre for Strategic and International Studies
Washington, DC

WikiLeaks’ easy target

SIR – Regarding the trickling out of sensitive American diplomatic cables by the people at WikiLeaks, what Julian Assange and Bradley Manning have done through their actions is to undermine basically democratic, albeit imperfect, governments (“Read cables and red faces”, December 4th). I would very much like Mr Assange to hack into the computers of China’s Central Committee, and to leak documents outlining China’s human-rights abuses, exploitation of the world’s resources and use of nationalism that distract its people from understanding the type of regime they live under.

Patrick May
Vancouver

Seeds money

SIR – Your otherwise excellent leader on adapting to climate change was marred by the assertion that people should abandon their “prejudice” against genetic engineering in order to secure food
supplies (“How to live with climate change”, November 27th). Although it is true that drought-resistant seeds will be needed—as will low-chill fruit trees and root crops—they are not likely to come from genetic engineering. This is because it can cost up to $5m and take up to 15 years of R&D for each new patented biotech cultivar. It is unlikely that genetically engineered organisms can be deployed quickly enough to respond to climate change.

It would be far more cost-effective to support local farmers in their breeding and evaluation of selected varieties already in community seed banks. The diversity of heirloom seeds offers rural communities far more pragmatic options than the Gates Foundation and Monsanto can generate with all their wealth.

Gary Paul Nabhan
Professor
University of Arizona
Tucson
Carol Thompson
Professor
Northern Arizona University
Flagstaff

* SIR – You were right to assert that even if the international community does little about mitigation, that is no excuse for ignoring adaptation. While there are many aspects to adaptation, better management of water resources is a good, maybe even the best, place to start. Water is the common thread that links together much of what you addressed: poverty reduction, food security, and reducing vulnerability to disasters. Investments in water are cost-effective: delivering immediate benefits to vulnerable populations today, while strengthening resilience for longer-term climate risks.

Steven Downey
Global Water Partnership
Stockholm

* SIR – You did not mention a measure that would have both adaptive and mitigating effects, greater than any of the other items you discussed: population reduction. Reducing the number of people on the planet could be achieved in part by eliminating the subsidies for children that exist is some developed countries, such as the exemptions, deductions and credits in the American tax code.

The policy could be carried a step further by imposing taxes on children after, say, the first two in a family. If this seems politically improbable it’s possibly no more so than some of the adaptive measures your briefing proposed. An impact of this measure would, of course, see the ageing of populations, but that’s a problem the world will have to face sooner or later unless we’re to resign ourselves to unlimited population growth.

Richard Greene
Northampton, Massachusetts

Student voices

SIR – As a student involved in the recent protests in Britain I would like to contest Bagehot’s claim that the outcry is all about “a seemingly narrow dispute over tuition fees” (December 4th). In fact the wider cuts to higher education announced in the Comprehensive Spending Review carry at least equal prominence in the minds of the protesters.

Consider that spending is being reduced to substantially below the OECD average, and that the Higher Education Policy Institute, an independent think-tank, describes the claims made by the Browne Report about the savings to taxpayers as “at best unproven and at worst unlikely”.

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There is a recognition among students that some of the policy proposals made by this coalition government are not simply responses to Britain’s fiscal situation but an attempt to reshape the political landscape. If debates about such a reshaping are “narrow”, what would qualify as broad?

Andrew Hood
Oxford

SIR – Why does Bagehot make a distinction between voters and students? Students vote, as the Liberal Democrats are now only painfully aware. Bagehot was also surprised about “children bunking off school” to join the protests. Yet it is today’s schoolchildren who will have their tuition fees trebled at university.

Mario Bisiada
Manchester

Siren song

SIR – “The qualities of Sarah Palin” (Lexington, December 4th)? Puhleeze, gag me with a spoon. Were she to be the Republican nominee in 2012, I’d vote for a Democrat, even Barack Obama, for the first time since 1972. Her “head for business”? She has taken advantage of a gullible public whose understanding of the complexity of the world stops at their front yard. Xenophobes who think that it is possible to return the world to the way it was in Ronald Reagan’s day, or Richard Nixon’s or Dwight Eisenhower’s. Her “political qualities”? The most telling defeat among the candidates she backed in the mid-terms was the senate candidate in Alaska, who lost to a write-in campaign.

Not a single Republican I know will vote for her. They will either stay at home or vote Democratic to ensure that she does not win. It is not debatable whether “she could devastate the Republicans’ cause in 2012”. She most certainly would.

Stephen Cooney
Pottstown, Pennsylvania

SIR – Lexington quantified Mrs Palin’s popularity by noting she gets more Google searches than other Republicans, but he didn’t mention the nature of the interest. A quick search on Google Images finds that not one of the top-ten search strings on Sarah Palin is related to politics but rather to topics such as her, “breasts”, “legs”, “swimsuit”, “shorts” and, best of all, “hot pics”.

Chase Fredrick
Waukesha, Wisconsin

Merry Christmas

SIR – In my opinion, the current state of happiness economics (Letters, December 11th) is best summarised in the following quote from Spike Milligan: “Money can’t buy you happiness...but it does bring you a more pleasant form of misery.”

Jon Derkits
Chicago

...and a happy new year

SIR – Your fetish with the number 11 (“A year of palindromes”, The World in 2011) reminded me of Mad magazine’s obsession with upside-down years. There was one in 1881, and 1961 was the last upside-down year until 6009, so Mad devoted its January cover to it that year. It was viewable from right side up or upside down. I expect The Economist to do no less on 1.1.11.

David Winberg
New York
* Letter appears online only

from PRINT EDITION | Letters
OVER the past two years Moira McKamey has had to adjust to a very different way of life. She lost her job in November 2008, one of 8,000 workers fired from an air-freight hub in Wilmington, Ohio. The departure of DHL, a delivery company, was quick and devastating; as if a tornado had ripped through Main Street. A few weeks after Mrs McKamey was sacked she and her husband, Randy, spoke to The Economist in their small farmhouse. Perched on a chair near her Christmas tree, Mrs McKamey could not help but cry.

Since then, despite a burst of fame that has seen them featured on wire-service reports, in newspapers and on television, not much has changed for the McKameys. The Christmas tree is decorated, but Mrs McKamey is trying to prepare for Christmas without spending money. “I’m the clearance-sale queen,” she jokes. Her husband is scraping together money to pay for his combine, seed and fertiliser. Mrs McKamey is still without a job. “If it hadn’t been for his crops,” she says, “we wouldn’t have made it.”

Hardship has spread to neighbours, too. In January 2010 Kevin Eakins, who lives down the road, lost his job as a fork-lift operator at an animal-pharmaceuticals firm. A few months earlier Jacki, his wife, had been sacked from her job at a trucking company. “It’s been a struggle,” Mrs Eakins sighs. Both of them have searched for jobs for months, to no avail.

Fifteen million Americans are now unemployed, according to the most recent jobs report. The unemployment rate for November inched up to 9.8%. The grimmest numbers, however, are for the long-term unemployed (see chart 1): 6.3m people, 42% of those unemployed, have been jobless for more than 26 weeks. That number does not include 2.5m people who want a job but who have not looked for a month or more, or the 9m who want full-time work but can only find part-time openings.
America, unlike some European countries, is not used to such high numbers. No recent recession has seen so many Americans out of a job for so long. Now, with millions fallen from the ranks of the employed, the federal government has deployed its imperfect safety net to catch them.

**Net loss**

The unemployment rate in Clinton County, which contains Wilmington, is 15.8%, the highest in Ohio, itself one of the hardest-hit states. Wilmington has had some successes. The county won control of the air-freight park and may be able to reuse it. A “Buy Local” campaign is keeping some businesses afloat. But without a lot of federal aid, the town would be desolate.

The first and most generous form of help is unemployment insurance. It is usually paid from a state trust fund and lasts only 26 weeks, as long as recipients meet criteria such as continuing to look for work. But Ohio is one of many states whose unemployment fund is empty. Since 2008 the federal government has paid for an extension of benefits, now to 99 weeks in battered states. Last year this helped keep 3.3m Americans out of poverty, according to the Centre on Budget and Policy Priorities, a think-tank. If Congress passes Barack Obama’s recent deal with Republicans, workers will go on being eligible for the 99-week maximum payment until the end of next year. But even so, 99 weeks is all anyone can get, and many workers have already reached that limit.

The federal government also provides money for retraining, through grants and programmes such as the 12-year-old Workforce Investment Act. A national emergency grant from the Labour Department is funnelling about $4.5m to Clinton County. This has helped some displaced workers find new jobs as welders, for example, or dental assistants. But training does not always yield a job, and even extended unemployment benefits expire eventually. Mrs McKamey, 51 when she was sacked, decided to retrain for a career in health care. After months of schooling and hard work (“She studied her flash cards constantly,” Mr McKamey says proudly), she became a certified medical assistant. She even got a job, sort of. She had a 90-day trial, but was not hired at the end of it.

These days Mrs McKamey is trying not to be discouraged. But her husband is already raiding his farm account to pay for household expenses. They had health insurance through the COBRA law, which lets a fired worker continue in his or her former health plan for up to 18 months. The federal stimulus subsidised part of the premium. But the McKameys met COBRA’s 18-month limit in May. Now they are without insurance. “We hardly get sick at all,” Mrs McKamey says hopefully. “I’m one of those people, I bring hand sanitiser with me everywhere.”

The Eakinses are trying to stay cheerful as well. They trawl the internet for jobs. Some days they drive to nearby towns; if they see a loading dock, they pull in to see whether Mr Eakins might lend a hand. But Mrs Eakins is frustrated that companies seem to have only part-time work. “Drive an hour away, for a minimum-wage job for four or six hours?” she asks. “All you’d be doing is paying for gas.” For now, the Eakinses’ unemployment insurance ($224 a week for her,
$349 a week for him), is just enough for them to meet their refinanced house and car payments; but in another year at most it will be gone.

Judy Eschmann, director of Clinton County’s Department of Job and Family Services, is getting more and more calls from anxious workers. Close to exhausting their unemployment benefits, they worry about what comes next. Ms Eschmann administers the federal programmes supposed to help, including food stamps, Medicaid and cash assistance. Enrolment has already surged (see chart 2). In addition to fielding calls and visitors, Ms Eschmann’s staff are venturing outdoors to tell residents about the aid available. Many are too proud to visit the office itself.

The programmes available for the poor are at once limited and helpful, meagre and costly. Food stamps, delivered these days in the form of debit cards for groceries, are available for any household whose gross income does not exceed 130% of federal poverty guidelines—for example, $28,668 for a family of four. In normal circumstances an unemployed, able-bodied worker below that level gets food stamps for no more than three months in a three-year period. Thanks to Ohio’s high unemployment rate, that limit has been waived until October 2011. In September the average recipient in Ohio got $141 a month for groceries, or $4.70 per day—not much, but more than usual thanks to the stimulus package.

Health care is another big problem. Medicaid provides health insurance for the poor. To qualify, a family of four would have to have a monthly income of no more than $1,654. And Medicaid is available only to specific groups of poor people, such as families with young children and pregnant women. In Ohio, children ineligible for Medicaid may qualify for a state programme. Others, however, are simply seeking care where they can. In Wilmington volunteers staff a free health clinic on Thursday evenings. Patients often begin to queue at 3pm. Denise Kleinhenz, a nurse who helps run the clinic, says that many come after months of neglect. Some have first tried treating themselves with cheap veterinary drugs.

Once a worker has exhausted unemployment benefit, the only form of cash assistance is through Temporary Assistance for Needy Families (TANF), the federal programme that replaced welfare in 1996. The recession, however, has been a strain. First, states receive TANF money as block grants from Washington, DC, so the funding does not rise with demand. The stimulus included an emergency boost, but this expired in September and is not being renewed. Second, states have long spent the bulk of their TANF money on programmes that encourage people into work, such as child care. This continued even as work was nowhere to be found. Last year Ohio spent only 25% of its TANF money on cash assistance.

Whereas unemployment benefits are based on a worker’s previous wages, TANF payments are much more modest. A family of four in Ohio, for example, gets a mere $536 in cash assistance each month. When Ms Eschmann explains this to applicants, a torrent of questions follows. “Suddenly they start to panic,” she says. “Who will make up the difference of my rent? How do I pay my car insurance in order to look for work?”

Community groups provide some extra support. In Wilmington a non-profit organisation offers help with heating bills. The homeless shelter has extended its maximum stay to 90 days. Sugartree Ministries, a soup kitchen downtown, got a lovely renovation thanks to a television show that featured Mrs McKamey.

But such services are designed to sustain families through a tough spell, not to support them in the long term. Over time, unemployment begins to breed its own problems. Workers may be
discouraged or their skills may decay. Employers may be wary of someone who has been out of
the labour force for more than a year. The most desperate may try to qualify for disability
payments, an expensive federal programme for those physically unable to work. When the
economy recovers at last, many will be left behind.
"THIS lawsuit is not about health care, it’s about liberty.” So crowed Ken Cuccinelli, Virginia’s attorney-general, this week after winning a favourable ruling in federal court. He had brought a lawsuit arguing that part of the administration’s new health law, an “individual mandate” requiring everyone to have health insurance, is unconstitutional. He also argued that all of Obamacare must be struck down.

In his ruling the judge, Henry Hudson, gave conservatives only half a loaf. He did indeed find the mandate unconstitutional. According to the court, “all seems to distil to the single question of whether or not Congress has the power to regulate—and tax—a citizen’s decision not to participate in interstate commerce.” In the past, the courts have allowed the federal government to tax and otherwise regulate activities that happen within states if they affect interstate commerce.

The judge rejected the Obama administration’s argument that since virtually everyone must eventually make use of health care, and hospitals are required to treat all in need of emergency care, the uninsured impose costs on the entire health system. He dismissed the notion that the federal government could prohibit citizen “inactivity”—such as not buying insurance. But he refused to strike down the new law in its entirety or to order that it should not be implemented pending appeal.

That, supporters of the health law insist, means the show will go on. The individual mandate was not supposed to come into effect until 2014 in any case, they argue, by which time this judgment may well have been overturned. Meanwhile, they intend to forge ahead with new health-insurance exchanges, curbs on bad behaviour by insurers and other provisions of the new law. They hope this will give the reforms an air of inevitability.

In fact, a mood of uncertainty seems more likely. For one thing, of the two dozen or so cases pending against Obamacare, this is the first to go against the administration. (Two earlier cases, ruled on by liberal judges in Virginia and Michigan, went in favour of the law.) Later this week a federal judge in Florida is expected to hear arguments in the most important such case, a joint action involving 20 states; like Mr Hudson, he is a conservative. It seems very likely that the Supreme Court will have to decide the matter, and that could take two years or more. This ruling, and any similar ones to come, may also provide useful ammunition for Republicans in Congress to carry out their plan to obstruct the implementation of the law by cutting funding, using procedural manoeuvres and so on.
Could this effort to kill the individual mandate ultimately kill Obamacare altogether? Perhaps, but there are two alternative possibilities that conservatives will not like. If the individual mandate is ultimately struck down but the rest of the health-reform law is ruled legal, the result will be an unsustainable system. Americans would have been promised universal coverage and insurers would have been forced to accept everyone regardless of their state of health—but free riders could easily avoid paying into the system until they fell sick. That will either bankrupt insurers or lead to huge rises in premiums.

In that case, say reformers, Congress could put in place a mix of carrots and sticks that nudges people towards getting health insurance without an explicit mandate. For example, one proposal would cut off access to insurance subsidies for a few years for those who refuse to buy coverage. If Congress fixed the law by creating an individual mandate through the back door, it could save Obamacare.

But if Republicans block such efforts, as seems likely, then America’s great attempt to achieve universal coverage through regulated private markets will eventually collapse. Then the only way to satisfy tens of millions of voters who are guaranteed health insurance, argue some, would be for the government itself to provide coverage for everyone. That would not be unconstitutional, but it would certainly not be the outcome desired by today’s conservative warriors.
Still pouring

It is too early to tell whether the new strategy in Afghanistan is working

Dec 16th 2010 | from PRINT EDITION  Tweet

THOSE hoping for a definitive answer on whether America’s strategy in Afghanistan stands a reasonable chance of success are going to have to wait a bit longer. As The Economist went to press, Barack Obama was about to deliver the results of the progress review he promised a year ago when announcing his decision to commit a further 30,000 troops to the fight. But as Anthony Cordesman of the Washington-based Centre for Strategic and International Studies observes, it is hard to “judge whether the glass is half empty or half full while it is still being poured.”

Mr Cordesman’s point is that although the war is in its tenth year, the effort to reshape a strategy that was failing because of “massive under-resourcing” and incoherence only started in the middle of 2009. The next reviews, due in June and December 2011, will be the decisive ones. They will determine both the context for the reduction in forces that Mr Obama wants to begin next year and its pace. Paradoxically, if the strategy is succeeding and the goal of handing over primary responsibility for security to Afghan national forces by 2014 appears realistic, the pressure on the president to bring troops home as an election looms might be less intense.

On the military side, the mood has become quite upbeat. On a recent visit to Afghanistan, Robert Gates, the defence secretary, declared that “progress has exceeded my expectations”. With nearly 150,000 coalition troops now in Afghanistan, two-thirds of them American, and a big increase in funding for development, it would be surprising if some gains were not being made. In particular, the increased tempo of operations in and around the Taliban strongholds of Kandahar, the country’s second-biggest city, and the neighbouring southern province of Helmand are yielding results. Marja, described by General Stanley McChrystal last May (before his sacking) as still “a bleeding ulcer”, has been transformed by US Marines with new schools and a bustling market. General McChrystal’s successor as coalition commander, David Petraeus, is also bullish about the attrition on the Taliban’s local leadership that night-time raids by special forces are causing.

There is also progress on the training of Afghan security forces, both the army and, more surprisingly, the police. Not only are their numbers growing ahead of schedule, but so too, it is claimed, is their quality. However, there remains a critical shortage of skilled trainers, which if not addressed urgently could undermine the entire transition process that the current strategy is based on.

On almost every other front progress is harder to identify. The civil-aid effort is absorbing vast sums to modest effect because of unresolved governance problems, not least the corruption that fuels the insurgency. America’s relationship with President Hamid Karzai is more erratic than ever. Hopes that senior Taliban might be ready to begin talks leading to a political settlement have recently subsided. Concerted attempts to woo Pakistan into becoming a more reliable partner are producing little in return. The sudden death this week of Mr Obama’s hard-charging
special representative to the region, Richard Holbrooke, will also make it all just a little bit harder.
Lexington

Barack Houdini Obama

He needs a lot more than one minute to set himself free

Dec 16th 2010 | from PRINT EDITION

IN THE summer of 1912 Harry Houdini was clapped in manacles and leg-irons, stuffed into a crate that had been weighed down by lead, and dropped from a tugboat into New York’s East River. Less than a minute later, he was free. That, more or less, is the trick Barack Obama is currently trying to copy.

Of course, Mr Obama has not been tossed overboard literally. But consider his trajectory so far. He campaigned in poetry (2008), governed in prose (2009) and then the wheels fell off his presidency. Although 2010 brought legislative gains, including the great prize of health reform, the year was bracketed by political losses. At its beginning he lost his supermajority in the Senate. By its end he had lost his majority in the House. An immobilised president who lacks the numbers to put his measures through Congress might just as well be trussed up in a crate.

Unless he is an escapologist, that is. Well before November’s mid-term shellacking turfed the Democratic majority out of the House, Obama-watchers wondered whether this president had the ideological flexibility to do what Bill Clinton did in the same predicament after the mid-terms of 1994. Now, after the tax deal Mr Obama struck last week with the Republican leadership, under which the “temporary” Bush-era tax reductions that were supposed to expire on December 31st look set to be extended for everyone, they have at least the beginning of an answer. Like Mr Clinton, this man can turn on a dime.

Mr Obama promised repeatedly to increase taxes on the rich (ie, individuals earning more than $200,000 and couples earning more than $250,000). How does he justify changing his mind? Simple: politics is the art of the possible, elections have consequences and the Democrats lacked the numbers they needed (the Senate had tried and failed) to keep the tax reduction in place for poorer Americans but let them expire for the rich. If he had not budged, he says, the Republicans would have let everyone’s taxes rise—a blow not only to taxpayers but also to economic growth.
Besides, to sweeten the bitter medicine, Mr Obama managed in his negotiations to attach a mini-stimulus that the Republicans would never otherwise have countenanced.

All of this makes perfect sense. But it makes the sort of sense that in the 1950s inspired Nye Bevan, a firebrand on the left of Britain’s Labour Party, to describe the centrist Hugh Gaitskell as a “desiccated calculating machine”. Like Gaitskell, Mr Obama now stands accused by his own party’s bitter progressives of lacking fire, fight, principle and backbone. “Hardly anybody in the Democratic caucus here feels that the president tried hard enough to deliver on his campaign promises,” said Alan Grayson of Florida. Mr Obama did not help his cause with the left by lashing out at “sanctimonious” purists who would prefer to feel good themselves than do what was good for the people.

If you are a president who has just suffered the political equivalent of being stuffed in a crate and dropped in a river, does it make sense to antagonise your own party this way? Maybe. When faced with impasse, wriggling through the middle does not have to be dishonourable. It can even lead to political recovery. It was presumably to make this point that Mr Obama invited Mr Clinton, the consummate comeback kid, to a press conference at the White House, where the old charmer and pioneer of “triangulation” pronounced the tax compromise “a good deal” and told a new generation of political reporters that “there’s never a perfect bipartisan bill in the eyes of a partisan.”

Mr Obama’s good fortune is that it is not only progressives who find the deal unpalatable. Conservatives hate it too. Charles Krauthammer, an influential columnist, calls it “the swindle of the year”: the artless Republicans let Mr Obama smuggle in a huge new stimulus, bigger than the first, just in time for his re-election bid in 2012. Mitt Romney, seeking the Republican nomination once again, is unhappy that the tax cuts have not been made permanent. Tea-partiers hate the burden on the deficit. Senator Jim DeMint of South Carolina complains that the deal “raises the death tax” (in fact it would reinstate the estate tax, suspended in 2010 only, at a lower level than planned).

If Mr Obama’s luck holds, the passionate intensity of the conservatives might just cancel out that of the progressives and so affirm, in the eyes of the majority in the centre, his own claim to be reaching for precious common ground in the tricky terrain of divided government. That cannot be what Mitch McConnell and John Boehner, the Republican leaders in Congress, intended when they made their deal with the president. But, having made it, they too risk losing face if they allow it to unravel.

Can we see you do that again?

Houdini performed his trick for startled audiences over and over again. Mr Obama will find doing this harder. The incoming Republicans have no interest in allowing him a repeat performance, and there is a limit to the number of times a president seeking re-election can trample on the feelings of his own party.

Besides, to win re-election in 2012 Mr Obama needs to prove that he is more than an escapologist or a calculating machine. Some of the fire, fight, principle and backbone that has gone missing since the inspiring campaign of 2008 has to become visible again. He has said recently that he is guided by a “north star”, that America is passing through another “Sputnik moment”, that he intends to reform the tax code and tackle the deficit. But none of this has yet cohered into a clear vision for the next two years. Even his shrinking band of steadfast supporters worries now that, along with his loss of the House and the fraying of his coalition, Mr Obama has lost his sense of direction. He had better disabuse them soon. The British might occasionally elect a desiccated calculating machine. Americans expect something more.
A smaller welcome mat

Some Canadians are having second thoughts about their traditionally liberal immigration policy. But many still support it

Dec 16th 2010 | OTTAWA | from PRINT EDITION

CANADA has long been known as one of the world’s most welcoming countries for immigrants, and thus a good bet for refugees, who are granted most of the same rights and freedoms as citizens. At first, this open-door policy was a product of necessity. The world’s second-biggest country, Canada needed people to fill its wide open spaces and build an economy. But multiculturalism has been a part of the national identity since 1971, when a Liberal government embraced it as official policy. Today 20% of the population is foreign-born. The biggest sources of new arrivals are China, the Philippines and India.

Yet the Conservative minority government of Stephen Harper that took power in 2006 has begun to restrict immigration. It has toughened the citizenship test and doubled the lump sum required to gain quick access as an investor. And it has presented bills to fine and jail people-traffickers and detain their clients, and to penalise unauthorised immigration advisers who charge fees (to be called the Cracking Down on Crooked Consultants Act).

Mr Harper is also changing the profile of immigrants who are accepted, giving priority to the skilled over the needy. His government has cut the refugee intake by 36% and imposed visa requirements on visitors from Mexico and the Czech Republic, some of whom it accuses of exploiting loopholes in the asylum system. The only category of immigrants to have grown significantly since 2005 is temporary workers, who are rarely a drag on the state.

All this adds up to slight tinkering, rather than the kind of retreat from multiculturalism seen in parts of Europe, or America’s harder line against illegal immigration. The number of new permanent residents accepted every year has held steady since 1990, at 0.7-0.8% of the population. But the changes reflect Canadians’ newly ambivalent attitudes. And they go with an
increasingly vocal debate about immigration.

A report on national security published last month by the Macdonald-Laurier Institute, a non-partisan think-tank, listed “uncontrolled immigration” as one of three foreseeable threats to Canada. The federal housing agency pointed to immigration as one reason why renters are having trouble finding accommodation in big cities. A new group called the Centre for Immigration Policy Reform, whose backers include a critic of immigration and multiculturalism, has been set up.

There are exceptions. The Conference Board of Canada, a think-tank, recently credited immigrants with driving innovation in the country. The Aga Khan, the spiritual leader of the world’s Shia Ismaili Muslims, has praised Canada’s pluralism as an “asset of enormous global value”. But the trend is clear. “If you read the newspapers, the tone is quite negative and sometimes quite racist,” says Hamdi Mohamed, director of an immigrant-settlement organisation in Ottawa.

Public opinion in Canada has been affected by the European backlash and by fears of terrorist attacks (of which Canada has been free in recent years). Recession, though mild, has pushed up unemployment, increasing fears of competition from immigrants. Mr Harper has political reasons to raise the issue. One pollster, Frank Graves of EKOS, says that Conservative voters are twice as likely to believe Canada has too many immigrants as are opposition supporters. And public hostility to immigrants grew after a ship carrying almost 500 Tamil refugees from Sri Lanka arrived off the country’s west coast in August.

It is hard to be sure whether this debate heralds a lasting shift in Canada’s openness to immigration. The government’s proposed detention of refugees trafficked by smugglers has been criticised for violating Canadian law and international agreements. Given immigrants’ numbers, bashing them is politically dangerous: they and their children are already a majority in Toronto, the country’s most populous city. Aklilu Wendaferew, who works with the homeless and Ethiopian immigrants in Toronto, says the familiarity that comes from living and working with immigrants daily counteracts fears of foreigners, and that employers are not reluctant to hire them.

That seems borne out by an opinion poll commissioned by the government. Only one respondent in four said there were too many immigrants, whereas half said the current level was about right. Canada may be narrowing the door for immigrants, but it is not about to slam it shut.
So far, so good

One of Latin America’s most troubled nations has its most popular president

Dec 16th 2010 | SAN SALVADOR | from

THE mess faced by Mauricio Funes when he was elected president of El Salvador last year suggested he was in for a bumpy ride. Rampant gang violence produced the world’s highest murder rate in 2009. Amid the global financial crisis the economy shrank by 3.6%, one of the biggest drops in the region. El Salvador is not an easy place to govern. Yet 18 months later 79% of voters back Mr Funes, making him Latin America’s most popular leader.

His support does not come from any great success over crime or the economy. The murder rate dipped after Mr Funes ordered the army onto the streets and banned gang membership, but has since bounced back. And in the past year 5% of Salvadoreans suffered an extortion attempt, often orchestrated by mobile phone from prisons. Meanwhile the economy has barely limped back to growth. It is not expected to reach its pre-recession level until 2012 because of the country’s dependence on the United States, whose recovery has been weak.

But Mr Funes’s centrist approach has won over voters who had tired of El Salvador’s polarised politics. As part of the 1992 agreement that ended the country’s gruesome civil war, the Farabundo Martí National Liberation Front (FMLN) guerrillas became a peaceful political party. However, they kept their extreme leftist views, alienating voters and enabling their conservative rivals, the Arena party, to maintain their grip on power for 20 years. Only after nominating Mr Funes did the FMLN win the presidency. But the right feared that the party would mimic its old allies in Nicaragua’s shady Sandinista regime.

The president has fulfilled the FMLN’s hopes on social policy. Basic education is now free, and poor children are given school uniforms and shoes. These reforms have resulted in an additional 22,000 children enrolling in school this year, the government says. He has further stretched the state’s coffers to cover health programmes: billboards around the capital promote vaccination days for children. And as a former television journalist, he has shown a gift for sound bites and grand gestures, such as apologising for the atrocities committed by the government during the civil war.

But Mr Funes has resisted the FMLN’s demands for a more radical agenda. Most businessmen are satisfied that his visit to Cuba in October, ending nearly 50 years of cold-shouldering, was aimed at importing cheap medicines, not the revolution. This has made for fractious relations with FMLN hardliners. Leaked cables from the American embassy show that Mr Funes’s aides suspected last year that the presidential palace’s phones were being bugged by the FMLN, to which he had given control of the intelligence services.

The president’s pragmatism has thrown Arena, which had united for years around fear of the FMLN, into disarray. The party split after losing the election, and its defectors formed an alliance with the FMLN, giving Mr Funes a legislative majority. Arena is now short both of cash and of
Congressional elections in 2012 will test whether Mr Funes’s popularity can translate to broader success for the FMLN. Polls suggest that Arena is only a few points behind. Eventually, Mr Funes will have to do more on crime and the economy to justify Salvadoreans’ faith in him.
IN a firefight that lasted more than two days and claimed three civilian lives, the leader of one of Mexico’s most feared mobs was shot dead. The victim was Nazario Moreno, nicknamed “The Craziest One”, who headed La Familia (“The Family”), a mafia outfit based in the state of Michoacán. Mr Moreno, author of a spiritual self-help book known as the Family Bible, was tracked down after organising a lavish party that the police got wind of.

His death on December 9th rounds off a year during which senior members of almost every big drug gang in Mexico have been locked up or killed. A year ago Arturo Beltrán Leyva, whose sprawling empire once infiltrated the American embassy, was shot dead by marines near Mexico City. A month later Víctor Mendoza, a senior member of the Zetas, was killed by hit men from the Gulf cartel. The Gulf’s co-leader, Antonio Cárdenas, was killed by the army and marines in November. In July Ignacio Coronel, who was third in command of the Sinaloa mob, suffered a similar fate.

Had Mexico stamped its most-wanted list on a deck of playing-cards like the one used in Iraq, the pack would now look a lot thinner. Several senior lieutenants have been captured, including the head of the Aztecas street gang (the enforcers for the Juárez mob) and two Beltrán Leyva heirs. Even Joaquín “Shorty” Guzmán, the supposedly untouchable Sinaloa leader and the ace of spades on Mexico’s hit list, may be at risk: unconfirmed reports suggest that he narrowly escaped arrest this month. Mexican officials put the successes down to better intelligence and co-operation with America, plus a fivefold increase in the size of the federal police force (counting officers seconded from the army).

Yet despite these successes, 2010 is on course to be the bloodiest year so far in the war against the narcos. By early November Reforma, a newspaper, had counted over 10,000 gang-related killings—far more than the 6,587 it recorded in all of 2009.

Some of the violence has in fact been set off by removing mob bosses. Following Mr Beltrán Leyva’s death, a vicious succession struggle raged for months until two of the warring gangsters were arrested. The demise of Mr Coronel, who controlled part of Mexico’s Pacific coast, has sparked a battle for control of the port of Manzanillo. The ongoing fighting in Ciudad Juárez may have been triggered by the 2008 arrest of Mr Beltrán Leyva’s brother, Alfredo.

Analysts are now pondering the implications of Mr Moreno’s death. As the author of much of La Familia’s pseudo-religious philosophy, he may be hard to replace. But the gang is popular in
some areas: a recent “march for peace” mutated into a rally in support of La Familia. The Zetas will probably launch new attacks to stop their rivals from regrouping.

A temporary increase in violence may be a price worth paying to dismantle powerful gangs. But Mexicans are tiring of the war. In October a plurality considered the campaign a “failure” for the first time, according to Mitofsky, a polling firm. Leaked cables from the American embassy report that a senior Mexican official cautioned that the fight would be hard to continue unless results were seen within 18 months. That was 14 months ago.
COUNT the ways in which India’s handling of China is quietly growing firmer. Relations have been bad for years, with the two countries glaring at each other over a long, disputed border. But India, which in the past has mostly sought to placate its more powerful neighbour, is now stiffening its spine.

Manmohan Singh, India’s usually mild-mannered prime minister, set the tone with a blunt warning in September. He spoke of a “new assertiveness” in China, which he said was seeking a “foothold in South Asia”. Subsequently he shuttled about Asia, promoting a “look east” policy of warmer ties with fellow democracies that fret, like India, about a more nationalistic China.

In October Mr Singh signed a trade deal with Japan and pushed for rapid implementation of an existing one with south-east Asian allies. On December 10th he waved two undiplomatic fingers at insistent Chinese demands that India join a boycott of the Nobel peace-prize ceremony for a jailed Chinese human-rights activist (see article). Ramming home the point on December 13th, India’s foreign secretary, Nirupama Rao, chided China’s ambassador at a public meeting in Delhi. She said her “Chinese friends” should get used to dealing with the “vibrant...noisy, nature of our democracy”.

Ms Rao was responding to the ambassador’s dark warning that criticism of China during a rare visit by Wen Jiabao, the prime minister, to India between December 15th and 17th, could threaten “fragile” bilateral ties. He added that these would be “difficult to repair” if broken. India’s leaders are not in a mood to listen. In Delhi a few hundred Tibetans were left to demonstrate against Mr Wen as he arrived. More striking, the Dalai Lama, their spiritual leader, embarked at the same time on an eight-day trip to Sikkim, a north-eastern state on the border with Chinese-
run Tibet. That excursion, like one last year to Arunachal Pradesh—Indian territory claimed by China as “south Tibet”—seemed designed to arouse Chinese ire.

China has certainly been doing its bit to provoke the ire of the Indians. It reportedly sent several thousand soldiers to parts of Pakistani-controlled Kashmir this year, to build roads for its “all-weather” ally. It has denied visas (other than ones stapled to passports) to Indian Kashmiris and to a general responsible for Kashmir, a hint that it might not respect Indian control of the territory.

India has responded by suspending regular bilateral defence meetings. But Omar Abdullah, the chief minister of Jammu and Kashmir, suggests going further. “Why should India have a one-China policy, when China doesn’t have a one-India policy?” he asks. “What if we started stapling passports from Tibet?” Though this is never likely to be adopted as policy by the government in Delhi, the very suggestion would make China furious.

The Indians’ increasingly strong ties with America are bolstering their confidence in dealing with China. President Barack Obama visited Delhi a month ago and earned much goodwill by offering hearty support for India’s bid for permanent membership of the UN Security Council (China is distinctly lukewarm). This cosying up between India and America makes China all the more prickly.

The two countries laud their booming bilateral trade, which should reach $60 billion this year. But Indian officials fret openly about China’s trade surplus of some $20 billion. They complain that barriers to China’s domestic market mean that India is mostly shipping unrefined minerals and primary goods, getting finished products in return. Mr Wen, accompanied by some 400 businessmen, announced new loans, investment deals and the sale of 36 coal-powered generators to India. But little of this was likely to lead to higher-value exports to China. Chinese talk of a free-trade deal that would expose India’s inefficient manufacturers to fierce competition has been given short shrift.

Other headaches persist. India worries that China is throwing up huge dams in Tibet that might divert water from rivers flowing over the border. It frets about cyber-attacks from China. Ever resentful of China’s invasion in 1962, it shudders at hawkish talk in the Chinese press.

This week a Chinese newspaper, *Global Times*, published an essay by a member of the country’s Academy of Military Science. In it the author lamented, perhaps with India in mind, “we have not recovered the land looted by our neighbours, so how can we boast of being a strong nation?” Many Indians feel much the same way about China.
Aspiring mandarins
Testing time for college graduates

“A HEALTHY society cannot come about when people study not for the purpose of gaining wisdom and knowledge but for the purpose of becoming government officials.” When Ye Shi, a Chinese philosopher, bemoaned this 800 years ago, China had already been choosing officials for hundreds of years on the basis of exams that required rote learning of ancient classics. The exams are different now but Ye would still have much to complain about.

Growing numbers of Chinese graduates aspire to join China’s massive bureaucracy. On December 5th over 1m would-be mandarins spent a Sunday sitting the annual civil-service exam. Many of them had not planned to get a government job when they entered university. But college enrolment in China has boomed in recent years (see chart). New graduates face a brutally tight jobs market.

In July nearly 28% of this year’s graduates had failed to find work. Many who have are disappointed with their wages. A recent study by Cai Fang, an economist, found that average starting salaries for college graduates hardly changed between 2003 and 2008. They are nowadays comparable to the steadily rising wages of uneducated migrant workers.

In this environment, government jobs become even more attractive. The pay is not great, but it is offset by job security and good welfare benefits. Competition, however, is fierce. This year there were 16,000 jobs on offer, one for every 64 test-takers. There were nearly 5,000 applications for the most sought-after post, that of “energy conservation and technology equipment officer”.

Shu Fang of Renmin University says the departments that attract the most interest are the ones seen as most powerful or influential. These include the Ministry of Public Security, whose jobs include rounding up dissidents as well as ordinary criminals, and the Ministry of State Security, a spy agency. Another popular choice, he says, is the Ministry of Personnel, which administers the civil-service test and arranges government employment.

Jessica Zhang of Beijing Foreign Studies University, who applied for a job this year in the foreign ministry, says she found the multiple-choice general knowledge questions easier than she expected. But she was caught unawares by the written section, which required several essays about management of the Yellow River.

Some worry that the craze for government jobs may be bad for business. But Mr Shu says
Surprises like the one for Ms Zhang are good tests of bureaucratic talent. He says that civil-service exams, unlike in imperial days, “emphasise thinking and innovation and not just repeating the same old thing”. Some consolation for Ye Shi.
BANGLADESH’S government had been hoping for swift justice when it set up a war-crimes tribunal in March. Its plan was to put dozens of people on trial for atrocities committed during the country’s secession from Pakistan nearly 40 years ago. Now, with nobody even formally charged, it is bowing to criticism that its vision of justice was flawed.

Some opposition politicians have accused the government of waging a vendetta. The government made clear early on that it would not try to prosecute Pakistanis who fought for West Pakistan against the separatists of East Pakistan (as Bangladesh was then known) in 1971. Hundreds of thousands of civilians—officials say as many as 3m—were killed in the nine-month conflict. Instead, it is targeting only Bangladeshi citizens accused of collaborating with the West Pakistanis. Some of the most prominent alleged collaborators happen to be members of Jamaat-e-Islami, Bangladesh’s biggest Islamic party and a partner in the main opposition alliance.

In August the tribunal detained five Jamaat-e-Islami leaders to prevent them from “hindering investigations” into war-crimes allegations against them. Their party supported West Pakistan’s army in 1971. On December 16th, police arrested a politician of the opposition Bangladesh Nationalist Party on unrelated murder charges. He has also been accused of war crimes. Opposition supporters say the government is flouting justice.

On this point they have growing support. Human Rights Watch, a New York-based lobby group, says that “significant improvements” are needed in Bangladesh’s International Crimes Tribunal Act of 1973, under the terms of which trials are to be held. Critics’ concerns include lax rules for the admissibility of evidence and inadequate appeal procedures.

There is little support for these arguments among ordinary Bangladeshis. In a country where trial standards are generally low, most people cannot see why alleged war criminals should be treated any better. Some say the rights of victims are being ignored. “The perpetrators are Bangladeshis, the victims are Bangladeshis, the crimes took place in Bangladesh, the trial will be in Bangladeshi courts under Bangladeshi law. We should set our own standards”, says Sharier Kabir, a leading campaigner for the trials. His cousin was one of many intellectuals who were abducted and killed in the war.

But the government appears to recognise that domestic support is not enough and that the trials...
will need more time. The law minister, Shafique Ahmed, has admitted that they might not be finished until 2014, when the government’s term ends. Having long fiercely rejected criticism of the tribunal act, officials are showing signs of softening. They have invited Stephen Rapp, an American diplomat looking into war-crimes issues, to visit Dhaka next month to assess the proceedings himself. Sources say they have also asked the UN for assistance. This is risky for the government, which will be accused of vacillating or even caving in to foreign pressure. But justice needs to be seen to be fair.

from PRINT EDITION | Asia
IT IS two months since gunmen rampaged through the labyrinthine Shershah car-parts market in Karachi, leaving 13 shopkeepers dead. But business is still bad. There is fear in the faces and voices of traders. Violence between ethnic groups has been escalating in Pakistan’s largest city and politicians are accused of abetting it.

The slaughtered traders were Mohajirs, a group whose ancestors migrated from northern India at the time of Pakistan’s partition from India in 1947 (mohajir is an Arabic word meaning migrant). The killers are believed to have been Baluchis, whose ethnic homeland is the province of Baluchistan in western Pakistan.

“We are not linked to any political party. We were just doing our business. What was our fault?” says one trader. He describes how the gunmen pulled up the steel shutters of his little shop, shot dead his two sons, aged 24 and 26, and injured a brother who died a few weeks later.

Over the past year, territorial struggles between criminal gangs of Mohajirs, Baluchis and Pushtuns from Pakistan’s north-west have fuelled Karachi’s biggest outbreak of communal violence since the mid-1990s. A Western diplomat in Pakistan ventures that Karachi could even descend into “civil war”.

Containing the violence is proving hard because of the ethnic affinities of Karachi’s main political groups. Many in the city suspect that a lot of the gangsters have ties with politicians, for whom expanded territorial control can translate into more votes. Party workers sometimes forcibly take identity cards from voters in their areas and use them to cast fraudulent ballots.

The dominant political party in Karachi, the Muttahida Quami Movement (MQM), sides with the Mohajirs, the city’s largest ethnic group. The next biggest group, the Pushtuns, tends to back the Awami National Party. The Pakistan People’s Party (PPP), which has led a coalition government in Islamabad since 2008, draws support from Baluchis.

Zulfiqar Mirza, the PPP home minister of Sindh, of which Karachi is the provincial capital, admitted on December 13th that all political parties were implicated in the killings in Karachi. He said that 60 suspected assassins were in custody, 26 of whom belonged to the MQM.

The MQM has some reason to worry about its future political strength. Pushtun ranks have been swelled by tens of thousands of people fleeing the north-west, where troops are battling the Taliban. “There’s a plan to snatch Karachi from the MQM,” says Haider Abbas Rizvi, an MQM member of the national parliament from Karachi. Mr Rizvi denies that his party has any gang ties.

In Islamabad the MQM is in a coalition that includes the other two parties. So the feuding in Karachi could destabilise the national government, which looks wobbly. A small Islamic party, the...
Jamiat e Ulema e Islam (JUI), said on December 14th that it was withdrawing from the coalition because of the sacking of a JUI minister.

The violence is distracting the authorities in Karachi from tackling other threats. The city is an important hideout and fund-raising centre for the Taliban, al-Qaeda and other militants. Last month, suspected militants detonated a car bomb outside Karachi’s counter-terrorist police headquarters, killing at least 18 people.

But the death toll from religious extremism, which plagues the rest of Pakistan, is far exceeded in Karachi by that from ethnic violence. The assassination in August of an MQM member of the provincial parliament, Raza Haider, led to three days of bloodshed in which at least 80 people were killed, most of them Pushtuns. The Citizens-Police Liaison Committee, a watchdog, says more than 1,100 have died in such violence this year, mainly in the city’s poorer areas. Karachi is being rent asunder by the politicians’ mobsters.
Asylum or death?
A tragic sinking revives a debate about boat people

EARLY on December 15th residents of Christmas Island, an Australian territory in the Indian Ocean, were woken by cries for help from the surging seas off Flying Fish Cove. Some dashed to the headland, only to watch helplessly as a wooden boat carrying as many as 100 asylum-seekers smashed against rocks. At least 28 people, including women and children, drowned. Julia Gillard, the prime minister, cancelled her Christmas holiday to oversee a tragedy that has reignited a political row over asylum-seekers arriving in Australia by boat.

Like many boats before that have reached land safely, the wrecked vessel is thought to have set out from Indonesia. Those on board were believed to be mainly from Iraq and Iran. Christmas Island’s 1,400 residents are outnumbered by more than 2,700 asylum-seekers housed in a centre for boat people who have been intercepted on their way to Australia. They are held there while their asylum bids are considered, which is often a lengthy process. The inmates’ swelling numbers have forced the authorities to start detaining some of them on the Australian mainland.

The issue has roiled Australian politics for a decade. In 2001 the former conservative government under John Howard brought in a so-called “Pacific solution”, involving the dispatch of boat arrivals to camps in third countries such as Papua New Guinea and the island state of Nauru. Two years ago, the succeeding Labor government began processing arrivals on Christmas Island instead. Government critics say this has encouraged more to try. Others say the surge over the past year simply reflects greater numbers fleeing conflict zones.

Ms Gillard has called for a regional processing centre to be set up in Timor-Leste, but has won little support. In November the Australian High Court added to her problems by ruling against bipartisan legislation that had excised Christmas Island and other offshore places from Australia’s migration zone. The legislation meant that boat people arriving on the island could not apply for visas. The boat tragedy could strengthen the case for closing the island’s processing centre altogether. With its vast, uninhabited coastline, mainland Australia would seem to have ample room to take over the task itself.
“WHY has the external environment changed?” asks a Chinese scholar of international relations in Beijing, pondering a bad few months for Chinese diplomacy. Nothing big has changed in China, nor has its own foreign policy shifted. Yet it has lurched from quarrel to quarrel with all its most important partners. The temptation for Chinese nationalists is to see their country as the victim of a Western conspiracy to keep China down, just as it is beginning to take its rightful place in the world. A more plausible explanation may be the ineptness of Chinese diplomacy, made up so often of hectoring and threats.

Exhibit one for China’s conspiracy theorists is the award of the Nobel peace prize to Liu Xiaobo, a jailed activist. *Global Times*, a party newspaper, said the award ceremony marked the beginning of a “trial by history against the Nobel committee”. But it was China itself that, rather than loftily ignoring the perceived slight, turned attendance in Oslo on December 10th into a with-us-or-against-us test of friendship. By this misleading benchmark, most of those invited were against. Some, such as India, had to withstand concerted Chinese arm-twisting.

The 17 countries that heeded China’s boycott call hardly justified its claim that most countries backed its stand. Some, like Vietnam, might have liked to see China embarrassed, but would certainly stand up for a government’s sovereign right to lock up peaceful dissidents. So would Cuba and Iran. A few others, like Pakistan, are “all-weather friends”. The only real surprise was the Philippines, which is proud of its democratic freedom. But its foreign ministry was anxious to placate China after a botched hostage rescue in August, in which eight tourists from Hong Kong were killed. Even so, the Philippine president’s office pleaded a “scheduling conflict” for his ambassador. The local press has pilloried the government for its timidity.

Official Chinese commentators have repeatedly called the prize-giving a “farce”. The word would be more accurately applied to the award in Beijing on December 9th of the first-ever “Confucius...
The winner was Lien Chan, a former vice-president of Taiwan, much liked by the Chinese government for his conciliatory approach. Mr Lien, claiming he was unaware of the prize, was, like Mr Liu, unable to receive it. In his absence, it was given to an “angel of peace”, a six-year-old girl who found herself cuddling a bundle of 100,000 yuan ($15,000) in cash. This has not gone down well in Taiwan, one of the few places where Chinese policy has recently seemed quite successful (perhaps because China sees Taiwan as a domestic problem).

Elsewhere, China has antagonised America, Japan and South Korea by refusing to condemn North Korea for its attacks on the South. It had already alienated a friendly government in Japan by its aggressive response to the detention in September of a Chinese trawler captain who rammed a Japanese coastguard vessel. It has succeeded in uniting many of the littoral states in the South China Sea against its high-handed refusal to discuss its territorial claims there. In November it even picked a fight with the Vatican, by ordaining a bishop not endorsed by the pope and forcing some of his bishops to attend.

Maybe China has decided that, contrary to its own protestations, it does not really need smooth foreign relations. Or maybe its diplomacy is a mess. The Chinese scholar offers three possible explanations. One is the confusing proliferation of “non-diplomatic” bodies and special-interest groups in foreign policy, from oil firms to the army to, in the case of Japan, the marine affairs and fisheries bureaus. But the other two may be more telling: the increasing importance of Chinese public opinion and the absence of any senior political figure in charge of foreign policy. The foreign minister, Yang Jiechi, is not a member of the Communist Party’s 25-member Politburo, let alone its nine-member, decision-making Standing Committee. There is nobody to thump the table for foreign relations. Abroad does not matter very much.

At least, however, China’s threats often prove hollow. Despite India’s refusal to kowtow over the dissident Mr Liu, for example, China’s prime minister, Wen Jiabao, went ahead this week with his planned visit to India. And China has confirmed that America’s defence secretary, Robert Gates, is to visit in the new year, ending a freeze on high-level military contacts imposed last January after America sold arms to Taiwan. Little has been heard since of the commercial sanctions against American firms that China threatened at the time.

My name is Liu

Indeed, for all the threats and vituperation directed at foreign governments, it is mostly Chinese citizens who suffer. At home, the authorities’ bite is as bad as their bark. They fear organised protest and dissent far more than foreign embarrassment. Mr Liu’s wife has been kept incommunicado. Human-rights groups say hundreds of people were interrogated or detained ahead of the Nobel ceremony. Many were prevented from leaving the country, lest they turn up in Oslo. News of the ceremony there was largely blacked out.

