

# The Economist

AUGUST 25TH-31ST 2018

## Above the law?

A journey down the Kapuas

Making migration work

Venezuela's magical thinking

Global cooling



Australia.....	AS12(Inc.GST)	Hong Kong.....	HK\$ 90	Korea.....	Won 12,000	New Zealand.....	NZ\$15.00	Sri Lanka.....	Rs1,200
Bangladesh.....	TK550	India.....	₹350	Malaysia.....	RM30.00	Pakistan.....	Rs800	Taiwan.....	NT\$275
Cambodia.....	US\$8.00	Indonesia.....	Rp90,000	Myanmar.....	US\$8.00	Philippines.....	Pesos450	Thailand.....	Baht 300
China.....	RMB 80	Japan.....	¥1,259+Tax	Nepal.....	NR700	Singapore.....	S\$13.50 (Inc. GST)	Vietnam.....	US\$8.00



**On the cover**

The slow drip of revelations and convictions will eventually force America to confront a simple question: leader, page 7. Donald Trump's fixer alleges that the president directed him to break the law. What happens now? Page 23

**The Economist online**

Daily analysis and opinion to supplement the print edition, plus audio and video, and a daily chart [Economist.com](http://Economist.com)

**E-mail:** newsletters and mobile edition [Economist.com/email](http://Economist.com/email)

**Print edition:** available online by 7pm London time each Thursday [Economist.com/printedition](http://Economist.com/printedition)

**Audio edition:** available online to download each Friday [Economist.com/audioedition](http://Economist.com/audioedition)



Volume 428 Number 9106

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

**5 The world this week**

**Leaders**

- 7 **Donald Trump**  
Is he above the law?
- 8 **Hyperinflation in Venezuela**  
Maduro's magic money tree
- 8 **In praise of air-conditioning**  
Rebirth of the cool
- 9 **Traffic congestion**  
Rules of the road
- 10 **People and borders**  
The way forward on immigration

**Letters**

- 12 **On Catalonia, Indian coal, Brazil, science fiction, mission statements**

**Briefing**

- 14 **Immigration**  
Crossing continents

**Asia**

- 17 **Australian politics**  
Poison spill
- 18 **Indian politics**  
A mellow shade of saffron
- 18 **Indonesia's longest river**  
Ebb and flow
- 20 **Banyan**  
Ending the conflict in Afghanistan

**China**

- 21 **Ethnic minorities**  
The third Korea
- 22 **The border with North Korea**  
Atop a sacred volcano

**United States**

- 23 **The swamp, season two**  
Both of the president's men
- 24 **Lithuanian-Americans**  
The diaspora's capital
- 26 **Environmental policy**  
Smokestack lightening
- 27 **Festivals**  
With spirits kaleidoscopic
- 28 **Lexington**  
What is racism now?

**The Americas**

- 29 **Venezuela**  
Rethinking the revolution
- 30 **Venezuela's exodus**  
The Bolivarian wave
- 32 **Mexico**  
Copying crafts

**Middle East and Africa**

- 33 **Israel and the Palestinians**  
All talk, no progress
- 34 **Politics in Israel**  
Netanyahu ponders a poll
- 34 **Kofi Annan**  
The inveterate diplomat
- 35 **Uganda**  
A singer rattles the regime
- 36 **Land in South Africa**  
Tragedy of the commons

**Europe**

- 37 **Sweden and migration**  
Moving in, moving right
- 38 **Slovenia**  
Defeat from the jaws of Viktor
- 38 **Syrians in Turkey**  
Home from home
- 39 **Russia and Slovakia**  
Wolves in bikers' clothing
- 40 **Vaccinations in Europe**  
Spotty coverage
- 40 **Italy**  
Chianti or Irn-Bru, signore?
- 41 **Charlemagne**  
Ireland, changed utterly

**Britain**

- 42 **Universities abroad...**  
Dreaming of new spires
- 43 **...and at home**  
The scramble for students
- 44 **Bagehot**  
Leftward drift



**Migration** The West needs better policies to avert voters' backlash against foreigners in their midst: leader, page 10. Lessons from around the world, page 14. Worries about immigration have boosted populists and changed the mainstream in Sweden, page 37. Many Syrians are faring better in Turkey than in Europe—for now, page 38. Two books explore the deep roots of the politics of grievance in the West, page 63



**Venezuela** The socialist regime's plan to save the economy is doomed to fail: leader, page 8. Why it is probably not bold enough, page 29. As Venezuelans flee, Latin American countries shut their doors, page 30



