

On the cover Whatever its outcome, the Greek crisis will change the EU for ever: leader, page 9. A nation decides its fate again, pages 18-20. The euro zone thought it could muddle through with Syriza. It was wrong: Charlemagne, page 25. The effect on the markets: Buttonwood, page 60

#### The Economist online

Daily analysis and opinion to supplement the print edition, plus audio and video, and a daily chart Economist.com

E-mail: newsletters and mobile edition Economist.com/email

Print edition: available online by 7pm London time each Thursday Economist.com/print

Audio edition: available online to download each Friday Economist.com/audioedition

## The Economist

#### Volume 416 Number 8945

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:

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

7 The world this week

#### Leaders

- 9 The euro Europe's future in Greece's hands
- 10 London's airports Now get on with it
- 10 Race in America Lost, but now found
- 11 Shale oil There will be blood
- 12 Malnutrition in India Ravenous for reform

#### Letters

14 On headhunting, Hungary, dynastic wealth, duelling, AI toys, skunk, sex

#### Briefina

18 The Greek crisis The day comes

#### Europe

- 21 Russia and Islamic State Caucasian jihad
- 22 Chechnya dispatch Diamond ring, iron fist
- 22 Renewable energy Why the Dutch oppose windmills
- 23 Denmark's new government Coalition of one
- 23 Spanish politics Los indignados in power
- 24 Terrorism in France On home soil
- 25 Charlemagne Why the EU cannot muddle through

## Britain

- 27 Airports in London Decision time
- 28 Fracking stumbles again Seismic
- 29 Bagehot Death in Tunisia

## Middle East and Africa

- 30 Islamic State Spreading its tentacles
- 31 Tunisia's economy The other victim
- 32 The Iran nuclear talks I wonder what he meant by that?
- 32 Syria's conflict Drawing in the neighbours
- 33 Nigeria Learning from Lagos
- 34 Nigeria's currency Toothpick alert

## **United States**

- 35 The Supreme Court Change is gonna come
- 37 Traffic accidents Road kill
- 38 Gerrymandering One for the people
- 38 Relations with Cuba Our man in Havana
- 38 Solving homicides Getting away with murder
- 39 Legal marijuana Silicon Valley meets Bob Marley
- 40 Lexington The vanity of Chris Christie

## The Americas

- 41 Brazil's foreign policy High time to make up
- 42 Bello Calling the FARC's bluff
- 44 Canada's irate leftist A furious beating of wings
- 44 Caribbean passport sales A nice little earner

#### Asia

- 45 Vietnam and America Struggles in Hanoi
- 46 Civil society in Cambodia The vice tightens
- 47 Australia's north Investing in a wilderness
- 47 Opium in Afghanistan A new high
- 48 Nutrition in India Of secrecy and stunting



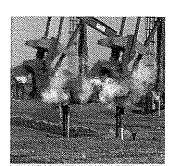
Barack Obama and race America's president has recovered his drive. He should use it to take on the residual problems of race in America: leader, page 10. The Supreme Court is being asked to compensate for political stalemate, page 35. A father tells his son what it is to be a black American, page 69



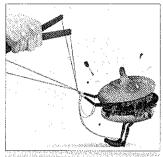
Franchises of terror Islamic State is making itself felt in ever more countries. But how much influence does it really have outside Syria and Iraq? Page 30. Britain struggles to make sense of the massacre in Tunisia: Bagehot, page 29



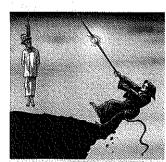
Airports in London Britain needs to expand Heathrow airport—and soon: leader, page 10. After three years' work, a report recommends a new runway. The economic case is sound; the politics will be tricky, page 27



A parlous boom The ingenuity of America's shale industry is admirable, the state of its finances awful: leader, page 11. Why many shale firms are in trouble, page 53. Britain turns its back on fracking, page 28. How China continues to reshape the world of commodities, page 59



McJobs and UberJobs
Lawsuits about what it means
to be an employee could shape
the future of big industries:
Schumpeter, page 58. Reducing
wage subsidies would hurt
workers more than their
employers: Free exchange,
page 64. Barack Obama
expands overtime, page 63



Death penalty A few countries are executing more people, but the global trend is towards abolition, page 51. Why harsh punishments are more prevalent in the Muslim world, page 52

#### China

- **49 National security** Everything Xi wants
- **50 Rich kids**Lifestyles of the rich and infamous

#### International

- **51 Capital punishment** On the way out
- 52 Islam and punishment By the book

#### **Business**

- 53 Shale oil and gas Fractured finances
- 55 Nestlé in India Instant karma
- 56 LG
  - Plucky contender
- **57 Jardine Matheson** Return to China
- 58 Schumpeter
  McJobs and UberJobs

#### Finance and economics

- 59 China and commodities Cornering the market
- 60 Buttonwood The lessons of 2015
- 61 Puerto Rico A Caribbean fuse
- **62 China's banks** Small is ugly
- **62 Italy's bad debts**Beautifying bankruptcy
- **63 Wages in America** A middle-class mirage
- 64 Free exchange Credit where taxes are due

## Science and technology

- 66 Space flight
  Rapid unplanned
  disassembly
- 67 A weird worm
  A Cambrian find
- **67 Inspecting airliners**Strike out
- **68 Ancient tsunamis** Knowing the drill
- 68 Diagnosing depression Sounds bad

## **Books and arts**

- 69 Race in America Letter of despair
- 70 South Asian history A searing split
- 70 New British fiction Secrets and pies
- 71 Sir Thomas Browne Weird science
- 71 Chinese art
  Documenting history

## **Business books quarterly**

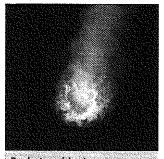
- 72 Elon Musk
  Fortune favours the brave
- 73 The new economy Opportunity in America
- 73 Government auditors
  The wisdom of watchdogs
- 74 Fitting in
  In praise of misfits

# 76 Economic and financial indicators

Statistics on 42 economies, plus a closer look at manufacturing activity

## **Obituary**

78 Tama-chan The cat's miaow



Rocket accidents A coincidental string of accidents is a reminder of how difficult space flight is, page 66

## Subscription service

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

Economist.com/offers
or call the telephone number provided below. Telephone: +44 (0) 845 120 0983 or +44 (0) 207 576 8448

Subscription for 1 year (51 issues) Print only Euro-zone countries

 Denmark
 DK 1.399

 Hungary
 HUF 58,107

 Norway
 NKr 1,379

 Poland
 PLN 809

 Sweden
 SK 1,036

 Switzerland
 SF 255

 Other Europe (ex UK)
 € 188

€188

 Middle East = GCC
 US\$347, £243

 South Africa
 Rand 1,700, US\$175, £120

 Middle East and Africa
 US\$280, £196

#### Principal commercial offices:

25 St James's Street, London 5W1A 1HG Tel: 020 7830 7000

Rue de l'Athènée 32 1206 Geneva, Switzerland Tel: 4122 566 2470

750 3rd Avenue, 5th Floor, New York, NY 10017 Tel: 1 212 541 0500

60/FCentral Plaza 18 Harbour Road, Wanchai; 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