Even in China, however, the government is not having things all its own way. Microbloggers have been posting eulogies to “the people they admire most”, who happen to be named Liu, and whose lives echo the Nobel prize-winner’s: a table-tennis player, a famous actress, a champion hurdler, a Cantopop star and Liu Shaoqi, a former president hounded to his death during the Cultural Revolution. “He was unjustly accused and spent many years in prison,” read the post, by a writer who, like Global Times, takes the long view. “But I believe that all of this is but the test of history, because he said that, fortunately, history is written by the people.” Not if the party can help it, it isn’t.
Sending the boys home

African Union troops in the Somali capital have pushed back Islamist fighters

Dec 16th 2010 | MOGADISHU | from PRINT EDITION

MORTARS thunder and donkeys bray as Major Anthony Lukwago Mbusi, a forward commander with African Union troops in Mogadishu, climbs through holes his men have made in the walls of abandoned houses along the front lines in the embattled Somali capital to avoid sniper fire. He is pointing towards the slumped body of an enemy fighter his men have just shot dead across the street, one of many in recent weeks.

A day earlier Major Mbusi narrowly escaped with his life when a mortar landed nearby without exploding. Fired by the Shabab militia—linked to al-Qaeda—it lacked a charge and instead contained a 12.7mm machine-gun cartridge. The Islamist fighters may be finding it hard to supply their lines, he says. In any case, their fortunes seem to be changing.

For the past three years some 8,000 Ugandan and Burundian troops have served under the command of the African Union (AU) in Mogadishu without great effect. They operate under a “peacemaking” mandate bankrolled mainly by the Americans. Fighting alongside them are soldiers loyal to the Somali transitional government of President Sheikh Sharif Ahmed, forces of Ahla Sunna Waljama, a moderate religious movement, and a smattering of other gunmen. Their opponents number several thousand and call themselves Shabab, or “boys” in Arabic. They control most of southern Somalia.

A Shabab offensive in August and September was aimed at taking control of the capital but failed dismally. Some 700 Shabab fighters were killed and many more wounded. Among the dead were foreigners from Uzbekistan, Saudi Arabia and Chechnya. As the jihadists foundered, the Ugandans and Burundians thrust forward in a pincer movement towards the Bakara market, the city’s commercial hub.

The Shabab now control only 40% of Mogadishu proper (excluding sparsely populated outlying...
districts), down from about 60% a few months ago. Officials in charge of food distribution say there has been a drift of displaced people from Shabab districts to government areas, boosting commerce.

Transport has improved, too. The Makaal Mukarama Road, which links the presidential palace with the AU headquarters at the airport, was previously unsafe. The Shabab targeted it with improvised explosive devices, machinegun-fire and mortars. Now packed minibuses and private cars pass up and down, and the Ugandans have handed over many of the checkpoints to lightly armed Somali government troops.

The Ugandans have also pushed the Shabab back from the presidential palace, a significant success. In some places earlier this year they were only a few metres away. Now they are fighting in the mixed district of Bondere, some 400 metres from the centre of government.

The Burundians too have discovered new courage. Under heavy fire they captured Mogadishu’s old military hospital, which had been a Shabab stronghold.

Across most of the city, AU troops have now pushed back Shabab positions by as much as a kilometre (0.6 miles). The presidential palace remains within range of Shabab fire, but the port—under regular attack six months ago—has not been hit by a mortar since October. The AU’s mandate allows it to attack only once it has been fired upon, but that does not seem to have been a hindrance.

The Shabab are far from beaten, yet their ability to attack government officials and their buildings has been noticeably reduced. “We have killed their mortar experts and degraded their weapons,” says Colonel Michael Ondoga, a Ugandan commander.

Encouraged by recent victories, AU commanders have developed ambitious new plans. With the help of reinforcements, they hope to push the Shabab out of the Bakara market. A UN Security Council meeting in New York this week will decide whether to offer additional funds. The government’s main source of official revenues is a paltry $1m a month in port fees.

Mohamoud Ahmed Nur, the mayor of Mogadishu, is optimistic that life will start to improve. He reckons the city has 1.2m residents, half of them under 18. A third are displaced and many live in makeshift plastic shelters. Literacy is low and hunger is a big concern, making the well-funded Shabab an attractive employer.

The effort to provide better services is led by Mohamed Abdullahi Mohamed, a former employee of the New York state transportation department who was recently appointed prime minister. He spends most of his time in a rudimentary office trying to avoid assassination. “I don’t want to sound Republican, but we have the smallest government,” he says.

Among the hopeful signs he sees are alleged splits in the Islamist movement between pragmatists and those committed to fighting to the death for global jihad. In Shabab areas of the city, pro-government radio stations are expanding their audience, it is said.

But suggestions that the Shabab have been beaten look premature. The group has shown an ability to revive itself. Attempts to infiltrate it have often backfired. And a fall in the number of roadside bombs and suicide bombings may be tactical. Many Somalis still respond to Shabab sermons, which cloak Somali irredentism with the banner of Islam.
STATE-run newspapers anywhere tend to be pretty awful. The Times of Zambia is no exception. A front-page banner headline earlier this month praised the country’s president, Rupiah Banda, for “doing a good job”. The paper did not mention the copper-rich country’s dismal 150th place (out of 169) in the latest UN Human Development Index, nor the fact that Zambia is one of only three countries (along with Zimbabwe and Congo) whose human-development score is actually lower than it was in 1970.

By contrast, Zambia’s only independent paper, the Post, is entertainingly merciless. A front-page headline in April pronounced that the president had “a small brain”. But most of its stories are worthy, challenging conventional wisdom and powerful interests, and often exposing failings in all three of Zambia’s main political parties. That is no way to make friends in politics, of course, and the Post has honourably few. Influential readers have flung stones and punches in its direction. The government sues constantly, mimicking its counterparts in neighbouring countries.

Press freedom is under threat across southern Africa. Zimbabwe is the worst offender, but others are not far behind. In Mo Ibrahim’s index of good governance the southern part of the continent generally does well. Four of the five top places on the 53-country index go to members of the Southern African Development Community (SADC), a 15-country regional club; nine of its members feature in the top 20. But when it comes to press freedom, not a single SADC country—other than little Mauritius in the Indian Ocean—is deemed “free” by Freedom House, a think-tank based in Washington, DC.

Leaving the press alone was one of the many things Zimbabwe’s despotic leader, Robert Mugabe, promised as part of a power-sharing pact with Morgan Tsvangirai’s Movement for Democratic Change (MDC), which won a general election in 2008. But, as with other pledges, Mr Mugabe failed to deliver. Journalists’ applications for accreditation must still go through the information ministry, controlled by the president’s party, Zanu-PF.

Although one new independent daily, NewsDay, has appeared—the first since Mr Mugabe’s closure seven years ago of the Daily News, the country’s leading daily newspaper—it tries not to rock the boat too much. Having hoped for a champion, the MDC and human-rights groups are disappointed. Three other planned independent dailies that got licences in May have yet to
appear. Meanwhile, Zanu-PF continues to control the country’s biggest-selling daily, the sycophantic and turgid Herald, along with all television and radio broadcasting, though some foreign radio stations manage to beam in programmes from abroad.

Bizarrely, independent weeklies have always been permitted in Zimbabwe. But, in the run-up to elections expected next year, they too are facing increasing harassment and intimidation. Last month Nevanji Madanhire, editor of the Weekly Standard, was arrested after running a story claiming that Zanu-PF “war vets” were being recruited into senior police positions ahead of the elections. Charged with “communicating false statements prejudicial to the state”, he was released 24 hours later. The story’s author had already had the case against him thrown out by the High Court after nine days in one of Zimbabwe’s ghastly jails. The former editor of the weekly Independent, Vincent Kahiya, also had to defend himself in court last month. And an arrest warrant has been issued for Wilf Mbanga, owner and editor of the British-based Zimbabwean.

Wrong direction

Perhaps the saddest case, because it is the most unexpected, is South Africa’s. After winning power in 1994 the African National Congress (ANC) moved fast to lift the press shackles of the apartheid era, enshrining freedom of expression as well as “the right to access any information held by the state” in the country’s 1996 constitution. But, now in government and thus on the receiving end of the media’s lash, the ANC’s passion for a free press has waned.

Government attempts to curb South Africa’s vigorously independent media have already led to South Africa being demoted from “free” to “partly free” in this year’s analysis of press freedom by Freedom House. In next year’s index, South Africa’s score is likely to slip further if proposed press-gagging measures make their way into law. Among them is the coyly named protection of information bill, under which journalists (and others) could face up to 25 years in jail for possessing or publishing classified state information. Any minister or official would be able to classify documents. Many fear this will be used to block the revelation of government scandals.

from PRINT EDITION | Middle East & Africa
IRAN'S FOREIGN MINISTER
Thank you and goodbye
The president fires his chief diplomat ahead of a new round of nuclear talks
Dec 16th 2010 | from PRINT EDITION

Rather as in its nuclear programme, big political changes in the Islamic Republic of Iran tend to take place underground. Sometimes they also involve centrifugal forces, as the foreign minister, Manouchehr Mottaki, has discovered. Mr Mottaki was in the middle of an official visit to Senegal on December 13th when a curt letter from President Mahmoud Ahmadinejad informed him of his dismissal, wishing him “divine reward” for his five years of service.

Mr Ahmadinejad has a reputation for bold and controversial action but the firing of his foreign minister, just weeks before the resumption of talks with foreign powers over Iran’s nuclear programme, has led to more head-scratching than usual. With an unsteady grasp of foreign languages and manners, Mr Mottaki was not an especially effective foreign minister. Iran has faced growing international isolation during his tenure. Mr Mottaki is also known to have had testy relations with the president; he threatened to resign earlier this year when Mr Ahmadinejad, bypassing the foreign ministry, appointed personal envoys to neighbouring regions.

Yet ideologically Mr Mottaki differed little from Iran’s arch-conservative and xenophobic president. He also appeared to enjoy strong backing from Iran’s supreme leader, Ayatollah Ali Khamenei, who has traditionally claimed the last word on foreign policy. Mr Mottaki’s removal may be a sign of Mr Ahmadinejad’s growing strength in a struggle with rival conservatives. Their power base in Iran’s parliament has been increasingly undermined by the president’s energetic use of his executive authority. Mr Ahmadinejad may even be thinking of subtly challenging the supreme leader by boosting the influence of his own faction of millenarian technocrats, who are allied with the security forces, against more traditional conservatives who are aligned with the clergy.

It is conceivable that Mr Mottaki’s departure has purer motives. The president’s choice to succeed him, Ali Akbar Salehi, has often been cited as a candidate for the post. With a doctorate in nuclear physics from MIT and long experience in international organisations, Mr Salehi is not only more attuned to the outside world than much of Iran’s increasingly isolated power elite, but as head of its Atomic Energy Organisation also possesses a unique grasp of the country’s nuclear programme, which some outsiders believe is not going as well as the government had expected (see article). Foreign diplomats, often bewildered by Iran’s opaque power structure, are hopeful that he may be more effective than the hapless Mr Mottaki.

Same hymn sheet
Much less certain, however, is whether Iran’s international posture will turn out to be any more flexible under Mr Salehi. An Iranian news service close to the president’s camp insinuated that Mr Mottaki had sinned by straying from Iran’s official line during “certain unofficial meetings” with foreigners. It suggested that the new minister would undertake a more “active and offensive” diplomacy, in line with Mr Ahmadinejad’s own style.

His mettle will be tested soon, when Iranian officials are expected to meet nuclear negotiators from Britain, France, Germany, Russia, China and the United States. Separately, Western powers may impose new sanctions on top of a catalogue of restrictions and punishments already making life difficult in Tehran. Mr Ahmadinejad may find that changing those is much harder than swapping ministers.

from PRINT EDITION | Middle East & Africa
MOTORING across Iraq is frightening for more than one reason. The country is still haunted by insurgents but the health ministry estimates that six times as many people now die in car accidents as fall victim to political violence. Reckless driving is the norm, signs are scarce and speed limits are routinely ignored. A tendency to beat the traffic by driving up the wrong side of the road—learnt from American security contractors—is particularly deadly.

Thanks to the lifting of import restrictions in 2003, the number of cars in Baghdad has doubled to around 1.5m. New owners who have grown up with the risk of imminent death from a bomb or bullet see roads as an extension of the battlefield. Quick reactions and the ability to push and shove in tight traffic were valuable skills when militias manned checkpoints and staged kidnappings at traffic lights.

That is no longer the case. The number of people killed in such incidents has declined from many thousands a month to a few hundred in the past two years. Car bombs remain a threat. But a far more common sight than a chassis shattered in an explosion is now one destroyed in a nasty crash.

As part of a push to improve road safety, the government is handing out licences for the first time since 2003. More than 2,000 have been issued in Baghdad on a voluntary basis in the past month, after a television-advertising campaign. Licences will become compulsory in two years’ time. “Anyone can drive in the streets without knowing any of the regulations,” says Moya Jalil, as he waits to take his second lesson at a Baghdad driving school.

As part of an expansion of the security apparatus, traffic cops have become more visible. They sit in curious roadside boxes shaped like a policeman’s head with an oversized plastic cap perched on top, keeping tabs on dangerous motorists. Brigadier-General Amid Ammar, who has policed Iraqi traffic for more than 20 years, says surveillance cameras might be next. Drivers have been required to wear seat belts since 2008. Passengers may soon have to follow suit.

Nonetheless, there are limits to the government’s commitment to road safety. Politicians, security forces and American military convoys (often with Iraqi escorts nowadays) still tend to drive down the middle of Baghdad streets, forcing everybody else to stop. And on December 15th the Karrada district was congested for hours when roads were sealed off for the official opening of the new headquarters of the traffic police.
DECEMBER 14th had several faces in Italy. Silvio Berlusconi, the prime minister, kept his conservative government alive by narrowly winning votes of confidence in both houses of parliament. There was an ugly riot in Rome and student protests in several other cities. How far these events were linked will doubtless be the subject of heated debates in Italy over Christmas dinner tables. But one thing is clear: December 14th was not a great day for Italy’s parliamentary democracy.

The showdown in the legislature brought to a head a crisis that had been brewing since July, when followers of Mr Berlusconi’s former ally and deputy, Gianfranco Fini (the speaker of the lower-house Chamber of Deputies), renounced the government whip to form a parliamentary group of their own, under the name Future and Freedom for Italy (FLI). In this week’s vote in the Senate, where the FLI abstained, Mr Berlusconi won a comfortable 27-seat majority. But in the chamber, he squeaked through by a mere three votes.

The confidence votes were held against a background of opposition claims that Italy’s billionaire prime minister had secured his margin by buying support, either with promises of high office or with cash. In the upper house, four senators switched their votes at the last minute. In the chamber, no fewer than ten deputies shifted allegiance. Crucially, they included three of Mr Fini’s rebels. When the third unexpectedly voted for the government, putting Mr Berlusconi’s victory beyond doubt, there was uproar. Ushers had to step in to prevent deputies from coming to blows.

The defectors no doubt included some who were acting on grounds of principle. Mr Berlusconi had argued in the debate before the votes that it would be folly to unseat his government at a time when Italy and its huge public debt were coming under increasing scrutiny in nervous European
bond markets. But his supporters barely troubled to deny the widespread allegations of vote-buying. A representative of a small regional party that had once belonged to the ruling majority likened the atmosphere in the chamber before the votes to that of a cattle market.

Such claims only added to the frustration of the government’s opponents. This may have fuelled some of the violence in Rome, where flaming barricades were thrown up, shop and bank windows were smashed, cars were torched and police were beaten by groups of protesters. More than 100 people were injured, including around 50 police.

The rioting followed a peaceful march by a coalition of the disgruntled, including students protesting at reforms and cuts in higher education, earthquake victims, trade unionists, diehard communists and knots of hooded figures with masks at the ready who would probably have tried to cause mayhem whatever the outcome. Indeed, they first clashed with the police almost an hour before the announcement of the result of the lower-house vote.

There were student protests in several other cities, but none occasioned violence on the scale of that in Rome. An isolated bout of hooliganism? Or a warning of the trouble in store in a country that faces stagnation, with an economy that has barely grown for a decade and in which politics remains blocked?

Mr Berlusconi said that the vote showed that there was no alternative to the existing governing majority, made up of his People of Freedom (PdL) movement and Umberto Bossi’s Northern League. He was partly right, and would have been even had the vote gone the other way. Mr Fini had vowed not to betray his own right-wing voters by forming a new majority with the opposition (even though he was content to vote with Mr Berlusconi’s adversaries to try to bring down his government—not the least of the inconsistencies in a man who wants to remain speaker of the chamber while heading its most contentious faction). But Mr Berlusconi was wrong to imply that he himself now leads anything but a minority government. The 314 votes he secured in the lower house fell two short of the absolute majority needed to guarantee the passage of legislation.

That should point to a fresh election next year. But none of the main political leaders, except Mr Bossi, wants one. Mr Berlusconi’s poll ratings are lower than at any time since he returned to office in 2008. Mr Fini has yet to turn the FLI into a formal party, let alone build it into a force that could put up a decent showing at a general election. And Italy’s biggest opposition group, the centre-left Democratic Party, is wary of losing further ground to two more radical movements: the vigorously anti-Berlusconi Italy of Principles party and an alliance led by the governor of Puglia, Nichi Vendola, that includes greens, minority-rights campaigners and a bunch of ex-Marxists.

Mr Berlusconi initially reacted to his narrow victory by declaring that he would try to broaden his majority. He had in mind the Union of the Centre (UDC), a party of conservative Christian Democrats that was in his previous government between 2001 and 2006. But the UDC’s leader, Pier Ferdinando Casini, promptly turned down the idea. His “no” may yet turn out to be a “not unless”. But the UDC would not be an ideal coalition partner: it caused Mr Berlusconi endless trouble last time round.

The alternative, though, could be worse. The prime minister talked of wooing individual deputies, and predicted that some of Mr Fini’s fellow-rebels would soon desert him. But politicians who flit between parties scarcely offer a basis on which to run a stable government. Mr Berlusconi would doubtless soon find himself lurching between crises as he patched together majorities day by day and measure by measure. His best hope would then be to keep going until there are some signs of a recovery both in the economy and in his own ratings.

Mr Fini is the most obvious loser this week, unable either to oust Mr Berlusconi or to keep control of his own followers. But the prime minister has also been gravely weakened. Unless he can strike an improbable deal with the UDC, an election next year still looks likely.
Hungary is under the international spotlight. In January the country takes over the rotating presidency of the European Union. But there is growing alarm about the increasing centralisation of power under the right-wing Fidesz government led by Viktor Orban, Hungary’s pugnacious prime minister.

Fidesz won an unprecedented two-thirds majority in April’s general election. Since then, say its critics, it has embarked on a power grab, taking over almost every independent institution. Pal Schmitt, an emollient former member of the European Parliament, has been appointed to the presidency. A “statement of national co-operation”, to be placed in public buildings, claims that only now has Hungary regained its self-determination, though it has been a democracy for two decades.

Party nominees have been elected to all five seats on a powerful new media council. This supervisory body will have an unparalleled mandate to impose large fines on print, online and broadcast media for such vague transgressions as offending “human dignity”. Its powers are causing alarm. Magazines and newspapers have published blank front pages in protest, and international bodies such as the Organisation for Security and Co-operation in Europe have called for a rethink. The members of the council insist that they will not be pushed around by the government.

The charge sheet does not end there. The constitutional court’s jurisdiction over financial matters has been severely restricted. The government has imposed crisis taxes on banks, energy, telecoms and retail companies, alarming foreign investors. It has raided private pension funds. The fiscal council, which provided independent oversight of the budget, has been scrapped, though it will have a successor.

Opposition politicians and civil-society activists hoping that the forthcoming EU presidency would bring outside pressure to bear on Fidesz have been disappointed. The priority in Brussels is for smooth management over the next six months, not bust-ups over press freedom. The government was elected with a clear mandate for change, comments one senior EU official.

Until now, the only body to have kept Mr Orban at bay was the
Central bank. Andras Simor, the bank’s governor, has survived repeated calls from Fidesz for his resignation (as well as a large salary cut). But the government now plans to overhaul the monetary council, which sets interest rates. Mr Simor’s powers to appoint two of the council’s seven members will be removed, and a new parliamentary committee, which Fidesz will control, will appoint four of them. If the governing party has a majority on the monetary council, it could in effect set interest rates, which would place Hungary in breach of its EU obligations. Jean-Claude Trichet, president of the European Central Bank, has criticised the government’s plan.

“We are in an incredibly difficult situation,” says Tibor Navracsics, the justice minister. Few would disagree. After eight years of sloth and corruption under the Socialists, Hungary’s economy is in a parlous state. The country has the EU’s lowest employment rate, at 55%. During Socialist rule, when party apparatchiks enriched themselves, often at public expense, the eastern half of the country fell behind. One in three Hungarians lives on or below the poverty line; far more among the Roma (Gypsy) minority. About 70% of all household and business debt is denominated in foreign currencies, mainly Swiss francs, making the country hostage to a currency over which it has limited control.

The priority, says Mr Navracsics, is job creation. The hope is that a flat-rate income tax of 16% and a reduction in company taxes will kickstart growth. “We believe that economic growth can create jobs, [and that] jobs can create higher living standards.” This strategy is, Mr Navracsics admits, “very risky”.

Not all the news from Hungary is bad. Support for Jobbik, the thuggish far-right party which won 17% of the vote in April, and the Magyar Garda, its uniformed wing, is sliding as the party fractures amid a welter of mutual recriminations. Growth is projected to reach 3% of GDP in 2011, says Kopint-Tarki, an economic research institute, and the government’s budget-deficit target of 2.9% of GDP for 2011 is achievable. The forint remains stable, even after a recent credit-rating downgrade. And Hungary has positive ideas too. It will give priority to the Roma during its presidency, says Mr Navracsics, as an example of an issue that needs a continent-wide strategy. “We can be an ally, and an honest broker.”
A close shave
An attempt to blow up Stockholm shoppers fortunately fails
Dec 16th 2010 | from PRINT EDITION

CARL BILDT, Sweden’s foreign minister, pulled no punches in explaining how near his country had come to catastrophe when a suicide-bomber’s deadly arsenal exploded prematurely in central Stockholm on December 11th. “We were extremely lucky,” he said. The terrorist had a cache of explosives in his car, another strapped to his stomach and a third in a small backpack. He seemed determined to inflict maximum havoc on crowds of Christmas shoppers. In the event, the only person he killed was himself. But it was a desperately close call. As Mr Bildt noted, “It could have been mass casualties of a sort that we have not seen in Europe for quite some time.”

At first glance, Taimur Abdulwahab al-Abdaly, the culprit identified by the authorities, seems an unlikely terrorist. After his family fled Saddam Hussein’s Iraq in 1992, Sweden offered the ten-year-old a fresh start: a home, citizenship and an education that qualified him to enrol in a British university (see article). By all accounts he spent his teenage years in typical Swedish fashion, busy with girlfriends and parties. But at some point—in Britain, his Sweden-based family claims—he fell under the spell of Islamists, adopted hardline views and became a tool of terrorism.

Whether he acted alone or as part of a wider conspiracy remains unclear. Sweden’s intelligence agency, Sapö, has worked with its foreign counterparts, including M15 in Britain and the FBI, to try to tease out the details. Intelligence sources in Britain say that the hunt for forensic evidence is still at an early stage and warn against speculation. According to reports gleaned from websites linked to al-Qaeda, Abdulwahab had visited Jordan last month to meet his Iraqi handlers and was taking orders from Abu Omar al-Baghdadi, the commander of al-Qaeda in Iraq.

But the incident also fits into an emerging pattern of amateur terrorists, with grievances about satirical cartoons or the West’s involvement in Afghanistan and Iraq, launching solo attacks that usually (so far, at least) fail. Last year’s unsuccessful attempt by a British-educated Nigerian to blow up an American-bound plane on Christmas Day was an example. The failed attempt by a Belgian-reared Chechen to bomb the offices of a Danish newspaper in September is another.

A recent study by Manni Crone and Martin Harrow of the Danish Institute for International Studies analysed the backgrounds of 228 Islamic terrorists captured in the West. Some 27% of those captured between 1997 and 2003 were Western-reared, the study found, and all had ties to shady international organisations. Between 2004 and 2008, fully 84% of culprits had a Western upbringing but only 28% had links to foreign militants.
The threat of home-grown terrorism has set the security forces on edge, even if it seems so far to have been less effective than the foreign variety. It will now also keep peaceable Scandinavians on the alert. The assassinations of two Swedish politicians, Olof Palme in 1986 and Anna Lindh in 2003, put public figures on their guard. The threat of terrorism in the streets will do the same for shoppers and travellers. And it may help far-right anti-Muslim parties, such as the Sweden Democrats, who won seats in the Swedish parliament for the first time in September.
Best of the Balkans

Chris Cviic, chronicler of eastern Europe, died on December 11th, aged 80

Dec 16th 2010 | from PRINT EDITION

TWO giants of the Balkans died this week. One was Richard Holbrooke, the American diplomat famous for knocking heads together in Dayton, Ohio, in 1995 (see obituary). The other was Chris Cviic, a journalist and broadcaster with a deep knowledge of the region who left his native Croatia as a young man to join the BBC in London. He went on to cover eastern Europe for this newspaper for over two decades after 1969, and then to work for Chatham House, where he edited *The World Today*.

When Yugoslavia covered the cracks in the Balkans and the Soviet Union threw a blanket of communism over eastern Europe, the political and cultural complexities of the region were often ignored in the West. Not by Chris. He remained alert to deeper traditions, ancient hatreds and latent rivalries that never really disappeared, and he encouraged others to maintain an interest in a region that had fallen out of fashion. The value of his insights became evident when Yugoslavia split apart, as well as in the post-communist rebuilding of eastern Europe, to which Chris contributed as an adviser at the European Bank for Reconstruction and Development (EBRD).

He saw the Yugoslav break-up coming. “The slow unknotting of Yugoslavia will continue,” he wrote in *The Economist* in April 1990. “Unless, that is, the zealots of either side...push Yugoslavia to swift disintegration, or to civil war.” But he was an optimist at heart, and a belief in the future infuses “In Search of the Balkan Recovery: The Political and Economic Reemergence of South-Eastern Europe”, published in September by Columbia/Hurst and co-written with Peter Sanfey of the EBRD.

Chris was a man of strong beliefs—in political freedom, in Croatia, in the Catholic church—but he was at pains to see a story from all sides. Had more people in the Balkans shared his broad-mindedness and humanity there would have been less of a mess for Mr Holbroooke to sort out.

from PRINT EDITION | Europe
A SUCCESSFUL referendum on Kosovo’s European future was how Hashim Thaci, the prime minister, described Kosovo’s general election on December 12th, its first since independence in 2008. Mr Thaci’s Democratic Party of Kosovo (PDK) claims to have won the election, with 33.5% of the vote. But the news since the polls closed has been so bad that this future cannot be taken for granted.

Election observers immediately said there had been widespread fraud. Two days later, the Council of Europe released an explosive draft report, by Dick Marty, a Swiss politician and former prosecutor, implicating Mr Thaci in drug smuggling and murder. Much of the ground it covers is familiar, but Mr Marty claims to have found backing for stories that had previously been dismissed for lack of evidence.

The most devastating claim is that Mr Thaci and his group of former guerrilla commanders from the region of Drenica were responsible for the murder of Serb and other prisoners for their kidneys in Albania in 1999. Since then, says the report, several foreign agencies dedicated to combating drug trafficking have fingered Mr Thaci for involvement in the region’s heroin trade. America and Kosovo’s other foreign friends have tolerated this nastiness, Mr Marty argues, for the sake of stability.

Such slanderous allegations have been investigated before, says Kosovo’s government, and found to be baseless. It has accused Mr Marty of working on behalf of Serbia, a claim many Kosovars will believe. Mr Thaci may even try to turn the affair to his advantage by taking the nationalist high ground, arguing that this is not a good time to be squabbling at home, since Kosovo’s enemies are on the attack. Still, notes one diplomatic source,
the claims have sapped the prime minister’s authority, especially with foreigners.

Mr Thaci may find the claims of electoral fraud harder to shrug off. By far the worst cases came in the PDK’s heartland of Drenica, where one observer denounced “industrial-scale” cheating. Petrit Selimi, an aspiring PDK deputy, retorts that although he regrets the fiddling, his party would have won anyway. Not so, say opposition parties. Some 171 appeals have been launched, postponing the formation of a new government. Arben Gashi, a senior figure in the Democratic League of Kosovo, the main opposition, says that a new election should be held. Without it, he argues, a Thaci-led government will have no legitimacy. But a fresh poll is extremely unlikely.

So Mr Thaci may be able to form a coalition with one or more small Albanian parties and the support of Kosovo’s minorities, including parties representing the few Serbs who voted. But allegations of fraud, organ-harvesting and drug-trafficking will hamper any government’s attempts to set Kosovo on the path towards the European Union. They will also make it harder for the EU to begin a dialogue between the authorities in Kosovo and Serbia, which it is keen to do. “It was bad before,” says Arber Gorani of the Kosovar Stability Initiative, a think-tank. “Now it is worse. Kosovo can’t afford this.”
Another Balkan candidate

Despite its new candidate status, Montenegro is far from joining the EU

EUROPEAN Union leaders were expected this week to grant Montenegro the formal status of candidate. It will join two other western Balkan countries: Macedonia, whose negotiations are blocked by its name dispute with Greece, and Croatia, which is close to membership. Progress in one country encourages others. A year ago Serbia, Montenegro and Macedonia gained visa-free access to the EU’s 25-country Schengen area. This week Albania and Bosnia joined them, so only Kosovars still need visas.

But Montenegrins have also been told that lots of work remains before they join the EU. Passing laws is good, says the European Commission, but implementation matters more. Such criticism has not ruffled feathers in Podgorica. The commission opinion was “quite fair”, says Slavica Milacic, chief adviser to Milo Djukanovic, the prime minister. Mr Djukanovic, who led Montenegro to independence in 2006, has long signalled that he plans to quit. Now that he has won candidate status for his country he might go soon, handing over to Igor Luksic, his deputy. Mr Djukanovic may hope to keep influence behind the scenes, although he knows that Ivo Sanader, his former counterpart in Croatia, tried and failed to do this (and now stands accused of massive corruption).

Montenegro has a lot on its plate. A Serbian newspaper claims that Darko Saric, an alleged cocaine trafficker on trial in absentia, spent some of this year living in a luxury hotel on the Montenegrin coast. Milorad Veljovic, chief of the Serbian police, said that Mr Saric could not be the real boss of the gang, a remark taken to mean that it was a controversial Montenegrin businessman. Montenegrin officials say these are Serbian slurs and insist they are doing all they can to clamp down on organised crime. Last month they arrested Mr Saric’s brother, at Italy’s request, as part of a co-ordinated operation involving over 80 arrests in Italy, Montenegro and Slovenia.

Drugs are not the only issue. In November Italy and Montenegro agreed to build an undersea cable to let Montenegro export electricity. The country does not yet have enough electricity for itself, let alone for export. Plans to build four dams on the Moraca river could solve that. But Darko Pajovic of Green Home, an NGO, says the project would have a bad environmental impact and likens it to an “African scenario of economic development”. Dejan Mijovic of Forum 2010, another activist group, will seek a judicial review. He notes that, in 2015, the region’s energy market will be liberalised. After that, he says, electricity will flow to richer Italy, meaning that Montenegrins will have to pay more for their power despite spending up to €200m ($267m) on the dams.
Careful what you wish for

The coalition is making local government more powerful, but also poorer and—probably—more unpopular

The rhetoric of the announcements this week about the future of local government was uplifting. Eric Pickles, the Conservative communities and local government secretary, said on December 13th that reforms in a new bill marked “a ground-breaking shift in power to councils and communities”. But the reality of the funding settlement he announced the same day, specifying how much less councils will get in central money over the next two years, was a bleak reminder of the grip Whitehall retains over local authorities, by providing just over half their finance.

How this tension—between political aspiration and financial fact—is resolved will determine the fate of the government’s ambition to restore more local say in an overcentralised state. Coalition ministers are at one in wanting to hand more power to local authorities in England (other parts of Britain do their own thing). Indeed, they want to go further and empower local residents directly, giving substance to the still-fuzzy idea of the “Big Society” beloved by David Cameron, the Tory prime minister. A guide to the reforms says that decentralisation is “the biggest thing that government can do to build the Big Society”, which Nick Clegg, the Liberal Democrat deputy prime minister, says corresponds to his party’s belief in community politics.

The very fact that such a guide—the work of Greg Clark, the Conservative minister for decentralisation—was published testifies to a worry at the top about getting a clear message across. That is not surprising, since the localism bill is a hotchpotch of reforms. One eye-catching proposal is for 12 big cities, including Birmingham, Leeds and Manchester, to get elected mayors, joining London in having a powerful boss. Another is that councils will be given a new “general power of competence” to act as they think fit in the interest of their residents, rather than having to rely on powers specifically conferred from the centre. And, as already announced, councils will no longer have to comply with regional planning strategies, which previously set house-building targets.
Residents, for their part, will be able to instigate local referendums on any local issue. Community groups will be given the right to bid to run council services; parishes and “neighbourhood forums” will be able to draw up development plans for their patches. (Theresa May, the home secretary, has already announced a scheme for locally elected police commissioners.)

**The best of times, and the worst**

There are uncertainties about how some of these plans will work in practice. What happens if, as seems likely, some or most neighbourhoods adopt a nimbyish approach to development? But the direction of travel is clear, and marks a reversal of the centralising trend under both Labour in the past 13 years and the previous Tory government. Over that period once-mighty town halls with distinctive municipal identities (such as Birmingham’s, pictured) withered in influence as councils became more and more the agents of Whitehall, rather than of local people.

The government’s critics say that what is really being devolved from the centre are painful spending cuts and some of the attendant unpopularity. Including money for policing, total grants to local authorities are to fall from £32.7 billion ($51 billion) this year to £29.4 billion in 2011-12. That is a cut in cash terms of 9.9%; it will be followed by one of 7.3% in 2012-13. Margaret Eaton, a Conservative peer who chairs the Local Government Association (LGA), called it the toughest settlement in living memory. She said that “this level of grant reduction will inevitably lead to cuts in services”. The LGA has estimated that as many as 140,000 jobs will be lost next year.

Local-authority budgets will be somewhat stabilised by receipts from council tax, which finances nearly half their spending and will be frozen. Taking this into account, together with a slice of separate funding from the NHS, the government says that the average cut in budgets will be 4.4% next year. Within the total allocation there are winners and losers, with some councils set to lose as much as 8.9%. (Even that outcome required deft manoeuvring to protect those most reliant on central money from much heftier losses.)

The financial settlement underscores two of the dilemmas involved in decentralisation. The first is that political devolution risks being tokenistic without financial devolution giving councils more power over taxes. For example, local authorities could regain their control over business rates, lost to the Treasury in 1990.

The second problem is that if councils are given greater fiscal autonomy, it will tend to favour those that are already more self-reliant. For example, the government has announced a “new homes bonus”, which will give local authorities extra revenues for six years if they approve new developments. The idea is that this incentive will prove more effective than top-down plans in stimulating more house-building. But the councils likely to gain will be those in flourishing regions where housing demand is high.

Mr Pickles will be conducting a review of the structure of local-government finance next year. Tony Travers, of the London School of Economics, thinks its outcome is unlikely to be radical, because of the same pressures that have in the past drawn control over finance and decision-making to the centre. That accretion of power to Whitehall stems not just from the Treasury’s dominance in raising taxes, but also from an old cross-party instinct that many things, such as the level of business rates, are too important to be left to councillors. This government is itself further eroding town halls’ role in education, transferring power to the Department for Education and parents themselves.

Ministers have also found it hard to resist intervening because of Britons’ fervent if short-sighted dislike of what the media calls the “postcode lottery”, in which access to crucial services varies according to where people live. The political imperative to equalise local resources and outcomes seems unlikely to go away any time soon, making it tough to turn the rhetoric of decentralisation
What went wrong
A town tries to stop enraged minorities from tapping into broader discontent

PART of Argyll Street, with its two-storey terraces, is currently cordoned off, as Luton’s police scour the house of Taimur Abdulwahab al-Abdaly for evidence about his botched bombing in Stockholm on December 11th (see article). A few doors away lives the aunt of another well-known Lutonian, the founder of the anti-Islamist English Defence League (EDL), Tommy Robinson. Abdulwahab’s fate is a sad reminder of Luton’s ongoing links to violent Islam; the EDL plans a big rally in February which could cause violence of another sort. No wonder Luton, with its large Asian population and aggrieved whites, is on edge. Are these just typical post-industrial woes, or is this seemingly blighted town evidence that British multiculturalism is in crisis?

Sarah Allen, the borough’s community-cohesion officer, dismisses that generalisation. “Apparently we’re sitting at the epicentre of the world clash of civilisations. I don’t see that.” A settlement since pre-Roman times, this town 30 miles north of London was always a crossroads. Today more than 25,000 of its 200,000 or so people are Muslim, many of them Kashmiri, but there are also Slavs and Sikhs.

In a town where Vauxhall, a carmaker, used to employ 30,000 workers and now has around 1,500 there is much to lament. More people are on jobless benefits than the national average. In some wards (mostly heavily Asian ones) child poverty is twice as high as in Britain generally. Social housing and school places are scarce.

Yet a lot is improving. Crime has dropped for three straight years. Exam results are up. On the ground, even strongly Asian Bury Park is a mix of cultures, with the Polish Sklep U Ani food store doing brisk business. And above all town, council, police and religions have come together to fight the well-publicised extremism that, unchecked, could wreck the place.

A campaign launched in January—Luton in Harmony—is more than wishful thinking: 29,000 residents have signed a neighbourly pledge. A school-pairing project is helping children from different backgrounds exchange views. All say that the ructions are the work of small minorities. But their provocations can be hard to resist.

Abdulwahab was other things before he became Luton’s semi-native son. Born in Iraq, he moved as a child to Sweden and then to Britain to study at the University of Bedfordshire. Friends in Sweden say he was radicalised in Britain: how and where is unclear. The Luton Islamic Centre (see picture) claims it threw him out.
Alas, in radical Islam, Luton has form. Two men from there were killed in a raid on Kabul shortly after the September 11th attacks. Both were believed to belong to al-Muhajiroun, an Islamist group, now banned, which recruited locally. A member of the fertiliser-bomb plot foiled in 2004 told police he had been radicalised in a mosque in Luton. The group that blew up London trains and buses in July 2005 also used Luton as a staging post.

Shaykh Zubair Akbar, head of a private Islamic school, says terrorists tend not to come from mosques; they are often radicalised at university, or online. All but one of Luton’s mosques are involved in a drive to combat radicalism, he says, and should a new Abdulwahab appear, the police will be told. Inspire FM, an all-volunteer Muslim radio station, aims to foster good citizenship with multilingual broadcasting.

Predictably, however, radical Islam has spawned its own radical opposition. In March 2009 Islamic extremists jeered at soldiers returning from Iraq. Some angry young white men staged a counter-protest; the group became the EDL. Since then it has held rallies—some violent—around Britain. In July fighting again broke out in Luton when an EDL leader lost his appeal against a conviction for abusive language.

Mr Robinson (a pseudonym) has himself been in trouble for threatening behaviour. He accuses the police of coddling Muslim miscreants and politicians of ignoring the working classes. The EDL does not want to send immigrants back, he says, but wants “a safe and prosperous country for our children”. A rally planned for February 5th in Luton will be “massive”, he says, with Dutch and German supporters turning up. Terry Jones, an American pastor who threatened to burn the Koran, might try to attend. He asked the EDL a month ago if he could take part, says Mr Robinson. But the EDL, initially keen, withdrew its invitation, fearing that Mr Jones’s homophobic chauvinism might alienate supporters (some of whom are black).

Gavin Shuker, Luton South’s Labour MP and a local boy, says he is “gutted” by this looming clash. For him, the problem is education and jobs, plus an identity crisis over “what the town is and where it’s going”. It’s not that multiculturalism is failing, he says; people are simply feeling economic pain. The challenge will be to prevent a few hotheads exploiting a bigger disenchantment with politics itself.
IN RECENT months much of Britain’s economic news has been unexpectedly good. Though inflation has been stubbornly high, the economy has grown faster than predicted, employment has been rising and the jobless count falling. But this week brought unseasonal gloom as both inflation and unemployment climbed. Worse, the adverse trends look set to continue next year as a result of the government’s plans to slash the budget deficit.

The rise in inflation was hardly earth-shattering: consumer prices increased by 3.3% in the year to November compared with 3.2% in October. But it was received badly because it seemed to confirm a worrying pattern of overshoots. Mervyn King, the governor of the Bank of England, has repeatedly had to write open letters to the chancellor of the exchequer, explaining why inflation has been more than a percentage point above the 2% target the bank is supposed to hit.

And Mr King can expect to be busy with his pen next year. The main rate of VAT, a consumption tax, is due to rise from 17.5% to 20% on January 4th. That increase is a crucial component of the extra revenue the Treasury needs to reduce the deficit. A side-effect, however, is that it will push inflation up still higher in early 2011. As the promised land of 2% recedes ever farther into the distance, there is increasing concern that the central bank has lost the plot.

The downbeat mood was compounded by new labour-market figures, which abruptly ended a surprisingly rosy period. The Office for Budget Responsibility (OBR), which now oversees official forecasts, said in late November that employment had already risen (and unemployment fallen) to levels it had previously thought would not be reached until the middle of 2012. The latest figures cast a shadow over that bright picture since they showed the jobless rate rising from 7.7% to 7.9%. That took the total back to 2.5m, the peak in this cycle that it had reached in early 2010.

Unemployment may soon exceed that if the latest figures are anything to go by. These showed the number of people employed in the public sector dropping by 33,000 between the summer and the autumn. The government’s hope has been that private firms will step into the breach as the public sector sheds jobs because of the harsh spending cuts it has announced. But that didn’t happen this autumn and, as a result, overall employment also fell by 33,000 over the same period. That is an ominous sign, given the fact that the OBR expects a marked slackening in GDP growth in the first half of 2011, with national output forecast to rise by just 0.3% in the first quarter, far less than the recent quarterly rate of 0.8%.

The outlook for the labour market may look bleaker, but that at least suggests that the
increasingly panicky talk about inflation has been overdone. The latest figures show average earnings rising by just 2.2% a year. Despite this, persistent overshoots have made it hard for the Bank of England to get across its message that spare capacity resulting from the recession should eventually bring inflation back on track. If unemployment does head up, the bank’s message will seem more plausible.
BRITONS bought more than 7m cookbooks in 2009. They watch thousands of hours of cookery shows on television. In the run-up to Christmas in 2010, the latest tome by Jamie Oliver, a cheerful television chef, became the fastest-selling non-fiction work in British publishing history. It is hard to know how much actual cooking follows. In 2009 the British also spent some £8.7 billion ($13.6 billion) on chilled ready meals. The figures conjure up sad visions of a nation slumped collectively on the sofa, watching cookery shows while forking supermarket curry mouthwards from a microwave tray.

But there are seasonal signs that British cooking might be hurried rather than wholly outsourced. Mr Oliver’s bestseller aims low, to increase the chances that buyers might put their mouths where their money went: its title promises “30 Minute Meals”. Another festive hit is a Christmas cake-in-a-bag from a revered British cookery writer, Delia Smith. Sold via Waitrose, a posh supermarket, the “prepared ingredients pack” contains precisely measured quantities of flour, brown sugar, black treacle, spices and dried fruit (pre-soaked in alcohol), plus a simplified recipe for nervous or novice bakers. Waitrose says that one cake-in-a-bag was selling every seven seconds in the period around “stir-up Sunday”—the late November day when British families supposedly prepare Christmas cakes to time-hallowed family recipes, making wishes as they stir.

Some have complained that the old ways are being smothered: “Delia put my Christmas in a bag!” sorrowed a cookery writer in the Daily Telegraph, a crusty newspaper. But actually Ms Smith—a household name for nearly four decades, so famous she is generally known by her first name alone—is doing something thoroughly British. Britons yearn for tradition, but these days live busy, rather atomised, lives. Their tiny, expensive homes lack larders for storing unused baking ingredients from year to year. Ms Smith is flogging a familiar idea of Christmas in an efficient, unthreatening form.
Old and more recent rituals merge in the advertising campaign for her cake. Using a television-within-a-television device, this shows a string of wholesome modern Britons (a young couple at home, a father and daughter in the kitchen, a pair of twenty-something women on a bus with a mobile video gadget, a lone Christmas-tree seller with a battered portable set) all watching a small-screen Delia extolling the excitement of "home-baked Christmas cake", which is nonetheless "the easiest thing ever". The sales technique is itself the real message: in modern Britain, the cosy glow of tradition now surrounds the experience of watching someone famous cook.

from PRINT EDITION | Britain
IN MUCH of continental Europe, where over-manning is rife, two separate arbiters are needed to settle the essential Christmas question of whether children have been naughty or nice. Rewards come from St Nicholas, while rigour (lumps of coal, smacks with a birch twig) is contributed by a fierce sidekick known by such names as *Knecht Ruprecht* or *le Père Fouettard* (Father Whip). In Britain, where Father Christmas works alone, the focus is on treats.

One shortcut to grasping the anguish currently felt by Liberal Democrat voters, as they watch their party pushing through unpopular policies as a part of David Cameron’s government, is to imagine that they have just been told that Father Christmas does not exist. Actually, this does not require a big leap of imagination: Vince Cable, the lugubrious Lib Dem who serves as business secretary, has spent recent weeks repeatedly telling audiences that he would “love to be Father Christmas” and throw money at popular policies such as keeping university-tuition fees low (a policy to which Lib Dem MPs signed up before the election). Alas, explained Mr Cable, whose brief includes higher-education funding, government requires “difficult choices”.

Painfully for the Lib Dems, even as their opinion-poll ratings head into single-figure territory support for the Conservative arm of the coalition is holding up, despite headlines about spending cuts, violent student protests and other unseasonal gloom. One shortcut to understanding this involves supposing that many voters see the Conservative Party as a *Père Fouettard* figure, bringing needed discipline to a country that let spending and welfare run out of control.

As it happens, there is some evidence to back this supposition. Take the row over tuition fees at English universities. An opinion poll by ComRes, conducted after a first bout of student window-smashing in November, found 70% of the public agreed with the protesters’ central charge: that higher fees will deter poorer kids from applying to university. Yet when asked if students should
share the burden of public-spending cuts, the same poll found that 64% of the public agreed. It does not take too flinty a heart to interpret that as a mandate to trim higher-education funding, even if that were to hurt the poor. More broadly, December saw the publication of the latest British Social Attitudes Survey, a big research project tracking opinion over nearly three decades. Britons say they dislike income inequality. But just 27% now support higher benefits payments, down from 58% in 1991. The British, to simplify, no longer believe in the state as Santa Claus.

Where does this tough national mood leave the coalition and its constituent parts? A Lib Dem ally of Nick Clegg, the party leader and deputy prime minister, insists that the mess over tuition fees—which saw half the party’s MPs abstain or vote against the government on December 9th—was a “one off”. In this MP’s view, the pledge to oppose higher fees was a last relic of the sort of populism that used to infest Lib Dem manifestos back when the party ran no risk of tasting power. No similar hostages to fortune lurk in the legislative pipeline, he says (bravely ignoring the issue of Europe, which could yet expose a gaping divide between the two parties). The Lib Dems have been exposed to the real world, where magic and wishes do not solve problems; now the coalition faces a long haul to a general election in 2015, when it will be judged overwhelmingly on one issue: whether spending cuts saved the economy or strangled it.

It may seem odd to accuse Lib Dems of complacency, as their MPs wander Westminster looking like Christmas has been cancelled (to the glee of right-wing Tories who loathe the coalition). But if they—or Tories happy to be more feared than loved—think it is enough to play firm-but-fair disciplinarian, they are wrong.

Talk to Conservative modernisers, and they express acute frustration that the tuition-fees debate has been presented in purely defensive terms. They believe that higher student fees will empower students. Armed with hefty upfront loans (repayable only once the recipients are earning reasonable wages), students will deliver their cash to courses that seem to offer value for money. These Tories predict that competition will force colleges to improve teaching and to offer innovations such as quicker, more intensive courses. They think that will make degrees more accessible, not less.

Grow up, Britain

Alas, Tory modernisers also know such arguments are not getting through: millions of young people and parents simply think that the bill for a degree is about to triple. With some exceptions (David Willetts, the universities minister, is praised for some feisty broadcast debates with students), the government has done a “crap job” of making the positive case for higher fees, says a Conservative MP. Instead, the coalition has fallen back on a “needs must” defence.

Some Tories think the passage of time will make their case for them, as reforms gradually bear fruit ahead of 2015. But the coalition does not have endless time. In too many families, its plans for tuition fees are seen as an attack on aspiration. That is a shocking failure for a Conservative-led government.

Mr Cameron’s coalition is winning important arguments, notably over spending cuts. But it has bigger ambitions. A single, radical idea links its calls for decentralisation and “localism”, for a voluntarist “Big Society”, more autonomous “free schools” or students empowered to shop around for their degrees. This government wants to move away from a state that showers citizens with rationed goodies. Its really big idea is to treat voters like grown-ups. To date, that is proving a hard sell. Being trusted to whip the wasteful and feckless into line is a poor substitute.
WATCHING a man being rolled over by a bulldozer, reflected a negotiator at the Cancún climate conference in the small hours of the morning, is unpleasant. The man in question was Pablo Solon, the head of Bolivia’s delegation to the UN talks. The bulldozer was the other 193 countries’ determination to get a deal, even if only a modest one.

In a rancorous all-night debate in 2009 Bolivia and a handful of others had kept the “Copenhagen accord” put together by heads of government from being fully adopted as part of the UN’s climate negotiations. But at the final session of the 2010 conference, standing alone, Mr Solon was unable to repeat that feat. The principle of consensus on which the conference runs does not give one country the right to veto the will of all the others, ruled Patricia Espinosa, Mexico’s foreign secretary and the conference’s chair. Delegates stood and cheered. The bulldozer rolled.

The deal that passed over Mr Solon’s flattened dissent found a significant amount of common ground between the rich and the developing worlds. At its heart were some elements co-opted from Copenhagen’s accord. One was a pledge of $100 billion a year from north to south to help pay for emissions cuts and climate adaptation by 2020. Developing countries like that. The deal describes the money as being “mobilised”, however, which suggests a role for private-sector money. That pleases rich countries. A similar balance came with the establishment of a new fund for some of the money to flow through. Poor countries like that. But in a nod to the rich world, the fund gained some independence from the climate conference itself.

