



Welcome to the Eighteenth Issue of INFORMission Weekly

The objective of this newsletter is to try and capture informative, interesting and relevant happenings from around our world and country across the week, without a focus on crime and sensationalism. The concept is that anyone can tune in on a weekly basis into a couple of pages and stay informed and updated. INFORMission Weekly will evolve in design, format medium and content as we go along. If you have any comments or feedback, do write into informission.weekly@gmail.com.

OF SPECIAL INTEREST THIS WEEK

US & Iran Taking The First Step



Holly Dages/democrati.net

Africa's Peaceful City Gets a Rude Terror Shock



Mirror.co.uk

Guest Column: Federal Reserve Pumps Up Indian Economy



independantinvestmentbankers.com

(Earth) "Quake Island"



Ibtimes.com

Angela Merkel: Back On The Throne



Armin Linnartz/Wikimedia Commons

Mumbai is World's 2nd Most Honest City



Devang/Wikimedia Commons

The Jaffna Election Peace Prevails???



Indi Samarajiva/Flickr

Leader to Know Xi Jinping



Angélica Rivera de Peña/Flickr

Google Turns 15, And We Wish Them



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US & Iran - Taking The First Step

What happened this week **promises to end one of the worst enmities in the modern world** – the hatred between the Islamic Republic of Iran and the United States of America. It may only be a ‘diplomatic’ development, but the revival of diplomatic dialogue between 2 sworn enemies for **the first time since 1979 is very, very historic**. And its not just diplomatic dialogue – not at all – for the first time ever, the **American and Iranian Presidents spoke to each other on a phone call** – discussing arrangements for a possible meeting. The subject of their meeting is even more earth shaking – **Iran’s controversial nuclear program** – which had led to a further deterioration of relations in the last decade – **will be discussed and resolved**. At the UN Conference that took place during the week, **both Obama and Irani President Rouhani addressed the committee**. Both gave speeches in which they expressed a desire to resume diplomacy and come to an agreement on the nuclear issue. It seems they have met each other halfway – **the US offering to end their diplomatic embargo and the Iran finally offering to have talks on their nuclear program**. But to truly understand the significance, one must understand the problem – the fact that **this hatred** did not start in 1979 – no, it **began in 1953**, when **the US engineered a coup d tat in Iran** (see Issue 13), and placed a tyrant on the throne. The Iranians never forgave the US for making them suffer for the next 26 years – but we must understand both sides. In 1979, after the Iranian Revolution – **Iranian forces took American diplomats and embassy workers hostage in the Iranian Hostage Crisis**. The Americans could never forgive them for such an atrocious violation of diplomatic immunity. Their relations have

been terrible ever since – **they don’t even have embassies in each other’s nations**. Iran was **affected worse by this** – it was **isolated from the global community** – **no nation helped it, even when it was invaded and attacked with chemical weapons by Iraq**; it never received economic support. When they began their nuclear program – which they



claim is for peaceful purposes – they have been attacked with **sanctions, threats, Israeli-American hackers, and diplomatic embargoes** – because everyone thinks they are making a nuclear weapon. They may be doing just that. But **India too was faced with sanctions and threats when was making its nuclear weapons** – it did not stop – and finally Bush signed a nuclear agreement with India. So the hope is that **something similar happens between USA and Iran** – a nuclear agreement, and a lessening of hostilities. And then **maybe Iran will be re-accepted into the global community**.

Africa’s Peaceful City Gets A Rude Terror Shock

Last week, Nairobi, Kenya witnessed **one of the worst terrorist attacks** in the last couple of years – surprising in one of **Africa’s most peaceful cities**, with no history of terrorism. It can perhaps be explained by the very odd fact that the militants had nothing to do with Kenya – the attack was claimed by **Somali terror group al Shabab** – part of their



demand for an end to American presence in Somalia; its **unusual and cruel that they dragged Kenyan civilians into this ongoing conflict**. Over **60 innocent people were killed**, and many more injured, in a very bloody, terrible attack akin to the 26/11 attacks in Mumbai – a **civilian area was targeted**, in this case, a mall – and **innocent citizens were held hostage for 4 days** before Kenyan security forces defeated them and rescued the hostages. An interesting anecdote is that of a 12-year old hostage boy, who went up to one of the terrorists and **called him a ‘bad man’**, after seeing him shoot a family member. The terrorist **let the boy go free after that** – allowing him to take any other children he wanted – and leave the mall. Hostages report that **the terrorists largely let children go** – telling all who were in the building to leave. Odd.

