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What's News

Business & Finance

◆ **Hiring slowed** in June but wages rose and unemployment fell, likely keeping the Fed on track to raise interest rates later this month to combat inflation. U.S. employers added 209,000 workers, a solid monthly gain but down from May's revised 306,000. **A1, A6**

◆ **A stretch of strong** economic data hardened expectations of further rate hikes, fueling a lockstep weekly decline for U.S. stocks and government bonds. The Dow, S&P 500 and Nasdaq lost 2%, 1.2% and 0.9%, respectively, for the week. **B11**

◆ **Binance's general counsel,** chief strategy officer and other executives have departed recently, a sign of the turmoil rattling the crypto exchange, which has also laid off dozens of staffers. **B1**

◆ **Ant Group,** the financial-technology company associated with Jack Ma, was fined close to \$1 billion by China's financial regulators, taking the company closer to the end of its long-running business overhaul. **B1**

◆ **Federal regulators are** trying to coax retired bank examiners back onto the payroll to help unravel the financial mess caused by rising interest rates. **B1**

◆ **Seven Republican state attorneys general** warned Target in a letter that its Pride collection may violate their child-protection laws, without citing any specific violations. **B9**

World-Wide

◆ **Yellen sought** to halt a slide in U.S.-China economic ties during a closely watched visit to Beijing, offering assurances that the U.S. doesn't seek estrangement from China while also criticizing that country's treatment of American companies. **A7**

◆ **The White House** cautioned that talks with Russia on potential prisoner swaps for jailed Wall Street Journal reporter Evan Gershkovich hadn't yet yielded "a pathway to a resolution," marking 100 days since his detention in Russia. **A1, A9**

◆ **The U.N. atomic agency** said Russia has prevented its inspectors from accessing all parts of the occupied Zaporizhzhia nuclear plant in Ukraine to investigate Kyiv's claims that Moscow is planning to sabotage the facility. **A9**

◆ **The Biden administration** is seeking to curtail short-term private health plans, in part because of fears the plans undermine the viability of exchanges set up under the Obama era Affordable Care Act. **A3**

◆ **The gunman who killed 23** people in an attack targeting Latinos at an El Paso Walmart in 2019 was sentenced to 90 consecutive life sentences in federal prison. **A2**

◆ **The Dutch government** collapsed amid irreconcilable differences within the four-party coalition about how to rein in migration, an issue that has split nations across Europe. **A8**

NOONAN

May Trump Soon Reach His Waterloo **A13**

CONTENTS	Markets Digest... B6
Banking & Finance B10	Opinion... A11-13
Books... C7-12	Sports... A14
Food... D8-9	Style & Fashion D2-3
Gear & Gadgets D10	Travel... D4-5
Heard on Street... B12	U.S. News... A2-6
Markets... B11	World News... A7-9

Wages Rise Even as Job Growth Eases

Hirers step up pay as unemployment slips, leaving Fed officials likely to tighten again

By Sarah Chaney Cambon

Hiring slowed in June but wages rose and unemployment fell, likely keeping the Federal Reserve on track to raise interest rates later this month to combat inflation. U.S. employers added 209,000 workers in June, a

solid monthly gain but down from May's revised 306,000. In the first half of this year, payrolls grew by an average of 278,000 a month, down from nearly 400,000 last year. The unemployment rate fell to 3.6% last month from 3.7% in May. Employers ramped up wages as they competed for a limited pool of workers. Average hourly earnings grew 4.4% in June from a year earlier, matching gains in the preceding two months and remaining well above the pace before the pandemic.

Rapid wage growth contributes to stubbornly high inflation, said Sean Snaith, director of the University of Central Florida's Institute for Economic Forecasting.

"The Fed still has a significant way to go in the fight against inflation," Snaith said. "We're in this long grind phase, and it's going to take persistence in terms of keeping interest rates high."