Another bit of the deal was an agreement on REDD+, a system to reward countries for lowering (or not raising, depending on their history) rates of deforestation. This includes safeguards meant to ensure the fair treatment of indigenous people. A new adaptation framework makes dealing with the effects of climate change a bigger part of the UN process. A final element was a deal on
About technology transfer.

All of these now need to be turned from paper agreements into practical ones. That is something that parties to the talks have shown little flair for in the past. In particular the clean development mechanism, which moves money from rich-world carbon markets to developing countries, is in dire need of reform.

The Cancún agreement missed out some topics. Moves towards a deal on shipping and aircraft fuels, unpopular with oil producers, fell out of the text. They took with them—quite unfairly—worthy proposals in nearby paragraphs for new work on agriculture, a greenhouse-gas emitter on a par with deforestation.

The big countries got the specific things that they were after. China wanted not to be blamed for a failure, as it was after Copenhagen. America wanted pledges made in that summit's accord to be recognised, plus progress on verification.

Keeping the sushi chilled

Most controversially, Japan wanted to be clear that it would not make a new commitment to emissions cuts under the Kyoto protocol after 2012, when its current promise runs out. Developing countries, which like the Kyoto protocol a lot (it demands nothing concrete of them), said this was an outrage. But the subtly constructed final text in essence gave Japan its way.

The all but universal buy-in to the agreements, though, was not just a testimony to Mexican diplomacy (much admired here), balanced outcomes, great-power satisfaction and textual finesse. It was also an act of desperation. The UN talks were in bad shape. Failing to meet the very modest expectations of Cancún would have been fatal. Nobody wanted that: hence the bulldozing.

It was not done without some pangs of regret. The Cancún meeting has given the UN process a new wind and the chance of real progress on forests, on footing the bill (if rich countries stump up) and on adaptation. But, as Mr Solon argued, the pledges made in the Copenhagen accord, and now annexed to the UN process, are nowhere near strong enough to limit climate change to an increase of two degrees, which is what the Cancún texts require. Bolivia may have been an irritant and an obstruction but the other negotiators knew it was right about this.

Many negotiators still say they will fight on for legally binding targets for all major economies that go well beyond their Copenhagen pledges. Evidence such as Japan's success at Cancún suggests strongly that such targets will never be applied while specific countries resist, as some—America, China and others—always will. And treating hard targets as a make or break issue would surely lead to another, perhaps final, breakage. The UN climate process did quite well out of Cancún. The climate, not so well.
Courting trouble

An American trial is drawing nearer for Julian Assange

AS THE frissons of the WikiLeaks disclosures fade and cyberwars between its foes and fans sputter and flare, legal questions are becoming central: how can America bring the site’s founder, Julian Assange, to court. The answer to that may lie in Britain, where Mr Assange is battling an extradition request from Swedish prosecutors who want to question him on sexual-assault charges.

Extradition from Britain to Sweden is normally a formality, though Mr Assange’s lawyers argue that “ulterior motives” are at work. On December 14th a court in London adjourned the hearing until January 11th. It also granted Mr Assange bail; oddly, the British (not Swedish) authorities appealed against that. This helps stoke fears among Mr Assange’s supporters that the Swedish case is just a ruse to keep him behind bars pending eventual extradition to America.

Some reports say that an American grand jury has already been secretly sworn in. Prosecutors seem to be focusing on Mr Assange’s involvement in enabling the leaking of secrets, rather than in their publication. That may seem a fine distinction. But it would avoid having to prosecute the New York Times.

Mr Assange may be vulnerable under the 1917 Espionage Act, which punishes leaks involving, and injuring, America’s “national defence”. The State Department warned him in writing on November 27th that the leaks would harm military operations. WikiLeaks is now trying hard to portray itself as a journalistic organisation, in order to benefit from the first amendment’s protection of the press and free speech. That was crucial in the 1971 “Pentagon Papers” case, when a Supreme Court decision upheld the New York Times’s right to publish secret material. However, Leonard Orland of the University of Connecticut notes that one of the judges’ opinions distinguished between illegal “prior restraint” and legitimate prosecution after publication. He says the more relevant precedent is United States v Morison, when the defendant was convicted for leaking photographs of Soviet naval construction to a British magazine.

So a charge against Mr Assange is possible. But extraditing anybody usually requires the deed concerned to be a crime in both countries. Convincing a judge in Sweden, which has one of the world’s most liberal press-freedom laws, of the virtues of America’s Espionage Act may be tricky. A 1961 treaty between the two countries forbids extradition for “political” crimes.

So does Britain’s extradition treaty with America. But it also sets a lower burden of proof. Simon Chesterman, a law professor at the National University of Singapore, notes that Britain’s tough Official Secrets Act would also outlaw WikiLeaks’ actions. For Mr Assange and his pals, Sweden
may soon seem a haven, not a threat.
IS THE price of second-hand computers about to plunge in Iran? Those in its nuclear facilities have been infected by the Stuxnet worm, an ingenious cyber-weapon seemingly designed specifically to sabotage uranium-refining by disrupting centrifuges’ industrial-control systems. On November 29th President Mahmoud Ahmadinejad admitted Stuxnet had hit “a limited number” of the centrifuges. He had previously said that only administrative machines at nuclear facilities had been infected. The International Atomic Energy Agency reported a few days earlier that engineers at Iran’s Natanz plant had stopped feeding uranium into its centrifuges, but Iran said it restarted the process six days later. IAEA figures also showed the refining was less productive.

This is just what a Stuxnet attack would look like. According to Symantec, a computer-security company, the worm performs an inventory of the systems it is running on, looking specifically for “frequency converter drives” made by two firms, one Iranian and the other Finnish, running at speeds between 807 Hz and 1210 Hz. (These high frequencies correspond to the rotation speeds of centrifuges; America tightly controls the export of frequency converter drives able to operate at frequencies above 600 Hz.)

If it finds the right configuration, Stuxnet sabotages it by making subtle changes to the speeds of the centrifuges over several weeks, while displaying normal readings to cover its tracks.

That is not all. Ralph Langner, a German researcher, says Stuxnet has a “second warhead”. It targets a different industrial-control system that just happens to be used at Bushehr, Iran’s much-delayed nuclear-power station, replaying previously recorded normal readings as it causes havoc. Mr Langner likens its complexity to “the arrival of an F-35 fighter jet on a World War I battlefield.”

Mr Ahmadinejad has said that Stuxnet is no longer causing problems. But Mr Langner says eradicating it would take a year without access to top-notch security experts and tools. Iran has few of these, especially since Majid Shahriari, one of its best nuclear scientists, was killed in Tehran on November 29th by a bomb stuck to his car by assassins on motorbikes. Debka, an Israeli website that specialises in security news, says he was leading the effort to eradicate Stuxnet.

A new security patch from Microsoft, released this week, plugs the last of the four security holes that Stuxnet uses to spread itself, but it cannot be used on older systems, widely used in Iran. Mr Langner says it may be easier simply to junk all the worm-struck computers and start again.
ASK people how they feel about getting older, and they will probably reply in the same vein as Maurice Chevalier: “Old age isn’t so bad when you consider the alternative.” Stiffening joints, weakening muscles, fading eyesight and the clouding of memory, coupled with the modern world’s careless contempt for the old, seem a fearful prospect—better than death, perhaps, but not much. Yet mankind is wrong to dread ageing. Life is not a long slow decline from sunlit uplands towards the valley of death. It is, rather, a U-bend.

When people start out on adult life, they are, on average, pretty cheerful. Things go downhill from youth to middle age until they reach a nadir commonly known as the mid-life crisis. So far, so familiar. The surprising part happens after that. Although as people move towards old age they lose things they treasure—vitality, mental sharpness and looks—they also gain what people spend their lives pursuing: happiness.

This curious finding has emerged from a new branch of economics that seeks a more satisfactory measure than money of human well-being. Conventional economics uses money as a proxy for utility—the dismal way in which the discipline talks about happiness. But some economists, unconvinced that there is a direct relationship between money and well-being, have decided to go to the nub of the matter and measure happiness itself.

These ideas have penetrated the policy arena, starting in Bhutan, where the concept of Gross National Happiness shapes the planning process. All new policies have to have a GNH assessment, similar to the environmental-impact assessment common in other countries. In 2008 France’s president, Nicolas Sarkozy, asked two Nobel-prize-winning economists, Amartya Sen and Joseph Stiglitz, to come up with a broader measure of national contentedness than GDP. Then last month, in a touchy-feely gesture not typical of Britain, David Cameron announced that the British government would start collecting figures on well-being.
There are already a lot of data on the subject collected by, for instance, America’s General Social Survey, Eurobarometer and Gallup. Surveys ask two main sorts of question. One concerns people’s assessment of their lives, and the other how they feel at any particular time. The first goes along the lines of: thinking about your life as a whole, how do you feel? The second is something like: yesterday, did you feel happy/contented/angry/anxious? The first sort of question is said to measure global well-being, and the second hedonic or emotional well-being. They do not always elicit the same response: having children, for instance, tends to make people feel better about their life as a whole, but also increases the chance that they felt angry or anxious yesterday.

Statisticians trawl through the vast quantities of data these surveys produce rather as miners panning for gold. They are trying to find the answer to the perennial question: what makes people happy?

Four main factors, it seems: gender, personality, external circumstances and age. Women, by and large, are slightly happier than men. But they are also more susceptible to depression: a fifth to a quarter of women experience depression at some point in their lives, compared with around a tenth of men. Which suggests either that women are more likely to experience more extreme emotions, or that a few women are more miserable than men, while most are more cheerful.

Two personality traits shine through the complexity of economists’ regression analyses: neuroticism and extroversion. Neurotic people—those who are prone to guilt, anger and anxiety—tend to be unhappy. This is more than a tautological observation about people’s mood when asked about their feelings by pollsters or economists. Studies following people over many years have shown that neuroticism is a stable personality trait and a good predictor of levels of happiness. Neurotic people are not just prone to negative feelings: they also tend to have low emotional intelligence, which makes them bad at forming or managing relationships, and that in turn makes them unhappy.

Whereas neuroticism tends to make for gloomy types, extroversion does the opposite. Those who like working in teams and who relish parties tend to be happier than those who shut their office doors in the daytime and hole up at home in the evenings. This personality trait may help explain some cross-cultural differences: a study comparing similar groups of British, Chinese and Japanese people found that the British were, on average, both more extrovert and happier than the Chinese and Japanese.

Then there is the role of circumstance. All sorts of things in people’s lives, such as relationships, education, income and health, shape the way they feel. Being married gives people a considerable uplift, but not as big as the gloom that springs from being unemployed. In America, being black used to be associated with lower levels of happiness—though the most recent figures suggest that being black or Hispanic is nowadays associated with greater happiness. People with children in the house are less happy than those without. More educated people are happier, but that effect disappears once income is controlled for. Education, in other words, seems to make people happy because it makes them richer. And richer people are happier than poor ones—though just how much is a source of argument (see article).

The view from winter

Lastly, there is age. Ask a bunch of 30-year-olds and another of 70-year-olds (as Peter Ubel, of the Sanford School of Public Policy at Duke University, did with two colleagues, Heather Lacey and Dylan Smith, in 2006) which group they think is likely to be happier, and both lots point to
the 30-year-olds. Ask them to rate their own well-being, and the 70-year-olds are the happier bunch. The academics quoted lyrics written by Pete Townshend of The Who when he was 20: “Things they do look awful cold / Hope I die before I get old”. They pointed out that Mr Townshend, having passed his 60th birthday, was writing a blog that glowed with good humour.

Mr Townshend may have thought of himself as a youthful radical, but this view is ancient and conventional. The “seven ages of man”—the dominant image of the life-course in the 16th and 17th centuries—was almost invariably conceived as a rise in stature and contentedness to middle age, followed by a sharp decline towards the grave. Inverting the rise and fall is a recent idea. “A few of us noticed the U-bend in the early 1990s,” says Andrew Oswald, professor of economics at Warwick Business School. “We ran a conference about it, but nobody came.”

Since then, interest in the U-bend has been growing. Its effect on happiness is significant—about half as much, from the nadir of middle age to the elderly peak, as that of unemployment. It appears all over the world. David Blanchflower, professor of economics at Dartmouth College, and Mr Oswald looked at the figures for 72 countries. The nadir varies among countries—Ukrainians, at the top of the range, are at their most miserable at 62, and Swiss, at the bottom, at 35—but in the great majority of countries people are at their unhappiest in their 40s and early 50s. The global average is 46.

The U-bend shows up in studies not just of global well-being but also of hedonic or emotional well-being. One paper, published this year by Arthur Stone, Joseph Schwartz and Joan Broderick of Stony Brook University, and Angus Deaton of Princeton, breaks well-being down into positive and negative feelings and looks at how the experience of those emotions varies through life. Enjoyment and happiness dip in middle age, then pick up; stress rises during the early 20s, then falls sharply; worry peaks in middle age, and falls sharply thereafter; anger declines throughout life; sadness rises slightly in middle age, and falls thereafter.

Turn the question upside down, and the pattern still appears. When the British Labour Force Survey asks people whether they are depressed, the U-bend becomes an arc, peaking at 46.

Happier, no matter what

There is always a possibility that variations are the result not of changes during the life-course, but of differences between cohorts. A 70-year-old European may feel different to a 30-year-old not because he is older, but because he grew up during the second world war and was thus formed by different experiences. But the accumulation of data undermines the idea of a cohort effect. Americans and Zimbabweans have not been formed by similar experiences, yet the U-bend appears in both their countries. And if a cohort effect were responsible, the U-bend would not show up consistently in 40 years’ worth of data.

Another possible explanation is that unhappy people die early. It is hard to establish whether that is true or not; but, given that death in middle age is fairly rare, it would explain only a little of the phenomenon. Perhaps the U-bend is merely an expression of the effect of external circumstances. After all, common factors affect people at different stages of the life-cycle. People in their 40s, for instance, often have teenage children. Could the misery of the middle-aged be the consequence of sharing space with angry adolescents? And older people tend to be richer. Could their relative contentment be the result of their piles of cash?

The answer, it turns out, is no: control for cash, employment status and children, and the U-bend is still there. So the growing happiness that follows middle-aged misery must be the result not of external circumstances but of internal changes.

People, studies show, behave differently at different ages. Older people have fewer rows and
Come up with better solutions to conflict. They are better at controlling their emotions, better at accepting misfortune and less prone to anger. In one study, for instance, subjects were asked to listen to recordings of people supposedly saying disparaging things about them. Older and younger people were similarly saddened, but older people less angry and less inclined to pass judgment, taking the view, as one put it, that “you can’t please all the people all the time.”

There are various theories as to why this might be so. Laura Carstensen, professor of psychology at Stanford University, talks of “the uniquely human ability to recognise our own mortality and monitor our own time horizons”. Because the old know they are closer to death, she argues, they grow better at living for the present. They come to focus on things that matter now—such as feelings—and less on long-term goals. “When young people look at older people, they think how terrifying it must be to be nearing the end of your life. But older people know what matters most.” For instance, she says, “young people will go to cocktail parties because they might meet somebody who will be useful to them in the future, even though nobody I know actually likes going to cocktail parties.”

**Death of ambition, birth of acceptance**

There are other possible explanations. Maybe the sight of contemporaries keeling over infuses survivors with a determination to make the most of their remaining years. Maybe people come to accept their strengths and weaknesses, give up hoping to become chief executive or have a picture shown in the Royal Academy, and learn to be satisfied as assistant branch manager, with their watercolour on display at the church fete. “Being an old maid”, says one of the characters in a story by Edna Ferber, an (unmarried) American novelist, was “like death by drowning—a really delightful sensation when you ceased struggling.” Perhaps acceptance of ageing itself is a source of relief. “How pleasant is the day”, observed William James, an American philosopher, “when we give up striving to be young—or slender.”

Whatever the causes of the U-bend, it has consequences beyond the emotional. Happiness doesn’t just make people happy—it also makes them healthier. John Weinman, professor of psychiatry at King’s College London, monitored the stress levels of a group of volunteers and then inflicted small wounds on them. The wounds of the least stressed healed twice as fast as those of the most stressed. At Carnegie Mellon University in Pittsburgh, Sheldon Cohen infected people with cold and flu viruses. He found that happier types were less likely to catch the virus, and showed fewer symptoms of illness when they did. So although old people tend to be less healthy than younger ones, their cheerfulness may help counteract their crumbliness.

Happier people are more productive, too. Mr Oswald and two colleagues, Eugenio Proto and Daniel Sgroi, cheered up a bunch of volunteers by showing them a funny film, then set them mental tests and compared their performance to groups that had seen a neutral film, or no film at all. The ones who had seen the funny film performed 12% better. This leads to two conclusions. First, if you are going to volunteer for a study, choose the economists’ experiment rather than the psychologists’ or psychiatrists’. Second, the cheerfulness of the old should help counteract their loss of productivity through declining cognitive skills—a point worth remembering as the world works out how to deal with an ageing workforce.
The ageing of the rich world is normally seen as a burden on the economy and a problem to be solved. The U-bend argues for a more positive view of the matter. The greyer the world gets, the brighter it becomes—a prospect which should be especially encouraging to Economist readers (average age 47).
The rich, the poor and Bulgaria

Money really can buy you happiness

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THE notion that money can’t buy happiness is popular, especially among Europeans who believe that growth-oriented free-market economies have got it wrong. They drew comfort from the work of Richard Easterlin, professor of economics at the University of Southern California, who trawled through the data in the 1970s and observed only a loose correlation between money and happiness. Although income and well-being were closely correlated within countries, there seemed to be little relationship between the two when measured over time or between countries. This became known as the “Easterlin paradox”. Mr Easterlin suggested that well-being depended not on absolute, but on relative, income: people feel miserable not because they are poor, but because they are at the bottom of the particular pile in which they find themselves.

But more recent work—especially by Betsey Stevenson and Justin Wolfers of the University of Pennsylvania—suggests that while the evidence for a correlation between income and happiness over time remains weak, that for a correlation between countries is strong. According to Mr Wolfers, the correlation was unclear in the past because of a paucity of data. There is, he says, “a tendency to confuse absence of evidence for a proposition as evidence of its absence”.

There are now data on the effect of income on well-being almost everywhere in the world. In some countries (South Africa and Russia, for instance) the correlation is closer than in others (like Britain and Japan) but it is visible everywhere.

The variation in life satisfaction between countries is huge (see chart). Countries at the top of the league (all of them developed) score up to eight out of ten; countries at the bottom (mostly African, but with Haiti and Iraq putting in a sad, but not surprising, appearance) score as low as three.

Although richer countries are clearly happier, the correlation is not perfect, which suggests that other, presumably cultural, factors are at work. Western Europeans and North Americans bunch pretty closely together, though there are some anomalies, such as the surprisingly gloomy Portuguese. Asians tend to be somewhat less happy than their income would suggest, and Scandinavians a little more so. Hong Kong and Denmark, for instance, have similar income per person, at purchasing-power parity; but Hong Kong’s average life satisfaction is 5.5 on a 10-point scale, and Denmark’s is 8. Latin Americans are cheerful, the ex-Soviet Union spectacularly miserable, and the saddest place in the world, relative to its income per person, is Bulgaria.
THE Hand & Racquet sits in Whitcomb Street, just behind the National Gallery in London. A good position, you might think, with tourists passing. A good name, too, recalling a now-vanished tennis court from Charles II’s day. It was painted a fashionable dark navy some years ago, and acquired hanging baskets of petunias. Those have gone now, as have the windows, eclipsed by plates of steel. The painted sign is fading. The brass windowsills, which once promised “Superior Salads” and “Homely Fare” are turning a patinated green. Nothing fresh, animal, vegetable or mineral, has featured here in half a decade.

The fate of the Hand & Racquet can be multiplied across Britain. Since 2005 more than 6,000 pubs have closed. Drive through the cities, and the once-proud Victorian keystones on every corner are likely to be shuttered and dead. Roam the suburbs, and the neat brick housing estates are haunted by mock-Tudor ghosts. Search the countryside, and increasingly only the strange, too-large front windows in a cottage, or an ornate iron sign-holder projecting from a wall, will tell you that a pub once stood here. More than half the villages in Britain now have no pub at all.

The Hand & Racquet, like the others, died by a dozen cuts. The 2007 smoking ban drove regulars onto chilly backless benches in hastily improvised beer gardens, or into the street, or simply home (1,409 pubs closed in 2007; 1,973, post-ban, in 2008). Around 24,000 pubs, roughly 40% of the total, are tied to giant “pubcos”, hooked to one particular brewer, and must buy their beer from them at premium prices. Pubs, selling pints for £3.50 ($4.50) must compete with sixpacks of beer in the supermarket, or cheap plonk at £3.50 a bottle; they must also pay a swingeing government duty on beer, now ten times as high as Germany’s.

And Britons are not drinking as they used to. Communal imbibing with neighbours and passers-by is fading, in favour of the glass of wine by the television alone. And they are drinking less. In 2009, according to the British Beer and Pub Association, alcohol consumption fell by 6%, the
fourth drop in five years, and the steepest year-on-year decline since 1948. Britons now drink less than the EU average, taking refuge in caffeine instead. Recession crimps beer-money, too. So, slowly, pubs go bust, realising more value as awkward private houses, with hanging globe lamps and capacious cellars and a hard-to-shift aroma of smoke, sweat and ale. Or, like the Hand & Racquet, they quietly moulder where they stand.

The Hand & Racquet’s managers may have contemplated many measures to save it. They could have knocked out the Victorian etched windows in favour of clear plate glass, letting the light stream through to the cavernous interior, or opened up the frontage, café-style, with buzzing outside tables in fresh air. They could have gone for the stripped-out-bar franchise, all pale wood and box trees in stone tubs. Rather than mere “superior salads” they could have embraced foodism, become a gastropub, let their menus swell to the size of a telephone book or served, like the Bull & Last in London’s Kentish Town, gourmet renderings of pub food in a room full of fashionably tatty furniture.

Or they could have gone overboard on the drinks side, hired a sommelier to handle their wine list and tossed out the gassy keg bitter in favour of real ales from the more than 2,500 now being brewed in Britain: beers with added raspberries, liquorice, or oysters; with “honeyed notes” and “a complex floral bouquet”, like fine wines; beers called “Swinging Gibbet”, “Scoundrel” or “Old Slug” from breweries called “Hopshackle” or “Leatherbritches”. The more roguish the name, the more cachet; the smaller and closer the brewery, the stronger the draw for jaded 21st-century palates. Such pubs can survive, like the Southampton Arms in north London, once Any Old Victorian pub with red carpets and a karaoke machine, now a big-windowed “ale and cider house” featuring wooden floors and a weekly ukulele night. Change or die, seems to be the message.

History in a name

The church can go, long since the preserve of a flower-arranging few; the local shop can go, since the distant hypermarket’s cheapness is worth the petrol; but the vanishing of a pub means, by common consent, the loss of the beating heart of a community, in town or countryside. A pub can become a sort of encapsulation of place, containing some small turning’s grainy photographs, its dog-eared posters for last year’s fete, its snoozing cats, its prettiest girls behind the bar and its strangest characters in front of it. The Square & Compass at Worth Matravers in Dorset, on the Jurassic Coast, has accumulated so many fossils brought in by punters that it has its own little museum. Most longstanding pubs have a fossil equivalent, and not merely on the human side: cases of moths, dusty farm implements or, at the Widow’s Son in Bromley-by-Bow, a hanging bundle of blackened hot-cross buns to which, every Good Friday for 150 years, another has been added.

History before the 20th century is scarcely taught in Britain now, but pubs are meant to preserve it. They hold ghosts, myths, the memory of kings; Green Men live on in them, White Horses carry Saxon echoes, Royal Oaks keep the drama of civil war and restoration. The world before the hunting ban still thrives in the Hare and Hounds and the Tally-Ho; old trades survive in the Compasses, the Woolpack and the Wheatsheaf. The craze for renaming tied pubs en masse the Slug and Lettuce or the Leek and Winkle has now abated, because the old names won’t go. They cling on in the soil and the air, as tenacious as the past itself.

Pub games cling on there, too, and are having a revival of sorts. In 2006 darts boards were still
in use at more than half the pubs in Britain. A “Save Our Skittles” campaign, launched in 2008, seeks to preserve the 2,500 alleys offering an ancient, wooden version of ten-pin bowling. Marbles, quoits, bat ‘n’ trap and shove ha’penny survive in pubs, and only there. That sense of gathering, competing and disputing, of disorder lightly contained in obscure sets of habits and rules, belongs in pubs, and drains away from a community once they have gone.

Their loss is also the disappearance of a kitchen, or a sitting room, or some comfortable dim place where there is warmth and a welcome, and no questions asked, all over Britain. The naffer brand of pubs have for years made Tudorbethan kitchens their model, all horse-brasses and spindle-back chairs; the more fashionable or very much older favour flagstones, open fires, dried flowers and pewter. It is all a variant on the origins of pubs in the kitchens of wayside farmhouses, where a man exchanged his own hearth for another.

He was not, however, alone there. In the pub he met his fellow men and, with them, formed a society of musers anddrinkers. He mingled with people he might not otherwise meet, had words with them, was obliged to take stock of their opinions. In a highly stratified society of worker, merchant and lord, the pub was open to everyone. Only the Victorians tried to complicate matters with separate parlours and saloons based on class.

Their walls and screens survive, but reflect different attitudes. Most pubs retain a peculiarly English blend of socialising and privacy. Regulars prize maze-like or womb-like pubs, tiny rooms and dark corners; for hearths and fires, no matter what the season; for a sense of history in the layers of paper, clutter and paint; for an indefinable grubbiness and informality. In “trendy” pubs people go to be seen, either for their clothes or the sleek cars they have left in the car park; but pubs, like homes, are not about fashion statements or public preening. By the same token, the building itself often has no importance. What matters is the atmosphere, that indefinable thing that no one can put a finger on, until some alteration kills it. “Ninety-nine per cent of change in pubs is for the worse,” says one twenty-something, cheerily enough. “Attempts to modernise a pub always fail.”

**Vertical and horizontal**

Big brewers and their pubcos, however, disagree. For them, the old lag nursing his pint all night is a disaster. What they want is “high-volume vertical drinking”, where the mostly young stand around high tables, down their poison and move to the next drinking hole, chatting but never settling. The idea isn’t new. The Victorian gin palace was for “perpendicular drinking”: a glass quickly downed at the bar, standing up, before the stumbling exit. The fantastic lighting and glasswork of the gin palace, like the glitter-balls and mirrors of some modern city bars, are nobody’s idea of home. They pull the roaringly gregarious, not the mere quiet fancier of a drink with a mate or two. They are settings for drinking industrial-style and, since the introduction in 2003 of 24-hour drinking laws, sometimes on an industrial scale.

The drink of choice in these places is increasingly wine, alcopops or some parasolled cocktail. But the proper drink of pubs is beer. Britons spend £17 billion on their favourite tipple each year; it accounts for 60% of alcohol sales in pubs, hotels and restaurants. In ancient times it was almost all the nourishment Britons needed, “liquid bread”, a meal in itself. Pub-savers now push it as a health food, packed full of vitamins, fibre and anti-oxidants, with fewer units of alcohol than wine, and with no more calories in three pints than in a packet of peanuts. Such propaganda approaches Hogarth’s, whose engraving of “Beer Street” showed commerce thriving and plump couples embracing in a paradise of smoke and ale.

Beer is also fashionably local. Even big brewers advertise the spring water that bubbles up under their buildings, and it is this that gives a beer its taste of the *terroir*, like a good cheese. In Lewes, East Sussex, Harvey’s seems to run through the town like an underground stream; almost every pub is, in effect, the brewery tap, and when the town flooded in 2000 “Ouse Booze”,
Chemically altered by the flood water, was suddenly on sale everywhere. The tiny Lewes Arms, squashed at the foot of the castle, became nationally famous when Harvey’s beer was withdrawn on orders from Greene King, a pubco based in Suffolk. Customers boycotted the pub until the beer reappeared.

**Dangerous places**

The Lewes Arms saga points to a deeper truth: pubs are loved for their subversion. Pubs made a setting ideal for secrecy, murky as a pint of mild, but also open to the unexpected: the bang of the door, the stranger entering, the sudden galvanising piece of news.

The provision of drink to all-comers was a task both sacred and profane, and pubs reflected that dangerous ambiguity. The medieval alehouse, in which Langland’s peasants drank themselves insensible, was often built in the lee of an abbey or a church from which the customers, including clergy, came direct. The Victorian gin palace was a church itself, equipped with coruscating lights and screens to dazzle the poor sodden souls who took refuge there. The “improved public houses” of the 1950s tried to look like dull suburban hotels. But no matter how pubs scrubbed themselves up or put in “family rooms”, disrepute still dogged them. No wonder that the Queen Vic in “EastEnders”, one of Britain’s most popular TV soaps, was the scene of three extra-marital impregnations, two criminal raids, two murders and, in September, a calamitous fire, probably arson, which burned it to the ground.

Drama suits pubs. They are places for pushing limits, and not just in the sense of jars and fists. A pub is where Prince Hal first tested his mettle for Crécy and Agincourt, and where the knee-high David Copperfield, on the run, confidently ordered a glass of “the Genuine Stunning”. Pubs are where the first workers’ associations met to demand higher wages, and where (at the Crown and Anchor in the Strand) proper electoral reform was first floated. “The Communist Manifesto” was jotted down, locals claim, at the Flask in Highgate, where Karl Marx was a regular. Pepys went to pubs to sing, as much as to drink. In pubs normal wariness is suspended in favour of live and let live, of free speech and free space. The words “Free House” carry on the theme, somehow, in ways a corporatised pub and a constrained landlord cannot. Americans have their guns; but the Briton has always had pubs, liberty glowing in thousands of small corners, as his weapon to beat back tyranny. John Bull lives there. When pubs are swallowed up, or die, something very much more than a beer-shop perishes with them.

**Saving England**

This being so, many of the great and good are now striving to save the pubs of Britain. Bill Bryson, the American president of the Campaign to Protect Rural England, campaigns for them as he does for hedges, post offices and red telephone boxes. Prince Charles, alongside promoting organic biscuits and the Book of Common Prayer, is desperately concerned that pubs should
Survive. The last Labour government briefly appointed a minister for pubs. Somewhere in the back of all their minds is that worrying remark by Hilaire Belloc, a Frenchman: “When you have lost your inns, drown your empty selves, for you will have lost the last of England.”

Pub-saving efforts often focus on ways to restore the social web around them, seeking to reverse the headlong flight of Britons into solitary, online worlds. A report in 2001 by the Countryside Agency, “The Pub is the Hub”, recounted encouraging stories from near and far: of the Beauchamp Arms in Gloucestershire which now hosts a playgroup; of the Miners Arms in Derbyshire which offers computer training classes in a room upstairs; of the White Hart Inn in Suffolk, which takes in dry-cleaning and prescriptions. In some 30 rural places, consortiums of villagers have got together to buy their failed pub, spruce it up and open it again. Even in well-watered north London two pubs, the Pineapple and the Duke of Hamilton, have been saved in recent years by neighbours’ petitions and spirited press campaigns.

Relaxed opening hours have their advantages: the pub can become a community hall, as it once was. In a newly saved pub in Brighton the landlord wants writers to come in and use his Wi-Fi all day, young mums to sit and drink his Fair Trade coffee at elevenses, neighbours to leave their keys and get parcels delivered, and everyone to sign up for swims round the pier for charity. He hopes quiz nights, popular everywhere, will bring people together upstairs on sofas, rather than sitting on sofas at home.

The landlord (or landlady) dominates many of these community visions. This is as it used to be. Chaucer’s Harry Bailly of the Tabard Inn, the “myrie man” who organises the tale-telling, was a member of Parliament; well into the 19th century, landlords were often magistrates; to this day their character is meant to be attested by several neighbours. Hence the idea, slightly related to the rediscovered sterling qualities of beer, that the modern pub should promote itself as a haven of safe and regulated drinking, away from the dangers of uncontrolled home and unpoliced street, where the landlord is vicar, squire and copper together, the shepherd of his flock.

All these notions, severally and together, may help pubs to survive. But which Britain is being saved here? The model often seems to be the golden age of coaching, immortalised by Dickens, when pubs seethed to the bustle of horses, ostlers, serving maids and calls for peppered lamb chops; or, alternatively, some rural idyll of cricketers, oaks and village green. But pubs, despite a pickled tendency, are also mirrors of their times. Those that best reflect modern Britain, with its rapidly morphing cultures and increasingly unrooted sense of itself, are probably those that boast metal advertising boards, quiz machines, pad thai and stock antique photographs of people unknown to anyone; the Wetherspoon’s that calls itself the Willow Tree Walk, when the sooty tree outside it is a birch, or the Railway Tavern that decks itself with the giant, rusty skeleton of a fish. In a sense, the English pub has been reborn as the Wu Wok Chinese takeaway or the Tandoori House.

No single magic formula will save pubs. At present, the strongest current in their favour is the passion they still provoke. Britons are not similarly passionate about restaurants, cafés or shops. But by favourite pubs they measure their own lives, and Britain’s condition. They see reflected there, as in a glass, the present blights of social isolation, forgetfulness of history, cultural confusion; but they also see the forces of change somehow made to pause. Time slows; company gathers; speech is freed; beer flows, like the very lifeblood of the land. Pubs are needed, even when every social and economic indicator is running hard against them.
THE soldier now known as Towton 25 had survived battle before. A healed skull fracture points to previous engagements. He was old enough—somewhere between 36 and 45 when he died—to have gained plenty of experience of fighting. But on March 29th 1461, his luck ran out.

Towton 25 suffered eight wounds to his head that day. The precise order can be worked out from the direction of fractures on his skull: when bone breaks, the cracks veer towards existing areas of weakness. The first five blows were delivered by a bladed weapon to the left-hand side of his head, presumably by a right-handed opponent standing in front of him. None is likely to have been lethal.

The next one almost certainly was. From behind him someone swung a blade towards his skull, carving a down-to-up trajectory through the air. The blow opened a huge horizontal gash into the back of his head—picture a slit you could post an envelope through. Fractures raced down to the base of his skull and around the sides of his head. Fragments of bone were forced in to Towton 25’s brain, felling him.

His enemies were not done yet. Another small blow to the right and back of the head may have been enough to turn him over onto his back. Finally another blade arced towards him. This one bisected his face, opening a crevice that ran from his left eye to his right jaw (see picture). It cut deep: the edge of the blade reached to the back of his throat.

**Thorny tales**

Towton is a nondescript village in northern England, between the cities of York and Leeds. Many Britons have never heard of it: school history tends to skip the 400-or-so years between 1066 and the start of the Tudor era. Visitors have to look hard to spot the small roadside cross that marks the site of perhaps the bloodiest battle ever fought in England. Yet the clash was a turning point in the Wars of the Roses. And, almost 550 years later, the site is changing our understanding of medieval battle.

In Shakespeare’s cycle of eight plays, the story of the Wars of the Roses is told as an epic drama. In reality it was a messy series of civil wars—an on-again, off-again conflict pitting supporters of the ruling Lancastrian monarchy against backers of the house of York. According to Helen Castor, a historian at Sidney Sussex College, Cambridge, the wars arose from the slow breakdown of English government under Henry VI, a man who was prone to bouts of mental illness and “curiously incapable” even when well. As decision-making under Henry drifted, factions formed...
and enmities deepened. These spiralling conflicts eventually drove Richard Plantagenet, Duke of York, to assert his own claim to the throne. York was named Henry’s heir, but he was killed in December 1460. His 18-year-old son, Edward, proclaimed himself king just before the battle of Towton.

That set the stage for a vicious fight. Edward had his father and brother to avenge. After killing him, Lancastrian forces had impaled York’s head on a lance and adorned it with a paper crown. Following years of skirmishes others had scores to settle, too. In previous encounters, efforts had been made to spare rank-and-file soldiers. At Towton, orders went out that no quarter be given. This was to be winner-takes-all, a brutal fight to the death.

The result was a crushing victory for the Yorkists and for the young king. Edward IV went on to rule, with a brief interruption, until his death 22 years later—a death that triggered the final stage of the conflict and the rise of a new dynasty under Henry Tudor. The recorded death toll at Towton may well have been inflated to burnish the legend of Edward’s ascent to the crown. Yet there can be little doubt it was an unusually large confrontation.

In a letter sent nine days after the battle George Neville, the then chancellor of England, wrote that 28,000 men died that day, a figure in accord with a letter sent by Edward to his mother. England’s total population at the time is thought not to have exceeded 3m people. George Goodwin, who has written a book on Towton to coincide with the battle’s 550th anniversary in 2011, reckons as many as 75,000 men, perhaps 10% of the country’s fighting-age population, took the field that day.

They had been dragged into conflict in various ways. Lacking a standing army, the royal claimants called on magnates and issued “commissions of array” to officers in the shires to raise men. Great lords on either side had followings known as “affinities”, comprising people on formal retainers as well as those under less rigid obligations. These soldiers would have been among the more experienced and better-equipped fighters that day (foreign mercenaries were there, too). Alongside them were people lower down the social pyramid, who may have been obliged to practise archery at the weekend as part of the village posse but were not as well trained. Among this confusion of soldiers and weaponry, almost certainly on the losing Lancastrian side, was Towton 25.

The bone collectors

He gets his name from the order in which he was removed from the ground. In the summer of 1996 builders working at Towton Hall, about a mile away from the main battlefield, discovered a mass grave. Archaeologists from the University of Bradford eventually took charge of an excavation of almost 40 individuals, 28 of whom were complete skeletons. (Further bodies have subsequently been recovered from beneath the dining-room at Towton Hall, which must make for conversation, at least.) The skeletons had clearly been the victims of great violence. Many display the same frenzied wounding as Towton 25. “Imagine one of those movie scenes with people closing in on a cornered individual,” says Christopher Knüsel, one of the original team of archaeologists and now at the University of Exeter. “Usually the camera has to pan away because you cannot show some things. Here you see it.” The location of the bodies, and subsequent carbon-dating, linked them conclusively to the battle of Towton.

It is the only mass grave of known medieval battle victims to have been found in England. The only comparable find is that of a mass grave of victims of the Battle of Wisby in Sweden in 1361, which was excavated in the early 20th century. That find was considerably larger—1,185 individuals from four separate pits—and notable, too, for the fact that the dead had been buried in their armour. The Towton men had been stripped before being thrown into the pit. The only personal effect found in the grave was a silver ring still encircling the little finger of Towton 39; it may have been missed because of the sheer quantity of gore.
But Towton has proved more instructive in some ways. The size of the Wisby find and the way in which the bodies there were removed, with the graves broken into grids and excavated one square at a time, made it almost impossible to reassemble skeletons later. At Towton, under the guidance of Tim Sutherland, an archaeologist who has been researching the battlefield ever since, skeletons were carefully recorded in the grave so that they could be put back together again. As described in “Blood Red Roses”, a book on the archaeology of Towton, this has allowed a more complete picture of participants in the fighting to emerge.

Who are you calling short?

The men whose skeletons were unearthed at Towton were a diverse lot. Their ages at time of death ranged widely. It is easier to be precise about younger individuals, thanks to the predictable ways in which teeth develop and bones fuse during a person’s adolescence and 20s. The youngest occupants of the mass grave were around 17 years old; the oldest, Towton 16, was around 50. Their stature varies greatly, too. The men’s height ranges from 1.5-1.8 metres (just under five feet to just under six feet), with the older men, almost certainly experienced soldiers, being the tallest.

This physical diversity is unsurprising, given the disparate types of men who took the battlefield that day. Yet as a group the Towton men are a reminder that images of the medieval male as a homunculus with rotten teeth are well wide of the mark. The average medieval man stood 1.71 metres tall—just four centimetres shorter than a modern Englishman. “It is only in the Victorian era that people started to get very stunted,” says Mr Knüsel. Their health was generally good. Dietary isotopes from their knee-bones show that they ate pretty healthily. Sugar was not widely available at that time, so their teeth were strong, too.

Laid out on a laboratory bench in the University of Bradford’s archaeology department, the biggest of the soldiers still look burly (though their bones, without any collagen in them, are incredibly light to handle). They seem to have led active lives. Bone grows in response to strenuous muscular activity, particularly if exercise starts in childhood. For instance, the serving arm of a professional tennis player has as much as a third more bone in it than his non-dominant arm.

Some of the Towton men display the same type of unusual bone density. But it is distributed in a very unmodern way: their upper-arm bones are very well-developed towards the right shoulder and the left elbow. The medieval longbow, which placed huge stress on both the drawing arm and the arm that held the bow steady, may have been responsible. Towton 16 has something known as an avulsion fracture to his left elbow, a condition first clinically identified among young baseball players in America. This injury occurs only in adolescence, when the bones in the arm have not yet fully fused, and may have been caused by attempts to practise with an adult longbow. In 1420s England the teenage Towton 16 was suffering from Little Leaguer’s Elbow.
Piecing together what happened on a single day 550 years ago is exceedingly difficult. Even observers would have found it hard to discern a precise order of events in the confusion. Contemporary accounts of the battle may be politically biased or exaggerated. Mr Sutherland says that the idea of medieval soldiers slugging it out for ten hours, as the conventional view of the battle has it, defies credibility; he thinks there was a series of engagements that led to the main battle and that took place over the course of the day.

For a long time it was assumed that archaeology could not help much. That changed with work done in the 1980s at Little Bighorn in Montana, site of George Custer’s “last stand” against native American warriors in 1876. A brushfire allowed archaeologists to re-examine the site, using metal detectors to map the location of spent cartridge cases and bullets. By matching them to the weapons used that day, researchers could trace the movements of soldiers over the battlefield. The work suggested that the engagement was over far quicker than Custer’s legend implied.

The Towton site is 400 years older, presenting greater challenges. The battlefield was first swept for ferrous materials such as arrowheads. That search proved frustrating. The trouble was not too little material, but too much—bits of agricultural machinery and other things dating from after the battle. Looking for non-ferrous items—things like badges, belt buckles, buttons, pendants and coins that would have been ripped off during the fighting—proved to be much more fruitful. After identifying clusters of these personal effects, which seemed to mark the main lines of battle, researchers went back to looking for ferrous materials and started finding a concentration of arrowheads.

Arrows were not the only things flying through the air that day. Some of the first bullets were, too. The Towton battlefield has yielded up the earliest lead-composite shot found in England. Mr Sutherland thinks he may have found a fragment of a handgun, which was small enough to be carried around and probably set down on a trestle table or small carriage to be fired.

The arrows would have been fired as part of the opening exchanges. Accounts of the battle report that the Yorkist archers reached their target, but that the Lancastrians fell short, forcing them to move forward to engage in hand-to-hand fighting. The stress of this kind of fighting was immense: a few of the Towton skeletons had been clenching their teeth together so tightly that bits of them splintered off. This central confrontation would have been responsible for many deaths: Mr Sutherland says he has found a total of five pits on the battlefield that may be mass graves and plans to excavate them next year. But it was unlikely to have been the place where the Towton skeletons died. Their burial location, a mile from the battlefield, is one reason to think so. The way they were killed is the other.

Whereas many of the skeletons found at Wisby in Sweden had lots of wounds to their lower limbs, the Towton group had suffered a disproportionate amount of damage to their heads. Shannon Novak, a forensic archaeologist at the Maxwell School of Syracuse University who worked on the skeletons when they were first uncovered, was responsible for working out when and how wounds had been inflicted.

Injuries that have been sustained well before death are easy to spot because of the way fractured bone smooths as it heals. But before the discovery of the Towton skeletons, less work had been done to distinguish blows sustained at the time of death from those that may have occurred after burial as a result of rodents, earth-moving equipment and so forth.

**Overkill**
By looking at the different ways that bone fractures when it has fluids in it and when it has dried out, Ms Novak found that 27 of the 28 skulls she examined had suffered blows at the time of death. Not just one, either. Both Towton 16 and 25 were struck eight times and Towton 10 six times. Towton 32 suffered no fewer than 13 different blows to the head.

According to Graeme Rimer of the Royal Armouries, Britain’s arms museum, medieval weapons had the capacity to decapitate or amputate at a single stroke. “Given how much damage you can do with one blow, why land another 12?” he asks. There were signs of mutilation, too: marks on the left side of Towton 32’s head suggest that his ear had been sliced off.

The next task was to try to identify the weapons which might have done this damage. Ms Novak took a variety of medieval weapons from the collection of the Royal Armouries and poked them through pieces of acoustic ceiling tile to see what shape they made. Some of the matches were uncanny—the dagger that had to be twisted on the way out, the beak of a war hammer. The puzzling range of blunt, sharp and puncture wounds have their explanation in the lethal versatility of the poleaxe, with its bladed axe, top-spike and hammer (see picture).

Put all this together and two questions stand out: what had happened to the men’s helmets, and how could their assailants hit them so many times? In the press of battle, after all, you are unlikely to want to spend time and energy landing repeated blows.

At this distance any theories are likely to remain plausible rather than proven. But the likeliest explanation is that the Towton soldiers (or some of them, at least) were among the Lancastrian soldiers routed from the battlefield. The secret of success in medieval battle was to hold ranks, so that comrades on either side would still be protecting your flanks. That is particularly true given the steep ground shelving away from the plateau where the main battle was fought. “If you move, you lose,” says Mr Sutherland.

On the run from the battle, with Yorkist soldiers in pursuit (some of them doubtless on horseback), the men would have soon overheated. They may have removed their helmets as a result. Overhauled—perhaps in the vicinity of Towton Hall, which some think may then have been a Lancastrian billet—and disoriented, tired and outnumbered, their enemies would have had time to indulge in revenge. Even at this distance the violence is shocking. “It’s almost as if they were trying to remove their opponents’ identities,” says Mr Knüsel of the attackers’ savagery. Thanks to some unsuspecting builders and a team of archaeologists, they did not entirely succeed.
Chinese tourists
A new Grand Tour
China’s tourists are carving out a new European itinerary, with some unexpected stops

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IN THE grounds of King’s College, Cambridge, grows perhaps the most famous willow tree in China. It was immortalised by Xu Zhimo, a 20th-century poet with all the attributes required for lasting celebrity: talent, a rackety love life and a dramatic early death (plane crash at 34). With each passing year, growing crowds of Chinese tourists visit the tree and a nearby marble boulder inscribed with lines from Xu’s poem, “On leaving Cambridge”.

Locals and tourists from elsewhere pass the tree without a second glance. But for educated Chinese, who learned Xu’s poem in school, this tranquil spot, watched over by handsome white cows and an arched stone bridge, is a shrine to lost youth. Many are visibly moved, even as the cameras click and flash. Xu’s verses help explain the great prestige Cambridge University enjoys in China, nudging it a notch or two ahead of Oxford. They also explain why many educated Chinese have heard of punting.

Xu’s willow is just one stop on an emerging grand tour of Europe, the continent that routinely tops polls of dream Chinese destinations. China’s newly mobile middle classes like to visit established spots like the Eiffel Tower, the Louvre and Venice’s Grand Canal. But the visitors have also marked out a grand tour all of their own, shaped by China’s fast-developing consumer culture and by distinctive quirks of culture, history and politics. The result is jaw-dropping fame, back in China, for a list of places that some Europeans would struggle to pinpoint on a map: places like Trier, Metzingen, Verona, Luxembourg, Lucerne and the Swiss Alp known as Mount Titlis.

For decades Asian economic might has gone hand in hand with government programmes to encourage newly affluent citizens to take holidays abroad. In Japan the Ministry of Tourism launched a “Ten Million Programme” to double outbound tourist departures from 5m to 10m
between 1986 and 1991. Tourism from South Korea exploded a decade later. Officials in these countries hoped that despatching tourists around the globe would signal their new wealth. It also offered a tangible reward to citizens toiling in the pressure-cooker atmosphere of an economic boom. In China foreign travel is part of a slightly different compact between the state and the new middle classes: unprecedented freedom and fun in exchange for the maintenance of one-party rule at home.

**In search of Bordeaux and Hugo Boss**

When the bamboo curtain lifted a generation ago, the first contact many Chinese had with the outside world was in the form of imported goods, whose foreign fame was viewed as intrinsic proof of quality. Even today, seen from a Chinese tour bus, the continent of Europe resembles not so much an ancient collection of cities and nations as a glittering emporium stocked with brands. Those brands are not always commercial products: the grand tour takes in the birthplaces of world-famous people, the seats of globally renowned institutions and—as in Cambridge—sites linked to well-known literary works.

A sketch map of the Chinese grand tour must begin in France, the country seen as offering all the essential European virtues: history, romance, luxury and quality. Paris shops such as Louis Vuitton are essential stops: witness their Mandarin-speaking staff. In 2009 Chinese tourists passed Russians as the highest-spending non-European visitors to France, according to a survey of duty-free shops. The south of the country is also popular, thanks in part to widely available translations of Peter Mayle’s book “A Year in Provence” and in part to a slushy Chinese television mini-series, “Dreams Link”, which was filmed amid the lavender fields and walled citadels of the Midi.

China’s freshly minted millionaires and billionaires are particularly obsessed with the wine country of Bordeaux, as red wine has taken over from expensive brandy as the business lubricant of choice. At the very pinnacle of desire is a visit to (or just a glimpse of) Château Lafite Rothschild, home of the claret which has become a favoured show-off brand for Chinese plutocrats. Visits to Château Lafite itself are reserved for invited guests, but China’s would-be tycoons are not put off. Jean-François Zhou of Ansel Travel, a Paris-based firm that brings 15,000 Chinese visitors to Europe each year, recently sent a group down to Bordeaux by bus. After an express tour, one of the coach party snapped up two cases of wine at €600 ($790) a bottle.

From France, Chinese groups typically travel south towards Italy via the casinos in Nice or Monaco (gambling is discouraged in China, but wildly popular). Venice and Rome are stops for every nation’s tourists, but the Chinese grand tour also demands a visit to Verona. One site draws them: a 13th-century mansion linked, a bit spuriously, to “Romeo and Juliet”. That play is doubly admired in China. It was one of the first of Shakespeare’s works to be translated into Mandarin, and its storyline is hailed as matching that of a popular Chinese folk tale, the “Butterfly Lovers”. Chinese tourists have their pictures taken below an ancient balcony said to be Juliet’s, and next to a bronze statue of the tragic heroine. Then it is back on the bus, and northward.

