

FT Weekend Asia edition

INTERNATIONAL NEWSPAPER OF THE YEAR

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The ethics of second homes

Julian Baggini

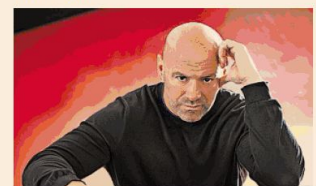
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Moment of truth

Will office life ever return?

BIG READ



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Lucy Kellaway

HOUSE & HOME



G7 backs price cap on Russian oil to stem flow of funds fuelling war

◆ Shippers face tariffs ceiling ◆ Kremlin calls move absurd ◆ Nord Stream halted 'indefinitely'

FT REPORTERS

The world's leading economies have agreed to introduce a price cap on purchases of Russian oil in an attempt to limit the Kremlin's ability to fund its war against Ukraine.

The initiative will hinge on an incentive system whereby importers of Russian oil seeking insurance cover and shipping from companies in the G7 and EU would need to observe the price ceiling, finance ministers from the US, UK, France, Germany, Italy, Canada and Japan said after a meeting yesterday.

The level of the cap will be decided in further talks with all participants, including non-G7 countries that might join the plan. "The price cap is specifically designed to reduce Russian revenues and Russia's ability to fund its war of aggression whilst limiting the impact of Russia's war on global energy prices," the G7 ministers said.

Kremlin spokesperson Dmitry Peskov said the move was "absurd" and would "lead to a significant destabilisation of oil markets", according to Interfax. Russia threatened on Thursday to stop selling oil to any country that adopted a price cap.

Late last night Gazprom suspended operation of the Nord Stream 1 gas pipeline indefinitely, exacerbating fears of a squeeze on European supplies.

The Russian state-owned operator, which was meant to reopen the pipeline today after three days of maintenance, said it had found a fault that required it to stay closed. Russia has been



A boy uses spray paint to transform a crippled Russian military vehicle abandoned in Odesa after the invasion of Ukraine

Oleksandr Grynau/AFP via Getty Images

accused of "weaponising" gas supplies.

The price cap is a political victory for the US, which floated the plan in April as a means to punish Russia for the war. It has had to overcome scepticism from some EU countries on its feasibility.

Energy prices jumped after Russia's invasion of Ukraine in February, which prompted western economic sanctions against Moscow. The price rises have given the Kremlin an export windfall.

Oil prices have cooled, partly as Russian exports have held up better than expected alongside fears that soaring natural gas prices might trigger a recession in Europe. Brent crude, the bench-

mark, has fallen from \$120 a barrel in early June to about \$94 a barrel, close to its level on the eve of the invasion. Prices rose about 2 per cent yesterday.

The price cap's impact will depend heavily on how many big importers of Russian oil outside the G7, such as China and India, decide to participate. One European official expressed hope that other countries would join the initiative.

James O'Brien, sanctions co-ordinator at the US state department, said: "A price cap... makes sure that every country can get the lowest price possible, and that's good for the world."

Shipping insurers have expressed concern at the use of insurance as the enforcement mechanism for the cap, given that underwriters do not typically track the trading price of a cargo.

The price cap would be implemented at the same time as the EU's embargoes on Russian oil imports, according to two officials briefed on the deal.

Report by Henry Foy, Alice Hancock and Sam Fleming in Brussels, Guy Chazan in Berlin, David Sheppard and Ian Smith in London and Max Seddon in Riga

Putin dismantles Gorbachev page 2

Gillian Tett page 6

Lawrence Freedman page 7

Orlando Figes Life & Arts

UK officials get hands dirty as energy fears spark tests of blackout scenarios

JIM PICKARD — LONDON

Civil servants will reproduce documents using carbon paper if Britain is hit by energy blackouts this winter under emergency plans stress-tested in Whitehall in recent days.

Carbon paper was invented in 1806 and used in typewriters before it was largely superseded by photocopying and then email. But officials have been advised to keep carbon paper on standby in Whitehall departments in case Britain is hit with power cuts that leave offices without electricity for days on end, according to three officials.

"The idea is you'd have people running up and down Whitehall handing out carbon copies of documents to colleagues at other departments or agencies, to keep people in touch," said one.

The use of carbon paper is one element of an exercise carried out in the last week in some departments to stress test how the government could keep functioning in the event of a crisis. Spiralling international gas prices since Russia's invasion of Ukraine have caused an energy crisis across Europe, prompting fears of power shortages during the coming winter.

Officials insisted that the plans were in place before the Ukraine war. "This programme predates those events," said one. Since 2021 the stress-testing exercises have been taking place every four months to ensure "appropriate risk management and preparedness".

However, officials conceded that the exercises had taken on a new urgency given the worsening energy crisis, which has seen household energy bills jump 80 per cent in a year.

The government has drawn up what it calls a "reasonable" worst-case scenario involving cold weather and lower energy imports from Norway, under which the UK faces an electricity shortfall of up to a sixth of peak demand. Officials believe that if this occurred, without rationing there could be days of energy blackouts.

Although Britain has its own North Sea gas reserves and is not dependent on Russian energy imports, it has relatively low levels of gas storage.

Downing Street has insisted that "households, businesses and industry can be confident they will get the electricity and gas they need".

The government said the exercise would ensure that departments could respond effectively to a "wide range of extreme scenarios", no matter how unlikely.



Berkshire stock finds fans in hedge funds' computers

Analysis ▶ PAGE 11

Australia	AS10.000nc GST3
Brunei	B\$8.00
China	RMB30
Hong Kong	HK\$45
India	Rs260
Indonesia	Rp48,000
Japan	¥650.00nc JCT3
Korea	₩5,000
Malaysia	RM42.50
Malaysia	RM42.50
Pakistan	Rupee 450
Philippines	Peso 150
Singapore	S\$70nc GST3
Taiwan	NT\$150
Thailand	BTH40
Vietnam	US\$5

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World Markets													
STOCK MARKETS			CURRENCIES				GOVERNMENT BONDS						
	Sep 2	Prev	%Chg	Pair	Sep 2	Prev	Pair	Sep 2	Prev				
S&P 500	4014.42	3966.85	1.20	\$/£	1.003	0.994	£/\$	0.997	1.006				
Nasdaq Composite	11916.98	11785.13	1.12	\$/€	1.158	1.153	€/\$	0.863	0.868				
Dow Jones Ind	32005.76	31658.42	1.10	\$/¥	0.886	0.882	¥/\$	1.155	1.150				
FTSE 100	1640.63	1609.57	1.93	\$/₹	140.025	140.020	₹/\$	140.420	139.124				
Euro Stoxx 50	3545.85	3456.70	2.58	\$/₪	182.209	181.401	₪/\$	77.318	77.488				
FTSE All-Share	3998.48	3926.25	1.84	\$/₪	0.982	0.978	₪/\$	1.134	1.135				
CAC 40	6197.51	6034.31	2.21	CRYPTO					JPN 2 yr	-0.08	-0.08	0.00	
Xetra Dax	13059.27	12630.23	3.35						JPN 10 yr	0.24	0.24	0.00	
										JPN 30 yr	1.26	1.22	0.04
										Bloomberg			
										2020/01/01			
										2017/04/04			
										n/67			

Dubai

9 770307 176968

Nikkei	27959.84	27961.47	-0.04	GER 2 yr	1.08	1.17	-0.09
Hang Seng	19422.29	19437.31	-0.74	GER 10 yr	1.52	1.56	-0.04
MSCI World \$	2610.25	2627.32	-0.65	GER 30 yr	1.88	1.89	-0.01
MSCI EM \$	976.14	994.11	-1.81	COMMODITIES			
MSCI ACWI \$	608.31	613.11	-0.78	Sep 2	Prev	%chg	
FT Worldsh 2500	5184.47	5157.58	0.13	Oil WTI \$	88.31	86.61	1.96
FT Worldsh 5000	40342.03	40295.16	0.12	Oil Brent \$	94.16	92.36	1.95
				Gold \$	1894.30	1715.90	-1.26

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INTERNATIONAL

Employment

Relief for Fed as US jobs growth slows

Most economists believe another three-quarter point rate rise is likely

COLBY SMITH — WASHINGTON

Slower monthly US jobs growth and a swelling labour force offered some relief to the Federal Reserve as it looks for signs that the economy is cooling, but economists warn a third consecutive 0.75 percentage point interest rate increase later this month cannot be ruled out.

The world's largest economy added 315,000 positions in August, in line with economists' expectations. That compares with the downwardly revised 326,000 jobs created in July, which had helped to anchor the unemployment rate at a multi-decade low. The number

of jobs added in June was also revised down to 293,000, from almost 400,000. Despite August's gains, the jobless rate edged up 0.2 percentage points to 3.7 per cent. As the size of the labour force swelled by 786,000, the number of people looking for work but still unemployed rose by 344,000. The labour force participation rate, which tracks the share of Americans either employed or seeking a job, ticked higher as a result to 62.4 per cent, but still hovers below its pre-pandemic level.

The data, released by the Bureau of Labor Statistics yesterday, underscored that the labour market on the whole remains robust, even as the Federal Reserve has embarked on its most hawkish monetary tightening since the early 1980s.

"I do think the Fed will like the fact that the labour force participation rate

has gone up, but the bigger issue for them remains that 300,000 jobs a month is still way too fast," said Ajay Rajadhyaksha, global chair of research at Barclays.

Confronted by the worst inflation in four decades, the central bank is debating how high to raise interest rates and for how long to keep them at a level that actively restrains economic activity.

In just four months, the target range of the federal funds rate has jumped from near zero to between 2.25 per cent and 2.50 per cent, and many officials think rates need to rise closer to or above 4 per cent at some point to successfully tame inflation.

Now, the Fed is faced with the question of whether to extend its string of 0.75 percentage point rate rises for yet another meeting later this month or downshift to a slower pace and imple-

"The bigger issue for [the Fed] remains that 300,000 jobs a month is still way too fast"

ment a half-point adjustment at its September meeting.

"Clearly they have a lot of work to do ahead of them," said Robert Dent, senior US economist at Nomura. "[But] I think they know that they can't keep hiking by 75 basis points forever."

All eyes are on the next inflation report due out later this month but after the Fed enters its scheduled "blackout" period, where it is limited in its public commentary.

Most economists believe a 0.75 percentage point rate rise in September is firmly on the table, especially in light of the extremely hawkish message sent from chair Jay Powell last month that the central bank will "keep at it" until it has restored price stability.

Additional reporting by Kate Duguid in New York
On Wall Street see Companies



WORLD WEEK IN REVIEW

FBI finds more than 100 secret files at Trump's home in Mar-a-Lago

FBI agents retrieved just over 100 classified or secret files from Donald Trump's Florida resort when they raided it last month.

Aileen Cannon, a Trump-appointed judge in Florida, unsealed the full list of items officers took during their search of Mar-a-Lago on August 8 as part of an investigation into whether he broke the Espionage Act in his handling of classified material.

The papers taken last month are on top of those Trump handed over voluntarily to the justice department earlier this year. The inventory, unsealed yesterday, shows agents retrieved 105 papers with classified marks, including 54 marked secret, 18 marked top secret and 90 empty boxes that were "classified" or "return to staff secretary/military aide".

Norway keeps coal mine open on strategically important archipelago

Norway is keeping its last remaining coal mine open for a further two years, underlining how Europe's energy crisis is forcing governments to temporarily forsake their green credentials and extend the life of polluting technologies.

Store Norske, the state mining company, said it had originally planned to close Mine 7 on Svalbard next autumn. A demilitarised archipelago, Svalbard is a crucial geopolitical location in the Arctic.

A 1920 treaty gives signatory countries, including Russia, the right to engage in commercial activities on the archipelago. Several Norwegian politicians urged the centre-left government to keep the coal mine open, arguing if Oslo gave up on the archipelago it would hand Russia an advantage.

Palin's comeback attempt fails after defeat in Alaska House election



Sarah Palin talks to the media after her attempted political comeback following 13 years in the wilderness ended in defeat at a special election for Alaska's only seat in the House of Representatives. The Republican former state governor and John McCain's 2008 vice-presidential running mate lost to Mary Peltola, the first Democrat to hold the seat in half a century.

Poland embarks on €1.5tn wartime reparations claim against Germany

Poland claimed Germany owes it 6.2tn zlotys (€1.3tn) in reparations for damage and losses suffered during the second world war.

The claim, contained in a parliamentary report, was issued on the anniversary of Nazi Germany's attack on Poland in 1939.

Diplomatic relations between Berlin and Warsaw have been under strain over complaints that Germany had backtracked on pledges to provide military aid to Kyiv after Russia's invasion of Ukraine.

Warsaw last year established an Institute of War Losses to press its claims against Germany as well as Russia, which carved up Poland with Germany in 1939.

Mission to recapture city hailed by those who suffered under Russian rule

JOHN PAUL RATHBONE — KYIV
VERONIKA SAMBORSKA — LONDON

It was the news many in Kherson had waited six months to hear. The Ukrainian counter-offensive launched this week to recapture the southern city was cheered by those who have suffered under Russian rule since Moscow's forces took over in March.

Residents in Kherson, strategically located on the Dnipro river that cuts across the country, reported hearing missile strikes and explosions around the city, which had made the Russian patrol increasingly jumpy.

"The pro-Ukrainian activity of people who remain in Kherson is very high," said one resident in his mid-40s. "People here closely follow events at the front, cheer for the armed forces and await the liberation of the city."

"Explosions are happening every day," said another Kherson resident, a pensioner. Like all those who spoke to the Financial Times by phone from the city this week, they asked that their names be withheld for their safety.

Kherson remains the only provincial Ukrainian capital captured intact by Russian forces since President Vladimir Putin ordered the full invasion of the country in February, and the only territory occupied by Russian forces that lies west of the Dnipro river.

In that time, it has become a hotbed of resistance and partisan activity. When the Russians first arrived, they were met by huge protests. A week later, a pro-Russian administrator was shot dead near his home. The most recent assassination came on Sunday, when a senior official in charge of agriculture at the Moscow-appointed administration was killed alongside his girlfriend.

This week, there were rumours that Kirill Stremousov, the Moscow-appointed governor of Kherson, had fled after he recorded a geolocated video from a hotel in Russia. "Everyone was happy about that. We took it to mean the Russians are worried about the offensive," the pensioner said.

Provincial capital. Kyiv campaign Ukrainians cheer Kherson counter-offensive



Clean up: municipal workers walk by destroyed houses following a missile strike in Mykolajiv, close to Kherson, in southern Ukraine.

Ukraine has brought in fresh reinforcements who are well stocked with western-made ammunition. Backed by long-range rocket systems, its forces have made a trident-shaped push towards the Russian troops based on the western side of the river in the Kherson region.

The new offensive is a step up from the strategy it has pursued over recent weeks. Ukrainian forces have for two months been firing artillery and missile strikes at Russian bases and local infrastructure around Kherson.

But the extent of the Ukrainian counter-attack remains unclear. Ukrainian officials have maintained a near total information blackout on the military operation so as not to give any advantage to the enemy. This has left Russian military bloggers — who claim Ukraine's "suicide" attack is failing, without offering evidence — to fill in the information gaps.

Kherson residents have reported that the tempo of strikes has increased, while electricity blackouts have grown

more frequent, and it has become harder to connect with the outside world through the internet or by phone.

The offensive may also not succeed. The Russian troops, some of them crack paratroopers, are dug in and Ukraine lacks the heavy weaponry to push them out quickly.

"The fact we've not taken Kherson yet does not mean that the operation in the south has stalled or failed," Oleksiy Arstovych, an adviser in President Volodymyr Zelenskyy's administration, said in a post on the Telegram social media app on Thursday evening.

Amid such uncertainty, daily life in Kherson has continued. The academic term began this week in those schools that are still operating, although one difference this year was that the Russian anthem was sung before class.

Locals swim in the Dnipro river, pausing when an explosion goes off to see where the smoke is. Household chores are completed, food is bought in the local market, and the homes of relatives and friends are visited to check if they have

been ransacked by Russian soldiers. Everyone scours Telegram — the closest equivalent to an independent newspaper — for whatever information about the war they can find.

The Kremlin has pledged it will never abandon the newly occupied territories of Ukraine. It has introduced Russian passports, pensions and the rouble to Kherson, although mostly in unworkable high-denomination rouble bills that are difficult to change.

Moscow has said it planned to formally annex the area through a referendum, as it did after invading Crimea in 2014, and Kherson's streets are plastered with posters declaring "Kherson is a Russian city".

Another new feature is the vodka stands that have appeared on city streets, according to one resident. "The self-proclaimed government just wants to make the population drunk," she said.

Additional reporting by Roman Olearchyk in Kyiv
See Opinion and Notebook

Death of a statesman

Putin dismantles 'naive' Gorbachev's legacy of freedoms

POLINA IVANOVA — BERLIN
MAX SEDDON — RIGA

A theatrical retelling of the life of the last Soviet leader, Mikhail Gorbachev became a smash hit in Moscow in late 2020, as crowds flocked to attend a play that spoke of a need for freedom and democracy in Russia and an end to authoritarianism.

said that, in Putin's mind, he was simply correcting Gorbachev's mistakes. "Putin thinks Gorbachev was too naive with the west and allowed the Soviet Union to collapse. He thinks a smarter, stronger, tougher geopolitical line could have stopped it," she said.

He viewed Gorbachev as a "weak politician who could not prevent the 'catastrophe', as Putin has described the Soviet Union's collapse, she said. "For

pressured to retract antiwar comments. The fate of the pair who took the roles of Gorbachev and his wife in the 2020 production underscore this.

Evgeny Mironov, who played Gorbachev, signed a letter opposing the invasion soon after it began. But a few months later, he was visiting Mariupol, the Ukrainian city devastated by the war, in the company of Andrei Turchak, head of Putin's ruling United Russia

pan Khamatova, has had to leave Russia since the invasion. Speaking this week from exile in Latvia, she lauded Gorbachev as a "pacifist" who ended the war in Afghanistan and brought freedoms to the Soviet Union.

But many others in Russia condemn Gorbachev for shredding the country's great power status and allowing the Soviet Union to collapse.

On state media, the pro Putin report

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watched from the audience as two of the country's best-known actors played him and his beloved wife Raisa.

Now, following his death this week at the age of 91, the production seems like part of a bygone era. Not just to the heady days of perestroika in the 1980s, when Gorbachev rolled back decades of Soviet repression, but to even recent times before President Vladimir Putin stopped tolerating even the mildest forms of criticism.

The Ukraine war has underscored just how far Putin has gone in dismantling Gorbachev's legacy by reversing the freedoms he introduced and nursing historical grievances about the Soviet collapse.

PUTIN THIS IS YET ANOTHER event that shows he is on the right side of history," Putin paid his respects on Thursday as Gorbachev lay in state at Moscow's Central Clinical hospital, but he will not attend the late premier's funeral today because of a scheduling conflict, according to the Kremlin.

Gorbachev, seriously ill in recent months, made no public comments about the war in Ukraine but deplored it privately, his longtime interpreter and a radio editor close to him have said.

Such trips reinforce the Kremlin message that it was a "liberator" rather than destroyer and occupier.

The actress who played Raisa, Chul-



Breaking barriers: Mikhail Gorbachev and his wife Raisa in Tokyo in 1992

for Gorbachev's office has barely concealed resentment for his legacy. "In six years he destroyed our homeland and betrayed the whole socialist camp," said Vladimir Soloviev, one of the main state television anchors. "Did he realise what he was doing? No, he didn't."

Khamatova insisted that the liberties introduced by Gorbachev could never be truly taken away.

"The biggest treasure he gave us is all the freedoms," she told TV Rain, an independent Russian news station also exiled to Latvia. "Freedom of movement, of speech, of sexual orientation, of religious belief — you can't take them away. People developed a certain immunity to unfreedom and to lies."

INTERNATIONAL

Europe schools hit by staffing crisis at start of academic year

Class sizes are rising as low pay and burnout take their toll on teachers

ANDREW JACK AND FEDERICA COCCO LONDON

Schools across Europe are facing a staffing crisis, with authorities cutting learning hours, increasing class sizes and lowering recruitment standards as they struggle to fill tens of thousands of vacant teaching posts at the start of the new academic year, analysis by the Financial Times shows.

Teaching unions warn low pay and burnout caused by a range of factors, including fallout from the Covid-19 pandemic and stringent government oversight, are prompting thousands of staff to retire early or quit. Meanwhile the profession is struggling to attract new entrants.

In five countries alone — Germany, Hungary, Poland, Austria and France — more than 80,000 teaching positions remain unfilled, according to government and teaching union estimates. Unions warn education quality will be eroded as a result.

Europe's schools are also providing classes for large numbers of students whose families have fled the war in Ukraine, adding to the demand on resources. Poland expects as many as 400,000 Ukrainian children to join its schools in the new academic year, the government estimates.

In France, more than 4,000 of 27,500 new posts remain unfilled, the education ministry says. Starting salaries for primary schoolteachers rank 20th across the 38-member OECD club of industrialised nations. President Emmanuel Macron has pledged a pay

rise of about 10 per cent to ensure a minimum entry-level net salary of €2,000 a month, a measure that would need parliamentary approval.

In Germany, where unions estimate the country has a shortage of up to 40,000 teachers in a total workforce of 800,000, education union Erziehung und Wissenschaft (GEW) last month warned of an emergency in schools, which are filling vacancies with staff who are not fully trained. In the city of Gelsenkirchen, lessons have been cut by an hour a week in all primary schools because of staff shortages.

Udo Beckman, head of the VBE teachers' association, said: "Lessons are being cancelled right at the start of the school year, classes are bigger, support for special needs is being slashed, the school timetable is being shortened."

Italy's education ministry announced in July it was hiring 94,000 teachers over the summer. However, unions warned only half had been recruited by the start of the school year.

Austrian authorities estimate the country has a shortfall of up to 1,500 teachers, with too few new staff hired over the past decade.

Even Finland, regularly lauded by the OECD as one of the best-performing school systems in the world, is experiencing shortages.

Michael Gillespie, general secretary of the Teachers' Union of Ireland, said a combination of part-time contracts and Ireland's chronic housing shortage was driving many young teachers to move abroad or quit. "We're hearing of jobs



Australia Immigration cap lifted by a fifth amid dearth of workers

Australia has raised its permanent immigration intake by more than a fifth to almost 200,000 this year in an effort to address a crippling labour shortage and ease dependence on lower-paid temporary workers.

The unemployment rate hit a near 50-year low of 3.4 per cent in July after the end of coronavirus restrictions. The economy is expected to expand 3.25 per cent this year, according to the Reserve Bank of Australia, before the growth rate slows in 2023.

But acute labour shortages have left many businesses unable to find staff. Home affairs minister Clare O'Neil said Australia was in a "global war for talent". The new migration places will focus on roles in nursing, engineering, technology and the rural workforce.

Nic Fildes, Sydney

that were applied over the summer but no one applied," he said.

Hungary's FDSZ teachers' union estimates there are 16,000 vacancies in the country's teaching workforce of 117,000, partly because starting salaries are among the lowest in the EU.

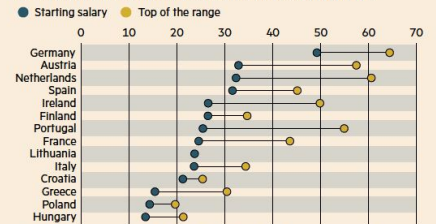
Opposition critics and education experts also say the ruling Fidesz party has implemented heavy-handed policies. They include a government-mandated school curriculum that they argue overloads students, controls on inclusion and diversity teaching, and a nationalist focus.

In Poland, the ZNP union estimates the country has a shortfall of 20,000 teachers, with the pressure increased by a surge in student numbers that include Ukrainian refugees. The union is seeking a 20 per cent pay rise for all teachers and threatening strike action.

Ian Hartwright, senior policy adviser at the National Association of Head Teachers in the UK, pointed to surveys showing 30 per cent of England's teach-

Teacher salaries in Europe

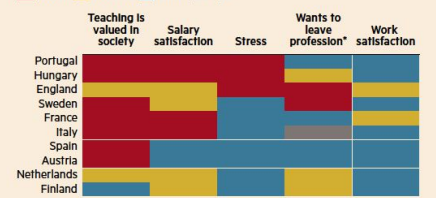
Annual primary teacher salary in purchasing power terms, 2021 (€'000)



Teachers are satisfied with their jobs but less so with salaries

Performance rating

Worst Medium Best N/A



* Teachers aged under 50 Sources: European Commission; OECD (Data from 2018)

ers planned to quit within five years of starting their careers.

Hartwright, a governor at a primary school that has undergone three recruitment rounds in an effort to find a new head, said provisional data showed only 22,580 trainee teachers had been recruited in England for 2022-23, against a target of 32,600.

"The leadership pipeline is broken and fractured at all stages. Dissatisfaction is rising because of the impact of the pandemic, a crushing workload, growing accountability and an inspection system in which a poor report is career-ending," he said.

David Edwards, general secretary of Education International, a federation of teachers' unions, said: "Everyone is very concerned about shortages [in Europe and elsewhere]. It's a real crisis." Additional reporting by Guy Chazan in Berlin, Marton Dunai in Budapest, Raphael Minder in Warsaw, Akila Quinio in Paris, Silvia Sciorilli Borrelli in Milan, Sam Jones in Zurich and Jude Webber in Dublin



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INTERNATIONAL

Latin America

Argentina political unease rises in wake of assassination attempt



Targeted: vice-president Cristina Fernández de Kirchner has a gun pointed at her as she arrives at her home in Buenos Aires on Thursday — TV PublicAffairs/Getty Images

Attempted murder of vice-president expected to further polarise nation

MICHAEL STOTT — LONDON
LUCINDA ELLIOTT — SANTIAGO
 Political tensions have soared in Argentina after a failed assassination attempt on vice-president Cristina Fernández de Kirchner, who escaped unhurt after a man pointed a loaded gun at her head that failed to fire.

Authorities yesterday were investigating whether the alleged attacker, a Brazilian national who was arrested after the attempt on the vice-president's life on Thursday evening outside her residence, had acted alone.

As messages of shock and outrage poured in from around the world after the attack on the fiery left-winger, one of Latin America's best-known politicians, President Alberto Fernández declared yesterday a national holiday to allow expressions of solidarity.

US secretary of state Antony Blinken condemned the assassination attempt, saying that America stood "with the

Argentine government and people in rejecting violence and hate". Pope Francis, who is from Argentina, said he wished "to express my solidarity and closeness in this delicate moment".

The attack has further polarised Argentina, which is reeling from an economic crisis and bitter political infighting ahead of presidential and congressional elections next year, which the ruling Peronists are expected to lose. Inflation is expected to hit 90 per cent this year and the value of the peso has dropped on the black market.

Fernando André Sabag Montiel, a 35-year-old Brazilian national, was named by a security ministry official yesterday in connection with the crime.

Social media accounts of the alleged gunman showed he had followed extremist groups associated with hate speech, including one denouncing "satanic communism", local media reported.

Video footage on Thursday showed a pistol being pointed from a crowd at Fernández de Kirchner's face at close range and the trigger being squeezed as she emerged from a car outside the

apartment building where she lives in the suburb of Recoleta.

Fernández de Kirchner attempted to duck and clutched at her head as bystanders pushed the would-be assassin away. The gun has since been identified as a locally made .52-calibre Bersa, officials said.

Miguel Angel Pichetto, a prominent lawmaker in Argentina, called for an

'It is the most serious thing which has happened since we recovered our democracy'

investigation into how the attacker was able to approach Fernández de Kirchner at such close range and push through her security personnel.

"Cristina is still alive because, for some reason, the gun which was loaded with five bullets did not fire, despite the trigger being pulled," President Fernández said in an emergency television broadcast on Thursday. "This is something enormously serious. It is the most

serious thing which has happened since we recovered our democracy."

Mariano Machado, principal Latin America analyst at risk intelligence company Verisk Maplecroft, said the attempted assassination would further polarise an already deeply divided country and could trigger more violence.

The attack reduced the "chances of constructive dialogue within the political class", he said, pointing out that President Fernández had blamed "the opposition, the judiciary and the media for driving the polarisation that culminated in last night's events".

Cristina, as she is universally known in Argentina, is the country's most recognisable political figure and one of its most divisive. A radical left-winger in the ruling Peronist movement who also heads the Senate, she faces multiple prosecutions for corruption over alleged events during her 2007-15 presidency.

A federal prosecutor in one case demanded a 12-year jail sentence for Fernández de Kirchner and a lifetime ban on her holding public office last week.

Midterm elections

Biden makes defence of democracy his vote pitch

JAMES POLITI — WASHINGTON

Joe Biden, in launching a frontal attack this week on the Republican party as a threat to US democracy because of its subservience to Donald Trump, is seeking to portray the opposition as extremist ahead of November's midterm elections.

In a primetime address on Thursday outside Independence Hall in Philadelphia, the US president placed the defence of the rule of law and institutions at the heart of his pitch to voters, saying they were being threatened by the former president and his allies.

Biden directly referred to Trump's "Make America Great Again" movement and its supporters as a menacing force in the country's politics.

"There's no question the Republican party today is dominated, driven and intimidated by Donald Trump and the Maga Republicans — and that is a threat to this country," Biden said against an ominous backdrop of dark red lighting with two US Marines standing guard.

"Maga Republicans do not respect the constitution. They do not believe in the rule of law, they do not recognise the will of the people. They refuse to accept the results of a free election," he said, adding that "too much of what's happening in our country today is not normal".

Biden's criticism of Trump and Republicans beholden to the former president comes after the 79-year-old president vowed to unite the country after the 2020 election, and managed to strike bipartisan deals with conservative lawmakers on infrastructure, gun control and chip subsidies during his first two years in office.

But it reflects growing alarm among Democrats that Trump's grip on the Republican party has continued to grow. Many Republican lawmakers have embraced denial of the 2020 election results, played down the January 6 2021 assault on the US Capitol and attacked the FBI for searching the former president's Florida estate as part of an investigation into his handling of classified documents.

"For a long time, we've reassured ourselves that American democracy is guaranteed. But it is not. We have to defend it. Protect it. Stand up for it. Each and every one of us," Biden said.

The speech's theme highlighted the extent to which the White House and Democrats are pinning their hopes of retaining control of the House and Senate in the midterm elections by drawing sharp contrasts with Trump and his Republican allies, a formula that worked for Biden in 2020. Many Trump-backed candidates have prevailed in

Republican primary races and are challenging Democrats for seats in Congress.

In May, Biden referred to the Republican party as the "most extreme political organisation" in recent US history, and last week said Trump's allies and supporters had embraced "semi-fascism".

Democrats have been trailing Republicans politically for most of the year. Biden has been suffering low approval ratings on voter dissatisfaction with high inflation and soaring petrol prices.

But the party has recently regained some of its footing after the Supreme Court's rollback of abortion rights, which has energised the Democratic base. Legislative wins, including passage of Biden's flagship climate, tax and healthcare bill and the fallout from the many legal challenges Trump is facing, particularly the inquiry into his handling of classified documents, have added to Democrats' momentum.

Biden said: "Maga forces are determined to take this country backwards.

'For a long time, we've reassured ourselves that American democracy is guaranteed. But it is not'

Backwards to an America where there is no right to choose, no right to privacy, no right to contraception, no right to marry who you love."

Republicans reacted scathingly to the speech. "Instead of trying to bring our country together to solve the many problems he has created, President Biden has chosen to divide, demean, and disparage his fellow Americans, simply because they disagree with his policies," Kevin McCarthy, the Republican leader in the House, tweeted.

But a Quinnipiac university poll on Wednesday showed 67 per cent of Americans thought the nation's democracy was in "danger of collapse", a 9 per cent jump compared with earlier this year, suggesting the issue resonates with many voters.

"Vote for me and prosperity, or Trump and fascism . . . that's the angle Biden is working on," said Mark Rom, a political-science professor with Georgetown University. "It's . . . one thing after another with Trump."

"It is sort of a rare, bipartisan issue that Biden's going to try to leverage to see if he can use that against the Republicans," said Miles Coleman of the University of Virginia's centre for politics. "Really putting the focus on democracy is maybe one way that the Democrats are trying to convince voters to stick with the devil that they know."

Social contract

Push for new constitution exposes Chile's divisions

LUCINDA ELLIOTT — SANTIAGO

Two years ago, when Chile began the process of drawing up a new constitution to replace its dictatorship-era charter, proponents hoped it would usher in an era of togetherness.

But as the country prepares to vote

and a sharp slowdown in a country that has long prided itself on having Latin America's most stable economy. Bankers predict that Chile will enter a technical recession in the second half of 2022.

Robert Funk, a political scientist, said that while the 2019 protests centred on social policy and demands for equality,

Scandinavia. Elections

Sweden playground shooting shapes voter concerns

Violence prompts tougher tone from centre-left PM on law and order and migration

about in the papers and is something you experience. You couldn't have a clearer symbol of how Sweden has changed."

Crime and the shootings have dominated both the electoral debate and the itineraries of party leaders. A play-

the focus on crime, having long warned that the country's open immigration policies up until 2015 would lead to growing violence. The rise in shootings has been linked to turf wars between drug gangs founded by immigrants.

The Sweden Democrats are the larg-

years ago as a police officer, looking at the names of those arrested and seeing immigrant names over-represented.

"For many years it wasn't taken seriously by politicians or the media," he said, pointing to growing parallel societies and local versions of sharia, or

Swedes have become all too familiar with gun violence. But the shooting of a mother and her child at a playground in central Sweden last week has provided an even more shocking backdrop to the country's parliamentary elections on September 11.

"It's getting worse and worse in terms of violent crimes. It worries people," said Torsten Elofsson, a former Malmö police chief who is now a candidate for the centre-right Christian Democrats.

"It used to be just Stockholm, Gothenburg and Malmö," he continued, referring to Sweden's three big cities. "Now you see it in small towns across Sweden. It's getting closer and closer to where most people live."

In the past decade, Sweden has gone from having one of the lowest per capita rates of fatal shootings in Europe to the highest, according to the Swedish National Council for Crime Prevention. This year is on track to be a record for fatal shootings with 44 deaths by mid-August, not far off the previous peak of 47 in 2020.

Law and order, once dismissed as a gang-on-gang phenomenon confined to the immigrant-heavy poor suburbs, is among the top priorities for Swedish voters, according to polling companies.

Nicholas Aylott, associate professor at Södertörn University, said he recently read of a 17-year-old shot dead near Stockholm, only to find out the victim was a friend of his son who had previously visited his home.

"It's unbelievable, but in a way inevitable. It stops being something you read

ground in Eskilstuna, a town of just over 100,000, has become the centre of focus after the shooting there shocked the nation. Police believe the mother and her five-year-old, both injured in the attack, were caught up in the indiscriminate crossfire of an inter-gang dispute.

The father told the Dagens Nyheter paper: "How can we live in a place where children risk being shot in a playground? There's no safety any more."

The governing Social Democrats, in power for the past eight years, have toughened their rhetoric on law and order and immigration to head off criticism from the rightwing opposition.

"This is an attack on all of society, and so all of society must defend itself," said centre-left prime minister Magdalena Andersson during a visit to Eskilstuna this week.

But it is the nationalist Sweden Democrats who appear to be benefiting from

est opposition party in opinion polls, with 22 per cent of support versus 17 per cent for the more mainstream Moderates, according to the latest Ipsos numbers. The Social Democrats are the largest party with 28 per cent.

"We've had a Social Democrat government for eight years and they've promised to crack down on the gangs, but it's just got worse," said Jimmie Åkesson, Sweden Democrat leader, as he too visited the playground this week.

In Malmö in the south, many of modern Sweden's dynamics are on display. The centre of trendy bars and restaurants attracts an international crowd, many of whom work for start-ups in the city or the nearby Danish capital, Copenhagen. But it is also the entry point for many immigrants, and home to one of the country's most notorious suburbs, Rosengård.

Elofsson said he saw the problem

Islamic law. Police in Rosengård have worked with the community and had some successes in reducing shootings in recent years, before the upturn in 2022.

Glen Sjögren, a veteran officer, said politicians' focus on tougher penalties and more police was too simple, arguing it was not a problem of law enforcement but an issue for society. "To give police more resources is not a solution. The whole society has to say this has to stop. If we're going to have immigration as big as we've had the past few years, we have to be better at integrating."

One issue, he said, was that there was a feeling among many Swedes of "as long as it doesn't happen here", with most of them never having set foot in any of the immigrant suburbs.

At the Emporia shopping centre, not far from the bridge that links Malmö and Copenhagen, one woman said she had "never been to Rosengård, and I hope I never will". Two days later, a man was shot dead at the same mall.

Andersson has recently changed her tone, warning that Sweden should not have Chinatowns, Little Italies or "Somalitanes". Her blunt language has upset many in her party used to being warmer towards immigrants. "If we continue with this rhetoric I don't know I can carry on in the party," said one activist in Stockholm, calling for better welfare and schools for immigrants.

But for Elofsson and many rightwing politicians, the situation is urgent: "If your house is burning, you call the fire brigade. Only when the fire is out can you work on prevention."

tomorrow on whether to adopt the proposed social contract, a sharp economic downturn coupled with disinformation, disillusionment and sometimes violent street campaigns have cast a pall over the process that every poll indicates will be rejected.

"In the beginning, there was big support for change but the new text is not encouraging people to come out in support," said José Antonio Cousiño, 75, a former civil servant who lived through the dictatorship of Augusto Pinochet. He said he would vote against the new constitution, saying it was "utopian" and tilted too far to the left.

Tomorrow's plebiscite, the first mandatory poll in Chile for a decade, will decide the fate of the proposed 388-article constitution that puts environmental and indigenous rights at its heart and places wide-ranging responsibilities on the state. Many Chileans view the current charter as illegitimate because it was drawn up during the military dictatorship that ended in 1990, although it has been heavily amended since.

The idea of a new Chilean constitution was born from a wave of public anger that boiled over in 2019 in mass demonstrations over rising inequality and the parlous state of public services. A 154-member assembly was elected in a vote the following year to draft the new text.

But the constitutional assembly has been criticised for not being representative. It is dominated by the left and many who stood as independents turned out to be radical activists. Congress is evenly split between left and right.

The vote comes amid record inflation

the constitutional rewrite has focused instead on identity aspects, regionalism and the environment. "People are now reacting to that... for a lot of Chileans it feels like certain groups have been given priority treatment," he said.