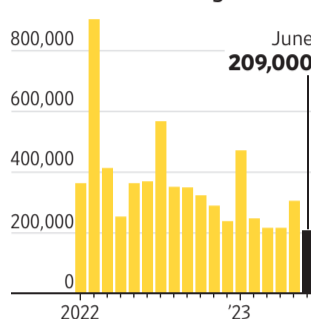
The latest jobs and wage data add to evidence that economic activity hasn't slowed

as much as Fed officials expected, and it leaves them likely to lift interest rates to a 22-year high at their July 25-26 meeting. Inflation has eased from its recent peak a year ago but remains roughly double the Fed's 2% target.

Major stock indexes ended Friday lower, with the Dow Jones Industrial Average falling 187.38 points, or 0.6%. The S&P 500 and Nasdaq Compositing

Please turn to page A6

U.S. nonfarm payrolls, one-month net change



Note: Seasonally adjusted Source: Labor Department

◆ **Jobs data keep Fed on path to raise rates..... A6**

Herd on the Street: Pamplona Turns Bullish



CATTLE CALL: Thousands of thrill-seekers took part on Friday in the first of this year's running of the bulls at the San Fermin festival in the northern Spanish city of Pamplona. Animal-rights activists annually campaign against the event.

Layoffs, Executive Exits Jolt Binance

Binance is in retreat as the pressure from federal investigations builds.

The firm's general counsel, chief strategy officer, head of investigations and a senior vice president for compliance, among others, departed in recent weeks, a sign of the turmoil rattling the world's largest cryptocurrency exchange.

By Patricia Kowmann, Dave Michaels, Caitlin Ostroff and Vicky Ge Huang

In addition, Binance laid off dozens of staffers last week. Some employees weren't given a reason while others were told they had been made redundant. The exchange has a plan to cut personnel based in the U.S.

Binance founder Changpeng Zhao dismissed the idea that the resignations are a sign of internal tumult.

"As markets and the global environment for crypto changes, as our organization evolves, and as personal situations change, there is turnover at every company," he said in a post on Twitter.

This article is based on interviews with current and former Binance executives and employees and court documents.

Inside Binance, executives have grown worried the Justice Department will file charges against the firm and Zhao. Zhao has resisted giving up control of the company or stepping aside, though many inside the firm believe his staying could put Binance's survival into question, one former employee said.

The Justice Department is probing whether Binance failed to implement controls to prevent money laundering.

Please turn to page A8

DeSantis Struggles To Gain Traction

By Alex Leary and John McCormick

WOLFEBORO, N.H.—Trudging up a hill in the rain, Tina Blanks raved about Ron DeSantis.

She had just spent a couple of hours walking alongside DeSantis in a Fourth of July parade, handing out stickers for the Florida governor and 2024 Republican presidential candidate. But when it came to her vote, he hadn't closed the deal.

"We're totally undecided," said Blanks, 52 years old, as she and her husband neared their car, completing a 4-mile loop. She voted for Donald Trump twice before and thinks the former president can return to Washington "with a sledgehammer," despite thinking DeSantis could attract more independent voters in a general election.

Six weeks after launching his campaign, DeSantis has stalled.

His support in national polls has stayed flat, despite increased travel and advertising and widespread expectations that he would be a formidable challenger to Trump. Signs also have emerged that he is struggling to gain traction in the states that will hold the first nomination balloting. A recent poll of New Hampshire voters showed DeSantis having lost 10 points since the previous survey in March, while twice-indicted

Please turn to page A5

Inside Russia's Security Force Targeting Americans

FSB unit that took Evan Gershkovich is believed responsible for incidents blurring lines between spycraft and harassment

By Joe Parkinson and Drew Hinshaw

For years, a small group of American officials watched with mounting concern as a clandestine unit of Russia's Federal Security Service covertly tracked high-profile Americans in the country, broke into their rooms to plant recording devices, recruited informants from the U.S. Embassy's clerical staff and sent young women to coax Marines posted to Moscow to spill secrets.

On March 29, that unit, the Department for Counterintelligence Operations, or DKRO, led the arrest of Wall Street Journal reporter

Evan Gershkovich, according to U.S. and other Western diplomats, intelligence officers and former Russian operatives. DKRO, which is virtually unknown outside a small circle of Russia specialists and intelligence officers, also helped detain two other Americans in Russia, former Marines Paul Whelan and Trevor Reed, these people said.