In Germany cities such as Bonn and Trier are as important as more obvious sites like Cologne and Frankfurt (a hub for lots of China flights). Bonn means Beethoven: his birthplace there is a coveted stop for educated Chinese, who are avid fans of classical music. In Trier it is not the city or its Roman ruins that attracts the tourists. They come to see the Karl-Marx-Haus, birthplace of the revolutionary. The Marx museum estimates that 13,000 Chinese tramp around the house each year. Mandarin inscriptions fill the museum’s guest books. In the early morning and
Evening, large crowds of Chinese have their pictures taken outside the house before heading to their next destination.

A stop in Metzingen involves a tribute to another German, the suitmaker Hugo Boss. A short drive from Frankfurt, Metzingen is home to several factory outlets, where Chinese shoppers vie with Russians and Indians as the biggest spenders. It is a standing joke among Chinese travellers that many products snapped up abroad bear “Made in China” labels. But there is some sense to this seeming madness. Thanks to hefty taxes and customs duties, European brands are routinely 40% more expensive back home. In China they are also quite likely to be fakes.

As France means wine and handbags, Brussels means chocolate. Chen Yongjie, a Suzhou native, works in the Pelicaen chocolate shop of Brussels, next to the Mannekin Pis (a small statue of a boy peeing that is unaccountably popular with tourists of all nationalities). Most Chinese think Belgian chocolate too sweet, Miss Chen reports. This does not stop them buying large quantities for friends and colleagues back home.

Many of the Chinese tourists in the Benelux countries are members of *daibiaotuan*, official or business delegations with a reputation as boondoggles. As a result of this bureaucratic orientation, the grand tour’s Belgian leg includes stops outside the Berlaymont, as the headquarters of the European Commission is known. Resplendent in the unofficial uniform of the *daibiaotuan*—dark trousers, dark polo shirt, dark blouson jacket and leather manbag—officials on tour queue up to have their pictures taken in front of the Berlaymont’s nameplate, the nearest thing to a scenic spot in the glass and concrete canyons of the “European Quarter”. The same delegations enjoy less success at NATO’s headquarters which is off limits to tourists. The pluckiest *daibiaotuan* are not deterred. They can be seen parked on the roadside opposite NATO, taking pictures of its flagpoles across six lanes of traffic.

Taking pictures is a serious business for members of a *daibiaotuan*. Goofy poses are not encouraged. The Chinese word “*qiezi*”—pronounced chee-eh-dze and meaning “aubergine”—fulfils the same function as “cheese” in the English-speaking world, generating what is held to be a restrained yet photogenic smile. Childish pleasure can be derived from murmuring “*qiezi*” when walking past a delegation busy taking pictures: it reliably generates surprised cries of “did that foreigner just say aubergine?”

In Luxembourg the Chinese tourists pause just long enough to photograph the palace of its reigning grand duke. This pocket-sized country, with a population 3,000 times smaller than China’s, is admired for its national wealth per person (the highest in the world by some measures). It also allows Chinese tour groups to knock off another country with minimal effort, allowing for extra boasting back home.

France, Germany, Belgium and Luxembourg all lie within the Schengen Area, a border-free zone that can be visited on a single visa. This appeals to Chinese tourists, who must submit reams of papers and face a long list of intrusive questions about their finances, employment and personal circumstances to obtain visas for Europe. In 2008 Switzerland joined the Schengen club and Chinese visitor numbers instantly soared.

In Switzerland the essential stop is the canton of Lucerne. With a lake, an historic city and mountains all in a compact area, it amounts to a “mini-Switzerland”, saving time. The Lucerne brand includes Mount Titlis, easily reached by bus and cable car. The mountain is topped by a glacier, offering visitors the chance to visit an ice cave and mess about on sledges even in summer (high season for Chinese tourism). There are Chinese-speaking staff on the peak, and a Chinese restaurant. In perhaps Europe’s oddest claim to Chinese fame, a Chengdu-born gymnast, Li Donghua, claims to have seen a vision of Buddha while visiting Mount Titlis. This he took as a sign that he would triumph at the 1996 Atlanta Olympics. He duly won a gold
Surprisingly few tourists visit Britain. In August 2010 David Cameron, Britain’s prime minister, noted with some bemusement that Germany is poised to enter the leading ten foreign destinations for Chinese tourists, while Britain languishes in 22nd place.

Mr Cameron called for promoting Britain’s heritage—a departure from his Labour predecessors with their focus on modernity and “cool Britannia”. Mr Zhou says his Chinese clients are fascinated that such a titchy island once ran such a large empire and dared start the Opium wars. In reality, as the leader of a Eurosceptic political party, Mr Cameron is unlikely to take the transformative step of joining the Schengen Area. If Britain followed Switzerland into the border-free zone, “half the Chinese tourists on the continent would head to London on the Eurostar,” says Mr Zhou.

**Enjoyment isn’t the point**

Chinese tourists know they are more coveted for their money than loved in Europe. In surveys of Chinese travel agents, the continent is most frequently described as “beautiful” and “historic”—but rarely as friendly. Europeans are described as both “civilised” and “cold”. Even before they leave China, the travellers are nagged to mind their manners and told to act as “ambassadors” for their country. Several times in the past few years the Spiritual Civilisation Steering Committee of the country’s Communist Party has issued chivvying circulars calling on Chinese tourists to avoid queue-jumping, loudness or haggling in shops with fixed prices.

The European travel industry uses the snifffy phrase “sleep cheap, shop expensive” to describe Chinese visitors. Chinese tour operators are notorious for bargaining down travel and hotel costs. A 2008 study by the European Travel Commission, an industry group, estimates that Chinese tourists reserve more than a third of their holiday budgets for shopping. It is “very difficult”, the study laconically concludes, for established European tour operators to compete with rivals whose transport strategy may involve a “Chinese-speaking waiter driving a minibus”. Even Mr Zhou admits that Chinese travellers are “hard work”, not like the “disciplined” Japanese.

Tourism is certainly not about discovering new food. A 2006 survey of Chinese coach travellers found that 46% had eaten “European” food only once, and 10% not at all, during holidays on the continent. Clients at Ansel Travel are typically offered foreign food once in each country: seafood in Paris, ham knuckle in Germany, pasta in Italy and so on. After that, “it’s Chinese all the way.” Many stay in suburban hotels and eat noodles.

This is because excitement and acquisition are prized over pleasant, relaxing experiences. The Chinese are keen on European luxury, says Andy Xie, a Shanghai-based economist—they just aren’t so interested in luxurious hotels and lavish meals. Coming from a newly affluent, increasingly unequal society, they have a strong preference for the accumulation of material
And Western goods may not be valued for the same reasons they are in the West. Château Lafite’s astonishing fame in China is a story about the country’s political economy, not about the enjoyment of wine, says Mr Xie. Too often at banquets in China he has watched first-growth claret being downed in joyless, glass-draining toasts, well into the small hours. “Château Lafite is for serving to high political officials in the hope of high returns. Government officials want to drink it because it is expensive. And people buy it because it is expensive. It becomes self-fulfilling.”

A new vision of Europe

Europeans may sneer at Chinese tourists who pursue Beethoven, Bordeaux and Hugo Boss with the same undiscriminating avidity. But Europeans used to tour their own continent in a similar way. The original Grand Tour was also a display of relative economic power, as the gilded youth of northern, industrialising Europe headed to France, Switzerland and Italy to pick up a veneer of continental “polish” and crateloads of antique souvenirs (many of them fake). Those tourists, too, had less fun than they let on: they grumbled about the food, their rapacious guides and the discomforts of travel.

The face of Chinese tourism is also rapidly changing. The heyday of the daibiaotuan has passed. A decade ago, an official fancying a holiday more or less had to land a spot on one of these delegations, paid for from state or company funds or by joint-venture partners from the West. Today, such delegations are under much more scrutiny, and tourist visas are easier to obtain. Many travellers are now on their second or third visit to Europe: group tours are duly slowing down and stopping to savour local culture. Individual tourism is tipped as the next big thing. Yet individual visitors may create itineraries no more conventional than those dictated by tour groups.

In China, Xu Zhimo is loved not just as a romantic poet: his plain, passionate verse shook up a country grown exhausted and old. Xu is already a secular icon for Chinese students at Cambridge, whose diligence puts local undergraduates to shame. He would make a fine patron for the next waves of Chinese grand tourists—private travellers with the confidence to draw their own map of an old continent. Their list of important sights and experiences does not resemble the genteel image that Europeans have of their own homeland—it includes more duty-free shopping, for a start. But it is a fresh vision. With their economic power and hunger for new experiences, China’s restless middle classes have conjured a new Europe into life.
KALMAN SZABADI was an awestruck ten-year-old when he first saw a Zeppelin airship floating over Csepel island on the Danube in 1931. The sight of it left him with an enduring fascination with how things work and a passion for elegant, functional design. Mr Szabadi combined his two enthusiasms at college, where he studied industrial draughtsmanship. He drew film posters, painted theatre scenery and was drafted into the Hungarian navy for three years. Demobbed in 1953, he returned home to Vac, a small town on the Danube 40km (25 miles) north of Budapest.

These were strange times all across eastern Europe. In the early 1950s Hungary, like its neighbours, had languished under a harsh Stalinist regime. Innovation and new ideas were frowned on. But after Stalin died in March 1953 some restrictions were slowly lifted. Life became easier. Perhaps, after all, it was a good time for a talented young designer and engineer to put his skills to use.

What Mr Szabadi wanted to do was design a car with a small motor, probably a motorcycle engine, which would be cheap to produce and economical to run. Eastern Europe in the 1950s this was a political as well as a technical challenge. After the Soviet takeover in the late 1940s, the Russians set up Comecon, the Council for Mutual Economic Assistance, to co-ordinate economic relations across the Soviet bloc. In line with the principles of socialist planning, each country was ordered to make certain products but not others. Czechoslovakia, Poland and Romania were allowed to make cars, but Hungary was forbidden to, probably because it had no existing car industry. But a national vehicle, like a national airline, was a symbol of patriotic pride, especially in eastern Europe. Hungary’s Communists were soon determined that Hungary should have its own cars. Accordingly, they quickly found a very Hungarian solution. The way around the Comecon restrictions was via the Magyar speciality known as the kiskapu, or “little
gate”. When one door closes, the *kiskapu* usually opens, often lubricated by an envelope of bank-notes. So under Communism, if, for example, X was forbidden, something rather like X—but not actually identical to it and arguably something else—was surely permitted, because only X was forbidden.

The answer to the prohibition on the manufacture of cars, Hungary’s Communist leaders decided, was to make an enclosed geared vehicle with a steering-wheel and petrol engine that transported people in safety, but did not qualify as a car because it was too small: the microcar. As the Magyar microcar was not actually a car, it could drive through both the *kiskapu* and the thickets of Communist bureaucracy, or so the argument went, and so the microcar did, with some success.

The Magyar microcar was the latest in a long line of Hungarian inventions that have shaped the modern world, including Laszlo Biro’s ballpoint pen, the telephone exchange and holography. Hungarian-born scientists such as Edward Teller and John von Neumann also played crucial roles in developing computers and atomic weapons.

Such skill at innovative thinking could well be rooted in the complexity of the Hungarian language, which has three levels of formality, direct and indirect conjugation of verbs, and also demands rhyming vowel harmony. Saying anything in Hungarian demands an instantaneous series of mental calculations before a sentence can be constructed and a clear meaning communicated. A Hungarian, the old joke goes, is someone who enters a revolving door behind you but comes out in front. This inbuilt skill at seeking solutions to complex problems, and a talent for quick lateral thinking, proved vital for the Magyars during centuries of foreign rule and was especially useful under Communism.
Despite Moscow’s orders, Hungary was a natural candidate for car production. The enormous Manfred Weiss steelworks on Csepel island in the Danube was one of the region’s biggest industrial concerns, and Hungary already exported Ikarus buses and Csepel trucks all over eastern Europe. During the war the steelworks mainly produced armaments and ammunition, and it went on doing so after 1944 when the Nazis requisitioned it from the Weisses, the Jewish family who owned it. But after the war Janos Pentelenyi, one of the factory’s designers (pictured top, on the left), designed a small car to be made there inspired by Germany’s Volkswagen Beetle. Wartime restrictions and shortages meant the vehicle, called the “Pente” after its inventor, had to be lightweight, inexpensive, reliable and simple to manufacture. Powered by a two-stroke 500cc engine, the Pente was three metres (ten feet) long and 1.3 metres high. Pentelenyi argued that the engine cost about half as much to make as the four-cylinder, four-stroke engine of the rival Fiat Topolino. That proved persuasive, and in March 1946 the factory approved the production plans. By December the first model was on the road, comfortably reaching a top speed of 60kph. Enthused, Pentelenyi built a bigger 600cc version, which was successfully tested. The steelworks drew up plans to mass-produce both cars.

It was not to be. After the Communist takeover in 1948 the Manfred Weiss Steelworks was nationalised and renamed after Matyas Rakosi, Hungary’s hated Stalinist leader. The order came down from Moscow: no more cars. Pentelenyi’s pioneering work was discarded, and the factory was ordered to turn out motorcycles and the rugged Csepel trucks. The sole surviving Pente 600 is now on display at Budapest’s Museum of Transport. Pentelenyi’s Pente never went into production, but his prototypes and designs still proved useful to his successors.

These post-war years of austerity and shortages turned out to be the golden age of the microcar across Europe. Italy had its popular Iso Isetta, while in Germany Messerschmitt, an aircraft
manufacturer by then barred from making fighter planes, produced the Kabinenroller, which—unsurprisingly—looked rather like the cockpit of a fighter plane mounted on three wheels. Poland had the Smyk, a four-wheeled microcar with a front door, while Czechoslovakia produced the three-wheeled Velorex.

In Budapest the government laid down the requirements for the Magyar microcar: it should be a closed, four-wheeled vehicle, powered by a motorcycle engine, and should be capable of carrying two adults, two children and some luggage. In 1955 the Hungarian Ministry of Metallurgy and Machine Industry commissioned a team of engineers, including Erno Rubik, the father of the inventor of the famous cube, to start work in the city of Szekesfehervar, west of Budapest, at a factory that had previously repaired aircraft. An Isetta was brought in, together with a Messerschmitt Kabinenroller. Rubik and his team were soon at their drawing-boards, using their own plans and ideas and finding new inspiration from the Italian and German vehicles. The result was the Alba Regia, as Szekesfehervar was known in Roman times, and the Balaton, named after Hungary’s largest lake. Both cars ran on 250cc Pannonia motorcycle engines, and had aluminium bodies with aircraft wheels. The doors of the Alba Regia opened conventionally, while the roof of the Balaton slid backwards, aircraft-fashion, to allow the driver and passengers to climb in. Both cars were rear-engined, with a reverse gear. In order to go backwards the driver stopped the engine and pushed a button, at which point the engine itself went backwards.

The microcars were judged a great success and went on public display in Szekesfehervar’s 1956 May Day parade, together with an Isetta and an Uttoro (Pioneer), from the eastern city of Debrecen. The mini-vehicles were viewed with a mixture of pride and longing: pride that once again Hungary had circumvented outsiders’ restrictions and could manufacture cars, and longing to own one. Private car-ownership was a rare privilege then, usually reserved for party leaders and functionaries. If Hungary could produce its own economical vehicles, then perhaps anyone might be allowed to buy one.

The Uttoro, which was sponsored by the Ministry of Light Industry—unknown to the Ministry of Heavy Industry—was one of several remarkable microcars built by private inventors and engineers. Janos Schadek, an engineer living in Debrecen, had built his first car in the 1920s. By the 1950s he was working for the state-owned locksmith company as chief engineer. He created the Uttoro with the help of two colleagues who had previously repaired and built aircraft engines. The car was powered by a 250cc Csepel motorcycle engine, complete with a kick-starter, which was placed over the rear axle. Its wheels were taken from a wheelbarrow, but the car could still reach a top speed of 80kph.
Endre Suranyi, a former motorcycle-racer turned driver for Communist leaders, built his first microcar in 1946. With just a 50cc engine, and a cramped chassis that barely seated two people, it soon became known as “the motorised shoe”. Despite the shaky ride, it worked, and Suranyi powered up to make a bigger version with a 125cc engine. Plans were drawn up to produce a 250cc model, but were never put into action.

In Vac Mr Szabadi followed the news about the Balaton, Alba Regia and all the Magyar microcars with mounting excitement. He was working hard on his own prototype. Enthused by the results and by the prospect of being able to make a car in Hungary that would circumvent Comecon restrictions, fulfil patriotic requirements and provide cars for a restless population, the Ministry of Light Industry commissioned the Automobile Transport Research Institute to examine both Western and Soviet-bloc vehicles. The institute’s favourite was the West German Goggomobil, whose 250cc engine pumped out an impressive 14 horsepower; but the car’s capitalist roots were a difficulty. Socialist ingenuity had to win the day. If it could be proved that Hungary had the expertise to build a cheap, reliable people’s vehicle, whether or not it was classified as a car, Comecon’s kiskapu would probably open.

The best way forward, the ministry decided, was to hold a competition. The tender was announced in summer 1956. But then, as happens too often in eastern Europe, history intervened, this time in the form of the October uprising, which threw the country into chaos. The next year the ministry declared that there was no winner, and the whole issue was dropped.

Even so, in backyards and garages, Hungary’s engineers and inventors did not give up their quest for the perfect Magyar microcar. Mr Szabadi decided that if Rubik and Schadek could do it, then so could he. In 1956 he obtained an Isetta 300cc engine and started work at a shipyard in Vac. Four years later he unveiled the Fesztival. The car was 3.15 metres long, 1.15 metres tall and weighed 380kg; its top speed was around 60km/h. Constructed out of motorcycle parts and with a body made of pig’s blood, chicken feathers and shellac, the Fesztival was smelly, but it worked. Sadly, Mr Szabadi’s marvellous vehicle was a one-off. After a few years the body was replaced by a workaday van, which eventually crashed, and the remains were scrapped. Undeterred, he went on to design boats and water taxis.

Nowadays the Magyar microcars are a footnote in automotive history. But they were much more than engineering whimsy. The principles underlying their economy of design, ease of production and simplicity remain relevant today. Currently, about half the world’s population lives in cities, a figure projected to rise to 60% by 2030. Even if urban developers provide decent public-transport networks, many people will still want their own cars. This is especially true of the rapidly growing new middle classes of India and China. Microcars, which have fewer emissions, cost less to run and take up less parking space, are the obvious answer. Hence the Tata Nano, launched with much fanfare in India a year or so ago.
The microcars of the 1950s also laid the design foundation for the future generation of mini-vehicles, the EN-V, or Electrically Networked Vehicle. An EN-V can be summoned from its parking place via a mobile phone to drive itself to its owner. Once the driver is seated inside he can drive the car normally, or can use its GPS system and a highly sophisticated range of sensors (which recognise people, animals, other cars, motorcycles and traffic signs) for automated driving. An EN-V has only two wheels, and is just 1.5 metres long and 1.4 metres wide. As in old-fashioned bubble cars, the driver gets in from the front, via a large transparent door.

Mr Szabadi died in November after a quiet retirement in Vac, but his ingenious legacy lives on. The microcar is back, re-engineered for the 21st century.

The Kabinenroller resembled a fighter aircraft’s cockpit on three wheels
TERESA VEGA’S first son was two when a flood carried rubbish, dead animals and disease through the canals of Oaxaca, her desperately poor home state in southern Mexico. The boy started vomiting, got diarrhoea and ran a fever. There was a doctor a few hours’ walk away, but Ms Vega and her husband, Marco Lopez, had no money to pay him. They could do nothing, she says. They watched their son die.

Ms Vega now says this event is the reason for everything she and her husband have done since. When they had another son, Erminio, they decided that they had to make money in case he also fell ill. But Oaxaca offered them no jobs, save for a bit of maize-harvesting every July. Teresa’s younger brother Felix had already left for America to find work in California’s fruit and vegetable fields. In 2005, seeing no alternative, Ms Vega and her husband set out to follow.

Little Erminio would not have survived the journey, so Ms Vega and her husband had to leave him behind, in the care of Mr Lopez’s father. Erminio was one at the time. That was the last time Ms Vega saw him. Now 26, though she looks a decade older, she knew she was running another risk, because she was seven months pregnant again. But she and her husband made their way north nonetheless. Then came the crossings.

The crossings—invariably plural, because most attempts fail, leading to deportations and renewed attempts—are a seminal event in virtually all the stories of the undocumented farmworkers who labour in America’s fields. The border is their threshold and their first glimpse of El Norte, the promised land in the north.

But for la migra, as they call America’s immigration and border officials, it’s “like catching deer,” says Felix. He and his wife and cousins, six in total, were deported three times before succeeding...
at the fourth attempt, and the humiliations at the hand of la migra still sting.

**Everyone’s quarry**

Once they walked all night through the desert of Arizona, slashing themselves on fences of barbed wire and running out of water, before border-patrol agents ambushed them. The agents tied them up, shouted at them, threw them into a van and then into a freezing jail, where they slept on a bare floor for several nights until enough migrants had been rounded up to fill a bus that took them back to the Mexican side.

On another crossing Mexican bandits waylaid them. They pointed guns, stole their food and stripped them naked. Because the Vegas speak an indigenous language called Mixtec and understand little Spanish (and no English), Mr Vega’s wife and the other women did not understand the bandits and feared they would be raped. They were not, but then had to cross the frigid night desert without clothes, food or water, until la migra caught them again.

Gonzalo Vega, yet another cousin, made the trip with his wife, five months pregnant, and his two younger brothers, who were seven and ten at the time. He carried all their water and food, but the children struggled. After a day and two nights of walking they were desperate for sleep, but Gonzalo didn’t let them rest in the freezing cold lest they not wake up again. He could not light a fire, because la migra would have seen it.

They threw themselves into ditches whenever the border patrol’s SUVs approached. Once Mr Vega’s wife fell hard onto her bulging belly. The worst moment came when la migra caught them again, beat Gonzalo and threatened to take his brothers away from him. When the family was allowed to remain together, even the cold jail floor felt good, he recalls. Gonzalo’s group succeeded on the fifth try.

If and when the border is crossed, the paved but hostile vastness of America is the next challenge. Usually a family member already on the other side will pick the migrants up in a car. Many then make their way to the farm towns of California.

Often they take the same roads on which the “Okies” travelled en masse in the 1930s as they fled the depressed dust bowl of Oklahoma, Texas and Arkansas to seek a living in California. These Okies are for ever etched into America’s psyche as the Joad family in “The Grapes of Wrath”. Comparing the Mexicans who toil California’s fields to the Okies in John Steinbeck’s classic novel is a staple of the Latino left. That does not make it any less accurate. Joads then and Vegas now are pushed by the same need, pulled by the same promise. Now as then, there is no clearing house for jobs in the fields, so the migrants follow tips and rumours. Often, like the Joads, they end up in the right places at the wrong times. Felix Vega and three of his group, including his wife, were dropped off in Oxnard, famous for its strawberries. But they arrived out of season, so they slept on the streets, then in a doghouse, then in somebody’s car. For two months they did not bathe and barely ate. Finally, they found jobs picking strawberries and made their first money in America.

And thus they joined the vast undocumented workforce that undergirds America’s food supply. The government estimates that more than 80% of America’s crop workers are Hispanic (mostly Mexican), and more than half are illegal aliens. But Rob Williams, the director of the Migrant Farmworker Justice Project (which represents farmworkers in court), considers those numbers grossly misleading because they rely on self-reporting. He estimates that more than 90% of farmworkers are sin papeles (without papers), just as the Vegas are.

**The devil’s work**

Farm work has, for most crops, become no easier since Steinbeck’s day. Strawberries, the crop the Vegas started out with, are nicknamed la fruta del diablo (the devil’s fruit) because pickers have to bend over all day. “Hot weather is bad,” says
Felix Vega, but “cold is worse” because it makes the back pain unbearable. Even worse is sleet or rain, which turns the field into a lake of mud. The worst is picking while having the flu.

Every crop exacts its own particular discomfort, as this correspondent discovered on an August day picking grapes in the very part of the San Joaquin Valley where Steinbeck’s Joad family looked for work. Working with two Mexican brothers and a young Mexican couple, he cut the grapes, collected them in tubs and periodically dumped them into a wagon pulled by a tractor.

The lanes between vines are exactly as wide as the tractor, so the little group had to duck into and underneath the vines all day long. They crawled alongside the tractor, trying to avoid having their feet run over. Within hours this correspondent’s shins were bleeding as the wagon’s metal protrusions slammed into them, which seemed unavoidable. With an encouraging smile, a co-worker pulled up a trouser leg to reveal his own scarred shin.

Because the pickers were squatting or kneeling under the vines and twisting to reach up for the grapes (the low-hanging fruit proving the trickiest), their necks and shoulders were soon in agony. Standing up to relieve their backs thrust their heads into the vines, which are covered in pesticides. There are many cases of birth defects and cancer in the families of farmworkers. But as the heat climbed above 100°F (about 40°C), the vines, soaked in toxins or not, became allies. The air underneath them is stagnant, as in a sauna, but their foliage is the only available shade.

Just as the heat threatened to overwhelm this correspondent, the woman in the group broke into a slow Mexican song, which somehow helped. But heatstroke is common in the fields. In 2008 Maria Isavel Vasquez Jiminez, a 17-year-old Mexican girl who was pregnant, collapsed while picking grapes and died two days later.

**Hungry amid food**

As Tom Joad in Steinbeck’s novel discovered, many farmworkers, even as they spend their waking hours picking food for others, can barely afford to eat. Between harvests they have no work. When they do work, their wages are meagre. The workers picking grapes with this correspondent got $8 an hour. That is vastly superior to the $9 a day—not hour—which the tractor driver says he used to get at home in Mexico. But costs in the United States are higher too.

Teresa Vega makes about $65 a day during the strawberry season, as does her husband. But they now have two daughters living with them, Luisa, four, and Maritza, two. So Ms Vega must, perversely, hire a babysitter while she is working. That costs $50 a day.

Most of what remains pays their rent for a trailer in Watsonville, just outside Steinbeck’s home town of Salinas. The trailer is dilapidated, but Ms Vega tends to it lovingly. By the door hangs a picture of the Virgin of Guadalupe, Mexico’s patron saint. There is even a small television set.

But the trailer has no air conditioning or heating. On this day, after a downpour, it smells musty. Teresa explains, in Mixtec through her brother’s translation into Spanish, that in the winter Luisa and Maritza are always ill. On the counter that serves as the kitchen there is no fresh food, only a jar of protein powder.
After their expenses, very little is left over for her husband’s blind grandparents in Mexico, for Teresa’s diabetic father and above all for their son Erminio, who was the original reason they came. Western Union, a service that remits cash, takes another painful cut whenever they send money home.

Aside from poverty, the other consequence of being sin papeles is having to live “in the shadows”. This is the difference between today’s Mexicans and yesterday’s Okies, between the Joads and the Vegas (although Tom Joad was also on the run from the law). The Okies were poor, disdained and hungry. But they were American and white, often Scottish-Irish. They could not be deported.

“The hardest part is not being free, not being able to go out,” says Felix Vega. “It’s like being in a jail.” Any contact with official or bureaucratic America might lead to deportation and thus separation from his wife and sons—Victor, seven, and Jesus, four— who were born in America and are thus citizens.

This anxiety extends to every aspect of work and life. In the fields, undocumented workers hardly ever protest when contractors or growers abuse them. Merely getting to the fields and back is risky. Undocumented farmworkers have to drive long distances, but they don’t have driving licences. Any brush with the police is dangerous. Felix Vega stays below the speed limit and comes to a complete halt at stop signs.

His cousin Gonzalo has been pulled over three times—because of “the colour of my skin”, he thinks. Like many indigenous Mexicans from Oaxaca, the Vegas are short, squat and dark. Last time the cop claimed that Gonzalo’s tyre had touched the centre line as he was driving. Local police are not supposed to enforce immigration law, which is a federal matter, but they can impound the cars of drivers without licences, so they took Gonzalo’s. He had to pay a $1,580 fine, then to buy a new car for $1,500. The expense set his finances back by years.

In Steinbeck’s novel, “the migrant people, scuttling for work, scrabbling to live, looked always for pleasure, dug for pleasure, manufactured pleasure,” often of a boisterous sort. For undocumented migrants, however, those pleasures are not available, for they might attract attention.

On those Sundays when he is not working, Felix Vega goes to church, then walks with his sons to a public park. Beyond that, he stays off the streets. He has never been to a cinema. Nor to a hospital: when family members get sick, they use folk remedies. His sister Teresa, who lives quite a distance away, hardly ever lets her girls play outside. Luisa and Maritza spend almost all of their time in the trailer, on the mattress that completely fills the far end of it and serves as a family bed and playpen.

Gonzalo Vega and his wife and daughters—Diana, two, and Esbeide, ten months—live in a single room with one mattress and one chair. He used to let Diana (with whom his wife was pregnant during their crossing) play outside. But then the American neighbours, who seem generally hostile, complained about noise and threatened to call the cops. “It’s always the same: they have papers and we don’t,” he sighs. So now Diana stays inside and is told to keep quiet.

Gonzalo’s younger brothers—the two he brought over the border—live in another town. They spend almost all their time studying, Gonzalo says, because he has told them that the best students might get papers and become legal. He knows that might not be true, he says, but it keeps them out of trouble.

Yet a life without pleasures is not a life without joys. For the Vegas, the children are the joys. Felix’s older son, Victor, is trilingual in Mixtec, Spanish and English and has the naughty cheek of
a boy who is legal. He goes to a nearby state school. Felix, beaming with pride, worries that its classes are too crowded and its teachers bad, sounding like any middle-class American parent.

“I don’t hate Americans,” says Felix. “Some are racist, but there are racists in Mexico, too.” Here in America, he says, those Latinos who have papers sometimes discriminate against them more than the gavachos (non-Hispanic whites) do.

But all the Vegas feel hated much of the time. Some people hurl racial slurs at them, give them dirty looks or call them “wetbacks”, a term of abuse recalling someone who has just swum the Rio Grande. Felix Vega says that the mood has become noticeably more hostile this year, perhaps because a controversial state law in Arizona has legitimised such animosity. That law, parts of which have been suspended by a federal judge, would make illegal immigration a state crime and oblige local police to enforce it.

Its fans correctly call the Vegas and their ilk “illegals”. This is often taken to mean “criminal”, yet being in the United States illegally is actually a civil offence; it is the illegal crossing that is a criminal offence. The migrants and their sympathisers therefore prefer “without papers” or “undocumented”. “They think we’re criminals, but we came here to do good and we’re all children of God,” says Felix Vega, touching the cross around his neck.

The stolen jobs no one wants

At a time of high unemployment, many Americans are convinced that these aliens take American jobs. As a test, this summer the United Farm Workers (UFW), the main agricultural union, launched a campaign called “Take Our Jobs”, inviting willing Americans to work in the fields. In the following three months 3m people visited takeourjobs.com, but 40% of the responses were hate mail, says Maria Machuca, UFW’s spokesman. This included e-mails such as one reading: “We’re becoming more aggressive in our methods. Soon it may come to hands on, taping bitches to light posts.”

Only 8,600 people expressed an interest in working in the fields, says Ms Machuca. But they made demands that seem bizarre to farmworkers, such as high pay, health and pension benefits, relocation allowances and other things associated with normal American jobs. In late September only seven American applicants in the “Take our jobs” campaign were actually picking crops.

That was the point, says Arturo Rodriguez, the UFW’s president. America’s farm jobs, which are excluded from almost all federal and state labour regulations, are not normal jobs. Americans refuse to do them. The argument about stolen jobs is “just a façade” for a coarser scapegoating, says Mr Rodriguez, and “we demonstrate the hypocrisy.”

Teresa, Felix and Gonzalo Vega only nod sadly when asked about the rancour, the Arizona law, the politics. They feel they had no choice in coming illegally. Would they do it again? “No, not if I had known what lay ahead,” says Felix. But after a silence, he corrects himself. Yes, he would,
because even though he doesn’t think he’ll ever get papers, he has two sons who are American and could be lawyers or writers one day, living openly.

Teresa Vega is the most reticent. She admits that her “plan didn’t work”. She hears that Erminio, at home in Oaxaca, is not doing well. He is often ill. “He needs love” and doesn’t get enough, she says. But then she, too, reverses herself. She always thinks of her first son, the one who died because she had no money to save him. Yes, she would come again.

People like the Vegas will always keep coming, no matter the fences that go up on the border and the helicopters that circle above. For they are like the Joads. As Steinbeck wrote: “How can you frighten a man whose hunger is not only in his own cramped stomach but in the wretched bellies of his children? You can’t scare him—he has known a fear beyond every other.”
Barbecue and American culture
Fire in the hole
Barbecue navigates the twin perils of mass appeal and nostalgia

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IT IS a noun, not a verb. You do not barbecue meat; you smoke it until it becomes barbecue. And it is not a meal so much as a meditative process, perched somewhere between science and art, dependent on reserves of judgment. The science lies in building a fire that will smoulder steadily without flaring, and in constructing a vessel that will bathe the meat in smoke without subjecting it to too much heat. The art lies in the butchering and seasoning. The judgment comes in knowing precisely when a cooking process that may last as long as 18 or 24 hours should end. Barbecue is the art of turning tough cuts tender (“Need no teef to eat my beef” is a popular boast among smokemasters). None of these facts brook disagreement, but here the unity ends.

American barbecue falls into four broad geographic categories—and understand, letter-to-the-editor writers, that this is a crude sketch, not holy writ. In North Carolina pork, either whole hog or shoulder, is seasoned minimally if at all. The sauce, applied at table, varies. In the eastern part of the state it is usually nothing more than cider vinegar, salt and red pepper flakes. In the west it may include a bit of tomato. North Carolina barbecue at its best is as austere and perfect as a bowl of properly cooked Japanese rice. As with rice, however, perfection is exceptionally difficult to achieve, whereas mediocrity is easy. Mediocre Carolina pork will bring back memories of school dinners and premonitions of the nursing home.

Memphis is known for ribs and shoulder, the former often served “dry”, with just a rub of spices, and the latter often served pulled, on a sandwich, with coleslaw as an essential element rather than an option. Unsurprisingly, the ranching state of Texas prefers beef to pork. The brisket is cooked “low and slow” and often served with nothing more than Saltine crackers or white bread, raw onions and pickles. Texas also displays strong German influences, seen in the prevalence of barbecued sausage in the region just east of Austin, as well as Mexican ones, seen in covered-pit barbacoa, traditionally made from cows’ heads.
Kansas City barbecue slathers both beef and pork in a sweet, tomato-based sauce: this style of barbecue, probably because it is easiest to do tolerably well and because people always love a sweet sauce, has become the default broad American style. If you order ribs in a chain restaurant in Buffalo or Minneapolis, say, you will probably get them doused in sweet tomato sauce. There are regional quirks throughout the country—western Kentucky prefers mutton to beef or pork, South Carolina’s sauce is mustard-based while northern Alabama’s is an abomination based on mayonnaise, and Chicagoans display a fondness for rib tips (unwieldy, delicious bits of meat, bone and cartilage). But those are the four main categories.

Yet beyond that rough classification lie deeper questions: what is barbecue? What does it mean? What is its proper venue? These are not mere culinary questions. Barbecue in America, particularly in the American South, is like red wine in Bordeaux or maize in Mexico. More than just something to consume, it is an expression of regional and perhaps even national identity. In “Smokestack Lightning”, a delicious book about barbecue, Lolis Eric Elie explains, “Barbecue alone encompasses the high- and lowbrows, the sacred and the profane, the urban and the rural, the learned and the unlettered, the blacks, the browns, the yellows, the reds and the whites.”

Mr Elie’s book, punctuated by Frank Stewart’s photographs, is an account of a summer spent driving around America in search of first-class barbecue. It is the sort of book that makes a reader look across the table at spouse and children, and think, “They’ll be all right without me for a few months, won’t they?” Writer and photographer traverse the rural South and Texas before turning north into Kansas City and Chicago, cities with barbecue traditions shaped by the Great Migration of African-Americans northward from the rural South in the early 20th century. It is a tour of barbecue’s redoubts.

Yet even as Mr Elie and Mr Stewart were writing, and photographing, barbecue was spreading from its roots. It is now America’s food in the same way that jazz and blues are its music. All were formed from the interplay of African, European and native cultures. Barbecue at its best has a depth and complexity that, say, hotdogs and hamburgers never could; they are Elvis Presley to barbecue’s Louis Armstrong. And, like jazz and blues, barbecue is easy to water down. John T. Edge, who heads the Southern Foodways Alliance, gives warning that “there are a lot of people doing a bad job” with barbecue—meaning gimmicks, or superficial gestures, or aiming for mediocrity rather than excellence. In culinary terms it may mean parboiling meat, then coating it with sweet barbecue sauce flavoured with Liquid Smoke rather than taking the time to cook it slowly over a wood fire.

Whereas great barbecue tastes great, even mediocre barbecue tastes pretty good. And mediocre barbecue demands far less time, attention, discipline and labour. It can also be aimed at the broadest possible section of palates, offending few but delighting few as well (for the same reason, one is more likely to hear the music of Kenny G than Miles Davis while on hold). For many years—particularly to those smokehounds trapped in the northeast, or some other benighted and barbecue-deprived corner of the world, forced by cravings to order a rack of baby-back ribs in a middle-of-the-road, non-barbecue establishment, only to be presented with spongy, tasteless meat dripping with smoky ketchup—this danger has long seemed especially perilous. Mr Elie’s writing is sharp but markedly elegiac.

Nearly two decades later, however, he has cause—so have we all—for joy. The forces of smoke and time are fighting bravely against prefabricated red sauce and parboiling. Inspired by writers such as Michael Pollan, Alice Waters and Hugh Fearnley-Whittingstall, diners have grown increasingly concerned about the route their food takes from farm to table. There has been a boom not just in organic food but in what Mr Edge calls “vernacular food”. And the country has seen the spread not merely of barbecue, but of first-rate
and even inventive barbecue.

Some of the credit belongs to restaurateurs such as Danny Meyer. Mr Meyer is a native of St Louis, whose unique contribution to barbecue is the snoot sandwich, which is just what it sounds like. He opened Blue Smoke in 2002 in Manhattan, an island blessed with many things, barbecue not among them. That absence proved liberating: “In any of the real barbecue destinations of the world,” Mr Meyer explains, “it’s heresy to veer from what local tastes have dictated for ever.” But in New York local tastes have dictated nothing, which means nobody (other than finicky expats, who will presumably be too busy stuffing their faces to talk) will object if a restaurant serves Texas-style brisket with a bottle of eastern Carolina vinegar sauce. And indeed Mr Meyer’s restaurant, rather than being steeped in a single tradition, is an homage to barbecue’s catholicity. Yet befitting its Manhattan location, it has a drinks menu that extends beyond RC Cola and Bud Light. “The worst thing we could have done”, says Mr Meyer, “is to pretend that we were a ‘barbecue joint’ rather than a New York restaurant.”

If Blue Smoke is barbecue’s greatest-hits collection, Jim & Nick’s, a chain of barbecue restaurants, is more “Kind of Blue”: a stylistically coherent album that is not tied to any particular region. Nick Pihakis, an Alabaman who started the chain with his father 25 years ago, boasts that none of his 28 restaurants has a freezer. Their barbecue is hardwood-smoked, low and slow, the right way; the side dishes, biscuits and pie dough are made from scratch. It is neither Memphian nor Texan, but a sort of hybrid of the two, with nods to the traditional southern table as well.

If it ain’t got that swing

Messrs Pihakis and Meyer, like smokehounds outside the South, have at some point had to face the question every art form faces: is it authentic? Lauded today, Blue Smoke opened to rocky reviews. What happened, explains Mr Meyer, “was that a small number of ‘gastronauts’ felt they had all the knowledge in the world. It was important to them to say ‘I know what authentic is, and this isn’t authentic.’” It is easy to defend good barbecue from those who would debase it, but how do you protect a living practice from those who would, in its defence, smother it? Art needs iconoclasts and bold fusions of distinct traditions. Otherwise it stagnates.

Consider the way that music—notably, in America, jazz and hip-hop—developed both distinct regional flavours as well as an overarching hybrid style. Some may prefer, say, New Orleans jazz to the less regional schools of bebop or free jazz, but nobody would seriously argue for the superiority of one over the other. It is comforting to believe in the purity of isolation, and to believe that good barbecue exists only in a remote tarpaper shack, or in obscure blues clubs in Memphis, but it is a fiction. Barbecue, like jazz, develops from conversation, from talking and listening, from eating and thinking. As Duke Ellington said of music, there are really only two kinds of barbecue: good and bad.

Those afflicted by nostalgia for the music of the past can listen to Louis Armstrong or Miles Davis and lament how far the world has fallen. In visual art, too, we have old prints, and in literature we have old books. Food has an advantage that those art forms lack. Every time fire touches flesh it is reinvented: there is nothing to compare it to. The man who had that restaurant, long shuttered, on that corner in West Memphis, Arkansas, where weeds now grow may have been a great cook. His rub might have contained spices unheard of and perhaps his sauce would not have been out of place at the table of Kublai Khan. He may well in fact have been the best that
ever was, but all there is to prove it is talk. The past is gone. In fact, it is eaten.
AN AFRICAN academic with a coiffed mane is sipping coffee in a Ghanaian airport when he spots a pulpy Nigerian film on an overhead screen. “A travesty, a grave crime,” he splutters. “Such imbecile images should never be shown in this country. They are veritibly poisoning our culture.”

It is hard to avoid Nigerian films in Africa. Public buses show them, as do many restaurants and hotels. Nollywood, as the business is known, churns out about 50 full-length features a week, making it the world’s second most prolific film industry after India’s Bollywood. The Nigerian business capital, Lagos, is said by locals to have produced more films than there are stars in the sky. The streets are flooded with camera crews shooting on location. Only the government employs more people.

Nigerian films are as popular abroad as they are at home. Ivorian rebels in the bush stop fighting when a shipment of DVDs arrives from Lagos. Zambian mothers say their children talk with accents learnt from Nigerian television. When the president of Sierra Leone asked Genevieve Nnaji, a Lagosian screen goddess, to join him on the campaign trail he attracted record crowds at rallies. Millions of Africans watch Nigerian films every day, many more than see American fare. And yet Africans have mixed feelings about Nollywood.

Among Africa’s elites, hostility is almost uniform. Jean Rouch, a champion of indigenous art in Niger, has compared Nollywood to the AIDS virus. Cultural critics complain about “macabre scenes full of sorcery” in the films. The more alarmist describe Nigerian directors and producers as voodoo priests casting malign spells over audiences in other countries. They talk of the “Nigerianisation” of Africa, worrying that the whole continent has come to “snap its fingers the Nigerian way”.

Governments can be hostile, too. Several have brought in protectionist measures, including
spurious production fees. In July Ghana started demanding $1,000 from visiting actors and $5,000 from producers and directors. The Democratic Republic of Congo has tried to ban Nigerian films altogether. Five decades after much of Africa gained independence, its elites fear being re-colonised, this time from within the continent. “The Nigerians will eat everything we have,” says a former official at the Ghanaian ministry of chieftaincy and culture.

Nollywood’s moguls make no attempt to deny their influence over the continent—they just regard it as a thoroughly good thing. “We give Africa development and knowledge,” says Ernest Obi, head of the Lagos actors’ guild, during a break from auditioning a gaggle of teenage girls dressed in ball gowns. “We teach people things. If they call us colonial masters, too bad.”

**Picking up the colonists’ tools**

The history of cinema in Africa is bound up with colonialism. The continent’s first films were imported by European rulers and shown in grand viewing halls with columned porticos. The aim was to entertain expatriates, but also to impress and cow locals. John Obago, a retired teacher, was eight when he saw his first moving picture in 1930s Kenya. “Oh, the elders did not like it,” he remembers. “But we just loved it. We were fascinated sitting there on the clean floor and seeing these white people get in and out of restaurants and buses.”

American and European directors were soon visiting the continent. They enthusiastically filmed elephant hunts, vividly coloured parrots and dutiful but dim native porters. They produced some classics. “The African Queen”, starring Humphrey Bogart and Katharine Hepburn and shot on location in Uganda and Congo, has aged particularly well. But many “jungle epics” were greeted with charges of racism. In the heated era of independence they came to be seen as tools of foreign domination.

The first true Nollywood film resulted from an ill-advised business venture. In 1992 Kenneth Nnebue, a trader, ordered a large consignment of blank videotapes from Taiwan. Finding them hard to sell, he hired a theatre director to make a cheap film and copied it onto the tapes to boost their appeal. “Living in Bondage”, the story of a farmer in a big city who loses his wife and is haunted by her ghost, sold more than half a million copies.

Many Nigerians still remember the first time they saw “Living in Bondage”. Odion, a drug addict with a toothless smirk on a street corner in central Lagos, says, “All of us kids at the time, even the under-tens, watched it and we just had to have more. I tell you, I tried many things since then. None is as addictive.”

The market traders control Nollywood to this day. They make films for home consumption rather than for the cinema—a place few can afford, or reach easily. DVD discs sell for a dollar. Print runs can reach a million. Studios, both in the physical and the corporate sense of the term, are unknown. There are no lots, no sound stages and no trailers for the stars. “Films are made on the run, sometimes literally,” says Emem Isong, one of Nigeria’s few female producers, during a shoot. “Some of the guys are hiding from the police.”

All scenes are shot on location and with a shoestring budget of no more
than $100,000. Most of the financiers are based in a vast, chaotic market called Idumota. It is a maze within a labyrinth. Crowds push through narrow, covered alleys. The sound of honking motorbikes is drowned out by blaring television sets showing film trailers. The flickering screens light up dim stalls lined with thousands of DVDs on narrow wooden shelves.

Desmond Akudinobi, a small man with darting eyes, runs a stall the size of a double bed. He opened it in 1999. By 2005 he had raised $20,000 to finance his first film. It was called “Without Apology” and made a small profit. Since then he has produced 10 more films. Every six months or so he buys a script from one of the many itinerant writers trawling the market, and hires a producer and crew. He prints discs in Alaba, another Lagos market. Some go onto his grimy shelves; many others are exported.

**Bandit impresarios**

As soon as a film is released, copyright thieves rip it off. It takes the pirates just two weeks to copy a new film and distribute it across Africa. The merchants must take their money during that fortnight, known as the “mating season”, before their discs become commodities. As soon as the mating season is over they start thinking about the next film.

The merchants curse the pirates, but in a way they are a blessing. Pirate gangs were probably Nollywood’s first exporters. They knew how to cross tricky borders and distribute goods across a disparate continent where vast tracts of land are inaccessible. Sometimes they filled empty bags with films when returning from an arms delivery. Often they used films to bribe bored guards at remote borders. The pirates created the pan-African market Mr Akudinobi now feeds.

Other African countries made films long before Nollywood. Senegal in particular produced many movies featuring traditional songs and dances. Critics referred to such products as “embassy films” after their mostly diplomatic financiers (notably the French foreign ministry). Many catered to the sensibilities of their European sponsors. Scenes were laboriously captured on celluloid, at great expense. By contrast, Nollywood is cheap and nimble. Films are shot on digital videocameras. Scripts are improvised. Camera work can be shoddy and editing slapdash. But the sheer volume of output—a response to the piracy problem—eventually overwhelmed the embassy films.

Several things have aided Nollywood’s growth. Atrocious state-run television and slow internet connections mean there is little competition for entertainment. A steady decline in the price of digital cameras and a rise in average incomes makes for healthy profit margins. Yet the same conditions exist in many developing-world countries that have not created vibrant film industries. Three other ingredients are crucial to Nollywood’s formula: language, casting and plotting.

**The triumph of English**

In Europe films intended for export are often dubbed or subtitled. In Africa the former is too expensive and the latter pointless since many viewers are illiterate. The actors in Mr Akudinobi’s films speak English, rather than one of Nigeria’s 521 native tongues. This helps their prospects abroad. Large parts of the continent are familiar with English thanks to colonialism, and Nollywood’s influence is spreading the language more widely.

Clever casting is as important as the choice of language. Producers routinely hire actors from target countries to broaden their films’ appeal. A Kenyan might be cast to aid a marketing campaign in Kenya; a South African will be cast to appeal to South Africans. “I need a known face in each market,” explains a veteran producer.

Diverse casts can often be assembled without leaving Lagos. Actors from across the continent flock to the city’s Surulere district, hanging out in the muddy bars around Winis Hotel and at
Ojez, a late-night restaurant with a band. Miriam, a gangly girl from Benin, is drinking beer in the afternoon. “I’m waiting for my first role,” she says. “We have so crazy many Nollywood films at home. They must want someone like me, right?”

The films’ plots too have strong pan-African appeal. They often revolve around the travails of new arrivals in big cities—an experience familiar across the continent. The epic film “One God One Nation” portrays a Muslim man and a Christian woman who struggle to marry. “Caught in the Act” shows a wife who is wrongly accused by her own mother-in-law of abducting a child. Nollywood films depict families whose faith has been shattered, whose certainties have been undermined. They show ordinary people struggling to make sense of a fast-changing, unkind world. Aspirations are dashed. Trust is forsaken. The overarching theme of Nollywood films is Africa’s troubled journey to modernity. Because Hollywood films tend to show people at the other end of that journey, they fail to resonate.

 Plenty of juju and Jesus

African elites sneer at the frequent displays of witchcraft in Nigerian films. Traditional curses are imposed, spirits wander, juju blood flows. The tribulations of modern life are often shown to be the result of shadowy machinations. Murder and the occult are never far from the surface. “It is the Nollywood equivalent of the Hollywood horror movie,” says Ms Isong, the producer.

Yet tormented characters often find salvation by turning to Christ. A church scene is de rigueur in a Nollywood film. This is hardly surprising. Christianity is on the rise in Africa. The number of evangelicals has grown from some 17m four decades ago to more than 400m. In countries like Liberia and Zambia, Nigerian “owner-operated” churches preach the gospel. Many Nollywood stars are born-again Christians. Film credits usually end with the invocation: “To God Be the Glory”. Helen Ukpabio, who is a leading actress as well as a successful preacher, runs a decidedly...
religious production company called Liberty Films. “All the movies from our stable are means of spreading the gospel in preparation of rapture,” she explains.