The latest opinion polls suggest that the number of people who said they were against the new text has risen to 57 per cent, with 43 per cent in favour, according to Pulso Ciudadano. About 15mm people are eligible to vote.

The new constitution shifts power to the state when it comes to the provision of services and grants far-reaching environmental and social rights across education, health and housing. It defines Chile as a "plurinational, intercultural, regional and ecological" state and offers constitutional recognition to indigenous peoples, who make up about 13 per cent of the population.

But its promise of autonomous territories with their own justice systems has alarmed many citizens, including some from within the indigenous community, who fear legal injustice and a threat to national unity.

The document has also scared business and foreign investors, who warned that its sweeping provisions and vague drafting would undermine property rights in a mining-dependent economy and lead to years of legal challenges.

Gabriel Boric, Chile's 36-year-old president whose leftwing coalition has championed the reform process, has called for unity. "Regardless of the result, we must not lose sight that we'll continue building a country for everyone," he said this week.



Fatal attack: the Emporia shopping centre, Malmö — Johan Nilsson/TT News/AF/Getty Images

FT BIG READ. REMOTE WORK

Some companies are making a big push to bring employees back to their desks at the end of summer. But they could be fighting a losing battle, especially as many are grappling with the cost of living crisis.

By Anjli Raval and Andrew Edgecliffe-Johnson

Goldman Sachs boss David Solomon has long been a critic of homeworking, describing the pandemic-related shift once as "an aberration". This week he called time on the practice, scrapping most of the bank's remaining Covid-19 restrictions for US employees in a bid to get as many as possible back into the office.

For more than two years companies around the world embraced remote work and hybrid home-office arrangements as infections surged and the death toll escalated.

But as summer comes to an end in North America and Europe, some of the biggest companies are making a concerted push to get people to return to the office. They range from electric carmaker Tesla, whose boss Elon Musk has demanded employees to be back at their desks 40 hours a week, to tech giant Apple and fitness company Peloton, which are both pushing for at least three days a week.

It is not the first time business has tried to reverse the shift to homeworking. In the autumn of 2021, and even 2020, companies developed plans for a comeback to eerie office buildings, only for new waves of infections to leave managers wary of butting heads with staff in an intensely fragile time.

This year is different, however. With people generally less fearful of virus spread, many bosses believe conditions are now as close as they are likely to get to pre-pandemic times. With US Labor Day approaching and school terms starting across Europe, some executives are getting impatient and are taking a harder line.

According to one executive headhunter, business leaders are experiencing "do-gooder fatigue" — in reaction, in part, to the focus on employee wellbeing during the pandemic. "The feeling is, we need to get back to business."

This could, however, lead to confrontations with staff who have grown used to remote working, have different expectations about work-life balance and are weighing up the costs of going back to the office as inflation surges.

"People want to come into the office to socialise, see friends and go to cultural events. But, for work, many people will say they can do it better at home," says Ann Francke, chief executive of the Chartered Management Institute, a professional body in the UK. "The pandemic forced people to ask... 'Do we really need to organise work in this way?'" she adds. "This irks CEOs."

That makes the coming weeks a critical moment for the future of the office — but also for all the industries that revolve around office workers, from the commercial property sector to sandwich shops and gyms.

"Hybrid work is here to stay," Enrique Lores, chief executive of HP, which sells printers and laptops, said last week. The expected recovery in the company's



As employees return to the office, some are asking employers to offset commuting costs. Below: some companies are encouraging dog owners to bring their pets to work so they do not have to pay for dog walkers — FT

Image: Getty Images

bare on Blind, the anonymous professional network. "If they're forcing us to commute, shouldn't they offset costs for us?" wrote one person posting about their company's return-to-work policy. A second questioned the legality of mandates to push office working. "What happens if you refuse to return to office?" asked another.

The three-day model Since the start of the pandemic, how someone chooses to work has been a personal decision for many office workers. Even for those chief executives who are not desperate to get everyone back into an office, the coming weeks are an opportunity to lay out what the future pattern of work will look like.

Some chief executives have emphasised the importance of face-to-face interaction for team work, company

have given about why the office is important have been vague. Stephan Scholl, chief executive of Alight Solutions, a cloud-based technology and services provider, says he had been reluctant to make office days compulsory. "If you ask for three days a week, you need to be able to explain why. To what end? This is what is frustrating about some of my peers."

"There is not one right way of working," says Ethan Bernstein, an organisational behaviour expert at Harvard Business School. When everyone had to work at home full time it was easy for managers, as there was no other option. It is the hybrid model that is proving more difficult because of the endless ways work can take place.

"This is a moment, yes, in trying to define what hybrid means," he says. However, as there is little data to help

back to an empty building, so we need to have a critical mass present." In the early stages of the pandemic, bosses focused on physical wellbeing, mental health and flexibility at work so employees could tend to the demands of sick relatives and home-schooling.

Then, after the rollout of vaccines, many tried to persuade workers back by offering perks — from free lunches and Uber rides to after-work drinks events, massages and employee discounts for local retailers. Goldman laid on afternoon concerts for its staff.

Envoy, a San Francisco workplace platform, now offers a shuttle service, a carpool programme and a \$200 monthly commuting subsidy to persuade employees to come in for its desired three days a week. In the office, there are free bagel and fruit breakfasts, "snacks everywhere" and a happy hour

ity bias is real," she says, "and it's only going to get worse in the next six to 12 months".

The domino effect

Among the industries that depend heavily on filled corporate buildings, executives are watching the next few weeks closely, but many are cautious about predicting a surge in returning staff — especially after some made similar forecasts at the same time last year.

Sweetgreen, the US salad chain which has two-thirds of its outlets in urban areas, has planned "a slower than expected return to office and an erratic urban recovery" as it cut its full-year sales forecast. Traffic to stores such as its branch at the World Trade Center should pick up after Labor Day, says chief financial officer Mitch Reback, but "we felt that way a year ago, and the world felt that way two years ago".

Huge shifts in office rents, occupancy and leases have already had a huge effect on office building cash flows, say academics from the NYU Stern School of Business and Columbia Business School. The one-third fall in the value of New York office buildings in the first year of the pandemic heralds a longer-term "office real estate apocalypse"



Tesla boss Elon Musk has demanded employees to be back at their desks 40 hours a week

equating to a \$50bn cut to the value of New York's offices and a \$500bn blow to the industry nationwide.

Google's Community Mobility Report, which charts movement trends across places such as offices, clothes shops, Tube stations, pharmacies and supermarkets found that compared with pre-pandemic levels, retail and recreation footfall was still down 26 per cent in the City of London.

Yet despite the growing pressure from some bosses, many office workers seem to show little appetite for abandoning new ways of living they are rather enjoying. They are more available to their families, have eliminated hours of travel and found new freedoms through distance from their line managers.

Advanced Workplace Associates's most recent global hybrid working report, representing nearly 80,000 employees across 80 offices in 13 countries, showed that on an average day two-thirds of desks are unused and just over a quarter of people are coming into the offices, with the attendance figure dropping to 12 per cent on Fridays.

In the US, a Gallup poll suggests only 22 per cent of the employees surveyed who could work remotely are currently on site for most of the week and more than 90 per cent have no desire to return to full-time office work. Strikingly, the percentage of those currently on site

I don't know any company

commercial revenues had been hit by the slower-than-expected return to workplaces and it now expects the office market to recover to only 80 per cent of its pre-pandemic size.

"I don't know any company that has decided, or convinced their employees, that they need to be back in the office five days per week, every week of the month."

For some employees — especially the less well paid — the pressure to return is also now wrapped up in the cost-of-living issues that many are grappling with, from higher energy bills if they stay at home to the expense of travelling to and from the office and childcare.

The conundrum for workers was laid



culture and junior employee training. But in many cases the explanations they

companies chart a path, that often means the preferences of some — likely senior — staff will drive how a corporation behaves.

Amanda Cusdin, chief people officer at software group Sage, says that "human connection is still the most important thing" in many workplaces, especially for the 2,000 people the company recruited during lockdown who wanted to build connections.

The company has decided on a hybrid working model where each team determines the days they are in the office and staff are generally positive that they do not have to work five days a week in the office, she says. "At the same time, no one wants to come

once a month, says Annette Reavis, Envoy's chief people officer, adding that dog owners are encouraged to bring their pets to work so they do not have to pay for dog walkers. "We're trying to remove some of that financial burden," she says, "but also build community."

However, while some employers continue to prioritise benefits, others are taking a harder-nosed approach, which is coinciding with new budgetary constraints as companies prepare for a potential economic downturn.

Even Reavis acknowledges that those who remain at home should be thinking about the risk that managers are more likely to offer promotions or pay rises to the people closest to them. "Proxim-

ity that has decided, or convinced their employees, that they need to be back in the office five days per week, every week'

who want to work exclusively from home has doubled since October 2021. Some employers have already embraced the new reality by advertising fully virtual jobs or even opening satellite offices to meet now-distributed workforces.

Industry observers say forcing people back to the office is a fruitless endeavour. The world has changed and companies need to adapt if they seek to retain talent in a tight labour market, particularly in the US and UK, that, for now, will support them if they walk away.

"Employees will just say no," says Francke. "They know flexible working works and they will resent you for telling them they need to be at the office."

Additional reporting by Joshua Franklin

My memories of Gorbachev in the 1980s

His aversion to violence and his decency helped make Russia freer than at any time in its modern history, writes *Tony Barber*

Mikhail Gorbachev wasn't the most impressive Russian I have met. That was Andrei Sakharov, the dissident nuclear physicist who campaigned bravely and tirelessly for human rights in the Soviet Union. Yet I would never have had the opportunity to know Sakharov, who died in 1989, if Gorbachev had not freed him from internal exile three years earlier.

The greatness of Gorbachev, who died on Tuesday, consisted in such acts. Under his rule, which lasted less than seven years, Russia became freer than at any time in its modern history. Without him, central and eastern Europe might have regained its independence at some point, but not as quickly nor as peacefully as the region did in 1989.

When Gorbachev came to power as Soviet communist party leader in March 1985, I was living in Moscow, working for Reuters news agency. Across the vast country of 11 time zones, the prisons and labour camps still held critics of Soviet power, though millions fewer than in Joseph Stalin's time.

Not much changed in Gorbachev's first 18 months in office. The brother of one of my close Russian friends was sentenced in 1986 to three years in a strict-

regime Siberian labour camp for wanting to emigrate rather than do military service. When their father protested in Moscow's Pushkin Square, he was arrested and put in a psychiatric clinic. Sakharov had been banished in 1980 to Gorky, a city then closed to foreigners, for denouncing the Soviet invasion of Afghanistan. Gorbachev ordered his release, thinking Sakharov could assist him in opening up and modernising life in Russia. But Sakharov was much too independent-minded to serve as Gorbachev's cheerleader.

Despite fierce conservative opposition, Sakharov was elected in 1989 to the Congress of People's Deputies, a new legislature set up by Gorbachev. One day, when Sakharov gave a speech proposing radical constitutional reform, Gorbachev, who was presiding over the session, tried to shut him up by turning off his microphone. The microphone, the work of Gorbachev. He never quite adapted to the rough-and-tumble of democratic politics that his own reforms spurred on.

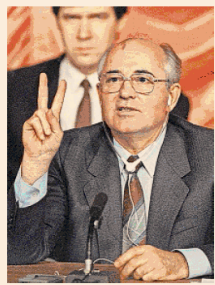
The historian Ronald Grigor Suny once astutely observed that Gorbachev "desired to be both Martin Luther and the Pope, both radical reformer and

preserver of what might be maintained". If success meant keeping the Soviet Union intact while transforming it into a politically free, economically prosperous society, then Gorbachev failed. But it was an honourable failure, because when the Soviet system began to fall apart, he refused to use mass violence to hold it together.

In his early years, his strongest supporters were among the intelligentsia. Readers of the Soviet press, film-goers and television viewers were excited to discover what banned work of literature was now available or what crimes of Stalin were being exposed.

I recall coming across an excerpt from Vladimir Nabokov's memoirs, published for the first time in the Soviet Union — of all places, in an obscure chess magazine. Censorship was still at work; the excerpt omitted a passage in which Nabokov mused about what he called the "mechanical" Soviet method of devising chess problems. Towards the end of Gorbachev's rule, however, nothing was off limits.

Until the late 1980s, Gorbachev displayed skill in outmanoeuvring his opponents. In May 1987 Matthias Rust, a West German teenager, piloted a plane



While he failed to transform the USSR, it was an honourable failure

He had the support of the intelligentsia who were excited to discover what banned work of literature was now available

from Helsinki to Moscow, flying through the vaulted Soviet air defences and landing his Cessna light aircraft on Red Square. Gorbachev exploited the embarrassing incident to sack the Soviet defence minister and reorganise the military command.

I covered Rust's trial in the Soviet Supreme Court, in which he was found guilty of "malicious hooliganism". The fact that some western reporters could attend the trial, conducted in Russian and German, marked the new openness of Gorbachev's time.

As a proponent of economic reform, Gorbachev said much but achieved little. Far-reaching change, while keeping the Soviet power structures intact, was probably impossible. But tinkering with the state-run economy as he did just made matters worse. The Soviet public never forgave him.

Yet in the end we should be grateful that he turned out not to have the "iron teeth" with which Andrei Gromyko credited him when he proposed Gorbachev's election to the party leadership in 1985. If Russia ever again has such a humane, decent and non-violent man as its leader, it will be a fortunate country.

The FT View



FINANCIAL TIMES
"Without fear and without favour"

Tough economic realities await Britain's next leader

If she wins, Truss would need to balance her pledges and economic necessities

The distracting quasi-presidential race to become the UK's next prime minister will, finally, come to an end on Monday. For the winning candidate, the highs of victory will rapidly give way to the reality of the task ahead. The new leader will inherit a fragile economy. Britain is projected to enter a lengthy recession as the energy crisis bites, with real household incomes set for their biggest fall in generations. Inflation is in double digits and forecast to go higher. Meanwhile the country is still struggling to overturn structural weaknesses that have underpinned its lacklustre growth since the 2008 financial crisis.

If the polls are to be believed, the frontrunner, Liz Truss, will beat the former chancellor, Rishi Sunak, and will be handed control of the economy.

Truss's campaign has offered little assurance that she will resolutely help households and businesses weather the current economic storm, let alone navigate longer-term challenges. Her low-tax, small-state agenda has appealed to the Conservative party members who choose the new leader. As prime minister, her priorities will change and she will need to revise her approach.

Her cabinet's first priority will be to cushion the impact of soaring energy costs. Households face an 80 per cent rise in bills from October, while many businesses anticipate at least a fourfold hike. Truss has wavered on providing "handouts", but has considered cutting VAT and suspending green levies. The latter would only tinker at the edges, and both would be poorly targeted. A failure to directly support at least the most vulnerable households and enterprises would be catastrophic for the economy, not to mention her 2024 electoral chances. She will need to spend billions, particularly if gas prices stay high.

While more borrowing will be necessary to handle the immediate crisis, Truss's additional £30bn in promises to reverse increases in National Insurance and the planned corporation tax rise risk undermining the public finances. Public debt stands at about 96 per cent of UK GDP, the highest since the early 1960s. And unlike in the aftermath of both the financial crisis and pandemic — when some called for more borrowing to spur growth — interest rates are now rising too, making debt harder to service. Any fiscal headroom is likely to have shrunk. This means long-term debt dynamics could become unsustainable.

Stretching the public purse will be even harder with other urgent matters. Inflation is further denting health and social care budgets. Meanwhile, support on bills must come with efforts to improve efficiency and accelerate the shift to renewables and nuclear power. The long-term agenda also cannot be ignored. Boosting productivity — and leveling up the economy as promised —

will need commitments on skills and infrastructure, not just tax cuts. Something will have to give. It will be difficult for Truss to reconsider her tax pledges given how central they have been to the campaign. While she has already ruled out levying new taxes, she could at least stagger her corporation tax plan. Significantly pushing up borrowing could also be an option, albeit an irresponsible one, and likely to necessitate higher interest rates. Neglecting the NHS further would cost more lives. Overlooking productivity will mean Truss's admirable ambitions for a high-growth, and ultimately lower tax, economy will remain a pipe dream.

Truss will need to switch from campaigning to governing. That is not a seamless transition in the best of times, let alone during an economic crisis. It will be even harder if Truss stays firmly tethered to her ideologies. Governing requires difficult choices. The more those choices are ignored, the harder they will become.

Opinion Investing

ESG is existentially flawed and must be split in two



Stuart Kirk

in the share price. But trying to tell that to a Dutch pension trustee with an ESG-output focus.

Or consider greenwashing. There is no such thing as an ESG-input context, because sustainability is not the point. You can accuse a fund manager of not considering these inputs to the degree they say they do. But that is just a process issue. Have German regulators ever stormed an office because a value manager bought too many

Many are surprised by the recent ESG backlash. Not me. Popular money-spinners draw ene...

Letters

What schismogenesis can teach us about the woke debate

In Gillian Tett's piece on the culture wars in US university anthropology departments (Magazine, FT Weekend, August 27), she cites an essay titled "Why I'm Leaving the University" by Joseph Manson, until recently a tenured professor of biological anthropology at California's UCLA.

Manson writes that he resigned because "the Woke takeover of higher education has ruined academic life". I don't want to get into the nuts and bolts of the events Manson describes, but, as a retired social anthropologist, I

would like to point to a more nuanced perspective. For some years now, a great many of us — academics, writers, concerned citizens, politicians, voters and just plain folks — appear to have been caught up in an episode of what the anthropologist and cyberneticist, Gregory Bateson, called schismogenesis, the "creation of division" through negative reciprocity.

A does something that adversely affects B. B responds by doing something that adversely affects A, who responds by doing something that

adversely affects B, who responds ... ad infinitum.

In the end we are split between, for example, the racist "far right" and the woke "extreme left", both in large part figments of our imagination.

If we are to de-escalate this schismogenetic process, we must do more than repeat our commitments to free speech. We should eliminate features of our communication system that provide positive reinforcement for schismogenesis such as the "like" button on Facebook and the dark

money political donations permitted by the Citizens United ruling.

We also may want to institute a programme of universal national service for members of our community, well before they get to university, to promote the kind of communication and understanding that Mickey Katzus in his book *The End of Equality* attributes to the draft.

Anthony Carter
Emeritus Professor of Anthropology
University of Rochester
Branchport, NY, US

Even walking the walk leaves a carbon footprint

In "The carbon footprint fixation is getting out of hand" Simon Mundy repeats the old story that the term carbon footprint was invented by BP, partly to deflect attention away from corporate emissions on to those of individuals (Spectrum, August 27).

That doesn't make it useless; in fact, it has crucial benefits. First, it reminds us that for humanity to survive, we all need to consume less. Even in a Utopia of limitless renewable energy, we

minded others, so we don't feel like fools. He is right that a lot of so-called environmental, social and governance investing is greenwash; he doesn't even mention the real iniquity of "offsetting", a rigid "reducers" market that does nothing to reduce emissions and often takes a vast percentage in fees before anything reaches the supposed beneficiaries.

But while we wait — and campaign — for pension funds, investors and industry to mend their ways, those of us who believe in walking the walk will continue to do the right thing.

when asked to write a document.

Be warned though, if tempted to use this technique. Bartleby eventually "preferred not to eat" and died of starvation in prison!

Wendy Lee
Grissan, Aude, France

Gertrude Stein's word games take some beating

Reading your article on the language of *The Simpsons* TV show ("A language for my generation", Spectrum, FT Weekend, August 27) reminded me of

"Tolkien fan name-checks non-binary tree-huggers"

Stephen Bush wrote an exemplary Weekend Essay on why JRR Tolkien's *The Lord of the Rings* inspires such fanish devotion ("Rule of the Rings", Life & Arts, August 27), pointing out many facts I did not know.

I read *The Hobbit* as a young boy. *The Lord of the Rings* trilogy was rather daunting for a 12-year-old. But Tolkien's world-building still sticks with me — on a par with the works of the American science fiction writer

times and worminess is rarely a shield. Even Mother Teresa copped it now and then. The timing is right too. War, inflation and wobbly markets have pushed ESG down the agenda. Booming energy and sagging tech shares have left it vulnerable. Here were the dissenters before, you might ask?

Still, it is welcome that questioning ESG is now tolerated. Too late for some. I've received hundreds of messages since my infamous Moral Money speech from others thrown under an electric bus for putting their hands up. I'm pro-ESG, as it happens. But I have long argued it has an existential defect. Fix this and ESG can thrive.

The flaw is that ESG has carried two

It has carried dual meanings from birth and regulators have never disentangled them

meanings from birth. Regulators have never bothered disentangling them, so the whole industry speaks and behaves at cross purposes. One meaning is how portfolio managers, analysts and data companies have understood ESG investing for years. That is: "taking environmental, social and governance issues into account when trying to assess the potential risk-adjusted returns of an asset." Most funds are ESG on this basis. Weather, corporate culture or poor governance always influence valuations.

But this approach is very different to investing in "ethical" or "green" or "sustainable" assets. And this second meaning is how most people think of ESG — trying to do the right thing with their money. They prefer a company that doesn't burn coal, eschews nepotism and has diverse senior executives.

Two completely different meanings then. One considers E, S and G as inputs into an investment process, the other as outputs — or goals — to maximise. This conflict leads to myriad misunderstandings.

In an ESG-input world, for example, it is OK to own a polluting Japanese manufacturer with terrible governance if these risks are considered less material than other drivers of returns. Ditto if they are already discounted

grown stocks? No. Likewise it is unfair to accuse ESG-output funds of greenwashing. That is because there is no agreed measure for "green". New fund passports in Europe supposedly tell investors what percentage of a portfolio's assets are sustainable. But everyone has calculated this differently. Is an oil company always "unsustainable"? What if 30 per cent of its revenues are from renewables? What about 60 per cent?

Fund reporting is also a nonsense when ESG has two meanings. Asset managers are constantly asked to show that their ESG portfolios have a better average ESG score than the index. But for funds where ESG is just an input, any score without reference to valuation is meaningless. After a huge sell-off in stocks with bad ESG ratings, you probably want loads of them if they're cheap enough.

As for ESG-output funds, their reports have the wrong numbers anyway. Almost all portfolios are still measured against input indices, such as MSCI, even if holdings are chosen on an output basis. Very few clients I met in my previous role understood this — and yet these reports are the basis by which funds are chosen.

The only solution to these problems is to split ESG in two. A designated range of ESG-input funds would dissolve the most common complaints. Of course they underperform sometimes; all active management does. As for Elon Musk's moaning about inconsistent scores? It's no different for earnings forecasts.

None of the above applies to ESG-output funds, however. Here the industry must be honest about the trade-off between returns and "doing good". And it cannot be left to index providers to rate "goodness". Investors can disagree whether a future carbon tax will hurt car company profits, but everyone should have the same emissions numbers. Standardised scores are a regulatory priority.

A bright future for both forms of ESG is possible. Each makes sense on its own terms. Keep confining the two, however, and large areas of the ESG landscape will not make sense, nor can the necessary debate occur for the industry to advance.

The writer is a former head of responsible investment at HSBC Asset Management and previous editor of Lex

or immense renewable energy, we cannot continue extracting more from the Earth than it can restore, or extinguishing species at current rates.

It also usefully reminds us that we are not all equal consumers: the wealthiest 10 per cent of the world's population generate 50 per cent of emissions, and in the UK, 15 per cent of people take 70 per cent of flights, while half of us don't fly at all.

But crucially, it also addresses those very feelings of impotence and despair Mundy cites among the young. Individual action leads by example; it gives us credibility; it leads to a new normal, and it connects us with like-

continue to do the right thing. **Sheila Hayman** *Advisory Council, Minderoo Centre for Technology & Democracy, Cambridge, UK Artist in Residence 2020-21, Potsdam Institute for Climate Impact Research*

Remember Bartleby's fate before you quit the rat race

John Gapper's advice (Opinion, FT Weekend, August 27) is if you want to get out of the rat race be a "quiet quitter" and go slow.

He bases his idea on Herman Melville's 1855 short story *Bartleby, the Scrivener* who just "preferred not to",

weekend, August 27) reminds me of what Gertrude Stein once said of Oakland, California, referring to her former hometown as "there is no there". What was the there, that was no longer there? Was it loss of community identity and sense of place, or just lost childhood?

Stein, who died in 1946, lived in a world that, although seriously troubled, still had its rituals and values for ordered communities.

She would likely call the world today an atomised everywhere with no there anywhere.

Reiner Jaakson *Oakville, ON, Canada*

the American science icon writer Ursula K Le Guin. However, if I may point out, excluding the Ents from the infographic was discriminatory towards non-binary tree-huggers.

Raj Seth *Hong Kong*

Correction

Antony Gormley's "Angel of the North" near Gateshead in England was produced in collaboration with industries of the north-east, not the north-west as wrongly stated in an article on August 27.

Putin propaganda just took an exceptionally strange turn

Notebook

by Gillian Tett



In recent days, the phrase "winter is coming" has been haunting me. That is partly because, like millions of others, I have started watching *House of the Dragon*, the prequel to *Game of Thrones*, which had these ominous words as its tagline.

But there is a second reason. I watched a video on YouTube that aims to persuade English-speaking viewers to move to Putin's Russia because, well, "winter is coming". The 55-second film makes its pitch by highlighting the alleged attractions of Putin's country. "Delicious cuisine, beautiful women, cheap gas, rich history, fertile soil, cheap electricity, ballet, cheap taxi," a voice solemnly notes as images, including several of beautiful women, flash past.

That's not all. Traditional values, Christianity, "no cancel culture" and vodka are all trumpeted, along with an "economy that can withstand thousands of sanctions". The bizarre video triumphantly concludes that it's time to move to Russia without delay. It might just be a jokey reference to *Game of Thrones*, but it has also been interpreted as a thinly veiled threat. Get out now and move to Russia, it seems to say, before Moscow targets the west in some way.

The video is remarkable for more than brazen poor taste (the image accompanying the words "Russian literature" is of Nikolai Gogol, the 19th-century Ukrainian-Russian writer). My first instinct was that it must be a parody, yet its promotion on social media by several Russian

embassies suggests otherwise. There is no official explanation from Moscow, though a fact-checking website run by Voice of America, the US state-funded broadcaster, says that a pro-Russian Telegram channel has taken credit for producing the video.

Apart from trolling the rest of the world, does this exercise have a point? There is little evidence the video will work in the sense of luring westerners to Russia. Few Americans are likely to follow the path of the Hollywood film star Steven Seagal, who has noisily embraced Russian citizenship and recently visited a bombed prisoner-of-war camp in a Russian-held area of eastern Ukraine to demonstrate his support for Putin's invasion.

It's highly unlikely that this is the intention anyway. The clip's true significance probably lies more in what it tells us about Russia's use of propaganda in a divided digital world. Whoever created it seemed to intuit that the best way to "sell" the message is to tap into the cultural landscape of the US far right. The evangelising of "traditional" values and "no cancel culture" is precisely what Fox News host Tucker Carlson celebrates.

Meanwhile, the emphasis on Russia's bountiful supply of "beautiful women" seems designed to tap into the fact many members of far-right online forums such as 8kun (formerly 8chan) are supporters of the antifeminist "incel" movement, which takes its name from the phrase "involuntary celibates", adopted by men who struggled to attract the opposite sex.

The other reason the video has haunted me is that it is a potent example of how the internet fuels the cross-border movement of cultural memes. This is not just a 21st-century phenomenon: ideas and cultural symbols have always moved between different groups as a result of trade, war or marriage. If you travel through the lands on the ancient Asian Silk Road, you will find similar-sounding words for items such as "tea", "table", "salt" and "sugar" in different languages, because merchants moved across borders. Cultures rarely exist like sealed, static Tupperware boxes but are in motion, like rivers, with fresh streams flowing in.

But while this cross-border cultural movement used to happen fairly slowly, it is growing exponentially on the internet. Today our lives are connected by a digital Silk Road. This is a cyber realm that has numerous echo chambers and tribal splits. But sometimes memes jump between tribes, and in unpredictable ways.

After "winter is coming" was first made popular by *Game of Thrones*, the Russian dissident Garry Kasparov used it as the title of his anti-Putin book in 2015. Now, ironically, a pro-Putin propaganda video has grabbed it, but this has already sparked a video response spoofing the original "Move to Russia" clip. No doubt there will be many more cultural collisions and contagions. It is one sign, if you like, of how interconnected our world has become, even as ugly nationalism rises in Russia and elsewhere.

Opinion

Ukraine digs in for a long winter campaign

Lawrence Freedman

The great Prussian theorist of war, Carl von Clausewitz, took it for granted that defence was the strongest form of warfare, if only because a successful attack required superior numbers. For this reason the weaker side was obliged to defend. A state stuck on the defensive might prevent enemy gains but could not achieve its own objectives. They therefore had to use the time gained by the defence to create a more favourable balance of strength. Then they could strike. "A sudden powerful transition to the offensive — the flashing sword of vengeance," he wrote, "is the greatest moment for the defence." On August 29 the Ukrainian government announced that an offensive in southern Ukraine had begun,

and has since then revealed as little as possible about its progress.

Inevitably this has led to intense speculation. There have been occasional reports of significant breakthroughs, but also of fierce fighting and Russian counter-attacks. Russian propagandists insisted almost immediately that it had failed badly and that Ukrainian forces had suffered grievous losses. More reliable Russian sources were circumspect, acknowledging that Ukraine was attacking with fresher troops and better equipment than before, and inflicting considerable damage. Their assessments tend to fit with Ukrainian sources' suggestions of modest but significant progress, with some Russian forces being pulled back and others taking heavy casualties even as they slow down the Ukrainian advance.

Ukrainian officials have also warned against expecting too much too soon. There is a lot of ground to cover. The front line in the south is some 350km long, from Zaporizhzhia — where Russia still plays a dangerous game around a

nuclear plant — to the big prize, the occupied city of Kherson. Although Ukraine has created a more favourable balance of strength, and may have parity in the south, superior numbers are normally considered necessary to create an irresistible force that could punch through the Russian positions. Moscow is resorting to desperate measures to find more front-line troops, and much of its equipment is old and unreliable. But it is not short of firepower, aircraft as well as artillery. Ukraine has an advantage in increasingly modern and capable equipment, though in many areas it is still stretched thin.

As Russia's armed forces have demonstrated, offensive operations in these conditions are difficult. They were at their most effective during the first days of the war when they had the advantage of surprise. Since then they have either been forced back because they were overstretched, as in the north, or have made slow, grinding progress in specific areas, as in the Donbas, where they made a few gains at huge cost. Two key

objectives — the cities of Mariupol and Severodonetsk — were taken only after weeks of hard fighting against dogged Ukrainian defenders. At any rate the Ukrainian forces will not replicate Russian tactics, which depended on persistent, intensive artillery barrages to wear down defending forces, destroying towns and cities in the process.

This offensive is not simply directed at retaking territory but at Russia's will to continue the conflict

Viewed as a traditional offensive, relying on concentrated mass to punch through the more vulnerable parts of enemy defences, the prospect is at best slow and steady Ukrainian progress, even as the harsher winter months approach. But this is not quite a traditional offensive. What is currently under way may be best understood as

part of a long campaign, containing a number of elements. Talk of liberating Kherson as the coming stage of the war began in late May, and President Volodymyr Zelenskyy reportedly gave the order to retake the south in July, after which there were a few limited pushes against Russian positions. Indeed, one reason the recent operations might have caught the Russians by surprise is that they were anticipated for so long there was speculation Kyiv had lost its nerve.

In practice, however, the campaign had already begun. Since late June, the Ukrainians have been taking out ammunition dumps, command posts, and air defences. More recently they have been cutting off lines of retreat and supply, by attacking bridges over the Dniipro river, notably the Antonivka, the crossing closest to Kherson. Attacks behind the lines have also stepped up — including on Ukrainians collaborating with the Russians — and some spectacular hits on military facilities in Crimea.

This campaign is not simply directed at retaking territory but at Russia's will

to continue with a costly war. If it works, it will do so by convincing Moscow that its position is untenable. It will depend on the combined impact of stressed logistics, limited opportunities for manoeuvre, the demoralising impact of high casualties, increasing concerns about individual units becoming stranded, as efforts to pacify the occupied territories are being thwarted.

The Kremlin will be hoping that blocking serious advances and inflicting high costs on Ukrainian forces will provoke a sense of hopelessness in Kyiv and undermine support from western capitals, which are already suffering the economic fallout. In this battle of wills, however, one key difference remains: while the Ukrainians are fighting to survive as an independent nation, the Russians are struggling to hold hostile territory. Only they have the option of abandoning the war and going home.

The writer is author of *Command: The Politics of Military Operations from Korea to Ukraine*

After more than 20 years at the top, the athlete leaves a legacy that is about more than the sport. By Sara Germano

Moments after Serena Williams upset the current world number two at the US Open on Wednesday, extending what is expected to be her swan song in the sport she has transformed, a court-side



Criminal barristers have lost the financial talent war

BUSINESS

John Gapper

A lot of workers are taking industrial action in the UK, from rail staff to rubbish collectors. The most unusual protest over pay comes next week when thousands of criminal barristers go on indefinite strike to push the government to raise their legal fees.

chambers and City law firms have plunged into a war for legal talent.

The minimum pay for pupils (trainees) at London chambers is a little over £19,000 per year but chambers specialising in tax law pay five times that amount. Meanwhile, law graduates joining one of the five "magic circle" firms such as Clifford Chance are paid about £50,000 as first-year trainees, rising to £120,000 or more as newly qualified solicitors.

Globalisation is one reason for the growth in London lawyers' pay (rates are lower outside the capital). US law firms that pay employees even more have moved into the UK, putting the

reporter asked her if she was surprised with her level of play.

The tennis world met Williams and her sister Venus as braces-bedecked teenagers more than 20 years ago, two prodigies from Compton, California who couldn't contain their delight in taking over the game. Now 40, the 23-time Grand Slam champion merely laughed at the question. "I mean," she said with a shrug, "I'm just Serena."

"Just Serena" currently holds more major trophies won in the Open era than any man or woman, four Olympic gold medals and more than double the career prize money of any player on the women's tour.

"She has been very inspirational off the court," said Chris Evert, the 18-time Grand Slam champion and commentator for ESPN. "The intangibles, the fearlessness in her, has really impressed me. The fact that she has never set any limits, in tennis or in life. To get that message across to everybody is very, very powerful."

Born in Michigan in 1981, the youngest of five sisters, Williams moved to Compton after their father Richard devised a plan to coach Venus and Serena to greatness. The patriarch had seen a tennis pro receiving a cheque for \$40,000 on television and decided his two youngest daughters could set up the family for life if they could break into the sport.

By her teens, Serena had inked a multimillion-dollar deal to be outfitted by Puma, while Venus signed with Reebok. In 1999, Serena shocked the tennis world by beating Martina Hingis for the US Open title. Two years later, the sisters met each other in a major final for the first time, a television ratings smash.

Along the way, Williams has faced hardship and controversy. There was the 2003 murder of her elder half-sister Yetunde Price, who was fatally shot in Compton not far from the tennis courts where the Williams girls began to play. Over the years, she has struggled with knee injuries and a near-fatal pulmonary embolism, and has been forced to endure racist comments. A form-fitting Nike jumpsuit at the 2018 French Open drew the ire of tournament organisers and prompted a global discourse on the politicisation of women's bodies, particularly those of black women.

Later that year, Williams lost to Naomi Osaka in the US Open final, after a meltdown in which she called the umpire "a thief" for fining her for receiving coaching and smashing her racket. The episode may have cost Williams what would have been her 24th Slam trophy, but it shifted the conversation about how competitive women can or should behave.

"I think she's changed the way women compete," said Evert. "It's OK to be ferocious, passionate, and vocal out there on the court and still be a woman."



Person in the News | Serena Williams

A tennis superstar bows out

Perhaps Williams's greatest sporting legacy has been her longevity. This year's French Open runner-up, Coco Gauff, said she has been coming to the US Open for ten years, originally as a spectator. "We only really came to see Serena or Venus, to be honest. As a kid, I didn't care. I know it sounds bad but I didn't care about anyone else, really."

Danielle Collins, the Australian Open finalist who defeated Osaka in the first round, confronted the prospect of facing Williams. "I've idolised Serena and Venus my whole life, they've been people I've really looked up to... Hopefully, I don't have to play Serena at some point because I'll be so torn."

If Arthur Ashe Stadium is the world's largest cathedral to tennis, then this week nearly every sermon has been about the end of the Williams era. Tributes from Oprah, Billie Jean King, and Queen Latifah have played around her matches. Street sellers hawked "Farewell Serena" T-shirts fill the boardwalk. Whenever Williams finally steps off

the court, she said her decision to "evolve away" from tennis came from her desire to spend more time on her venture capital fund, Serena Ventures, and to add to her family with her husband, the Reddit co-founder Alexis Ohanian. On the business front, Williams joins a generation of athletes

'We had Serena before we even had a black president. Win or lose, just her being here is enough'

building empires on the side before leaving their sport, such as LeBron James and Tom Brady. Serena Ventures is focused on investing in diverse founders: black women received just a fraction of one per cent of total venture funding in the US in 2021.

Her experience with motherhood — from winning the 2017 Australian Open

in the second month of pregnancy, to nearly dying of complications from her caesarean section, to calling out the fact that maternity leave dented her tour ranking — has made Williams an exemplar for many navigating parenthood.

"I don't like the phrase 'you can have it all' because that's not really true. But what Serena has done is show that it shouldn't be one or the other, tennis or a family. You can have both," said Kayla Gabriele, a teacher from New Jersey who came to Flushing along with tens of thousands of others this week to bid Williams adieu.

"You have to remember, we had Serena before we even had a black president," said Warren Seay, an attorney from Texas, who said it was important to him to see the woman he had idolised since childhood one last time. "Whether she wins or loses, just her being here is enough. She shows you can do this on your own terms."

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This is also a rewarding time for many professionals, with pay rates for young lawyers, consultants and bankers jumping sharply in the "war for talent". McKinsey, Bain and Boston Consulting Group have increased base salaries for new MBA graduates in the US to about \$190,000. But the talent war is being fought on a different battlefield to the criminal courts.

The real incomes of barristers who defend those on criminal charges have fallen steadily over two decades to an average of £47,000 last year (depressed during the pandemic by not being able to appear in court). That is less than some City of London law firms offer their new trainees straight out of university, while top solicitors and commercial barristers can take home £2m or more.