The secretive group is believed by these officials to be responsible for a string of strange

Please turn to page A10

◆ **U.S. says no path yet to prisoner swap... A9**

A Governor Pulls Off One Wild Veto

Wisconsin edits create 400-year spending plan

By Ben Kesling and Maria Timms

In a state best known for cheese and football, creative editing is making a bid for fame.

By deleting a hyphen and a couple numbers from the state budget earlier this week, Wisconsin Gov. Tony Evers extended a school-funding increase for more than 400 years—when it was intended for two years. That's bringing

Please turn to page A6

EXCHANGE



HIGH PRICES

The aisle in the grocery store where inflation still runs amok. **B1**

Knee Injuries Deplete Women's World Cup

By Rachel Bachman

The anterior cruciate ligament is only about 1½ inches long. At the Women's World Cup that kicks off July 20, however, that tiny strip of knee tissue will cast an ominous shadow over the host nations of Australia and New Zealand.

ACL injuries have knocked the equivalent of a global all-star team out of the World Cup. Gone are high-scoring U.S. midfielder Catarina Macario and 2019 World Cup champion forward Christen Press. The Netherlands will be without star Vivianne Miedema when it faces the U.S. in group stage play on July 26, while France will be missing Marie-Antoinette Katoto. Such injuries have

also sidelined three starters from the England squad that won the 2022 European championships: Beth Mead, Fran Kirby and captain Leah Williamson.

It is difficult to know whether and how much ACL injuries are rising globally in women's soccer, or whether the current run is an alarming outlier. Such injuries are more common among female athletes, however, and far more common among female soccer players in the U.S., according to researchers, who began to see the problem surge more than a decade ago.

"We did a study showing a 300% increase in ACL injuries in adolescents and teenagers,"

Please turn to page A14



U.S. NEWS

El Paso Walmart Shooter Gets 90 Life Terms

Patrick Crusius had pleaded guilty to federal hate crimes in killing 23 people

By ADOLFO FLORES

The gunman who killed 23 people in an attack targeting Latinos at an El Paso Walmart in 2019 was sentenced Friday to 90 consecutive life sentences in federal prison.

Patrick Crusius was charged with 90 federal crimes for his role in one of the deadliest mass shootings in U.S. history; 45 of the charges have been deemed hate crimes. In February, he changed his plea from not guilty to guilty, after federal prosecutors said they wouldn't seek the death penalty in the case.

Crusius, 21 at the time of the shootings, traveled about 10 hours from a Dallas suburb to the Texas border city to target Latinos in the attack. Authorities said Crusius published a manifesto online shortly before the attack, and said the planned massacre was in response to a "Hispanic invasion" of Texas.

He was also indicted on state capital murder charges and faces the death penalty if convicted, prosecutors said. On Thursday, El Paso District Attorney Bill Hicks said his office would seek the death penalty when their case goes to trial and said they expected to have



Ian Martinez Hanna, an assistant U.S. attorney who prosecuted the case, spoke with reporters. Friday's sentencing followed two days of emotional impact statements from victims' relatives.

custody of Crusius in October or November.

"I am committed to seeking justice for the people of this community," said Hicks at a

press conference.

Crusius agreed to accept 90 consecutive life sentences for the federal charges, the Justice Department said, one for

each of the counts that included hate crimes resulting in death, hate crimes resulting in bodily injury and dozens of firearms violations.

The sentencing on Friday followed two days of emotional impact statements from the victims' relatives, some of whom furiously confronted Crusius, others who detailed the effect the shooting had on them and the community.

Following the sentencing, Ian Martinez Hanna, an assistant U.S. attorney who prosecuted the government's case, stood outside the courthouse and thanked the El Paso community. "We offer to you thanks and our gratitude and our respect to those that lost loved ones and were affected by this horrible tragedy," Hanna said.

Joe Spencer, attorney for the shooter, said the sentence was what they expected at the end of the federal trial. "From the beginning, we were willing to resolve this case so that he would go to prison for the rest of his life," Spencer, speaking in Spanish, said.

Crusius has a lot of mental health issues and is dangerous, Spencer said, but he will never leave prison.

Spencer, who is Mexican, said his client wasn't a racist but rather has a broken brain that stops him from understanding and processing the world around him.