Nigeria’s success in film-making has not just elicited carping from other African countries. It has fired their competitive instincts. South Africa, Tanzania and Cameroon are now producing hundreds of films a year. Kenya is beating Nigeria at its own awards ceremonies. Ghana and Liberia have christened their nascent dream factories “Ghallywood” and “Lolliwood”. They are rapidly winning back viewers in what has become a fiercely competitive market. “We hide no longer. We face the fight,” says John Dumelo, a Ghanaian star whose grin can be seen on posters across Accra, the capital.

Nollywood has been forced to raise its game in response. It has started making films outside Lagos to cut costs, mirroring the exodus of film-making from Los Angeles to cities like Toronto and Albuquerque—a process known as “runaway production”. Some producers are investing in better equipment. Others are trying to get their films onto the big screen. With a population of 15m, Lagos has just three working cinemas. But that number could soon rise to 30. “To bring in much-needed investors, the industry has to have physical assets,” says a banker.

Nollywood is also distributing its wares more widely. African diasporas in the West pay good money to see films from home. BSkyB, a British satellite broadcaster, and Odeon, a cinema chain, both show Nollywood classics. Consumer-goods companies offer sponsorship deals. “How much the industry has changed,” marvels Emeka Duru, a veteran Lagos producer. “Not long ago actors had to wear their own clothes on shoots.”

Film is now Africa’s dominant medium, replacing music and dance. It links distant societies, fosters the exchange of ideas and drives fashion trends. In Kenya, Nollywood has bred a taste for traditional Nigerian clothing. The prime minister, Raila Odinga, has been seen wearing a loosely flowing agbada in parliament.

**The power of images**

Film also profoundly shapes how Africans see their own continent. Few have access to news channels. They derive many of their opinions on neighbouring countries from the movies. More than once your correspondent has heard Africans say they had not been to such-and-such a place but knew it from a film. That the films they watch are made by other Africans is a source of considerable satisfaction. For decades many Africans have complained that the Western media misrepresent their continent, showing only calamities like war, disease, corruption and famine. They have come to see film as an antidote. “Nollywood is the voice of Africa, the answer to CNN,” says Lancelot Idowu, one of the best-known Nigerian directors.

And African films are becoming more adventurous. “Somewhere in Africa,” a Nigerian-Ghanaian co-production to be released next year, charts the rise and fall of a fictitious military dictator. It is based on the life stories of Idi Amin, Charles Taylor and Sani Abacha, who respectively ruled Uganda, Liberia and Nigeria. Another recent film, “The President Must Not Die”, portrays a decent head of state who faces assassination, an occurrence still common in Africa yet rarely reported in state-controlled media. Political violence remains a taboo subject in many countries. Nollywood is tackling it with zest and flair.

Other Africans may complain about the cultural infiltration of their countries. But Nollywood is no modern-day colonialist. Nigerian films are made by private individuals who do not receive government funds. They are distributed by small companies who must overcome official barriers to trade. And they are bought by consenting (indeed, highly enthusiastic) consumers. As Irving Kristol, a conservative American commentator who died in 2009, said of Hollywood’s international success: “It happened because the world wanted it to happen.”
A village in a million

Shahabpur, a village on the Gangetic plain, is caste-addled and somehow cohesive. But modernity, fast encroaching, is changing its ancient ways

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AFTER a night of civil war, the feral dogs that live around Sarju Prasad’s mud hut in Shahabpur, a village in eastern Uttar Pradesh (UP), have, at last, gone quiet. It is 5am. From a charpoy—a bed of sticks and string—set outside the hut, the boughs of the overhanging trees are dimly visible. Then a clumsy-footed crow awakes in them, stirring the branches and croaking mournfully. And with a creaking of its rickety string-bound frame, Sarju rises from the adjacent charpoy, steps between a dozen curled-up canine forms, and begins his working-day.

It starts early because he has two jobs. Sarju, who is around 45, mends shoes in Shahabpur’s bazaar, a rutted street lined with around 30 shops. Hence his nickname: “Mochi”, or “cobbler” in Hindi. He also disposes of dead buffaloes, cattle and goats. Using a small bicycle cart, now tucked securely between the hut and its flimsy stockade of thorn-branches, he fetches the carcasses, skins them and leaves what remains for the dogs. He roughly cures the skins and sells them and the bones to a local trader. This earns him somewhere between 500 rupees ($11) and 1,500 rupees a month, and no friends.

Working leather has been Sarju’s family profession for centuries. Hinduism has ordained it. The family is of the chamar, or tanning, caste, one of dozens traditionally dedicated to menial or “unclean” occupations, and therefore considered “untouchable”. This discrimination, suffered by around one in five Hindus, was banned shortly after India won independence in 1947. Yet it is to varying degrees still apparent in the countryside, especially here on north India’s vast and teeming Gangetic plain.
An inviolate wasteland, littered with human and animal turds, surrounds Sarju’s two-room hut, which he shares with his wife, Sushila, and their three children. As the village midwife she performs another unclean task; it may seem odd, but conservative Hindus despise the woman who delivers their babies, because she comes into contact with the afterbirth. Making matters worse for the couple, they are considered outsiders, having migrated to Shahabpur two decades ago, from the neighbouring state of Madhya Pradesh. They are not invited to village weddings. Sarju says he lives in fear that his hut will be torched by a resentful neighbour. And he has never previously entertained a guest.

That a British correspondent invited himself to stay, during a weeklong sojourn in Shahabpur to see how village India ticked, was remarkable to Sarju. That the journalist’s translator, a young, middle-class brahmin—a member of Hinduism’s priestly caste—also broke bread with the family was perhaps stranger still. “I could never have imagined”, Sarju says, “that I would see such people in my home.”

The autumn sun has now risen, burning wisps of mist off the green paddy-fields that are everywhere in Shahabpur. From a nearby hamlet, half a mile away, comes a happy clanking of cooking-pots and children’s shrieks. In the wasteland outside Sarju’s stockade, two men, squatting a modest 20 yards apart, are chatting companionably as they take their morning purge.

A cyclist, wearing a chequered-blue sarong and T-shirt, the attire of many village men, pulls up outside the hut. In silence, he shins up a neem tree near the hut, breaks a twig from it, and slithers down again. Lounging in the gateway, he peels back the twig’s grey skin and begins chiselling it against his front teeth, softening the end into a fibrous brush, which he then works around his back teeth and gums. Neem contains a mild antiseptic and provides such toothbrushes for millions of poor Indians; even middle-class ones use toothpaste made from it. Staring by turn at Sarju and at his guests, the man splits the twig down the middle and gives his tongue a good scrape with its green inner parts. Then he tosses it aside and pedals away, with no word spoken.

This seemed uncivil, but perhaps wasn’t. Neem trees are considered fair game in the village. And Shahabpuris greet each other sparingly. Yet the thought occurs because, underlying the village’s bucolic charm, there is a lot of rudeness about. The 10,000-odd villagers—who make Shahabpur a medium-sized settlement in crowded north India—are arranged largely on the basis of caste. They live in caste-based ghettos; rarely socialise across caste lines, and never inter-marry. And the village dalits, as the former untouchables are now called, are often abused.

The chamars, the biggest of Shahabpur’s half-dozen dalit caste-groups get the worst of it. They are, not coincidentally, the village’s poorest people. And several villagers—including from Shahabpur’s small Muslim community, well-informed observers of Hindu wiles—say they are
routinely bullied and beaten. The worst dalit-bashers are said to be the patels, Shahabpur’s biggest community, which is about 3,000-strong. They are typical bullies: of a low-caste peasant order, the patels are just a rung or two higher up the caste ladder, which makes them jealous guardians of their perceived superiority.

There is an exception to the caste divide in Shahabpur, which many Muslim and Hindu men enjoy. For a few rupees or handfuls of rice, they are said to demand and get sex with dalit women, typically just after sundown, when the villagers troop out to the fields to ablute. At an informal gathering of Muslim men outside the house of Anwar Ali—an upstanding clerk, who also housed your correspondent—it was estimated that perhaps 40% of the village’s non-dalit men upheld this ancient tradition. According to Sarju, until Sushila lost her youthful good looks, he suffered near-nightly terrors from drunken patel youths, who came clamouring for her outside his hut.

This practice recalls a famous condemnation of village India by one of the country’s founding fathers, B.R. Ambedkar. The architect of the country’s 1949 constitution and a dalit, Ambedkar asked: “What is the village but a sink of localism, a den of ignorance, narrow-mindedness and communalism?” (Mohandas Gandhi, by contrast, considered the villages to be India’s ideal social units.)

In economic terms the countryside, where two-thirds of Indians reside, is also languishing. Agricultural yields are stagnant and landholdings shrinking. Longstanding efforts to halt this decline, with massive subsidies on fertilisers and public procurement of grains, have proved corrupt and inefficient. Yet on the basis of this short stay in Shahabpur more change is afoot in India’s villages than is commonly supposed. And much is positive.

Like much of east India, Shahabpur has rich alluvial soil, a gift of the Ganges, which flows three miles to the south. Its agricultural productivity is nonetheless stunted; the number of families living off farming is shrinking. Yet the village is only 30km from the city of Allahabad and has decent road and rail connections to the fast-growing cities of west India, like Pune and Mumbai. This has encouraged the village men to go looking for work there, on construction sites and in factories. Around 1,500 of them, almost a third of the able-bodied workforce, now regularly migrate, and the local economy is benefiting from the cash they send home.

The number of shops in Shahabpur bazaar has doubled in five years; three private schools have also sprouted there. This growth, along with other changes, is starting to transform the village. Not everyone will profit: its effects will be seismic. For example, many village men currently pursue their traditional caste occupation, yet do not expect their sons to follow them. That is either because they want better for their children, or because their hereditary skills are becoming redundant.

To the bungalow born

The verdant paddy-fields, watered by a British-built canal system and now sparkling in the morning sun, give no clue to Shahabpur’s agricultural malaise. But the fecundity of east India is part of the problem: having allowed massive over-population. Since 1951, when land reforms began that would settle almost every family in Shahabpur on its own plot, the village population has quadrupled. The resulting sub-division has left very few holdings big enough for commercial use. Shahabpur’s biggest farm under cultivation is around 15 acres; only a couple of hundred families possess as much as an acre. And consolidation of landholdings is hard, because of the
thicket of family and legal disputes that invariably surrounds them. As a clue to this, land prices are high in Shahabpur, at around 1.5m rupees an acre, but land transactions are rare.

“IT’s completely unviable to buy land and farm it commercially here,” says the area’s biggest landowner, Amresh Pratap Singh, seated beneath the ramparts of his elegant British-built mansion on Shahabpur’s edge. This bungalow, as he calls it, first belonged to a British officer, Captain Chapman, who bought the local estate after it was forfeited by one Sanghram Singh, a leading light in the great mutiny of 1857. The Britisher established an indigo plantation in Shahabpur, but soon sold the property to Mr Singh’s great-grandfather, who ruled a vast neighbouring estate, consisting of over 700 villages. Mr Singh’s family lost most of its land in the land reforms: it retains only 90 acres of orchard in Shahabpur. Yet the villagers still refer to his aged father as the “raja”, or “king”, and stand to one side during his occasional saunters through the village.

Captain Chapman is remembered by the ruins of his indigo warehouse in a hamlet named after it, Godown. It is one of a dozen caste-based clusters in Shahabpur, roughly half a mile apart. Most residents of Godown, a huddle of mud and brick huts, are dalit, especially chamars and dhobis, of the Hindu washer caste. Similarly, the nearby hamlet of Inara is entirely for patels—living in two-storey houses, well-spaced between their fields of ripening rice-paddy.

Another order of dalits, of the pasi community, is even more set apart. By tradition, they are swineherds; dalits, unlike higher-order Hindus, being meat-eaters. They also brew liquor from the flowers of the mahua tree and, because of this and a reputation for banditry, were deemed a “criminal caste” by the British. That brought harsh sanctions on the pasis; yet crime can pay. The pasi ghetto, Pasiyapur, is set a mile apart. Yet its brick houses, on the banks of a large fishpond, are as lofty as the patels’. Small black pigs root around them, and hidden in the pond, though the pasis deny it, there are barrels of fermenting mahua flowers.

Shahabpur’s smaller caste-groups are more intermingled, though discreetly separated by walkways and ditches. For example, the village’s three brahmin families—an unusually small complement in northern India—have three low-caste neighbours: some patels, chamars and yadavs, of a Hindu herder caste. Surya Narayan Pandey, a 52-year-old brahmin with a ritual dab of scarlet vermilion on his forehead and a holy thread around his naked torso, says that he would gladly share a meal with any of them—“even the chamars, why not, so long as they’re clean?” But that hasn’t happened yet.

The Muslims, or Turks, as they are known locally, in many ways mirror their Hindu neighbours. They have their own hierarchy—even though Islam rejects caste divisions—in which the qureshis, who claim origins in Arabia, are the clear winners. Mostly traders, the qureshis include some of Shahabpur’s richest residents, and they are cashing in on the economic boom. In the village bazaar Muhammad Afsar, a 26-year-old qureshi and graduate of Allahabad university, has opened two mobile-handset shops and says business is good. In the past three years most families have acquired at least one mobile connection.

The bazaar is also home to members of two poorer Muslim groups, who are said to be descended from low-caste former Hindus. They are dafalis, drum-makers and minstrels, and churiharan, peddlers of bangles. Members of the three Muslim groups worship together in the village mosque, but never inter-marry.

**Peace comes dropping slow**

Hindu-Muslim relations are good. On a stroll through Shahabpur bazaar, Mr Ali hails his Hindu
Friends in the name of their god—“Ram! Ram!”—and his Muslim friends with “Salaam aleikum!” This was at a sensitive moment in India’s inter-communal history. Later that day a legal ruling was expected, from the Allahabad high court to settle a longstanding and bloody Hindu-Muslim dispute. It concerned ownership of a medieval mosque-site in Ayodhya, in eastern UP, and in 1992 had prompted Hindu-Muslim rioting across north India in which at least 2,000 died. Anticipating trouble, police across UP—a state of 180m people—were on high alert. Text-messaging services had been suspended. But no one in Shahabpur, Hindu or Muslim, seemed concerned. “We have no problem with each other, so what is there to worry about?” said Mr Afsar. India’s Hindu-Muslim violence is largely an urban phenomenon. In this regard, Gandhi’s paean to the village was spot-on.

Nor, casteism aside, is there much crime in the village. That is lucky, given that the nearest police station is nearly 20 miles away, and its dozen fully fledged officers are responsible for 90 villages and over a million people. Shahabpur receives only occasional visits from the station’s semi-trained constables, who are principally shake-down merchants. In fact, the Indian state, which can seem vast and throttling in the cities, is hardly present in the village. It has two government schools, but no health-care facilities, aside from a few quack doctors in the bazaar. The government is mostly evident in several welfare schemes, controlled by the village’s elected leader, or pradhan. These are hopelessly corrupted.

Most of the poorest villagers seem to get alms of some sort. But so do many richer ones. And, on the basis of interviews with several dozen villagers, there is no second-guessing who gets what. Sarju and other paupers have been issued with “above the poverty line”, or APL, ration cards, entitling them to some subsidised kerosene. Luckier villagers, from all the main caste-groups, have got their names down for another scheme, Antodaya Anna Yojana, which provides 35kg of cut-price rice a month. Seemingly at random, a few have hit the jackpot by getting “below the poverty line”, or BPL, cards, which entitle them to a basket of subsidised food and fuel.

There is a political logic to this. For the local politicos who control them, these entitlements are a source of campaign funds. Almost every interviewee said he had paid a bribe for his. They are also the main currency of political patronage. According to Pyara Lal, the manager of Shahabpur’s government ration shop, around a quarter of the village’s BPL card-holders are relatively prosperous patels—a consequence of the last two pradhans having come from that caste-group.

Mr Lal, who is popularly considered to have the best job in Shahabpur, also admits to skimming off a share of the loot. He puts his pilferage at a modest 2kg of rice for every 52kg-sack he handles. “I’m only paid 900 rupees a month, so of course I have to steal!” he explains.

The patels’ time at the trough was coming to a close, however. Local elections were due, in which, as an affirmative-action measure, Shahabpur was to be reserved for a dalit pradhan. Resplendent in an ancient Maruti jeep, Doodhnath Pasi, a local contractor, former pradhan and favourite in the poll, passed your correspondent on his way to register his candidacy. Stopping to chat, he said: “All the village is with me, caste is unimportant!” And behind him, his army of motorbike-riding attendants loudly cheered—every one a pasi.

All UP’s politics is caste-based. Over the past two decades it has been defined by the rise of low-caste outfits, including the ruling Bahujan Samaj Party (BSP), which is led by a dalit woman, Mayawati. In a patronage-based democracy, where caste represents the prevailing identity, this was inevitable. Yet it was hastened by the poor performance of the Congress party, India’s biggest, UP’s former ruler and the dalits’ original champion. Shahabpur falls within the first parliamentary constituency of Jawaharlal Nehru, Congress’s tallest leader and India’s first prime minister. Yet there is little love in the village for India’s grand old party.

Ram Din, a 70-year-old chamar in Godown, says that he and his relatives all switched their vote from Congress to the BSP in the 1990s, and like many dalits, he speaks of Ms Mayawati with...
reverence. During the 1950s his grandfather served as Nehru’s bugler, announcing the prime minister at rallies across India. Disillusioned, according to Mr Din, he threw his bugle into the Ganges shortly before he died.

Viewed from Delhi, India’s capital, caste-based parties like the BSP are more or less deplorable. They have run dreadful governments in India’s most populous state and are prodigiously corrupt. Ms Mayawati, a former primary-school teacher, is known for her love of diamonds and dalit-sized garlands of banknotes. Considered from the village, however, these excesses seemed easier to overlook. No other party has done much for Shahabpur’s downtrodden, after all. And the inspiration many dalits find in Ms Mayawati is impressive. Sarju has travelled to several of her rallies, and speaks of the dalit queen, as Ms Mayawati is sometimes called, with awe. Her government has done nothing for him, yet it represents a precious promise of protection.

An anecdote illustrates this. Two months ago, while Sarju was visiting his parents in Madhya Pradesh, his 13-year-old son Ravendra was beaten senseless by two patel neighbours. The boy had skinned and dumped a buffalo carcass, from which a dog took a meaty bone into their field. Ravendra, who carries scars from this beating, was discovered by the local skin merchant, who informed the local BSP partyman, who reported the matter to the police. They took no action. Yet this flicker of official interest in their plight represents significant progress for Sarju and his family.

**Go west, young man**

The relative prosperity of the pasis is partly their leader’s doing: as pradhan, Doodhnath Pasi naturally favoured his outcast confrères in the welfare racket. Yet it owes more to the alacrity with which they, before any other community, seized on the opportunities of migrant labour. Lounging on a charpoy in Pasiyapur, the former pradhan says that all its 60 pasi families have at least one son working away.

Over the past decade or so other caste-groups have followed the pasis’ lead, especially the chamars. Sunil Kumar, a 32-year-old in Godown, was on leave from a textiles hub near Mumbai, Bhiwandi, where he operates a power-loom. Earning 220 rupees a day—more than twice an agricultural wage in Shahabpur—he works for eight months, then returns home for two months with around 10,000 rupees in his pocket. It is a tough life. Yet it is leavened by a reasonable hope of something better for his two young children. Mr Kumar, who had only a few years in primary school, says that educating them properly is his main ambition.

Returning migrants like Mr Kumar, who wears a dandyish embroidered shirt alongside his bare-chested neighbours, are driving social as well as economic change. The local women prefer them. They also bring back fancy ideas, such as a dislike of pond-washed clothes, to the dhobis’ dismay, and a preference for toilets over squatting in the open. This second form of newfangledness has been slow to catch on, however. It is second nature in Shahabpur to walk along the middle of roads—to avoid stepping on the turds lying thickly either side.

New migrant wealth also threatens to shake up the ancestral balance of power. While the outcast pasis are flourishing, in relative terms, many in Shahabpur’s peasant castes, including the patels, are struggling to stay still. They are more reluctant to migrate because their landholdings are bigger—but not big enough to prevent them sinking towards poverty. Lalta Prasad, a patel farmer in Inara, says that he inherited barely half an acre of his father’s six acres. He therefore sent his son, Hori, to work in Mumbai, but the youth failed to get on there and came home. This has left the family in a bad way.
The failure of less powerful caste-groups to adapt is more pathetic. Consider the kumhars, Shahabpur’s potters. With the mass introduction of cheap plastic receptacles over the past decade or so, their livelihood has collapsed. Jokho Lal, who is 40 and heads one of the village’s 35 kumhar families, says he stopped making clay pots for storing food and water ten years ago. The village potters now make only small disposable cups for the tea-stalls in the village bazaar. They sell these for 12 rupees per 100, which adds up to a day-wage of around 40 rupees—less than a quarter what a good potter earned a decade back.

But Mr Lal has not lost his skill. Invited to display it, he lifts a heavy stone slab onto a metal spike in the ground and spins it to a blur with a bamboo stick. With wonderful dexterity he then throws a handful of wet clay onto it and, before the stone slows and falls to the ground, shapes it into a rotund pot. Mr Lal is teaching this skill, which he considers “useless”, to none of his children. Yet the kumhars have found no alternative employment. For lack of the necessary connections, Mr Lal says, none has yet migrated for work.

The withering of ancient skills was a doleful theme in Shahabpur. Metal-workers, of the johar caste, are increasingly switching to carpentry, as machine-tooled implements become more common in agriculture. And in the bazaar, Gulle Abbas, a dafali aged around 65, also said he would be the last of his kind. Accompanying himself on a hand-made drum, a tube of mango-wood covered with goat-skin at both ends, Mr Abbas sings Hindu, Muslim and folk songs in pukka Hindi and its local dialect. In June, when the rice is sown, he sings for farmers in their fields, as he says his forebears have done “for a thousand generations”. None of his three sons has learned this skill; two are working on construction sites in Pune and Mumbai. “After me, it will be over: people no longer love drumming,” he says. Then he, too, shows off his skill. Working up a rhythm on his drum, he softly sings a Muslim hymn.

There is no typical Indian village. India is too vast and its cultures and ecology too diverse. Much that is true of Shahabpur will be irrelevant elsewhere. Yet the socio-economic pressures evident here are being felt across much of the country. Agriculture is in the doldrums, so millions of peasants are leaving the land, to find alternative work at home or in distant cities. Many are struggling: India’s services-led economic growth is creating too few semi-skilled jobs. Yet, if Shahabpur is any guide at all, the boom may be more far-reaching than is often supposed. And with the country expected to sustain high growth rates for many years, it will in the end bring about massive changes.

Millions of poor Indians will rise out of poverty—a glorious thought. Yet it is hard not to mourn much that will fall victim to this transformation. Artisan skills will be lost; so will local cultures; and perhaps, too, some of the stability, vile discrimination withal, in India’s traditional Hindu society.

But these seem distant prospects, from a charpoy outside Sarju’s mud hut, as night falls on Shahabpur. Fireflies sparkle in the gloom. The dogs, snarling theatrically, are beginning their night-time tear-up. And inside the hut a clanking of steel plates signals that the poor host is about to serve up a meal of spicy dal, rice and home-grown curried vegetables.

It has been cooked by Sarju’s ten-year-old daughter Kavita. Hugging her knees, she stares anxiously at her father’s guests, who sit cross-legged around a smoky kerosene lamp on the smooth mud-floor. Assured that the food is delicious—which it is—she smiles shyly and starts clearing plates. Then, prompted by her father, she reaches into the darkness and produces pudding. It is a single gulab jamun, a syrupy, plum-sized sweet, fetched with tremendous care that day from Shahabpur bazaar.
IN A schoolyard in a village on the dusty north China plain, martial artists drill children in the stylised kicks and punches of Plum Flower Boxing. This discipline, they proudly claim, spearheaded the Boxer Uprising of 1900. In a village recreation room, musicians practise the ear-splitting tunes which their ancestors played for Boxer braves heading into battle with the foreign “hairy ones”. Folk memories abound of an event that transformed the country’s relationship with the West, and its own view of itself.

The Boxer Uprising, 11 years before the collapse of China’s last imperial dynasty, was portrayed in Western accounts as a savage outburst of primitive xenophobia directed at the West and its civilising religion, Christianity. The northern Chinese peasants with their red headscarves, who believed in a magic that protected them from foreign bullets and in the power of ancient martial arts that could defeat the industrial world’s most powerful armies, were described with a mixture of fear and racist scorn. But in China the Boxers are officially remembered as somewhat misguided patriots. In the countryside south of Beijing where they burned churches, killed foreign missionaries and slaughtered tens of thousands of “secondary hairy ones”, as Chinese converts to Christianity were known, some call them heroes. The missionaries they attacked had it coming, having trampled on China’s sovereignty. Their converts were no more than local ruffians who exploited foreign protection to ride roughshod over their countrymen.

In East Zhangwu Village, close to the railway line between Beijing and the port city of Tianjin, the village doctor is a Boxer fan. Sitting behind his desk in the clinic, he recounts, as if he had seen the action himself, how one sultry June local Boxers tore up the line to stop a trainload of foreign troops from heading to Beijing to break a siege of the capital’s embassy district by pro-Boxer imperial troops. “The foreigners had a couple of interpreters who said to the Boxers, 'Don’t fight, we’ll give you some money, OK?’ The Boxers replied, 'We don’t want money. We want the foreigners’ heads’.” He shows off a copy of the scores used by the musicians whose flutes,
Cymbals, drums and pipes accompanied the Boxers into combat. He and a group of fellow enthusiasts have formed what they call the Boxer Band. It performs at ceremonial send-offs for local army recruits. A picture of Boxers charging into pith-helmeted foreign soldiers covers a wall of their practice room.

The martial-arts tradition of the Plum Flower Boxers of Pingxiang County, 325km (200 miles) south-west of Beijing, goes back centuries, but it is the prominent role of Plum Flower Boxing masters 110 years ago in “exterminating the foreign” (as the Boxer slogan urged) for which it is best remembered. During the uprising, the Plum Flower Boxers renamed themselves the “Righteous and Harmonious Fists”. The name was adopted by the movement as a whole, which embraced many martial-arts sects in drought-parched northern China. At Pingxiang’s Mingde Primary School, since last year synchronised Plum Flower Boxing drills in the playground have become obligatory. Yelling, the children jab their fists in unison at imagined enemies.

The rise of nationalism in an increasingly powerful China worries many foreigners. They fret about the emergence of a new breed of Chinese who are often called fenqing, or angry youth. The fenqing are often dismissive of economic and political liberalism and scornful of the notion of universal rights. The rebellion and subsequent invasion by an eight-nation allied force of Western and Japanese troops that lifted the 55-day siege of Beijing’s legation quarter and embarked on an orgy of looting and indiscriminate violence loom large in their cultural memory.

China’s nationalists have plenty of examples of Western imperialist outrages to pick from, but the eight-nation force holds a particular fascination. A divided West formed an extraordinary alliance in 1900 to deal with the Chinese threat: British, Germans, Russians, Americans, Italians, French, Austro-Hungarians and even Japanese (playing their first role as honorary Westerners). In the G8, NATO and the Japan-America alliance the fenqing see spiritual descendants of the invaders of 1900.

Ever since the uprising, memories of it have troubled the relationship between China and the West. For the West, “Boxerism” became synonymous with a rabid, anti-foreign demon that was thought to lurk in China, ready to wreak bloody havoc if given a chance. As The Economist advised its readers in 1905: “The history of the Boxer movement contains abundant warnings as to the necessity of an attitude of constant vigilance on the part of the European Powers when there are any symptoms that a wave of nationalism is about to sweep over the Celestial Empire.”

That was the year of Japan’s defeat of Russia. Never before had an Asiatic power defeated a European one. Fears of a “yellow peril” stalked Europe. These anxieties found fictional expression in the evil Dr Fu Manchu, invented by an Irish writer, Arthur Ward, under the pen-name Sax Rohmer. In the first novel about him, published in 1913, Dr Fu is described as “the yellow peril incarnate in one man”. Fu Manchu movies were still being made in the 1960s. Sinophobia was fashionable long before China emerged as a global power.

Such worries occasionally resurface. They reappeared in 1967 when Red Guards shouting “Kill, kill”, (“the same cry that had been heard at night during the Boxer Rebellion”, wrote a former British envoy, James Hoare) besieged and burned the British mission in Beijing and assaulted its staff; in 1999 when thousands of students hurled paint and stones at the American and British embassies in Beijing after NATO warplanes bombed the Chinese embassy in Belgrade; and again in 2008 when at least ten foreign correspondents in China received death threats amid an outpouring of anti-Western vitriol in the wake of upheaval in Tibet. The Japanese have been among the biggest worriers, their anxieties fuelled by large and sometimes unruly anti-Japanese protests in several Chinese cities in 2005 and again this year.

A journey through the Boxers’ heartlands shows that many Chinese share these worries. Debate
still rages over what to make of the Boxer Uprising and how it relates to Chinese nationalism today. In 2006 a liberal weekly newspaper supplement, *Freezing Point*, was briefly closed down and its editor fired for publishing an article that said the portrayal of Boxer history in Chinese textbooks was poisoning the minds of young people. A journalist for *History*, a Beijing magazine, compares the empress-dowager Cixi’s manipulation of the Boxers with Hitler’s of German nationalists. China, he says, is in danger of breeding a similar mentality of vengeful nationalism unless it gets its history straight.

**Bicycles and boxing**

On a road lined with maize fields and factories that leads into the county seat, a huge billboard boasts of a “city famous for bicycles, the birthplace of Plum Flower Boxing and a countryside with an eco-friendly water system”. Pingxiang County is indeed one of China’s biggest centres of bicycle and bicycle-parts production, but it has struggled to shed a reputation for brand-name knock-offs. The fetid open drains lining the main street of the town do not smell eco-friendly; the place is officially designated poor. But locals reckon that Plum Flower Boxing could give them a boost.

In 2006, after much lobbying by Zhang Xiling, the owner of a printing factory and expert in the art, the central government included Plum Flower Boxing in its first-ever list of “intangible cultural heritages” worthy of protection. Early in 2010 Mr Zhang started work on what he and the local government (which has a small share in the project) hope will one day be a 200-hectare Plum Flower Boxing park, with temples, luxury hotel facilities, a training school for martial arts and an annual turnover of $750m.

The Boxers’ negative image in the West is of little concern. The scheme is aimed primarily at Chinese. The Communist Party has always had a soft spot for Boxers, in contrast with the Nationalist government it toppled in 1949, who called them “bandits”. Paul Cohen, an American historian, described in a 1997 book on the Boxers how, by the 1920s, Chinese revolutionaries were beginning to rework the Boxers into “a more positive myth”. Mao Zedong’s Red Guards sometimes called themselves “new Boxers”.

Jeffrey Wasserstrom, another American historian, says that in the post-Mao era official rhetoric has shifted from glorifying Boxer violence to focusing on the foreign invasion it triggered. But the Boxers remain in favour. In 2009 the party’s main mouthpiece, the *People’s Daily*, published an article on its website saying the “anti-imperialist, patriotic” Boxer movement had caused “utter panic” among imperialist countries that had been trying to carve up China in the late 19th century. Officials are happy to give the nod to places like Pingxiang. But there is a proviso: they must not alarm foreigners.

Pingxiang, eager to boost exports and attract foreign investment, has no wish to. The kung fu
lessons at Mingde Primary School are not an attempt to revive anti-foreignism. The headmaster, Yang Peihua, explains tactfully that they help improve memory and concentration and instil “morality”. He says the children have become keener on household chores.

Mr Zhang says he would like to have a Boxer memorial in his park, but he thinks the government will object. The experience of the neighbouring county of Wei, the birthplace of one of the area’s best known Boxer leaders, Zhao Sanduo, suggests he might be right. In 2000, the 100th anniversary of the Boxer Uprising, it started building a spacious Boxer museum. The $1.2m edifice was touted as China’s monument to Boxer history. Leading military officers from the Hebei region attended the opening ceremony in 2003. A large bust of Zhao took pride of place inside. The museum was named a provincial-level base for “defence education”.

The authorities later had second thoughts. The bust was moved to a less prominent position outside. The other exhibits (including a large black-and-white photograph of Zhou Enlai, China’s prime minister in the Mao era, proudly holding up a Boxer flag) remained intact. But large characters proclaiming the building as the “Boxer Memorial Hall” were replaced with “Hebei Province Patriotic Education Base”. In East Zhangwu Village a nervous official tries to steer the conversation away from Boxer history towards the Boxer Band’s music.

Some Chinese share the foreigners’ point of view. In the village of Zhujiahe, about 120km (75 miles) to the north-east of Pingxiang, the Boxers are remembered as butchers. It was here that one of their bloodiest acts of violence occurred. Zhu Junhuan, who is 75, describes how her Catholic great-grandmother was killed by a combined force of Boxers and Chinese imperial troops as she was spreading her arms to protect a French missionary priest. The Boxer episode is commonly portrayed in the West as an orgy of anti-foreign violence. But the 200-300 foreigners who died in the uprising were far outnumbered by Chinese victims.

Because both killers and victims in Zhujiahe were Chinese, communist histories gloss over the massacre. Wei County’s museum offers a rare mention of the event as if it were one of a series of Boxer victories (“three or four thousand religious followers were killed or drowned themselves”). It displays a grainy photograph of the village’s “captured” Catholic church, in ruins.

The fault lines of Chinese nationalism are visible in Zhujiahe, a cluster of brick houses surrounded by fields of maize. About 70% of its inhabitants are Catholic. They would like to honour “martyrs” killed by the Boxers, but fear upsetting officials.

The Catholic church has a difficult relationship with Chinese nationalism. China refuses to recognise the Vatican because of its insistence on retaining the right to appoint Chinese bishops, which China regards as an infringement on its sovereignty. China has its own “patriotic” Catholic church, whose leaders are vetted by the Communist Party. The Vatican, to avoid being shut out of China altogether, accepts worship in the government-backed church as legitimate. But some Chinese Catholics still shun it and, risking punishment, worship “underground”.

In Zhujiahe, the conflict between faith and party-defined patriotism came to a head in 2000 when Pope John Paul II declared 120 Catholics who had died in China between 1648 and 1930 to be saints. They included the first Chinese citizens ever to be so honoured. Sixty-six of the Chinese were killed in the Boxer Uprising. Three died in violence related to the siege of Zhujiahe. The government was furious. It condemned the saints as “evil-doing sinners” and said their canonisation was a “gross insult to the Chinese people’s patriotic resistance against foreign aggression and oppression”. The pope’s choice of China’s national day, October 1st, to make the announcement added salt to the government’s wounds.

Zhu Junhuan was delighted. Her great-grandmother became Saint Mary Zhu. She is a devotee of her ancestor: prayers to Saint Mary, she says, have helped cure illnesses. But the state-controlled church frowned on celebrations. A low-key ceremony was held in the nearby county town, not in the village itself.
Zhujiahe church was rebuilt after the Boxer Uprising but destroyed again during the Cultural Revolution, and has not been restored since. On a Sunday, a villager finds the key to its huge red wooden outer gate to show a rare foreign visitor around. It is a small brick-built former storeroom with no pews. Pictures of Zhujiahe’s five saints (two bearded Frenchmen and three Chinese) adorn one dirty, cracked wall. A larger picture is propped up beneath them, half-hidden by a desk. It shows a woman, presumably Saint Mary, her head pouring with blood, standing in front of foreign-looking priests. Flames and smoke curl up around Chinese women and children in the foreground. The picture is captioned, “The Martyrs of Zhujiahe”. The courtyard is piled with bricks that villagers have been hoarding in the hope of one day building a new church. But fears of upsetting saint-resenting officials have held them back.

In the village of Donglu, 150km (93 miles) to the north-west, the party’s narrow interpretation of patriotism (essentially, supporting the party) hits another rut. The spires of a Gothic Catholic church have recently been painted gold. The church honours the Virgin Mary, who residents say appeared above the village in 1900, clad in radiant white, and helped defend it against more than 40 Boxer assaults (miraculously, they say, Boxers died in profusion while few villagers or other Chinese Catholics perished). “Holy Mary of Donglu, Pray For Us”, say large red characters attached to its railings, echoing the pleas of the besieged 110 years ago.

The story of Mary’s appearance over the village has become central to Chinese Catholic faith. The mother of Jesus is believed to have confronted the “patriots”, and to have won (although Joseph Esherick of the University of California, San Diego, says in a history of the period that Catholics in Hebei were well-armed by their missionary leaders and, in their mission bases, “were usually able to hold off Boxer attacks”).

It is a hard story for the party to tell. Who are the real patriots? The party’s “patriotic” Catholic church cannot easily reject Mary herself. In 1924, 25 years before the communists came to power, papal recognition of the Donglu apparition was sought by the first meeting of Chinese church leaders. This was a crucial event in the evolution of a Catholic church led by native Chinese. The meeting asked that an image of Mary holding the baby Jesus, both dressed in Chinese imperial costume, be recognised as that of Our Lady of China. It was intended to symbolise the church’s Chinese-ness, something the government-backed church today is also eager to promote (ironically, the image was based on another picture—of the foreign-hating empress dowager).

The Vatican agreed to the Shanghai meeting’s requests and Donglu became a centre of Marian worship. Under communist rule, Mary the conqueror of “patriots” found herself grudgingly adopted by the “patriotic” establishment. Donglu and the Baoding diocese to which it belongs have been the scene of the official church’s bitterest struggles with underground Catholics. Backing Donglu’s Marian shrine has been a way of keeping Catholics in the region from devoting their loyalty to the underground, whose priests are often harassed or detained by the police. But officials remain wary. Every year in May, as the church prepares for the annual festival of Our Lady of China when her image is paraded around the village, police set up checkpoints on the narrow roads leading to Donglu to prevent non-locals from attending. Huge displays of Mary-adoration would be embarrassing to party officials and
could be used as cover for protests by underground followers.

The Communist Party knows that popular nationalism could turn against it. Its efforts to equate patriotism with support for the party leave many patriots who are critics of the party feeling left out. When nationalist demonstrations occur, such as against Western countries who are perceived to have offended China, these dissidents readily join in, posing a threat to the government.

At the end of the 19th century the empress dowager struggled with a similar conundrum: support the Boxers and risk being overwhelmed by them, or crush them and risk being accused of pandering to foreigners. At first she supported them, and then she turned against them; but by then it was too late to save the dynasty.
ON A bright winter’s morning lines of plane trees and immaculately tended rose bushes fall away down terraces where men crash out on carpets and sheepish young couples sit as close together as they dare. The plants are fed by a central water channel, the signature feature of a Moghul garden. Below is the brown smog of Kabul; beyond, snowy mountains.

The tomb of Babur, the first Moghul emperor, blasted and pock marked during the civil war of the 1990s, has been lovingly restored by the Aga Khan Trust for Culture. Some visitors come because it is now Kabul’s most tranquil public space; some because Babur is emerging as an unlikely national hero in a country short of leaders worth admiring. People pray at the foot of his low, simple grave. One enthusiast sacrifices a buffalo to him every year, and distributes the meat to the gardeners who tend the place.

Born far to the north of modern Afghanistan, Babur went to Kabul only because he had failed in Central Asia. It was Samarkand he dreamed of capturing. Yet when the demands of building an empire drove him south, he yearned to return to Kabul.

For a man who achieved so much, he is strangely unknown outside Afghanistan. Not only did he create a dynasty whose empire stretched from Afghanistan to southern India and which gave the world some of its greatest cultural riches, but he also wrote an autobiography which, though half a millennium old, is a far better read than most of the political and business memoirs churned out today. The Baburnama recounts the barbarity and hardship of a princeling’s life in a chaotic world; but it is also full of delight and humanity. Sometimes self-aggrandising, sometimes self-critical, Babur emerges from his autobiography as a real person, in a way no other great leader except Churchill does. And because the author is so open, and the style so clear, the book offers an intimate view of a world the reader would otherwise struggle to imagine. “Rarely can such a sophisticated mind”, says Bamber Gascoigne in “The Great Moghuls”, “have recorded so wild an existence which combined to an extraordinary degree the romantic and the sordid.” It was first translated into English in 1922 by Annette Beveridge, mother of William Beveridge, architect of Britain’s welfare state; “The Garden of the Eight Paradises”, a recent biography of Babur by Stephen Dale, has done it more than justice; yet it still lacks the fame it deserves.

Babur’s pedigree primed him for greatness. On his father’s side he was descended from Timur-
Tamburlaine), whose empire stretched from the Caucasus to Delhi, and on his mother’s side from Genghis Khan, who conquered Asia from the Black Sea to Beijing. But by the time Babur was born, in 1483, the empires had crumbled and the emperors’ descendants had multiplied into a horde of princelings fighting for loot and territory. The problem was not unique to Central Asia. As E.M. Forster put it, “At the time that Machiavelli was collecting materials for ‘The Prince’, a robber boy, sorely in need of advice, was scuttling over the highlands of Central Asia. His problem had already engaged the attention and sympathy of the Florentine; there were too many kings about and not enough kingdoms.”

They got going early in those days. Babur’s father died when he was 11, while tending pigeons in an ill-constructed dovecote that toppled into the ravine below the palace, leaving his son in charge of a small province, Fergana. At 13, Babur headed off to capture Samarkand—the former imperial capital, a jewel built by craftsmen Timur had kidnapped from raids into India, Persia and Arabia. When he got there, he found a couple of young cousins already besieging the place (though one was more interested in the daughter of a local noble than in the city). The lover got the girl, but Babur did not get Samarkand.

He tried again the next year, succeeded briefly and was ejected three months later. In the meantime, a Mongol enemy put his 12-year-old brother on the throne in Fergana. So Babur was homeless; most of his followers had left him; treacherous relations had murdered his tutor. “It was very hard for me. I could not help crying a good deal.” He was, after all, only 14.

Babur struggled on in Central Asia for a while, but was crushed between Uzbeks, Mongols and Timurid princes. His lowest moment came when he was chased into the hills and caught by enemies, who were careful with their valuable prize. “It was winter. It was very cold. They found an old sheepskin coat; I put it on. They found a cup of millet soup; I drank it. I was greatly comforted.” How he got out of that particular pickle is unclear; but soon he decided to try his luck elsewhere. He considered going east to the lands of his Mongol relations, but regarded them as savages (and would have been horrified to learn that the Persian word for Mongol stuck to his dynasty). Hearing that Kabul was vulnerable, he set off southwards.

Though homeless, he was not alone. In this formerly nomadic society, which had only recently acquired the habit of settlement, princes moved around with soldiers, retainers and relations. But Babur’s entourage was not grand. He had 200-300 people with him, “mostly on foot, holding staves, wearing rough boots and poor cloaks”, and two tents, one of which his mother occupied.

Then, in an astonishing reversal of fortune inconceivable in the modern world but commonplace in those uncertain times, Babur gained an army. It happened because of the collapse of a noble who, amid tough competition, was an outstandingly nasty man. Khusrau Shah, formerly a retainer of one of Babur’s relations, had taken Kunduz, murdered one of Babur’s cousins (Baysunghur Mirza, a famous poet) and blinded another (the lover from Samarkand, his ward). He was unpopular even among his own people, many thousands of whom, faced with sustained attacks from Uzbeks, defected from him to an ambitious princeling with a decent reputation and a lineage that gave him a claim to Kabul. Khusrau Shah was beheaded by the Uzbeks; Babur, with his new following in tow, virtually walked into Kabul.

He was not impressed by his new dominion. It was, he said, a “trifling place”; but, with Uzbeks and Timurids threatening all around, it had its advantages. Surrounded by mountains that were impassable for most of the year, it was “a fastness hard for a foreign foe to make his way into.”
To cement his power, Babur needed to see off rivals. He attacked Kandahar, where Kabul’s previous occupants hailed from, and beat them soundly. He was distinctly pleased with his generalship: “I prepared an excellent order of battle. Never before had I arranged things so well.” He also needed to give his subjects security—especially from his own troops. When one of the defectors from Khusrau Shah—an undisciplined lot—stole some cooking oil from a local, he had the man beaten to death. “His example kept the rest down.” But early on he made a serious mistake. To feed and reward his huge retinue, he took 30,000 donkey-loads of grain from Kabul and Ghazni. He soon regretted it. “The tax was excessive, and under it the country suffered very badly”. That a new ruler bled the land he had conquered was not surprising; that he had the honesty to admit it, and the wit to learn from it, is.

Though Kabul was not rich in grain, it was a cosmopolitan city—Babur reckoned that 11 or 12 languages were spoken—on the trade route between Central Asia and India. “Up from Hindustan come ten, fifteen, twenty thousand caravans bringing slaves, cotton cloth, refined and unrefined sugar and aromatic roots. Many merchants are not satisfied with 300% or 400% profit.” Mr Dale reckons that merchants provided most of the revenues for Babur’s remarkably sophisticated taxation system. They were taxed at 5% on gold coins and 2.5% on silver. There was also a tariff on foreign trade (of 5% or 10%, depending on whether the merchants were Muslim or not) an income tax on harvests (a third to a half) and a progressive wealth tax on flocks (one sheep from a herd of 40-120, and two from herds of 120 and up).

But Babur’s orderly state-building could not solve a problem that has troubled Afghanistan’s rulers through the ages: the tribes. They not only failed to pay their taxes, but also, by holding up caravans, threatened the prosperity of the merchants who did. And the mountains that protected Babur from foreign invaders also protected the tribes from Babur. He had no sympathy for them. Although he had spent much of his youth wandering around Central Asia with a tent, he was at heart a city boy. He prized the civilised pursuits—literature, science and music—that flourished in an urban environment and regarded tribesmen as “stupid peasants”.

Babur’s approach to the problem was not constrained by modern notions of human rights. Shortly after his arrival in Kabul, he attacked Kohat and killed hundreds of tribesmen. Some of the survivors put grass into their mouths—a way, locals explained to him, of saying “I am your cow.” But he had them killed anyway, and a tower built of the victims’ heads. Many similar raids followed, and similar towers were built, to encourage submission to Babur’s authority.

But it was not all fiscal policy and decapitation. Babur enjoyed himself too. He loved nature, and describes the local flora and fauna in exquisite detail. “The flying squirrel is found in these mountains, an animal larger than a bat, with a curtain, like a bat’s wing, between its arms and legs...Tulips of many colours cover these foothills: I myself counted 32 or 33 different sorts.” He developed a lifelong passion for gardening. He bought some land at Istalif, north of Kabul. He loved the place: “Few villages match Istalif, with vineyards and orchards on either side of its torrent, its waters cold and pure”. But the zig-zagging stream offended his sense of order: “I had it made straight and regular, so the place was very beautiful.” His grandson Akbar had this scene illustrated for an edition of the Baburnama (see picture).

Istalif is still beautiful; deodar trees still grow in the garden. But these days it overlooks Bagram airbase, where 40,000 American servicemen live on imported burgers and where locals have been beaten to death. In the management of recalcitrant tribesmen, brutality has not entirely gone out of fashion.
Unlike the despised Mongols, the Timurids were cultured. Babur longed to be a great poet, writing admiringly of the fame of his unfortunate cousin Baysunghur Mirza. His diary is scattered with poems, his own and others’. His poems are not, unfortunately, much good, but his advice on prose style is. In a letter to his son Humayun, he complains about the obscurity of the young man’s vocabulary: “In future write without elaboration; use plain, clear words. It will be less trouble for you and for the reader.”

Poetry went with another taste Babur developed in Kabul: for wine. As a young man, he did not drink. When on a visit to Herat his cosmopolitan cousins encouraged him to: “Up to then, I had not committed the sin of wine-drinking or known the cheering sensation of comfortable drunkenness.” He would have tried it, but his prime minister, who was travelling with him, told the cousins to lay off. During an 11-year gap in the narrative (his son seems to have lost that bit of the diary), he took to the bottle with an enthusiasm that in the modern age would have seen him shipped off to rehab before he could say “Cheers”. It was not just alcohol that he enjoyed: he also munched on ma’jun, the Afghan equivalent of hash brownies.

Babur’s life became a long series of parties interspersed with brief interludes of warfare and administration. There was music, poetry, beauty—and vast quantities of alcohol. In October 1519, for instance, Babur rode out to Istalif with friends: “Its lawns were one sheet of trefoil; its pomegranate trees yellowed to autumn splendour, their fruit full red.” They drank, off and on, for several days. At one point one man said some “disturbing” things, fell down drunk and was carried away. Another could not mount his horse. At that moment some Afghans approached. Somebody suggested that, rather than leave the drunk to the tribesmen, they should chop his head off and take that home. That was, Babur points out, a (rather 16th-century) joke; eventually they got the man back in the saddle and headed for home. Once Babur was so drunk that he was sick and could not remember riding home the night before. Oddly, his grandson had that episode illustrated too (see picture). Babur struggled with his habit—though not very hard. He wrote that he was planning to give up in his 40th year, so “I was drinking to excess, now that there was less than a year left.”

At one party Babur saw a very surprising sight: a woman drinking. She made a pass at him: “I got rid of her by pretending to be drunk.” Babur was not much interested in women. He explains that he had married early, and neglected the girl. He uses that to introduce the subject of his passion for a boy called Baburi whom he sees in the bazaar. Until then, he says, he had “no inclination for anybody, and no knowledge of love or desire”. His passion for Baburi drives him to distraction. Shyness prevents him from approaching the boy. He quotes a Persian couplet:

“I am ashamed when I see my friend; My companions look at me; I look the other way.”

Whether he got anywhere with Baburi is not clear.

But poetry and parties were not enough. Babur was ambitious, and his dominion in Kabul was limited by the Afghans’ insubordination. He needed to expand elsewhere. He tried again to take Samarkand, and was again beaten back. So he raided what is now Pakistan, found the people of the plains easier meat than the mountain tribes, and by 1523 pretty much controlled Lahore.

Delhi was in his sights. Because it had been part of Timur’s domains, Babur maintained that it was legitimately his, and wrote to the ruler (a Lodi, originally from Afghanistan) to stake his claim. Sultan Ibrahim, understandably, ignored him, so Babur marched south and defeated him
at the battle of Panipat. The sultan was killed, along with 15,000-16,000 of his troops.

