

## On the cover

The social-media giant faces the biggest crisis in its history. Here is how it and the industry should respond: leader, page 9. The controversy is sparking an overdue discussion about privacy and the internet, page 21. Studying algorithms systematically offers hope of understanding the opaque world of digital advertising, page 71. European regulators take a jab at tax-shy tech giants, 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/printedition

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

# The Economist

## Volume 426 Number 9084

## 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:

Beijing, Berlin, Brussels, Cairo, Chicago, Madrid, Mexico City, Moscow, Mumbai, Nairobi, New Delhi, New York, Paris, San Francisco, São Paulo, Seoul, Shanghai, Singapore, Tokyo, Washington DC 6 The world this week

#### Leaders

- 9 Facebook Epic fail
- 10 Egypt's election No choice
- 10 The FDA's new course Faster Drug Approvals
- 11 Sanitation and hygiene Now wash your hands
- 12 Putin's next term
  The struggle for Russia

#### Letters

16 On refugees, Britain, Warren Buffett, alcohol, Russia

#### **Briefing**

17 Russia Gorbachev's grandchildren

#### **United States**

- 21 Facebook and democracy
  The antisocial network
- 22 Non-disclosure agreements Let's not make a deal
- 24 America and Taiwan
- Visitors welcome

  24 Illinois politics
  The plutocrats' primary
- 26 Gun laws What works
- **27 Debunking a Swiss myth** Guns and rösti
- 28 Lexington
  Stormy at the barricades

## The Americas

- **29 Peru** The fall of Kuczynski
- 30 Crime in Brazil Mourning Marielle
- 30 Canada The homeless PM
- 32 Bello Macri v populism

## Asia

- **33 Sanitation in Bangladesh** Beating the bugs
- 34 The Philippine judiciary Impeachy keen
- 34 Advertising in Pakistan Blank slates
- **35 Elections in Indonesia** Red-bullfighter
- **36 Rural Japan**City folk move in
- 38 Banyan Hun Su, Cambodia's real king

## China

- **39 Xi Jinping's sidekicks** The helmsman's crew
- **40 Giving blood** Clot-hoppers

## Middle East and Africa

- **41 Egypt's election**Sisi v the sycophant
- **42 Kurds in Syria** Female fighters
- **42 Turkey takes Afrin** Where to next?
- **44 Kenya's new railway** Off to a bad start
- 44 Free trade in Africa Opening the market
- **46 Nigeria's insurgency**Bringing back the girls

## Europe

- **47 Infrastructure**The Malmo-Palermo express
- **48 Abortion in Ireland**Don't mention the church
- **49 Russian nerve gas** Chemical paralysis
- **49 Turkey**What Uber costs
- **50 Greece**Dog days for Mr Tsipras
- 50 Israel and the Balkans Quietly does it
- **51 Charlemagne** Teddy Macron



Gun control While national politicians do nothing, some American states are showing more initiative, page 26.
Switzerland offers a lesson in the benefits of tighter gun control, page 27



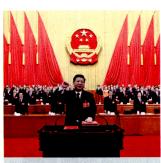
Russia's next generation

Vladimir Putin is at the height of his power. But the struggle over what comes next is just beginning: leader, page 12. Mr Putin's election victory does not mean that there is no hope for Russia. A new generation has different priorities, page 17



Egypt's election The inevitable winner of a farcical election should at least obey the constitution: leader, page 10. There are two candidates, but no choice, page 41





China's new team A firefighter and a brainbox win important posts, page 39. A compelling look at the flaws in the Chinese economy, page 77



Gifted children New research is encouraging a rethink of how to teach them, page 55



America's drug regulator The Food and Drug Administration is focused on speeding medicines to market. Good: leader, page 10. American drugmakers are struggling with low productivity. The government wants to help, page 57. India's successful makers of copycat drugs see their profits deteriorate, page 58

## Britain

- 52 Children in care
  From cradle to court
- 53 The Brexit negotiations
  A fishy transition
- **54 Bagehot**Rethinking open v closed

#### International

55 Teaching gifted children Talent shows

#### **Business**

- **57 Pharmaceuticals (1)** The FDA
- 58 Pharmaceuticals (2)
  Generics in India
- 59 Work in Japan Calling time
- **59 Aerospace** Engine trouble
- 60 Dropbox Cloud \$9bn
- **60 Digitax in Europe** The old one-two
- **61 Li Ka-shing**Plastic flower of the flock
- **62 Schumpeter**Citizens of somewhere

## **Finance and economics**

- **65 The scramble for cobalt** Goblin metals
- 66 Buttonwood CAPE crusaders
- **67 American trade policy** Steel banned
- **68 Foreign investment in Europe**Capital control
- **68 Financial regulation** Green tape
- **69 Technology and trade**Pulp friction
- 70 Free exchange Monetary policy

## Science and technology

- 71 Studying algorithms
  A Skinner box for software
- 72 Saturn
  Inconstant moons
- 73 Astronomers' haiku Abstract art
- 73 Autonomous vehicles A driverless tragedy
- 74 Drug resistance Collateral damage

#### **Books and arts**

- 75 Heritage and conservation Gospel truths
- **76 An Ethiopian memoir** The scent of a life
- 77 China's economy
  The undead
- 77 Art and punishment Pursued by a Bear
- 78 Music, memory and migration The distant shore

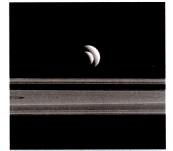
# 80 Economic and financial indicators

Statistics on 42 economies, plus a closer look at stockmarkets

## Obituary

82 Ken Dodd

The last of Vaudeville



Saturn The rings and inner satellites of Saturn may be recent creations, page 72. When astronomers write haiku, page 73

#### Subscription service

For our latest subscription offers, visit Economist.com/offers
For subscription service, please contact by telephone, fax, web or mail at the details provided below:

#### North America

The Economist Subscription Center P.O. Box 46978, St. Louis, MO 63146-6978 Telephone: +1 800 456 6086 Facsimile: +1 866 856 8075

E-mail: customerhelp@economist.com

#### Latin America & Mexico

The Economist Subscription Center P.O. Box 46979, St. Louis, MO 63146-6979 Telephone: +1 636 449 5702

Facsimile: +1 636 449 5703 E-mail: customerhelp@economist.com

## Subscription for 1 year (51 issues)

 United States
 US \$158.25 (plus tax)

 Canada
 CA \$158.25 (plus tax)

 Latin America
 US \$289 (plus tax)

#### 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 to PEFC www.pefc.org