Asked by reporters outside the courthouse about the El Paso District Attorney saying his office would pursue the death penalty, Spencer replied that it wasn't what the community needed; what the commu-

nity needs is for the case to be over, he said.

The massacre occurred on a busy Saturday morning, as families shopped for school supplies and groceries. Victims ranged in age from 15 to 90 and included Americans, Mexicans and a German. One couple died shielding their 2-month-old baby, their family told CNN, while another man died shielding his wife and granddaughter.

Crusius, who grew up comfortable in the majority-white Dallas suburb of Allen, was described by family and acquaintances as an introverted person who gravitated to online gaming and chat rooms.

He later told investigators that he connected with white nationalists online, and read and admired the manifestos of other mass killers. He posted his own shortly before the attack on the Walmart, claiming Hispanics were replacing native-born Americans and taking away jobs.

When Crusius's mother learned he had ordered an AK-style rifle, she called Allen police with concerns, according to an attorney, but was told her son was legally allowed to own the gun.

—Elizabeth Findell contributed to this article.

NOTICE TO READERS
The Numbers column will return in future editions.

CORRECTIONS & AMPLIFICATIONS

Joshua Robinson's byline was omitted on Wednesday from a Sports article about the grass at Wimbledon.

Readers can alert The Wall Street Journal to any errors in news articles by emailing wsjcontact@wsj.com or by calling 888-410-2667.

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Giuliani Should Be Disbarred For Election Effort, Panel Says

By ISAAC YU

WASHINGTON—A District of Columbia-based disciplinary panel has recommended Rudy Giuliani be disbarred for his "frivolous" efforts on behalf of then-President Donald Trump to overturn the results of the 2020 election.

The committee, an arm of the District of Columbia Bar, found that Giuliani had undermined trust in federal elections by directing Trump's legal challenge to the presidential vote count in Pennsylvania and promoting unfounded theories of fraud in court.

"He claimed massive election fraud but had no evidence of it," the committee wrote. "By prosecuting that destructive case Mr. Giuliani, a sworn officer of the Court, forfeited his right to practice law."

The decision will now be reviewed by the nine-member Board on Professional Responsibility, and then turned over to the D.C. Court of Appeals. Giuliani's licenses to practice law in New York and Washing-

ton have been suspended since 2021.

A spokesperson for Giuliani denounced the move on Friday, urging lawyers to "speak out against this great injustice."

Giuliani took the stand to defend himself before the Washington, D.C. bar's disciplinary committee in December 2022. He argued that there were widespread improprieties with mail-in ballots in Pennsylvania and said that Trump's poll watchers weren't granted proper access to observe the vote-counting.

"My role was to show how Pennsylvania involved the same set of eight or 10 suspicious actions—illegal actions, whatever you want to call them, irregular actions—that could not be the product of accident," Giuliani said on the witness stand.

The board's report calls Giuliani's statements "factually deficient" and containing only "vague and speculative allegations about random and isolated electoral irregularities" that didn't amount to widespread fraud.

Ex-Army Staffer Charged With Defrauding Gold Star Families

By JENNIFER CALFAS

A former U.S. Army financial counselor was charged with wire and securities fraud after he allegedly defrauded more than two dozen families of fallen servicemembers out of money they received from the military for his own financial gain.

The U.S. attorney's office for the District of New Jersey announced 10 charges, including six counts of wire fraud, against Caz Craffy on Friday. The Securities and Exchange Commission filed a separate civil complaint against Craffy in the U.S. District Court of New Jersey.

Prosecutors alleged Craffy, a 41-year-old U.S. Army Reserve major in Colts Neck, N.J., conducted a yearslong scheme to deceive at least 29 Army families and convince them to invest their survivor benefits into accounts he managed at private financial firms. He earned more than \$1.4 million in commissions from the fam-

ily accounts through unauthorized trades over several years, prosecutors said.

"Stealing from Gold Star families whose loved ones made the ultimate sacrifice in service to our nation is a shameful crime," U.S. Attorney General Merrick Garland said.

Craffy made his first appearance in federal court in New Jersey Friday afternoon, according to court documents. A lawyer representing Craffy declined to comment.