Guest Column: Federal Reserve Pumps Easy Cash Into India

Something strange happened on September 19th - something I had never contemplated or learnt in my 3 years of Applied Economics.

The BSE Sensex surged over 750 points and the Indian rupee pulled back below 63 per dollar after the U.S. Federal Reserve stunned markets and decided not to taper (re-

duce) its asset-buying program. The asset buying program involves buying \$US40 billion in Treasury notes (US government bonds - like govt. loans) and \$US45 billion in mortgage backed securities every month. The program acts to increase money supply and keep interest rates low in the economy.

Through these bond purchases, "cheap money" enters financial markets.

This money - because it is so "easy" to come by - is used by investors to take a punt on riskier and/or higher-yield assets, such as the emerging market stocks. The prices of equities (company shares) have been boosted by such quantitative easing.



theshortsideoflong.blogspot.com

Hopefully Dr. Rajan and his team will try and improve the current economic conditions.

Some critics have said the massive influx of "cheap money" has just been a manipulation of financial markets by the Fed, and the artificial boost - when removed - could see markets and economies rediscover their financial crisis woes. But for India the effect has been that foreign investors have streamed back into the market, buying equities worth more than Rs 3,500cr, one of the biggest single-day shopping sprees so far this year. However, investors shouldn't get carried away, "India's problems remain - domestic rates are way too high, inflation remains sticky, growth is weak, and the business environment remains uncertain."

- Saubhagya Raizada

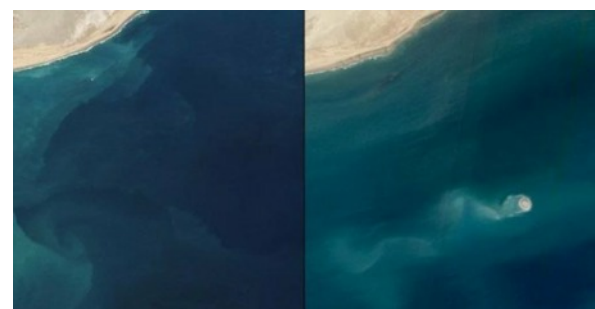
(Earth) Quake Island

The earthquake that hit Balochistan in Pakistan on Tuesday was truly horrific - a 7.7 magnitude monster that killed over 300 and left devastation in its wake. But what followed was truly amazing. Barely half an hour after the locals felt the destruction of their earthquake, they saw a massive, massive landmass just rise out of the sea in front of their eyes, off the coast of Gwadar, a town in Balochistan. Mr. Baloch, a local journalist, describes his shock when he saw "this grey, dome-shaped body" appear outside his house, and "hundreds of people gathered to watch it in disbelief". The island, that had come out of the sea that day, was about 300 feet long, and nearly 70 feet above the water - something that big just appearing out of the sea is very, very rare. It is technically a "mud volcano", which is not a volcano but a mud formation resulting from the excretion of hot water, mud, and methane from below the earth. The locals were really fascinated by



it, and despite warnings from authorities (due to high methane levels being emitted from it), the island was full of people by evening. Though it's a mud island - it is firm to stand on, parts of it being solid rock and others being made of fine sand, and the locals have wasted no effort exploring it. Its not the first ever such island to burst out of the sea - but its size and solidarity has been termed as "extraordinary" by many scientists - normally such islands disintegrate after a few months, but this one may be around a little longer than that.

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News.com.au

Angela Merkel

Back On The Throne

Yes, **“The Chancellor” is back**; and her return to power was more convincing a victory than any of her previous wins. On Monday, **Angela Merkel (our first ever Leader to Know) won her third term as Chancellor of Germany**, returning after 8 years in office from 2005 – 2013, and set for 4 more – that is one seriously long term. The biggest surprise is that she won by a landslide – **one of the biggest margins ever in a German election....but wait up – this is not a German political briefing**. No, because she has returned not only to is not the throne of Chancellor of Germany, but also **the throne of ruler of Europe**. Described by many as **the *de facto* head of the European Union**, and by *Forbes* as the **second most powerful person in the world** (after Obama) – you bet this is important. ‘Why’ is the first question that comes to mind – why are German elections so important? Because **Germany is the biggest economy in the European Union**, and the one of the



