# The Economist

Inside the new Pentagon

Kraft Heinz, a recipe gone wrong

The periodic table at 150

Thirsty planet: a special report on water

MARCH 2ND-8TH 2019

# Modi's dangerous moment





Australia	A\$12(Inc.GST)
	TK550
Cambodia	US\$9.50
	RMB80

Sri Lanka	Rs1,200
Taiwan	
Thailand	Baht300
Vietnam	US\$9.50



#### On the cover

Two nuclear powers are shooting at each other. They are playing with fire: leader, page 9. Skirmishing between South Asia's nuclear powers is in danger of becoming a far more serious conflict, page 17. Narendra Modi and the struggle for India's soul, page 19

- Inside the new Pentagon After 18 years in the Middle East, the Pentagon gears up to fight Russia and China, page 28
- Kraft Heinz, a recipe gone wrong The problems of 3G Capital and Kraft Heinz are a timely reminder that costcutting, deals and debt go only so far: leader, page 10. The food industry's woes stretch much further, page 53
- The periodic table One of science's greatest creations is 150 years old this week. How it has evolved is a perfect illustration of the process of scientific progress, page 68
- Thirsty planet: a special report on water Climate change and population growth make the world's water woes more urgent, after page 40

# The world this week

6 A round-up of political and business news

## Leaders

- 9 India and Pakistan Modi's dangerous moment
- 10 Trump-Kim summit Walk on down
- 10 The parable of 3G Capital Bad recipe
- 12 Britain and the EU More haste, less speed
- 14 Drug repurposing Resurrection

#### Letters

16 On oil companies, Shropshire, Marcel Proust, Brexit

# Briefing

- 17 India and Pakistan On perilous ground
- 19 Hindu nationalism Orange evolution

# Special report: Water

Thirsty planet After page 40



Bagehot The European Research Group has broken British politics, page 50



#### Asia

- 21 Another Trump-Kim summit
- 22 Divorce in Bangladesh
- 23 Foreign workers in Japan
- 23 Australia's dodgy cops
- 24 Banyan Japan's feud with South Korea



#### China

- 25 The war on gangs
- 26 Nurturing ethnic elites
- 27 Chaguan The West's struggle over China



# **United States**

- 28 Inside the Pentagon
- 29 Michael Cohen
- 30 Church and state
- 30 Tech and privacy
- 31 Striking teachers
- 32 Ex-evangelicals
- 33 Lexington Democrats and climate change



# The Americas

- 34 Venezuela repels humanitarian aid
- 35 Why the US won't invade
- 36 Bello Peru's neglected treasures



# Middle East & Africa

- 37 Pressure on Netanyahu
- 38 The struggle for Iran
- 39 Sudan's emergency
- 39 Cricket in Rwanda
- 40 Nigeria's sloppy election



## Europe

- 41 Spain's election
- 42 Baby bribes in Poland
- 43 Dirty and clean democracy
- 44 German arms sales
- 44 Berlin's brave bicyclists
- 45 Sputnik in Turkey

# Britain

- 47 Losing control of Brexit
- 48 A rise in anti-Semitism
- 50 Bagehot The wrecking crew on the right



#### International

51 New uses for old drugs



# **Business**

- 53 Kraft Heinz's accident with the ketchup
- 54 Buffettology
- 55 Cutting American drug prices
- 55 Gold miners get hostile
- 56 Bartleby Changing customer behaviour
- 57 Australian coal in trouble
- 58 Schumpeter Competitive video gaming



#### Finance & economics

- 59 German banks' woes
- 60 Stubbornly low inflation in the euro area
- 62 Encouraging tax compliance
- **62** The Federal Reserve reviews its framework
- 63 How to cross-check Elon Musk
- 64 Narendra Modi's economic record
- 65 Free exchange Global manufacturing woes



# Science & technology

68 The periodic table at 150



# Books & arts

- 72 A violent summer in Chicago
- 73 The Cleveland Orchestra
- 74 A submerged land
- 74 Hungarian fiction
- 75 Johnson Grammar guides



# **Economic & financial indicators**

76 Statistics on 42 economies

# **Graphic detail**

77 The Oscars' waning influence

# Obituary

78 Li Rui, an advocate for freedom in China

#### The Economist

# Volume 430 Number 9132

Published since September 1843

to take part in "a severe contest between intelligence, which presses forward, and an unworthy, timid ignorance obstructing our progress."

# Editorial offices in London and also:

Amsterdam, Beijing, Berlin, Brussels, Cairo, Chicago, Johannesburg, Madrid, Mexico City, Moscow, Mumbai, New Delhi, New York, Paris, San Francisco, São Paulo, Seoul, Shanghai, Singapore, Tokyo, Washington DC

# Subscription service

For our full range of subscription offers, including digital only or print and digital combined, visit: Economist.com/offers

You can also subscribe by post, telephone or email:

Post:

The Economist Subscription Centre, Tanjong Pagar Post Office, P.O. Box 671, Singapore 910817, Republic of Singapore

Telephone: +65 6534 5166

Email:

Asia@subscriptions.economist.com

# One-year print-only subscription (51 issues):

Australia	A \$575
China	CNY 2,778
Hong Kong & Macau	HK \$2,760
India	
Japan	Yen 52,899
Japan	KRW 440,000
Malaysia	
New Zealand	NZ \$639
Singapore & Brunei	5 \$509
Taiwan	NT \$10,799
Thailand	
Other countries	Contact us as above





PEFC certified
This copy of *The Economist*is printed on paper sourced
from sustainably managed
forests certified by PEFC
www.pefc.org

© 2019 The Economist Newspaper Limited. All rights reserved. Neither this publication nor any part of it may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of The Economist Newspaper Limited. Published every week, except for a year-end double issue, by The Economist Newspaper Limited. The Economist Newspaper Limited. Publisher: The Economist Newspaper Limited by Apex Print Limited, 11-13 Dai Kwai Street, Tai Po Industrial Estate, Tai Po, N.T. Hong Kong.