Babur stayed in Delhi to consolidate his power, but he hated India. His list of complaints offers a good indication of the things that mattered to a 16th-century emperor:

Hindustan is a country of few charms. There are no good-looking people, there is no social intercourse, no receiving or paying of visits, no genius or manners. In its handicrafts there is no form or symmetry, method or quality. There are no good horses, no good dogs, no grapes, musk-melons or first-rate fruits, no ice or cold water, no good bread or food cooked in the bazaars, no hot baths, no colleges, no candles, torches or candlesticks.

The only things Babur liked about India were the abundance of gold and silver and the weather after the monsoon. He built gardens to remind him of Kabul, but flowers do not do as well in India as in the crisp Afghan air. His friends could not stand the heat, and went back to Kabul. As ruler, he was stuck there, pining for the jollity of the old days. In 1528 he wrote to one of his oldest friends, Khwajah Kalan, "With whom do you spend time? With whom do you drink wine?"

It was not just the friends that Babur missed. He had given up drinking because of his health, and admits that “the craving for a wine-party has been infinite and endless for two years, so much so sometimes that it has brought me close to tears.” The knowledge that wine was forbidden sharpened his yearning for “the permitted flavours of melons and grapes” that flourished in Kabul. When he cut open a melon, he wept. “How can one forget the pleasures of those lands?” Once he had got his affairs sorted in India, he wrote, he would “set out immediately”.

He never did. His health failed, and two years later he was dead, at 47. He was buried at Agra, disinterred sometime between 1539 and 1544 and buried again on a green hillside with a stream running through it. An inscription placed there by his great-great-grandson Shah Jahan, creator of the Taj Mahal, describes it as “this light garden of an angel king”.

from PRINT EDITION | Christmas Specials
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If you can have everything in 57 varieties, making decisions becomes hard work

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 THESE are momentous times for the British potato crisp. Little over a generation ago the humble snack came in just a trio of flavours: ready salted, cheese and onion, or salt and vinegar. Today the choice is tongue-tingling: Thai sweet chilli, balsamic vinegar and caramelised onion, Oriental red curry, lime and coriander chutney, vintage cheddar and onion chutney, buffalo mozzarella and herbs, chicken tikka masala. And those are merely the varieties confected by a single crispmaker, Walkers, a division of PepsiCo, which turns out 10m bags of crisps every day for the British market alone. Venture towards the gourmet fringes of the crisp offering, and the choice and exoticism multiply: jalapeño pepper, roast ox, horseradish and sour cream, Ludlow sausage with wholegrain mustard. Crisps these days can be crinkle-cut, thick-cut, ridge-cut, square-cut, hand-fried, reduced fat, sold in six-packs, grab bags, party size or family packs.

Wheel a trolley down the aisle of any modern Western hypermarket, and the choice of all sorts is dazzling. The average American supermarket now carries 48,750 items, according to the Food Marketing Institute, more than five times the number in 1975. Britain’s Tesco stocks 91 different shampoos, 93 varieties of toothpaste and 115 of household cleaner. Carrefour’s hypermarket in the Paris suburb of Montesson, a hangar-like place filled with everything from mountain bikes to foie gras, is so vast that staff circulate on rollerblades.

Choice seduces the modern consumer at every turn. Lattes come tall, short, skinny, decaf, flavoured, iced, spiced or frappé. Jeans come flared, bootlegged, skinny, cropped, straight, low-rise, bleach-rinsed, dark-washed or distressed. Moisturiser nourishes, lifts, smooths, revitalises, conditions, firms, refreshes and rejuvenates. Tropicana, another part of PepsiCo, turns out freshly pulped juice in more than 20 different varieties, up from just six in 2004; it says there could be as many as 30 in the next decade.
Thanks to a mix of modern medicine, technology and social change, choice has expanded from the grocery shelf to areas that once had few or none. Faces, noses, wrinkles, breasts and bellies can be remodelled, plumped or tucked. America in 2008 alone saw 2.5m Botox injections, 355,671 breast implants, 341,144 liposuction treatments, 195,104 eyelid lifts and 147,392 stomach tucks, according to the American Society for Aesthetic Plastic Surgery.

Teenagers can choose to surf, chat, tweet, zap or poke in ways that their parents can barely fathom. Moving pictures and music can be viewed, recorded, downloaded or streamed on all manner of screens or devices. The internet has handed huge power to the consumer to research options, whether of medical procedures or weekend breaks. Even the choice of price-comparison sites to help people choose is expanding.

Offline choices have multiplied too. European Union citizens can move, study, work and live wherever they like within the union. Vouchers and other school reforms in many countries give parents increasing choice over where to send their children. Modular university courses offer students endless combinations. The University of California, Berkeley, has over 350 degree programmes, including Buddhist Studies and Lesbian, Gay, Bisexual and Transgender Studies, each made up of scores of courses.

Choice has come to some of life’s biggest personal decisions as well. In many countries couples can decide whether and where to marry, cohabit, divorce or remarry. Internet dating promises to find a match from a database of potential partners. Women in the rich world can choose when, and whether, to reproduce. “Do I want a baby? Will I find love again? Is this it?” screams the front cover of one recent women’s magazine. Mothers (and sometimes fathers) can choose to work, or not, or take time off to raise children and then go back to their jobs. New life can be created against the odds. For sufferers from many chronic illnesses, life in old age can be prolonged—or ended.

**Too much of a good thing**

Many of these options have improved life immeasurably in the rich world, and to a lesser extent in poorer parts. They are testimony to human ingenuity and innovation. Free choice is the basis on which markets work, driving competition and generating economic growth. It is the cornerstone of liberal democracy. The 20th century bears the scars of too many failed experiments in which people had no choice. But amid all the dizzying possibilities, a nagging
question lurks: is so much extra choice unambiguously a good thing?

Over the past decade behavioural scientists have come up with some intriguing insights. In one landmark experiment, conducted in an upmarket grocery store in California, researchers set up a sampling table with a display of jams. In the first test they offered a tempting array of 24 different jams to taste; on a different day they displayed just six. Shoppers who took part in the sampling were rewarded with a discount voucher to buy any jam of the same brand in the store. It turned out that more shoppers stopped at the display when there were 24 jams. But when it came to buying afterwards, fully 30% of those who stopped at the six-jam table went on to purchase a pot, against merely 3% of those who were faced with the selection of 24.

The researchers repeated the experiment with chocolate as well as student essay topics and found similar results. Too much choice, concluded Sheena Iyengar of Columbia University and Mark Lepper of Stanford, is demotivating. Others have since come up with similar results from experiments with writing pens, gift boxes, coffee and even American 401(k) pension plans. (It is not all that way: German researchers, by contrast, found that shoppers were not put off by too much choice, whether of jams, chocolates or jelly beans—though this may be down to Germany’s price-conscious shoppers and the sheer dreariness of the country’s supermarkets.)

As options multiply, there may be a point at which the effort required to obtain enough information to be able to distinguish sensibly between alternatives outweighs the benefit to the consumer of the extra choice. “At this point”, writes Barry Schwartz in “The Paradox of Choice”, “choice no longer liberates, but debilitates. It might even be said to tyrannise.” In other words, as Mr Schwartz puts it, “the fact that some choice is good doesn’t necessarily mean that more choice is better.”

Daniel McFadden, an economist at the University of California, Berkeley, says that consumers find too many options troubling because of the “risk of misperception and miscalculation, of misunderstanding the available alternatives, of misreading one’s own tastes, of yielding to a moment’s whim and regretting it afterwards”, combined with “the stress of information acquisition”. Indeed, the expectation of indecision can prompt panic and a failure to choose at all. Too many options means too much effort to make a sensible decision: better to bury your head under a pillow, or have somebody else pick for you. The vast majority of shoppers in the Californian grocery store faced with 24 jam varieties simply chose not to buy any. The more expensive an item—a car, say—the more daunting the decision. As the French saying has it: “Trop de choix tue le choix” (too much choice kills the choice).
Surely, though, knowing that lots of choice is out there still feels good? The thrill is in the anticipation of falling upon the perfect Tuscan hotel, or shade of duck-egg blue with which to repaint the kitchen. Or the reassurance that competition to supply all that choice of electricity or telephony is keeping prices down and pushing service up. But not, according to psychologists, if more choice raises expectations too high, which may make even a good decision feel bad. The potential for regret about the options not taken—the faster car, the hotel with the better view—seems to be greater in the face of multiple choices.

Expectations have been inflated to such an extent that people think the perfect choice exists, argues Renata Salecl in her book “Choice”. Consider seduction. Bookshops are crowded with self-help guides and self-improvement manuals with titles such as “How to Choose & Keep Your Partner” or “Love is a Choice”. Internet dating sites promise to find the perfect match with just a few clicks of the mouse. This nourishes the hope of making the ideal choice, she says, as well as the fanciful idea that there are “quick, rational solutions to the complicated question of seduction”.

Confusion, indecision, panic, regret, anxiety: choice seems to come at a price. In one episode of “The Simpsons”, Marge takes Apu shopping in a new supermarket, Monstromart, whose cheery advertising slogan is “where shopping is a baffling ordeal”. “How is it”, muses Ms Salecl, “that in the developed world this increase in choice, through which we can supposedly customise our lives and make them perfect leads not to more satisfaction but rather to greater anxiety, and greater feelings of inadequacy and guilt?” A 2010 study by researchers at the University of Bristol found that 47% of respondents thought life was more confusing than it was ten years ago, and 42% reported lying awake at night trying to resolve problems.

It could be that today’s children, growing up in a world of abundant choice, will find decisions even harder to take when they grow up. Their lives may be packed with instant choices as they
zap from one site to another while texting a friend and listening to music on YouTube. But much of this is reflexive activity. The digital generation is doing what Mr Schwartz calls "picking", not "choosing": "With a world of choices rushing by like a music video," he says, "all a picker can do is grab this or that and hope for the best.” Young people have grown up with masses of choice, says Dan O’Neil, a British life coach who helps people overcome indecision, “but they have never learned to make a choice and run with it. In adult life, they aren’t equipped to cope.”

Following the crowd

Ever since the 19th century, when Levi Strauss began to stitch denim jeans for Americans and Abram Lyle started to sell tins of golden syrup to the English, brand managers have made it their business to offer shoppers an easier life. Brands simplify choices. They are a guarantee of quality or consistency in a confusing market, and a badge of trust. Companies spend heavily on marketing and legal advice to protect or reinvent their brands and keep customers loyal, exploiting customers’ aversion to choice.

The more that options multiply, the more important brands become. Today, when paralysed by bewildering choice, a consumer will often turn to a brand that is cleverly marketed to appear to be one that others trust.

In Italo Calvino’s novel “Mr Palomar”, the eponymous hero is dazzled by the mouth-watering variety of cheese he comes across at a fine Parisian fromagerie. “Mr Palomar’s spirit vacillates between contrasting urges: the one that aims at complete, exhaustive knowledge and could be satisfied only by tasting all the varieties; and the one that tends toward an absolute choice, the identification of the cheese that is his alone,” writes Mr Calvino. In the end, “he stammers; he falls back on the most obvious, the most banal, the most advertised, as if the automatons of mass civilisation were waiting only for this moment of uncertainty on his part in order to seize him again and have him at their mercy.”

Despite the crisp flavourologists’ best efforts, there is a limit to how many packs can be stacked on a supermarket shelf. What of stuff that is distributed digitally, however, where choice is almost limitless? Technology has cut media distribution costs and made available a vast new array of material that caters to specialised or obscure tastes, in music, video or the written word. In this universe of proliferating choice, demand is said to be shifting from a few mass products (at the head of the distribution curve) towards a great many niche interests (at the tail end), as argued by Chris Anderson in “The Long Tail”.

It turns out, however, that despite the availability of all the extra stuff the hits are as important as ever. In 2009 there were 558 films released in America, up from 479 in 2000, not to mention the gigabytes of videos and film uploaded or shared online. Yet it was also the year in which one film, James Cameron’s “Avatar”, broke all box-office records to become the highest-grossing film ever, beating the director’s own 1997 blockbuster, “Titanic”. However many niches there are, in other words, film-goers or TV viewers still want to watch what everybody else is watching, and musicians still manage to release mega-hits. Indeed, in a world that celebrates individualism and freedom, many people decide to watch, wear or listen to exactly the same things as everybody else.

When less is more

In small corners of the temples of consumption, business has begun to wake up to the perils of excess choice. Some firms employ “choice architects” to help guide consumers’ decision-making and curb confusion. Tropicana’s extra fruit-juice varieties boosted sales by 23% in Britain in 2009. But now the company puts colour-coded bottletops on sub-categories of juice to help
customers “navigate what can be a difficult range”, says Patrick Kalotis, its marketing director in Britain. In “Nudge”, Richard Thaler and Cass Sunstein, two American academics, cite a study of company retirement plans. When a default option automatically selected an investment portfolio, saving employees the chore of picking their own mix of assets, participation shot up from 9% to 34%.

Some firms have pruned their ranges to avoid confusing shoppers. For example, Glidden, an American paint brand, decided in 2009 to reduce its palette of wall colours from an eye-dazzling 1,000 to a mere 282 because of a change in “Americans’ priorities from ‘more is better’ to ‘less is more’“. L’Astrance, a three-star Michelin restaurant in Paris’s swanky 16th arrondissement, offers no choice at all on its menu: Pascal Barbot, the chef, concocts what he fancies from produce picked up in the market that day. And sometimes less really is more. When Procter & Gamble, an American consumer-products company, thinned its range of Head & Shoulders shampoos from 26 to 15, sales increased by 10%, according to Sheena Iyengar in “The Art of Choosing”.

“Traditionally, companies said that it’s all about the customer, and therefore give them everything they want,” says Glen Williams of Bain, a consultancy. “In reality, this can make it difficult to identify which products the customer really wants, and can create problems for managing the business.” Offering too many jazzy options for new cars, say, may not only confuse consumers but add to production costs and increase the potential for factory-floor bungles. A 2006 Bain study suggested that reducing complexity and narrowing choice can boost revenues by 5-40% and cut costs by 10-35%.

At the same time the anti-globalisation and green movements have stirred a consumer backlash against a surfeit of choice. Campaigns urge shoppers to buy locally grown fruit in season, and to shun cherries in winter or green beans flown in from Kenya. A “voluntary simplicity” movement calls on households to do away with excess consumer choice and lead a low-consumption, eco-
Courses promise to help people shed the distractions and stresses of the consumerist world and journey towards their inner wholeness. Short of turning the lawn over to organic vegetables and selling the car, books with such titles as “The Power of Less: The fine art of limiting yourself to the essential...in business and in life” or “Living Simply: Choosing less in a world of more” suggest practical ideas for cutting down on the effort of decision-making. The advice seems to boil down to shopping less often, keeping less stuff, watching less TV and sending fewer e-mails.

Life coaches offer to help with the perplexity of bigger choices. As recently as the early 1960s, in the world elegantly portrayed by a TV series, “Mad Men”, society gave both women and men far fewer options. Dealing with the strains and expectations of choice is today’s payback. “At a certain age, my clients have this sudden realisation that life hasn’t gone quite the way they intended, and they feel stuck,” says Mr O’Neil, who runs life-coaching classes. In the past they would have just got on with it. Today, he says, “they are paralysed by having too much choice.”

Fifty years after the contraceptive pill was first licensed in America and 37 years after the Supreme Court legalised abortion, women seem to agonise more than ever about breeding. “We’ve grown up with a lot more choice than our mothers or grandmothers; for them, being child-free wasn’t a choice, it was pitied,” says Beth Follini, an American life coach who specialises in the “maybe baby” dilemma. “The anxiety comes from worrying about making the wrong choice.” Having options seems to make people think they can have control over outcomes too. Sometimes, says Ms Follini, choosing is about learning to live without control.

Those in the business of helping people choose offer various tips. Mr O’Neil says the key is taking a decision: “The truth is that it doesn’t matter what we choose, only that we do choose.” Stick to the choices that matter and eliminate the rest, suggests one advocate of simple living, who supplies no fewer than 72 steps to choose from in order to simplify life. Another helpfully explains that “when you approach simple living, sometimes the decision is clear-cut. Sometimes it’s not.” The trouble with simplifying your life, it turns out, is that it involves too many choices.
AS THEY prepared to face their second big strike in four years, America’s coal-mining bosses knew they had to do something about the newspapers. It was 1906—a time of rising resentment against robber-baron capitalism and the heyday of muckraking “yellow journalism”. During the previous strike the trade unions had fostered good relations with newspapermen and won themselves a sympathetic press. To help put their side of the story, the mining bosses turned to a former journalist, Ivy Lee.

It was already fairly common for big companies and public figures to employ publicists and press agents to represent them and rebut criticism. But these men did not conduct extended campaigns to influence public opinion. And many prominent folk engaged with the mass media as little as possible. As Stuart Ewen notes in “PR! A Social History of Spin”, the standard businessman’s attitude towards the public was one of “hardened arrogance”. Lee was to pioneer new methods—and, in the process, create a new industry.

Lee observed that the rise of national newspaper chains and syndicated journalism in America since the 1880s, combined with the extension of the franchise, had profoundly changed society. Now, for the first time, there was something that could accurately be called “public opinion”, a shared consciousness and conversation across the country—and it was to be feared. Lee noted how the emerging mass media were acting as the conduit for the anti-capitalist message of Progressivism, the liberalising reform movement that peaked in America in the early 20th century. He realised not only that it was essential for businesses to counter this message, but that the same conduit could be used to spread pro-business sentiment.

His idea, blindingly obvious now but a novelty then, was to send newsdesks a stream of statements putting the mining bosses’ case and rebutting allegations against them. These, as well as the statements he put out the same year on behalf of a railway following a train crash,
are now sometimes described (with a bit of spin) as the first press releases. The immediate result was perhaps the earliest recorded whinges from journalists about being bombarded with tendentious bumf.

Lee’s response to such complaints was a bombastic “Declaration of Principles”. He snorted that “This is not an advertising agency...our plan is frankly, and openly, on behalf of business concerns and public institutions, to supply the press and public of the United States prompt and accurate information concerning subjects which it is of value and interest to the public to know about.” No doubt the hacks scoffed at his pomposity. Lee’s tactics nonetheless worked: the mining bosses’ side of the story was given a fairer hearing henceforth. The public-relations consultant had been born.

Of course, spin and image-making have been around for as long as history has been recorded. The earliest historians were often the PR men for the winners of battles and dynastic squabbles. In 18th-century London, the political spin-doctor was already at work, in the form of Georgiana Cavendish, Duchess of Devonshire, who conducted a ruthless publicity campaign on behalf of the Whig leader, Charles James Fox, in between posing for Gainsborough and Reynolds.

But only since the early 20th century, and Lee’s campaigns for the coal and rail bosses, has there been a recognisable PR industry dedicated to shaping the representation of clients in the media. That industry has since grown to enormous (indeed, perhaps excessive) size and global reach. Ever since Lee’s first spats with cynical hacks, public-relations officers have been locked in an antagonistic, symbiotic relationship with journalists, with mutual contempt tempered by mutual dependency. They have also fought for influence within big corporations against their great rivals in the marketing and advertising departments. Yet, after a century of spinning, PR Man remains uncertain of his proper role. Is he a master manipulator? Is he the devil’s advocate (as long as Satan pays his fees)? Or is he a benign bridge-builder between the corporate world and the public?

The dark arts

Despite representing big businesses, Lee at first bought into two of Progressivism’s main ideas: that the excesses of capitalism must be curbed; and that ordinary people were rational and responded best to facts and figures. He presented an “honest broker” vision of public relations that, to this day, is the one that most of the industry’s leaders reflexively proffer. As Lee put it, PR is a “two-way street”. He put forward sincere, factually based explanations on behalf of his clients, listened attentively to the public’s response, then conveyed it back to his masters, helping them to understand better how to meet people’s expectations.

This principled version of PR did not long withstand pressure from clients to take a more forceful stance. In 1914 perhaps the most unpopular capitalist barons of all, the Rockefellers, were facing a storm of popular anger over a massacre of striking miners and their families by the paid thugs of a Rockefeller mining company in Ludlow, Colorado. Lee was hired on the strength of his performance in the previous decade’s mining strike. But instead of delivering honest truths, as he had promised in his “declaration”, he spread egregious lies about the strikers and the cause of their deaths. One of his press releases accused Mother Jones, an elderly union organiser, of being a prostitute and brothel-keeper.

Testifying to a congressional inquiry afterwards, Lee was startlingly honest about his dishonesty. “What is a fact?” he asked. “The effort to state an absolute fact is simply an attempt to give you my interpretation of the facts.” In other words, it was perfectly OK to bamboozle the public with plausible-sounding factoids. Verisimilitude mattered more than veracity. His testimony earned Ivy Lee the nickname “Poison Ivy”. He had committed what is still seen as a grave error for a PR man: becoming the story.

Freudian analysis
Even when Lee was claiming to be an honest broker there were some who doubted that the public responded best to rational argument. The rise of radicalism in the years preceding the Russian revolution worried elites everywhere. And there was growing interest in what the emerging field of psychology had to say about the irrationality of the human mind, and in particular that of the masses. Among the curious was Edward Bernays, a nephew of Sigmund Freud and the other main contender for the title of PR’s founding father. He turned others’ theoretical musings on ordinary people’s openness to images and emotional appeals into a series of handbooks explaining how to manipulate the public mind in pursuit of corporate or political goals.

Like Lee, Bernays had started out as a journalist, editing medical magazines. But he discovered the power of persuasion when, in 1913, he promoted a play about the spread of syphilis in a family, breaking a taboo against mentioning sexual diseases. The success of his efforts persuaded him to become a publicist, representing some of the great performers of the day, from Vaslav Nijinsky to Enrico Caruso.

Bernays’s greatest opportunity came with the outbreak of the first world war. President Woodrow Wilson realised the government needed to bring on board the many doubters who saw it as a capitalists’ war that their country should shun. Bernays and other leading PR men were recruited to a new Committee on Public Information (CPI), a vast propaganda operation. They were to put into practice one of Bernays’s main findings from the studies of mass psychology by Uncle Sigmund and others: that the public’s first impulse is usually to follow a trusted leader rather than consider the facts for itself.

In small towns across the country the CPI recruited bank managers and other local authority-figures as “four-minute men”. They gave brief, supposedly impromptu, speeches in cinemas and other public places. Many made the bogus claims that antiwar sentiment was being fomented by German agents, and that America risked being overrun by Prussians.

So successful was the CPI in shaping public opinion that it encouraged the early PR men, Bernays especially, to puff themselves up to new heights of grandeur. No longer would they be mere lackeys of the robber barons; they were now the Great Manipulators, shapers of public opinion for the public’s own good. Bernays went so far as to proclaim that, since the public was so irrational, “The conscious and intelligent manipulation of the organised habits and opinions of the masses is an important element in democratic society.” The alternative to manipulation, he argued, was chaos. Illustrating the extent of his, and the PR business’s, exuberance at this time, one of Bernays’s manuals boasted: “When Napoleon said, ‘Circumstance? I make circumstance,’ he expressed very nearly the spirit of the public relations counsel’s work.”

Unlike Napoleon the PR industry has never known retreat. It has spent the past century advancing, from its origins in America and Britain, across the globe and into all areas of corporate and public life. In “A Century of Spin”, another history of the industry, David Miller and William Dinan note how PR conquered China in the 1980s, in the wake of Deng Xiaoping’s reforms. In 1984 the first state firm set up an internal PR department, followed a year later by the country’s first PR agency, a joint venture between Burson-Marsteller (a big American firm) and the Xinhua news agency. These days PR enjoys as heady a growth rate as any other industry in China.

All sorts of outfits have discovered the power of persuasion. Charities, trade unions, protest groups and other anti-corporate organisations create stunts and “facts” as powerful, and sometimes as dubious, as those staged by Bernays’s minions. A masterful recent example is a Greenpeace video in which an office worker opens a KitKat and finds an orangutan’s finger inside—the intention being to press Nestlé, the chocolate bar’s maker, to stop buying palm oil...
from places where the ape’s native forests are being cut down. Such anti-corporate PR often goes curiously unnoticed by historians of the industry, but it is at least as manipulative as what companies get up to.

Indeed, a revolving door has opened between the PR operations of companies and their critics. In 1997 Greenpeace, seeking a new communications chief, turned to Jonathan Wootliff, formerly of two of America’s biggest providers of corporate PR advice, Hill & Knowlton and Fleishman-Hillard. And where is Mr Wootliff nowadays? Back on the corporate side. He works for Reputation Partners, advising big firms (from BP to an Indonesian pulp firm) how to build “productive relationships” with NGOs and activists. The public-relations men recognise that PR is PR, whichever side it is conducted for.

Washes whiter than white

Since the 1960s, when both sides in the brutal secessionist war in Nigeria’s Biafra region hired foreign PR men to try to get the world on their side, the agencies have found a growing sideline in what their critics call “reputation laundering”. Hardly any regime has been too nasty to be represented, from Argentina’s bloody military regime to Suharto’s brutal kleptocracy in Indonesia. Justifying their image-making on behalf of such unappealing clients, PR men have developed another version of what their industry is for—an alternative to the well-established “honest broker” and “great manipulator” models—in which they portray themselves as defence lawyers in the court of public opinion. By analogy with the criminal courts, where even murderers are entitled to a defence, they argue that they are simply serving justice.

For example, in August, when the Guardian wrote about his company’s image-making for the government of Sri Lanka and others with poor human-rights records, Tim Bell, one of British PR’s leading figures (and a former image-maker to Margaret Thatcher) responded: “I am not an international ethics body. We do communications work. If people want to communicate their argument we take the view that they are allowed to do so.” Lord Bell nonetheless says he would not force his staff to work for a client they found unpalatable. Some were recently excused from working on a brief to represent the Norwegian government in calling for a resumption of whaling, for example.

Although it has been debating the issue for decades, the PR industry is no closer to agreeing where the limits of such advocacy should lie, says Anne Gregory, professor of public relations at Leeds Metropolitan University in England. Its professional bodies have codes of practice that ban outright lying on clients’ behalf. But there are so many agencies fighting for business that such rules are often honoured in the breach. The industry “goes round and round” the same ethical issues “like wheels spinning in the mud”, she laments.

What people in the industry are certain about, and have been since the days of Lee and Bernays, is their burning desire to be more than just press-release peddlers and excuse-makers. PR folk
want to be at the strategic heart of organisations, helping to make big decisions. Some cite firms such as IBM and Diageo (a drinks giant) where PR men have won seats at the executive top table. Such optimists—the industry is full of them, of course—now spy a rare opportunity to steal a march on the Mad Men of advertising and the flipchart-wielders of marketing. In the chaotic online world of social networking, they argue, their talents are much more relevant than their rivals’.

Here’s their spiel: the mainstream media—the traditional gatekeepers of news and the bane of the PR man’s life—are becoming less important. So is the worth of the advertising slots they sell, and therefore so are the sort of paid-for, hard-sell campaigns that the ad men and marketers deal in. Meanwhile social networking, with its cacophony of bloggers, Facebookers and tweeters, is becoming more influential. It is also confusing and hard to control. The public is becoming deafened and confused by a barrage of contradictory messages. Bernays’s maxim about the public needing trusted “influencers” to tell them what to buy and think is therefore becoming truer than ever.

It is true that anyone with a laptop or smartphone can go online and quickly become a company’s most trenchant and visible critic. Look at the attention (and the near-200,000 followers) grabbed by BPGlobalPR, a Twitter feed set up to attack BP over the Gulf of Mexico oil spill. In this world, PR firms expect that their clients will need more help in mopping up publicity slicks and, ideally, in preventing image blowouts before they occur. Ray Kotcher, the boss of Ketchum, one of America’s biggest agencies, predicts there will be “more demand for reputation-defending than ever”. As a result, PR is bound to become more vital, he reckons.

It is not difficult to stick pins in the PR men’s inflated hopes of being the lords of online chaos. For a start, ad men can also distribute their hard-sell branding campaigns on social networks. Nike shows its television ads—the same ones it pays to have broadcast—on its Facebook page, to which over 3m people have signed up as “likers”. Ms Gregory has seen few cases where PR firms have created true social-media-only campaigns: all that is happening is that social-media elements are being added to traditional marketing plans.

As for reaching those new social media “influencers”, most of these still get their basic information from old-fashioned news providers, as do most powerful and influential people. Lord Bell is sceptical, too, pointing out that PR men have talked of rising to the top of big firms for years.

But even if the PR men are in danger of believing their own spin about the opportunities the online world will bring, at least they are showing signs of adapting to it and finding ways to use technological change to further their business. They may not achieve the power and glory they have ached for since the industry’s early days. But it is clear that another century of spin, perhaps greater than the one gone by, is in prospect.
BUSINESS and politics are full of surprises—and a near certainty. Whether they are politicians, bankers or trade-union leaders, men nearly always meet other men in suits. The uniform of capitalism has conquered more of the globe than capitalism itself. When Barack Obama first visited Hu Jintao, paramount leader of the People’s Republic of China, the men were clad in near-identical dark blue suits, white shirts and red spotted ties.

It has become a symbol of conformity. “Suit” was the chosen insult of hippies to describe a dull establishment man. The garment has been ostentatiously rejected by Silicon Valley titans like Steve Jobs of Apple, Mark Zuckerberg of Facebook and Sergey Brin of Google. Yet the business suit has an exciting and mysterious history that should give wearers a tingle of pleasure every time they put one on. It is a garment born out of revolution, warfare and pestilence. The suit still bears the marks of this turbulent past as well as the influence of Enlightenment thinking, sporting pursuits and a Regency dandy. In the year that may well mark the 150th anniversary of the suit it seems a shame that no celebrations were held in its honour.

The pattern was cut in the middle of the 17th century. To maintain an image of what is now called “austerity Britain” after a plague outbreak in 1665 and the Great Fire of London a year later, Charles II ordered his courtiers to dress in simple tunics, shirts and breeches. This was a profound reversal. Monarchs had long imposed sumptuary laws preventing hoi polloi from dressing too grandly. Forcing the elite to dress modestly suggested that power and place were no longer to be marked by yards of lace and frills.

Even as court fashion took another turn towards flamboyance, the sombre three-piece look endured in smart society. The emerging mercantile class adopted it, as did landed aristocrats, who spent much of their time on their country estates rather than at court. Sobriety of colour
gained further ground after the French and American revolutions. The simplified lines and palette of post-revolution gentlemen’s wear—blue, grey, white and buff—were themselves based on the English country gent’s attire of dark coat, riding breeches and boots.

By the end of the 18th century London had become the centre of gentlemen’s tailoring. In part this was the result of happenstance. English artisans skilled at working the heavier wool fabrics (similar to modern suit material) that are best suited to the British climate were joined by an influx of foreign tailors displaced by the Napoleonic wars. Their skills, honed making uniforms for continental fighters, with designs themselves based on British cavalry uniforms, added a new dash to London tailoring. Then a social climber called George “Beau” Brummel began to weave the strands together.

**New model army**

He took an odd route to the pinnacle of fashion. As Ian Kelly explains in his 2005 biography, Brummel befriended the prince regent by using part of an inheritance to buy a commission in his 10th Light Dragoons. Though the prince fancied himself as a military man the regiment was a plaything, more fashion accessory than fighting unit. The prince, who took the throne as George IV, lived a high life of drinking and mistresses, but was also a cultured patron of the arts, who commissioned the elaborate and ornate Brighton Pavilion. Brummel’s trips to buy his blue, white and silver uniform for the prince’s regiment brought him into close contact with London’s finest tailors, and he began to develop ideas.

After leaving the army to live on the rest of his inheritance Brummel pioneered the notion that fabric, cut and silhouette were what made a gentleman’s attire (he also outraged popular opinion with the novel idea of bathing once a day—and in hot water). This pared-down style earned Brummel, and his fashion-conscious contemporaries, the label of a “dandy”. The modern understanding of the term to mean a fashion peacock is a misconception. Brummel believed that “If people turn to look at you on the street, you are not well dressed.”

The practice of fitting cloth closely to the human form rather than draping it around the body was new. As fashion historians point out, medieval linen-armourers had long made padded undergarments that fitted beneath suits of armour, reducing a little the discomfort of wearing plates of steel. But the Enlightenment and neoclassicism brought tightly fitted clothing to the surface. In an attempt to emulate Greek statues of naked men, Brummel commissioned figure-hugging trousers and coats. He used plain colours to focus attention on form and line, ushering in what Mr Kelly calls “the tyranny of monochrome”. When the prince regent swapped his flamboyant wardrobe for Brummel’s stripped-down style it spread across London and beyond.

Brummel is credited in some quarters with inventing modern trousers, a garment more widespread even than the suit and with a provenance equally hard to pin down. He is said to have adapted the long cavalry pantaloons favoured by the 10th Light Dragoons as a replacement for the knee-length breeches and stockings that were then commonplace. But other military antecedents are plausible, too. Patrick Grant, who owns Norton & Sons, a tailor established in 1806, says trousers were developed from Russian Cossack cavalry “overalls”, leggings that came over the boot, some time in the early 19th century.

**Tinker, tailor**

Brummel’s look would not pass muster in a modern boardroom. No chief executive would unveil a new corporate strategy wearing a broad-collared tail coat, skin-hugging trousers that left little to the imagination and billowing muslin stock in the gap that a tie would later fill. Moreover, the Regency rake would purchase different garments from different specialist tailors. The practice of wearing a jacket and trousers of matching material made by the same firm was still some years away.
Around the middle of the 19th century gentlemen’s clothes began to relax. The frock coat full of wadding, cut close to pull the figure into shape, gradually gave way to a looser but still precise jacket. And through a series of small, incremental changes, various pieces of men’s attire that had evolved to meet specific needs converged to form a single uniform. The tailors who still work in and around London’s Savile Row are experts at disentangling the military, medical and sporting threads that form the modern suit.

The military antecedents are perhaps the most obvious. The modern suit’s padded shoulder has the whiff of an epaulette while accentuating the V-shaped torso of classical antiquity so sought by Brummel. The suit’s W-collar seems to have developed from turning down the stand-up collar of a frock coat, which in turn derived from army and naval wear. Paul Munday of Meyer & Mortimer, an outfit founded by one of Brummel’s favourite tailors, accepts that military tailoring is “technically quite different” to the civilian sort. Military uniforms are designed to look good worn when standing upright to attention, and arm holes are cut narrow to aid shooting and saluting. Yet for Mr Munday the tailoring “DNA is the same”.

Savile Row was inhabited largely by surgeons before the tailors moved in during the 19th century, and their influence can be seen in the “surgeon’s cuff”. On the most expensive suits the cuff buttons, which mirror the pips of military rank, can be undone, allowing the sleeve to be rolled back. This let surgeons attend patients spouting blood without removing their coats—an important distinction that set them apart from shirt-sleeved tradesmen of the lower orders. Surgeon’s shirts, with detachable cuffs, are still made to order by London tailors.

The single or double vents that make it comfortable to wear a coat on horseback are testament to the sporting antecedents of the suit. So are the slash pockets still seen on some suits, which can be easily accessed while riding. Keith Levett of Henry Poole, a Savile Row tailor in business since 1806, is sceptical of the direct military antecedents of the suit. He reckons that its development had more to do with the needs of sporty Victorians and that two garments informed the design of the suit jacket. The morning coat, a pared-down frock coat, though still very fitted, set the trend for smaller coats. This, in combination with the “three-seam coat” with no waist seam or quilting and with small arm holes, made for cyclists, rowers and fishermen, are, he says, the immediate predecessors of the lounge coat.

As the suit jacket and trousers gradually came together, so did the tie, replacing the silk stock that would previously have been worn around the neck. It arrived from Europe. The court of Louis XIV was impressed as much by the neckerchiefs of Croat mercenaries employed to fight the Thirty Years War as by their fighting spirit. The style was adopted in France—the word cravate is apparently a corruption of Croat. The four-in-hand, the forerunner of the tie, appeared in Britain in about 1860 (like the suit) and was the social-networking tool of its day. The pattern and colours denoted affiliations such as school, regiment or sporting club.

If the precise moment of inception is vague the point of victory of the lounge suit over its forerunners as the standard battledress of the office worker is clearer. According to Christopher Breward of the Victoria and Albert Museum the tailed morning coat finally gave up to the lounge suit with the rise of American business culture at the end of the 19th century. By 1890 the
American office worker wanted both the informality of the lounge suit, with its sporting heritage, and a snappy, modern and efficient look that its military antecedents gave it.

**Still at the cutting edge**

From a tight knot of streets between Piccadilly and Regent Street, the suit has conquered the planet. Since the early 20th century the battledress of the executive has changed little, at least on the outside. Colours and cuts come—the fashion a decade ago was for four-button jackets—and go. Yet the modern world has transformed the suit’s interior. Pockets for train and bus tickets appeared with the commuter. Pen pockets and pockets for mobile phones have followed. Mr Munday has fielded inquiries about internal pockets to hold an iPad. No problem, he says. They are not so very different to the large “hare” pockets on the inside of field coats worn by country gents that will hold birds and rabbits felled with a shotgun.

Savile Row has changed too. The custom of the British upper classes, civilian and military, has tailed away as that class has shrivelled. But at Anderson & Sheppard, in business for over a century, “Prince of Wales” is scrawled in marker pen on a nondescript brown box beneath a cutting table. Within are offcuts of clothing ordered by the current heir to the British throne—used for repairs. Royal patronage is a useful draw for the new breed of customers from the Middle East and Russia, whose oligarchs and sheikhs think nothing of ordering a big batch of bespoke suits starting at £3,000 ($4,700) each. Meanwhile, in South-East Asia, factories fling out suits by the thousands that sell for just a few pounds each. Useful and malleable, after 150 years the suit is still holding its ground in the battle for wardrobe space.
A LONELY monastic scribe, toiling in some windswept eyrie on Europe’s Atlantic fringe, bravely struggles to preserve the legacy of the Greco-Roman world from the encroaching barbarians. It is an image that modern Westerners—materially secure, but nervous about the longevity of their culture—find compelling.

For its latest iteration, watch “The Secret of Kells”—a 75-minute animated film about early Ireland which has won acclaim in Europe and America. Gorgeous manuscripts with arcane symbols, wise old monastic teachers and marauders at the gate (Vikings, in this case) are enjoyably combined in this Franco-Belgo-Irish collaboration.

Then recall the languid, patrician tones of Lord Clark, holding forth on the subject of civilisation: a fond memory for many a middle-aged art historian. At the start of his televised essay on the cultural history of the West, first shown in 1969, Clark asserted that weather-beaten calligraphers on remote Atlantic islands had preserved the classical heritage from the forces of darkness. “We got through by the skin of our teeth,” he declared. For a more nativist, Hibernian rendering, consult the slim bestseller penned by Thomas Cahill, an Irish-American writer in 1995: “How the Irish Saved Civilisation”.

Scraps of writing bring the Irish scribes alive as real, endearing human beings, in the form of notes scribbled in margins. One of the most famous is a monk’s poem to Pangur his cat: “Hunting mice is his delight, hunting words I sit all night…” And the monks’ terror of Viking raids is brought home by another evocative piece of doodling: “Bitter and wild is the wind tonight...[but] I feel at ease; fierce Northmen course quiet seas.”

It’s a great story, and the poetry is wonderful. Unfortunately, though, in one important way the historical facts do not accord with the romantic image of ragged scribes in a lonely struggle to preserve Christian culture from the forces of darkness. They were by no means alone in their efforts: in warmer places other holy men were similarly illuminating the world, and there may have been quite a bit of contact between them all, including visits.

To understand what was happening in the early Christian history of the British Isles, it is necessary to look at the religious libraries of the Christian East. The greatest of these is located on the slopes of Mount Sinai, at the monastery of Saint Catherine, whose foundation in the mid-sixth century roughly coincides with the spread of Christianity, and hence Latin writing, from...
Ireland to Scotland—whence it later shifted to the north of England.

Compared with the handful of texts that survive from newly Christian Ireland, the Sinai collection is vast and diverse. Along with over 6,000 early printed books, there are 3,300 manuscripts in a dozen languages, mainly Greek, Georgian, Slavonic and three Semitic tongues—Arabic, Syriac and Aramaic. The quality varies too: there are superbly illuminated volumes with gilded letters, from royal workshops in Constantinople (pictured), and much humbler texts, bound with crude boards and stained from centuries of use. And on Sinai, just as in Ireland, flashes of humanity appear on the margins of old texts. “God knows what sort of original I had to work with,” moans an irascible Georgian transcriber at the end of one codex.

The content of the library, including the "new finds" discovered in a ruined tower in 1975, is more or less known; scholars in several countries have been working to integrate the publicly available catalogues and publish the resulting list on the web. A well-connected charitable foundation, with branches in London, New York and Geneva, has assessed the library’s condition and drawn up a plan for its long-term conservation.

But if the St Catherine’s collection still holds surprises, and possible clues as to the origins of monastic writing at the other end of the Christian world, they are probably lurking underneath familiar texts. In other words, they are the lower layers of palimpsests—pieces of parchment which scribes reused at least once after attempting (not quite successfully, thank goodness) to wash off the original.

The ever-growing ability to decipher palimpsests is perhaps the most exciting way in which modern technology is throwing light on the role of the written word during the dark ages. One of the most spectacular feats in this field concerns the so-called Archimedes Palimpsest. American scientists, using technology designed to monitor objects in space, looked underneath a Byzantine liturgical manuscript and found a hitherto unknown text from one of the fathers of mathematics and engineering. In addition to the work by Archimedes, there was material from an orator which throws fresh light on ancient Athenian politics.

If all goes to plan, the same technology may soon be applied to the multi-layered writings at St Catherine’s; there are at least 120 of them, and most have yet to be examined properly. Under an agreement between the monastery and the California-based Early Manuscripts Electronic Library, researchers hope to spend five years peeping beneath the palimpsests. Michael Phelps, the director of that project, says he is excited about certain texts which have, say, Georgian or a Semitic language on top and who knows what hiding underneath. Already, a manuscript with Georgian on the surface turned out to have a bottom layer in a rare language called Caucasian-Albanian: it was spoken by a nearly extinct Christian people that once flourished in present-day Azerbaijan but is now confined to a few villages.

And there is an excellent chance of some new information about those monastic heroes from the Celtic fringe. Even now, there are some intriguing hints. One has been spotted by Michelle Brown, a paleographer and art historian who has spent much of her life studying and describing the north European manuscripts at the British Library. She has already done some research at St Catherine’s in the hope of uncovering contacts between Sinai and the Latin West, including the British Isles. When she was shown one of the monastery’s Christian Arab texts, she noticed Latin writing underneath; it was clearly in the “insular” style first developed in Ireland and then exported to Northumbria via Scotland. Mrs Brown, a professor of medieval manuscript studies at the University of London, believes that scribes from the British Isles may have worked on the slopes of Mount Sinai, writing in Latin.

If high-tech investigations bear that out, it could transform the way we imagine the early history of the Christian world. The fact that Christendom eventually split, in 1054, into a Latin West and a Greek East does not mean that things were always so divided. Despite their harsh and isolated
surroundings, the ascetics of Mount Sinai may have had a wide range of contacts, ranging from
the Celtic fringe to present-day Iraq and beyond. They were a nodal point, perhaps, in a
thoroughly globalised Christian world, embracing the Roman empire and much more. And the
Irish monks were not as isolated as people have hitherto imagined either.

As Mrs Brown points out, there is a short but intriguing list of facts that link the ascetics of Egypt
and the western fringe of Europe. For example, an early Irish litany makes an enigmatic
reference to the “seven monks of Egypt”. The Irish word for a retreat or refuge—the sort of place
which sent Lord Clark into such raptures—is diseart, clearly derived from the Latin desertus which
initially meant an abandoned, solitary place.

An Irish-born monastic, writing in the late seventh century, shows a remarkable knowledge of the
Middle East, including the Nile and Alexandria. Abbot Adomnan also describes a church on the
river Jordan, marking the site of Christ’s baptism, so precisely that Jordanian archaeologists are
still making use of his account. The abbot presents all this knowledge as information gleaned
from a wandering pilgrim who washed up on the shores of the Scottish island of Iona; but
Adomnan clearly knew a great deal before the bedraggled visitor appeared.

And in September the National Museum of Ireland added to the list of clues with an exciting
announcement: traces of Egyptian papyrus had been detected in the binding of a 1,200-year-old
psalter, discovered in the bogs of Tipperary in 2006 by a surprised turf-cutter. These are scraps
of evidence, not certainties; but they lend weight to the idea that Celtic scribes labouring in their
rain-swept refuges were not so much saving Roman civilisation as participating in a spiritual
movement inspired by the desert hermits of Egypt: a movement that was conceived, in part, as a
revolt against civilisation. Or at any rate, against what some saw as the jaded decadence of
urban life in the twilight of empire.

Here is an insight from the Egyptian end. For John of the Ladder, one of the first abbots of the
Sinai monastery, writing was an ascetic exercise as much as a utilitarian one: “Before sleep, he
prayed much and wrote books; this served as his sole means of subduing despondency.” Some
nuggets of civilisation may have been saved in the process, but that was not the object of the
exercise. Saint Patrick’s memoirs, penned a century earlier, do not tell us how he felt about the
process of writing but the spirit of self-discipline is similar; and his mission to Ireland was
preceded by monastic training in what is now France, possibly on the Lérins islands (off the
Riviera) where the Egyptian tradition was followed.

And in East and West alike, scholars can trace how the role of the written word shifted over time.
Books became holy objects or talismans. Irish tribes carried them into battle; a Greek Christian
writer called a completed Gospel a “presence” which somehow sanctified its environs without
being opened. Yet books had practical as well as ritual purposes: they were intended to be read
aloud in church or at monastic dinner-tables. And when practical needs changed, old writing was
(nearly) erased.

Silent reading also developed, at both ends of Christendom. Ambrose of Milan, a Latin writer who
was well known in Ireland, impressed Augustine of Hippo with his quiet perusal of a text. And to
another early Christian writer, Isaac of Syria, the noiseless contemplation of the written
word was balm to the soul. “I practise silence, that the verses of my readings and prayers should fill me
with delight. Then, when…the turmoil of memories is stilled in my heart, ceaseless waves of joy
are sent to me by inner thoughts…suddenly arising to delight my heart.”

As Mrs Brown has noted, people at this time came to realise that “the very absence of the human
voice could render...communication all the richer” by giving the reader extra time and space to
absorb the text and its many layers of meaning. A similar passion for the written word—the
process, the product and the effect on the reader—can be detected in Western scribes like
Columba of Iona and Bede of Northumbria. Whatever those monastic calligraphers were doing,
they were not merely keeping texts safe from the barbarians, in the hope that many centuries later, posh British art historians or clever cartoonists would commend them. In some mysterious way, their work was its own reward.
The science of recovering lost writing has made big strides

AT DAYBREAK, after prayers in the ancient basilica, Father Justin, the Texan-born librarian of St Catherine’s monastery in Sinai, doffs his clerical head-dress and begins operating a Swiss camera that can capture illuminations, bindings and gold leaf in all their glorious detail. His assistant, Hameid, one of the first local bedouin to attend university, puts the manuscripts in place. Father Justin is among a small band of people dedicated to using technology to investigate, preserve and disseminate the glories of ancient writing.

Techniques like multi-spectral imaging—breaking light into many wavelengths—and X-ray fluorescence—involving electrons moving at close to the speed of light—are helping to decipher the hitherto illegible. And thanks to the internet, images of ancient writing can be shared and discussed across the world. Documents that history has separated can be reunited virtually. St Catherine’s has worked with the British Library, plus museums in St Petersburg and Leipzig, to put together a virtual copy of the oldest version of the Gospel, whose leaves are divided between the four institutions. Libraries that were dispersed along with their owners (like those held by Armenian communities in Turkey, massacred or put to flight in 1915) can be reconstituted in cyberspace.

Another huge repository of medieval codices, physical and virtual, is a Benedictine monastery in Minnesota: the Hill Museum and Manuscript Library. It began in the cold war, hoping to retain a record of Europe’s heritage in case the Soviets came. They didn’t; but photographing codices proved to be sound insurance. The library snapped codices in Ethiopia (see picture) some of which were destroyed after the Marxist coup of 1975. More recently, the library’s director, Father Columba Stewart, has scoured the monasteries of the Middle East, offering his services as a digital snapper of precious tomes in Lebanon, Syria, Turkey, Iraq and elsewhere. Manuscripts in those parts are often in the care of their original monastic owners, who struggle to conserve and protect them from the ravages of war and local politics.
Is he the religious equivalent of Google, which is using its resources to photograph all the books in half a dozen important libraries? He sees big differences: his institution’s annual budget, at $1m, is not Google-sized; and it makes no profit. It offers its services, free, to institutions that are usually grateful. The images he captures are made available to the holders of the originals; and he generally trains locals to do the photography. When he reassures people about his motives, ”it helps that I am a monk,” he says.

Other big players in the digitising of manuscripts include the Mormons. They have an interest in old writing which might confirm the teachings revealed to their founder, Joseph Smith. But the finest display of Mormon expertise in recovering texts involved material that is far from religious. Scholars from Brigham Young University (BYU) deciphered carbonised papyrus found at a villa in Herculaneum, which was destroyed by a volcano along with Pompeii. Much of it was philosophical writing from the school of Epicurus, who saw pleasure as life’s main goal; and there was a Roman comedy.

Regardless of the content, the scientific skills of the Mormon-inspired effort drew admiration. By using the bits of the light spectrum that are not visible to the human eye, the BYU researchers could tell black ink from charred papyrus. Now BYU scholars are working to record and study the Vatican library. And whatever their theological differences, the Benedictines of Minnesota and the Mormons now have one thing in common: both have made repositories of last resort, under the Utah mountains, where data and images are safe from almost any act of God or man.
ON THE evening before All Saints’ Day in 1517, Martin Luther nailed 95 theses to the door of a church in Wittenberg. In those days a thesis was simply a position one wanted to argue. Luther, an Augustinian friar, asserted that Christians could not buy their way to heaven. Today a doctoral thesis is both an idea and an account of a period of original research. Writing one is the aim of the hundreds of thousands of students who embark on a doctorate of philosophy (PhD) every year.