most powerful countries in the continent – its policies determine what happens to most of Europe, a very troubled place at this moment. **Europe has been through a very difficult phase in recent years – economies failing, debts rising – countries facing unbelievable unemployment rates**. The southern countries, like Greece, Portugal and Spain, are facing debts and unemployment worse than most African countries – **Europe is in the middle of an economic crisis. And Ms. Merkel has been Chancellor through most of this crisis**. There are 2 opinions on her handling of the European situation – one that **she has handled it well, and will continue to do so**; the other that she has handled it fine – but **not been able to solve the crisis – so new policy is needed**. So her election, judging from the margin of the **victory, is popular among the German people, but 50-50 with Europe**. It must be said to her credit that **she has followed a policy to help Europe while keeping Germany above risk** – the crisis could have been worse but for her - **she has kept the union from disintegrating**; but can she continue to do so. Europe is only worsening, world politics is getting more and more intense – Germany may need a change of policy to deal with all this – **Germany’s “Iron Lady”** maybe the one to provide that. The world has learnt the danger of over powerful German leaders – but **what Europe, and Germany, need right now is a strong leader – and Merkel might just be that**.

The Honesty Trap: Mumbai Passes With Flying Colours

Ok, so this could be called trivial – but **its interesting, very interesting** – and has some significant implications. And it is so cool – the ‘Honesty Trap’ – that uses a **very simple experiment to test the average “honesty” of a city**. Conducted by **Reader’s Digest** (very reputable, by the way), it involved researchers **leaving wallets on the ground at various points in the city – containing \$50 in local currency** (Rs 3000 in the case of India) along with a name and a phone number – so that they could be returned – and other normal things like business cards and family photo. The test was conducted in **16 cities, including Hel-**



sinki, Mumbai, and New York, and 12 wallets were left round town in each city. The honesty was measured according to how many of them were returned in each city – the full list is on the [site](#) – but there are some interesting findings. **Helsinki, Sweden ranked 1** because **all but one wallet was returned to its owner** – while **Mumbai, the only Indian city, came an amazing second** – with **10 of the 12 wallets** being returned. While some cities gave shockingly disappointing results, like Lisbon (only 1 was returned!) and Madrid (10 were stolen), the best part about the survey was the global result. **Overall, 90% of the 192 wallets planted were returned** – showing a remarkably good honesty level for the world. Maybe we ain’t so bad after all.

The Jaffna Election Peace Prevails??

Jaffna, one of the world's most troubled hotspots, sits right at the foot of India, in northeast Sri Lanka. It was the center of the horrific Sri Lankan civil war, which raged for 27 long years before the Tamil terrorist organisation LTTE (Liberation Tigers of Tamil Eelam) was defeated and its leader, Prabhakaran, killed in 2009. The Northern province of which Jaffna is the capital is the center of the Lankan ethnic Tamil population, and also of the age-old communal strife between Tamils and Sinhalese in Sri Lanka. The country, is populated with both ethnic Sinhalese, original Buddhist inhabitants of the island, and ethnic Tamils, migrated from South India. In the 1980s, communal violence between these 2 groups was at its absolute worst, and it resulted in the formation of the LTTE terrorist organization, fighting for an independent state for Tamils in and around Jaffna, and starting the civil war. The war was worsened by Indian interference, in the one case of hasty, unnecessary military action in the history of Indian foreign policy, when it sent a peacekeeping force to ensure that the LTTE gave up its arms and also ensure peaceful elections. It failed because the Indians, instead of negotiating, decide to attack the LTTE, and finish them off – the terrorists fought an intense war with the peacekeeping force for many months – emerging victorious against the world's third largest army. After the Indian army left, the stand off between the Lankan military and the Tigers continued for years, peppered with assassinations, including one Indian Ex-PM, before the Sri Lankan President Rajapaksa launched a brutal military assault that destroyed the LTTE – but left the Lankan economy,

crippled and weak. Now, this terrible place, ravaged by war, terrorism, communal violence and so much devastation, has

turned a historic page and witnessed its first ever democratic political setup – its first election since 1988. This week, after 25 long years, the Tamil National Alliance, an alliance of Tamil parties and rebel groups (including LTTE), won the Provincial Council elections in the Northern Province – creating a semi-autonomous elected ruling body in the Tamil dominated areas of Sri Lanka. It defeated the country's ruling party, and has come into power with an agenda to improve the state of Lankan Tamils. According to recent constitutional amendments – part of the efforts to make communal peace in the country – the council will have considerable powers of its own to make a difference. An amazing thing is that the turnout was huge, and the victory was a landslide – the people want change, and are in favour of a peaceful solution, furthermore – they support the TNA. What could not be achieved in 1988, has happened now, and Chief Minister-to-be C.V. Wigneswaran has voiced a desire for a constructive partnership with the central government – along with peaceful resolution of the Tamil-Sinhalese conflict. The best part – the Tamil people support him and the peace process – days of the Tamil armed revolution are finally over.



