





FIRE AND FLASH NEW KINDLES, AND NEW TRICKS

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South Korea captivated by an unusual political star

Bookish entrepreneur is a presidential favorite — if he decides to run

BY CHOE SANG-HUN

Two days before Seoul elected a mayor last month. Ahn Cheol-soo showed up at the campaign headquarters of Park Won-soon, an independent candidate. Amid flashing cameras, Mr. Ahn, a softspoken university dean, who had earlier been seen as a contender for mayor himself, affirmed his support for Mr. Park, entrusted him with a written statement and then left.

'When we participate in an election, we citizens can become our own masters. principle can defeat irregularity and privilege, and common sense can drive out absurdity," read Mr. Ahn's statement, an open appeal to voters that quickly spread by way of Twitter and other networks. "I'm going to the voting station early in the morning. Please join me."

It was a pivotal moment in an election whose outcome has rocked South Korea. In a country where resentment of social and economic inequality is on the rise, and where many believe that their government serves the privileged rather than the common good, Mr. Ahn's words — "participate," "principle," "common sense" — propelled younger voters to throw their support overwhelmingly to Mr. Park, the first independent candidate to win South Korea's second-most-influential elected office. Nearly 30 percent of voters who backed Mr. Park on Oct. 26 did so because of Mr. Ahn, an exit poll found.

After setting off what stunned politicians called a "tsunami," Mr. Ahn retreated from public view, declining all requests for interviews.

Yet he remains South Korea's hottest political star. His name has become an



Ahn Cheol-soo, South Korean academic, entrepreneur and reluctant politician.

emblem for widespread disillusion with the existing political parties. Last week, 25 younger lawmakers from President Lee Myung-bak's governing Grand National Party, responding to the party's loss in the mayoral race, demanded that the president apologize for "arrogance and disconnectedness." Recent surveys have found that if the next presidential

were a candidate, he would win. Politicians have called on him to clarify whether he intends to run in the December 2012 presidential election, but he has kept silent. Mr. Park said last week that he did not know whether Mr. Ahn would SOUTH KOREA, PAGE 4

Signs of strength in Japan

The Japanese economy grew at a

quarter, the first increase in four

earthquake and tsunami. PAGE 16

6 percent annualized rate in the third

quarters, showing a recovery from the

With fast Internet, higher risk

Statistics dictate that the vastly greater

number of transactions among faster

Coal gas opposed in Australia

The Australian coal-seam gas industry

is facing pressure from both ends of

the political spectrum, James Grubel

The Heartland's Hispanic boom

In small U.S. towns long accustomed to a

population drain, Hispanics have

from some residents but furrowed

reversed the trend, drawing approval

computers will lead to a greater

number of accidents. PAGE 16

BUSINESS ASIA

election were held today and Mr. Ahn



At the front lines of a highway blockade in Gamgiphai, in Manipur State. The Kuki tribal group is enforcing the blockade because it wants its own administrative district in the area.

In a mini-India, blockades come with the territory

IMPHAL, INDIA

Remote northeast state with 36 tribes finds it hard to keep all happy

BY LYDIA POLGREEN

All summer, Homindon Singh Lisam's phone rang off the hook. As a doctor and hospital administrator in India's remote Manipur State, he is no stranger to e. But this was different.

The Kuki tribal group, seeking the creation of a separate administrative district in its area, imposed a blockade in August, severing the only two roads that lead here, and with them Dr. Lisam's access to crucial medical supplies. Oxygen canisters, vital for surgery, were already scarce. All nonemergency procedures were canceled indefinitely.

'Many patients come to me and beg to get their surgeries done," Dr. Lisam said. "I tell them: 'A hernia can wait."

It is an astonishing but true fact, and it is indicative of India's peculiar challenges, that an entire state of the world's most populous democracy, and a rising economic power, can still be held hostage by a small ethnic group demanding a relatively modest amount of local administrative control.