Families of fallen servicemembers, known as Gold Star families, receive a \$100,000 payment from the military after their family member's death, as well as up to \$400,000 in life-insurance benefits. Financial counselors with the Army's Survivor Outreach Services program are expected to assist the families through general financial education, according to the indictment, rather than by sharing their own opinions on how a family should save, spend or invest their money.

Prosecutors alleged Craffy took advantage of his role as a financial counselor to grieving families and swayed them to place their money into investment accounts he controlled at financial firms where he was employed, without disclosing his connection to them.

Prosecutors said Craffy carried out the scheme from May 2018 to November 2022. A total of \$9.9 million of the families' benefits was transferred into the accounts Craffy controlled. More than \$3.4 million was lost from the accounts, prosecutors said.

The Securities and Exchange Commission said Craffy conducted unauthorized trading and recommended excessive trades as well as risky trading strategies. "For him, each trade was a double-sided coin: he won no matter how the trade came out, heads or tails, because he got his commission either way," Philip Sellinger, the U.S. attorney for the District of New Jersey, said Friday.

July 8th – 23rd

SALE

*Summer Sale prices valid in participating stores, from July 8 to 23, 2023. Not to be used in conjunction with other offers. Photo: Michel Gilbert, by Advertisers' Photo Agency, Paris.

Mah Jong. Modular element sofa, designed by Hans Hopfer. Upholstered in fabrics designed by **Kenzo Takada**, Matsuri collection, Natsu version.

U.S. NEWS

U.S. Moves To Curtail Short-Term Health Plans

By STEPHANIE ARMOUR

The Biden administration is seeking to curtail short-term private health plans, in part because of fears the plans undermine the viability of exchanges set up under the Obama era Affordable Care Act.

Some consumers seek out these temporary plans—sold directly to consumers by private insurers—because they are generally less expensive than ACA plans, offer flexible coverage periods such as 30 days or three years, and can be obtained any time of the year rather than just during the once-a-year ACA open-enrollment period.

The plans provide temporary medical insurance but don't cover as much as those sold on the ACA exchanges.

Under a proposed rule, the administration aims to limit the plans to three months, or four months if consumers opt to extend them, administration officials said. If completed later this year, the proposal will apply only to new plan sales, according to a senior administration official.

The proposed rule follows pressure from Democratic lawmakers to curtail the short-term plans they say siphon younger, healthier people away from the ACA marketplaces.

There is scant data on how many people are enrolled in short-term plans because the insurance companies aren't required to report enrollment data. The plans provide temporary medical coverage but don't have to comply with ACA requirements such as covering certain benefits.

Consumers might wind up with medical debt because they purchase the short-term plans not realizing that certain services won't be covered, according to senior administration officials.

Some insurance companies such as Cigna Group and UnitedHealthcare—the largest health insurer in the U.S.—say the short-term plans are flexible, can fill gaps in coverage, let consumers cancel coverage without penalties, provide a variety of plans and allow consumers to pick deductible amounts. Other supporters say they provide a temporary safety net for people who may be in between jobs or can't afford ACA plans and that any limits will hurt consumers.

In addition to the time limits, short-term health plans under the new rule would have to provide a disclaimer to new and existing consumers alerting them to benefit limitations.



When Your Neighbor Has 2,500 Hogs

By SHANNON NAJMABADI

MORNING SUN, Iowa—Jean and Thomas Lappe rolled down the window of their 2010 Ford F-150 as they drove to one of the more than a dozen industrial hog farms that surround their home.

A hog's carcass was visible in the dumpster outside the facility. The stench of animal feces filled the truck.

"Every day, every hour, this is what they put out," said Thomas Lappe, 70 years old, about the hog farms built near his home in the past decade.

Most hogs today are raised in barns that house thousands of animals, often owned by a company contracting with a farmer. The factory-style operations are an economic driver in agriculture-dominated states such as Iowa, and a boon to many smaller pork producers.

But they can be a nightmare for those living nearby, after several court rulings and state laws have left residents with fewer avenues to stop their expansion.