Leader to Know Xi Jinping

As we contemplate another messy transition of leadership in India next year (more on that later) we can perhaps admire the orderly and smooth leadership transitions achieved by our big neighbour China. Xi Jinping is the President of the People's Republic of China, the world's second largest economy, most populous nation and superpower in the making. He is only the fifth President China has ever had since the revolution in 1949 and the first one who was born after the revolution (he just turned 60 this year). He came to power in



Mark Stewart/Wikimedia Commons (Cropped)

March this year and the transition was smooth, uneventful and orderly. He is expected to lead Chi-

na until 2023 (for the next 10 years) and step down at the end of the period for the next leader like his two predecessors did - Jiang Zemin (1993 - 2003) and Hu Jintao (2003 - 2013). He believes in a "Chinese Dream" of uniting the increasingly diverse nation he governs, and since appointment - has notably opposed the US on Syria and reaffirmed China-Pakistan relations. He is married to the famous Chinese singer and pop star Peng Liyuan and they have a daughter who is studying at Harvard.

Happy Fifteenth, Google

I am sure you all heard that **Google turned 15 on 27th September** and celebrated it in typical Google style, with a **Google doodle which was a game that users could play for a few minutes, and feel lighter, freer, happier in their day**, taking a pause in looking for whatever they wanted to find on the internet. Here are **some things that you may not have heard** and would put in perspective what Google and its two 40 year old co-founders (yes they were 25 years old when they founded Google in 1998) have **achieved in a short period of 15 years**. **Google was the 10th search engine in the market** - if you are old enough you may remember **the others - alta vista, excite, lycos, infoseek, magellan, looksmart, webcrawler** and of course ask jeeves! It was **initially started as a Stanford University research project by the two research students Larry Page and Sergey Brin**. Their **PageRank algorithm quickly gained popularity** because of its search results (based on how many links were on the page to other pages - the **concept being that pages with many links to other pages where better or more relevant to users**) and its **clutter free plain white home page was a brilliant design**. They just launched the **3rd generation of the search technology this week, it's called "hummingbird"**. The name of course was based on the mathematical concept of the Googol (the largest



Origa Foundation/Wikimedia Commons

number in mathematics which is equal to 10 to the power 100). Over the years they have remained true to the **company's mission which is "to organize the world's information" and its noble vision "don't be evil"** to a remarkable extent. They have **kept investing in new ideas and ventures** informed by their vision and mission - **from Gmail** (launched with unlimited storage and search ability in 2004) **Google Maps** (organizing the world's locational information), **Google News** (my go to newspaper now) to **Google Glass**(Issue 15) **Google Loon**(Issue 6) and **Google Health** (last issue). They also bought **Youtube** in 2006 and **kept it free and funded for us to enjoy**. Then of course there is **Android** (another acquisition - did you know they

bought Android and did not make it!) Google's IPO in 2004 was the **first big IPO to use the Dutch Auction method of pricing, which let's investors determine the price of the shares instead of the**



investment banks. If you had bought the share in 2004 (for \$85 per share) you would be happy and rich now - current price is \$876 per share! It is now the **world's 3rd most valuable company** with a market value of \$ 290 billion. They **still also play an April Fool's joke on the world each year with a press announcement on April 1st that turns out to be a hoax!** Fifteen years and all this success later, **the co-founders still want to change the world** (little realizing how much they have changed it already) and **solve problems like - global warming, death, driving** (everyone should have a self driving vehicle in a few years!) and of course **making the internet a useful and free place where all of us can go each day to learn and find stuff!** **Happy birthday Google!**

Sources

Nairobi – The Irish Times, The Economic Times, Telegraph

Jaffna – Arab news, BBC, Asian Correspondent, The Hindu

Honesty Trap – ABC News, Huffington Post, Reader's Digest

Quake Island – BBC, Stuff, TOI, Euronews

US-Iran – BBC, Reuters, AFP, CNN, The WSJ

Fed – The Washington Post, ET, Reuters

Merkel – The Economist, The New York Times, The Guardian

Xi - Wikipedia, The Economist, biography.com