India's remote northeast is attached to the rest of the country by a slender thread of territory that arcs over the northern border of Bangladesh. It lies at the crossroads of India, Myanmar, China and Nepal, an ethnic and religious crazy quilt populated by a diverse mix of indigenous tribes. In addition to Muslims and Hindus, many of the tribes are Christian or practice smaller, traditional religions.

That makes for fractious politics all over, from the eastern end of West Bengal to the deepest reaches of Arunachal Pradesh, from Assam to Tripura. Some places have suffered through full-fledged insurgencies while

others have remained simmering for decades on a lower boil. Violence has dropped sharply in Manipur, once one of the most insurgent-wracked states in the country. But the state remains fragile.

"Manipur is like a mini-India," Nongthomban Biren, a state government minister and spokesman, said in an interview at his home. "There are 36 tribes in such a small state. We have to be very careful. If something is happening, and it hurts someone's sentiments. it is a big problem."

Only two roads connect this state to the rest of india, leaving it vulnerable to blockade by whatever group has a gripe

novation means developing online apps

or ads, but Google sees itself as differ-

ent. Even as Google has grown into a

major corporation and technology start-

ups are biting at its heels, the lab re-

flects its ambition to be a place where

ground-breaking research and develop-

ment are happening, in the tradition of

Xerox PARC, which developed the mod-

A Google spokeswoman, Jill Hazel-

baker, declined to comment on the lab but

said that investing in speculative proj-

ects was an important part of Google's

DNA. "While the possibilities are incred-

ibly exciting, please do keep in mind that the sums involved are very small by com-

parison to the investments we make in

GOOGLE, PAGE 19

ern personal computer in the 1970s.

As euro zone teeters, only lenders get needed help

FRANKFURT

European Central Bank turns away governments, choking off liquidity

BY JACK EWING

Is it time for the European Central Bank to be as generous to countries as it is to

Since the beginning of the financial crisis, the E.C.B. has been lending euro area banks as much money as they want, trying to maintain the liquidity that is the lifeblood of the global financial system.

But because the bank has refused to offer the same service to countries like Italy, it is not confronting the euro area's most fundamental problem. As a result, liquidity is drying up anyway.

In an atmosphere of mistrust reminiscent of the aftermath of the Lehman Brothers collapse in 2008, European banks are demanding higher interest rates for the overnight lending that is essential to keep money circulating. Some, fearing other banks' vulnerability to the debt of Italy and other beleaguered countries, are refusing to make But the biggest fear — the one implicit

in all the talk of "contagion" and a potential "Lehman moment" — is not that any one bank will succumb to a liquidity crisis. It is that an entire country might do so, if it can no longer obtain the credit it requires to stay in business.

And at least so far, the E.C.B. has not done the one thing that could help calm that fear: declare that it stands ready to be the de facto lender of last resort to national governments.

If the fear that sent Italy's borrowing costs to record-high levels last week becomes a chronic condition. Italy could lose the liquidity it needs to keep paying the holders of its €1.9 trillion, or \$2.6 trillion, debt. That would be the Italy Moment — the point at which Rome's liquidity problem would quickly become everyone else's.

we are approaching the point where the E.C.B. has to show its hand and accept its role as a lender of last resort,' EURO, PAGE 17

STOCKS DROP AS ITALIAN DEBT COSTS RISE Stocks fell in Europe and the United States on Monday as an Italian debt auction discouraged investors. PAGE 17

RACE TO FORM A GOVERNMENT IN ITALY Mario Monti, a respected economist, has agreed to form a government in Italy, but he won't have much time. PAGE 17

IN 'SUPER MARIO,' HOPES FOR A CURE The E.U. insider tapped to lead Italy

draws respect and credibility, but also some lofty expectations. PAGE 17 **END OF EURO CRISIS NOW EVEN MORE HAZY**

Without a radical change, the euro zone sovereign debt crisis may no longer be controllable, Paul Taylor writes. PAGE 21

REUTERS BREAKINGVIEWS

Banks are having trouble getting dollars, a situation that spreads the squeeze beyond Europe. PAGE 21

Google, looking far ahead, chases its wildest dreams

MOUNTAIN VIEW. CALIFORNIA

BY CLAIRE CAIN MILLER AND NICK BILTON

In a top-secret laboratory in an undisclosed San Francisco Bay area location where robots run free, the future is being imagined

It is a place where your refrigerator could be connected to the Internet, so it could order groceries when they ran low. Your dinner plate could post to a social network what you are eating. Your robot could go to the office while you stay home in your pajamas. And you could, perhaps, take an elevator to outer space.