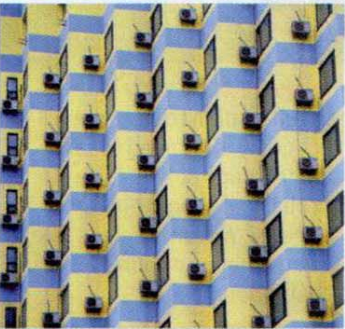
**Indonesia** Along the Kapuas river, development conflicts with conservation, page 18



**Commodities** Global tensions, from commerce to currencies, rattle markets for crops, metals and oil, page 54



**Detroit and tariffs** How the auto industry is coping with Donald Trump's trade wars, page 47. Talks to update the North American Free-Trade Agreement are progressing, page 48



**Air-conditioning** How to spread the benefits of keeping people cool—without frying the planet: leader, page 8. Air-conditioners do more good than most people realise, but also much harm. Efforts are finally under way to get one without the other, page 45

## International

- 45 Air-conditioning**  
The cost of global cooling

## Business

- 47 Carmaking in America**  
Rocky road ahead
- 48 NAFTA**  
Stops and starts
- 49 Saudi Aramco**  
Blurred Vision?
- 49 Search engines**  
Censors and sensibility
- 50 European sports**  
Football's leaving home
- 50 South Korea's chaebol**  
Political capital
- 51 Bartleby**  
History lessons

## Philosophy brief

- 52 Schumpeter, Popper and Hayek**  
The exiles fight back

## Finance and economics

- 54 Commodities**  
Raw materiel
- 55 Buttonwood**  
Are you a stock or a bond?
- 56 Insuring intangible risks**  
In search of a jelly mould
- 57 America's bull market**  
3,453 days and counting
- 58 Free exchange**  
A question of balance

## Science and technology

- 60 Helicopters**  
Whirlybirds are go
- 61 Evolutionary biology**  
Kissing cousins
- 62 Archaeology**  
Maturing nicely
- 62 Controlling tsetse flies**  
Fly blown

## Books and arts

- 63 Populism, identity and resentment**  
Find out what it means to me
- 64 Dirty tricks**  
The hand of Moscow
- 65 The literature of Trieste**  
Tales of the city
- 65 Mini-gangsters in Naples**  
The children of Gomorrah
- 66 Johnson**  
Nationalism of small differences

- 68 Economic and financial indicators**  
Statistics on 42 economies, plus a closer look at GDP and household income

## Obituary

- 70 Aretha Franklin**  
A deeper love



**Helicopters of the future**  
They will fly in new ways. Pilots will be optional, page 60

## Subscription service

For our full range of subscription offers, including digital only or print and digital combined visit

[Economist.com/offers](http://Economist.com/offers)

You can subscribe or renew your subscription by mail, telephone or fax at the details below:

**Telephone:** +65 6534 5166

**Facsimile:** +65 6534 5066

**Web:** [Economist.com/offers](http://Economist.com/offers)

**E-mail:** [Asia@subscriptions.economist.com](mailto:Asia@subscriptions.economist.com)

**Post:** The Economist

Subscription Centre,

Tanjong Pagar Post Office

PO Box 671

Singapore 910817

**Subscription for 1 year (51 issues) Print only**

Australia A\$465

China CNY 2,300

Hong Kong & Macau HK\$2,300

India ₹10,000

Japan Yen 44,300

Korea KRW 375,000

Malaysia RM 780

New Zealand NZ\$530

Singapore & Brunei S\$425

Taiwan NT\$9,000

Thailand US\$300

Other countries Contact us as above

## Principal commercial offices:

The Adelphi Building, 1-11 John Adam Street,  
London WC2N 6HT

Tel: +44 (0) 20 7830 7000

Rue de l'Athénée 32

1206 Geneva, Switzerland

Tel: +41 22 566 2470

750 3rd Avenue, 5th Floor, New York, NY 10017

Tel: +1 212 541 0500

1301 Cityplaza Four,

12 Taikoo Wan Road, Taikoo Shing, Hong Kong

Tel: +852 2585 3888

## Other commercial offices:

Chicago, Dubai, Frankfurt, Los Angeles,  
Paris, San Francisco and Singapore



PEFC certified

This copy of *The Economist* is printed on paper sourced from sustainably managed forests certified by PEFC  
[www.pefc.org](http://www.pefc.org)