Criminal barristers do a vital job for society by defending people who are in dire trouble, but their pay is modest compared with many in commercial law. It may be soul-destroying to spend your working life advising on legal structures for private equity deals, but your soul fetches a fantastic price.

The gulf between the fortunes of criminal and City lawyers is a tale of our times. What was once a reasonably balanced trade-off in career choice — human interest and ethical purpose for pretty good pay, versus somewhat higher rewards for dustier intellectual challenges — has become one-sided. If you ever hope to afford a house in London, go commercial.

Criminal barristers' age-old problem is performing most of their duties for clients who cannot afford to pay them. It was covered from the 1960s by the routine granting of public legal aid for crown court defendants, but making a good living has become tougher since fixed fees for barristers were introduced in 1997, and squeezed from then on.

Having their incomes set by a government monopoly is not criminal barristers' only difficulty. They are also self-employed, often need to pay their own travelling expenses, amass high student debt, and are poorly paid in the early years. They face the pay disadvantages of public sector work, without the accompanying security or pensions.

Compare this with commercial barristers and City solicitors who work for banks, multinationals and private equity firms. They always had clients who could afford to pay, and there are many more clients now. Barristers'

magic circle under recruitment pressure. The global legal market can be very rewarding — Clifford Chance's revenues rose to nearly £2bn this year — but it is competitive.

The spread of private equity deals is a second reason. Just as private equity firms create activity for banks, they draw on lawyers for advice on mergers, tax, restructuring and all kinds of legal activity. They are also ready payers. "They do not care so much about the bills because they do not pay them, their investors do," says one law firm partner.

So, while criminal barristers work in a fixed labour market, with only a financially stressed government responsible for paying most of their fees, their commercial counterparts operate in a global one, with deep-pocketed financial clients.

If it is irrational to work for anyone but the rich, we are all in trouble

It is not solely a UK phenomenon. New York is a highly rewarding place to be a commercial attorney, but those lawyers who work as public defenders face similar financial stresses. The city's Legal Aid Society complains of losing many attorneys and paralegals due to comparatively low pay.

Nor is it confined to the law. The pay decisions facing graduates are clearer cut than a generation ago. It used to matter less whether a graduate job tapped into a global market; whether it was in the private or public sectors; and whether it was transactional or socially useful. The divides are very stark now.

But the plight of British criminal barristers is a special concern. Sir Christopher Bellamy did not exaggerate when he called legal aid "essential to maintaining a moderate, peaceful and democratic society" in his review last year. If it is irrational to work for anyone but the rich, we are all in trouble.

Away from the criminal courts, the war for legal talent remains intense, as it is in consulting and banking. What happens when most of that talent is sucked into commercial transactions, leaving little for anything else?

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Companies & Markets

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• More than half are iPhones • Milestone passed in June • Cook to unveil new model



Activist Peltz forced to shut London-listed fund

JOSHUA OLIVER

Nelson Peltz will close his £440m London investment company and return assets to shareholders after clashing with a group of disgruntled investors in a role reversal for the usually pugnacious billionaire activist.

The New York-based founder of Triun Fund Management is known for his fierce campaigns, demanding changes from the management of companies such as consumer good Unilever and fund manager Janus Henderson.

However, in recent months, Triun has faced its own challenge from activist shareholders in the London-listed investment company it launched in 2018, Triun Investors 1.

A committee of investors, including Invesco and Janus Henderson and hedge funds Pelham Capital and Global Value Fund, pressed Triun Investors 1 to return cash to shareholders, despite Peltz's wish to keep it trading and make new investments. Triun Investors 1, which holds £440m in assets, has gained 71 per cent on a net asset value total return basis over the past three years. It has reaped big returns on investments in Unilever and heating and plumbing group Ferguson.

Yesterday, Triun Investors 1's board said it "acknowledges that a significant portion of the current shareholder base

was another shareholder spat involving a US billionaire and his London investors. Dan Loeb, manager of hedge fund Third Point, was challenged by shareholders in his London-listed company last year in a 10-month governance dispute. Loeb reached a truce with the activist group after the insurgents lost a crucial vote and Third Point agreed to appoint a new independent director.

At Triun Investors 1, the shareholder committee won a vote to eject the company's chair in a tightly fought emergency general meeting last month,

Nelson Peltz, the billionaire founder of Triun Fund Management, wishes to keep the UK trust trading



which saw some of the committee's other proposed board changes defeated by small margins.

The vote kicked off talks that resulted in yesterday's deal to wind up Triun Investors 1. The board said it would hand over at least 95 per cent of the shares and cash held by Triun Investors 1 to its shareholders by June next year, after which the company will be closed and the remaining assets returned.

More than 80 per cent of Triun Investors 1's shareholders had indicated sup-



An iPhone user records an event in Times Square, New York. The number of people paying fees to Apple's array of services reached 860mn — Alex Rosenfeld/Getty Images

PATRICK MCGEE — SAN FRANCISCO

Apple has overtaken Android devices to account for more than half of smartphones used in the US, giving the iPhone maker an edge over its rival as it pushes into sectors including finance and healthcare.

The 50 per cent landmark — the iPhone's highest share since it was launched in 2007 — was first passed in the quarter ending in June, according to data from Counterpoint Research. Some 150 devices using Google's Android operating system, led by Samsung and Lenovo, accounted for the rest.

"Operating systems are like religions — never significant changes. But over the past four years the flow has consistently been Android to iOS," said Counterpoint's research director, Jeff Field-hack. "This is a big milestone that we could see replicated in other affluent countries across the globe."

The numbers are based on smartphones in use, known as the "active installed base", what Apple financial chief Luca Maestri dubbed "the engine for our company" in a July earnings call.

This is a wider and more meaningful category than new phone shipments, which fluctuate from quarter to quarter and have already demonstrated Apple's newfound strength.

The active installed base takes into account the millions of people brought into Apple's ecosystem through the used phone market, as well as those who use iPhones purchased years ago.

Ben Wood, an analyst at CCS Insight, said: "It's not that we are seeing a big year where Apple grows its market share 10 or 15 per cent but there's this slow burn where they quietly just grab more share every year."

Android-powered smartphones first went on sale in 2008, a year after the iPhone debuted, and overtook the iOS installed base in 2010, according to NPD Group. In the three previous years, Apple never had anything near 50 per cent market share, as sales were dominated by Nokia, Motorola, Windows and BlackBerry.

As Apple chief executive Tim Cook prepares to unveil the iPhone 14 on Wednesday, the milestone suggests the company has never been in a more com-

petitive position despite persistent criticism that it has lost its innovative edge.

The group's keynote autumn event in recent years has been much more about developments to existing gadgets rather than company founder Steve Jobs's famous "one more thing" product launches.

Apple is expected to unveil the new iPhones at its first in-person event since the onset of Covid-19, in Cupertino, Cal-

Chief executive Tim Cook 'has taken what [Steve] Jobs gave him and has built an empire out of this'

ifornia. Analysts expect better cameras and a smaller "notch" in the display where sensors are held, plus a more rugged version of the Apple Watch.

Under Cook, the iPhone, a disruptive product that spawned entire industries, has made Apple the world's largest company, with a market capitalisation of \$2.5tn.

"Cook has taken what Jobs gave him and has built an empire out of this,"

Wood said. "Because anyone who buys an iPhone, whether it's second-hand, third-hand or fourth-hand, will probably give Apple some money buying apps, paying for iCloud, using Apple Music or transacting on Apple Pay."

"And that's a model that no one else, really, has been able to replicate."

With the iPhone reaching market saturation, Cook has pushed into movies and television, advertising and payments and fitness and health, leveraging an installed global base for iPhones that surpassed 1bn in 2020.

The result is a diverse set of "services" revenue that consistently grows in double digits and delivers profit margins north of 70 per cent — two times the profitability of its hardware business.

The number of people paying fees to this array of services reached 860mn in the June quarter — roughly double the number of Netflix and Disney-Plus subscribers combined.

Analysts saw plenty of room for Apple to increase its market share, given how the rest of the world remains Android-dominant, largely because of its variety and lower cost.

would like the opportunity to exit their shareholding". The dispute at Trian fol-

port for the plan, the board said. See Lex

Oil & gas

Shell starts hunt for successor to veteran chief van Beurden

TOM WILSON — LONDON

Shell is seeking a new chief executive to replace Ben van Beurden as the 64-year-old prepares to step down after almost a decade at the helm of Europe's biggest oil and gas company.

Shell's board began talks with possible internal candidates last summer and has identified at least four potential successors, according to people familiar with the details.

The contenders include frontrunner Wael Sawan, who leads Shell's integrated gas and renewables division, HuiBERT Vigevano, head of Shell's downstream business, Zoe Yujnovich, head of upstream, and Sinead Gorman, chief financial officer, the people said.

Reuters reported yesterday that all four had been shortlisted as possible successors. Shell declined to comment.

In July, van Beurden told the Financial Times that succession was "not the order of the day" but talked extensively about his legacy as chief executive.

"It is really important that you do the right thing so that in retirement... you can look your grandchildren in the eye

and say 'this is what I did to make the world a better place for you,'" he said.

In nine years in the top job, van Beurden oversaw the \$52bn acquisition of BG-Quartars to London and overhauled its strategy with a commitment to reduce oil production and slash emissions.

But the Dutch executive, who has spent his 39-year career at Shell, has also faced criticism, not least in the Netherlands where a court last year said Shell needed to cut emissions faster.

Big Oil chief executives rarely serve much longer than 10 years and initial preparations for van Beurden's departure began shortly after the installation of Sir Andrew Mackenzie as chair in May last year, the people said.

Shell's senior leadership has changed significantly in the past 12 months. The former head of integrated gas and renewable energy, Maarten Wetselaar, left in October after 25 years. Analysts speculated at the time that Wetselaar, who went on to become chief executive of the Spanish oil and gas group Cepsa, had left once it was clear he would not get the top job at Shell.

Travel & leisure. US box office

Cinema chains hope streamers can help fill blockbuster movie gaps

Industry group starts talks with Netflix and peers as debt burdens weigh on operators

CHRISTOPHER GRIMES — LOS ANGELES

Cinema operators have spent years pushing back against the streaming revolution, but the US trade group that represents the industry is now looking to Netflix, Apple and Amazon to help revive the struggling business.

John Fithian, head of the National Association of Theatre Owners, told the Financial Times that discussions are under way with Apple, Amazon and Netflix about wider theatrical releases of their films and there is "some optimism" about an agreement.

"All three of those companies are looking at the possibility of bigger and wider theatrical releases," Fithian said. "That would be [inventory] we've never had before. I think in 2025 you'll start to see some of that happening."

Persuading the streaming companies to release films in the traditional fashion could aid cinema operators, where a

slow recovery from the pandemic has caused financial problems for big chains like Cineworld. Yet it is far from clear whether Apple, Netflix or Amazon are interested in becoming deeply involved in the traditional box office.

The success of *Top Gun: Maverick* and *Jurassic World Dominion* this summer has shown that people are willing to return to cinemas for blockbusters, even as the pandemic lingers. But beyond these mega-hits, the recovery has been hampered by a post-pandemic shortage of new films. Warner Bros is releasing only seven movies this year, its smallest slate in memory, with a return to more normal levels of about 17 next year.

US box office receipts this year are running at about 70 per cent of the levels seen at this time in 2019. NATO expects to see a full return to pre-pandemic revenues — which reached \$11bn in the US — as soon as next year, though some studio executives say they do not believe that mark will be passed until 2024 or even 2025. Total receipts this year are expected to reach about \$7bn.

The slow recovery means cinema chains are often struggling with heavy debt loads. Cineworld, which owns

more than 500 movie theatres across the US through its Regal subsidiary, is on the verge of filing for Chapter 11 bankruptcy protection to try to restructure its nearly \$9bn in debt and lease liabilities. "Despite a gradual recovery of demand since reopening in April 2021, recent admission levels have been below expectations," the company said in a recent statement.

One problem, industry executives say, is a lack of mid-tier and independent films, because most major studios

now emphasise big franchises such as Disney's Marvel movies, Warner's DC films and Paramount's *Mission: Impossible* series. Universal, which will release 24 films this year, still offers a wide range of genres.

A rocky August at the box office has illustrated this problem. After a good start to summer when receipts reached \$3.3bn thanks to robust sales in July, the season is ending with a whimper. Last

weekend, horror film *The Invitation* led the box office with only \$7mn and there are no obvious hits expected until October. Two of the most anticipated films of the year — the *Black Panther* sequel *Wakanda Forever* and *Avatar: The Way of Water* — are not being released until November and December, respectively.

Fithian suggested streaming companies could provide the mid-tier or indie films that would fill cinema seats between blockbusters. But one streaming executive said a poor theatrical reception for an indie film could affect its popularity when it was streamed.

Netflix has historically resisted wide releases of its films. The streaming pioneer has released films such as *The Gray Man*, *Don't Look Up* and *The Power of the Dog* on a small number of screens for a week, mostly to qualify for awards or build awareness. In all, it releases roughly 50 films a year in very limited cinema runs. This practice is a far cry from the 45-day exclusive theatrical windows expected by the industry.

One top executive at a traditional studio said he does not see why Netflix would want to start spending heavily on the marketing and promotion cam-

paigns typical of big theatrical releases. "Their service is designed to keep you at home," he said. "They don't want to market [a wide release film] — it's ridiculously expensive."

Like Netflix, Apple and Amazon have also released films for brief runs to qualify for awards. Apple did not respond to requests for comment. Amazon and Netflix declined to comment.

But Fithian believes the streamers have more reason to seek box office revenue now that Wall Street has lost patience with the growth-at-all costs drive for subscribers. Investors are looking for a path to profitability, prompting executives such as David Zaslav, the new chief executive of Warner Bros, to embrace a more traditional approach to releasing films in the hopes of gaining "maximum value".

"The three tech streaming companies also are beginning to realise they can make some money theatrically before putting their movies on the streaming services," Fithian said. "If they start looking at theatrical, then over the next 12 to 18 months we could get to a point where we have a stronger movie supply than we did before the pandemic."



Netflix released 'Don't Look Up' on a small number of screens — Nilo Tavernier/Netflix

COMPANIES & MARKETS

We can all learn crucial lessons from Robertson and Tiger

The Top Line Harriet Agnew



Legendary investor Julian Robertson died last month, aged 90. The founder of Tiger Management helped create the modern hedge fund industry and is celebrated for legions of "tiger cub" traders. Here are some of the main lessons we can take from him.

Recruit clever people

Almost 200 hedge funds can trace their origins back to Tiger Management. Not even Benjamin Graham's school of value investing came close to spawning a dynasty on this scale. Robertson's talent was as much about picking the right people and helping them as it was about understanding investment.

Alberto Foglia, the late chair of George Soros's Quantum fund, and his son visited Robertson after Tiger had returned outside capital to investors in 2000. Foglia's son complimented Robertson that while few of the managers that left Soros had been

successful, almost all of the Tiger cubs had done well. Robertson replied that Soros was a genius, so he didn't need super smart people around him, whereas he himself was not; so he needed the best staff he could find.

Motivations matter

Tiger's early success relied on Robertson's instinct for finding people who were competitive, curious and also extroverted. He later employed psychoanalyst Dr Aaron Stern to help evaluate how people thought, took risks and worked in teams.

Robertson also applied these techniques to investment decisions. On one occasion in the 1990s, he listened to the boss of a French conglomerate outline his transformation strategy for the group. When asked what he thought of it, Robertson replied that he was going to invest in the company. But he warned the chief executive that he

would sell the stock within a few years because "your ambition will get the better of you". Robertson's prognosis played out: the chief executive later presided over one of the largest losses in French corporate history, and quit.

Keep it simple

Robertson's approach was to buy the 200 best companies and short the 200 worst. He had a long-term horizon. Crucially, he believed an investment thesis should be able to be summed up in three bullet points on an index card.

Manage the risks

Robertson's conviction was his making — and his undoing. As Tiger grew, it expanded beyond its core expertise in large-cap US equities into government bonds, commodities and currencies. He thought that he could apply the same ideas to different markets. This didn't always prove the case.

Remember the Keynesian adage: the markets can stay irrational longer than you can stay solvent

His mistake was to make big bets that could sink a fund if they went wrong. His refusal to buy into the dotcom mania was eventually proved right, but this decision was one of the reasons Tiger was forced to return outside investor money in 2000. Remember the Keynesian adage: the markets can stay irrational longer than you can stay solvent.

Life is not all work

Robertson donated \$2bn to charity during his lifetime, including to education, the environment, religion and medical research in the US. He indulged his love of New Zealand by creating three resorts and owning a vineyard there. He also tried to keep work in perspective. As he mused in 2015: "I didn't want my obituary to be, 'he died getting a quote on the yen!'"

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Retail trading troopers stay true to lord of the meme stock

Spotlight

Ryan Cohen
Chair,
GameStop



GameStop head Ryan Cohen's tweets and investments are dissected, copied and amplified on sites such as Reddit — CM Guernsey/Matt Herald/TNS/Abaca/AP

The next week the group's shares rose to their highest level for the year. Cohen wrote in an SEC filing that he was "the chairman of GameStop and overseeing a systematic

BUSINESS WEEK IN REVIEW

Nvidia outcrys

China condemned a US move to make chipmaker Nvidia require special licences to sell Chinese customers two of its most advanced processors widely used to speed up AI calculations, as Washington stepped up its efforts to restrict exports of cutting-

The rise and fall of Bed Bath & Beyond's stock this month has put a spotlight on Ryan Cohen, who through his social media savvy and portfolio has become a baron of the meme-stock realm.

Cohen is chair of GameStop, the video-game retailer that was among the first stocks to lift off in early 2021 after its embrace by retail traders congregating on online message boards. He was co-founder of Chewy, the pet supply retailer he sold for \$3.35bn in 2017.

He has become one of the most influential figures among legions of amateur investors who have demonstrated collective power to move the price of meme stocks. Cohen's tweets and investments are dissected, copied and amplified on sites such as Reddit. Moves in Bed Bath & Beyond show how this can be a volatile mix.

The shares had already been surging when on Monday, August 15, Cohen filed documents with the SEC detailing a purchase in February and March of a large number of call options on the stock. The disclosure helped push Bed Bath & Beyond up 30 per cent the next day. On Reddit, a forum member posted a meme with a message below Cohen's visage: "Howdy folks, this is Ryan from the cockpit we're expecting some turbulence just remain in your seats."

There was turbulence. On Wednesday, August 17, Cohen disclosed he was selling his entire stake, and by Thursday he had fully



'Not gonna lie... did panic... but bought more. I have faith in him'

closed his position with a gain of \$60mn. The sales sparked the worst one-day pullback in the history of Bed Bath & Beyond stock.

While some retail investors took to Reddit to express dismay, still more rallied behind Cohen. One wrote that it "wasn't like him" to "pull the rug out" from under his followers. "Not gonna lie... did panic... but bought more. I have faith in him and this will make sense soon!" said another.

"Cohen is the most highly regarded person in these communities after Keith Gill," said Christopher Kardatzke of data provider Quiver Quantitative, referring to a meme-stock trader also known by his YouTube username Roaring Kitty. "A lot of the interest in Bed Bath as a meme stock had to do with Ryan Cohen's involvement. Usually a large insider sale is unanimously seen as a bad thing, but within this community there are theories that maybe Cohen sold Bed Bath in order to create a merger with GameStop."

GameStop and Bed Bath & Beyond feature on Reddit boards dedicated to the other stock. Cohen has "hodl'd" (held on for dear life) in his GameStop shares despite their run-up in value, which was interpreted as an act of camaraderie and earned him respect.

Cohen bought in 2020 a 13 per cent GameStop stake and joined its board in January 2021. Reddit traders, already interested because of its interest from short sellers and low price, saw him as a harbinger of an e-commerce turnaround for the bricks-and-mortar group. The shares rose from \$5 to more than \$85 in early 2021.

Cohen's prominence has been aided by his understanding of online trading humour. When he tweeted a frog emoji with a picture of an ice cream cone in February 2021, Reddit posts launched into theories about what it meant for GameStop shares.

A week after disclosing his stake in Bed Bath & Beyond, Cohen tweeted: "Short sellers are the dumb stormtroopers of the investing galaxy."

transformation". While GameStop's stock has risen, analysts say the fundamentals are largely unchanged.

Current and former executives contacted declined to comment. "His big idea was — wait for it — NFT wallets," said one GameStop analyst. As for Bed Bath & Beyond, "the fundamentals have deteriorated significantly since he took his stake," said Justin Kleber, an analyst at Baird. The group provided a "strategic update" to investors on Wednesday in which it said it had secured more than \$500mn in new financing and planned to cut jobs and close stores. That sent shares down about 25 per cent shortly after Wall Street's opening bell.

Experts said nothing about Cohen's Bed Bath & Beyond sale was illegal under securities law. He was not on its board and carried no restrictions that come with unfettered access to privileged information available to officers and directors. He did not make false claims about the company to the public that would amount to a traditional "pump and dump".

"The obligation that he has, though, is to speak truthfully about his intentions," said enforcement lawyer and former SEC assistant director Gregory Bruch. "If his intentions were different than his actions, that is [a] basis to conduct an investigation."

Cohen declined to comment. In a letter to the board when he took his Bed Bath & Beyond stake, Cohen said his investment was "maniacally focused on the long term".
Madison Darbyshire

edge technology to its trade and military rival.

● **Ravil Maganov**, pictured, chair of Lukoil, one of the few Russian companies to have criticised the invasion of Ukraine, died after falling out of a hospital window in Moscow.



● **Elon Musk** seized on a whistleblower report by Twitter's former security chief to bolster his legal fight to terminate his \$4.4bn deal to buy the social media company.

● Wall Street bank **Morgan Stanley** has ordered an internal lawyer to shadow the unit entangled in a federal investigation into block trading, underscoring the gravity of the probe and the steps the lender is taking to beef up supervision.

● Chinese internet titan **Tencent** is to pivot from years of stakebuilding to divest about Rmb100bn (\$14.5bn) of its \$88bn listed equity portfolio this year as it comes under pressure from Beijing's recent antipathy towards Big Tech.

● **OnlyFans** owner **Leo Radvinsky** has collected a \$500mn windfall over the past two years from the

Chinese internet titan Tencent is to pivot from stakebuilding to divest about \$14.5bn of its \$88bn listed equity portfolio

booming popularity of the online platform for sex workers and celebrities to sell content to their followers. Pre-tax profits in the year to November 2021 jumped from \$61mn to \$433mn while revenues soared from \$358mn to \$952mn.

● The **New York Yankees** baseball franchise is to invest in **AC Milan** alongside US private equity group **RedBird**, which is closing in on the £1.2bn acquisition of Italy's football champions from US hedge fund Elliott.

● **Snap** is to lay off a fifth of its 6,500-strong workforce and slash investment initiatives as the Los Angeles-based social media company seeks to reassure investors with scaled-back ambitions in the face of its steepest ever growth.

● **Goldman Sachs** is to scrap most of its remaining Covid-19 restrictions for its staff in the US, including he need to be vaccinated against Covid-19, as the Wall

\$500mn
Windfall collected over two years by OnlyFans owner Leo Radvinsky

\$581mn
Net loss reported by payments provider Klarna for the first half

Street group looks to get more of its bankers back into the office.

● Losses at Swedish payments provider **Klarna**, once Europe's most valuable private tech company, quadrupled as it fell to a net deficit of Skr6.2bn (\$581mn) for the first half of 2022, compared with Skr1.4bn a year earlier.

● Payments app **Wise** was fined \$360,000 by United Arab Emirates' financial regulator over failures in its anti-money laundering controls, piling pressure on the group as rising rates and costs hit the sector.

● The Italian government revealed it is in exclusive talks to sell a controlling stake in **ITA Airways**, the successor to bankrupt Alitalia, to Delta Air Lines, Air France-KLM and US private equity firm Certares.

Under the hood Premier League smashes transfer record with £2bn splurge

Better broadcasting deals help England's top football clubs boost spending on new players and leave European rivals in the shade

Premier League clubs smashed the division's transfer spending record this summer, shelling out almost £2bn and underscoring the widening financial gap between English football's top flight and its European rivals.

The 20 teams in the league spent £19bn on new players, according to Deloitte, eclipsing the £14bn record of 2017. That helped total spending across Europe's top five leagues to hit €4.5bn. Twelve European clubs each spent £100mn, according to data site Transfermarkt, up from eight last year.

Purchasing power in the Premier League has been boosted by improved broadcast deals. The US rights to show Premier League matches are now worth \$450mn a year, nearly triple the amount under the previous agreement. Revenue for the league is projected to hit £6bn for the first time this season.

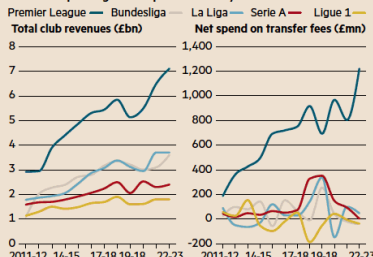
Chelsea, under new owners Todd Boehly and Clearlake Capital, were Europe's top spenders on £251mn, according to Transfermarkt. Additions included Raheem Sterling for £50mn from Manchester City and Wesley Fofana for about £70mn from Leicester City.

Manchester United were second. The club, owned since 2005 by the US Glazer family, spent more than £200mn on four new players — with more than £130mn of that going on Lisandro Martínez and Brazilian winger Antony, both signed from Dutch champions Ajax.

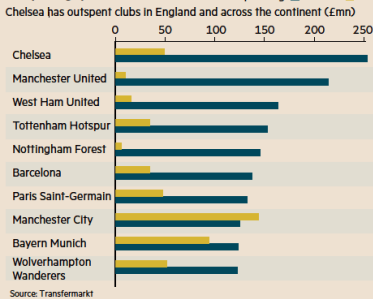
Additional reporting by Samuel Agini. Data visualisation by Dan Clark

Gap widens between Premier League and rival leagues

How the top 5 leagues compare financially

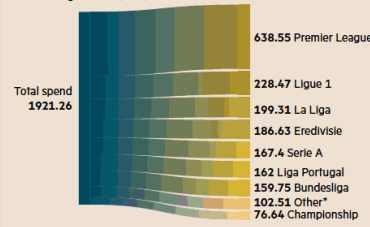


Europe's big spenders



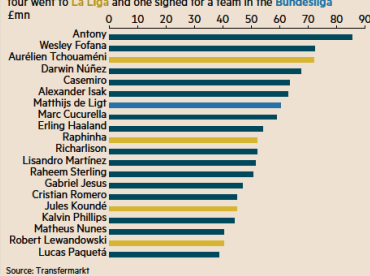
Where are Premier League clubs buying players from?

Almost a third of transfer fees paid this summer have been to other Premier League sides (€mn)



The most expensive signings

Of the top 20 signings, 15 joined Premier League clubs, four went to La Liga and one signed for a team in the Bundesliga



COMPANIES & MARKETS

SEC sends bankers a \$1bn message about encrypted communications

Record-keeping compliance moves up the agenda as regulator raises heat on use of private channels

JOSHUA FRANKLIN AND ORTENCIA ALIAJ — NEW YORK
STEPHEN MORRIS — LONDON

In 2018 and 2019, as JPMorgan Chase bankers chased lucrative mandates from an aggressively expanding WeWork, they fired off messages to one of their highest-profile clients at a frenetic pace. But as they did so, they broke rules governing communications on Wall Street.

The Securities and Exchange Commission — in an early flashpoint of an investigation that has spread across Wall Street — found that JPMorgan failed to track more than 21,000 texts and emails, sent and received on personal phones or through unapproved



Retail

Starbucks taps outgoing Reckitt boss for CEO role

ANDREW EDGECLIFFE-JOHNSON AND ALEXANDRA WHITE — NEW YORK

Starbucks has named the outgoing head of Reckitt Benckiser as its chief executive, handing Laxman Narasimhan the task of executing a "re-invention" designed by Howard Schultz since he returned in April to take charge of the chain for the third time.

The India-born, US-educated executive will join as "incoming CEO" on October 1 but will spend six months working with Schultz before the man who built a Seattle coffee bean supplier into a global brand steps back from his interim CEO role to a non-executive position in April. Starbucks's appointment of the 55-year-old outsider came hours after

apps, related to the co-working company, according to people familiar with the matter.

The investigation, which became public last year, has ensnared a growing number of banks, which are preparing to pay more than \$1bn in fines to the SEC and Commodity Futures Trading Commission, dwarfing earlier penalties for record-keeping breaches.

It has also raised questions about banks' ability to monitor dealmakers in an era of disappearing messages. As the probe has spread, individual bankers have hired their own lawyers, according to people familiar with the matter, amid fears of personal liability and to prevent their employers accessing their private phones to check for work messages. Others have refused to be represented by lawyers hired by their firms.

"The messaging thing is a nightmare," said one banker on Wall Street.

JPMorgan in December agreed to pay a \$200m penalty to resolve the matter, with \$125m going to the SEC and \$75m to the CFTC. The SEC order referred to JPMorgan's work for "an investment banking client", which was WeWork, according to the people familiar with the matter.

The bank's dealings with WeWork made up one of a string of cases cited by the SEC to show insufficient record-keeping, which included improper preservation of WhatsApp messages, text messages and emails. Other examples included a group of credit traders exchanging over 1,000 messages in a WhatsApp group entitled "Portfolio Trading Jato".

JPMorgan and the SEC declined to comment. WeWork did not respond.

Now a group of other banks, including Morgan Stanley, Barclays and Credit Suisse, have earmarked similar sums to cover potential settlements.

"It's a fairly major crackdown," said David Rosenfeld, a professor at Northern Illinois university and a former SEC attorney, noting that Morgan Stanley and Merrill Lynch had paid \$15m and \$2.5m respectively for record-keeping breaches in 2006. "In 2006, \$15m was considered a pretty big number... But still, this is a quantum leap."

The fines, which could be announced as soon as this month, have caught some banks off guard. Credit Suisse chief financial officer David Mathers told investors in July that the Swiss lender was "not anticipating the \$200m charge in respect of unapproved electronic communications".

The use of personal phones to do business has exposed rifts between bankers and counterparts in risk and compli-



The watchdog has cited a string of cases to show poor record keeping, including problems with the preservation of WhatsApp messages, texts and emails
Michael Nagler/Bloomberg

ance. At Deutsche Bank, client-facing staff had been complaining for years that they were at a disadvantage to rivals because they were banned from using WhatsApp for work, to speak to customers or colleagues, according to a person familiar with the matter. Many clients have grown to prefer WhatsApp as an easier way to communicate.

Compliance would not sign off on WhatsApp or WeChat usage without a formal way of policing messages, said the person, but bankers decided to start using the apps anyway despite lacking sufficiently robust software to monitor communications.

An unsuccessful attempt was made to use Goldman Sachs-led messaging platform Symphony. Staff found it cumbersome and later branded it "useless", the person said. Many started using WhatsApp and texts despite their use being forbidden. Internal watchdogs found evidence of this by detecting words and phrases in recorded emails.

In July, Deutsche took a €165m provision for "regulatory enforcement" related to SEC and CFTC WhatsApp

probes. Chief executive Christian Sewing and his top team offered to each give up €75,000 of their bonuses to show contrition about their use of unauthorised texts and messaging apps. By doing so voluntarily, they headed off the risk of a probe by Deutsche's supervisory board that could have resulted in more serious sanctions, the person said.

Deutsche has acted more decisively this summer, requiring certain staff to install an application called Movius on their phones that allows compliance staff to monitor calls, text messages and WhatsApp conversations with clients, the Financial Times has reported.

Deutsche said "the statements relating to supposed interactions between investment bank employees and compliance are incorrect, as is your depiction of the management board's rationale". The bank said it had "responded at an early stage to indications that private short message services were being used for business communications in the industry, and the board immediately initiated measures to ensure, in particular, the proper documentation of business transactions and compliance with retention requirements".

The SEC has argued that lax record-keeping has impeded several investigations. In its order sanctioning JPMorgan, the regulator said inadequate record-keeping practices meant that the bank on numerous occasions gave incomplete replies to government subpoenas and information requests.

After JPMorgan paid its \$200m fine, the SEC told the other banks being probed that penalties would be proportional to any misconduct uncovered, people familiar with the matter said. But regulators had difficulty quantifying wrongdoing at different institutions, resulting in anticipation of flat \$200m fines at several big banks, the people

said. Some smaller banks are expected to pay lower fines. Jefferies has set aside \$80m to cover penalties. "What can they impose that won't make them go to trial? There's always a back and forth on why the numbers are unfair... but they have pretty broad discretion," said a lawyer involved in the case.

The unauthorised use of personal mobile phones to do business was an issue before the pandemic but the practice became more widespread due to lockdowns when many staff, including bankers, moved to working from home.

Now, however, as fines mount, banks are cracking down and bankers are having to find new ways of working.

Credit Suisse and HSBC have fired employees found to have used unapproved messaging applications with clients. JPMorgan has promised to hire a compliance consultant to review and assess its record-keeping practices.

WhatsApp as well as apps such as Signal, where messages can be pre-programmed to disappear after a period, are outlawed by many employers. When bankers receive a work-related message on their personal phone, banks such as Goldman Sachs require employees to take a picture of the message and forward it to compliance so it will be preserved.

Goldman declined to comment. The issue is far from resolved. If banks wanted to stop use of a continually mutating roster of unapproved apps, they were going to have change the mindset of staff, said Dan Nardello, chief executive of investigations firm Nardello & Co. "If folks want to communicate off-channel, they're going to do it," he said. "You can implement all the software you want but it's not foolproof. It's about cultural change."

Additional reporting by Eric Platt in New York

'It's a fairly major crackdown. This is a quantum leap'

David Rosenfeld, academic and ex-SEC lawyer

RECKITT, the UK consumer goods group behind Durex condoms and Dettol and Lysol cleaning products, surprised investors with the news that Narasimhan was leaving at the end of September for an opportunity that would let him move from London to the US.

After three years running Reckitt, his turnaround plan "seems to be working",

Narasimhan's turnaround 'seems to be working' but it is 'too early to take the credit for a job well done'

Bernstein analysts said. But it was "too early to take the credit for a job well done". Reckitt shares closed up 1.5 per cent yesterday.

Starbucks hailed Narasimhan's nearly 30 years of experience leading consumer brands, noting the one-time McKinsey partner's previous roles at PepsiCo as the snacks and beverages group's chief commercial officer and head of its Latin America, Europe and sub-Saharan Africa operations.

Starbucks shares have lagged behind the wider market as it has struggled with labour unrest in the US and pandemic-related store closures in China.

Schultz has overhauled Starbucks's leadership since announcing in March that Kevin Johnson, the man he had picked in 2016 to replace him as chief executive, was retiring.

Schultz has also set out much of the "re-invention" strategy that Narasimhan will be expected to deliver, suspending share buybacks to channel investments into improved wages, training and equipment to make the increasingly complex cold drinks that dominate its US sales.

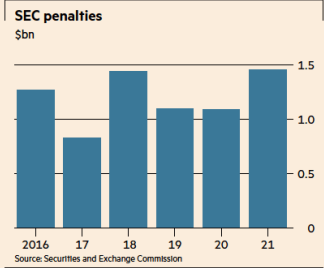
Shareholders have been told to expect more news at an investor meeting in Seattle on September 13 on plans to improve productivity and innovations.

Starbucks highlighted Narasimhan's record of developing "purpose-led" brands, "rallying talent" and "building on companies' histories".

Starbucks has offered Narasimhan a package worth more than \$28m. He is entitled to a base salary of \$1.3m, annual cash bonuses worth up to \$2.6m and annual equity awards with a target value of \$13.6m.

In addition, Starbucks is paying a \$1.6m signing bonus in cash and \$9.25m in equity to compensate him for incentives he is giving up by leaving Reckitt.

Additional reporting by Judith Evans in London



Scoreboard

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COMPANIES & MARKETS

Equities. Building positions

Quant funds bet big on Berkshire Hathaway



Technology

Illumina wins court battle over \$8bn Grail tie-up

JAMES FONTANELLA-KHAN — NEW YORK
COURTNEY WEAVER — WASHINGTON
JAVIER ESPINOZA — BRUSSELS
An administrative law judge has ruled in favour of biotech Illumina's \$8bn acquisition of cancer screening start-up Grail. Dealine a blow to the US Federal



Computer-driven investment groups lead charge as Buffett stock offers 'value play'

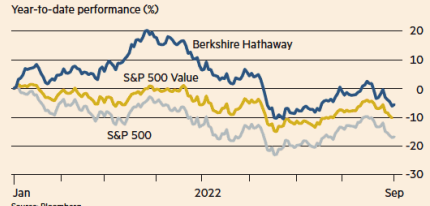
ERIC PLATT AND ORTEGA ALIAJ NEW YORK Hedge funds snapped up Berkshire Hathaway stock in the second quarter...

The list of Berkshire shareholders adding to their positions during the quarter was dominated by quant funds...

Berkshire meets many of the criteria for such funds and has become a favourite this year...

Value investing has been a winning trade this year with investors buying up

Berkshire has outperformed the broad US stock market in 2022



slower-growing but stable companies as interest rates have climbed, according to models from Société Générale...

Twenty hedge funds that did not hold Berkshire in the first quarter added their names to the company's shareholder registry in June...

Only one company in the Russell 1000 index - data centre operator Switch - attracted a bigger influx of new hedge fund investors...

Amazon, Microsoft, Apple and Facebook owner Meta.

The funds have primarily purchased Berkshire's class B stock, which carries fractional economic and voting rights compared with A shares...

Richard Chilton, the founder and chief investment officer of Chilton Investment Company, told the FT he decided to add Berkshire to the company's holdings after Buffett snapped up shares of Occidental Petroleum this year...

"It was a very low-risk purchase for what we believe could be pretty darn high reward," he said of buying Berkshire stock.

Irony: Warren Buffett has often criticised the record of hedge funds like those that are now piling into his company's shares

While mutual funds have also been adding to their Berkshire positions in recent months, the stock remains relatively unloved by active managers...

Hedge funds have a history of betting on the Omaha-based company. Bill Ackman's Pershing Square disclosed a stake in the business in August 2019 but sold out less than a year later.

While Berkshire stock has been popular with quant funds, long-short fund managers, including Hudson Bay Capital Management and Bronte Capital also bought 745,000 and 365,649 shares respectively during the second quarter.

"If you are a hedge fund and you are trying to make a pivot away from growth to value, it is simple and as liquid as anything you could pivot to," said Bill Smead...

Berkshire did not respond to a request for comment. The hedge funds either declined to comment or did not respond to a request for comment.