These are just a few of the dreams being chased at Google X, the clandestine

lab where Google is tackling a list of 100 shoot-for-the-stars ideas. In interviews, a dozen people discussed the list; some work at the lab or elsewhere at Google, and some have been briefed on the project. But none would speak for attribution because Google is so secretive about the effort that many of its employees do not even know the lab exists.

Although most of the ideas on the list are in the conceptual stage, nowhere near reality, two people briefed on the project said one product would be released by the end of the year, although they would not say what it was.

"They're pretty far out in front right now," said Rodney Brooks, a professor emeritus at the Massachusetts Institute of Technology's computer science and



Sebastian Thrun, an expert in artificial intelligence, helps lead Google's secret lab.

Heartland Robotics. "But Google's not an ordinary company, so almost nothing

artificial intelligence lab and founder of

At most Silicon Valley companies, in-**VIEWS**

ENVER YOZGAT KILIC SIMSEK YAŞAR

WORLD NEWS

Unforgotten Ethnic Turks holding a vigil in Berlin for the victims of racist attacks. Neo-Nazis are suspected in a vast, decade-long crime wave. PAGE 5

Obama focuses on job creation

The U.S. president tied the economic success of the Asia-Pacific region to American job growth. PAGE 3

States allowing felons to rearm

Legal loopholes mean that many Americans with violent records are regaining their gun rights. PAGE 6

James Carroll

As upward mobility has stalled, ranking has crept into more and more aspects of American life — at a time when America's pre-eminence in the world looks increasingly hollow. PAGE 8

Afghans in transition

Most Afghans see progress in the quality of their lives. Will that survive the transition? Karl F. Inderfurth and Theodore L. Eliot, Jr., assess the results of an Asia Foundation survey. PAGE 8

ONLINE

When CBS hit 'reply to all'

▶ It is not exactly a secret that the U.S. news media tend to devote more coverage to perceived front-runners in presidential campaigns. But someone at CBS News last week made the mistake of saying basically that in an email and accidentally sending it to the campaign of Rep. Michele Bachmann, a Republican candidate polling in the single digits. global.nytimes.com/us

NEWSSTAND PRICES

brows from others

writes. PAGE 19

PAGE TWO

Bali RP 23,000 (including PPN) Hong Kong HK\$ 21.00 Bangladesh Tk. 135.0 India RS 30.00 Bangkok Baht 70.00 Indonesia RP 23.000 (PPN Incl.) Cambodia US\$ 3.00 Japan Yen 160 (Tax included.) China RMB 27.00

Malaysia RM 7.50 Nepal NRs 25.00

Philippines Peso 90.00 Singapore US\$ 4.20 (GST Incl.) Sydney A\$ 8.25 (GST Incl.)

Taiwan NT 105.00

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CURRENCIES NEW YORK, MONDAY 10:00AM

NO. 40.023				FILLVIOUS
Business 16	▼ Euro	€1=	\$1.3650	\$1.3750
Crossword 15	▼ Pound	£1=	\$1.5930	\$1.6070
Culture 12	▲ Yen	\$1=	¥76.980	¥77.110
Style 10	▼ S. Franc	\$1=	SF0.9050	SF0.9010
Sports 14				
Views 8	Full currency rates Page 20			

STOCK INDEXES MONDAY

▼ The Dow 10:00am 12,120.31 -0.27% ▼ FTSE 100 3pm 5,506.69 -0.70% 8.603.70 ▲ Nikkei 225 close +1.05%

OIL NEW YORK MONDAY 10:00AM Light sweet crude -\$0.54