In most countries a PhD is a basic requirement for a career in academia. It is an introduction to the world of independent research—a kind of intellectual masterpiece, created by an apprentice in close collaboration with a supervisor. The requirements to complete one vary enormously between countries, universities and even subjects. Some students will first have to spend two years working on a master’s degree or diploma. Some will receive a stipend; others will pay their own way. Some PhDs involve only research, some require classes and examinations and some require the student to teach undergraduates. A thesis can be dozens of pages in mathematics, or many hundreds in history. As a result, newly minted PhDs can be as young as their early 20s or world-weary forty-somethings.

One thing many PhD students have in common is dissatisfaction. Some describe their work as “slave labour”. Seven-day weeks, ten-hour days, low pay and uncertain prospects are widespread. You know you are a graduate student, goes one quip, when your office is better decorated than your home and you have a favourite flavour of instant noodle. “It isn’t graduate school itself that is discouraging,” says one student, who confesses to rather enjoying the hunt for free pizza. “What’s discouraging is realising the end point has been yanked out of reach.”

Whining PhD students are nothing new, but there seem to be genuine problems with the system that produces research doctorates (the practical “professional doctorates” in fields such as law, business and medicine have a more obvious value). There is an oversupply of PhDs. Although a doctorate is designed as training for a job in academia, the number of PhD positions is unrelated to the number of job openings. Meanwhile, business leaders complain about shortages of high-level skills, suggesting PhDs are not teaching the right things. The fiercest critics compare research doctorates to Ponzi or pyramid schemes.
Rich pickings

For most of history even a first degree at a university was the privilege of a rich few, and many academic staff did not hold doctorates. But as higher education expanded after the second world war, so did the expectation that lecturers would hold advanced degrees. American universities geared up first: by 1970 America was producing just under a third of the world’s university students and half of its science and technology PhDs (at that time it had only 6% of the global population). Since then America’s annual output of PhDs has doubled, to 64,000.

Other countries are catching up. Between 1998 and 2006 the number of doctorates handed out in all OECD countries grew by 40%, compared with 22% for America. PhD production sped up most dramatically in Mexico, Portugal, Italy and Slovakia. Even Japan, where the number of young people is shrinking, churned out about 46% more PhDs. Part of that growth reflects the expansion of university education outside America. Richard Freeman, a labour economist at Harvard University, says that by 2006 America was enrolling just 12% of the world’s students.

But universities have discovered that PhD students are cheap, highly motivated and disposable labour. With more PhD students they can do more research, and in some countries more teaching, with less money. A graduate assistant at Yale might earn $20,000 a year for nine months of teaching. The average pay of full professors in America was $109,000 in 2009—higher than the average for judges and magistrates.

Indeed, the production of PhDs has far outstripped demand for university lecturers. In a recent book, Andrew Hacker and Claudia Dreifus, an academic and a journalist, report that America produced more than 100,000 doctoral degrees between 2005 and 2009. In the same period there were just 16,000 new professorships. Using PhD students to do much of the undergraduate teaching cuts the number of full-time jobs. Even in Canada, where the output of PhD graduates has grown relatively modestly, universities conferred 4,800 doctorate degrees in 2007 but hired just 2,616 new full-time professors. Only a few fast-developing countries, such as Brazil and China, now seem short of PhDs.

A short course in supply and demand

In research the story is similar. PhD students and contract staff known as “postdocs”, described by one student as “the ugly underbelly of academia”, do much of the research these days. There is a glut of postdocs too. Dr Freeman concluded from pre-2000 data that if American faculty jobs in the life sciences were increasing at 5% a year, just 20% of students would land one. In Canada 80% of postdocs earn $38,600 or less per year before tax—the average salary of a construction worker. The rise of the postdoc has created another obstacle on the way to an academic post. In some areas five years as a postdoc is now a prerequisite for landing a secure full-time job.

These armies of low-paid PhD researchers and postdocs boost universities’, and therefore countries’, research capacity. Yet that is not always a good thing. Brilliant, well-trained minds can go to waste when fashions change. The post-Sputnik era drove the rapid growth in PhD physicists that came to an abrupt halt as the Vietnam war drained the science budget. Brian Schwartz, a professor of physics at the City University of New York, says that in the 1970s as many as 5,000 physicists had to find jobs in other areas.

In America the rise of PhD teachers’ unions reflects the breakdown of an implicit contract between universities and PhD students: crummy pay now for a good academic job later. Student teachers in public universities such as the University of Wisconsin-Madison formed unions as early as the 1960s, but the pace of unionisation has increased recently. Unions are now spreading to private universities; though Yale and Cornell, where university administrators and some faculty argue that PhD students who teach are not workers but apprentices, have resisted union drives. In 2002 New York University was the first private university to recognise a PhD teachers’ union,
but stopped negotiating with it three years later.

In some countries, such as Britain and America, poor pay and job prospects are reflected in the number of foreign-born PhD students. Dr Freeman estimates that in 1966 only 23% of science and engineering PhDs in America were awarded to students born outside the country. By 2006 that proportion had increased to 48%. Foreign students tend to tolerate poorer working conditions, and the supply of cheap, brilliant, foreign labour also keeps wages down.

Proponents of the PhD argue that it is worthwhile even if it does not lead to permanent academic employment. Not every student embarks on a PhD wanting a university career and many move successfully into private-sector jobs in, for instance, industrial research. That is true; but drop-out rates suggest that many students become dispirited. In America only 57% of doctoral students will have a PhD ten years after their first date of enrolment. In the humanities, where most students pay for their own PhDs, the figure is 49%. Worse still, whereas in other subject areas students tend to jump ship in the early years, in the humanities they cling like limpets before eventually falling off. And these students started out as the academic cream of the nation. Research at one American university found that those who finish are no cleverer than those who do not. Poor supervision, bad job prospects or lack of money cause them to run out of steam.

Even graduates who find work outside universities may not fare all that well. PhD courses are so specialised that university careers offices struggle to assist graduates looking for jobs, and supervisors tend to have little interest in students who are leaving academia. One OECD study shows that five years after receiving their degrees, more than 60% of PhDs in Slovakia and more than 45% in Belgium, the Czech Republic, Germany and Spain were still on temporary contracts. Many were postdocs. About one-third of Austria’s PhD graduates take jobs unrelated to their degrees. In Germany 13% of all PhD graduates end up in lowly occupations. In the Netherlands the proportion is 21%.

A very slim premium

PhD graduates do at least earn more than those with a bachelor’s degree. A study in the *Journal of Higher Education Policy and Management* by Bernard Casey shows that British men with a bachelor’s degree earn 14% more than those who could have gone to university but chose not to. The earnings premium for a PhD is 26%. But the premium for a master’s degree, which can be accomplished in as little as one year, is almost as high, at 23%. In some subjects the premium for a PhD vanishes entirely. PhDs in maths and computing, social sciences and languages earn no more than those with master’s degrees. The premium for a PhD is actually smaller than for a master’s degree in engineering and technology, architecture and education. Only in medicine, other sciences, and business and financial studies is it high enough to be worthwhile. Over all subjects, a PhD commands only a 3% premium over a master’s degree.

Dr Schwartz, the New York physicist, says the skills learned in the course of a PhD can be readily acquired through much shorter courses. Thirty years ago, he says, Wall Street firms realised that some physicists could work out differential equations and recruited them to become “quants”, analysts and traders. Today several short courses offer the advanced maths useful for finance. “A PhD physicist with one course on differential equations is not competitive,” says Dr Schwartz.
Many students say they are pursuing their subject out of love, and that education is an end in itself. Some give little thought to where the qualification might lead. In one study of British PhD graduates, about a third admitted that they were doing their doctorate partly to go on being a student, or put off job hunting. Nearly half of engineering students admitted to this. Scientists can easily get stipends, and therefore drift into doing a PhD. But there are penalties, as well as benefits, to staying at university. Workers with “surplus schooling”—more education than a job requires—are likely to be less satisfied, less productive and more likely to say they are going to leave their jobs.

Academics tend to regard asking whether a PhD is worthwhile as analogous to wondering whether there is too much art or culture in the world. They believe that knowledge spills from universities into society, making it more productive and healthier. That may well be true; but doing a PhD may still be a bad choice for an individual.

The interests of academics and universities on the one hand and PhD students on the other are not well aligned. The more bright students stay at universities, the better it is for academics. Postgraduate students bring in grants and beef up their supervisors’ publication records. Academics pick bright undergraduate students and groom them as potential graduate students. It isn’t in their interests to turn the smart kids away, at least at the beginning. One female student spoke of being told of glowing opportunities at the outset, but after seven years of hard slog she was fobbed off with a joke about finding a rich husband.

Monica Harris, a professor of psychology at the University of Kentucky, is a rare exception. She believes that too many PhDs are being produced, and has stopped admitting them. But such unilateral academic birth control is rare. One Ivy-League president, asked recently about PhD oversupply, said that if the top universities cut back others will step in to offer them instead.

Noble pursuits

Many of the drawbacks of doing a PhD are well known. Your correspondent was aware of them over a decade ago while she slogged through a largely pointless PhD in theoretical ecology. As Europeans try to harmonise higher education, some institutions are pushing the more structured learning that comes with an American PhD.

The organisations that pay for research have realised that many PhDs find it tough to transfer their skills into the job market. Writing lab reports, giving academic presentations and conducting six-month literature reviews can be surprisingly unhelpful in a world where technical knowledge has to be assimilated quickly and presented simply to a wide audience. Some universities are now offering their PhD students training in soft skills such as communication and teamwork that may be useful in the labour market. In Britain a four-year NewRoutePhD claims to develop just
such skills in graduates.

Measurements and incentives might be changed, too. Some university departments and academics regard numbers of PhD graduates as an indicator of success and compete to produce more. For the students, a measure of how quickly those students get a permanent job, and what they earn, would be more useful. Where penalties are levied on academics who allow PhDs to overrun, the number of students who complete rises abruptly, suggesting that students were previously allowed to fester.

Many of those who embark on a PhD are the smartest in their class and will have been the best at everything they have done. They will have amassed awards and prizes. As this year’s new crop of graduate students bounce into their research, few will be willing to accept that the system they are entering could be designed for the benefit of others, that even hard work and brilliance may well not be enough to succeed, and that they would be better off doing something else. They might use their research skills to look harder at the lot of the disposable academic. Someone should write a thesis about that.
Another green world

Like Easter Island, Ascension Island has lessons for the planet—cheerful ones

AT THE top of Green Mountain, the central peak of Ascension Island, there is a small pond, dotted with lilies, shadowed to one side by the fronds of a pandan tree. It is the only open body of fresh water on the island—and for a thousand kilometres in any direction. Around Dew Pond grows a grove of towering bamboo, beyond which the trade winds blow incessantly from the south-east. Within the grove the air is still and damp.

Along the trailing ridge of the summit are fig trees, Cape yews and a garland of remarkably vigorous ginger. Below, on the mountain’s lee side, trees and shrubs from all parts of the world spread down the hillside to a landscape of casuarina trees—ironwood, or she-oak—and thorny chaparral around its base. Even on the bleaker windward slope, grasses and sedges are dotted with Bermuda cedar and guava bushes. Above, the bamboo scratching at their bellies, are the clouds the trade winds bring; some days they cover the mountain top.

Once seen as too dry to be worth inhabiting, Ascension Island is becoming greener at an increasing rate. People are responsible. In part, their contribution was unwitting: the thorny mesquite that anchors a lot of the island’s scrub was introduced for a landscaping project just 50 years ago. But the forest on the peak of Green Mountain represents a deliberate attempt to change the island’s climate to make it more habitable. It is the centrepiece of a small but startling ecological transformation which is part experiment and part accident, part metaphor and part inspiration.

Ascension was discovered by the Portuguese in 1501. Just to the west of the mid-ocean ridge that separates South America’s tectonic plate from Africa’s, it is the top of a volcano which rises steeply from abyssal plains more than four kilometres below the surface of the ocean. The volcano made it above that surface only a million or so years ago, since when the island has grown to about 100 square kilometres. Before people arrived it was home to just a flightless bird, a land crab and no more than 30 species of plant, none as big as a bush. It was so barren and isolated that during the following three centuries of assiduous empire-building neither the Portuguese nor any other nation bothered to claim it. When Captain Cook passed by in 1775, Georg Forster—later to become renowned for his accounts of exploration—wrote it off as a “ruinous heap of rocks”, drearier even than Tierra del Fuego and Easter Island. But Forster’s naturalist father Johann saw something more promising:
This barren island with very little trouble might be settled and made a very useful place of refreshment ... I am persuaded that if the common furze, which thrives so well on St Helena, were planted on this island, it would no doubt equally thrive here, and were these Furzes everywhere growing, grass and other plants would no doubt immediately grow between them ... The more the surface of the earth is covered with plants the more would they not only evaporate but even attract the moisture of the air ... after grass and water were more plentiful in the isle certainly many a tree would soon grow and thus afford fuel.

Islands had a particular hold on the imaginations of explorers like Forster. It had long been widely held that the varieties of humankind reflected the action of different climates. In the late 18th century the opposite notion began to take hold among sailors, scientists and administrators: that humankind might itself act to change the climate, either for the worse or for the better, mainly through what it did or didn’t do to trees. A decade after Cook and the Forsters, a French explorer, La Pérouse, visited Easter Island. Noting the island’s "dreadful aridity" in the midst of an immense ocean, he blamed the ancestors of the island’s inhabitants, who had cut down the trees.

Those imprudent ancestors have become symbols for mankind’s short-sighted carelessness with his environment. As environmentalists began to preach the gospel of finite resources, and satellites sent home images of the Earth looking like a small island in a vast dark sea, the fate of Easter Island seemed like a fearful parable. In his jeremiad, “Collapse”, Jared Diamond described Easter Island’s story as “the closest approximation that we have to an ecological disaster unfolding in complete isolation”.

Yet it would be a mistake to place too much weight on this tale. The familiar story—deforestation leading to environmental degradation; subsequent population collapse, possibly including cannibalism; eventual endemic misery—has been revised in recent years. Some suggest that the Easter Islanders’ fate was not purely self-inflicted: seed-eating rats, European slavers and climate change were in part responsible. And although apocalyptic stories have a power that brighter tales lack, mankind’s record is more nuanced than the Easter Island story suggests. People have created fertile ecosystems as well as destroyed them. Ascension Island is a supreme example.

A kaleidoscope of connections

Ascension’s key advantage over Easter Island is that it is remote, but not entirely isolated. Once it was eventually settled, it remained connected to the rest of the world for all sorts of purposes and in a succession of different ways. Britain first took possession of it in 1815 lest it be used as a staging post to rescue Napoleon Bonaparte from exile in St Helena. Later it became a supply base for the navy’s campaign against the slave trade; the steady warm air of the trade winds meant it also made a good sanatorium for sailors and freed slaves. For administrative purposes it was treated as a vessel, *HMS Ascension*, “sloop of war of the smaller class”. Subsequently it provided succour to ships, both naval and merchant, that found themselves in distress. The fact that the island could supply magnificent turtles—they migrate from Brazil to lay eggs on, or in, the beaches—as a delicacy to the lords of the Admiralty probably helped justify its garrison, too.

As the 19th century waned, steam and the Suez Canal meant that there was less and less call on Ascension for services to shipping. Then, in 1899, a telegraph cable connecting Britain to Cape Town came ashore amid the jagged rocks of Comfortless Cove. It was soon joined by cables from Sierra Leone, Buenos Aires and Rio de Janeiro. During the first world war radio receivers were strung over the lava like washing lines to provide communication with ships at sea.

In 1922 the “stone frigate” *HMS Ascension* was decommissioned, and the island became in law a dependency of St Helena; in reality it became a fief of the Eastern Telegraph Company, which was subsequently absorbed by Cable & Wireless. Two decades later, it found itself part of a different connection—one that ran from the aircraft manufacturers of America to the North African and Mediterranean theatres of the second world war. American troops built an airstrip on the lava plains in the south of the island where the wide-awake terns...
mested; 20,000 fighters and bombers flew in from Brazil, refuelled and went on to Africa. Forty years after that, Ascension provided an air bridge when Britain fought for the Falkland Islands.

These days it is a communications hub. Wires strung between two sets of tall towers transmit the BBC World Service’s broadcasts to 85m listeners in Africa and beyond. Nearby, strange geometries of short-wave systems connect the British and American armed forces to ships and aircraft. Aerials that look a bit like fish-skeletons are used by the spooks at Britain’s GCHQ, a strategic eavesdropping organisation. Dishes track space launches from Cape Kennedy and European space launches from French Guiana, and monitor tests of submarine-launched missiles.

Not all the information that washes across Ascension is picked up by electromagnetic means. The Met Office station measures greenhouse gases. Seismometers listen not just for earthquakes but also for illicit nuclear explosions. Infrasound monitors do the same job for the atmosphere, picking up the inaudible but remarkably persistent sound waves that circle the world when a bomb goes off. Offshore instruments near the American base listen out for the underwater sound of such blasts.

Building a new Eden

In the mid-19th century one Joseph Hooker visited Ascension Island. He was the son of the director of Kew Gardens, a job he later took on himself. Hooker advised the Admiralty to plant trees over the top of the mountain, encourage brambles, aloes and briar rose in the ravines and establish acacia, casuarina and eucalyptus on the lower slopes. Shipments of plants from the Cape and from Kew started soon thereafter, drawing on the entire botanic inventory of empire. In four months of 1860, John Bell, the island’s horticulturalist, is reported to have supervised the planting of some 27,000 trees and shrubs. Surveying the results 140 years later, a British ecologist, David Wilkinson, turned to science fiction for the appropriate metaphor. Like an alien planet rearranged for human life, he wrote, Ascension Island had been “terraformed”.

The chief aim was to provide more rain and soil for the farm that had been established when the garrison was founded. In this, the scheme proved a long-term failure: the farm is no more. With two flights from Britain and one flight from America every week as well as regular visits by the Royal Mail ship St Helena, it is now cheaper to import food than to grow it.

Nor is it clear that the foresting of Green Mountain has increased rainfall. Precipitation varies on Ascension; in the years that Bell was expanding the plantings it was particularly heavy. Later it fell back and the farm, as well as some of the plantings, suffered. No one has documented any long-term trend in rainfall in response to the plantings, which is not surprising. The degree to which forests encourage rainfall is a matter of considerable debate. Those mechanisms that can
plausibly be called into play at larger scales—such as the way that transpiration through leaves recycles water to the air, allowing the same moisture to fall as rain repeatedly—seem unlikely to apply on Ascension. The constant trade winds ensure that air passing over the mountain is back over the ocean in less than an hour.

In practice rainfall, like farming, is not much of a problem any more. The BBC, which has ended up producing most of Ascension’s electricity because its transmitters are the biggest energy users, puts some of that power to work desalinating seawater. The American base has a desalination plant, too. Ascension could get by with no rain at all, if it had to. What the trees certainly do, though, is catch moisture directly from the clouds. As air climbs the mountain it cools, encouraging water vapour picked up from the warm ocean to condense. The trees provide copious surfaces on which that condensation—“occult precipitation”, to ecologists—can take place. That is what provides the water for Dew Pond, for the moist air under the spreading yews and figs below it, and for the soil. The more trees, the more moisture, the more trees.

This explains the success of the plantings on the mountain. It may also explain some of the greening that has swept down the mountain’s south-eastern flank; water from higher up may be percolating through rock and soil. But not entirely. Stemson Stroud, the island’s conservation officer, first arrived from St Helena to work at the Apollo tracking centre in 1967. He and others contend that the island’s subsequent greening has been far more widespread than the slopes of Green Mountain.

The thorny mesquite is undoubtedly another factor. It was introduced to the island in the 1960s, when the BBC built a new village, Two Boats, for the people working on its World Service transmitters. Intended as decorative erosion-proofing the mesquite quickly took off, helped by the fact that its seeds pass happily through the digestive tracts of the island’s small population of feral donkeys.

Around Two Boats, which is near the foot of Green Mountain, the mesquite has teamed up with acacia, yellowboy (a shrub in the jacaranda family) and prickly-pear cactus to make thick scrub. It has also spread to the west and down to sea level. Mr Stroud and his colleagues spend a fair bit of time hacking it back and poisoning the stumps—and through them, they hope, the prodigiously deep roots—in order to preserve the lifeless volcanic splendour of at least some parts of the island. Goats, Mr Stroud speculates, might help them in their task. To hear a conservationist speak warmly of the notoriously omnivorous and disruptive goat is to get a sense of how potent a foe the mesquite has become.

But the greening is not just an invasion. Nor is it merely a result of increased soil moisture. Just look at Mountain Red Hill, an impressive cinder cone that lies south-west of Green Mountain. Contrary to its name, Mountain Red Hill is increasingly green, but not with mesquite, and not thanks to groundwater, unless it is a special type that flows uphill.

The green side of global warming

One possibility, far from proved, is that Ascension is benefiting from global warming. Warmer seas impart more moisture to the winds blowing across them: more mists, more clouds, more condensation. Although the temperature on Ascension has not changed appreciably in the past 30 years, sea-surface temperatures upwind of it jumped by more than a degree in the 1980s before levelling off. This warming may be a natural variation; it may well not. Rainfall measured by the Met Office has not increased over 30 years; but its rain gauge, at the southern tip of the island, is in one of the drier spots.

If there is more moisture in the air condensing as dew, you might expect to see the effects high up and to windward, on somewhere like Mountain Red Hill. If there’s more rain, you might expect to see it in the lee of Green Mountain’s central peak—and there is indeed a rainier strip, the locals say, stretching across the island from Two Boats to Comfortless Cove, a frequent source of
Teatime drizzle in the rainier months. It is along that strip that the mesquite and yellowboy grow most strikingly. If nearby ocean temperatures climb higher still, as climate projections would have them do, Ascension will probably become ever moister and greener. All those Victorian plantings mean that there are dormant seeds, both of plants that prospered and of those that didn't, all over the island, biding their time. Euan Nisbet, a Zimbabwean geologist and climate scientist, speculates that after a century or two of further warming the island may be green from top to toe.

With plants in place and seed banks built up in the soil, such a greening might continue unassisted. It may, in time, have to. The fact that Ascension has always found new uses to replace old ones does not mean the trick can be carried on indefinitely. And the electromagnetic connectedness on which much of the island’s usefulness now rests allows it to get by with fewer and fewer inhabitants. Even on Ascension Island, which is about as far off shore as you can get, jobs can still go offshore; the contracting companies that run the island’s many antennae are all looking to reduce their costs and their presence when possible. And since the crown allows no right of abode to anyone not working or dependent on a worker, nor the right to own private property, no jobs means no people.

If left to itself, Ascension would probably decline into dull, scrubby simplicity. Humans can help avoid that by creating the sort of balance that cannot evolve for itself on human timescales. To do so, though, is to make choices. Should the mesquite be allowed to kill the casuarina trees by drilling its roots deeper and depriving them of water, as in some places it seems to be doing? Which cinder cones should keep their bleak red beauty? What new elements should be introduced into the ecology in attempts to reinforce it? Would goats be OK? Would giraffes?

Such questions are easier on Ascension, where the ecological canvas was almost empty to begin with, than in the other novel ecosystems that humans are, mostly by accident, setting up around the planet. Yet decisions must be made. In 2002 the island set about eradicating its population of feral cats. Introduced to control the rats that had arrived with sailors, they had instead chosen to prey on the vast colonies of sea birds that roosted on the lava plains, wiping them out. Every species on the island retreated to a small islet offshore, Boatswainbird Island, except for a few individuals that held on to the most inaccessible cliffs, and the phenomenally scrappy wide-awake terns that visit the southern plains to breed. With traps, poison and guns, over 500 cats were wiped out. The birds have started to return.

Not all indigenous species are so easily accommodated. The grasses, sedges and shrubs that have been brought to the island handily out-compete the native species, many of them ferns, that were making such a poor fist of greening the island before people came. This is hard to regret, seeing the result. What’s more, the new painting need not cover up all of the original, almost bare, canvas beneath. The creation of the new can, with care, make room for the conservation of the old.

**Restoring the balance**

Beneath the summit ridge on Green Mountain, on the lawns of a small garden, Mr Stroud nurtures indigenous plants. He discovered one fern only a couple of years ago—a species hidden for centuries. He plants the successes under a huge fig tree on the ridge. When they flourish he takes them further out into what on other islands would be the wild, but here is the artifice, returning occasionally to check up on them and take more seed. While he and his successors are here, those ferns and grasses will be safe from extinction. And a few are taking the initiative themselves. *Xiphopteris ascensionis*, a tiny endemic fern, had never seen a tree before the Victorian planters came. Now it lives in and on them, nestled in their moist bark, pioneering the epiphytic way of life familiar from ancient forests around the world and discovered afresh in their youngest cousin. Life, with helping hands, adapts.
The lesson that Easter Island teaches humanity is bleak. Ascension Island’s story has a more hopeful message. It shows that environments not remotely natural in their origins can become lovely to inhabit. People like Mr Stroud can and will act not just to preserve the environment but to improve it, making it more, not less, than it otherwise would be.

Winding down the flank of the mountain, there is a graceful fluttering in the woods off to the side of the road. Free from the threat of cats, fairy terns have returned to the island—and forsaken their ancestral cliffs for a new life among the leaves and branches. They flash bright white and beautiful against the green.
The glory of Berlusconi
Like its founder, Mediaset is tacky, unfairly advantaged—and resilient

NO MATTER how much he provokes them, Italians seem unable to dislodge Silvio Berlusconi. The prime minister’s narrow victory in a confidence vote on December 14th leaves him weaker but in place. Shares in Mediaset, the media firm he founded, promptly rose on news of his escape. Indeed, the company is stronger than the man.

Built by Mr Berlusconi in the 1970s, Mediaset is in effect controlled by his family’s holding company, Fininvest. Together with RAI, a state outfit also under the prime minister’s sway, it forms a virtual broadcasting duopoly in Italy. Once famous for women in bikinis, Mediaset’s channels now carry international reality-TV formats such as “Grande Fratello” (“Big Brother”) and “Italia’s Got Talent”. They still squeeze in plenty of cleavage.

Italy’s newspapers are weak and its internet connections slow, so television is by far the most valuable medium. ZenithOptimedia, a media agency, reckons TV grabs 57% of Italian ad spending, compared with 37% in America. And Mediaset dominates television in its market like no other European broadcaster (see chart).

The firm’s dominance is especially impressive because it is up against a potent challenger: Sky Italia, a satellite pay-TV outfit owned by News Corporation. Because Sky offers hundreds of channels, it threatens to draw viewers away from Mediaset’s shows and starve the firm of advertising revenues—the fate of broadcasters in Britain and America. But Mediaset has responded with much greater alacrity than other broadcasters by rolling out a rival service.

Italians can buy football games and films by means of cards, much as they might top up a mobile

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**Top of the populists**

| Broadcasters’ domestic television-advertising market share, 2009, % |
|---|---|---|---|---|---|---|
| Mediaset | Italy | 7.0 |
| TF1 | France | 1.3 |
| ITV | Britain | 1.5 |
| RTL Group | Germany | 1.4 |
| Telecinco | Spain | 0.6 |

Source: Enders Analysis
In the past three years Mediaset has gone from 1.6m pay-TV customers to a high of 4.4m in the second quarter of 2010, just 400,000 short of Sky’s tally. It is now turning many of its pay-per-view customers into regular subscribers, eating into Sky’s business. A survey by Claudio Aspesi of Bernstein Research finds that a quarter of Mediaset Premium users are former Sky subscribers. As a self-contained business, Mediaset’s pay-TV offering is unimpressive: it may barely break even this year. As a means of slowing the growth of multi-channel television and shoring up Mediaset’s broadcast business, it is a champion.

It is not the firm’s only advantage. By an amazing coincidence, regulatory and political decisions tend to harm Sky. Pay-television has been slapped with a steep tax increase and restricted in the amount of advertising it can carry—changes that affect Mediaset too, but hurt it much less because pay-TV is not its main business. On December 8th Mediaset lost the pay-TV rights for football’s Champion’s League to Sky. It has appealed to Italy’s antitrust authority, complaining that Sky is trying to “eliminate any form of competition”.

The prime minister’s near defeat in Italy’s lower house means that Mediaset is more vulnerable. But perhaps not much more. The centre-left coalitions that ran Italy between 1996 and 2001 promised to trim Mediaset but never got round to it. Nor did Romano Prodi’s government between 2006 and 2008. Even when its major stakeholder is out of office, Mediaset’s large audiences give it political heft.

Sky remains a dangerous, patient challenger. News Corporation has emerged strongly from recession and is increasingly focused on pay-television, as its attempt to take full control of Britain’s BSkyB shows. Sky can carry many more high-definition channels, which should increase loyalty; viewers who become used to HD find it hard to give up. Last summer it reduced its prices. If Mediaset wants to compete directly with Sky, rather than merely stymie its growth, it will probably have to accept losses in pay-TV.

But as the headwinds strengthen, the firm skips along. It has already shown greater strategic cunning than any other broadcaster in Europe or America and may well wrong-foot its challengers again. Not so long ago many wise people thought Mr Berlusconi was doomed, too.
"I CAN'T decide what I like poking more: you, or these bubbles," says bubble-blowing Kim Kardashian, a reality-TV star, in a new application for Facebook (see right). Cameo Stars, the company responsible for this innovation, lets Facebookers send to their online friends clips of minor celebrities mouthing generic greetings. Besides enriching the world's culture, the firm may also make a fortune. But gloomy types wonder if the profusion of highly valued internet start-ups with lighter-than-air business plans is evidence of a different kind of bubble.

For the first time since 2000, internet and technology entrepreneurs can raise seed capital with little more than a half-formed idea and a dozen PowerPoint slides. “There is probably a bubble in the number of start-ups,” says Alan Patricof, a venture capitalist, though he is not yet convinced that there is irrational exuberance in later-stage valuations.

Yet valuations have certainly risen, especially for the leading firms in this latest, "social" phase of the digital revolution. Groupon, a two-year-old firm that offers group discounts to online consumers, reportedly turned down an offer potentially worth $6 billion from Google, prompting analysts to ask if Groupon's founders had lost their coupons. A secondary-market auction of shares in Facebook in December had a minimum offer-price 77% higher than the price reportedly paid in a similar transaction three months earlier. Twitter is valued at $3.7 billion, up nearly fourfold in a year. The number of deals with (pre-investment) valuations of at least $100m is also increasing, according to Cooley, a law firm (see chart).

There are differences between today and the dotcom bubble of a decade ago. Then it was initial public offerings that were overpriced. Today, although the IPO market is reviving, it remains a shadow of its former self. Instead, the main way for the owners of a start-up to cash out is to sell their firm to a bigger one, such as Cisco, Google, Facebook or even Groupon. These tech-savvy firms ought to be less gullible than the stockmarket investors of 1999. But their owners may now be so wealthy that they care less about value for money than the coolness of owning the Next Big Thing.
The emergence of an active secondary market in shares of start-ups yet to go public has allowed founders and early investors in firms such as Facebook and Twitter to bank fortunes without waiting for a traditional exit by IPO or acquisition. These secondary-market prices feed hype about what these firms might be worth, were they to list on the stockmarket. Not many shares are available; many punters are chasing them. And those punters tend to be outsiders, such as fund managers and private-equity firms, who may not understand the tech business as well as insiders do.

Then there is the growth in “angel” investing, by rich individuals and small funds that provide seed capital to start-ups too small to interest a venture-capital firm. These angels make many small investments (say, $100,000 at a time), in a strategy critics call “spray and pray”. That could certainly account for a bubble in start-ups. One prominent angel, Chris Sacca, has reportedly paused his investing on the ground that valuations have become overblown.

Other investors say this is alarmist nonsense. “For every firm that gets funded at a higher-than-normal valuation, a hundred are getting financed at a normal one,” says Ron Conway, a well-known “super angel” who has invested in many high-profile start-ups. Moreover, many young firms can tap into a thriving online-advertising market that was but a dream when the dotcom boom turned to bust.

Today’s entrepreneurs also have a deeper understanding of the industries they are trying to transform, says Nick Beim of Matrix Partners, a venture-capital firm. Fewer of them are engineers. More are “ambitious non-technologists with a business idea” to change industries such as media, advertising, financial services or fashion. These industries are concentrated in New York, which is why the new boom is as much in Manhattan’s Silicon Alley as in California’s Silicon Valley.

Mr Beim reckons this industry expertise will mean that start-ups in “social commerce”, where there is a clear revenue model from the start, are more likely to succeed than those in social media, where no one knows where the profits will come from even when millions use the service (eg, Twitter). Three of the leading social-commerce firms, Groupon, Gilt Groupe (a luxury-goods seller in which Matrix has invested) and Zynga (a social-gaming firm), are increasing their revenues faster than any start-ups in history, says Mr Beim. That is why this time may be different. Of course they say that during every bubble.

from PRINT EDITION | Business
Rio Tinto and China
Digging with the dragon
A mining firm snuggles up to its biggest customer
Dec 16th 2010 | from PRINT EDITION

MOST Western mining firms are happy to sell minerals to China but like to keep the dragon at arm’s length. Rio Tinto, an Anglo-Australian outfit, is different. Not only is China its biggest customer; Chinalco, a state-backed Chinese aluminium firm, is its biggest shareholder. On December 3rd Rio announced a joint venture with Chinalco to hunt for minerals in China and extended an iron-ore joint venture with Sinosteel, another state-backed firm.

Rio’s ties with China are complex. In 2007 Rio nearly choked on Alcan, a Canadian aluminium firm it bought for a disastrously expensive $38 billion. That emboldened BHP Billiton, the world’s biggest miner, to launch a takeover bid for Rio. China, afraid that the combined firms would wield too much sway over commodity prices, sent Chinalco to block the deal by buying a 9% stake in Rio in 2008.

The BHP-Rio merger collapsed in the credit crunch. Desperate for cash, Rio invited Chinalco to double its investment and take seats on the board and direct stakes in important mines. But then, as commodity prices recovered and other shareholders complained, Rio withdrew the offer. It raised money with a rights issue and agreed with BHP to combine the pair’s mammoth iron-ore operation in Australia’s Pilbara region.

The Chinese were furious, fearing that the pair would exert too much influence over iron-ore prices (regulators agreed and recently stopped the joint venture). Chinese ire grew with the arrest in 2009 and subsequent conviction in a Chinese court of four Rio employees, on charges of taking bribes and stealing commercial secrets.

Since then Rio has done its best to cosy back up to China. This makes sense. By taking on Chinalco as a partner at Simandou, a vast iron-ore deposit in Guinea, Rio has bought political protection. Two years ago the West African government stripped Rio of half its leases at the site. It would not dare to treat China this way. Cheap Chinese capital (Chinalco has agreed to invest $1.3 billion so far) and experience at building infrastructure in Africa (Simandou needs 700km, or 435 miles, of railways) will also come in handy.

Rio’s deal to explore in China may turn out well too. Heaps of copper and coal may lurk beneath China’s relatively unexplored soil, says Andrew Keen of HSBC, a bank. A Chinese partner should help with tricky rules about property rights which have tripped up Rio’s rivals. China gets Rio’s expertise in finding ore. Rio will bet a mere $10m, out of its annual greenfield-exploration budget of about $150m.
Tom Albanese, Rio’s boss, sees wider benefits. As China’s miners expand abroad, they will either work with Western firms or compete with them. Mr Albanese reckons Rio will be well-placed to work with them. As one analyst says: keep China close, but not too close.
Offshoring your lawyer
Outsourcing can cut your legal bills

HOW many lawyers does it take to change a light bulb? The answer is 53: eight to argue, four to object, three to research precedents, one to ask a secretary to change the bulb and 37 to bill their time at an exorbitant hourly rate. When every joke about your business mentions featherbedding, you should be worried about outsourcing. At last, lawyers are.

Thomson Reuters, a media and information-services company, bought Pangea3, a legal-process outsourcing firm with most of its lawyers in Mumbai, in November. At about the same time, Thomson Reuters said it was looking to sell BarBri, a company that prepares young American law graduates for the bar examination. Thomson Reuters says the two deals have nothing to do with each other. But Elie Mystal of Above The Law, a muckraking blog, sees a straightforward swap: more cheap Indian lawyers, fewer expensive American ones.

Legal outsourcing is still small. Of the $180 billion that Americans spend on lawyers each year, only about $1 billion goes to outsource. But this is growing at perhaps 20-30% a year, for the simple reason that legal costs are out of control. Between 1998 and 2009, big law firms’ hourly rates shot up by more than 65%, according to the Corporate Executive Board, a consultancy.

Some legal tasks cannot be done cheaply. If the fate of your company hinges on the verdict, you will want a brilliant lawyer to argue your case. But plenty of legal jobs are routine. American law firms typically get fresh law graduates to do such grunt work and then bill clients for it at steep rates. But the recession has prompted clients to rebel. A recent survey by the American Lawyer found that 47% of large firms had seen clients refuse to have hours billed to beginner lawyers.

American Express, GE, Sony, Yahoo! and Netflix have all started using Pangea3 for basic legal tasks. The firm reviews documents, drafts contracts and does other jobs with repetitive elements. Many clients hire outsourcers such as Pangea3 directly. They often then approach their expensive American law firm and demand that it start working with the outsourcer.

Law firms are responding in different ways. Some hire outsourcers themselves: a quarter of Pangea3’s business, for example, comes from law-firm clients. DLA Piper, a big American law firm, plans to set up its own outsourcing operation next year. Taking advantage of the tough legal jobs market, the firm will build a network of thousands of non-staff lawyers, says Peter Pantaleo, the managing partner of the New York office. These lawyers will be American but cheaper, perhaps because they are looking for a work-family balance. They will do for perhaps $100 an hour work that might otherwise cost the client $500, says Mr Pantaleo.

Ray Bayley, the founder of Novus Law, another outsourcing firm, says that his industry is not just about paying lawyers less. It is also about doing the job more efficiently, for example when looking for needles of evidence in a haystack of documents: rather than relying on a single
brilliant mind, Novus Law deploys teams of lawyers using technology and a process involving hundreds of small steps. Mr Bayley is not a lawyer—he spent much of his career at PwC, an accountancy and consulting firm, figuring out how to make companies leaner. He brings the same approach to the legal business. His firm’s revenues are doubling yearly.

William Henderson of Indiana University praises Novus Law’s ability to find patterns in mountains of material. He believes it allows clients to build novel factual theories to win cases. “It’s great lawyering,” he says.

Outsourcing will affect American legal firms the most, because they cost the most. The laws that govern lawyering in America are typically written by lawyers-turned-politicians, which perhaps explains why they make so much work for the profession. Many lawsuits require extensive “discovery”, which can mean sifting through nearly every e-mail your opponent has ever sent in search of one that sounds incriminating. That can take a while. As the workload has grown, so too have law firms. The biggest 250 have increased their headcount fivefold in 30 years.

Some lawyers think outsourcing will be a blessing, taking away the drudgery and leaving them free to hone their higher skills. Others are nervous. Machines will never replace the brightest American legal minds, but there is no reason why Indians cannot do some of their work. The sharpest firms will survive. So will mass-market law firms, which will make use of outsourcing. But the profession as a whole could be in for a squeeze.
FOR philosophers the great existential question is: “Why is there something rather than nothing?” For management theorists the more mundane equivalent is: “Why do firms exist? Why isn’t everything done by the market?”

Today most people live in a market economy, and central planning is remembered as the greatest economic disaster of the 20th century. Yet most people also spend their working lives in centrally planned bureaucracies called firms. They stick with the same employer for years, rather than regularly returning to the jobs market. They labour to fulfil the “strategic plans” of their corporate commissars. John Jacob Astor’s American Fur Company made him the richest man in America in the 1840s. But it never consisted of more than a handful of people. Today Astor’s company would not register as a blip on the corporate horizon. Firms routinely employ thousands of workers and move billions of dollars-worth of goods and services within their borders.

Why have these “islands of conscious power” survived in the surrounding “ocean of unconscious co-operation”, to borrow a phrase from D.H. Robertson, an economist? Classical economics had little to say about this question. Adam Smith opened “The Wealth of Nations” with a wonderful description of the division of labour in a pin factory, but he said nothing about the bosses who hired the pin-makers or the managers who organised them. Smith’s successors said even less, either ignoring the pin factory entirely or treating it as a tedious black box. They preferred to focus on the sea rather than the islands.

Who knows the secret of the black box?

The man who restored the pin factory to its rightful place at the heart of economic theory celebrates his 100th birthday on December 29th. The economics profession was slow to recognise Ronald Coase’s genius. He first expounded his thinking about the firm in a lecture in Dundee in...
1932, when he was just 21 years old. Nobody much listened. He published “The Nature of the Firm” five years later. It went largely unread.

But Mr Coase laboured on regardless: a second seminal article on “The Problem of Social Cost” laid the intellectual foundations of the deregulation revolution of the 1980s. Eventually, Mr Coase acquired an army of followers, such as Oliver Williamson, who fleshed out his ideas. In 1991, aged 80, he was awarded a Nobel prize. Far from resting on his laurels, Mr Coase will publish a new book in 2011, with Ning Wang of Arizona State University, on “How China Became Capitalist”.

His central insight was that firms exist because going to the market all the time can impose heavy transaction costs. You need to hire workers, negotiate prices and enforce contracts, to name but three time-consuming activities. A firm is essentially a device for creating long-term contracts when short-term contracts are too bothersome. But if markets are so inefficient, why don’t firms go on getting bigger for ever? Mr Coase also pointed out that these little planned societies impose transaction costs of their own, which tend to rise as they grow bigger. The proper balance between hierarchies and markets is constantly recalibrated by the forces of competition: entrepreneurs may choose to lower transaction costs by forming firms but giant firms eventually become sluggish and uncompetitive.

How much light does “The Nature of the Firm” throw on today’s corporate landscape? The young Mr Coase first grew interested in the workings of firms when he travelled around America’s industrial heartland on a scholarship in 1931-32. He abandoned his textbooks and asked businessmen why they did what they did. He has long chided his fellow economists for scrawling hieroglyphics on blackboards rather than looking at what it actually takes to run a business. So it seems reasonable to test his ideas by the same empirical standards.

Mr Coase’s theory continues to explain some of the most puzzling problems in modern business. Take the rise of vast and highly diversified business groups in the emerging world, such as India’s Tata group and Turkey’s Koc Holding. Many Western observers dismiss these as relics of a primitive form of capitalism. But they make perfect sense when you consider the transaction costs of going to the market. Where trust in established institutions is scarce, it makes sense for companies to stretch their brands over many industries. And where capital and labour markets are inefficient, it makes equal sense for companies to allocate their own capital and train their own loyalists.

But Mr Coase’s narrow focus on transaction costs nevertheless provides only a partial explanation of the power of firms. The rise of the neo-Coasian school of economists has led to a fierce backlash among management theorists who champion the “resource-based theory” of the firm. They argue that activities are conducted within firms not only because markets fail, but also because firms succeed: they can marshal a wide range of resources—particularly nebulous ones such as “corporate culture” and “collective knowledge”—that markets cannot access. Companies can organise production and create knowledge in unique ways. They can also make long-term bets on innovations that will redefine markets rather than merely satisfy demand. Mr Coase’s theory of “market failure” needs to be complemented by a theory of “organisational advantages”.

All this undoubtedly complicates “The Nature of the Firm”. But it also vindicates the twin decisions that Mr Coase made all those years ago as a young student at the London School of Economics: to look inside the black box rather than simply ignoring it, and to examine businesses, not just fiddle with theories. Is it too much to hope that other practitioners of the dismal science will follow his example and study the real world?
Corrections
Dec 16th 2010 | from PRINT EDITION

**Corrections:** In our article on corporate leaks last week ("Be afraid"), we said that in September 2009 WikiLeaks had posted a UN report showing that Trafigura had dumped hazardous waste in Cote d'Ivoire. In fact, the report leaked was a draft of a study commissioned by Trafigura itself. Trafigura says that neither report showed that it had dumped hazardous waste.

Vladimir Putin

In “Pepsi’s Russian challenge” (December 11th), we referred to Vladimir Putin as Russia’s president. He is of course the prime minister.

Borders

And in “Repelling Borders” (December 11th), we said that Borders had made an offer to buy Barnes & Noble, another book chain. In fact the firm had merely expressed a strong interest in the purchase.

from PRINT EDITION | Business
Coming in from the cold

Iceland has been tough with creditors and kind to itself. Ireland may wish it had done the same

Dec 16th 2010 | LONDON AND REYKJAVIK | from PRINT EDITION

IT IS a strategy used by countless students down the years: identify the least able classmate and endeavour to stay ahead of him. Governments have tried a similar trick to persuade voters and markets that their economies are doing well in difficult circumstances. “We are not Greece” has been a constant refrain from euro-zone countries to nervous bond investors. The consoling thought for Ireland’s put-upon taxpayers has been “at least we’re not Iceland”, whose outsize banks failed spectacularly in 2008. But that comfort is fading.

Evidence of economic recovery in Iceland means the Irish can no longer persuade themselves that things are worse elsewhere. Figures released on December 7th showed that Iceland’s GDP rose by 1.2% in the third quarter (Ireland’s third-quarter GDP rose by 0.5%, according to figures published on December 16th). The Icelandic central bank’s benchmark interest rate has fallen to 4.5%, from a peak of 18%. The halving of the dollar value of the Icelandic krona at the height of the crisis pushed inflation as high as 18.6%. It has since fallen close to the central bank’s 2.5% target. The “misery index”, a crude grading that sums unemployment and inflation rates, suggests Iceland is now doing better than Ireland (see chart).

Iceland’s recuperation seems to offer two big lessons for Ireland and other troubled euro-zone countries. The first is that the extra cost to a country of not standing by its banks can be surprisingly small. Iceland let its banks fail and its GDP fell by 15% from its highest point before it reached bottom. Ireland “saved” its banks and saw its output drop by 14% from peak to trough.
A second lesson is that the benefits to a small country of being part of a big currency union are not all they were once cracked up to be. When panicky investors were rushing out of small currencies in the autumn of 2008, the euro seemed a haven. There was much talk in Iceland of fast-tracked membership of the European Union and, ultimately, the euro. Two years on, the euro looks more like a trap for countries struggling to regain export competitiveness. Greece and Ireland have lost the confidence of markets, even though both issue bonds in euros. Iceland’s voters are cooler about joining the EU and the euro.

Both lessons have to be heavily qualified. Iceland let its banks fail out of necessity, not choice. By the time its three biggest banks collapsed in 2008, the country’s banking assets had grown to ten times GDP. The state could not afford to backstop the whole system, as Ireland (whose domestic banks had assets of 200-300% of GDP) tried to. Instead it rescued the bits needed to keep the economy running. The domestic deposits of the failed banks were transplanted to new banks. Packages of mortgages and business loans were transferred at a discount to be the new banks’ assets. Banks’ foreign investments and (far larger) foreign debts were left behind.

Making foreign creditors pick up the bill for the banks’ excesses in this way has spared Iceland’s taxpayers and depositors. But the crisis has still had a big and adverse impact on government finances. Gross public debt was just 29% in 2007 but will peak at 116% of GDP in 2010, says the IMF.

Only a bit of this extra debt is down to the budget deficits run up in recession. Part of it is the capital provided to the new banks; some of it is IMF loans; and some is the losses made by the central bank on loans to bust banks. Another big chunk is the €4 billion ($5.4 billion) Iceland owes to the British and Dutch governments to cover deposit-insurance payments made to small savers in Icesave, a subsidiary of Landsbanki, a failed bank. A deal to pay off that debt was rejected in a referendum in March; a less onerous settlement is now being debated. Much of the money would be recovered from Landsbanki’s assets, at the expense of other creditors.

The weak krona, meanwhile, has increased the cost of repaying government bonds that were issued in foreign currency. And although a weak currency helped with fiscal austerity—the resulting inflation boosted tax receipts and made it easier to cut public wages in real terms—it is less important to Iceland’s recovery than many realise. The main reason why Iceland’s economy did not fall harder was a turnaround in the trade balance from deficit to surplus. But that owed more to a collapse in imports, caused by a 25% fall in consumer spending, than to reviving exports. Four-fifths of exports are either fish or metals, such as aluminium, whose production relies on Iceland’s cheap energy. Both industries are constrained by capacity: fishing by quotas and metals by lumpy investments in smelters and power plants. Ireland’s export prospects are better.

For all the euro’s faults, it is doubtful whether Icelanders would be keen to hold and use kronur if they were not forced to by capital controls. Easing these will be tricky. Local savers have little choice but to buy government debt, keeping yields artificially low. Firms and householders are overburdened with debts, some of which are indexed to inflation. House prices have plummeted, leaving many householders in negative equity. Around 40% of the new banks’ assets are non-performing. Not many Icelanders believe in recovery.

Even so, that Iceland’s economy has done little worse than Ireland’s is still a triumph. It has been tough with its creditors and disregarded some international norms—and recovered. Ireland has stood by its banks to the benefit of the wider European banking system. Its reward has been “rescue” loans at an interest rate that makes it hard to fix its finances. The next Irish government may look at Iceland and decide to play hardball with Europe.
Through 2010, financial markets have reflected a strange confluence of views. Government-bond yields have been low (outside peripheral Europe), indicating that investors are expecting low inflation and slow economic growth. But gold, an inflation hedge, has risen steadily, while American equities, a play on growth, have performed well.

This threefold combination cannot last for ever. That it has persisted for so long is probably down to the Federal Reserve’s quantitative easing (QE), which gave comfort to bulls in all three asset classes. The gold bugs saw QE as inflationary, equity enthusiasts saw the tactic as boosting growth and the bond markets had the comfort that the Fed would be the “buyer of last resort” for Treasuries.

Oddly enough, it was the launch of the Fed’s second round of QE in November that seems to have broken the logjam. The ten-year Treasury bond yield has increased from 2.56% to 3.53% since then, with an extra spurt after the announcement of an agreement to extend America’s Bush-era tax cuts, supplemented by a cut in the payroll tax.

The driving force behind these rising yields is a matter of debate. Higher bond yields can result from stronger economic-growth expectations, fiscal worries or higher inflation. Economists at Goldman Sachs attribute the move to the first of these factors. They have marked up their forecasts for the American economy next year by between a half and a full percentage point. A rise in bond yields is part of a return to more normal market conditions and is nothing to worry about.