The rush of hedge fund interest in Buffett's company is ironic given that he has repeatedly lamented the industry's record. In late 2007 he waggled that a low-cost passive index fund would over 10 years beat the returns of a hedge fund...

"There's been far, far, far more money made by people in Wall Street through salesmanship abilities than through investment abilities," Buffett said at the company's annual meeting in Omaha in 2016.

'It was a very low-risk purchase for what we believe could be pretty darn high reward'

Trade Commission's attempts to unpick the transaction.

illumina, a gene sequencing company, said in a statement that it had "received a favourable decision" from the judge presiding over the case...

"As we've stated from the outset, this transaction is procompetitive, will advance innovation, lower healthcare costs and save lives. We are pleased that, after considering the evidence, the [judge] has reached the same conclusion," said Charles Dadsell...

The FTC declined to comment on the decision, which has not yet been made public.

illumina's victory is a blow to the FTC, which sought to block the tie-up in 2021 just weeks before Lina Khan was appointed to chair the agency...

'As we've stated from the outset, this transaction is procompetitive [and] will advance innovation'

The agency argued the deal would have a negative effect on innovation and competition in the cancer industry...

illumina, which founded Grail before spinning it off in 2016, sells gene sequencing services to the cancer testing group.

The ruling provides a temporary reprieve for illumina, which has been fighting regulatory battles on both sides of the Atlantic.

The FTC can appeal against the judge's decision, with a final ruling on the merger being decided by the agency's five commissioners...

That would set the stage for a battle in federal court, where judges almost never block companies pursuing so-called vertical mergers.

illumina's victory comes ahead of a showdown in Brussels, expected next week, where regulators are likely to block the deal on the grounds that it will harm rivals.

European regulators are able to block the transaction because they recently defeated illumina's effort to prevent them from investigating the deal. A judge ruled in July against illumina's claim that the EU did not have jurisdiction to scrutinise the merger...

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Economic outlook. Stagflation fears

Investors recoil from UK's high inflation, slow growth and 'policy vacuum'

Sterling's slide helps stocks but fund managers are bearish on the currency and gilts

LAURENCE FLETCHER, NIKOL ASGAR AND HARRIET ASHWE - LONDON

High inflation, slowing economic growth and a summer of political squabbles are making it hard for global investors to love beaten-down UK assets.

UK government bonds and the pound have taken the strain, dropping on worries about just how high inflation could climb. Goldman Sachs has predicted inflation could reach 20 per cent next year if energy prices remain elevated...

"Sterling has had a pretty torrid time," said Francesca Fornasari, head of currency solutions at Insight Investment. "There's an unhelpful combination of dynamics which means that the UK... has an additional set of risks that are associated with it."

She has turned even more bearish on the pound, citing "the leadership contest and the discussions around fiscal policy and relationship with [the] EU".

and households will come later. "The fiscal policy vacuum is causing a lot of uncertainty about the UK, which doesn't quite exist in the same way elsewhere," said Oliver Blackburn...

"It does feel like the UK is the worst in terms of the stagflation that is sweeping developed markets," he added. That "is making it very difficult for investors to understand and evaluate UK assets".

Yields on 10-year gilts have rocketed from 1.8 per cent to 2.9 per cent since the start of last month as prices have dropped, while sterling has dropped more than 5 per cent against the dollar.

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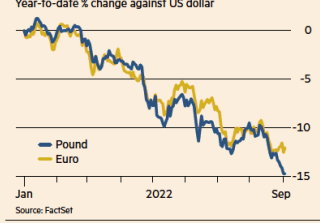
She has turned even more bearish on the pound, citing "the leadership contest and the discussions around fiscal policy and relationship with [the] EU".

In government bonds, the value of short bets against interest-rate sensitive two-year debt has risen by 79 per cent this year, according to S&P Global Mar-

ket Intelligence. Blackburn sold gilts in some portfolios ahead of the Bank of England's latest meeting, preferring the bonds of other countries where inflation looks set to peak sooner. "It's maybe not the best outlook [for] the gilts market, certainly in the short term," he said.

Some managers are also betting against longer-dated bonds. Crispin Odey, founder of Odey Asset Management, whose European fund is up about 120 per cent this year, has been shorting bonds including the 30-year gilt, and

Pressure on sterling has intensified in recent weeks



believes inflation will stay high for "several years at least".

Mark Dowding, chief investment officer at BlueBay Asset Management, is also shorting gilts and has been betting that longer-term yields will rise relative to shorter-term ones because, he believes, US inflation has peaked and eurozone inflation will have peaked by the end of the year...

UK large-cap equities are something of an outlier. The FTSE 100 is one of the best-performing national stock indices in the developed world this year, down just 1.4 per cent in sterling terms...

But the bulk of companies in the FTSE 100 earn revenues in dollars and other currencies that have gained in comparison to sterling, flustering their bottom line. The index is also packed with energy companies that have performed well during the commodities boom.

In addition, investors appear less willing to enter overtly negative bets against UK stocks than against gilts or sterling. Many are mindful that the UK market's bias towards cheap so-called "value" stocks in sectors such as mining and

'It does feel like the UK is the worst in terms of the stagflation that is sweeping developed markets'

energy, which generally fare better than high-growth stocks during periods of high inflation, could mean UK equities continue to outperform other stock markets.

According to data group Breakout Point, there has been a drop off in shorting activity in UK stocks by hedge funds in recent years. Funds increased their disclosed short bets around 1,800 times last year and 2,200 times so far this year, down from around 6,700 times in 2018.

"I wouldn't say, on the UK, clients are outright bearish," said Paul Leech, co-head of global equities at Barclays. "What we've seen is an unwinding of risk." He said that investor sentiment towards the UK and to the rest of Europe was similar, with many investors instead preferring US stocks.

With a large proportion of its constituents in areas such as oil and mining, some managers such as Jupiter Asset Management's Richard Buxton think the UK stock market looks well suited to current economic and market conditions. "As a place to lose money slowly - which is all you can do in a bear market - I think the UK is great," said Buxton, adding that the aim was to have "enough money left to pick up some massive bargains at the end of it".

COMPANIES & MARKETS

On Wall Street Fed rate rises help cash savers sleep a little easier



The day in the markets

What you need to know

- Interest rate concerns push Wall Street to third consecutive week of losses
US jobs market shows signs of slowing
European shares extend gains

Fed rate rise expectations largely intact following US jobs report
Implied federal funds rate in February 2023 5.0%



Gary Silverman

have never been a morning person. When the alarm on my trusty clock radio sounds, I usually hit the snooze button and listen to the news for a bit before I get out of bed to face the day. While lingering under the covers recently, I heard an advertisement that made me smile.

One of our local banks in the New York area was peddling a product called a "bump-up" certificate of deposit. These CDs typically offer savers a fixed return for a defined period that can be increased one time if interest rates keep heading higher.

I liked what I heard, and not because I'm necessarily a bump-up proponent. Consumers choosing these products can expect to sacrifice a little yield at the start for a chance to earn more later. What I found encouraging was that someone in finance was finally competing for people's cash.

One of the unfortunate consequences of the Federal Reserve's zero-interest rate policies — imposed first after the financial crisis and then again during the pandemic — has been the impact on humble savers. They have been punished, their returns ground into dust. Watching your interest compound at a government-insured savings institution has become as quaint a memory as dialling a rotary telephone.

That has been changing this year as the Fed has begun raising rates to hold down inflation. Big bank customers are unlikely to benefit much because those lenders are awash in deposits and lock up much of their clientele with auto-pay

options and other conveniences. But some of their competitors are offering better deals.

Yields on money-market mutual funds climbed above 2 per cent this week for the first time since July 2019, says Peter Crane, chief executive of Crane Data, who added that returns of around 5 per cent were the norm in the decade or so before the financial crisis.

Bankrate.com shows US banks with savings accounts promising annual percentage yields of 2 per cent or more. Marcus, Goldman Sachs's consumer arm, is offering a one-year CD with a 2.7 per cent APY and a 20-month bump-up CD at 2.5 per cent, according to the website.

"This year, everything but cash went into a bear market and continues to be in a bear market"

"Yields have really moved up pretty substantially this year," says Greg McBride, chief financial analyst at Bankrate.com. "At the beginning of the year, the top-yielding bank savings accounts were a little over half a per cent."

Viewed as a conventional investment, cash brings to the mind the old Woody Allen joke: Sex without love is an empty gift, but with love it's a gift that keeps on giving.

With US inflation running north of 8 per cent, accepting a return of 2 per cent or thereabouts obviously isn't a great idea. But it hasn't been the worst idea this year, either. Cash has outperformed stocks, bonds, bitcoin, dogecoin, copper, lumber — any number of assets apart from that Mickey Mantle baseball card that just fetched \$12.6m.

That smart money has responded. A

Goldman Sachs analysis of mutual funds holding \$2.7tn in equity assets found they "increased their allocation to cash this year at the fastest rate" since the financial crisis. During the first half of the year, cash went up from 1.5 per cent of portfolios to 2.4 per cent, or \$208bn, it said.

Bob Haber, chief investment officer of the Boston-based Proficio Capital Partners, a "safety first" manager that handles \$3bn for 25 families, went even further. With a strategy focusing on equities, investment-grade bonds, precious metals and cash, he says he put around 50 per cent of this portfolio this year into cash and "near-cash" instruments like shorter-dated Treasuries. "This year, everything but cash went into a bear market and continues to be in a bear market," he said.

That said, for individual investors, cash holdings often play a different role than other assets. Their cash acts as rainy day money, or as McBride puts it, "the buffer between you and 18 per cent credit card debt thanks to an unplanned expense".

Many of us have such worries — and for some they are more pressing. Tens of millions of people in the US are struggling to maintain a sufficient financial cushion. A Bankrate.com survey in June revealed that 25 per cent of Americans had no emergency savings, while another 28 per cent had some savings, but not enough to cover three months of expenses.

As painful as the Fed's rate hikes will be for the US economy, they also promise to provide a little yield and maybe a modicum of comfort for an often-forgotten set of savers — the worried, the beleaguered, the people who just want to put their head on the pillow and get some sleep at night.

gary.silverman@ft.com

US stocks were on track to post their third weekly decline in a row after data showing a slight uptick in unemployment failed to assuage concerns that the Federal Reserve will continue to sharply boost interest rates.

Wall Street's broad S&P 500 rose 11 per cent in choppy afternoon trading yesterday, but remained down about 1.3 per cent for the week. The Nasdaq Composite climbed by a similar margin but was also about 1.9 per cent in the red from last Friday's closing level.

The US jobs report, released yesterday, showed that the pace of hiring slowed from 526,000 the previous month to 315,000 in August — slightly exceeding economists' forecasts of a sharper slowdown.

However, the unemployment rate unexpectedly ticked up from 3.5 per cent the previous month to 3.7 per cent, suggesting to some economists that the jobs market was losing momentum.

Jobs data has been closely scrutinised in recent months for clues about how aggressively the Fed will tighten monetary policy, with evidence of a hotter labour market fuelling expectations of larger and faster interest rate rises.

Conversely, indications of cooling jobs activity have helped to reduce projections of how far the Fed will opt to increase borrowing costs, as it strives to strike a balance between quelling rapid price growth and pushing the US economy



Based on trading in federal funds futures. Sources: Refinitiv, FT calculations

even further into a protracted slowdown.

"The labour market is moving in the right direction for policymakers," said Jeffrey Roach, chief economist for LPL Financial.

The labour force participation rate — the share of the working age population in work or actively seeking employment — stood at 62.4 per cent in August, yesterday's figures showed. July's proportion stood at 62.1 per cent.

Expectations for Fed rate increases cooled slightly after the jobs report, with trading in federal funds futures suggesting that markets expect the Fed

to raise its main rate to 3.82 per cent by February from a projection of 3.89 per cent at the close on Thursday.

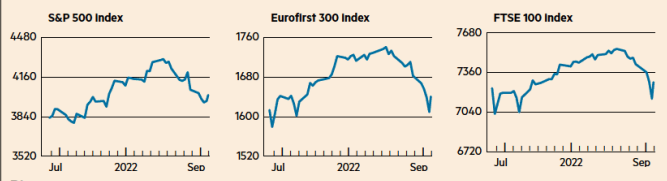
The yield on the 10-year US Treasury note lost 0.03 percentage points to 3.23 per cent. The policy-sensitive two-year yield dropped 0.1 percentage points to 3.43 per cent, having this week touched its highest point in 15 years. Bond yields rise as their prices fall.

European shares extended their gains after the jobs data release, with the regional Stoxx 600 Index adding 2 per cent — putting the brakes on five straight days of declines. **Harriet Clarfelt**

Markets update

	US	Eurozone	Japan	UK	China	Brazil
Stocks	S&P 500	Eurofirst 300	Nikkei 225	FTSE100	Shanghai Comp	Bovespa
Level	4014.42	1640.63	27650.84	7281.19	3186.48	111773.27
% change on day	1.20	1.93	-0.04	1.86	0.05	1.24
Currency	\$ index (DXY)	\$ per €	Yen per \$	\$ per £	Rmb per \$	Real per \$
Level	109.317	1.003	140.035	1.158	6.903	5.179
% change on day	-0.341	0.905	0.011	0.434	0.054	-0.676
Govt. bonds	10-year Treasury	10-year Bund	10-year JGB	10-year Gilt	10-year bond	10-year bond
Yield	3.229	1.520	0.238	2.915	2.634	12.555
90-day bill	2.700	4.100	0.230	3.900	0.800	18.800
World Index, Commods	FTSE All-World	Oil - Brent	Oil - WTI	Gold	Silver	Metals (LME)
Level	406.00	94.16	88.31	1694.30	17.77	36114.0
% change on day	1.21	1.13	1.15	-1.26	-0.98	-3.42

Main equity markets



Biggest movers

	US	Eurozone	UK
Ups	Broadcom 4.64	Omv 7.57	Abrdn 7.45
	Halliburton 4.54	Commerzbank 6.83	Prudential 6.24
	Mosaic (the) 4.54	Exor 6.29	Smith & Nephew 5.71
	Schlumberger 4.31	Thyssenkrupp 5.87	Fresnillo 5.50
	Devon Energy 4.21	Volkswagen 5.21	Rolls-royce Holdings 5.27
Downs	Dish Network -1.57	Henkel -0.89	Berkeley Holdings (the) -2.70
	Equinix -0.93	Carrefour -0.48	Persimmon -1.90
	Regeneron Pharmaceuticals -0.56	Ses -0.20	Barraitt Developments -1.23
	J.b. Hunt Transport Services -0.53	Edp -0.19	Haleon -1.02
	Comcast -0.47	Kpn -0.09	Gsk -0.38

WOMEN IN BUSINESS FORUM

INSPIRE AND EMPOWER FUTURE FEMALE LEADERS

Join the FT Women in Business Forum and help nurture greater boardroom diversity and advance female talent.

By becoming a member, your company will be taking a proactive step in developing a more inclusive workplace.

You'll be joining a community of global organisations with a shared mission to promote the power of women and create more representative corporate boards.

Membership is open to any organisation that shares and supports these aims.

To find out how to join this members-only women's network, visit forums.ft.com/women-in-business-forum

Wall Street

Forecast-beating results lifted **Lululemon Athletica**, the upmarket "athleisure" group, which posted a performance that stood out from a "significantly weakening retail backdrop", said Credit Suisse.

Earnings per share of \$2.20 in the second quarter beat the broker's \$1.90 estimate, while a 25 per cent year-on-year rise in same-store sales topped analysts' 17 per cent forecast.

In a sign that its wealthier customer base was able to absorb higher prices, Lululemon raised its full-year outlook, expecting net revenue to land between \$7.87bn and \$7.94bn, up from the \$7.61bn to \$7.71bn range stated in June.

Chipmaker **Broadcom** rallied off the back of "record [fiscal] third-quarter results", declared Hock Tan, president.

A 25 per cent year-on-year increase in revenue to \$8.47bn was "driven by robust demand across cloud, service providers, and enterprises", said Tan, who expected "solid demand across our end markets to continue in the fourth quarter".

Kohl's jumped following a Reuters report that private equity firm Oak Street Real Estate Capital was attempting to buy up to \$2bn of property from the department store chain.

If a deal could be brokered, Oak Street would then lease back its stores to Kohl's, said the report. **Ray Douglas**

Europe

Germany's **SLM Solutions**, which develops metal additive manufacturing equipment, surged on news that Japan's Nikon wanted to purchase the group.

The camera-maker intended to buy all outstanding shares for €20 each, a 75 per cent premium on Thursday's close.

The transaction, which valued SLM at €622m, had already been agreed by key shareholders, including Elliott Advisors and SLM's founder, Hans-Joachim Inde.

Broker Lake Street Capital applauded the move, saying that SLM, under Nikon's ownership, could accelerate "research and development and provide global service and support capabilities to help reach" a wider customer base.

A ratings downgrade by Berenberg weighed on **Complex Charging Solutions**, which makes high-grade charging stations. The German group announced this week that Checrallah Kachoui, co-founder and chief technology officer, would leave with "immediate effect", a development that concerned the broker.

The timing of Kachoui's departure was "very unfortunate", said analyst Yasmin Stellen, as Complex was still preparing a new high power charger scheduled to launch in the first quarter of next year.

Reflecting this uncertainty, Berenberg lowered its recommendation for Complex from "buy" to "hold". **Ray Douglas**

London

Alliance Pharma, which holds the marketing rights for consumer healthcare brands and prescription medicines, dived on news that the Competition and Markets Authority was seeking disqualification of its chief executive Peter Butterfield.

Butterfield was among seven directors from four companies that the CMA found were "involved in... restricting competition in the supply of prochlorperazine", an anti-sickness medicine, to the NHS.

Alliance said it "fundamentally" disagreed with the CMA, reiterating "that it did not participate in, or profit from, any market-sharing arrangement".

All four groups have each filed an appeal in the Competition Appeal Tribunal on the decision and penalty.

A vote of confidence from a senior executive helped lift **Marston**, the pub operator. Chief financial officer Hayleigh Lupino bought 54,000 shares, at 36.85p each, three days after the British Beer and Pub Association called for state support to address soaring energy bills.

Hospitality shares are still depressed after the pandemic, with Marston about 50 per cent lower this year.

A contract win sent **Instem** rallying. The IT group said it had a five-year deal, worth more than \$12m. **Ray Douglas**

MARKET DATA

Change during previous day's trading (%)



Stock Market movements over last 30 days, with the FTSE All-World in the same currency as a comparison



Table of market indices with columns for Country, Index, Latest, Previous, and % change.

STOCK MARKET: BIGGEST MOVERS

Table of stock market movers with columns for Active Stocks, Gain, Loss, and % change.

CURRENCIES

Table of currency exchange rates for various countries.

FTSE ACTUARIES SHARE INDICES

Table of FTSE Actuaries Share Indices with columns for Index, Change, and % change.

FTSE 30 INDEX

Table of FTSE 30 Index with columns for Index, Change, and % change.

FT WILSHIRE 5000 INDEX SERIES

Table of FT Wilshire 5000 Index Series with columns for Index, Change, and % change.

FTSE SECTORS: LEADERS & LAGGARDS

Table of FTSE Sectors: Leaders & Laggards with columns for Sector, Index, Change, and % change.

FTSE 100 SUMMARY

Table of FTSE 100 Summary with columns for Index, Change, and % change.

UK STOCK MARKET TRADING DATA

Table of UK Stock Market Trading Data with columns for Index, Change, and % change.

UK RISK FACTORS

Table of UK Risk Factors with columns for Index, Change, and % change.

UK COMPANY RESULTS

Table of UK Company Results with columns for Company, Revenue, Profit, and % change.

UK RECENT EQUITY ISSUES

Table of UK Recent Equity Issues with columns for Company, Amount, and % change.

Disclaimer and footer text including 'Data provided by Morningstar | www.morningstar.co.uk' and 'All data provided by Morningstar unless otherwise noted.'

MARKET DATA

FT500: THE WORLD'S LARGEST COMPANIES

Table with columns: Country, Company Name, Price, Change, High, Low, P/E, Market Cap. Lists major global companies like Apple, Microsoft, Amazon, etc.

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FT 500: TOP 20

Table showing top 20 companies in the FT 500 index with columns for price, change, and market cap.

FT 500: BOTTOM 20

Table showing bottom 20 companies in the FT 500 index with columns for price, change, and market cap.

BONDS: HIGH YIELD & EMERGING MARKET

Table showing high yield and emerging market bond data with columns for issuer, price, and yield.

BONDS: GLOBAL INVESTMENT GRADE

Table showing global investment grade bond data with columns for issuer, price, and yield.

INTEREST RATES: OFFICIAL

Table showing official interest rates for various countries and currencies.

INTEREST RATES: MARKET

Table showing market interest rates for various countries and currencies.

BOND INDICES

Table showing various bond indices and their performance.

GILTS: UK CASH MARKET

Table showing UK gilt and cash market data.

COMMODITIES

Table showing commodity prices for various goods like oil, gold, and wheat.

BONDS: INDEX-LINKED

Table showing index-linked bond data.

BONDS: BENCHMARK GOVERNMENT

Table showing benchmark government bond data.

GILTS: UK FTSE ASSET INDEXES

Table showing UK FTSE asset indices.

BONDS: TEN YEAR GILT SPREADS

Table showing ten-year gilt spreads for various countries.

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3 September/4 September 2022

FT Weekend

15

FINANCIAL TIMES SHARE SERVICE

Main Market

Table with columns: Sector, Price, %Chg, 52 Week High, Low, YTD, P/E, Div Yield. Includes Aerospace & Defense, Banks, Chemicals, Consumer Goods, Energy, Financial Services, Health Care, Industrials, IT, Media, Pharmaceuticals, Retail, Tech, Telecom, Utilities.

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Peltz/Trian: biter bit

Being targeted by billionaire investor Nelson Peltz is a CEO's nightmare. Turning the tables invites *schadenfreude*. After a hard-fought activist campaign, his London-listed investment company announced yesterday that it would wind itself up. Shares in Trian Investors 1 jumped 14 per cent on the news.

The trust put a brave face on the move, describing it as "positive and sensible" way forward. Distributing the trust's Unilever and Ferguson shares in specie indeed makes sense, allowing investors to choose when and whether to cash in the stocks. The consumer-goods and heating companies.

The trust presents itself as a long-term investor vanquished by the City's short-termism. But rebel shareholders were right to object when it changed its objectives last summer from investing in a single company and paying back returns to being a permanent capital fund investing in multiple businesses.

Before yesterday's jump, the shares had risen 30 per cent since the 2018 launch, compared with a 3 per cent fall for the FTSE 100. These illiquid shares threatened to be a trap. They offered little appeal to new investors, given that they can buy the underlying shares directly. The discount to net asset value reached nearly 40 per cent in January.

Discounts are a feature of UK investment companies. These grew by nearly four times on average in the first half of the year to just under a tenth. But the discounts for UK vehicles of US hedge funds tend to be particularly wide. That of Pershing Square Holdings, Bill Ackman's quoted vehicle, is almost a third. Activists waged a battle to close the discount at Dan Loeb's Third Point Investors Limited. It ended in a truce of sorts in February. Such tussles reflect the City's strict corporate codes, although it is worth noting that the UK lacks US-style curbs on closed-end funds performance fees. The campaign against Trian Investors 1 was warranted. Its capitulation sends a useful message.

Japan trucks: part and parcel

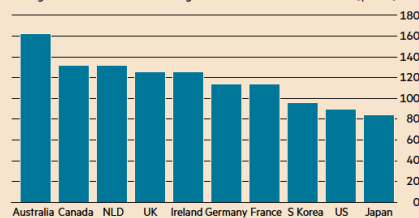
Japan's shrinking workforce and growing e-commerce market have resulted in a truck-driver shortage. Analysts have forecast that a third of all cargo will go undelivered by 2030.

But an imminent lack of trucks, not the drivers, looms as a much bigger problem. Trucking dominates Japan's logistics industry owing to the country's archipelago of more than 6,800 islands. Narrow roads require specialised light-duty trucks. These small vehicles, carrying loads of 2 tonnes or less, constitute most of the industry's trucks. Not many Japanese companies make these. Toyota unit Hino accounted for more than a third of Japan's new light-duty truck market in the year to March. Local peer Isuzu is its biggest rival.

The problem is a scandal at Hino; it admits not conducting the required number of truck-engine emission tests and faking testing data for decades. Hino has almost completely halted sales in Japan after suspending shipments of its small trucks last week. About 640,000 vehicles have been

Fast food: machines not teens

Saving from 10% reduction in average fast-food restaurant workforce (\$000's)



*Based on a reduction of the number of staff from 62 to 56 working a 40-hour week at national minimum wage, converted to US\$ at market exchange rates

Sources: OECD; FT research

Mechanisation of food production is as old as human ingenuity itself. Commodity staples and many packaged goods today would be impossible to produce without the help of machines. As labour costs soar the next logical step is cyborg chefs. Even when restaurants can find staff, they do not hang around long given the industry's high turnover rates. Australia's radical proposal to lower the minimum age to work to 13 offers an unlikely solution.

In fast-food restaurants, where competition is high and efficiency vital, machines already chip in. Lex's own back-of-the-burger-wrapper calculations suggest that this trend will continue.

Flippy, a robotic arm made by California-based Miso, can flip burgers and operate fryers. The

machines already operate in the US and are being trialled elsewhere. The company claims Flippy works twice as fast with 30 per cent more output than its human counterpart.

In Australia where minimum wages are some of the highest globally, a 10 per cent headcount saving – or 6 people – saves the average restaurant employing people on minimum wage US\$163K each year, assuming 40-hour weeks. That suggests a mere four-month payback on the US\$60K investment reported cost for two of Miso's arms, assuming no breakdowns. The same economics mean payback comes within a year in most developed economies.

Should cheap labour become yet another scarce input, machines rather than more teens at fast-food outlets should offer a better solution.

affected by the scandal so far. About 19,000 of Toyota's trucks that use the Hino engine are also affected.

Normally that would mean an immediate windfall for rival Isuzu. But it has its own production problems owing to a shortage of semiconductors and other components.

Shares of Hino have fallen 38 per cent this year. Even that may not fully reflect its dire outlook. Stock in Isuzu, which should slowly garner some of Hino's market share as its production normalises, has gained about a fifth.

Longer term, the scandal and resulting truck shortage will mean an opening of the Japanese market to imports. It could also encourage earlier use of electric trucks than forecast.

All this offers hope for Chinese light-truck exporters and electric-car groups such as BYD that make electric versions of vehicles used in Japan for parcel deliveries. But it is bad news for customers waiting for their packages.

Non-bank lenders: risky business

Rising interest rates are bad news for US non-bank mortgage lenders. These companies, which do not take deposits or offer other banking services, rode a wave of liquidity from low rates through two of their best years on record during the pandemic.

Refinancing activity has now dried up. Mortgage origination, which reached \$4.4tn in 2021, should drop by nearly 50 per cent to \$2.3tn this year, the Mortgage Bankers Association says. The shares of non-bank mortgage lenders reflect this. The two biggest,

United Wholesale and Rocket, are off 47 per cent and 41 per cent this year. The pair have responded to the slowdown by ramping up incentives to grab market share from smaller rivals.

These include waiving some fees and lowering rates on certain products.

Both UWM and Rocket may be emboldened by the wide spread between the 30-year fixed mortgage rate and the 10-year Treasury yield. This stood at 240 basis points on Friday, compared with around 155 basis points at the start of the year, according to Federal Reserve data.

That has provided some degree of protection against pressure on profitability. Rocket's gain-on-sale margin, a measure of how much it earns selling mortgages, actually rose during the second quarter from 2.78 per cent a year ago to 2.92 per cent. That is still nearly half that seen two years ago at the height of the refinancing boom. UWM had a smaller gain. The margin lift hints at some stabilisation of their businesses.

But discounting for market share has risks. Non-bank lenders fund their loans with borrowings, not cheaper deposits. They then sell on the loans, eventually to bondholders, often retaining responsibility for collecting payment.

The model works when the economy is strong. When borrowers face sagging economic prospects it grows more difficult. Rocket and UWM no doubt hope for better surf. Investors would do well to watch from the beach.

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Yen's marathon decline takes on an alarming pace

Leo Lewis

The Long View

Over the past week, Japanese travel agents have reported a spike in inquiries for flights to Hawaii for the Honolulu Marathon – a paradisiacal 26-mile slog held in late December, and, in deeply uncertain times, probably as good as any other indicator for the next move in the yen.

In mid-August, analysts could plausibly argue that, after a precipitous run down since March, the yen's weakness against the dollar had likely hit its limit. The 24-year low of ¥139/\$ reached so spectacularly in mid-July, they suspected, had proved a robust level of resistance; the new balance of probability pointed to a phase of yen strength into the calendar year-end, with several forecasting a rise to around ¥130/\$.

The thesis was based on the idea that the factors that had been driving the yen's descent – primarily the widening policy divergence between the rate-raising US Federal Reserve and resolutely ultra-loose Bank of Japan – had subtly changed over summer. By mid-August, and with the short-yen trade apparently less popular with speculators, Nomura analysts could list several such changes to the market environment.

Between July and August, the perceived chances of a US and global recession had moved from a risk scenario to the main scenario. A downward trend in commodity prices offered hope for an improvement in Japan's trade balance. Expectations of an imminent peak in goods price inflation were higher in mid-August than they had been earlier in the year. The risk of accelerated US rate hikes seemed to have fallen, even as the perceived chances of any normalisation in BoJ policy under governor Haruhiko Kuroda remained virtually zero.

All of which made solid sense until this week, when the yen tumbled through the ¥140/\$ level and to a new

24-year low as the market, following hawkish comments from Fed officials, snapped back to the assumption of multiple, aggressive rate rises in the US in coming months. The mood change was instant. Japanese officials said they were once again watching FX markets "with a high sense of urgency".

Traders began assuming a definitive break past the ¥140/\$ line in coming days. If that happens, some traders say they can identify no obvious technical support levels between here and the yen's 1998 low of ¥147/\$. Having taken a bold punt on calling peak dollar-yen three weeks ago, Nomura decently fudged that there would be a "slight

Japanese officials said they were once again watching FX markets 'with a high sense of urgency'

delay" to its previous forecast. Some are even clearer on the new momentum. Analysts at JPMorgan said on Thursday that they would not rule out the yen falling more deeply past ¥145/\$, as policy divergence resumed an influence over the currency pair that had broken down over the summer.

As that influence has resumed, the perceived risk to speculative bets against the yen has also contracted. In the face of a long summer of geopolitical disruption and recession threat, the idea of the yen as a safe haven has barely registered, removing a once dependable source of support.

Another historic pattern that has broken down, noted CLSA strategist Nicholas Smith, has been a historic correlation of the dollar-yen exchange rate with the propensity of foreign investors to buy and sell Japanese equities. A weaker yen has, in the past, prompted net buying of Japanese stocks. In 2022, however,

the yen has plunged and foreigners have been net sellers of over ¥650bn of stocks since January.

Meanwhile, said JPMorgan's Benjamin Shatil, the yen has come under ever more downward pressure from the recent surge in the so-called yen "carry trade" – the investment strategy of borrowing in a low-yielding currency and selling it to fund speculative investments in higher ones. As countries other than the US enter monetary tightening cycles, the yen is rapidly becoming the world's only zero-yielding currency, inviting yen-funded carry trades across a widening selection of currency pairs.

BoJ data on the changing assets and liabilities of foreign banks in Japan, which can to some extent be treated as a proxy for the yen carry trade, suggests the strategy is at its most active in over a decade. The implication here, said Shatil, is that unless the BoJ pivots, yen-funded carry trades have the potential to rise further.

Still, say traders, there are other sources of yen flows that may prove more influential in coming months. After long prevarication, Japan seems to be crawling towards a large-scale reopening of its borders to foreign tourists. Even if such a resumption did not, for now, involve high-spending Chinese tourists, the influx would create a more permanent backdrop of yen buying.

More immediately influential, though, will be last week's decision by Japan to ditch its requirement that anyone entering the country must present a negative PCR test taken within 72 hours of travel. The lifting of that rule, from next week, is expected to trigger a rapid resumption of Japanese booking foreign holidays, shopping trips and exotic marathons: a potential hit of yen outflows before the incoming tourist boom has a chance to offset them.

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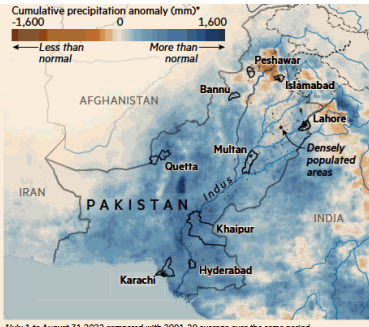
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 Fahmi Qadir Founder Chief Investment Officer Safkhet Capital	 Karen Frank Global Head of Equities Ontario Teachers' Pension Plan



decimated crops in what the country's officials say is an unprecedented climate disaster.

About one-third of the country was still submerged on Tuesday when satellite data from the European Space Agency mapped the extent of the deluge.

More than 1,100 people have been killed and nearly 1m homes damaged by the flooding, which was triggered by a combination of heavy rainfall and glacial melt.

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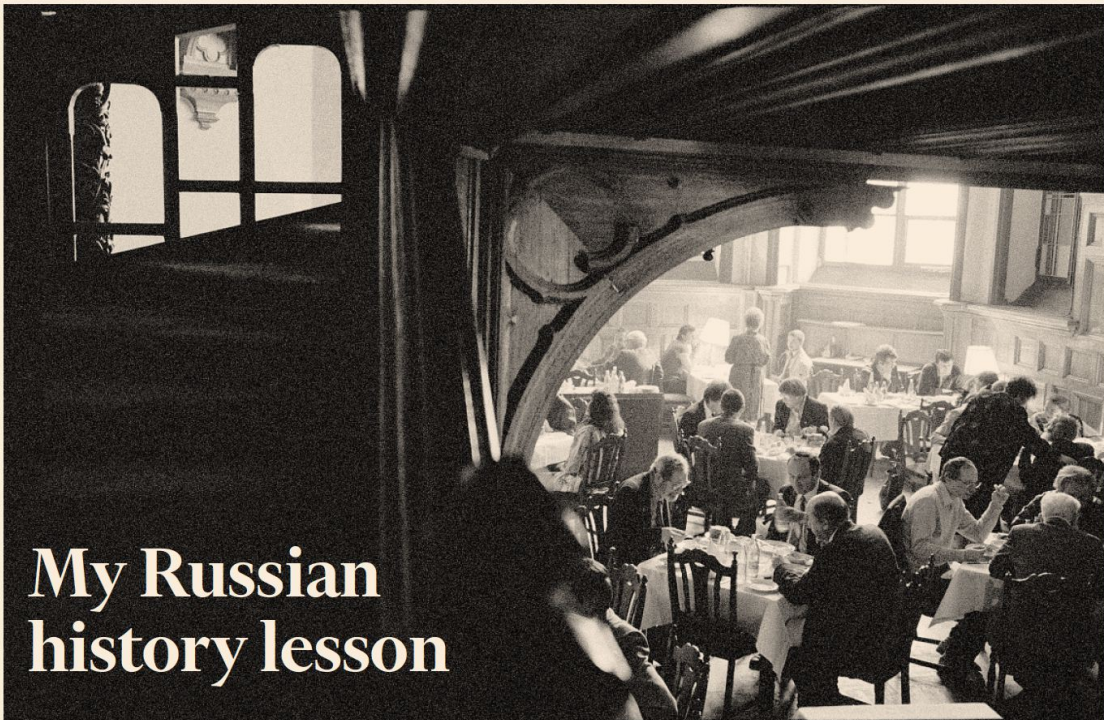


Life & Arts

SUPPLEMENT OF THE YEAR

Ai Weiwei The dissident artist's tribute to 'ultimate freedom' — PAGE 12

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My Russian history lesson

Over four decades, historian *Orlando Figes* saw at first hand how his friends in the Moscow and St Petersburg intelligentsia embraced post-Soviet freedoms — only to relinquish them as Vladimir Putin took Russia back to its autocratic past

After the invasion of Ukraine began on February 24, I wrote to friends in Russia, asking if they needed help. Most of them replied on Telegram, the medium preferred by those who fear their emails might be monitored.

One was desperate for a UK tourist visa for his son, who was of conscription age. Another needed cash because her Visa card no longer worked. Would I send her some through Western Union? A young and talented historian wanted

The photographs in this piece, taken by Gaeorgui Pinkhassov of Magnum Photos, show members of the Writers' Union of the USSR in Moscow in 1990



with sentences of up to 15 years.

My friends are in a minority — the quarter of the Russian population that does not support the war, as far as one can tell from the polling. They all belong to the intelligentsia circles of Moscow and St Petersburg, a world apart from the provinces, where most people get their news from state TV.

The gulf between these two worlds is historical. It was the fundamental problem of the 19th-century revolutionaries and democratic reformers, as it has been a major reason for the failure of

vast complex of residential "zones" connected by a central hall, at that time filled by tables laid out for the World Chess Championship (Karpov vs Kasparov), where the best student players would gather with their sets in the evenings to analyse the latest moves. My first meal in the canteen was a bowl of greasy borscht with a cockroach floating on top.

I was researching for my PhD at Cambridge. The title of my dissertation was "The Middle Volga Peasantry in the Russian Civil War" — a topic that amused my widening circle of intelligentsia friends, whose attitude to peasants was Chekhovian, and bemused my KGB minders, who ran the special room for western scholars in the State Archive of the October Revolution, where I did most of my work.

Without access to the archive's catalogues, we could request only files whose numbers we had found in Soviet publications: that was the method of

exposed the catastrophe of Stalinist collectivisation in a book withdrawn from the printing presses on the day Khrushchev was ousted from power. Danilov was dismissed from his academic post.

For the next 20 years, when the Brezhnev regime defended Stalin's agricultural policies, Danilov was regarded as *persona non grata*, if not quite a dissident, by the Soviet establishment.

Foreigners who wished to consult him had to do so in the presence of a KGB official. Under Mikhail Gorbachev, his fortunes changed and, with the support of western colleagues, he published several volumes of important documents on collectivisation before his death in 2004.

The climate for historical research began to change in Putin's second term as president from 2004 to 2008. The drift towards authoritarianism was underpinned by the Kremlin's growing control of the history taught in schools and presented in the media, where it imposed the narrative that Russia had been strong when its people were united behind a strong state and leader.

There was a bitter ideological struggle over Stalin, where the recent revelations of historians like Danilov — along with the work of public bodies such as Memorial, which had been collecting testimonies from the victims of the Stalinist repressions since the late 1980s —

When I think of the future they have been denied by Putin's war, I feel shame, anger and above all sadness

were condemned as "antipatriotic" by the regime's ideologists, who wanted to restore a sense of pride in all of Russia's past, including the Stalin years.

At this time, when I was working with Memorial on an oral history project that would form the basis of my book *The Whisperers*, a history of private life in Stalin's Russia (published in 2007), I was making five or six trips every year to confer with my colleagues and interview survivors of the Stalin years. The first sign I detected of a change in attitudes was on a lecture tour of Russian universities arranged by the Oxford Russia Fund (a charity established with money from the oligarch turned Kremlin foe Mikhail Khodorkovsky to provide grants and books to Russian students and universities) in 2008.

During questions after my lecture at a university in the Urals, I was attacked by a professor who declared that I, as a foreigner, had no right to write about the Stalinist repressions, let alone to lecture

Continued on page 2



to withdraw an article I had translated and submitted for him to a scholarly journal in America because he feared that its publication might get him into trouble at his university under Vladimir Putin's foreign agent law, which obliges Russian citizens to register as "foreign agents" if they are supported from abroad.

There was not much I could do for them. The British consulate was overwhelmed by applications from Ukrainians. Western Union suspended transfers to Russia on March 24, by which time my friend had fled to Yerevan, Armenia, where Russians could still use their credit cards. As for the young historian, I did not hear from him again.

When I think of the situation of my friends in Russia, of the future they have been denied by Putin's war, I feel shame, frustration, anger and most of all sadness on their behalf. They all, I'm sure, abhor this war – even if they do not dare say so in their messages to me. Many are concerned for their own Ukrainian relatives. One Moscow friend has gone to help her family repair their badly damaged flat in Mariupol, which still has neither power nor water. Another old acquaintance from St Petersburg is giving half his income to the *ad hoc* groups that have sprung up to support the thousands of Ukrainian refugees in the city.

Maybe those I've not heard from are now in jail, or too scared to get in touch following the mass arrests of anti-war protesters and new laws that punish criticism of the government and "false reports" about the "military operation"



today's intelligentsia to play a more decisive role of national leadership since the collapse of the Soviet regime. The social background of the intelligentsia may have broadened greatly in the intervening period – the revolution cut its roots in the nobility – but in education and outlook it remained just as isolated from the common people as before. In that isolation is its tragedy.

I have worked in Russia for almost 40 years. My first trip there, to study Russian, was in 1983. The next year, I arrived with a group of British Council exchange students at Moscow State University for the first of what turned out for me to be three years of graduate research. The university's main building was a

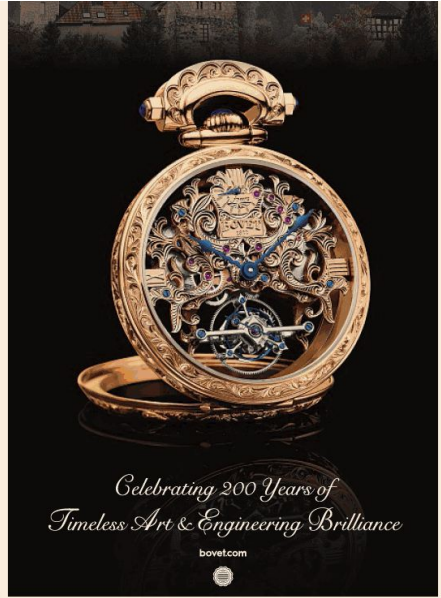


control. We were not allowed to eat in the canteen in case we fraternised with Soviet historians and archivists. But there was a flaw in the system: the archive had just one toilet, the place where everybody went to smoke. I soon discovered that my western cigarettes could be exchanged with a certain archivist for the unpublished numbers of the files I was not supposed to see.

With the arrival of *glasnost* there was no longer any need for subterfuge. From 1986, the catalogues became available and western scholars were allowed to work with Soviet colleagues in the general reading room and, in some cases, in the archive's stacks, where there was no limit on the quantity of files we could receive. I began to number archivists among my friends, and even dated one of them.

This was an exciting time for foreigners in Russia like myself. It seemed at last that the country would rejoin the European world it had left in 1917, and that we could join our intelligentsia friends in their struggle for democracy. In my own field of historical research, which played a crucial role in shattering the myths of Soviet power, we were able to support our Russian allies by importing western books, helping writers get published in the west, and inviting them to international conferences.

In 1989, my friend and mentor Viktor Danilov, a leading scholar of the Soviet peasantry, came to Cambridge on a fellowship at Trinity College, where I was teaching. At the height of the Khrushchev Thaw, in 1964, Danilov had



Life

Note from the FTW editor



News of the death of Mikhail Gorbachev will, I suspect, have cast many of you back to that time of extraordinary upheaval and hope three decades ago. It's easy to see the downfall of the Soviet Union as inevitable now. In its final years it certainly was on its last legs. I recall being waved – visaless – into the dying USSR by a KGB officer at Riga airport in the summer of 1991; he seemed not just wearied but almost relieved that the old order was crumbling.

But we must not underestimate how much Gorbachev had to lead and how brave he had to be – even if, unlike FW de Klerk, his contemporary fellow reformer of an autocratic system, he did think until too late that he could adjust the system rather than abolish it.

As Orlando Figes writes in his plangent essay, as *glasnost* spread, it seemed Russia "would rejoin the European world it had left in 1917". I look forward to probing Mikhail Khodorkovsky at the FTW Festival today on that fateful Gorbachev era and the rather more classically authoritarian Russian rule of Vladimir Putin.

Meanwhile... back from their summer, our editors have laid on a cracking edition. Among the highlights are a moving interview with Ai Weiwei on page 12, a Books essay on Goethe on page 9, a zinger of a Jo Ellison column on the back page on why we need to throw ourselves into our work, on Page 16 a compelling profile of the martial arts titan who is America's "greatest showman", and a magnificent "gonzo" Lunch where the writer has let rip – and drunk our guest's wine – and reminded me of the need to give writers a long leash! Thank you as ever, for

Growing up, I could always be caught with a book in my hand. There was my favourite picture book, *Gorduroy*, about a teddy bear that comes alive and the little girl who longs to buy him. As a pre-teen I devoured the Swedish Pippi Longstocking books, about the imaginative and free-spirited nine-year-old who claimed to be the "strongest girl in the world".

Later, there was the young adult novel *Roll of Thunder, Hear My Cry* by Mildred D Taylor, about an African-American family living and working in rural Mississippi in the 1930s. These books taught me that one gift offered by reading was as a way to spend time in realities different from your own, and that it could alter how you think about your own life and reality.

But I remember the first book I read as a young woman that engaged me in a way unlike any other. It was the 1996 novel *Zenzele: A Letter for My Daughter*, by the Zimbabwean author J Nozipo Maraire. It is about Shiri, a Zimbabwean mother writing to her daughter Zenzele, who lives in the US and attends Harvard university. It is full of stories, confessions and advice to remind Zenzele of who she is and where she comes from, and to hold the history of her own culture alongside the American one she is steeped in.

For me, a young woman with Nigerian parents, but born in America and raised in four countries across three continents, the book spoke about an element of my own life that I had not as yet encountered in literature.

It made me consider in a deeper way the particularities of my own story, and that there were multiple cultural narratives and histories and gendered perspectives that needed to be mined and shared. It was one of the first books that showed me how, in offering their views and experiences, women could shape how they are understood by the world, as well as helping readers to expand their sense of how the world could and should work. I saw Shiri's letters as offering a different world view but also as teaching a particular kind of agency to her daughter, and to any other young woman who might read them.

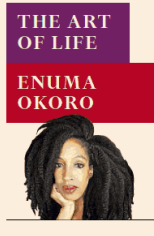
I am drawn to the 1915 painting "Maid Reading in the Library" by the Swiss artist Edouard John Mentha. Standing on a bookshelf ladder with her feather duster tucked momentarily under her arm, the maid is engrossed in a book. On the shelf are large encyclopedic volumes, taxidermied birds and bats, a skeleton. It is a scientific library of some sort, so it appears that the maid is not reading a religious tract or a book about housekeeping, the types of literature then deemed suitable for women. And its contents have seemingly kept her riveted, oblivious to the fact she is being watched, by us and perhaps by the owner of the library.

Reading can be so engrossing as to distract us from external pulls, demands and expectations. But it can also inform you about realities that challenge how you've understood (or been led to understand) the way the world works. And it can inspire you to desire and connect other worlds. Perhaps this is why it has always been considered dangerous for certain groups of people not only to read, but



'Maid Reading in the Library' by Edouard John Mentha (1915)

Women rewriting the world



books, not just the ones prescribed. Reading taps at our interior lives and opens up our imagination, seeding ground for transformation and for action out in the exterior world.

The first time I saw Swedish artist Carl Larsson's 1906 painting "Model Writing Postcards", I was unexpectedly smitten by it. A naked woman is positioned in the middle of the canvas, sitting writing at a table covered with papers. She is framed by three portals into other worlds. On the wall behind her is a portrait of the head and shoulders of a fully clothed woman;

occupied with outside the frame, suggesting a world in which women are only partially seen or understood.

Beside the writing woman is a framed painting on an easel; this one depicts an entirely nude woman and some sketchy outlines of the lounging bodies of others. The women on the canvas inhabit a world where women's bodies are poised for a consuming eye. Given the title of the painting, it seems that our writing heroine was the model for both paintings in the room. But directly in front of her, just beyond a vase of flowers, is a window open to an exterior world where life blooms and

seems to spill into the room from beyond the window. In the centre of these various worlds, the writing woman is busy narrating her own. I am intrigued by her nakedness. It feels symbolic of the life she leads as a model, and as a woman, the demand that she offer herself up for others' consumption. But the nakedness to me is also symbolic of how a woman writing must learn to nurture unashamedly her own interior life and work, in order to tell some of the truths of what it means to be her.

One of the most captivating images I have seen of women reading and writing is the National Portrait Gallery's 1977 photograph of Margaret Busby, the Ghanaian-born writer, publisher, editor and broadcaster. She sits on a chair in the centre of the frame, gazing at us head-on. She is surrounded by a mountain of books, as though she could be caught in a literary avalanche at any moment. In this photograph, it is her beautiful and full gift to read and write, and to curate writing that gets put out into the wider world.

But it is also in its own way a precarious and dangerous thing, to use one's mind and voice so boldly in societies that spent centuries believing that women, and especially black

Reading taps at our interior lives, seeding ground for transformation and action out in the exterior world

women, had nothing worthwhile to say. And such places still exist for many non-white women, where large swaths of society believe this. Entire countries, even.

Busby, now 77, was Britain's first black female book publisher, and in 2020 she served as the chair of judges for the Booker Prize. The NPG photo was taken by Mayotte Magnus in Busby's office at Allison & Busby, the publishing house she co-founded in 1967. In a 2020 Guardian article by Aida Edemariam, Busby remembered being "treated as some sort of freak – 'the girl from Ghana goes into publishing' – as if they were saying: 'black girl can read.' That was the society we were part of and what I was used to, so I just got on with what I was doing."

Several Christmases ago, my mother gave me a present that astounded me in its thoughtfulness and insightfulness. She had commissioned an artist to paint a 3ft by 4ft image of me sitting cross-legged on a chaise, a blanket wrapped loosely around my thighs and an open book in my hands. I am wearing my glasses and dressed casually in a tank top, with a scarf tied loosely to hold back my hair. It's not a portrait meant to highlight my physical attributes or make me attractive to a viewer. I am reading the book in my hands, and there is a broad smile on my face. It is a glimpse of a reading and writing daughter lost momentarily in a thrilling world of her own.

My Russian history lesson

Continued from page 1

them about that chapter in their history. I declared a certain sympathy for the professor's point of view (this was a story the Russians really ought to write) but asked him if he cared to name a single Russian scholar who had published anything remotely comparable to my own project with Memorial, at which point he stormed out of the lecture hall.

I came across a similar resentment from some colleagues in Russia, including one of the senior researchers at Memorial, who told me when I gave her a copy of *The Whisperers* that my name should not be on the cover of the book because it was a foreigner. By this time, I was getting used to hostile emails from Russians (some of them were no doubt Kremlin trolls) who accused me of spreading lies about the Stalin era (no one in their families had been repressed) or said that I was "colonising Russian history" in a way that robbed the Russians of their own more positive and patriotic memories.

Among the people I had counted as my friends, there were also signs of this nationalist turn. One of the first people I had got to know in Moscow was a celebrated poet who at that time, in the early 1980s, was in the outer circles of the liberal dissidents while retaining her position in the Union of Writers, which guaranteed her livelihood. The last time I saw her, in 2012, she told me how important Putin was for the salvation of Russia, a country brought to its knees by the Americans, bent on its destruction, she believed. Since then I have seen her writings in support of the invasion of Ukraine, articles equating anti-Russian

views with fascism. Nobody I talked to was able to explain her transformation into a Putin cheerleader.

Age is certainly a factor in the way the Russians have reacted to the changes under Putin, judging from the conversations I have had with friends. Those old enough to recall the Brezhnev years were generally inclined to remain sanguine about the drift towards dictatorship because, overall, their situation remained better than before.

One friend I've known for 30 years liked to counter my concerns by pointing out that Boris Yeltsin had started the assault against democracy (by shelling Russia's parliament building in 1993), that Putin had some decent policies, and that the real situation in the country was more complex than presented in the western media, which focused only on the darkest aspects of life there (a complaint I often heard). "Life goes on, we shall survive," he liked to say. It was typical of the stoicism I had encountered many times in those who had lived through far worse times. Reflecting on our conversations now, I think that in these small accommodations to the worsening reality, a mental compromise that many made, there was a gradual weakening of the educated public's will to resist the autocratic turn.

The moment when collective resistance might have worked came in 2012 with the demonstrations against Putin's rigged election as president for a third term. The mass rallies in Moscow united young professionals, the new post-Soviet intelligentsia, who saw no future for themselves in a country permanently ruled by Putin and his nominated successors. The protests were

dispersed by the brutal crackdown that followed, with harsh new laws against unauthorised demonstrations, arrests of opposition leaders and the introduction of the foreign agent law. The opposition movement retreated from the streets and took to social media.

Many Russians moved abroad, while those who stayed became more careful in their actions and their words. It was as if the memory of previous waves of repression, going back to the Great Terror of 1937, had created a "genetic fear", passed down through the generations within families of the repressed, and that once the warnings of a new wave of repressions had been heard, that legacy of fear kicked into operation, inhibiting resistance to the state. In my conversa-

tions with such families while working on *The Whisperers*, I heard many of the younger family members describe this "genetic fear" as a vague but menacing anxiety that held them back from public life, from all political activity, and influenced their lives in many ways, from their choice of friends and spouses to the careers they pursued.

Looking back, it now seems that the democratic changes of the 1990s had been living on borrowed time. They had surfed a wave and were bound to be dragged under by the deeper currents of Russia's autocratic history. I am not suggesting this was determined from the start. Only that we vastly overestimated the leadership potential of the western-



A gathering of members of the Writers' Union of the USSR, in pictures taken in Moscow in 1990 by Geurgui Pinkhassov of Magnum Photos

Today, the institutions of that democratic caste are hanging by a thread that can be cut at any time

ist intelligentsia, the academics, writers, scientists and journalists who had pushed for those reforms and remained the major social force committed to a real break from the Soviet past. The intelligentsia we had befriended (and perhaps idealised) turned out in the end to be a weak and isolated caste – weakened by the state and isolated by its own refusal to collaborate with it – whose influence was never as significant as it and its allies in the west believed. Beyond Moscow and St Petersburg, in rundown towns and villages, the same old Soviet mentalities (an unquestioning acceptance of the state's authority, low material expectations, social conformism and so on) could still be found.

Today, the institutions of that democratic caste hang by a thread that can be cut at any time. The last independent radio and online TV stations were all closed down in the first weeks of the war, leaving Telegram as the only platform for uncensored news. The free universities continue to operate, as far as they can, but need to keep a low profile, lest their international connections draw attention to them as "foreign agents", which could lead to their closure.

The foreign agents law was used last December to close down Memorial. In June, it was widened to include as "foreign agents" not just public bodies and individuals receiving finance from

abroad but anyone considered to be influenced by foreigners – a threat so broad and arbitrary that almost anyone could fall foul of the authorities (which is why I have not mentioned any names).

Many thousands of young Russians have fled abroad, mostly to Armenia, Georgia and the Baltic states, since February 24. The exodus of IT specialists, whose skills are most easily transferable, is especially striking: in April, the Russian Agency for Electronic Communications estimated that 50,000 to 70,000 had already left, with up to 100,000 more expected to follow. No doubt many of them will be hoping to return to Russia soon. But that too was the hope of the émigrés who left Russia after 1917, and very few of them returned.

There is little the west can do to help those still in Russia who oppose the war. Perhaps the most important thing is not to punish them for Putin's war through blanket bans on Russians coming to the west, by barring them from our universities, or by cancelling Russian culture in our theatres and concert halls. We need to help them study their own past, free from the Kremlin's controlling narrative, so that they can see a different path from Russia's past to its future.

One day, we must hope, the Putinist regime will be removed. At that point, if it is to avoid repeating it, Russia will depend on a new class of leaders from the scattered ranks of its intelligentsia. These are the Russians who should be our friends.

Orlando Figes's *The Story of Russia* is published by Bloomsbury. He is speaking at the FTWJ festival in Kenwood House Gardens at 3pm today

Lunch with the FT Piers Morgan

'Twitter is for winding people up'

He's the ex-tabloid editor turned TV provocateur who counts Donald Trump among his (on-off) friends. Over tapas in Kensington, he tells *Janine Gibson* about being in the opinion business, his faith in Rupert Murdoch – and using the 'cesspit' of social media to his advantage

W e're eight minutes in when I tell Piers Morgan that he is the person non-journalists most often ask me about. He doesn't even blink. "What do you say?"

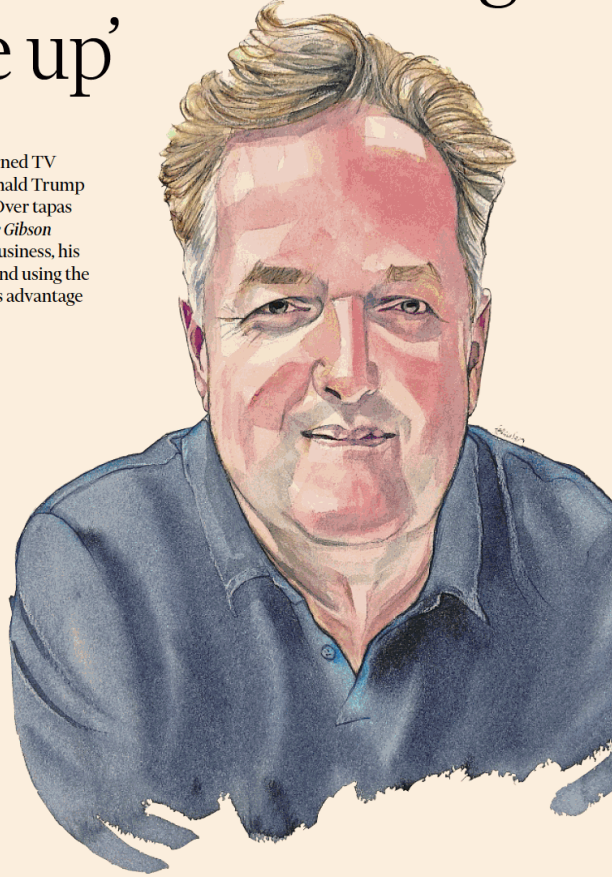
"I say, 'Well, it's very complicated,'" and for the next six minutes he tells me why I am wrong to say that.

It is not the last time I am in need of urgent correction during this Lunch. Impressively, I am frequently wrong about things about which I didn't think I had an opinion. Piers Morgan could start an argument in an empty room.

He begins by asking why I delete my tweets. I say: "There's always some guy who says something I can't bear..."

"No, you lose your bottle," he corrects. "When did you start not caring about the replies?" I ask, and he gives a long answer about his upbringing in a family of thick skins, which segues into his big issue with Life Today, which is that young people have no perspective, takes in Volodymyr Zelenskyy, Winston Churchill, Boris Johnson and Morgan's grandmother and, in many ways, continues for two and half hours.

His life story is well-trodden. Born in Surrey, he went to a private prep school and has a double-barrelled surname courtesy of his stepfather (Pugh-Morgan) but switched to a state school for secondary – his family weren't wealthy. He started in national journalism young, as the showboating editor of the Sun's showbiz column, often featuring with his arm around the stars. We first met when I was a media



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good terms with whomever is in power, regardless of their political affiliation. I've barely got the words "Vicor of Bray" out before I'm wrong again for another

ings – which rest somewhat above the rest of TalkTV but remain in the tens of thousands – he delivers a tight assessment of the merits of social media.

"Because I was ready to leave it [the Mirror], at nearly 10 years. And as I was kicked out, I'm thinking, 'Yeah, this is the right time, actually.' And reckon I'll be vindicated over this in the end."

An all-powerful god (let's call him Simon Cowell) decided Morgan needed a televised break. And he broke America via a spree of TV appearances. His twin modern-era skills – making a lot of money out of robust opinions and ignoring all criticism – were honed sitting next to David Hasselhoff on *America's Got Talent* and opposite Donald Trump on *The Celebrity Apprentice*.

He is happiest when I make him walk me through the detail of his on-off friendship with the ex-POTUS. He can remember exactly when Trump unfollowed him on Twitter and knows that he was previously the only British person on the list. Trump, it seems, does not slide into one's DMs for a chat. He has his staff print off something he would like to comment on, scrolls on it with his Sharpie and has it dispatched to the man he still calls "champ".

Morgan has amassed "hundreds" of these artisanal quote tweets. They're currently on non-speaking terms, although the last time this happened – when Morgan criticised DJT's Covid science – he subsequently went on *Fox & Friends* and told Trump directly through his favourite show that he knew where he was going wrong. The presidential call came through within 48 hours.

Morgan's pivot to TV News came as the successor to Larry King on CNN, a huge gig in the US consciousness. Three years later he was taking on water in the ratings, due largely to his insistence that he knew what to do about the gun problem in the US.

He went quiet for a little while. He can remember vividly who got in touch with him during this time. One of those who was quick with the "How can I help? What do you need?" was Trump. When Morgan got the *Good Morning Britain* gig at ITV in 2015, Trump gave him an interview. And several more, including one to kick off the launch of TalkTV.

He was great for ITV, finger pressed to the pulse, using *GMB* like a tabloid front page. He interviewed Jennifer Arcuri, the US businesswoman who claimed to have had an affair with Boris Johnson, and Meghan Markle's father Thomas. Not world leaders, but the thing that his viewers would talk about that day. He accumulated an snarl Twitter following. I felt he lost the plot with the volume of his criticism of Meghan Markle and was keen to bring this up.

I needn't have worried. She is the Banquo at this Lunch; the reason he walked off his own show, initially in anger after

shouldn't have stormed off... I was just annoyed because I didn't think it was the job of the deputy stand-in weather guy to be taking me on in a way that he did. Well, yeah, it might sound pompous, but I don't mind getting it from guests. I wasn't gonna get it from friendly fire."

From this fourth National Disgrace, he was quickly picked up for the flagship show at Murdoch's GB News competitor, TalkTV. Among, he is clear, many other offers. "But have we cracked it? Not yet. Are we in it for the long haul? Absolutely. And does Rupert Murdoch have a habit of over time making all these things work? Absolutely. His only instruction to me is get the show right." How much time have you got? "To get the show right? I've got a three-year contract," he says.

"With TalkTV, the wider network, it's work-in-progress. We're trying to give it a more coherent voice. Part of the problem is a lot of it looks like radio on camera rather than television. But I don't see any other show in our space which has led to interviews with the global resonance of Trump and Zelenskyy."

As I draw his wine, Morgan tells me about his bout of long Covid. Didn't drink for seven months, he gasps, couldn't taste it. "I remember thinking, God, if I come out of this, nothing else

'I shouldn't have stormed off... but I don't mind getting it from guests. I wasn't gonna get it from friendly fire'

matters to me. I'm so happy that I feel normal again."

He won't tell me the actual value of his contract because the man knows the importance of a good myth, so I ask what he spends his money on. "A boat. I don't really buy ridiculous things." He's got two Aston Martins – one in LA, one in London. He has "a couple" of properties. "The best place to get to in life is where you've got fuck-you money, and I got to that place and it's insanely attractive, you can walk off your set and nobody else would have done that."

He says he is not confrontational at home ("Ask my wife!") and likes to make his staff laugh, though he concedes he might have been a little more ferocious when editing the *Mirror*. "But it's like anything, isn't it? You know, we've had some very tense moments in this Lunch. And then we've had moments of wonderful humour."

"Yeah, I just think you've got 10 per cent more showbiz since I knew you," I say, wildly rounding down. "I don't think I have though," he says. "I dispute that. Like a lot of your generalisations." Wrong for the final time, I stop the tape. And the expensive food is boxed up for me to take home.

As we leave, he says: "I'll buy you a

reporter and he was in his thirties, between his first and second National Disgraces. He'd been made editor of the News of the World at an inauspiciously young age but had brought shame on his proprietor, Rupert Murdoch, by publishing pictures of Victoria Lockwood, then wife of Earl Spencer, Princess Diana's brother, inside an eating disorder clinic. Murdoch, fearing privacy legislation, issued a rebuke and a year later, in 1995, Morgan left the News of the World to be editor of the Daily Mirror.

He was an intuitive, bumptious and charismatic tabloid editor, straight out of the school of the Sun's Kevin MacKenzie, and able to channel all the best of his mentor's *joie de vivre* without quite so much of the bile.

"Kelvin told me two things: 'Never edit on a hangover and, if you're in the shit, get out of it at a million miles an hour.' When you're in a hole, stop digging. And I look back at my editing career... I felt that a few times. Sometimes throwing your hands up and going 'we fucked up' is a better way to deal with it."

The one time I think he was genuinely scared and out of his depth was his second National Disgrace — the share-trading scandal in which the Daily Mirror's City Slickers columnists bought shares, tipped them in the paper and then sold them shortly afterwards.

Morgan — who had invested a significant but not life-changing amount of money in Viglen shares the day before they were boosted in his paper — was investigated for insider trading. He apologised for breaches of the editors' code but denied personal wrongdoing and was promoted to effective editor-in-chief of the Sunday paper as well.

The Mirror team was boisterous, amoral and successful. Richard Wallace, Morgan's protégé and successor as editor, has just joined him at Murdoch's four-month-old, and often zero-rating, news and opinion network TalkTV to lift the programming into something people might want to watch. Rebekah Brooks, the chief executive of News UK — whom you may remember from a different Rupert Murdoch public apology

— worked for Morgan at the News of the World, and later succeeded him there. She is the mastermind of the TV channel. They stay close whichever side they work for.

I mention that I've always marvelled at his (and Brooks's) ability to be on

Iberian ham	£29.75
Pan de Cristal	£8.25
Baby anchovy salad	£13.75
Roasted tomatoes x2	£8.84
Avocado	£11
Ham croquettes x2	£3.80
Ngiri x2	£6.60
Prawns x2	£6.60
Chicken croquettes x2	£3.80
Galician rib-eye steak	£37.25
Sons de Prades (glass) x2	£77
Still water	£3.95
Ganache	£9.25
Filter coffee	£3.50
Double espresso	£4
Total (inc tax)	£199.51

six minutes. "Wait, I thought this was a compliment!" I protest. It does not stem the tide. This pattern will continue.

Thankfully, a member of Cambio de Tercio's staff, who knows Morgan well, enters our private room and agrees to bring us all the usual food. I wonder, optimistically, if now he's got a few rants out of his system, he might dial it down a bit. The restaurant is known for being in South Kensington and for being expensive and has proved to have longevity with sports stars, minor celebs and politicians — rather like Morgan himself.

"Will you have a drink, I ask? Our negotiations over arranging this Lunch have mainly focused on which hours of the week he can safely drink without having to broadcast afterwards. But our plans were shattered by his having to fly off secretly to interview Zelenskyy, a coup with which he finished the first series of his TalkTV show, before going to the US for a break in which he will film a documentary series where he interviews serial killers ('It's how I like to relax')."

Rumours in the TV industry are that Morgan is paid £60m by various Murdoch enterprises globally for a book, a column, his documentary series and a five-nights-a-week TV show broadcast in Australia, the UK and the US, where it airs on Fox News's less favoured on-demand service, Fox Nation. Some critics have noted it feels too global to score anywhere. I have watched two whole episodes and a number of clips from social media, which Morgan frequently pronounces is the best way to gauge the success of this venture because hits and views are the numbers that matter.

I've seen several very good Zelenskyy clips, I begin to add... but he is furious that I haven't watched his shows.

"What are the ratings?" he bellows. As I start to answer, he shouts, "We beat Sky News!" It is confusing, this mix of metrics, platforms, global reach and occasional hyperlocal 15-minute segment wins.

"Most people end up watching my show on the phone. You know, I'm on TikTok and Snapchat and all this kind of stuff now with clips. But, ultimately, it's about content. I mean, our YouTube subscriptions are now 120,000 in three, nearly four months."

When not defending his personal rat-

"Twitter is for winding people up... it's just a highly opinionated cesspit half the time. The trick is to use it to help yourself, right? I describe my overall thing as being in the opinion business. So Twitter is very good for that. Because you can fire up debates, you can see what pops or doesn't pop, what might make a column because you get a sudden huge reaction. It's all quite scientific."

We concur, which brings that topic to an end, so I ask why he picked this old-school Spanish restaurant. "I got brought here first of all by [former cricketer] Ian Botham. We got monumentally drunk. I thought this is great and I kept coming back. And then you get Wimbledon and people like Nadal come down. All the footballers come. And it's because the food's fantastic. The wine's great. The owner's a fantastic guy. He owns the one opposite, which is Rishi Sunak's favourite restaurant."

Some plates arrive. It is, indeed, delicious Spanish food. He lightly grazes. I panic eat. My mistake is that I tell him that I hate the culture war stuff. I prefer it when you do the big interviews, I say. "That's incredibly patronising!" he explodes. There follow largely one-sided debates about trans women in sport and the name of the England women's football team.

I think this is the moment that I start drinking his glass of wine. Any good coach would be administering a magic sponge to my face. I distract him with history. When I knew him, he was editor of a centre-left tabloid. He hung around with the Guardian staff and the Islington set in the Blair era and he sounded a lot like them, but more fun.

I remember him being surprisingly kind. He prizes loyalty. He is someone who gets in touch when it's all gone bad. "I think when things go well, everyone's your friend. I've been in places when things have taken an apparent downturn, although it rarely feels that way to me. So, like the Mirror, you know."

This was his third National Disgrace, when he was fired by the Mirror for running fake photographs of British army abuses of Iraqi prisoners. In many ways, it was his least serious crime, published in good faith; he styled it out as being hoaxed and reminded everyone his brother had done several tours and had advised him the essence of the story was true. The facts were, let's say, unestablished. That's not how Morgan sees it now, though.

being challenged by the weather presenter about his views, and subsequently for good.

"I didn't really fall out with anyone at ITV. I just wasn't going to make some fake apology for something I wasn't sorry about. Well, I think yeah, I

proper dinner here if I like the piece." You won't like it, I say... Oh, as long as it's interesting, he says. Doesn't have to be nice.

Janine Gibson is the FT's head of digital platforms and projects



Style

Trend | Whether practical or posturing, the double-watch look has some high-profile fans, says Michael Williams

On a flight to New York recently, I spotted a man in the seat in front of me wearing two watches: a Rolex on one wrist and an Apple Watch on the other. I understand the dilemma this man might have faced as I own more than a dozen watches, and most mornings I fret over which watch to wear. The decision is a battle between my left brain and my right, my practical side and my stylish side. However, wearing two watches is an extreme solution that I had never previously considered. It would be like wearing a suit with shorts — you have to be prepared for a few raised eyebrows.

After seeing "double-wristing" — as it has been dubbed — in the wild, I was curious and pondered the question of wearing two watches in my style-oriented newsletter A Continuous Lean.

What is the purpose of a watch? Style accessory or an alternative to the smartphone?

The response caught me off-guard. Multiple people wrote to tell me they also wear two watches at once, and not just because they want to convey a certain *sprezzatura*.

The majority of my readers said that the practice of wearing two timepieces together, with two on one wrist or one on each arm, mostly paired a mechanical watch and a smart watch. Chris Echevarria, who designs footwear brand Blackstock & Weber, simply messaged me with a photo of his arm accessorised with a Rolex Submariner and an Apple Watch together. I asked just why a stylish man like him was doing this. "One is a stunner and the other is for tracking steps," he texted back with a crying laughing emoji.



Two watches, one smart move?



reasons. He had one set to show the time in Saudi Arabia and the other the time in Washington.

The need to monitor several time zones at once is one that Rolex tackled in 1954, with the introduction of the GMT-Master. Named after Greenwich Mean Time, the Swiss watchmaker's GMT was created at the suggestion of Pan American World Airways to allow pilots to quickly check the time in two places

As technology writer and venture capitalist Om Malik, who wears two watches, says: "I normally wear my Grand Selko — which is always on the left wrist — and then the Apple Watch on the right for health-tracking reasons, text messages or using Apple Pay. I am older and I like the idea of fall detection and heart monitoring."

However, one of the most stylish men in the watch world, IWC chief executive Christoph Grainger-Herr, makes a case

smart watches offer science fiction-level technology that many of us don't think we can live without, which has further complicated things for lovers of mechanical watches.

Although there is an ongoing battle for wrist real estate between smart watches and traditional versions, and tensions ran high in Geneva when the Apple Watch was announced in 2014, it turns out the technology did not derail the Swiss watch industry in the way that the advent of smart watches had



Left to right: Billie Eilish sporting two watches in 2017; Princess Diana at a polo match, Windsor, 1981; actor Chris Pratt on the Jimmy Kimmel show — Shutterstock, Alpha Photo Press Agency, Getty Images

Each of them explained how they love the look of a traditional watch but needed the health-tracking or some other feature of a smart watch. With the advent of smart watches, the double-wristing trend has gathered momentum — yet it does have precedents. One notable example is US general Norman Schwarzkopf, who wore two watches during the 1991 Gulf war — though for practical rather than style

check the time in two places simultaneously. A Rolex GMT would have solved Schwarzkopf's problem of reading two time zones at once, but his approach was the quirky solution that he preferred. Other famous figures to dabble in the look include Gonzo writer Hunter S Thompson and Marlon Brando, and more recently Billie Eilish and actors Chris Pratt and Bill Murray, who paired the cheap and cheerful Timex Easy Reader with a rather more sophisticated Cartier Tank at the 2021 Cannes Film Festival. The trend for wearing two watches raises the question: what is the purpose of a watch? Is it a style accessory or is it an alternative to the smartphone? Or perhaps it helps to dodge the question.

On the other hand — quite literally — smart watches offer technology that many think we can't live without

for emotional factors and the self-expression of a mechanical watch: "The occasion, my mood, and my outfit clearly influence what watch I'm going to pick in the morning. I find it hard to go out of the house without having a watch on, it makes your outfit feel complete, and it has become such an important part of what I'm trying to express at any given moment in time." On the other hand — quite literally —

the advent of quartz watches on. In fact IWC's Grainger-Herr believes that "getting people used to the ritual of putting something on in the morning and wearing something on their wrist and ultimately then getting interested in proper watches is a good thing." Perhaps it's just another expression of the perennial dilemma between form and function. I can't bring myself to wear two watches at the same time because it would be too flashy for my personal style. Instead I will continue to choose which version of myself I want to be each day, the stylish guy with a beautiful mechanical watch or the sci-fi guy with the tiny computer on his wrist.

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The Paris luxury label that whispers not shouts

Interview Gauchere designer Marie-Christine Statz tells Divya Bala why her creations help people be themselves

There are still people who don't want to be a billboard for a brand," says Marie-Christine Statz, the designer and founder of nine-year-old Parisian label Gauchere. "Sometimes people want to be themselves and don't necessarily want to represent a brand while they do so." Speaking from her headquarters on Paris's buzzing Rue de Rivoli in a black silk tank, trousers and white trainers, Statz is surrounded by her collections of unfussy, precision-tailored suiting, fluid gowns and clever separates. The designer's signature brand of low-key luxury is one that whispers rather than shouts, in a vocabulary of couture-esque craftsmanship and fine fabrics such as silk lace, virgin wool and featherweight cotton jersey. Statz's design philosophy is one of easy, foundational tailoring that quietly empowers the wearer without upstaging them. Her garments, which seek to "point out the individual", pick up where Phoebe Philo's cerebral designs for Céline might have left off and exude a discreet opulence without austerity. They also chime with the penchant for basic silhouettes constructed from lavish and unexpected fabrics, such as Bottega Veneta's Spring 2022 leather-as-denim "jeans", Jil Sander's couture-level tailoring and luxe minimalists The Row and Peter Petrow joining the official Paris Fashion Week ready-to-wear schedule in March (during which Statz staged her runway presentation under the colonnade along Rue de Rivoli as passers-by passed to observe). The Parisian passer-by has long been



Marie-Christine Statz — Eva Bursee

an inspiration to Statz, albeit a stylish version. Gauchere's pre-collection was inspired by the designer's return to the streets post-lockdown, of being shoulder to shoulder with strangers and seeking "the realness" of a person. "I wanted to capture that passing feeling of walking by someone, the energy of being so close-up to a [stranger] walking in the street," Statz says, showing me the pieces featuring the only prints in the collection, abstractions of photos the designer took herself around the streets of Paris. "I connect minimalism

to realness. Who is that woman, really? How to show the certain strength of every individual?" The German-born designer first studied economics before switching to fashion, completing a bachelor of fine arts in fashion design at Parson's School of Design in New York, honing her skills at Narciso Rodriguez and Diane von Furstenberg on graduation. In 2010, Statz moved to Paris to receive a special qualification in haute couture at the École de la Chambre Syndicale de la Couture Parisienne. It was here she won the nickname "Gauchère", meaning left-handed, for draping and pinning in the opposite direction to her peers (she still tailors her blazers to close left over right, as in menswear). Statz's label was launched in 2013 and now a team of 15 works in the Rue de Rivoli atelier. Statz's love for art and architecture — Brutalism, Bauhaus, the mood of Wolfgang Tillmans, the shapes of artist Lygia Clark, the sculptural forms of Camille Henrot, the cleanliness of Mies van der Rohe — inspires her stripped-back signature aesthetic. "Minimalism is something I always have in mind and sometimes it's more difficult to take away than to add things, so you really think about the essentials," Statz says. "Marie-Christine has an incredible eye, which you can see in her cuts, colour palette and use of different fabrications and textures," says Libby Page, market director at Net-a-Porter. "[Gauchere] also excel at matching separates; particularly with lace detailing that is all hand-sewn." "There's always something unex-

pected, such as the red faux fur top we've just launched at Net-a-Porter, but styled with the brand's classic denim makes the pieces feel incredibly easy to wear. She is also the master of the perfect fit and everything makes you feel comfortable and confident. Each collection seamlessly moves on from the 'Sometimes it's more difficult to take away than to add things, so you really think about the essentials'

last, meaning that almost everything is interchangeable and can easily slot into your wardrobe." In Paris's La Samaritaine department store, you'll hear words such as "strong", "secure", "protected" and "empowered" when exchanging changing-room chatter with Gauchere enthusiasts. Pieces are reliably refined and slinky, yet sculptural — things just fit. There's an intimacy with her wearer in the details: the interior finishes of a trenchcoat so clean it could conceivably be worn inside out, tropical wool suiting that ensures the wearer stays cool without losing structure, hourglass-shaped blazers that retain their curves in the closet, and recycled nylon dresses finished with silk chiffon on the inside to ensure a certain softness towards the body. "It was the sort of sober elegance, a pureness that I was attracted to, but I think I could say that I fell in love with Gauchere when I actually wore it," says Miren Arzalluz, director of the Palais Galliera — the Fashion Museum of the City of Paris — as she takes a break from working on September's Frida Kahlo exhibition. Having discovered the brand in 2018, soon after moving to Paris to work for the Palais Galliera, Arzalluz regularly wears Gauchere. In particular, she chose a boxy-shouldered black blazer with a gathered waist and matching slouchy trousers from the Spring 2021 collection for one of her most important professional events, the reopening of the museum after a two-and-a-half-year refurbishment alongside the launch of a Gabrielle Chanel retrospective, her first public outing as director of the museum. "When you are representing a public institution with its intellectual prestige and the whole aura around museums, there are lots of expectations: respectability, seriousness, cultural prestige," says Arzalluz. "But also it's a fashion museum so [it requires] something with sensibility towards fashion, something strong and aesthetically beautiful. It's not easy for me to navigate those waters, to find the balance with all that. I feel that myself and the clothes are one and only and that's a very powerful feeling."