Paul Mortimer-Lee, a strategist at BNP Paribas, is in the second camp. In a coruscating note entitled “The night they killed Santa”, he fretted that any pretence of fiscal probity had been discarded. “Now it looks like the nice man with the white beard was just there to fund a fiscal expansion. [Ben] Bernanke volunteered to buy more Treasuries and [Barack] Obama decided to
help him out by supplying a lot more of them.” But Mr Mortimer-Lee’s fears are not widely shared, at least judged by spreads on American government debt in the credit-default-swaps market.

As for inflation expectations, there has not been a dramatic move higher in recent weeks but there has been a drift upwards since it became clear, back in August, that a second round of QE was in the works. The markets are now expecting American inflation of around 2% over the next ten years. If expectations can be kept at that rate, the Fed would be delighted.

Indeed, even though bond yields have risen, the Fed probably regards the latest round of QE as a success. As well as heading off deflationary fears the programme has given a further lift to share prices. The wealth effect created by the rally will play its part in reviving the economy. But this looks like a revival of the old Fed tactic (much in evidence in the 1980s and 1990s) of underwriting the stockmarket. “The Bernanke put is very much alive and well,” notes David Zervos of Jefferies, an investment bank, who says the Fed is determined to reflate the economy. Yet in the long run creating money to prop up asset prices is not a sustainable tactic.

Higher bond yields have other consequences that might not be quite so welcome. Mortgage rates in America have risen, casting a further pall over the subdued housing market. Influenced by the Treasury market, yields in Britain and Germany have risen by a third to a half of a percentage point over the past month, even though both countries are making strenuous efforts to keep their budget deficits under control. Higher yields in Germany, which sets the benchmark for other euro-zone countries, put pressure on peripheral borrowers.

Stockmarket investors should also think carefully before they celebrate too wildly over rising bond yields. After all, bulls were previously arguing that low yields were good news for equities, as they encouraged investors to move out of fixed-income assets in search of higher returns. On the best long-term measure, the cyclically adjusted price-earnings ratio, Wall Street looks overvalued on a multiple of 21.9, some 33% above the historic average. That already seems to price in a significant rebound in corporate profits.

The fundamental problem remains. In a “normal” American economy, with 2% inflation and 3% real GDP growth, government-bond yields ought to be around 5%. But yields at that level would be too high for the health of the housing market, the stockmarket and for other governments worldwide. The markets are no closer to resolving that dilemma than they were at the start of 2010.

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FORGET Monopoly or World of Warcraft. The Economist’s idea of Christmas fun is guessing when China’s economy will leapfrog America’s to become the world’s biggest. The Conference Board, a business-research group, recently predicted that China could become the world’s largest economy as soon as 2012 on a purchasing-power-parity (PPP) basis, which adjusts for the fact that prices are lower in China. But economists disagree on how to measure PPP. And America will only really be eclipsed when China’s GDP outstrips it in plain dollar terms, converted at market exchange rates.

Since by that reckoning China’s GDP is currently only two-fifths the size of America’s, that day may still seem distant. But it is getting closer. When Goldman Sachs made its first forecasts for the BRIC economies (Brazil, Russia, India and China) in 2003, it predicted that China would overtake America in 2041. Now it says 2027. In November Standard Chartered forecast that it will happen by 2020. This partly reflects the impact of the financial crisis. In the third quarter of 2010 America’s real GDP was still below its level in December 2007; China’s GDP grew by 28% over the same period.

If real GDP in China and America continued to grow at the same annual average pace as over the past ten years (10.5% and 1.7% respectively) and nothing else changed, China’s GDP would overtake America’s in 2022. But crude extrapolation of the past is a poor predictor of the future: recall the forecasts in the mid-1980s that Japan was set to become the world’s largest economy. China’s growth rate is bound to slow in coming years as its working-age population starts to shrink and productivity growth declines.

Then again, the relative paths of dollar GDP in China and America depend not only on real growth rates but also on inflation and the yuan’s exchange rate against the dollar. In an emerging economy with rapid productivity growth the real exchange rate should rise over time, through either higher inflation or a rise in the nominal exchange rate. Over the past decade annual inflation (as measured by the GDP deflator) has averaged 3.8% in China against 2.2% in America. And since China ditched its strict dollar peg in 2005 the yuan has risen by an annual average of 4.2%.

The Economist has created an online chart (www.economist.com/chinavusa) that allows you to plug in your own assumptions about future growth, inflation and the exchange rate. Our best guess is that annual real GDP growth over the next decade averages 7.75% in China and 2.5% in America, inflation rates average 4% and 1.5%, and the yuan appreciates by 3% a
year. If so, then China would overtake America in 2019 (see chart). If you disagree and think China’s real growth rate will slow to an annual average of only 5%, then (leaving the other assumptions unchanged) China would have to wait until 2022 to become number one. Americans would still be much richer, of course, with a GDP per head more than four times that in China. But don’t expect that to dampen Chinese celebrations, whenever they come.
IRVING PICARD, the court-appointed trustee overseeing the Madoff estate’s bankruptcy, has earned his year-end break. December 11th, the second anniversary of Bernie Madoff’s arrest for perpetrating the largest financial fraud in history, was also the deadline for lawsuits to help recoup investors’ losses. Mr Picard has been furiously busy, firing off dozens of lawsuits seeking a total of around $50 billion for investors who lost money in Mr Madoff’s Ponzi scheme.

Mr Picard’s deep-pocketed targets include some of Wall Street’s top brass, among them JPMorgan Chase, UBS, HSBC, Citigroup and Merrill Lynch (now part of Bank of America). The lawsuits charge them with either failing to spot the fraud or, in some cases, knowingly facilitating it. One $9 billion lawsuit asserts that HSBC twice hired KPMG, an accounting firm, to probe Mr Madoff, but that the bank failed to act when concerns were raised. Another suit takes aim at Medici Bank, an Austrian bank run by Sonja Kohn, whom Mr Picard describes as Mr Madoff’s “criminal soul mate”. The banks and Ms Kohn deny any wrongdoing, but investors’ losses could still fall substantially if banks choose to settle. Mr Picard has already recovered around $2.5 billion, including some $470m in a settlement with Union Bancaire Privée, a Swiss bank which sent clients in Mr Madoff’s Ponzi scheme.

Investigators are still trying to work out who else at Mr Madoff’s firm might have had a hand in the affair. Mr Madoff, who was sentenced in 2009 to 150 years in prison, has adamantly maintained he acted alone. That has not spared others from suspicion. On December 11th one of his two sons, Mark, committed suicide after two years of investigations into his knowledge of the fraud (which he denied) and more of Mr Picard’s lawsuits, the latest of which targeted his children.

Even as they wait to recover their money, the victims also run the risk of settling too soon. Some distressed-debt firms are offering to buy claims from them at a reduced rate. Cash-strapped investors may find this offer appealing, but could regret it if Mr Picard recovers lots of assets later. Nobody wants to be swindled twice.
“EXTREMELY poor societies...provide optimal breeding grounds for disease, terrorism and conflict.” So said Barack Obama, arguing in favour of more development aid to poor countries. Mr Obama is not alone in regarding economic development as a weapon against terrorism. Hillary Clinton, America’s secretary of state, has called development “an integral part of America’s national security policy”. The idea that poverty could be associated with terrorism is not implausible. If acts of terror are committed by people with little to lose, then it is reasonable to expect them to be carried out disproportionately by poor, ill-educated people with dismal economic prospects.

Some terrorists certainly fit this profile. Yet the ranks of high-profile terrorism suspects also boast plenty of middle-class, well-educated people. The would-be Times Square bomber, Faisal Shehzad, boasts an MBA and is the son of a senior Pakistani air-force officer. Umar Farouk Abdulmutallab, who stands accused of lighting a makeshift bomb on a transatlantic flight in the so-called “underwear plot”, had a degree from University College, London, and is the son of a rich Nigerian banker. The suspected suicide-bomber in this week’s attacks in Stockholm had a degree from a British university. Are well-heeled terrorists representative or are they exceptions to the rule?

Social scientists have collected a large amount of data on the socioeconomic background of terrorists. According to a 2008 survey of such studies by Alan Krueger of Princeton University, they have found little evidence that the typical terrorist is unusually poor or badly schooled. Claude Berrebi of the RAND Corporation compared the characteristics of suicide-bombers recruited by Hamas and Islamic Jihad from the West Bank and Gaza with those of the general adult male Palestinian population. Nearly 60% of suicide-bombers had more than a high-school education, compared with less than 15% of the general population. They were less than half as likely to come from an impoverished family as an average adult man from the general population.
Mr Krueger carried out a similar exercise in Lebanon by collecting biographical information for Hizbullah militants. They too proved to be better educated and less likely to be from poor families than the general population of the Shia-dominated southern areas of Lebanon from which most came.

There is also no evidence that sympathy for terrorism is greater among deprived people. In a series of surveys carried out as part of the Pew Global Attitudes Project in 2004, adults in Jordan, Morocco, Pakistan and Turkey were asked whether they believed that suicide-bombing aimed at American or other Western targets in Iraq was justified. Their answers could be broken down by the respondents’ level of education. Although the proportions varied greatly between countries (with support lowest in Turkey), more schooling usually correlated with more agreement.

Some argue that poverty could be at the root of terror even if terrorists are not themselves poor. Anger about poverty in the countries they are from could cause richer citizens of poor countries to join terrorist organisations. This idea can be tested by looking across countries to see if there is a link between a country’s GDP per head and its propensity to produce terrorists. Mr Krueger did precisely this by looking at data on 956 terrorist events between 1997 and 2003. He found that the poorest countries, those with low literacy, or those whose economies were relatively stagnant did not produce more terrorists. When the analysis was restricted to suicide-attacks, there was a statistically significant pattern—but in the opposite direction. Citizens of the poorest countries were the least likely to commit a suicide-attack. The nationalities of all foreign insurgents captured in Iraq between April and October 2005 also produced no evidence that poorer countries produced more insurgents. If anything, there was weak evidence the other way.

What might explain why so many relatively well-off people from relatively well-off countries end up as terrorists? It may be that a certain level of education makes it more likely that people will become politicised. But the kind of people that terrorist organisations demand also matters. Unlike ordinary street crime, which does tend to attract the down-and-out, terrorism is a complex activity. So terrorist organisations prefer to recruit skilled, educated people to carry out their missions. Using a database of Palestinian suicide-bombers between the years 2000 and 2005, Mr Berrebi and Harvard University’s Efraim Benmelech find that more educated suicide-bombers are assigned to attack more important targets. Such terrorists also kill more people and are less likely to fail or be caught during their attacks.

**The sword is mightier with the pen**

The finding that more educated terrorists are deadlier may mean, however, that economic conditions can influence terrorism’s effectiveness. Using data on all Palestinian suicide-attackers between 2000 and 2006, Esteban Klor of the Hebrew University in Jerusalem and Messrs Benmelech and Berrebi show in a new paper that the skill level of the average terrorist rises when economic conditions are poor. They reckon that high unemployment enables terror organisations in Palestine to recruit more educated, mature terrorists. So better economic conditions could blunt the effectiveness of terror attacks by reducing the average quality of the talent that terrorist organisations are able to recruit.

There are many reasons to promote economic development in poor countries but the elimination of terror is not a good one. The research on terrorists’ national origins suggested that countries which give their citizens fewer civil and political rights tend to produce more terrorists. Politics, not economics, is likely to be a more fruitful weapon in the fight against terror.


"Economic Conditions and the Quality of Suicide Terrorism", by Efraim Benmelech, Claude Berrebi and

Human Capital* and the Productivity of Suicide Bombers" by Efraim Benmelech and Claude Berrebi, Journal of Economic Perspectives, 2007. A version (with a different title) is available as [NBER working paper No 12910](https://www.nber.org/papers/w12910).
PERU’S forests cover 72m hectares of the country (278,000 square miles). That is three times the area of Britain. And Peru intends to hold on to its greenery. In 2000 its deforestation rate was 250,000 hectares a year. By 2005 that figure was down to 150,000. This year, according to Antonio Brack Egg, the country’s environment minister, it will be 90,000. In 2021, if all goes well, it will be zero.

To make sure things stay on course, Dr Brack says, the government needs to spend more than $100m a year on high-resolution satellite pictures of its billions of trees. But he hopes that a computing facility developed by the Planetary Skin Institute (PSI), a not-for-profit organisation set up by Cisco Systems, a large computing firm, and America’s space agency, NASA, might help cut that budget.

The PSI’s Automated Land-change Evaluation, Reporting and Tracking System, ALERTS, is one of several tools being developed to assess the extent and health of forests and other ecosystems. These tools should make the implementation of a deal on reducing deforestation called REDD+, agreed on at the United Nations’ climate-change conference in Cancún on December 11th (see article), easier to monitor. The PSI’s intention is to apply the world’s ever-increasing supply of information to the problem of its ever-dwindling natural resources by merging data of different types. ALERTS, which was launched at Cancún, uses data from NASA’s MODIS cameras (of which two are currently in orbit) data-mining algorithms developed at the University of Minnesota and a lot of computing power from Cisco’s “cloud” of machines to spot places where land use has changed.

Juan Carlos Castilla-Rubio, a Cisco executive who is also president of the PSI (and, as it happens,
is from Peru), says that ALERTS has been tested against the Brazilian space agency’s PRODES system, which is a respected way of measuring deforestation using satellite images. The areas singled out by ALERTS as undergoing change closely matched those that PRODES’s researchers had assessed as being deforested. ALERTS, unlike PRODES, has a global reach. And its algorithms automatically reassess every spot on the planet every six weeks, cloud (of the meteorological sort) permitting. PRODES cannot manage that. Dr Brack’s ministry is now working with the PSI to get a sense of how it can use ALERTS to distinguish those bits of forest it needs to look at in more detail from those that are doing fine as is.

**Redd Alerts**

Mr Castilla-Rubio sees ALERTS, and the PSI’s other projects, as “global public goods”—resources that everyone with an interest can share. The same phrase is used by Alessandro Baccini, part of a team at the Woods Hole Research Centre, in Massachusetts, who used the opportunity provided by Cancún to talk about a new analysis of how much the world’s tropical forests actually weigh—and thus how much carbon they are storing.

To calculate this, the team took data from patches of forest studied on the ground, in which every tree’s diameter has been recorded, and combined them with images from MODIS and with data from an instrument called GLAS, which bounced laser beams off the Earth’s surface between 2003 and 2009. GLAS’s main job was measuring the height of ice sheets, but the data that came back from forested areas contain a lot of information about the height of the canopy and the density of the vegetation there. That allowed the team to turn the two-dimensional images from MODIS into three-dimensional models. From these it is possible to estimate the mass of plant matter (and thus the quantity of carbon stored) in an area.

Dr Baccini’s group is not the only one to have used GLAS data in this way. Sassan Saatchi, who works at NASA’s Jet Propulsion Laboratory in Pasadena, California, and his collaborators have combined such data with the results of other studies on the ground and with a wider range of satellite images. Neither team has yet published its results: one set is about to be submitted to a journal, the other is in review.

What is already known, though, is that for various parts of the world the results do not match. Bad news for short-term applications; good news as a way of focusing in on what needs to be improved. Simon Lewis, a forest ecologist from Leeds University who was in Cancún as part of the delegation from Gabon, a heavily forested country keen on being paid to stay that way, is looking forward to comparing the new models with his own data as soon as they are published. Seeing what is happening on the ground in the mismatched places could lead to more reliable estimates in future, and possibly to some interesting science as well.

Those future estimates will not be able to use new GLAS data. The instrument has died, as orbiting lasers are wont to. But for local and regional estimates lasers can be flown on aircraft. That gives results which are a lot more reliable than the first stabs at doing the whole world from orbit. A recent study of 4.3m hectares of Peru, carried out this way by Greg Asner of the Carnegie Institution, in America, and his colleagues, produced precise estimates of forest loss, forest degradation (thinning out of the trees) and reforestation, while also yielding insights into the way that geographical features and types of soil influence the amount of carbon stored in different places. Dr Asner is now working on a national survey of Colombia.

He has also created software that will help analyse deforestation using a huge archive of satellite images that Google is making available. Google’s new “Earth Engine” will offer these data free, along with analytical tools like Dr Asner’s and yet more cloud-computing power to help people use them. This may prove complementary to the PSI platform, in that the Earth Engine helps you study a given place, whereas ALERTS helps you choose which places to study. (Another freebie for researchers in Gabon, and the rest of central Africa, is the provision of satellite data for forest
work by Astrium, a European aerospace company, in collaboration with the French government.

These new ways of bringing data together have a lot of promise. Dr Baccini says he is keen to know what the PSI’s data-melding power might do with his work. Add a few new instruments in orbit, and the practical and fiduciary interest in the matter spurred by anti-deforestation deals like REDD+, and you can expect far better estimates than are now available of how much carbon is really locked up in forests and other habitats. Not only will they be better, but the way they are arrived at will also be clear and their results comparable and checkable. That will leave less room for obfuscation, or even fraud.

Moreover, as ever-better ways of measuring local carbon-dioxide levels become available, it will be possible to put figures on not just the amount of the gas that deforestation is releasing, but also how much of it photosynthesis is tucking away. The science will move from static estimates of stocks to a sense of the system’s dynamic flows. As Peter Drucker, the management guru’s management guru, once put it, what gets measured gets managed. If that maxim holds in ecology as well as in business, the future of the world’s forests is bright.
Peat bogs and climate change

Wet, wet, wet

Forests are not the only habitat whose conservation matters to the climate

RUSSIA does not normally spring to mind as being in the forefront of the fight against climate change. The citizens of Moscow, however, need no explanation of one aspect of the problem—the importance of wetlands. Earlier this year they had an abrupt and lethal lesson on the dangers of peat-bog fires. An unusually hot summer set such fires across the country and the peatlands around Moscow generated a smog that blanketed the city with carbon monoxide and soot. By August 9th the daily death rate had climbed to 700, twice the normal level for that time of the year.

Whether peat-bog fires are being encouraged by climate change is debatable. But it is clear that they release prodigious quantities of climate-changing carbon dioxide when they happen. And even in the absence of fire, draining peatlands—for example, for agriculture—liberates a lot of carbon dioxide. In Russia such drainage is reckoned to free 160m tonnes of the gas every year. In Indonesia the figure is 508m tonnes. All told, the global total is about 1.3 billion tonnes—6% of man-made carbon-dioxide emissions even without the effect of fire. That is far more than the contribution made by aviation, for example.

This is both a problem and an opportunity, as climate negotiators now realise. The solution to those fires (and, indeed, to all peat-related carbon-dioxide emissions) is simple and relatively cheap: stop draining wetlands and allow water to accumulate in them again. On December 11th climate negotiators at the United Nations’ meeting in Cancún, Mexico, agreed that peatland "rewetting", as it is rather inelegantly known, could be a way for some countries to offset emissions of carbon dioxide from other sources, under the Kyoto protocol or any agreement that follows it.

Guidelines for doing so will now be developed. But for these to have any practical effect, a final agreement will be needed over how more general changes in land use will be treated within any new climate deal. The next global climate gathering, in South Africa in December 2011, will attempt to arrive at one.

As Susanna Tol of Wetlands International, an environmental lobby group, observes, only a portion of the world’s wetlands will eventually be rewetted. Exactly which bits are restored to pristine sogginess will depend on local questions, such as the availability of land, the alternative uses for drained peatland and the price of carbon-dioxide offsets.

In poor and boggy Belarus, for example, Ms Tol says it costs a mere €10 ($13) to avoid a tonne of carbon-dioxide emission in this way. Even in richer places the cost can be offset in part if the soggy ground can be put to lucrative use. That may sound unlikely, but wet peatland agriculture, known as paludiculture, can produce profitable crops such as reed, alder and moss.

Add in other reasons to protect wetlands— from their pragmatic role providing clean water and...
mood protection to the sentimental one of providing homes for wildlife—and the case for rewetting is strengthened. Whether it is strong enough to overcome the age-old human instinct that swamps are there to be drained remains to be seen.

from PRINT EDITION | Science and Technology
WHEN Google began scanning books and allowing them to be searched online in 2004, publishers fretted that their literary treasure would be ransacked by internet pirates. Readers, meanwhile, revelled in the prospect of instant access to innumerable publications, some of them unavailable by other means. But Google Books is also responsible for another, quieter revolution: in the humanities.

For centuries, researchers interested in tracking cultural and linguistic trends were resigned to the laborious process of perusing volumes one by one. A single person, or indeed a team of people, can read only so many books. Large-scale number-crunching seemed an impossible task. Now, though, Jean-Baptiste Michel, of Harvard University, and his colleagues have used Google Books to do just that. They report their first results in this week’s *Science*.

So far Google has managed to digitise 15m of the estimated 130m titles printed since Johannes Gutenberg perfected the press in the 15th century. Dr Michel’s team whittled this down to just over 5m volumes for which reasonably accurate bibliographic data, in particular the date and place of publication, are available. They chose to focus mainly on English texts between 1800 and 2000, but also included some French, Spanish, German, Russian, Chinese and Hebrew ones.

That yielded a corpus of over 500 billion 1-grams, as Dr Michel calls a string of characters uninterrupted by a space. These include words, acronyms, numbers and dates, as well as typos (“becasue”) or misspellings (“abberation”). He also looked at combinations of 1-grams, from 2-grams (“*The Economist*”) to 5-grams (“the United States of America”). To minimise the risk of including random concatenations of words, rare spellings or mistakes, any word or expression had to appear in the corpus at least 40 times to merit inclusion in the final, chronologically ordered set.

At this point, the number-crunching could begin in earnest. Dr Michel first used his data to estimate the total number of words in the English language. To do this, he and his team took a random sample from the corpus, checked what proportion were non-words and extrapolated that to the whole lot. He puts the figure at a smidgen above 1m.

On their reckoning, even the most authoritative lexical repository, the “*Oxford English Dictionary*”, underrepresents this total by a factor of two. Also, after hardly budging in the first half of the 20th century, the English vocabulary expanded at a rate of 8,500 words a year in the second half, leading to a 70% increase in its size since 1950 (see chart).
Amusingly, Dr Michel found that some words added to the “American Heritage Dictionary” in 2000, like “gypseous” or “amplidyne”, had been in widespread use a century earlier. What is more, by the time they did make it into the dictionary, they were becoming obsolete.

The researchers did not confine themselves to poking fun at lexicographers, though. They also looked at a range of cultural trends, such as how long it takes innovations to impinge on the popular consciousness (which is happening ever more quickly), the age at which celebrities become famous (which is dropping, albeit at the expense of ultimately shorter spells in the limelight), as well as many other more or less frivolous trends.

Clearly, books do not exhaust the whole of human culture. In recent decades their relative importance has waned. Nor are the books Google has already chosen to scan necessarily a representative sample of literature across the ages. This means that any findings based on them ought to be treated with caution.

Still, Dr Michel and his team hope that their approach will spur a more rigorous, quantitative approach to the study of human culture. In fact, their paper doubles as a manifesto for a new discipline. They dub it “culturomics”, making them the first clutch of culturomists. More are sure to follow—whether or not this particular, clunking neologism survives.
Guided by the lightning

A new way of protecting planes from the ash from volcanoes

THE explosive eruption of Eyjafjallajokull, an Icelandic volcano, wreaked havoc on air travel over the North Atlantic for several weeks this spring. The very existence of the ash cloud thrown into the sky was bad enough. But an inability to predict the cloud’s behaviour made matters worse. In particular, sudden changes in its height made the job of flying safely above it a tricky one.

Now a team of researchers at the British and Icelandic Meteorological Offices, led by Alec Bennett, may have found a way round the problem of predicting the height of volcanic ash clouds like that created by Eyjafjallajokull. As they report in *Environmental Research Letters*, the lightning the ash generates tells all.

Volcanic-ash clouds contain a lot of static electricity. This is eventually discharged as bolts of lightning. The details, however, are obscure, so Dr Bennett and his colleagues decided to take advantage of ATDnet, a British long-range lightning-location network, to look at the phenomenon in more detail.

ATDnet is an arrangement of 11 sensors scattered across Eurasia, one of which is in Iceland. It is designed to detect the low-frequency radio pulses emitted by lightning strikes. Such pulses can travel thousands of kilometres, which means they are frequently picked up by more than one of ATDnet’s sensors. When that happens, triangulation allows the system to locate the original bolt with precision. Using ATDnet, Dr Bennett and his colleagues were able to identify 790 bolts which had descended from the ash cloud created by Eyjafjallajokull. They combined these findings with radar information on the height of the cloud to work out if there was any connection between the two.

There was. When the cloud’s maximum altitude was less than 5km (3 miles), ATDnet detected no lightning from it. The number of strikes went up as the maximum altitude increased. Sudden changes in altitude also pushed the strike-rate up. More than 20 bolts an hour indicated a rapid rise of more than 1km.

In the case of Eyjafjallajokull, the watchful eye of Icelandic radar meant the cloud’s behaviour was reasonably well understood, even at the time. But radar can be blinded by bad weather, and not all volcanoes are within range of suitable equipment. Next time a volcano threatens the air lanes, then, Dr Bennett’s method may provide valuable illumination of what is happening, and thus enable airliners to steer safely through what might otherwise ground them.
ENGLISH is the most successful language in the history of the world. It is spoken on every continent, is learnt as a second language by schoolchildren and is the vehicle of science, global business and popular culture. Many think it will spread without end. But Nicholas Ostler, a scholar of the rise and fall of languages, makes a surprising prediction in his latest book: the days of English as the world’s lingua-franca may be numbered.

Conquest, trade and religion were the biggest forces behind the spread of earlier lingua-francas (the author uses a hyphen to distinguish the phrase from Lingua Franca, an Italian-based trade language used during the Renaissance). A linguist of astonishing voracity, Mr Ostler plunges happily into his tales from ancient history.

The Achaemenid emperors, vanquishers of the Babylonians in 539BC, spoke Persian as their native language, but pragmatically adopted Aramaic as the world’s first “interlingua”. Official long-distance communications were written in Aramaic, sent across the empire and then translated from Aramaic upon arrival. Persian itself would serve as a lingua-franca not at the time of the empire’s greatest heights but roughly from 1000AD to 1800. The Turkic conquerors of Central Asia, Anatolia and the Middle East, though they adopted Islam and worshipped in Arabic, often kept Persian as the language of the court and of literature. Persian was also the court language of Turkic-ruled Mughal India when the British East India Company arrived.

Some lingua-francas have ridden trade routes, but these are tongues of convenience that change quickly with circumstances. Phoenician spread from its home in modern Lebanon along the northern coast of Africa, where (pronounced in Latin as Punic) it became the language of the Carthaginian empire. But Rome’s destruction of Carthage in 146BC reduced it to a dwindling local
vernacular. Greek, by contrast, planted deeper roots, surviving not only Rome’s rise but also its fall, to serve as the lingua-franca of the eastern Mediterranean for over 1,000 years.

What does all this, then, have to do with English? Often very little. It seems sometimes that Mr Ostler, fascinated by ancient uses of language, wanted to write a different sort of book but was persuaded by his publisher to play up the English angle. The core arguments about the future of English come in two chapters at the end of the book. But the predictions are striking.

English is expanding as a lingua franca but not as a mother tongue. More than 1 billion people speak English worldwide but only about 330m of them as a first language, and this population is not spreading. The future of English is in the hands of countries outside the core Anglophone group. Will they always learn English?

Mr Ostler suggests that two new factors—modern nationalism and technology—will check the spread of English. The pragmatism of the Achaemenids and Mughals is striking because no confident modern nation would today make a foreign language official. Several of Britain’s ex-colonies once did so but only because English was a neutral language among competing native tongues. English has been rejected in other ex-colonies, such as Sri Lanka and Tanzania, where Anglophone elites gave way to Sinhala- and Swahili-speaking nationalists. In 1990 the Netherlands considered but rejected on nationalist grounds making English the sole language of university education.

English will fade as a lingua franca, Mr Ostler argues, but not because some other language will take its place. No pretender is pan-regional enough, and only Africa’s linguistic situation may be sufficiently fluid to have its future choices influenced by outsiders. Rather, English will have no successor because none will be needed. Technology, Mr Ostler believes, will fill the need.

This argument relies on huge advances in computer translation and speech recognition. Mr Ostler acknowledges that so far such software is a disappointment even after 50 years of intense research, and an explosion in the power of computers. But half a century, though aeons in computer time, is an instant in the sweep of language history. Mr Ostler is surely right about the nationalist limits to the spread of English as a mother-tongue. If he is right about the technology too, future generations will come to see English as something like calligraphy or Latin: prestigious and traditional, but increasingly dispensable.

from PRINT EDITION | Books and Arts
A man and his mistress
Fancy women have their say
A history of the extra-marital affair
Dec 16th 2010 | from PRINT EDITION


A CANADIAN writer and historian, Elizabeth Abbott became aware of mistresses as a child because her great-grandfather kept what her mother scathingly referred to as a “love nest”, occupied by a series of “fancy women”. Her great-grandmother tolerated the situation, on the condition that when a diamond was bought for a mistress, one was also given to her. Now Ms Abbott has explored the nature and history of the extra-marital affair as seen through the mistresses’ experience.

Her history of mistresses, which was published in Canada some time ago, is the second in a trilogy of studies on male-female relations. The first was a history of celibacy; the third will be a history of marriage. In 13 thematic and loosely chronological chapters, the author traces the lives of more than 70 mistresses from biblical times to the present day.

The book’s scope is ambitious, shifting from imperial China to Europe’s royal whores, from Nazi Germany to revolutionary Cuba. Ms Abbott’s stated interest is how the relationship between a man and his mistress reflects a woman’s position in society at different times. What stands out, however, are the women themselves.

Malinche, the mistress and counsellor of Hernán Cortés, was so crucial to his conquest of the Aztec empire that “natives stopped distinguishing between the two and considered them one indivisible unit.” In 1526 Roxelana, an ambitious beauty, rose out of the Ottoman imperial harem of 300 women to coerce Sultan Suleiman into a monogamous relationship—so unusual that courtiers whispered of bewitchment.

Camilla Parker Bowles is perhaps the most notorious mistress of recent years. Ms Abbott records how she and Prince Charles met at a rain-lashed polo field in 1970, when Camilla, “though dripping wet and garbed in unflattering stable gear”, introduced herself to Britain’s heir to the throne. Their relationship continued through failed marriages on both sides and public uproar over the affair.

In a highly unusual move for a mistress, Mrs Parker Bowles became the prince’s wife in 2005. The experience of most mistresses is dismal. Even when they willingly enter into mistressdom,
the insecurity of their position often leads to destructive behaviour: drink, drugs or gambling. Most of them long to marry their lovers and enjoy the respect society affords to wives.

Ms Abbott is delightfully indiscreet, with an eye for a good story and a colloquial style. Though her book reads more like an anthology of mistresses than a history, she has done the ladies a service by bringing them out of the shadows.
American finance
Borrowed time

Two centuries of monetary and fiscal policy and banking

Dec 16th 2010 | from PRINT EDITION

Inflated: How Money and Debt Built the American Dream. By Christopher Whalen. Wiley; 393 pages; $34.95 and £23.99. Buy from Amazon.com, Amazon.co.uk

AS VIEWED by Christopher Whalen, America’s financial history has been one losing battle after another against the “twin demons” of debt and inflation. To illustrate this he takes the reader on a journey through more than two centuries of monetary and fiscal policy and banking. Some of his best insights lie at the nexus between these worlds.

Along the way he has much to say about the evolution of public attitudes towards money. The gold rush created an alternative to the Puritan notion of hard work and saving that had characterised the nation’s early days. Another watershed was the legal-tender act under Abraham Lincoln, which paved the way for an acceptance of deficit spending. Monetary mores grew looser still in the 1920s with the explosion of consumer finance (tied to the rise of the motor car) and speculative, debt-fuelled investment.

A number of themes recur. Irrational exuberance in financial markets, leading to one credit boom and bust after another. The instability (and political power) of banks and the fiscal recklessness of states. The reluctance of both state and federal governments to raise enough tax to cover public demand for services and entitlements. The temptation to resort to inflation as a solution to public deficits and a willingness to let debt grow faster than the economy (Alexander Hamilton, the first treasury secretary, advocated public debt as “a mechanism for national unity”).

The author has an eye for links between past and present. Bankruptcy was used to advance the robber-barons’ private agendas in the late 19th century, just as it was used to further political goals recently with General Motors and Chrysler. The Federal Reserve’s huge monetary expansion since 2008 echoed its money-printing “recklessness” in the 1930s.

For much of its almost century-long life, writes Mr Whalen, the Fed has served the White House and the big banks before serving the people—for instance, by repeatedly providing liquidity to stabilise financial markets under the guise of protecting the real economy. Under Alan Greenspan, the central bank encouraged and facilitated greater use of debt throughout the economy. Today’s anti-Fed movement is no flash in the pan: antipathy towards central banking stretches back to the civil-war era.

But the seeds of today’s troubles were sown before Mr Greenspan’s time. By the late 1970s housing had begun to replace defence as America’s engine of growth. Before long, the myth that you could never have enough of the stuff had taken hold. Over time, the push to make housing more affordable, backed by daft government policies, became a giant enterprise involving 1,500 public and private organisations. Mr Whalen is not alone in wondering how the American economy will cope without a buoyant property market.
He worries that Americans, long used to instant financial gratification, have borrowed so heavily from the future that the necessary belt-tightening will prove to be beyond them. America and Europe used to preach to fiscally profligate developing countries about the need for structural adjustment. Now the tables have turned.

The solution lies in “a 21st century Marshall Plan in reverse”: an overhaul of the global monetary system that includes a managed devaluation of the dollar to bring down America’s external deficits and stimulate its exports. Mr Whalen looks forward to the day when the greenback is no longer the world’s sole reserve currency, a status that gives America “a free ride” on fiscal discipline. He ends on a positive note, expressing confidence that Americans “have the honesty to talk about limiting our national wants and needs to our national income”. But the overall message is none too encouraging.
SAINTS are important in Italy, nowhere more so than in Naples where San Gennaro is patron and protector. Three times a year, including December 16th, an ampulla containing the saint’s blood leaves a sanctuary in Naples Cathedral’s richly decorated royal chapel, a treasury of candelabra, frescoes, bronze and silver statues and quarry-loads of marble. Neapolitans gather to see the congealed blood liquefy.

Through a paper trail of documents authorising payment of craftsmen and painters, historians can piece together what the chapel cost when it was built and decorated in the 17th century. Not far from the cathedral, down one of the narrow streets that thread through the city’s historic heart, is Europe’s largest archive of banking and economic records. Owned by the Istituto Banco di Napoli Fondazione, it contains 300m documents and 25,000 huge ledgers (a few of which are shown above).

A deposit of 60 ducats (about 200 grams or seven ounces of gold), the rent for a farm in 1569, is the oldest piece of paper, from a time when Spanish kings ruled the Italian south. In 1794 the Bourbon monarchy created the Banca Nazionale di Napoli, bringing together eight public banks, including the Banco dei Poveri which was established in 1563. More name changes followed until the Piedmontese monarchy settled on Banco di Napoli in 1861 after ousting the Bourbons and unifying Italy.

The archive holds amazing detail. One entry on a yellowed page of transactions for January 9th 1607 records a payment of 370 ducats to Michelangelo Caravaggio for his masterpiece “Le Sette Opere di Misericordia”. Another ledger reveals the painter had been in Naples the year before, when he was paid 200 ducats for the “Madonna col Bambino” for a church in Puglia.

Drawing in diplomats, merchants and bankers, Naples was once the capital of a kingdom and centre of an important trading area. William Hamilton, Britain’s envoy in the late 18th century, used Naples’s banks as did George Davies and John Bernadiston, British merchant bankers, a century earlier. In December 1688 they paid Luca Giordano 600 ducats for a mythological painting for the Duke of Kingston.

The foundation that owns the archive is a poor relation of the wealthy philanthropic foundations created when Italy’s public-sector banks were privatised in the 1990s. The archive is a bit neglected and badly needs a deep-pocketed benefactor. Perhaps San Gennaro could lend a hand.
Breath of violence

Contemporary art that reflects the many-sided violence afflicting Pakistan

AFTER well-received debuts in New York and Paris, Pakistani contemporary art is making a splash at home with an exhibition of works by 42 artists at an elegant museum, the Mohatta Palace, in Karachi. Big, brash Karachi vies with more staid Lahore as the heart of Pakistan’s art scene. The show “The Rising Tide: New Directions in the Art from Pakistan 1990-2010”, brings together the two urban schools of art to reveal the virtuosity and variety of painters, sculptors, video-makers and photographers, many of them under 40.

Until now Pakistan’s art scene has been largely private, hidden away in small galleries or elite living rooms. The curator of the current exhibition, Naiza Khan, who is herself a prominent artist, was determined to open contemporary art to a wider Pakistani public.

To do so she brought back important works by two of Pakistan’s star contemporary artists, Rashid Rana and Imran Qureshi, from Dubai and Hong Kong (a painting by Mr Qureshi is shown below). She also invited contributions from two young artists—Abdullah Syed and Nusra Latif Qureshi—who work in Australia.

Mr Syed assembled a mobile of dozens of miniature drones made from box cutters, a silvery fleet of the American death machines that hunt and kill the Taliban in Pakistan’s tribal areas. That many of the works deal with death and violence is hardly surprising. In Karachi alone more than 1,350 people have been killed in the streets so far this year, many of them in the drive-by shootings that have become the tragic hallmark of a war of ethnic rivalries.

But Ms Khan has been careful not to overdo the violence. In choosing the art, her emphasis is on exploring the urban condition of a country struggling to withstand a more complicated internal war. That means dealing not only with missiles and bombings but also with demographics, land usage and history.
In many respects, the exhibition demonstrates the maturing of the spirit that grew out of the artistic rebellion against the military dictatorship of General Zia ul Haq in the 1980s. In those years artists had to work furtively in hidden studios. In the early 1990s far-sighted art administrators struggled to expand a handful of art schools.

Now competition to get into such colleges is fierce. A young art entrepreneur, Umer Butt, whose gallery Grey Noise in Lahore lent works to the show, aspires to be an influential dealer. “Rising Tide” suggests that Pakistani artists do not have to go abroad, though some still do, to express their country’s turmoil.
Richard Holbrooke
Richard Holbrooke, diplomat and troubleshooter, died on December 13th, aged 69

Dec 16th 2010 | from PRINT EDITION

HIS favourite book was Herman Melville’s “Moby-Dick”, and it was pretty clear why. He cited Ishmael’s confession near the beginning of his memoir of the 1995 Bosnian peace talks, “To End a War”: “as for me, I am tormented with an everlasting itch for things remote. I love to sail forbidden seas, and land on barbarous coasts.” For Richard Holbrooke the remote, the forbidden and the barbarous were as likely to be found at negotiating tables, in cold hotel rooms, or in windowless government offices where men and women struggled to sort out the world, while he banged heads.

He liked Matthew Arnold, too, and again recognised that “thirst to spend our fire and restless force/In tracking out our true, original course”. He tracked his own course through history, more than 40 years at the sharp edge of American foreign policy, working for every Democratic president since John Kennedy: a big, burly actor in his own play, glaring through wire-rimmed glasses or barking into his phone. A crowd of “close friends” eddied round him, all of whom could be nudged, flattered, tricked, and in the end—when the blue eyes hardened and the cheeks puffed out—pushed into doing what he wanted. A bastard, a bully, a bulldozer, an egoist, but also a charmer, full of heart and fun, a great guy to have dinner with, even when—as at Pamela Harriman’s in Paris in August 1995—he would get up eight or nine times from the table to take telephone calls, radiating happy self-importance.

Those calls were to organise NATO air strikes on the Bosnian Serb positions round Sarajevo. NATO was meant to operate as a collective; but in the face of the West’s craven failure to end the Bosnian war, Mr Holbrooke had more or less singlehandedly decided to play hardball with the Serbs. If they would not make concessions at the table, they would have to be beaten on the ground. He made dramatic appeals to Washington to give him “bombs for peace”. The pleas succeeded.
The Dayton peace accords, signed that December, sealed Mr Holbrooke’s fame as a diplomat. Signs of his balance and realism were everywhere, for example his insistence that the new Bosnia, despite including a Serbian republic, should be a properly multi-ethnic state. Recalling first-hand the 1968 Vietnam peace talks in Paris, held up for two months over how to seat the Vietcong, he demanded a table that would seat nine people only, not including the Bosnian Serbs. The only Serb he would deal with was Slobodan Milosevic, a “thug” he tolerated because he could be a thug himself. It was surely not immoral to talk, walk in the woods, down a pear brandy or two together, if it saved lives. As it turned out, he saved many thousands.

In Dayton and everywhere else he was a hard taskmaster, but this was no more than he demanded of himself: shuttling to and fro between continents, staying up sleepless to read a book or to watch “There’s Something About Mary” for the fifth time. When he was given a job he did it fast, on his own terms (he was not Mr Obama’s “envoy” to Afghanistan and Pakistan, too elegant a word, but his “special representative”, a much wider-ranging brief). And he expected short, direct lines of communication. As early as 1970, in a piece for the first issue of Foreign Policy (a magazine he edited from 1972 to 1977, during a Republican lull), he lamented the mushroom growth of the State Department, where internal communications were becoming “ever more time-consuming, less intelligible and less controllable”. He thus predicted four decades early the age of Wikileaks, though Wikileaks might well have doomed his tactics in Bosnia.

The impossible pursuit

Kennedy’s “ask what you can do for your country” had first got him into the foreign service, in the Mekong Delta in 1963, where he handed out cooking oil and thatching straw in a fruitless attempt to win the Vietnamese to America’s side. Like the journalist he had meant to be, before the New York Times turned him down, he always tried to talk to locals. In Pakistan he would squeeze his big frame into refugees’ tents in Swat, as relaxed as if he were cruising a Washington cocktail party, to listen to the misery of ordinary, frightened folk.

To himself and to others he seemed a natural for secretary of state, but never made it; presidents’ minds were set elsewhere. In the Obama foreign-policy cabal he sat awkwardly, a New Yorker rather than a Chicagoan, and a weary-seeming holdover from ancient Democratic regimes. His bluntness played badly in Kabul, where Hamid Karzai sometimes refused to talk or eat with him.

He always insisted that Vietnam no longer haunted him, though the similarities with Afghanistan were inescapable, not least a crushing sense of the limits of American power. Mr Holbrooke, however, still believed that America was the world’s problem-solver, and that with “all its will and all its strength” it could put the most benighted spots to rights. Even the Afghan war, perhaps, could be turned round. And so, like Ishmael, he charged boldly on:

and in the wild conceits that swayed me to my purpose, two and two there floated into my inmost soul, endless processions of the whale, and, mid most of them all, one grand hooded phantom, like a snow hill in the air.

from PRINT EDITION | Obituary
American industrial production grew by 0.4% in November, after a downwardly revised 0.2% decline in October.

China’s inflation rate jumped to 5.1% in November from the previous month’s 4.4%. On December 14th the country’s government announced a 4% inflation target for 2011, up from 3% planned for 2010.

The unemployment rate in Britain rose to 7.9% in the three months to October from 7.7% in the three months to September. Inflation also rose, to 3.3% in November from 3.2% a month earlier.

On December 15th Sweden’s central bank raised its policy rate by 25 basis points to 1.25%.

Turkish GDP growth slowed sharply to 5.5% in the year to the third quarter after second-quarter growth of 10.2%.

Industrial growth in India picked up in October, when output was 10.8% higher than a year earlier. In September growth was 4.4%. The country’s wholesale-price inflation, which forms the basis for policy decisions, slowed in November to 7.5%, the lowest rate since January.

South Korea’s unemployment rate declined to 3.2% in November, from 3.6% the previous month.

Industrial production in Mexico grew by 3.7% in the year to October, down from year-on-year growth of 6.2% in September.
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**MORE COUNTRIES** Data for the countries below are not provided in printed editions of *The Economist*.

- **Estonia**: +5.0% na +1.5% +2.0% +37.4% +5.3% -2.1% +2.0% 15.5% 0.4%
- **Finland**: +3.7% +1.9% +1.9% +113.0% +2.5% -0.9% +1.1% 8.0% 0.4%
- **Iceland**: -2.1% +4.5% +5.9% +5.0% -6.1% +2.6% +8.6% 7.7% 0.4%
- **Ireland**: +8.6% +1.0% +6.8% +8.7% -5.0% +2.7% -1.1% 13.5% 0.4%
- **Latvia**: +2.9% +0.6% +3.2% +21.1% +1.0% -1.2% 19.2% 0.4%
- **Lithuania**: +1.0% +2.4% +0.5% +2.9% +16.5% +2.7% +1.5% 14.2% 0.4%
- **Luxembourg**: +5.3% +1.2% +3.2% +2.0% +3.9% +2.3% +1.3% 6.1% 0.4%
- **New Zealand**: +2.5% +1.5% +2.5% +3.5% +1.1% +3.5% +1.5% 8.4% 0.4%
- **Peru**: +7.5% +1.0% +5.7% +16.6% +2.2% +0.3% 7.9% 0.4%
- **Phillipines**: +6.5% +1.9% +6.8% +15.8% +3.6% +2.8% +3.8% 6.9% 0.4%
- **Portugal**: +3.5% +1.2% +6.0% +1.2% +2.5% +23.0% +2.6% 10.0% 0.4%
- **Slovenia**: +3.8% +1.0% +3.3% +13.4% +1.0% +0.4% +1.0% 12.3% 0.4%
- **Slovenia**: +1.7% +1.0% +2.9% +5.1% +3.4% +1.6% +1.0% 10.5% 0.4%
- **Ukraine**: +3.5% +1.0% +3.3% +13.4% +1.0% +0.6% +3.4% 9.7% 0.4%
- **Vietnam**: +3.5% +1.0% +3.3% +13.4% +1.0% +0.6% +3.4% 9.7% 0.4%
### The Economist commodity-price index

Dec 16th 2010 | from PRINT EDITION

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<th>Dec 14th*</th>
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<th>one year</th>
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*Provisional  †Non-food agricultural.

---

from PRINT EDITION | Economic and Financial Indicators

Tweet
Remittances

The World Bank estimates that migrants from developing countries sent home remittances totalling $316 billion in 2009. The bank reckons that sending $200 between countries cost an average of nearly $18 in fees and exchange-rate margins in the third quarter of 2010. But some transfers are much more expensive: it costs $47.27 to send $200 from Tanzania to Kenya. The cost of sending remittances is negatively correlated with the number of migrants and service-providers in a country. Vietnam is the most expensive destination for money sent from France. But the cost of sending $200 between the two countries is $21.09, just over half what it costs to send $200 from Australia to Papua New Guinea.
Trade, exchange rates, budget balances and interest rates
Dec 16th 2010 | from PRINT EDITION

from PRINT EDITION | Economic and Financial Indicators
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<th>Country</th>
<th>Trade balance latest 12 months, $bn</th>
<th>Current-account balance latest Dec 15th, $bn</th>
<th>% of GDP 2010</th>
<th>Currency units, per $1</th>
<th>Budget balance 1-month latest</th>
<th>Interest rates, %</th>
<th>Budget balance 10-year government bonds, latest</th>
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<td>1.0%</td>
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<td>0.8%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>-2.3 Oct</td>
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<td>+1.7 Oct</td>
<td>+1.1 Oct</td>
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<td>0.5%</td>
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<td>0.3%</td>
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</tr>
<tr>
<td>Singapore</td>
<td>+3.9 Oct</td>
<td>+2.2 Oct</td>
<td>0.3%</td>
<td>0.5%</td>
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</tr>
<tr>
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</tr>
<tr>
<td>Taiwan</td>
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<tr>
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<td>0.3%</td>
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<td>0.8%</td>
</tr>
<tr>
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<td>0.3%</td>
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<td>Mexico</td>
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<td>0.3%</td>
<td>0.3%</td>
<td>0.8%</td>
</tr>
<tr>
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<td>+1.2 Oct</td>
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<td>0.5%</td>
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<td>0.3%</td>
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<td>0.8%</td>
</tr>
<tr>
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<td>+2.3 Oct</td>
<td>0.3%</td>
<td>0.5%</td>
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<td>0.3%</td>
<td>0.8%</td>
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<tr>
<td>Saudi Arabia</td>
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<td>0.3%</td>
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</tr>
<tr>
<td>South Africa</td>
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<td>0.3%</td>
<td>0.3%</td>
<td>0.8%</td>
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</tbody>
</table>

**Note:** The data for the countries below is not provided in printed editions of The Economist.

- Estonia
- Finland
- Iceland
- Poland
- Latvia
- Lithuania
- Luxembourg
- New Zealand
- Peru
- Philippines
- Portugal
- Slovenia
- Slovakia
- Ukraine
- Vietnam

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- Slovenia
- Slovakia
- Ukraine
- Vietnam
<table>
<thead>
<tr>
<th>Country</th>
<th>Index Dec 55b</th>
<th>% change on week</th>
<th>Change last week in currency terms</th>
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<td>United States (DJIA)</td>
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<td>United States (NASComp)</td>
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<td>+23.1</td>
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<td>Sweden (OMXSI10)</td>
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<tr>
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<td>+13.2</td>
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<td>Carbon trading (EU ETS)</td>
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*Note return index, credit default swap spreads, basis points.
Sources: National statistics offices, central banks and stock exchanges; Thomson Reuters; WSJ; Reuters; Bloomberg; JPMorgan Chase; Bank Leumi Le-Brain; CRB; CME; Deutsche Bank; EED; iNAP, Paris; Standard Bank Group; UBS, Wedbush.
According to the OECD, a think-tank, tax revenue fell as a share of GDP in many of its mostly rich member countries last year. Across the group as a whole, taxes averaged an estimated 33.7% of GDP in 2009, down from 35.4% in 2007. With tax revenue amounting to just 24% of GDP, America was one of the most lightly taxed countries in the rich world. Among OECD countries, only emerging economies like Mexico collect a smaller share of GDP in taxes than America does. Even though its tax-to-GDP ratio has fallen in recent years, Denmark continues to mop up a larger share of its national income as taxes than any other country in the world. Taxes amounted to 48.2% of Danish GDP in 2009, down from 49.4% in 2000.