Statz's designs are anchored by basic silhouettes and easy tailoring — Pietro D'Agapino





DISCOVER NEW DEPTHS

Our world record dive to the deepest place on Earth, led to a groundbreaking OMEGA dive watch. Every 45.5 mm timepiece in the Seamaster Planet Ocean Ultra Deep collection is a Co-Axial Master Chronometer, water resistant to 6,000 metres. Including this model, made in our own O-MEGASTEEL, with black ceramic bezel, lacquered blue to black gradient dial, and beautifully matching black rubber strap with cyan lining.



Style

Ava Nirui | The artist behind Marc Jacobs' nostalgia-infused spin-off line Heaven talks to Annachiara Biondi

The first time multi-hyphenated creative Ava Nirui collaborated with Marc Jacobs she purposely misspelt his name. The white hoodie embroidered with "Mark Jacobs est 1985" was a quintessential Nirui creation. A few years earlier, the Australian artist had emerged on Instagram as a creative bootlegger, playing with the names of Dior, Chanel and Louis Vuitton to create tongue-in-cheek takes on luxury's obsession with branding, such as logged asthma inhalers, basketballs and toothpaste tubes.

"I'm obsessed with Marc. I work for him, but I am also, genuinely, a Marc Jacobs superfan," says Nirui, 31. That first collaboration in 2017 laid the foundation for Heaven, the Marc Jacobs spin-off line that Jacobs and Nirui launched together in the autumn of 2020.

With its nostalgic undercurrent and tangled web of pop culture references, Heaven has resonated with millennials who, like Nirui, fondly remember Marc Jacobs in its 1990s and 2000s heyday, with its grunge pedigree and quilted "It" stam bags. To that generation,



returned to profitability in 2020 for the first time in five years. The brand also embarked on a retail expansion, opening 15 new locations last year.

Nirui says that each Heaven line is born from a conversation with Marc Jacobs, designer Sho Littlefield and Marc Jacobs fashion director Mary Turpin. Yet the brand is very much a product of Nirui's own vision and her understanding of what's culturally relevant. Many collaborators are from her own circle of friends and a list of dream contributors she keeps in her Notes app.

Her diverse experiences – she has worked in music and fashion journalism, as well as in retail and as digital editor of New York-based brand Helmut Lang – have merged into her current role as art director, while her knack for marketing is behind the campaigns, which have featured a recreation of the *American Beauty* poster with Mira Sorvino and starred pop culture figures such as Kate Moss, Placebo's frontman Brian Molko, Nicki Minaj and Gen Z singer Beabadoobee. "I often think about the creative output before I even think about design," she says.

Heaven's only monobrand store, in Los Angeles's Fairfax, has been inspired by Nirui's memories of the time she spent hanging in and around Utopia, an Australian store that was a focal point in her teens. "When I was growing up, retail spaces were important to me," she says. "We would

Heaven has a strong whiff of Marc by Marc Jacobs, the entry-level line that for many represented a first step into the Marc Jacobs world, and which was discontinued in 2015.

But Heaven also appeals to Gen Zs, who seem to revel in nostalgia just as much as millennials and who have developed an eclectic and fluid fashion taste mixing vintage references with current trends.

With prices mostly under \$400, Heaven sits at a more accessible price point than Marc Jacobs' main offering. Seasonal drops riff on Jacobs' previous collections, shows and campaigns, often recreating some of the designer's most recognisable creations. The latest drop, for spring 2022, features the brand's towering Kiki platform boots of AW 2016 and dresses and skirts inspired by Marc Jacobs AW 2004, Resort 2011 and AW 2017.

Divine inspiration

"The youth are super culturally aware and very advanced when it comes to style," says Nirui. "Because of the trend cycle, Gen Z happens to be very interested in a lot of the aesthetic, music, culture, films and art that is at the core of the Marc Jacobs brand. We are very

'Gen Z happens to be very interested in a lot of the culture that is at the core of the Marc Jacobs brand'

lucky to have that history to be able to tap into. The things that I was interested in as a 16-year-old, the 16-year-olds of today are very obsessive about. It wasn't our purpose to reach Gen Z, it just naturally fell into place." It helps that the brand, which offers baby tees, grungy cardigans, printed mini tees, nylon shoulder bags and outlandish accessories, has appeared on favourites of that generation such as Bella Hadid, Olivia Rodrigo, Dua Lipa and Doja Cat.

Marc Jacobs doesn't disclose the proportion of revenues that Heaven is

Clockwise from main: Ava Nirui photographed for the FT by Miranda Barnes; Heaven SS22 campaign; Cloud Love Dress £435; Multi Buckle Kiki Boots £610 (marcjacobs.com); two AW20 looks photographed by FRUITS founder Shoichi Aoki; Bella Hadid in Miniature Striped Cardigan and Olivia Rodrigo in Black Kissers Vest — *Harley Wee, CC Images*

contributing to the overall business, but the line's celebrity buzz and popularity among younger consumers are a positive development for the brand after troubling years that saw the shuttering of dozens of stores, lay-offs and the threat of irrelevance.

In the 2010s, the brand's aesthetic gradually fell out of step with the minimal styles spearheaded by Phoebe Philo, creative director at the time of Céline, and the utilitarian trend brought forward by streetwear.

In 2018, analysts estimated that the LVMH-owned brand had been losing \$61m annually for some years, registering flat revenues — a steep fall from the estimated \$1bn in revenue it was making in 2015. (LVMH doesn't disclose the brand's financial performance.)

Under chief executive Eric Marchal, who joined in 2017 from Kenzo, the brand has changed course. In an analyst call, LVMH chief financial officer Jean Jacques Guiony said Marc Jacobs

gather, sit and talk about records, books and musicians that we loved. A lot of those friendships and a lot of the things that I learnt through the people I met there are things that I reference now with Heaven, so I thought it would be really meaningful to create a physical space where people could interact, share ideas and form friendships."

Nirui thinks that "especially during Covid times, we all became fairly anti-social and it's refreshing for people to gather IRL and form these meaningful relationships at times where everything is unfolding online."

Heaven's popularity is deeply connected with the recent return of eclecticism, maximalism and self-expression on the fashion stage, millennials' obsession with nostalgia and Gen Z's joyful exploration of the past. As the trend wheel continues to spin, does Heaven have a plan to stay on top of it?

"Part of the reason Heaven has been successful, it's because it feels intimate and that's because it is," says Nirui. "I mainly work with my friends and Marc's friends and I think that's why it feels relevant. For me, there is no real plan to stay relevant. We will just keep doing projects with people who we are inspired by and maintain this identity. I think we will just continue doing what we are doing, definitely it's the energy of the brand."



The rise of 'Land Rovers for your feet'

Footwear Loved by hikers for their high-tech durability, Vibram's rugged rubber soles are now striding on to fashion's catwalks. By Grace Cook

On the shelves of a small shoe shop on City Road, east London, sit shoes from Church's, Converse, On Running and Red Wing; a polished pair from Prada is being boxed up, ready to be shipped. I approach the counter, clutching some black buckled Gucci flats.

"What can we do with these?" I ask. I'm not about to drop half my monthly rent on a pair of new loafers; I'm actually at the Vibram Academy, one of 10 global renovation shops under official licence by the Italian outsole firm renowned for its high-tech rubber grip. Priced from £40, there's more than 1,500 soles to choose from here; the Academies are distinct from ordinary cobblers in that they offer only soles by Vibram and focus on redesign as well as repair.

"We can resole any type of shoe by any brand, new or old," says Frank Povey, a master of the trade who recently attached a mountain tread to a woolly sock for Pringle of Scotland's in-store displays. "We get young guys in with rare vintage Nikes or Timberlands and lots of fashion students wanting colourful soles." In April, the Academy hosted an evening with Orienteer, a trendy new magazine that straddles the realm of fashion and function. Creatives, skaters and climbers descended to

customise their kicks. "The possibilities are endless," says Povey.

The distinct yellow Vibram tag — an earmark of utility — is also appearing on the soles of fashion styles you definitely wouldn't trek up a peak in. At Raf Simons and Dries Van Noten, the Vibram tag can be found on slides and strappy sandals that would look at home poolside. Paul Smith put them on everyday trainers, while Stella McCartney used them on slingback heeled clogs festooned with decorative gold chains, and Prada and Balmain do smart-casual styles you could wear to a wedding. Even Vans and Clarks, the latter renowned for its crepe treads, have released versions of their best-selling styles equipped with its rugged soles.

Other labels are proposing the Five-Fingers — Vibram's barefoot shoes that look like slightly odd gloves-for-your-feet — as an avant-garde slipper. Created in 2004 as Vibram's first own-brand silhouette, they have a slightly chequered history. In 2014, Vibram agreed without admission of any wrongdoing to a \$5.75m (£2.2m) class-action settlement after customers filed a suit in 2012 saying they had been misled by claims over the health benefits of the shoes.

Undeterred, for SS22, British designer Matty Bovan decorated them with sequins and bows for his show. Balenciaga, meanwhile, has offered

heeled versions, while Suicoke painted its bootie iteration with varnished nails. "They look like a future human shoe," says Bovan. "They're chic, unobtrusive and feel amazing."

"This peaking interest is paying off. "We are closing on a record year, our sales are up about 50 per cent year on year, in 2022," says Fabrizio Gamberini, president and chief brand officer of

'It kicked off during the pandemic, with a customer demand for comfort and multifunctional pieces'



Loewe X on Cloudventure rubber-trimmed recycled canvas sneakers, £295, loewe.com

Vibram, speaking over Zoom from the company offices in Boston.

Vibram was known for decades as a manufacturing brand; Gamberini attributes its newfound fashionability to a change in marketing strategy pre-Covid. "We were always talking about technical specifics, but they don't mean much to consumers," he says. In 2019, Vibram instead started communicating qualities such as trust and stability — a feeling rather than a function. "People formed an emotional attachment to the brand," Gamberini says.

As outdoor wear infiltrates everyday wardrobes, urbanites everywhere are sporting Arc'teryx jackets and trail

sneakers from Solomon, Scarpa, La Sportiva and Norda; Vibram supplies the latter three.

"It really kicked off during the pandemic, with a customer demand for comfort, performance and multifunctional pieces," says Joe Brunner, a menswear buyer for Browns Fashion, which stocks Norda.

The logo is now inspirational fodder, its lemon lettering often Instagrammed by the Gen Z backpack crowd, for whom the kit is as key as the camping. For them, like Gore-Tex, Vibram is cool. "Audiences are as drawn to these [performance] tags as they are to the footwear or clothing itself," says Brunner. "Luxury brands are taking note."

Gamberini agrees. "All brands are tapping into the hiking success story." While 70 per cent of company sales come from mountaineering — which will "always be the core of Vibram, without question" — its fashion presence is growing fast. And there's a crossover emerging: fashion brands, keen to cater to the outdoors crowd, are now offering slick backpacker silhouettes.

"They are very small order quantities compared to Merrell or Under Armour — 10,000 or 20,000 versus half a million per run," says Gamberini. (The company also supplies Daner, which outfits the US armed forces and was worn by Daniel Craig in his James Bond movies.)

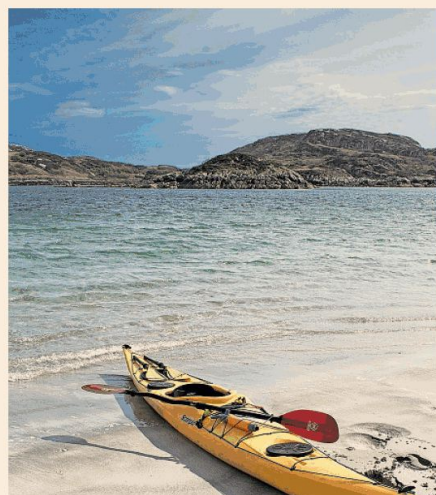
"But the lifestyle element is important for us to innovate and grow."

Adam Levenhau, the founder of Swedish brand CQP, which uses Vibram soles on boots and sneakers, likens the rugged soles to "Land Rovers for your feet... (You can wear them) in the mountains, but they work equally well in the city." Gamberini says urbanites are an untapped crowd for the firm. "You have wet, icy or snowy surfaces in New York, Milan or Chicago... we can provide technology." Indeed, in the Academy, one customer had brought in a new pair of brogues to be resoled with rubber, with a view to staying upright on a slippery commute.

Also handy for the working wardrobe is Vibram's new "pocket shoe" — effectively a ballet slipper equipped with a superfine sole that can be rolled up and carried in a jacket.

The tag has today taken on a life of its own, but there are potential downsides to going mass. Vibram experienced this when it over-distributed the FiveFingers shoe. "You could almost buy [them] in 7-Elevens here in the US," says Gamberini. "That's the way to kill a brand. Now, we're keeping it select, we're not supplying our soles to everybody... Vibram can be expanded and delivered on different latitudes." Without, he hopes, ever reaching the summit.

Travel

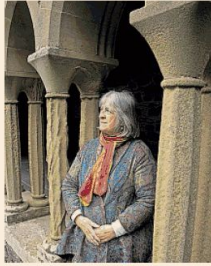




Sea kayaking in St Columba's wake

Scottish islands | On a week-long paddling adventure, *Oliver Smith* explores the secret beaches and sacred spaces of the Ross of Mull and Iona

St Columba could raise the dead, turn water into wine and supposedly once battled the Loch Ness monster. But the miracle everyone remembers was his sea journey – sailing from Ireland to Scotland in a tiny boat, in the sixth century AD. Precisely how tiny remains a matter of confusion.



Top, left to right: White Strand (Tràigh Bàn), a beach at Iona's northern tip; one of the group's kayaks on shore; St Ernan's Church on Mull

Left: Catriona Robertson, warden of Iona Abbey

Below: Iona Abbey, built on the spot where St Columba died in 597AD; the group's kayaks during a break on Mull

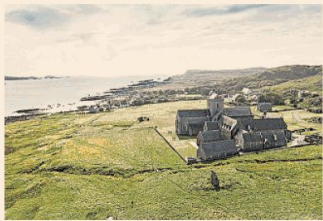
Some pictures show a vessel the size of a bathtub – crammed in the back are a few seaskic disciples, paddling frantically while Columba stands steadfast at the bow, reciting psalms into a blizzard of sea spray. In other depictions, Columba sails alone, cresting the summits of almighty waves in a coveholic coracle not a lot bigger than a kitchen sink.

Columba and his companions settled on Iona – a small island off the western tip of the Isle of Mull, what must then have seemed the frontier of the known world, where the last shards of Eurasia stutter out into the Atlantic. Here, he founded a monastery in the image of Jerusalem. The monks farmed and fished, and copied the gospels by candlelight, and the saint sailed the Firth of Lorn and Loch Linnhe on his evangelising missions. Iona, the stories went, was a beacon of Celtic Christianity shining into the pagan darkness of mainland Britain. The druids held the glades and the glens – but news of Christ went by water.

Today various boats travel the waters off Iona. Luxury yachts swish past. A rusting ferry shunts between the island and the rest of the world (the service has been running since the days of Columba – once, people summoned it by setting bundles of heather alight). At dusk, you can see the firefly trails of trawlers on the horizon.

It might be a bit of a stretch, but of all these vessels, I'd like to think that the modern successor to Columba's coracle is my sea kayak: small, manoeuvrable, somewhat silly and half-heroic, crewed by a single soul and at the mercy of a temperamental sea.

I'm not a complete novice sea kayaker, nor am I as brave as the Irish apostle. Which is why I've joined a guided trip with a tour operator called Wilderness Scotland, based on the Ross of Mull, the 17-mile-long peninsula that forms the southern part of the island. The Ross is a perfect place for sea kayaking. Beside the Sound of Iona, it fractures into a series of islets, skerries and passages – only a boat of shallow draft



Our first paddle takes us to Erraid: a tidal island (at low tide you can reach it by walking across a white sandy beach) that guards the southern approach to the Sound. Our guide is veteran sea kayaker Andy Hall: he once kayaked from Cumbria to the Isle of Man in a single day. With a map, he gives us a lecture on the rush and retreat of Atlantic tides. "Imagine the tides being like a pulse," he says, tracing a finger clockwise around Cape Wrath. "It travels all around Great Britain and ends up at the Wash."

In a miniature way, we are entering the community of seafarers. Andy speaks the language of the sea – a neat tides and the wind shadow, the fetch and the skeg. Flares, satellite phones and a spaghetti of ropes are stashed in the kayaks (which Andy calls the boats). Everything below your tummy button is a passenger, berthed in the fog of the hull. The ship's geliey is two chocolate bars stuffed in a cagoule pocket. Over a week of paddling, I hone a captainly squint.

We cast off and before long, seals surface alongside, close enough to see water droplets beading from their whiskers. Gannets and cormorants watch from the rocks. Being in a kayak allows for close encounters with wildlife, but it also acquaints you with many selves of the sea. Close to the shore, the water possesses a vitreous clarity – a magnifying glass to the scuttlings of crustaceans below. Out in the sound, it darkens – and the tip of the paddle vanishes like a pen dipped in an inkwell. When we run around, we pole our way out like Venetian gondoliers; when the wind catches our cagoules, we become human sails, surging through the spittle of surf.

The sea has many textures too. Pushing the paddle through kelp is like stirring stew. Andy shows us a trick to keep ourselves upright in difficult conditions – dipping the flat of the paddle as if we are "buttering a slice of bread".

We stop for lunch on Erraid beside a sturdy Victorian harbour, silent but for the clicking of stonechats. It was used during the construction of the Dubh Artach lighthouse, 15 miles offshore: an 1871 newspaper report described this as "a scene of industry such as was nowhere else to be witnessed at that moment throughout the British Isles". Erraid was also used as the shore station for the older Skerryvore lighthouse, 29 miles away. Both lighthouses rise from small rock islets; their teetering, top-heavy profiles recall the saint in his craft.

Both towers were built from Ross of Mull granite by the Stevenson dynasty of lighthouse builders – one of whom, Robert Louis Stevenson, used Erraid as one of the settings for *Kidnapped*. The story of the lighthouses' construction was as mad and magnificent as a novel. At Skerryvore, a temporary barracks was swept away by a furious sea. At Dubh Artach, workmen hid in an iron box during storms, as a foreman's fiddle reeled to the drum-roll and cymbal-crash of the waves. Later came legends of lighthouse keepers who went insane and tried to swim to dry land, and stories of great waves so high that they surged over the lights themselves (the keepers swore

Bottom of page: the altar inside Iona Abbey; Skerryvore Lighthouse, completed in 1844 after a series of shipwrecks in the area



Both lighthouses are now automated – places for circuit boards not human beings. No one really visits them.

Except Richard Booth, a fellow member of our kayaking group. He made a detour to Dubh Artach on a dive trip a few years ago. While Andy provides commentary on the seascape, Richard, a veteran diver, offers a commentary on the fathoms below us, having previously explored wrecks that the lighthouses could not save. At one point we paddle over the Ostende – a cargo ship presumed to have been hit by torpedo in 1943, and diverted to a Hebridean bay where its cargo of munitions exploded. Chunks of the ship still turn up on dry land. The saddest, Richard says, is the DS Nyland, a Norwegian ship that fled the Nazi invasion, then smashed on to rocks with the loss of all souls in 1940. Richard dived there and saw a ceramic toilet bowl at the bottom of the sea. "I thought to myself – someone sat on that once," he says. "It made it feel personal."

Our own shipwreck takes place on a windy Tuesday when one of the group is thrust on to a rock and capsizes. She shimmies on to a boulder, marooned under steep cliffs. We tow her empty kayak to a beach and launch a landward rescue on a promontory where no paths go, thrashing through ferns, scrambling down gullies. After 45 minutes of shouting we find her; she seems fine, only a bit shaken. Once you've capsized, you look



DETAILS

Oliver Smith was a guest of Wilderness Scotland (wildernessscotland.com). Its six-day Isle of Mull sea kayaking trip costs £1675 per person, including all meals, transport from Oban and sea kayaking equipment

at the sea differently, she says, and chooses not to go paddling the next day. "Twice on the trip I hear a local saying: 'The sea is forgiving, but the rocks have no mercy.'"

Sad stories continue to travel along the Sound of Iona. Three summers back, an empty kayak was found floating drift, and a body the next morning. Conversations with locals often arrive at the tragic story of five young Iona men whose dinghy capsized on their way back from the pub one night in 1998. Four never made it to shore: an absence still deeply felt on an island of 150 or so souls.

At its narrowest point, the Sound is little over 500 metres wide – often it is serene, mirror-still, draped in gossamer mists. But the water moves fast, and ever since Columba founded his Atlantic Jerusalem on the far shore the Sound has had an undertow of symbolism. Cross-currents of heaven and earth, joy and grief travel the strait. The day we are supposed to paddle across, the waves become wild and wind-shorn, so we pay the ferryman the return fare of £3.70 to take us across the threshold.

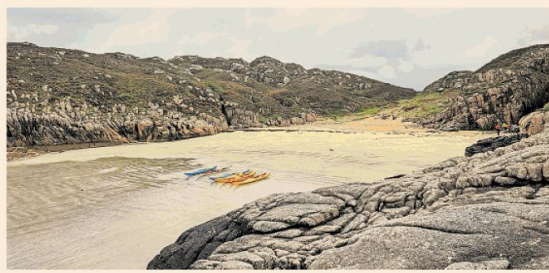
Iona is still an island apart: the tip of Ross of Mull is mostly pink granite; Iona has streaked Lewisian gneiss. It is more fertile, more farmed, busier with tourists: gift shops sell Highland cattle fridge magnets. But there are also pockets of the solitude that brought Celtic monks closer to God. I climb a boggy hill in the north of the island: to my back is a white ocean, before me views stretch to Mull, Great Britain, the start of Europe. Perhaps to the monks there was value in being at the western edge of Creation: like standing back to better appreciate a canvas on a gallery wall.

In 597AD Columba died on the altar of his monastery; according to reports of the faithful, a pillar of fire blazed in the sky, and a storm stopped the ferry for three days. His legacy endures: the turf, daub and wattle hut where he slept on a bed of stone later became a Benedictine abbey. That abbey is now home to the Iona Community: an ecumenical Christian movement campaigning on matters of social justice, climate change and nuclear disarmament.

"Celtic Christianity can be romanticised and put up in a mystical cloud," says Catriona Robertson, warden of Iona Abbey. "But Columba was earthly: he cared for nature, he walked into the sea every day to sing psalms. We want people who come here to be also to live: to creation: to see the stars, to hear the birds – like the swallows and the corn-crakes which have just arrived."

Catriona says many who come to Iona can still be described as pilgrims. "We're not on the way to anywhere: people come here because they want to. That intention is important. People make an effort. An outer journey – a bus, a boat – reflects an inner journey too."

I'm about to leave to catch a return ferry to Mull when I hear music in a room off the abbey cloister. I open a door to find someone playing folk songs on an upright piano, next to a symbolic replica of Columba's coracle. The information board beside the boat suggests we "think of a coracle as a fragile island of peace and security on the waves in a troubled world. Islands of safety, limits, edges, refuge and solitude but a coracle also has a purpose... a movement..." Without stopping for applause, the pianist segues into "Wild Mountain Thyme". Some say the traditional air is Irish, others insist it's Scottish. Perhaps it belongs to the seas in between.



Travel

Sweden | Gotland's derelict quarries and military installations have been reborn as chic summer retreats. By *Nigel Tisdall*

Why would anyone spend their summer holiday in a derelict limestone quarry? That is the question I ponder as I drive across the neat, farms-and-forests landscape of Sweden's largest island



Kylenstierna. Following Russia's invasion of Ukraine in February, Gotland is again the scene of military exercises. Beyond the manifest pleasures of high summer, there is a simmering unease reflected in flashes of protest, such as a "Make Gardens Not War" mural close to a military base and a "Fuck Putin" sign in an art gallery in Visby, the island's World Heritage-listed capital.

Gotlanders have weathered the storms of war before. Between 1943 and 1946 more than 11,000 Baltic refugees fled here and during the cold war conscripts were trained on the island. Until 1998, strategic parts were closed to non-Swedes, including Fårö, a small island in the north-east that can be reached on a free, six-minute ride aboard a yellow car ferry. It is famous for being the home of the prolific film director Ingmar Bergman, who shot his films *The Seventh Seal*

LANDSCAPE IN SWEDEN'S LARGEST ISLAND. About 100 miles south of Stockholm, Gotland is easily reached on a 40-minute flight or aboard a car ferry taking just over three hours. Most visitors are Swedes who double the resident population of 61,000 during the peak season from June to mid-August. Clutching cooler boxes, pets and offspring, they arrive en masse for a tradition-steeped break staying in family-owned summer houses, rural B&Bs, and beachside campsites.

A few, though, are happy to pay up to SKr6,850 (£550) a night to relax beside 40 metre-high slag heaps, brutalist concrete towers and a crumbling pier where at dusk hundreds of cormorants congregate on a rusting crane.

This is the peculiar allure of Fabriken Furillen, a low-rise seaside hotel in a former quarry that only opens for five weeks every summer. It is set on a tranquil island, Furillen, just off Gotland's north-east coast, accessed by a small road bridge. Driving towards it, it's hard not to feel a sense of coming apocalypse — the cliché Sweden of red-and-white houses with prim gardens and a proudly flapping blue-and-yellow *vimpel* (penant) gives way to wind-stunted trees and a landscape scarred and gouged by decades of mining.

Johan Hellström, the ever-smiling Swede behind this singular getaway, discovered Furillen in the mid-1990s through his work as a fashion photographer. He had the idea of using its grey limestone heaps, abandoned in the 1970s, as a snowy backdrop to shoot winter styles in summer.

After purchasing the 583ha site, Hellström converted a run of derelict buildings into a remote design hotel with 14 rooms plus three tiny, off-grid "hermit cabins". The style is attractively severe with the bedrooms an austere symphony of polished concrete, black curtains, industrial lights, steel skirting boards and bolts serving as coat hooks. There is neither air nor TV, and the toilet is a stainless steel bowl that would not be out of place in a prison.

This stark environment soon grows on me and Furillen clearly appeals to creatives who have used it as the location for shoots, events and as a backdrop for music videos by Swedish bands such as The Hives and The Cardigans. The world might have heard more about it if Björn Ulvæus, of Abba fame, had not had plans to set up a recording studio here turned down by local authorities.

Hopping on a complimentary bike, I take a two-hour ride to explore Furillen's tranquil forests and pebbled shores, discovering a bird-rich nature reserve and a sinister complex of communication masts and spinning radar that is a reminder of Gotland's strategic position in the Baltic Sea. As summer progresses these waters warm up, enough for a tolerable dip with the bonus of a salinity so low the island's many horses can drink it.



Bunker mentality



From top: view from a room at the Fabriken Furillen hotel; the disused quarry; Johan Hellström, the hotel's creator; a bedroom (with 1.5 metre-thick walls) at the Fårösunds Fästning hotel. Peter Greenzel/Nigel Tisdall

Hellström is a commendably hands-on owner, scrupulously tending the cheese in the generous breakfast buffet laid out beneath a ceiling hung with pulleys and chains. His daughter, Elisabeth, distils a fine Gotland craft gin and each year the restaurant, which is open to non-residents for dinner, is given over to a pop-up. This summer the chef is Tom Jallow from 38Grader in Jönköping, who cooks up a feast of local produce including juniper-smoked sprats and Mangica pork. Served alfresco on benches covered with grey sheepskins, dinner is paired with sunset and a backing track of The Cure (Jallow is a fan). As darkness falls, guests wrap themselves in blankets, huddling round the oil lamps while tucking into Gotland raspberries and dessert wines.

Fabriken Furillen is an inspiring example of how a ravaged landscape can be rescued in an exciting way, and

Gotlanders have an obvious talent for repurposing redundant quarries. Others are now used as performance venues and freshwater lakes for wild swimming, while a 30-minute drive north the Bungenäs peninsula was once home to the island's largest, employing close to 200 workers. Taken over by the Swedish military in 1963, it lay out of bounds for 44 years until Joachim Kuylenstierna, whose father worked at the garrison, bought the 162ha site.

"There were plans to turn it into a golf resort with 500 yellow chalets," he recalls with horror. The entrepreneur had a different vision, one centred on his passionate belief that people need to get out of their cars "so that they speak to each other". Vehicles were banned and the land, which is littered with concrete bunkers and a maze of tunnels and trenches, was divided into 152 plots.

So far just under half of these have been sold to affluent Swedes and several owners have built elaborate subterranean summer houses, giving rise to the notion this is a secretive community where, in the words of one Scandinavian blog, "billionaires live underground". Kuylenstierna's project is better than that. Anyone is free to walk or cycle here and it is fun to take an architectural treasure hunt through the undulating forests, spotting naturally camouflaged homes that must conform to strict rules. These include only having flat roofs and there can be no fences, lawns, gardens, external colour, plastic furniture or, God forbid, "sun umbrellas with adverts". I track down one overgrown bunker,

covered in earth and looking like the tomb in an Egyptian pyramid, that has been converted into a sauna. Kuylenstierna tells me of another bunker covering 1,100 square metres designed so occupants could hold out for three months in the event of a nuclear war. "And then what?" he asks with a chuckle. "Now I use it as a wine cellar!"

Rentals do pop up on Airbnb but it's easy to enjoy Bungenäs on a day trip, taking a picnic or lunching at its barn-like restaurant set beside two towering lime kilns. Via Bungenäs's Instagram, I get wind of an impromptu gig at the restaurant by the eight-piece Swedish band Louisiana Avenue, whose boisterous Mardi Gras-inspired music soon has people dancing on the tables. It is an unexpected and brilliant night out, made all the more memorable because at the end, the only way to return to your car is a 20-minute walk through the forest, relishing the stars and silence.

Do the Swedish armed forces regret selling Bungenäs? "Of course," reckons

mer atmosphere. Roofed with wildflowers and grasses, this fortress property is the middle bunker in a trio of coastal defences originally laid in 1886. Russia was the bugbear then, too, when England and France forced Sweden to protect the Fårö Strait in the aftermath of the Crimean war.

Rebuilt in 1899, Fårösunds Fästning has been boldly converted into a harmonious 16-room hotel complete with an indoor pool. The grounds remain ringed with hundreds of rusty iron posts once threaded with barbed wire.

"Eight of the bedrooms here are set in vaults where soldiers would shelter when the 57mm guns were fired, now furnished in a typically Nordic style of blonde wood, Anglois lamps and sheepskin-lined headboards. That night, cooed in the calm of a designer cave with 1.5 metre-thick walls, I am blessed with the sort of long, deep sleep many of us find so elusive. History may have placed Gotland in the war zone, but it is still perfectly attuned to peace.



i / DETAILS
Nigel Tisdall was a guest of Visit Sweden (visitSweden.com) and Region Gotland (gotland.com). Double rooms at Fabriken Furillen (furillen.com) cost from SKr2,950 (£237), including breakfast, reservations for next summer open in January 2023. Double rooms at Fårösunds Fästning, which reopens on May 29 2023, cost from SKr1,695, including breakfast



POSTCARD FROM ... THE CZECH REPUBLIC

Despite their soaring name, the Eagle Mountains in the Czech Republic are more like beautiful gentle hills. Or at least that is what I felt until I stepped on to the world's longest suspension footbridge, took in the plunging view, and got hit by a strong gust of wind. "Don't worry, we only close it when the wind speed here reaches 140 kilometres per hour," said Martin Palán, general manager of Dolní Morava, the mountain resort that has spent two years building the record-breaking bridge.

I was happy to have escaped the Czech version of a hurricane. But as I advanced along this narrow suspension bridge, the unsteady and wobbly sensation quickly disappeared, so that I stopped keeping my hand on the guard rail. The bridge is so steady that skiers will be allowed to walk across in their ski boots next winter, Palán said.

Inaugurated in May, the Sky Bridge 721 — it covers 721 metres — is an amazing feat of Czech engineering. I found myself remembering the shaky openings of some far shorter footbridges, even when designed by star architects. London took almost two years to fix Norman Foster's wobbly Millennium bridge, while Venice and Bilbao surfaced Santiago



The new Sky Bridge 721, the world's longest suspension footbridge

Calatrava's footbridges to stop pedestrians slipping over.

This Sky Bridge, which is 95 metres above the ground at its highest point, is on a 2km-long circular trail that is flat enough for younger children to enjoy. It is also a bellwether for whether a low-altitude ski resort can reinvent itself as a year-round mountain tourism destination, at a time when climate change is forcing us to rethink our holidaying.

In fact, Palán explained that Dolní Morava, which built its first ski lifts in the 1970s, now attracts more visitors during summer than in winter, which

seemed unthinkable when he first started working for the resort's current owner, Jiří Rulišek, a Czech construction entrepreneur. A decade ago, "we really didn't have visitors in summer, just some hikers but not even any mountain bikers", Palán recalled.

On the main lift, every second chair is now reserved for heavily padded bikers, who then whizz down trails cut through the pine trees.

The trails are "really impressive, haven't travelled 500km because I won't find anything as good in Poland," said Radek Kajor, a biker who was visiting from the Polish city of

Bielsko-Biala with his 15-year-old son. In winter, the downhill ski pistes are maintained with the help of myriad snow-making machines, supplied by a new water reservoir. Dolní Morava's highest slope starts at 1,200 metres above sea level.

"In the Czech Republic, we've had to think early about climate change because we don't have the Alps," Palán said. "I think it makes no sense now for a resort to focus only on winter." But even if Dolní Morava's huge investments are paying off, with thousands of visitors and full car parks at the peak of summer, I still toured the resort's many attractions wondering what such infrastructure meant for climate change.

Aside from its footbridge, Dolní Morava already had its Sky Walk, a viewpoint built in 2015 shaped like a giant steel coil, from which visitors can swoosh down in a spiral tube slide.

During my visit, one of them was a tattooed man with a thick gold necklace and a T-shirt emblazoned with the word "Porno". He was accompanied by the film crew for *Warsaw Shore*, Poland's version of *Jersey Shore*, the American TV reality show. "This place is surprising, filled with adrenaline and emotions, which is everything that we like," a producer told me.

My adrenaline certainly rose on the 3km rollercoaster that took me down to the base of the resort, where adventure playgrounds guarantee a high-octane family outing. Younger children can slide down the trunk of a huge mammoth sculpture, dam small streams or raft on a little lake, while teens can jump from an 8-metre platform on to an inflatable mattress.

"I really don't need any of these attractions to enjoy nature, but my kids love them," said Hlona Dobíšek, a Czech who was visiting his native country from Ireland.

I ended the afternoon having a coffee with the resort owner's daughter, Eva Rulišková. Nearby, bulldozers were digging the earth. Her family company is adding another hotel, four apartment buildings and a spa.

Rulišková, 25, is now a director and hopes to replicate her father's action-packed resort elsewhere. But she acknowledged that his mountain tourism model might not suit every country. "My perception is that the Czechs like to be surrounded by people more than others," she said.

Raphael Minder

Raphael Minder is the FT's central Europe correspondent

i / DETAILS
Raphael Minder was a guest of CzechTourism (visitczechrepublic.com). For more on visiting Dolní Morava see dolnimorava.cz

Books

Life & Arts

Johann Wolfgang von Goethe was and is a cultural colossus, a figure to rank alongside Dante and Shakespeare. But he is also a somewhat forbidding figure. Well aware from an early age of his own world-historical heft, Goethe lived long



spear, which made the English playwright such a crucial part of German culture. Those translations, so often ascribed to her husband alone, were a joint piece of work; and the image that Wulf conjures of them sitting together at home, tossing verses back and forth,

enough – he was 82 when he died – to be the sole significant survivor of the pre-revolutionary epoch.

In the year of his birth, 1749, Handel and Rameau were still busy composing; in the year of his death, 1832, Darwin arrived in South America aboard the *Beagle*. *The Sorrows of Young Werther*, the book that made him famous throughout Europe and North America, was published in 1774, some two years before the American Declaration of Independence, and 15 before the storming of the Bastille.

Over the course of his life, the young proponent of the aesthetic of *Sturm und Drang* became the elderly advocate of classical restraint; classicism, he declared, was health and the newfangled Romanticism was sickness.

For many 19th-century writers in English – Thomas Carlyle and George Eliot are only the most obvious – Goethe was a vital intellectual presence. For English-language readers today, however, Goethe's sublime novels *Wilhelm Meister* and *Elective Affinities* are eclipsed by Flaubert's *Madame Bovary* and Proust's *In Search of Lost Time*, while Goethe's poetry is probably most familiar from the songs of Franz Schubert.

Now two new books – Andrea Wulf's *Magnificent Rebels* and a translation of Johann Peter Eckermann's *Conversations with Goethe* – shed welcome light on the writer's life and work, and on his complex and long-lasting influence.

In 1823, Eckermann, a penniless young author, turned up at Goethe's door in Weimar and gradually made himself indispensable to the grand old man, as editor, friend and goad. "Eckermann", Goethe admitted, "knows best how to extort literary productions from me... it is mainly because of him that I am continuing with *Faust*". Goethe's reworking of the Faust legend is one of the glories of European literature, even if it is a work nowadays little read in the English-speaking world.

Conversations with Goethe, a record of discussions over the final nine years of Goethe's life that was published four years after his death, offers a portrait of the artist as sage. Nietzsche called it "the best German book there is". In Allan Bunden's new translation – the first for 150 years – we see Eckermann's dependence on and awe of his employer, but we are also allowed to eavesdrop on Goethe's prolific mind whirring away.

In the face of Shakespeare's "facility and freedom", for instance, he was energetically humbled and amazed: "It's impossible to talk about Shakespeare's words are inadequate... [he] gives us golden apples in silver bowls. We get the silver bowl by studying his plays; but the trouble is, we only have potatoes to put in it."

In Wulf's wonderful new book we meet a somewhat younger Goethe, though here he is a bright star in a constellation of great minds – many now associated with the first flush of Romanticism – that included the philosophers Friedrich Schelling and Georg Wilhelm Friedrich Hegel, the scientist-explorer Alexander von Humboldt and the playwright Friedrich Schiller. *Magnificent Rebels* recovers the shining moment, between roughly 1794 and 1806, when these figures



Essay | How did a group of towering intellects shape our views of romanticism, self and freedom?

And what brought them all to a tiny settlement in central Germany? By Ian Bostridge

Big minds, small town

Conversations with Goethe

by Johann Peter Eckermann, translated by Allan Bunden Penguin Classics £12.99/\$21.75 752 pages

Magnificent Rebels: the First Romantics and the Invention of the Self by Andrea Wulf John Murray £25/Knopf \$35 512 pages

Above: 'Meeting in Jena' shows (from left) Friedrich Schiller, Wilhelm and Alexander von Humboldt and Johann Wolfgang Goethe in 1793. Picture (coloured later) based on a drawing by Ludwig Adrian Richter – Ullstein Bild/Getty Images

congregated in Jena – a university town in the tiny Duchy of Saxe-Weimar, whose duke Goethe served for decades in the late 18th and early 19th centuries – to live, love and dispute.

Although Schiller had settled in Jena in 1789, having fled his native Württemberg after the rip-roaring success of his revolutionary play *The Robbers* in 1782, it wasn't until the summer of 1794 that he and Goethe met. The setting was a meeting of Jena's newly founded Natural History Society (another string to Goethe's bow was his deep involvement in botanical theorising and research), and Goethe's enthusiastic embrace of the younger writer was the catalyst for a cascade of arrivals and associations.

A key figure among these newcomers was Johann Gottlieb Fichte, the so-called "Bonaparte of Philosophy", who was appointed to a professorship in Jena at Goethe's suggestion. Fichte had started his philosophical career as a follower of Immanuel Kant, writing his *Attempt at a Critique of All Revelation* so much in the shadow of Kant's own *Critique of Pure Reason* that most readers

assumed Kant himself to be the author.

Yet the system of philosophy for which Fichte became known, his *Wissenschaftslehre* or theory of knowledge, was distinguished from Kant's transcendental idealism by its singular focus upon the self. "My will alone... shall float audaciously and boldly over the wreckage of the universe", as he rather flamboyantly put it. His students, of course, were entranced.

And so they came, the *crème de la crème* of intellectual Germany, to this tiny, claustrophobic town. In the late 18th century, one could walk from one end of Jena to the other in 10 minutes. Although Goethe was based in Weimar, he visited often. The Schlegel brothers, August Wilhelm and Friedrich, inventors of the modern doctrine of Romantic art, lived on one side of the town hall, the Humboldt brothers – Alexander (subject of Wulf's award-winning previous book) and Wilhelm – on another. Ludwig Tieck, another writer crucial to the foundations of Romanticism, came to Jena, while the poet of Romantic darkness, Georg von Hardenberg,

subject of Penelope Fitzgerald's brilliant 1995 novel *The Blue Flower*, lived not far away and visited often.

In a gripping account of what she calls the "Jena Set" (which was intellectually and emotionally as complex as the Bloomsbury Group), Wulf brings the *dramatis personae* compellingly to life. But it is Caroline Schlegel-Schelling – married to August Wilhelm Schlegel from 1796 to 1803 and then to Schelling from 1803 till her death in 1809 – who emerges most forcefully. Her intellectual contribution has been much undervalued, most egregiously in the case of the Schlegel translations of Shake-

Caroline drumming out the rhythm on the parlour table, is a memorable one.

As is Wulf's last image of the golden age. A late arrival in Jena, Georg Wilhelm Friedrich Hegel had joined his friend Schelling there in 1801. On October 13 1806, as Napoleon's army massed in the vicinity, Hegel was desperate to send his manuscript of *The Phenomenology of Spirit* – his investigation into what he called "the process of [the mind's] own becoming" – to his publisher in distant Bamberg.

The deadline was October 18, Bamberg was some 200km away, and five years of work were at risk of being incinerated or confiscated in the melee of war; Hegel just managed to catch the last stagecoach that could deliver the precious cargo. Only hours later, he saw Napoleon Bonaparte on horseback in the town, making preparations for what the following day became the crushing defeat of the Prussian army at the Battle of Jena.

This conjunction of events – the summation of German idealism in Hegel's *Phenomenology of Spirit*, and the brute material triumph of post-revolu-

The figures of the 'Jena Set' all engaged with the debate – they collaborated, they conversed, they feuded

tionary arms – retains its capacity to astonish. Hegel himself was full of excitement: "I saw the Emperor – this world soul – ride out through the city on reconnaissance – it is truly a marvelous sensation to see such an individual who, concentrated here at a single point, seated on a horse, reaches out across the world and dominates it." A year later, Hegel's work was published. "The result," Wulf writes, "was a new system of philosophy – one, [Hegel] believed, that would change everything."

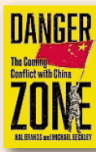
In their intellectual lives, the great figures associated with the "Jena Set" all engaged with the debate about the self and freedom that had emerged from the encounter between Kantian philosophy and the French Revolution. They collaborated, they conversed and sometimes they feuded.

Hovering above them, as a sort of beneficent father spirit, was Goethe, fascinated but at the same time repelled by the Romanticism that they all, in their various ways, espoused. The philosophy of these first Romantics was and remains knotty; but in their emphasis on freedom and the self, they ushered in a new world of feeling and thought.

Ian Bostridge is a tenor and author of *Schubert's Winter Journey* (Faber)

A chilling vision of China's path to war

A scenario of superpower conflict as forecast by two US academics is worryingly plausible, writes James Kyngye



Danger Zone: The Coming Conflict with China by Hal Brands and Michael Beckley MW Norton £22 304 pages

It is January 18, 2025, and a war is about to start," runs the provocative first line of *Danger Zone: The Coming Conflict with China*.

It goes on to sketch out a blood-curdling sequence of events. The inauguration of the US president is only days away. But both the Democratic and Republican candidates are still claiming victory in the election. Their rival supporters are clashing in the streets. With America thus distracted, China decides to invade Taiwan. US spy satellites detect Chinese military mobilisations, but Washington dismisses them as just another round of sabre-rattling.

Then at 10.01pm EST, Chinese forces launch their attack. Missiles pound airfields, government buildings and military installations all across the island, as well as America's air bases in Okinawa and Guam. The US Ronald Reagan, the Pentagon's sole aircraft carrier in the region, is hit by an anti-ship ballistic missile. Chinese special forces try to kill Taiwan's top leaders while cyber warriors take down the island's power grid.

Then an amphibious assault begins.

Even as recently as five years ago, such a scenario might have been seen as sensationalism. But in the aftermath of China's recent military exercises around Taiwan, along with a warning from Taiwan's defence minister that China will be ready to mount a full-scale invasion by 2025, the storyline feels at least plausible – though no less terrifying.

Perhaps conscious of the weight of their topic, Hal Brands and Michael Beckley, two well-regarded American academics, are meticulous about their sourcing. A glance at the notes in the back of the book shows that much of the imagined detail set forth in the opening sequence actually comes from Chinese sources, the US military or reputable commentators.

But it is the cogently argued remaining 200-odd pages that make this excellent book really worth reading. Notably,

the authors diverge from the conventional wisdom that China's territorial assertiveness is a byproduct of its inexorable rise to superpower status. In fact, they say, it is China's vulnerability as a "peaking power" that makes it so dangerous.

"Both history and China's current trajectory suggest that the Sino-American competition will hit its moment of maximum danger during this decade, the 2020s," they write. "The reason for this is China has reached the most treacherous stage in the life cycle of a rising

'The Sino-American competition will hit its moment of maximum danger in the 2020s'

power – the point where it is strong enough to aggressively disrupt the existing order but is losing confidence that time is on its side."

There is much in this argument that appears persuasive. Neither Germany in 1914 nor Japan in 1941 were self-assured rising powers confident of their own futures, as Brands and Beckley point out. The insecurities of Vladimir Putin – who rails against the "absolutely unacceptable threat" posed to

Russia by Nato's eastward expansion – are also evident.

China's own insecurity, Brands and Beckley argue, stems from its declining economic performance. They present a litany of ills that coalesce to form an "economic quagmire": the misallocation of capital on a massive scale, a vastly overbuilt property sector, spiralling debts, a nosedive in productivity reminiscent of that of the former Soviet Union, a bloated state sector, along with other factors.

Such weaknesses are often cited as factors behind China's slowing GDP growth rate. However, the authors' argument is on thinner ground when it comes to the all-important topic of technology.

They acknowledge that Chinese companies have made impressive strides in developing many cutting-edge technologies, but add that "so far... these measures have failed to boost flagging productivity". But perhaps it is this very evidence of rapid technological progress that could persuade Beijing to stay its hand – leaving thoughts of any military adventure to such time in the distant future when its economic might and technological prowess are unassailable.

James Kyngye is the FT's global China editor

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chief engineer Herbert Manzoni, left, and architect Alwyn Sheppard Fidler with a model of the city's ring road scheme in 1954 - Bert Hardy/Getty Images

Va va Brum

Jonathan Coe on an absorbing history of the UK's second city – its cultural clout and the complicated character that has led to a crisis of identity

We're in the heart of the West Midlands," says the voice, its heavy New York accent reassuringly familiar. "Riding the express elevator to the top of one of the city's highest buildings, this is the view that nearly took my breath away..." The camera pans across a sun-drenched 1970s cityscape. Factories, high-rise blocks and busy roads. "I found the city exciting... You feel as if you've been projected into the 21st century." And then the clincher: "Yes, [Birmingham] is my kinda town."



Second City: Birmingham and the Forging of Modern Britain by Richard Vinen Allen Lane £25 592 pages

The voice belongs to US film star Telly Savalas, and these quotes are from his commentary to the 1981 documentary *Telly Savalas Looks at Birmingham*. Sadly, it was narrated in a dubbing studio in Soho; Savalas never set foot in the city. He narrated equally daff abutments about Aberdeen and Portsmouth, but it's his paean to the UK's second city that stands out. This is perhaps because Brummies, with their self-deprecating humour, are so keenly attuned to the discrepancy between the realities of Birmingham and Savalas's attempt to portray the city as a cross between Detroit and Fritz Lang's *Metropolis*.

bringing us up to the present day while stopping short of the city's recent hosting of the Commonwealth Games. Vinen reminds us that the roll call of individuals who lie behind Birmingham's claim to "second city" status – not just in terms of population but cultural, political and economic clout – includes Herbert Manzoni, the city's chief engineer in the postwar years.

"Making Birmingham into a car city," Vinen writes, "was a conscious imitation of America. In 1955 Manzoni said: 'I see no reason why traffic in this country should not reach the proportions of traffic in America.'" Hence Birmingham's notoriously pedestrian-unfriendly network of ring roads and dual carriage-ways, which reached its apotheosis in the creation of the "Spaghetti Junction" intersection in the early 1970s. The result is that today, as we finally wake up to the disastrous environmental consequences of our dependence on the car, Birmingham faces a crisis of identity and urban design uniquely acute among the major British cities.

And yet, was his comparison so far off the mark? Postwar Birmingham was always designed to function like an American motor city. The fact is impressed upon us in this absorbing book by Richard Vinen, a native of Birmingham who is now professor of history at King's College London.

Its fortunes have been bound up with the motor industry since Herbert Austin opened the Austin works at Longbridge, on the outskirts of the city, in the

early 20th century. A factory that employed just 50 people in 1906 had by the late 1960s expanded to employ more than 25,000 workers. Yet by the 1970s it had become symbolic of the decline of British manufacturing. Vinen recounts the surge of unofficial strikes during this time, and the portrayal of British Leyland (as the now-nationalised Austin company became known) in the press as a hotbed of militant unionism – one which Margaret Thatcher was determined to rein in when she became prime minister in 1979. This is an oft-told story but Vinen uncovers new layers of nuance in his portraits of the main

It presents an unassuming face to the world, which belies its historical status as an industrial powerhouse

players – shop stewards Dick Etheridge and Derek Robinson, and Leyland chairman Michael Edwardes – where the union men have in previous accounts been too often seen merely as communist troublemakers and Edwardes as Thatcherite stooge.

It's revealing that Birmingham's main opposition to Thatcherism was concentrated at the Longbridge plant, as the politics of the city as a whole have always been hard to define. In 2016 Birmingham voted to leave the EU by the slenderest of margins (50.4 per cent). Neither of the main parties has ever really predominated there, and as Vinen demonstrates, Joseph Chamberlain, the presiding spirit of Birmingham

politics and the city's shortlived mayor between 1875-76, was an ambiguous figure, completing a journey from radical Liberal to Conservative Unionist.

What can't be denied is the extent to which Chamberlain improved life in the city during his brief tenure as mayor, bringing gas and sewerage under municipal control and transforming the central urban space. Whether Liberal or Conservative, he sustained a belief in a benign, paternalistic form of capitalism that was in keeping with the vision of another of Birmingham's most famous families – the Cadburys – whose chocolate factory at Bourville was a practical model of this philosophy before it was taken over by Kraft Foods in 2010.

The history of Birmingham's race relations does not make for happy reading. Vinen describes it as "a cauldron of racial hostility" in the 1960s but ends his account on a more celebratory note, hailing it as "a city of migrants" in which relations between different ethnic groups are marked by "a deliberate and playful hybridity". On Birmingham's cultural life, he writes comprehensively about pop music, but otherwise his coverage is patchy. The cover promises a book "about figures everyone has heard of, from JRR Tolkien to Duran Duran", but Tolkien is only mentioned once, and no reference is made to the work of other significant Birmingham cultural figures such as Tony Hancock, Jim Crace or David Edgar.

Maybe it is for this reason that Vinen never quite pins down the elusive character of the city. Straddling England's north-south divide, it presents an unassuming face to the world, which belies its historical status as an industrial powerhouse and a trailblazer for multiculturalism. Understatement is one of the city's defining features, and in the end Vinen falls back on this himself, concluding that "Ordinariness... confers its own importance". There is unlikely to be a more informative history of Birmingham than Vinen's, but at times we are left wanting to know more about why, exactly, this city, complicated, frustrating city is "his kinda town".

Jonathan Coe's new novel 'Bourville' will be published by Viking in November

Lessons on life

A neurosurgeon reflects on mortality in this poignant collection of musings, writes Sue Nelson



And Finally: Matters of Life and Death by Henry Marsh Jonathan Cape £16.99, 240 pages

Retired neurosurgeon Henry Marsh doesn't want to die. But then, as he rightly points out, who does? Marsh has

prostate cancer and, after a long career trying to prevent other people's deaths, reflects in *And Finally* – a successor to his memoirs *Do No Harm* (2014) and *Admissions* (2017) – on what matters most in life through the enforced clarity of a terminal illness.

As a medical student, Marsh recalls going through a brief period of being frightened that he had all sorts of deadly diseases until he decided that only patients – not doctors – had illnesses.

Marsh's own cancer diagnosis understandably came as a surprise. He berates himself for not seeing a doctor sooner, despite obvious warning signs. Yet Marsh simply did what many of us do on knowing, deep down, that something is wrong: he ignored the symptoms.

The journey from operating on patients to becoming one is not easy. Admitting to vanity as a "self-important surgeon", Marsh is his harshest critic, dismissing his younger self as impulsive, tactless and inconsiderate.

He is also brutally honest about his reactions to the cancer diagnosis, condition and treatment – whether it's tears, incontinence from an enlarged prostate or chemical castration through androgen deprivation therapy. Hormone treatment leaves this keen runner with the "plump and hairless body of a eunuch".

The former surgeon's relationship with hospitals changes too. Where once they gave him status, now they make him realise that he is among the patient "underclass". More familiar with operating scrubs, he experiences the indignity of wearing a gown with an absurd bottom-exposing gap and is occasionally ignored or talked over by medical staff.

incurable tumours, such as the rainforest botanist from Ecuador whom he was unable to save.

Advice is offered on how doctors and surgeons should avoid his mistakes, especially regarding communication and empathy, which he believes, like exercise, is hard work. But the book is far more than a "how to" manual. It is a beautifully written collection of memories, thoughts and life lessons encompassing marriage and break-ups, a fear of dementia and climate change, an obsession with woodwork, and a compulsion for making things, despite constructing roofs that always leak.

Marsh also shares the joy of imagining fairy tales for his three granddaughters, who are named in the book's dedication. He considers the ethical dangers of euthanasia alongside the compassion of assisting with the more troublesome, unofficial practice of "terminal sedation" in the UK.

This is where medical staff give lethal doses of opiate painkillers to patients on the pretext of relieving pain and distress. Admitting to this act as a junior doctor, which he still believes was the right thing to do, he realises now that, unless there is prior discussion with relatives or loved ones, it is euthanasia without consent.

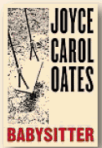
All his musings linger after reading, whether it's the importance of death and personal choice; dismay at being scammed by a builder; or pride at making dolls' houses with bedroom floors of burr elm, ash and ebony. He reflects on operations in the UK, Nepal and Ukraine, where he worked for 30 years until shortly before the pandemic, and whose current plight leaves him in despair.

Interspersed among these memories are often brilliant descriptions of how parts of the brain work. He explains the standard model of consciousness and its relationship to the brainstem by comparing consciousness to the brightness of the glowing light at the ends of hundreds of strands in a fibre-optic lamp. Switch off the electricity (brainstem) and there will be darkness. If the brainstem remains intact and connected, even if there's damage to some fibres, there will still be light. This is why surgeons, including Marsh, have to be so careful with the brain with apparently drastic head injuries – such as a chisel embedded in their brain – yet who are still conscious.

Despite dealing with death for his entire career, it is only after Marsh confronts his own imminent demise that he understands more about his life. By sharing his findings, *And Finally* will no doubt prompt others to contemplate their own existence and, more importantly, recognise what is truly worth living for.

Panic in Detroit

This hunt for a child-killer is less a whodunnit than an exposé of the white middle class. By Kimberley Young



Babysitter by Joyce Carol Oates Fourth Estate £18.99 448 pages

Only the weak fall in love, they see no way of living otherwise," writes Joyce Carol Oates in her new novel *Babysitter*. In doing so she lays bare the desire that drives her characters into devastating decisions.

Now 84, Oates is known for her prolificacy and range – over her long career she has written poetry, children's fiction and nearly 60 novels – and has earned five Pulitzer nominations for her work. With *Babysitter*, Oates explores the paranoia of white middle-class America as it grapples with the perceived outside threats to its children, its women and its wealth – and the even greater dangers from within.

The setting is Detroit, 1977. While the city is still reeling from the race riots a decade earlier, and shows the first signs of urban gentrification, it is hit by a series of brutal child murders by a perpetrator known as Babysitter. Children, often orphans or those in care, and all of them white, disappear only to be found dead in identical poses days later. Lying, like angels, with their arms across their chests, they are left with their clothes cleanly laundered beside them. In parallel, Hannah, a Dior-clad housewife, embarks on an affair with a mysterious man known only by the initials YK.

This is a novel drenched with violence in its treatment of the most vulnerable, all in the hands of cruel, dominating men. Hannah hears echoes of her father, "a joker with an aphorism for every life situation", through everything she does. She thinks of him as Jokester Daddy, an obsessive presence in her thoughts who influences her perspective, tormented by a love for him that is "trilled with hatred like a radioactive vein in a mineral". Even after YK rapes her and almost smother her with a pillow, Hannah thinks of him as her lover, with all the tenderness that word implies.

Oates contorts language in her descriptions of characters, creating unease as you second-guess who these people truly are, and who to trust. At one point the mysterious YK appears classically handsome, stepping out of a red Ferrari; at another, his eyes glimmer with "reptilian mirth". Hannah conjures images of old-school glamour in the most dire circumstances; a lung condition caused by her Jokester Daddy's cigar smoke gives her, she believes, the alluring breathlessness of Marilyn Monroe. From the perspective of Hannah –

whom her friends consider "warm, gracious, funny and smart. But not too smart" – the narrative timeline twists back and forth. For much of the novel she strays into daylight, returning to the sensations of YK touching her wrist at their initial meeting, an action which can be charged by an electric current of desire or replayed so that he holds her tightly enough to bruise.

Intwoven throughout the narrative are simmering racial and class tensions. Wes is adamant Babysitter is from Detroit, rather than their mostly white neighbourhood, believing these murders are the beginning of a race war. Filipina maid Ismelda is a constant presence in the family, yet separate, with a room on the third floor where she listens to Christian rock music. She tells the police Babysitter must be white to have moved through the neighbourhood undetected. Meanwhile, a black car-park attendant named Zekiel Jones is incorrectly identified as Hannah's rapist after she lies to cover her affair with YK, with horrific consequences.

Despite the horror of the story, Oates's skill with narrative and her mastery of prose create a compelling story in the most ugly aspects of human desire. The brutal descriptions of violence against women and children can be unsettling and, arguably, unnecessary. Guessing the identity of the Babysitter does not require much in the way of investigative skills, but this is not the thrust of the narrative. The true horror of the novel comes less from the perverted child-killer than the torture endured in the futile search for connection.

The ingredients of empire

A genial history of the world played through the food that played a part in the rise and fall of nations. By Julian Baggini



Dinner in Rome: A History of the World in One Meal by Andreas Viestad, translated by Matt Bagguley Reaktion Books £15 240 pages

The great French food writer Jean Anthelme Brillat-Savarin famously wrote: "tell me what you eat and I will tell me what you are." Two centuries later in *Dinner in Rome*, the Norwegian writer and chef Andreas Viestad has taken that "you" and applied it to the whole of humanity. From the titular meal he extracts a potted history of the world: from the growth of its population, through the rise and fall of its empires, to the development of its economies.

You might expect such an ambitious project to exploit a wide range of specialist ingredients. Instead, Viestad takes as his springboards a traditional Italian meal, focusing on staples like bread, salt, oil, pepper, wine and meat. In the basics of our diet he sees the bases of our societies.

Take bread. Roman statesman and master orator Cicero was the first to suggest that it was because Rome was not located in a particularly fertile area that it ended up becoming such a huge empire. From the start it was dependent on trade, especially in grain, and this fuelled its expansion.

As it conquered new lands, the Roman empire didn't just pillage and leave in the time-honoured way.

Instead, it cultivated the land to provide the wheat it needed to feed its citizens and armies.

Like any good chef, Viestad sources his raw materials with care, with the main focus on flavour. He freely acknowledges that not every expert agrees with his particular versions of history, in which food is pivotal. To mix culinary metaphors, his cherry-picked narrative does require the occasional pinch of salt.

For instance, Viestad details how food played a part in the two biggest schisms in Christianity. Looking back at the split from Rome in 1054, a 12th-century Greek Orthodox church leader John VII said: "The first and foremost significant cause of the rift between them and us is the unleavened bread."

Rome insisted on using unleavened bread for the Eucharist, like the Jewish matzo Jesus and his disciples would have shared at the Last Supper. The Orthodox church preferred symbolism over history and used dough that had risen like their saviour.

Five hundred years later, Rome's ban on butter on fast days helped propel the

Protestant reformation. "They think that eating butter is a greater sin than lying, swearing or committing fornication," Luther complained. The ban required northern Europeans to buy more expensive and often rancid olive oil, while southerners could eat their preferred local fat all year round.

Even the condiments now considered humble played outsized roles in history. Today, we fret about consuming too much salt, but for most of our ancestors deficiency was the greater problem. Low levels of sodium in the blood can lead to lethargy and a shortage of salt has been postulated as one reason why the weakened soldiers of the south lost the American civil war.

Viestad laments modern chefs' obsession with novelty and shock, while skilfully peppering his text with one surprising fact after another. "In the mid-1970s, Iran had more area under vine than Australia, New Zealand and South Africa combined," he tells us. For centuries lemons were cultivated for the essential oils in their peel and the bitter juice was discarded.

In Matt Bagguley's unaffacted translation, Viestad comes across as a genial companion, both confident and unassuming. His unpretentiousness is captured in a withering put-down of wine tasting notes: "The combination of adjectives can often sound more like a brothel from hell than a wine suitable for consumption in polite company." *Dinner in Rome* avoids the florid excesses of much food writing and offers instead the simpler pleasures of a well-crafted book with satisfying body and depth.

One picture – or one story – may conceal another. Lucrezia de' Medici, a gifted teenage artist frustrated by her gender and her times, learns that from the court painter Vasari. Here, in late 1550s Florence, a wooden panel can carry "underpaintings" with "secret layers" hidden beneath their surface images.

Maggie O'Farrell's nine novels, with their artfully layered narratives, bring the underpaintings of life's losses into the light – from her debut *After You'd Gone* (2000) to *Hammot* (2020), her much-loved account of the stricken family behind an unnamed Shakespeare.

The Marriage Portrait shares a keynote poem (Robert Browning's "My Last Duchess") with *After You'd Gone*, and an iconic 16th-century backdrop with *Hammot*. But O'Farrell strips away familiar varnish to find a fresh scene underneath. It has a woman's "enigmatic, unfathomable gaze" at the centre of its frame.

We begin with a shock that reverberates across the back-story that follows. Lucrezia's new husband, Alfonso d'Este, Duke of Ferrara, has taken her to a chilly fortress where, she believes, "he intends to kill her". Betrothed at 15, married at 15, Lucrezia is the frail, overlooked fifth child ("the afterthought, tolerated at best") of Cosimo de' Medici, Grand Duke of Tuscany, and Eleonora, his graciously steely Spanish consort.

Bullied by siblings, policed by parents, happy only with her tender Neapolitan nursemaid Sofia ("the keeper of all her secrets"), Lucrezia comes to feel like the caged tigress in the duke's menagerie. This incandescent beast prowls symbolically through the book's early pages, "a creature whose desires have all been disregarded".

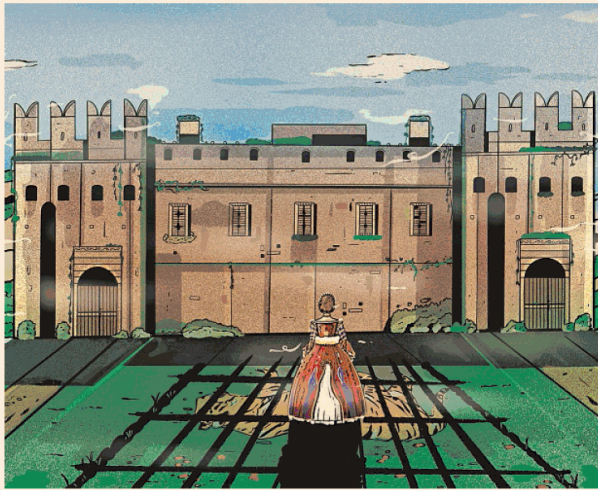
Medici Florence has yielded many fictional frescoes, from George Eliot's *Romola* to Sarah Dunant's *The Birth of Venus*. O'Farrell sidesteps cliché with a shift of focus, from the gory glamour of the Quattrocento to the gritty reality of 1550s. Cosimo is a shrewd, decent businessman-ruler holed up with his clan in a dour palace where downmarket fun (tumbler, dwarfs) punctuates a routine of piety and duty.

It's turbulent Ferrara to the north, where Lucrezia must go in 1560 to breed an Este heir as "the means to their family's survival", that now hosts top-flight culture – and craves an observer, she finds in Alfonso a hawk-eyed raptor whose scrutiny can "peel away the layers people use to clothe their secrets".

Lucrezia, we grasp, has entered Bluebeard's castle. Alfonso's outrages escalate as he tries to secure his power while his mother – a French-born Protestant – and siblings revolt. A serving boy is brutalised.

Alfonso's sister Elisabetta, now Lucrezia's confidante, must watch as her soldier lover is strangled; the duke feels obliged to quash "anything that threatens our status and our reputation". More sinister still, his frigid courtship with Lucrezia recalls not so much a Renaissance melodrama as another kind of Italian novel entirely: Henry James's *The Portrait of a Lady*.

Alfonso's deadly plan hovers over her future like "a dark-feathered bird of



The layers beneath

Maggie O'Farrell sidesteps cliché to reveal the inner world of a

16th-century Italian noblewoman in poetic prose. By Boyd Tonkin



The Marriage Portrait
by Maggie O'Farrell
Tinder Press £25
448 pages

prey". Her periods continue to arrive, regular signs of her spirit of defiance: the "unfettered part of herself". Drawing opens up a private path to liberty as she works to preserve "something three-dimensional on the flat surface of paper". When solace enters, it carries brush and pen. They belong to sweet, plucky, wordless Jacopo, the apprentice who really paints the marriage portrait, "scaldingly public and deeply private",

O'Farrell's language . . . can swell into Pre-Raphaelite splendour. Yet it has poetry, not just finery

that Alfonso orders from the unctuous mediocrity, Il Bastianino.

Art – its truths, its tricks, its lies – fills the book. So do animals, actual and figurative, from the glass models Lucrezia arranges as a girl to the uncanny painting of a stone marten Alfonso sends to woo her, and the deer and boat that run free through Apennine forests. Creatures give shape to Lucrezia's thwarted hunt for autonomy: "A beast – muscled and brave – lives within her." Or they stand as emblems for the ever-vigilant human predators that seek to bring her down.

O'Farrell's language of nature, art, clothes, food, even weather, can swell into Pre-Raphaelite splendour. Yet it has poetry, not just finery. The maps of "strange and wild seas", for example, that her mother Eleonora loved to peruse, will metaphorically return as the island-like "landform" of a red patch on a shift when Lucrezia's periods begin. She has spent her childhood "mapping out hidden passageways": in the palazzo; in her relatives' minds.

Later, she feels the forbidden landscape of a beloved hand as "the open ocean, studded by an archipelago of unmapped islands". This novel does its polished job as a bright-hued period page-turner with a striking rebel heroine. Its prose, though, truly shines in the skeins of eerie, heraldic imagery that trace Lucrezia's inner life.

Lucrezia shuttles between one prison and another: Alfonso's idyllic villa; his city castello; the dank fortress where she faces doom. How can she flee to the islands of freedom? Lucrezia, and her marriage, did exist. However, O'Farrell's afterward alerts us that, although she mostly follows the historical record, the art of fiction claims a licence to invent. Her narrative enchantment will wrest suspense and surprise out of a death foretold. Even the storied past may hide some "secret underpaintings" of its own.

Follow the leader

The war in Ukraine has turned Volodymyr Zelenskyy into a global celebrity. So the appearance of the first English-language biography of the Ukrainian president could not be better timed.

Unfortunately, western readers who buy Serhii Rudenko's *Zelenskyy: A Biography* (Polity, £20/\$25, 200 pages) on impulse are likely to be disappointed. The author is a Ukrainian journalist and his book was written for a local readership and published the year before the invasion. Hastily updated and translated for an international audience, it does not have a chronological structure and is instead written as a series of episodes.

Anyone hoping to discover how Zelenskyy rose from a relatively modest background to become first a comedy actor and then president of Ukraine has to piece the story together. If readers are looking for a clear narrative, they might find Wikipedia more useful.

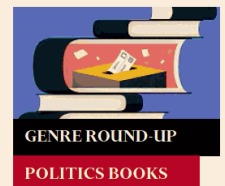
Nonetheless, Rudenko's book does give an authentic flavour of the controversies and rivalries that swirled around Zelenskyy before the Russian invasion of February 24. The Kremlin smear that he is a drug addict was, for example, assiduously promoted by his political rivals inside Ukraine. Zelenskyy's relationship with the powerful oligarch group Kolomoisky is also discussed. It is useful to be reminded that when foreign political leaders are lionised by western media, the local back-story is invariably more complicated and confusing.

While the Rudenko biography is short and put together in haste, Philip Short's elegantly written and pacy *Putin: His Life and Times* (Doubly Day, £30/\$40, Holt & Co, \$40, 864 pages) is a doorstopper and the product of eight years of research. Its publication, a few months after the invasion, makes it the most up-to-date biography available of Vladimir Putin.

Even so, the timing of the invasion of Ukraine means that Short, a British journalist and writer, is only able to devote some 20 pages to the war. But his account of Putin's life and career helps to illuminate the fateful decision to invade Ukraine. Tellingly, the few occasions when Putin's self-control has slipped in the presence of foreigners often came when the subject turned to the lands that Moscow lost control of during the break-up of the Soviet Union.

With the horrors inflicted in Ukraine still dominating the news, Short's determination to understand Putin on his own terms may strike some readers as overly sympathetic. The odd judgment in the book may raise an eyebrow – such as the claim that Putin's uncertain response to the 2015 murder of Boris Nemtsov, an opposition politician, demonstrated that his "once iron grip on the levers of control was flagging". If that was true in 2015, by 2022 Putin acted with the absolute authority of a tsar.

As Putin's essay on Russia and Ukraine illustrated, a sense of his role in history shapes the Russian leader's actions. Understanding that history and



By Gideon Rachman

how Russians see it is crucial to shaping any western response. In *Russia: Myths and Realities* (Profile £16.99/Pegasus \$27.95, 288 pages), Rodric Braithwaite's new and concise history of Russia, the author quotes the *Encyclopaedia Britannica* of 1782, which described Russia as "very large . . . governed by a complete despotism and inhabited by vicious and drunken savages".

Readers seeking a more nuanced view will find Braithwaite's brisk and readable account very valuable. The book covers more than 1,000 years of history, culminating in what Putin termed the "geopolitical catastrophe" of the collapse of the Soviet Union.

As British readers contemplate yet another new prime minister, there is an understandable appetite for big-picture thinking that looks beyond the immediate Tory leadership contest. Two important contributions are made by Geoff Mulgan and by Jon Alexander.

In *Another World Is Possible: How to Reignite Social and Political Imagination* (Hurst £20/\$29.95, 352 pages), Mulgan, a former head of the policy unit in 10 Downing Street, argues that political and social discourse about the future is now dominated by fear, rather than hope. He suggests that if we struggle even to imagine a better future, we will be unable to create it. Most of his book is devoted to how to revive imaginative thinking about the future in a range of environments from government to the arts. In a closing appendix, Mulgan discusses more concrete policies, from a universal basic income to the creation of more common land.

In *Citizens: Why the Key to Fixing Everything is All of Us* (Canbury Press, £20/\$30, 320 pages), Alexander, writing with Ariane Conrad, focuses on one particular way of improving the world: by encouraging people to think as citizens, not consumers. A former advertising man, Alexander became deeply disillusioned with his trade. He believes that the consumer society encourages people to be simultaneously entitled and passive.

Citizens, by contrast, are engaged and embrace the idea of the common good. His lively book highlights new forms of active citizenship, from the promise of Citizens' Assemblies to the foundation of community self-help organisations in the slums of Africa.

Gideon Rachman is the FT's chief foreign affairs commentator

The Poem by Cecilia Knapp

I was grotesque with summer, haloed

and freckled with light.
I gave up shoes for months,
read books on concrete steps.
I had a perfect little life. It was clear,
a rose glow to my hands and face
even when asleep in a cold room.
Boys followed me politely round the quad
offering smooth cigarettes.

It was a different time!
I was thin as a racing dog, a flimsy thing
you could throw in the air
but I don't remember going hungry,
we didn't need food back then,
not in the same way.
I stayed up late most nights –
we all agreed that sleep was feeble.
My dead mum gave me a certain edge,
a useful note of sympathy.
I threw my look together with a flourish,
wore my grandma's clothes. A better time, simpler.
You could pick up an old car
for less than a hundred quid, and drive it
with no seatbelt,
right down the coast with men
you hardly knew.

Sure, a few of us had bruises
but boy did we know how to pump a clutch.
We were happy with our lot.
The world was pouring in on me, a barrel of ripe fruit
tipped over my head and I was sticky,
it was stunning.
My father had plenty of work, always seemed to be away.
People sent letters; it was a golden age!
There was that brief and sick bout of the weepies
that left me under the bridge in a tangle of blankets,
there was the sex on the floor of a basement
but it was still a misty joy to be alive.

And there was my brother
teetering, circling the drain,
but we were stronger then, didn't need as much,

Compromised pleasure

Eight short stories about alienation and immigration are fused with a fantastical twist, writes Mia Levitin



Bliss Montage
by Ling Ma
Text Publishing
Company £10.99
240 pages

Ling Ma's Kirkus Prize-winning debut, *Severance*, was a literary take on the zombie apocalypse novel. Published in 2018, it was eerily prescient, featuring a deadly disease originating in China that wipes out the population. Having already written a pandemic novel, Ma found herself during the pandemic producing "surreal, introspective, and oddly shaped" stories instead, some of which have appeared in publications such as *Granta*, *The Atlantic* and *The New Yorker*. "It is in the most surreal situations that a person feels the most present, the closest to reality," muses one of her characters.

Like *Severance*, the bulk of the eight short stories collected in *Bliss Montage* have a fantastical twist. In "Tomorrow", a baby's arm protrudes from a pregnant woman's vagina. "Office Hours" revolves around a Narnia-esque portal on the wall of a university office. "Yeti Lovemaking" offers a how-to on interspecies intercourse, which is "difficult and painful at first, but easy once you've done it more than 30 times. Then it's like riding a bike."

In "Los Angeles", a woman shares a mansion with her husband, children and 100 ex-boyfriends. The cute con-

partner who is pressing charges for domestic battery – news she finds "both revelatory and unsurprising". Like all of Ma's narrators, her delivery is deadpan; the cool tone renders the violence all the more chilling.

Among Ma's recurrent themes are alienation and immigration. Like the author, many of her protagonists were born in China and emigrated to the US as children.

The narrator of "Returning" meets her husband at a literary festival, where they're both on a panel of immigrant authors, although their novels are "about vastly different topics". In "G", two young Asian-American women take a recreational drug that makes users invisible as well as euphoric. One of the women is drawn to the self-eraser that G affords: "You can go anywhere, unimpeded by the microaggressions of strangers." Her friend, meanwhile, uses the cloak of invisibility to more sinister ends.

The title of the book, we learn in Ma's acknowledgments, comes from a term coined by film historian Jeanine Bas-

captures the mood of what she has referred to as "compromised pleasure". The portal in "Office Hours" is used not for adventures but to sneak cigarettes, as smoking is no longer allowed in campus buildings.

Nested within "Peking Duck" is the recollection of a nanny, who says her happiest moment was when she learned she was having a girl. "I thought, Now I will be understood." And yet she finds that her Americanised daughter does not understand her.

Not all of the stories in *Bliss Montage* are fully achieved; a few struggle to evolve past their premise. But as an observer who immigrated as a child, Ma offers an astute insider-outsider

perspective and a sharp eye for detail. With an affinity for ambiguous endings, Ma does not always offer readers a resolution. In a self-referential wink, "Office Hours" has a student protesting against a film's open-ended conclusion. "It feels like a cop-out," he says. Maybe it's instead an opt-out, his teacher suggests, asking that he consider what the film is trying to refute.

Ma's fiction puts us in dystopian-yet-familiar situations that illuminate absurdities. Just as *Severance* used zombies in shopping malls to critique consumerism and office culture, these stories tweak the everyday to allow us to question the mirages scaffolding our reality.



"We love love love our Vitsoe system. The quality and easiness of assembly is amazing, but it

From Malvin T. Sydney, Australia

kept smiling and saying it could be worse. Besides, I was pretty good at scooping him back up. We made a game of it, a frivolous time! Mag! The whole damn seaside tinged in pink like the sun could set forever.

From 'Peach Pig' (published on October 6 by Corsair Poetry, £10.99)

ceit, in which she brings the boyfriend to juice bars en masse, takes a sharp turn when one of the exes is revealed to have been physically abusive.

It's a storyline picked up in "Oranges", in which the narrator is contacted by an ex-boyfriend's former

lover. A "bliss montage", Basinger writes, is a visual depiction of a heroine's brief interlude of happiness in old Hollywood films – before the leading man "lets her down or something really awful happens".

Throughout the collection, Ma deftly

was your service that made the whole process such a joy."

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A tribute to the 'ultimate freedom'

Ai Weiwei | The dissident artist tells *Rachel Spence* of his remarkable Venetian exhibition, his sense of mortality, and capitalism's complicity in China

has seen Berengo create one of the few furnaces to stay buoyant at a moment when steeply rising gas prices exacerbated by Putin's war are cooling other Murano ovens.

Much credit, too, to the Murano craftsmen – and now a few women – many of whom work the glass much as their ancestors did a thousand years ago. For Ai, that time-honoured collective practice is part of the joy of working on the Venetian island.

"You learn so much from seeing how in ancient times people fabricate their work with knowledge, passion and skill," he murmurs, before pointing out the contrast with the modern ethos that "encourages individualism. They say you have talent, you are the one, but I'm born of the continuity of human effort. I'm in the same river flowing in a different location."

Ai's democratic spirit is evident in the mischievous yet courteous manner with which the artist, dressed in a restrained cream shirt and black trousers, treats everyone around him. Inquisitive and alert – he tinkers with my tape recorder to make sure it's functioning, although his concern may also reflect his studio's request for a copy – the attention he pays to every question reflects a man who takes no idea for granted, no system of power at face value.

Ai's distaste for commercialism, which he perceives as equally rampant in the west and the east, has made him a scourge of contemporary art's symbiotic relationship with profit. Most art, he tells me, now does no more than "reflect the mainstream" and provide "comfort, entertainment and please the market".

Yet Ai's hardly an art-world outsider. He is represented by three major galleries: Berlin's neugerriemschneider, and Lisson Gallery and Galleria Continua, which both have spaces around the world. Meanwhile, Berengo tells me he hopes "La Commedia Umana" – which cost him €1.5m to produce – will sell for about €5m.

"I do work with the system," Ai says. "I'm not saying you can't work with the system." But, he adds, he is "always trying to make an argument about the material condition and philosophical background to the work. I have to ask why I have to have [these] exhibitions? It's not about making it appealing."

As an example of his resistance to market forces, he cites two recent films he has created and produced. One, *Coronation*, explores the outbreak of Covid-19 in Wuhan: "We have people [who] secretly shoot there, it's dangerous." The other, *Cockroach*, focuses on "Hong Kong defending its freedom".

Both films have been turned down "thousands of times" by international film festivals. Why? He laughs hollowly. "The largest consuming market is in China. They can't release something controversial. Everywhere self-censors. If you think you're making work in freedom, then [the work's] not relevant."

With his own work off limits in China and recently censored in Hong Kong, Ai is curating about western museums such as the Pompidou, Tate and V&A that have been paid millions by state-owned companies to realise new museums in China. "I'm not against communications and cultural exchange. But those museums are only taking the values of commerce. They are bowing to a state who kills different ideas. That leaves a bad taste in my mouth."

As for private galleries that trade in China – which include his own dealers Lisson and Continua – he says drily: "Galleries are no different from a shoemaker, or Apple... They all have the biggest market in China."

Ai's blend of pragmatism and idealism may explain his affinity for glass, a chameleon material that, as he puts it, "starts as liquid but must go through



"The largest market is in China. They can't release something controversial. Everywhere self-censors"

fire to find its final form". Those words are a metaphor for his own incarceration. Isolated, stripped of all privacy and interrogated mercilessly, a lesser mortal would have broken. Yet Ai emerged with his kindness, imagination and activist soul intact. How did he sustain himself?

"Belief in humanity," he tells me. "You have to believe even the guards are mistreated." As an artist, he says, it's his duty to "build communications with people who are not privileged, who don't know that much, who don't understand contemporary art and cannot touch freedom of speech." Ai kept faith that those who tormented him "in their heart are on my side". Incidentally, some of his jailers even whispered their support aloud, confirming he was right to trust his fellow beings.

Today, that conviction appears to have been repaid. He seems happy in Portugal. The country, he says, "accepts me. It's friendly, cheaper and doesn't have the arrogance of the fast, developed, capitalist society. It's more like a farmer's society." He pauses. "And it's suitable for my age." He seems to have surprised himself with that last remark. "Interesting, right?"

Is it possible he is entering a more contemplative era? "I'm old. I've had some disease. I could die any moment," he tells me at one point.

That he's meditating on mortality is borne out by *La Commedia Umana* but I suspect Ai will challenge earthly powers to his last breath. Indeed, his recent decision to speak out against mandatory Covid-19 vaccinations, although he himself has had the jabs, was made because "your ultimate freedom is how you want to live or how you want to die". One thing's for sure: he won't go down without a fight.

To November 27, berengo.com



Framed by two winged figures that crown the organ, the vast sculpture is shot through by sunbeams from the windows of the Church of San Giorgio Maggiore. Where the rays hit, the nine-metre work leaps into sinister glory.

Described as a "chandelier", though it casts no light, the work is the centrepiece of a new solo show in the church by the Chinese artist Ai Weiwei. Entitled "La Commedia Umana", it has been assembled from more than 2,000 pieces of black Murano glass fashioned to replicate bones, organs and surveillance cameras. The result is a hypnotic, hanging ossuary that begs us to fight for our freedom before we die.

When Ai and I sit down to chat in his glamorous San Marco hotel, he tells me the sculpture marks his ambition to "understand death, celebrate death" because "it's part of life's journey. Life and death can never be separate, otherwise they have no meaning. Now with this war in Europe and the environmental change, there will be more human casualties."

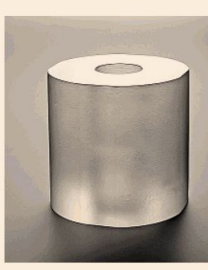


Clockwise from main: Ai Weiwei's 'La Commedia Umana', detail and in situ; glass helmets; 'Know Thyself' (2022), made of Lego; 'Glass Toilet Paper' (2022); Ai Weiwei, photographed for the FT in

he has made installations out of life jackets worn by refugees and filled Tate Modern's Turbine Hall with sunflower seeds to symbolise collective resistance to both Maoist China and mass consumption. This autumn he will curate an exhibition of work by prisoners in London's Royal Festival Hall.

Although it also includes works made from Lego, the Venice show marks the apotheosis of Ai's bond with Murano glass. Other works on display include "Glass Root", an opaque, ragged fragment that evokes our planet's ampu-





chiaroscuro in which Christ is bathed in a halo of light beneath a small bronze lamp – humble predecessor to AI's sculpture, which resembles metal from a distance – as a maid reels back in shock at his divinity.

It is 11 years since AI, now 65, served 81 days in a Beijing prison, allegedly for tax fraud but almost certainly because the Chinese authorities had wearied of his relentless exposure of their misdeeds.

In 2015, AI left China, settling first in Berlin, then the UK and now Portugal. Devoting his art to the exposure of injustice, the suppression of free expression – he is an outspoken supporter of Julian Assange – and uncontrolled capitalism,

Venice by
Camilla Glorioso
Francesca Allegretti/De
Baltowstra/Galleria Continua

tated forests and, a little more playfully, a glass takeaway food box, construction helmets and a toilet roll.

Indeed, our conversation takes place underneath AI's latest chandelier, which has been installed in the hotel. Dripping with flowers and handclips, its intricate design embodies AI's bittersweet vision but also owes much to the entrepreneurial flair of Murano impresario Adriano Berengo, who also produced "La Commedia Umata".

After founding his eponymous Murano furnace in 1989 to work specifically with contemporary artists, Berengo first visited AI in Beijing in 2006 but only started working with him after he moved to the west. Such persistence



Arts

New prize for dance across the world

Dance | Sadler's Wells director

Alistair Spalding announces a new international award. By Jan Dalley

So, this person rang me and said: 'Have you ever thought of doing a dance prize? I'd support that.' Sir Alistair Spalding, director of Sadler's Wells, replied to the caller: "Well, yes, actually I've done quite a lot of thinking about it."

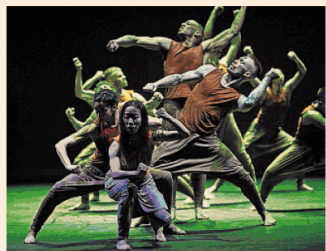
Talking in his office in Sadler's Wells theatre in London, Spalding (who was knighted this year for services to dance) says: "I'd had the idea of this years and years ago, when we realised there just wasn't a big prize with a substantial international profile for dance. But, what with everything else, including the creation of our new theatre in east London, it always went down the list."

The call from "this person" – an anonymous donor whose identity is closely guarded – prompted Spalding and his team back into thinking about such an award. And now the Sadler's



Main image: Alistair Spalding, photographed for the FT by Harry Mitchell

Below: Akram Khan's 'Gnosis', and his 'Jungle Book Reimagined' Richard Haughton



Wells Rose International Dance Prize is launched, offering an award to a new work at least 50 minutes long from a company anywhere in the world, plus a smaller prize for younger companies not more than five years old.

Are there, I ask, other such prizes in the dance world? There are very few, Spalding tells me, and certainly nothing on the scale this one envisages.

"This will be something very good for the profile of dance," he says, "here and also internationally. And Sadler's Wells is well placed to do it – to present an international survey of the work and also to stimulate a bit of debate around the art form."

He is typically modest in the way he presents things but goes on to outline a startling international reach. "With a system of nominators around seven regions of the world, the final shortlist of companies will perform live, in London, over the course of a few weeks – so that people can come and see the work and make their own minds up about it, like you can with the Turner Prize."

The award will be every two years, with the first finale in 2025. "It seems a long way off, but we need time to make the selection," he says, "and then we have to allow the companies to plan their visit to London – it's a condition of the prize that they can bring their work here. After that, it'll run every two years."

In effect, this will be an unprece-

dent international dance extravaganza across London, with the larger shortlisted companies performing in the main space at Sadler's Wells (which seats 1,500), or in the Peacock Theatre (capacity 1,000), or the small Lilian Baylis Studio (180).

And, in the soon-to-be-opened Sadler's Wells East, situated in the former Olympic Park in Stratford and launching next year with six studios, a choreographic school, a hip-hop academy and many other community engagement initiatives, the "Welcome" prize for younger companies will be given a showing.

Works will come in through a network of nominators, Spalding says, who are "our colleagues", professionals in touch with the local scene across the continents. "But," says Spalding, "for the different panels we don't just want dance people, we want a whole range of people looking at this from different perspectives. The chair won't be me, it'll be independent."

"That's a question I had been eager to ask, given that so many leading international dance-makers – Akram Khan, Crystal Pite, Matthew Bourne, Sylvie Guillem, Sidi Larbi Cherkaoui, Nitin Sawhney, Russell Maliphant, Sharon Eyal and more, in fact the roll-call of A-list contemporary creatives in the field – are associate artists of Sadler's Wells, already part of the family. Won't there be, I asked, a risk of

insider trading? Although it is organised under his umbrella, Spalding replies, "no one here is involved with any decisions about selections. We want the Sadler's Wells stamp of quality, and of thinking, but we need to have a separation from the final decisions."

Dance is, though, such a small world, and he surely knows all of it. There's not



Below: Pina Bausch's all-African 'The Rite of Spring'; Botis Seva's 'BLKDOG' played at Sadler's Wells in 2019 Marten Vanden Abeele; Camilla Greenwell

much chance of a wild card. "Occasionally something just pops up that we had no idea about," he replies, "and something miraculous happens. A while ago we had a digital global dance competition – we invited people from all over the world to send 10-minute clips – some very surprising things came up, things we'd never seen before."

Although the identity of the donor is tightly guarded, I can't help but ask about what must be a really enormous budget. Bringing seven or eight whole dance companies to London, with expenses and salaries, plus the administration costs . . . but Spalding is charmingly tight-lipped; there's no prising any numbers out of him.

All he will say is that this bonanza funding is secure for the foreseeable future, and that they are looking for a digital partner so the whole prize has a digital aspect and can reach a greater audience.

I'm interested in the primary aim of the new Rose International Dance Prize. When I suggest that it might be nurturing young talent, Spalding demurs. Their upcoming projects at the new space in Stratford, he says, are all about that.

But now, "what I've been trying to do in the 15 to 16 years I've been here is to push this art form into the centre of the debate – to make it deeply part of the culture, part of your cultural journey in London."

"There are these fantastic, wonderful things from across the world that speak to us, in this particular way that dance does. So the most important thing of all is the advocacy of the art form."

So, I venture, this prize is about celebrating excellence? He has a brief moment of recoil (that's almost a dirty word in the arts, as it might suggest an unacceptable elitism). "Excellence of thought," he replies after a quick pause, "as well as excellence of performance. Fantastic production values, yes,

'We want the Sadler's Wells stamp of quality but we need to have a separation from the final decisions'

and of course dancing, but also concepts – in other words, really intelligent work."

He is looking, he says, for dance that investigates "things going on across the world. In east Asia, in Africa – that's why it has to be on a global scale. A diversity of work, in every sense of that word."

Meanwhile, the challenge of running Sadler's Wells' existing programmes keeps on keeping on, with ever more ambitious output. With only 9 per cent public funding, and an audience that needs to be coaxed back post-Covid (though his "Intentional Dance Prize" audience is very loyal, he says), there is in fact no other comparable producing house in the world.

Not only Sadler's Wells' output but its international profile is underrated – there are, for instance, at least three touring productions at the moment, in three continents, and Spalding throws back his head and laughs about the issues involved in sending 38 dancers from 14 African countries around the world during Covid restrictions, for Pina Bausch's all-African *The Rite of Spring*. The new Rose International Dance Prize will raise Sadler's Wells' profile, Spalding agrees – but, above all, it is about the sheer love of dance.

Alistair Spalding and Akram Khan will be speaking at the FT Weekend Festival today; go to ft.com/ftwf

LIFE OF A SONG FREIGHT TRAIN

This is the ballad of Elizabeth Cotten. A Black

Cotten reunited them. Grateful, they befriended Cotten and she ended up working as their live-in housekeeper. The family were the Seegers, folk music royalty; the little girl was Peggy. One day Cotten picked up one of the guitars in the house and started playing. She was overheard by Peggy, who alerted other family members. To her astonished audience, Cotten played

By now "Freight Train" was in general circulation and was treated as a folk standard. It caught the ear of a Liverpool skiffle band. The Quarrymen, with John Lennon on vocals. No recordings survive. Like Lonnie Donegan's 1955 hit skiffle version of "Rock Island Line", it was about American trains, romantic beats that roamed through poetically

singer, Nancy Wilson, who had changed her name to Nancy Whiskey after a character in a folk song. With his brisk chugging rhythm, Whiskey's smiling voice and jaunty whistling, it was a global hit. They took it back to the US to play it on *The Ed Sullivan Show*. Whiskey was a folk singer at heart and soon left the band ("I'm sick and tired of skiffle," she told Melody

album *Very Early Joan*). Guitarist Chet Atkins twanged through it. As an instrumental, it perfectly suited the style of the great guitar player John Fahey, who can be seen in a 1977 video playing an exquisite version with Peter Lang. Bluesman Taj Mahal has played it throughout his career, often sung, but sometimes – and far better – as an instrumental.

Cotten died in 1987 at the age of 94. Not long before, she had been interviewed on a Channel 4 series *Home by Scots fiddler Aky Babin*. Still fluent on banjo and guitar, in the film she sings "Freight Train" affectingly, ending with an upward strum of her left hand and a smile of satisfaction.

David Cheal More in the series at ft.com/life-of-a-song

gini growing up in North Carolina in the early years of the 20th century, hers was a musical family and she learned to pick out tunes on her older brother's banjo and guitar. She wanted a guitar of her own, so she worked as a cleaner for a local family for a dollar a month, saving up to buy one that cost \$37.5. She was left-handed, so she flipped the instrument over and played with the strings upside down, developing a picking style that used only her thumb and forefinger. Aged around 11, she wrote a song inspired by the trains that rattled through her hometown while she lay in bed. She called it "Freight Train" – a lilting ballad with a sweet-sad melody and lyrics that quickly move from trains to death: "When I die, oh bury me deep/Down at the end of old Chestnut Street."

Time went by. Cotten grew up and stopped playing guitar. In her forties she was divorced and living in Washington DC, working in a department store. One day a little girl became separated from her family, and

a tune in a ragtime style and also sang her old song, "Freight Train". In 1957 it was recorded by family group The Seegers as "Freight Train Blues". As a young folk singer, Peggy took "Freight Train" across the Atlantic to the UK, where, finding herself at the heart of the British folk revival, she recorded it.



Elizabeth Cotten in 1960 – Getty Images

named places, and it had an aura of authenticity, all-important to a movement that had its roots in trad jazz and blues. In the hands of Scottish skiffers The Chas McDevitt Skiffle Group, who had heard it sung by Peggy Seeger, it became an outlaw song. They were joined by a female



maker), but McDevitt continued to play it. A story such as this comes freighted with issues of misattribution. By this point, the song was incorrectly credited to British songwriters Paul James and Fred Williams – pseudonyms for McDevitt and his manager, Bill Varley. Sheet music published in 1957 shows "Freight Train" branching off on to a new line: it's an outlaw song in the first person.

One night back in Washington, Cotten saw McDevitt and Whiskey singing "Freight Train" on television. She was shocked. With help from the Seeger family she reclaimed the rights to her song, though even today it is sometimes mis-credited. Cotten herself embarked on a musical career from the late 1950s, playing concerts and releasing records, including her own version of "Freight Train". Among the dozens who boarded the train was Joan Baez, who treated it with the utmost delicacy (as heard on the

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Arts

'Leap into the unknown? I'd rather die'

Interview | French director Claire Denis' latest film 'Both Sides of the Blade' is a seemingly conventional exploration of Parisian marital intrigue – at least on the surface. She talks to *Jonathan Romney*

For more than 50 years, French director Claire Denis has consistently been one of the world's more unpredictable, least risk-averse film-makers. Since her debut feature *Chocolat* in 1988, she has shot movies in Korea, Tahiti and various countries in Africa. She has made genre films – or rather, films that are her own idiosyncratic, counterintuitive version of genres including thriller, science fiction and gore-steeped erotic horror – as well as numerous documentaries. As a director with a singularly free-ranging style, she has been compared to great jazz improvisers such as Ornette Coleman and Charlie Parker. So you might imagine that she would be comfortable with the suggestion that her films are leaps into the unknown.

Not at all. Speaking in French from Paris, Denis recoils at the thought, in her distinctively raspy voice: "No, absolutely not the unknown! On the contrary, it has to be the known, the *super-known*. That's why working on a script is so important for me. It *all* has to be known. I need to research the locations like crazy – and even when it's all known, there's always the fear that something is getting away from you. The unknown? I'd rather die."

Yet Denis's films often explore territory far off the familiar map of European art cinema. Her most widely acclaimed film, 1999 Foreign Legion drama *Beau Travail*, combined realism,

muscular male dance sequences and allusions to Benjamin Britten's opera *Billy Budd*. The too-little-seen *The Intruder* (2004), ostensibly about a heart transplant, is a wildly fragmented globe-trotting enigma. And 2018's hallucinogenic *High Life* saw Denis exploring black holes in space with an international cast including Robert Pattinson and Juliette Binoche, and collaborators including Icelandic artist Ólafur Eliasson.

Given this penchant for the off-piste, Denis fans are likely to be startled when she makes a film as apparently conventional as *Both Sides of the Blade* which, superficially at least, resembles that all-too-known quantity, the French marital intrigue. It stars Binoche again, opposite Vincent Lindon – the moodily imposing actor often considered the Gérard Depardieu *de nos jours*, recently seen as a muscle-bound firefighter in last year's outré Cannes winner *Titane*. Binoche plays Sara, a radio presenter happily married to ex-sportsman Jean (Lindon) until a glimpse of an ex-boyfriend sends her into a trembling state of passionate agitation.

A simple drama becomes more complex when you factor in Jean's relationship with his mother (New Wave veteran Bulle Ogier), and his teenage mixed-race son (Issa Perica), with Denis also inserting fragments of radio testimony on Lebanon and on the problem of "white thinking" – the latter from



Clockwise from main: Claire Denis; Agata Buzek in the hallucinogenic 2018 film 'High Life'; Cécile Ducasse and Emmanuelle Chausset in the 1988 film 'Chocolat'; Vincent Lindon and Juliette Binoche in 'Both Sides of the Blade' Emily Best/Contrast by Getty Images; Capital Pictures; Everett Collection/Alamy

Guadeloupe-born author and ex-footballer Lilian Thuram. Raised in West Africa, the daughter of a French civil servant, Denis, now 76, has frequently returned to themes of race and colonialism in her films, including 2009's *White Material*, an apocalyptic evocation of civil war in an unnamed African country.

By contrast, *Both Sides of the Blade* might resemble classic Parisian bour-

geois drama. However, what's really at stake is the complex relationship between a middle-aged couple who are wildly in love and intensely attracted to each other, even when the woman has a yen for another, younger man. Binoche is 58 and Lindon 63, but their love scenes are without an iota of false decorum.

"For me," says Denis, "the only problem with sexuality is when the body doesn't want it any more. Age has nothing to do with it. I'm going to be crude: if someone wants to fuck, then that person is sexy, deep down. I don't think Vincent and Juliette worried about it. There's sexuality in all three of us – me included, because if you want to make a film about sexuality, you have to know what it is."

Someone who definitely knows about sexuality – in fact, has built her literary identity around it – is Denis's co-writer on the film, Christine Angot. She has long been celebrated – and controversial – in France as a leading light in the genre of "autofiction", building her novels around candid fictionalised repre-

sentations of her own sometimes disturbing experiences. Denis previously worked with her and Binoche on 2017's *Let the Sunshine In*, as close as the director has made to a comedy.

Loosely based on Annet's novel *Un tournant de la vie*, *Both Sides of the Blade* is another study of a woman's desire for men, but Denis rejects the idea that the two films are any kind of diptych. "All Christine and I were thinking about was Vincent and Juliette, Juliette and Vincent – you absolutely believe they're a couple," Angot, she says, was a reluctant collaborator: "She always told me, 'I write books, I'm not a screenwriter – I'll give you some pages but that's it.' Being in the service of a film doesn't appeal to her at all. *All* at all. But I love working with her. We found a way to do it."

Talking to Denis is itself unpredictable, with her sometimes veering off on digressive routes. When I mention that *Both Sides* has some tantalising gaps – like, why has Jean recently spent time in prison? – she ponders, "Are they gaps? Maybe we don't need to know everything in a story." Then she launches into a speculation on the business of "back story" and wonders what the late New Wave maestro Jacques Rivette (Denis used to be his assistant director) would

'The only problem with sexuality is when the body doesn't want it any more. Age has nothing to do with it'

have said about the matter. Case in point: the classic 1934 Frank Capra comedy *It Happened One Night*, which happily dispensed with back story. "It gets you from Miami to New York in 90 minutes. Now it would take a director three and a half hours."

Since *Both Sides of the Blade* made its debut at the Berlin Film Festival in February, Denis has premiered another feature: *Stars at Noon*, a riskier but somewhat less convincing venture, which nevertheless won a Grand Prix in Cannes. A Nicaraguan-set political adventure story-cum-erotic thriller, it is based on a novel by the American writer Denis Johnson, whom the director met before he died in 2017.

"He's amazing – he's a poet. The way he writes is always very real, but there's always a dimension on a level above reality. It's really about psychic reality."

Denis would have liked to shoot in Nicaragua itself, but happily made do with Panama. "American insurers wouldn't touch it – they see it as a Marxist country like Cuba." Even more than *Both Sides of the Blade*, *Stars at Noon* is about passion and the flesh – with the stars, Margaret Qualley and Joe Alwyn, throwing themselves body, soul and very sweaty skin into the story of a tropical dangerous liaison.

"I can't make films any other way," says Denis. "I can't imagine casting actors who aren't ready to throw themselves physically into a film. I certainly throw myself in physically. It doesn't matter whether you're shooting somewhere hot or cold. Making films is a physical business."

'Both Sides of the Blade' is in UK cinemas from September 9



White noise and dark music at the Venice film festival

Film Early screenings include a Noah Baumbach adaptation of Don DeLillo and Cate Blanchett as a controlling orchestral conductor. *Raphael Abraham* reports

Dark clouds rolled in on the first day of the 79th Venice Film Festival both on screen



in awe at the intruder from above, mimicking their cinematic forebears in something from *Cine Encuentros to War*

dodgy ticket booking system and the occasional downpour. As Jack and Rabotta put it: "Sounds like a boring

too as she prepares to complete a Mahler cycle – errant players are admonished in laconic terms and she

terms and a working knowledge of music history if you want to get the in-jokes. "This must be the first time that

interrupted by storms. It was a fitting prelude to opening film *White Noise*, Noah Baumbach's canny adaptation of Don DeLillo's novel about an "airborne toxic event" that first manifests itself as a black plume over a small community in unspecified America.

That its reported appearance and effects on the local population go through several iterations is typical of a shape-shifting movie that is many things: 1980s-set social parody, portrait of profound existential crisis and the closest we've had yet to a serious attempt at post-Covid satire.

At its centre are the gladneys, both ordinary American family and not. Adam Driver loosens his belt and his usual screen-burning intensity to play paunchy and somewhat schlubby dad Jack, a professor in "finler studies" who is hitched happily to the entirely amiable but pharmaceutically assisted Babette, Greta Gerwig slipping effortlessly into mom jeans, frizzy blonde perm and the role of Reagan-era homemaker. Shared between them are a gaggle of smart-mouthed offspring from various marriages.

If the dialogue at times has the inauthentic ring of highly polished literary fiction, it's not entirely out of place for a milieu where much is performative: Jack and Babette read erotica to each other as foreplay; his lectures are theatrical events in which he and Elvis scholar Murray (Don Cheadle) trade



Adam Driver in 'White Noise'

When cataclysm strikes, we see Baumbach shift from the mode of Woody Allenish to Spielberg

factoids to rapturous applause; and much of the kids' banter has clearly been gleaned from infomercials and encyclopedias. (The fact that one of the children is called Heinrich is also proof of Jack's tendency to bring his work home with him.)

All of this is safely familiar territory for Baumbach, who has been Woody Allenish exploring the personal lives of intellectuals and their families ever since his 1995 debut *Kicking and Screaming* and 2005 breakthrough *The Squid and the Whale*. When cataclysm strikes here, though, a less expected new mode moves in: the cinematic signature of Spielberg as panicked evacuees gawp

Alongside them come winking visual references to 1980s screen tropes, Jack's faux-wood-panelled Chevy station wagon leaping over the camera like *Knight Rider's* KITT or Ferris Bueller's Ferrari. All of this helps thicken the already pungently postmodern broth of DeLillo's source text, with its frequent interjections from talk radio, advertisements and supermarket tannoy.

It's a reminder that even decades before smartphones and social media, we were lamenting the stultifying influences of information overload and obsessive consumerism. After one irate older exile stands up to rant *Network*-like about the uncaring mainstream media — "Don't we deserve attention for our suffering? Isn't fear news?" — you half expect to see someone posting it on TikTok.

In other words, nothing has changed but everything has, which brings us back to Covid. From shopping aisles to Nuremberg rallies to gridlocked escape routes, this is a film fascinated by the behaviour of crowds and the individuals desperate to separate themselves from them — and from death. It finds ample black comedy in the absurdity of it all, maybe even some comfort. What else is there to do?

In Venice we flock to screening rooms following the latest protocols, some of them already seeming like quaint hangovers from angrier times, grateful that for the moment we have nothing more sinister to grapple with than a

life"; "I hope it lasts forever." *****

The zeitgeist loomed large as we moved from Covid to cancel culture in the second film shown in the Venezia 79 competition. Cate Blanchett gives a commanding performance in Todd Field's tightly wound *Tár*, his first film since 2006's *Little Children* proving worth the wait.

Blanchett plays Lydia Tár, a conductor who has risen to the rarefied upper reaches of the classical music world and now rules a Berlin orchestra with an iron baton. She dishes out plenty of stick

is equally scathing about other maestri, some of them real and living (Field can forget about a Christmas card from Michael Tilson Thomas). There are echoes of Damien Chazelle's violently jazzy *Whiplash* in these combative scenes, the even more uptight setting of the concert hall only amplifying the effect.

Tár's home life is similarly controlled, the apartment she shares with lead violinist wife Sharon (Nina Hoss) and their daughter an austere geometric affair of exposed grey concrete walls and obsessively ordered bookshelves. Field's film is no less scholarly — come equipped with a glossary of musical



Cate Blanchett as Lydia Tár in Todd Field's 'Tár'

Elgar's Cello Concerto has found itself used as a punchline.

Contemporary politics enter the frame hesitantly. A student who self-identifies as Bipoec and Resists Back on feminist grounds prompts a ranting Tár dismissal that elicited a cheer from some at the film's press screening — though it may have stuck in the celebrants' throats given what transpires later.

The trouble begins when the professional collides with the personal, lesser beings intruding with those offbeat things that can't be conducted: human emotions. Tár's hyper-efficient assistant Francesca (Noémie Merlant) starts to look frayed; Sharon casts concerned glances; Tár herself starts to hear noises and experience night terrors.

Field meanwhile plays it icy cool, shooting Berlin in elegantly muted tones and orchestrating his drama with a surgical precision worthy of peak Michael Haneke. Only in the final act does the tone turn more lurid and melodramatic, as if the lure of *schadenfreude* proves too powerful to resist. If pride comes before a fall, Tár has an almighty one. But by now the film's point has been firmly made and Blanchett remains in full control until the end. Early September may seem laughably early to start talking about Oscar contenders; Blanchett, an authentic screen maestro, proves it isn't.

Festival continues to September 10 [labienne.org](#)

Arts



'Life kept pushing me into a corner'

Music | Beth Orton's powerful new album, created amid a backdrop of physical and financial troubles, is one of her finest yet. *By Ludovic Hunter-Tilney*

The scene is a north London gastropub overlooking Hampstead Heath, the kind of place where chips are cooked three ways and salads contain melon. Beth Orton lives nearby. A casual observer seeing her sitting at a table with a salad and a bowl of the triplicated chips might presume the comfortable life of a singer-songwriter who made her name in the days when albums sold enough to bankroll a home in one of north London's nicer spots. But the casual observer would be wrong.

Orton, 51, has been making records since the 1990s. Back then she was associated with a form of music known as "folktronica" (or, even more punningly, "strum 'n' bass"). It combined acoustic guitars and folksy singing with electronic beats, a morning-after balm for frazzled clubbers. Blessed with an unusual but beguiling vocal timbre, a blend of lingering haze and piercing clarity, she was

labelled the "comedown queen". Her solo album *Trailer Park* came out in 1996 and was nominated for two Brit awards. She won one for its follow-up *Central Reservation* in 2000. The path was set for a long and fruitful recording career.

Her new album *Weather Alive* is her eighth. It is a powerful piece, up there with Orton's finest. Opening with a track about new beginnings, its songs have an immersive, open-ended quality, like a reverie or waking dream. "I feel like this whole record is about inquiring, without coming to any conclusion," she says. "I had a sense of the unconscious and conscious working at the same time."

The music strives for a form of comfort, or to be comforting — but does not itself come from a comfortable place. Dropped by her former record label while making it, Orton completed *Weather Alive* under conditions of financial stress. She also faced the after-effects of a neurological disorder that



From main: Beth Orton performing with Scottish folk musician, Bert Jansch — who taught Orton to play guitar — at Somerset House, London in 2007 Diet Lee Hoest, Jim Dwyer/Getty Images

had turned the artist's life upside-down. "Basically in 2014 I was diagnosed with temporal lobe epilepsy," she says. The condition caused seizures and memory problems that left Orton feeling disoriented and exhausted. She and her husband, American singer-songwriter Sam Amidon, were living in Los Angeles at the time of her diagnosis with their son and Orton's daughter from a previous relationship. In 2015, they moved to London, where Orton spent part of her childhood and much of her young adulthood (she grew up in the eastern English county of Norfolk).

She is cautious about discussing her illness, which is treatable by medication. Having spoken about suffering ill health before, including the chronic digestive ailment Crohn's disease, she is reluctant to be pigeonholed as an emblem of sickness, as though croaking out spindly consumptive songs rather than the warmly sung and richly textured ones on *Weather Alive*. The one-time "comedown queen" is familiar with the reductive force of labelling. But the fact remains that her new album has been inspired by her experiences of being unwell.

'It was a strange sense of being underwater, at a distance from everything. I was writing from that place'

Its genesis lies in a piano she acquired when she moved into her north London home. Trained on the guitar — her teacher was the 1970s folk-rock musician Bert Jansch — she found that the piano's keys opened up new musical spaces for her. It also enabled her to address some of the neurological side-effects of her seizures. "The piano evoked memories, it had a way of resonating," she says.

the seizures that she suffered, "which left her in what is called a postictal state." "It was a strange sense of being underwater, at a distance from everyone and everything. I was writing from that place," she says. "It's like when you're a kid and you're off school and it's a sunny day or a Saturday and you're unwell in bed and you see your friends outside playing football and you can't go out."

Her "very sensory" album, in her words, moves beyond that frame of mind. "As it came alive, it was like: 'Wow, I'm in it now,'" she says. "I'm not any longer looking at everything from a distance. I'm now inside. I felt immersed suddenly, immersed in my own experience." She has taken a risk, plunged in — and made a breakthrough.

'Weather Alive' is released on September 23 by Partisan Records. Beth Orton tours the UK from October 7 — see [bethortonofficial.com](#)

Diversions

CHESS LEONARD BARDEN

A merger between two of the largest major chess sites is imminent following the announcement that the US-backed chess.com is bidding for playmagnumgroup.com, the company named after world champion Magnus Carlsen. The offer, which values PMG at around \$82m, has been accepted and will take around two months to complete.

some of its Oslo staff were laid off, while its flagship website chess24.com discontinued its French and German tournament commentaries, leaving only English and Spanish.

PMG went public in October 2020 but its revenue failed to grow as hoped and its share price has more than halved from its peak. It appears that its



tournaments failed to generate enough

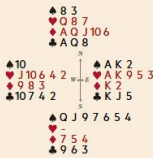
the online Meltwater Champions Tour were arguably too high. Its chess24.com learning courses are its most profitable area.

2484 Artur Yusupov v Adarsh Jayakumar, Arlington 2015. White to move and win. The former world semi-finalist built a classic attacking position before

BRIDGE PAUL MENDELSON

Defence can prove very satisfying if one holds cards with which to do damage. On this deal, however, one defender felt that he held too strong a hand ...

North opened a Strong 1NT, and East doubled for penalties. At favourable vulnerability South, fearing that 4H might be made by his opponents, bid 4S. The auction ran back to East, who



East, and South ruffed. Declarer advanced ♠: East

Dealer: North E/W Game
North East South West
1NT Dbl 4S NB
NB Dbl

continued with ♠W, South ruffed and led ♠. East won and led ♣. South won, took the losing diamond finesse and, later, pitched both club losers from hand on the winning diamonds. 4S doubled, made.

East can count two trumps and ♣K as certain winners, but he must try to establish a club trick as fast as possible. Realising that he has three chances to do this, when he wins his first trump trick, he must play for West to hold 10♣. If East switches to an unlikely looking ♠, it will run to West's 10♠ and dummy's ♣. When East takes his second trump, he plays ♣, pushing out