Shawn Adam, who owns six hog barns in southeast Iowa with his family, said the operations offer a way for him and his children to continue farming. "We're not going to get Microsoft to build warehouses here. We're not going to get Firestone to put a tire plant in," he said. "We're a small rural community with a packing house 50 miles away."

Hogs outnumber residents by about 7 to 1 in Iowa, the top pork producer in the nation. Hog farms and pork processors directly employed 36,070 workers in the state in 2021, according to the National Pork Producers Council.

The number of hog farms in Iowa fell by nearly 90% between the 1980s and 2017, according to federal data. The number of animals on each farm has risen significantly during the same time.

A glut of pork has recently caused steep losses in the hog industry, with some farmers losing \$30 or more on each hog they produce.

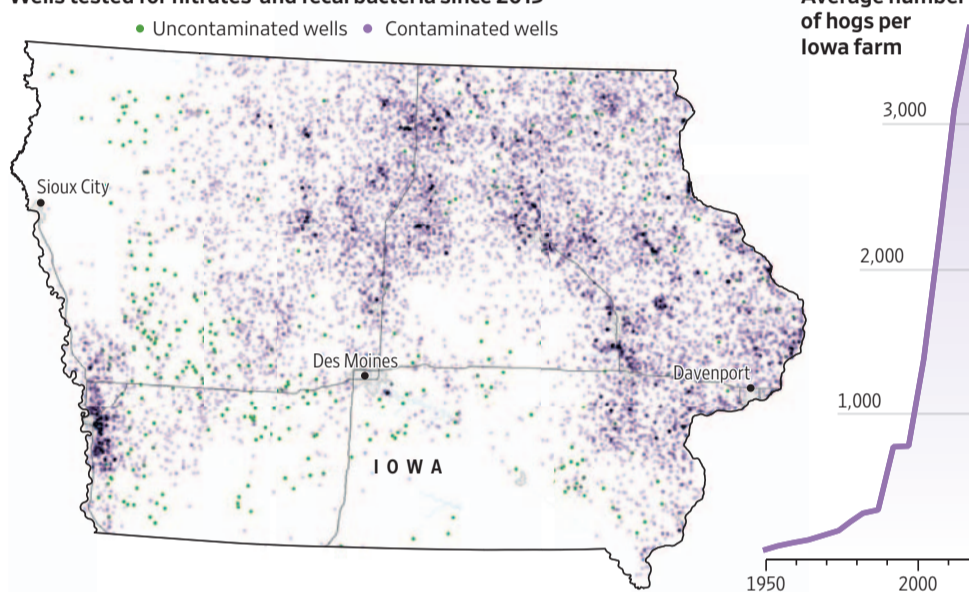
A typical hog farm around the Lappes is capable of producing enough feces and urine to fill one-and-a-half Olympic-size swimming pools a year. The animals' manure breaks down in pits, emitting ammo-



The Adam family owns six hog barns in southeast Iowa, around Batavia. Each barn can house about 2,500 pigs. Hogs outnumber residents by about 7 to 1 in Iowa.

Nitrate pollution has been a longstanding problem in some Iowa waterways, attributed to chemical fertilizer or manure running off farms.

Wells tested for nitrates and fecal bacteria since 2013



Sources: Iowa Department of Natural Resources (tested wells); Department of Agriculture (hogs per farm)

Carl Churchill/THE WALL STREET JOURNAL

nia, methane and other noxious gases. It is then pumped up to be used as fertilizer.

The manure can contain pathogens and antibiotics given to prevent illness from spreading through densely populated pens, according to the U.S. Environmental Protection Agency and multiple studies. Critics of the operations and environmental advocates say the manure can run off fields and foul waterways.

Pork industry representatives said the manure is an alternative to commercial fertilizer, and that such fears discount regulations the barns must abide by.

Landowners have sued to stop livestock confinements from operating near their homes. City or county officials have sought to add restrictions but are often unsuccessful.

A March 2023 court ruling in Missouri upheld a state law that bans local governments from regulating the facilities. A 2022 Iowa Supreme Court ruling made it tougher for neighbors to sue hog farms as nuisances.

All states had a right-to-farm law that gives farmers some form of immunity as of 2022, according to the National Agricultural Law Center. Before that year, Iowa had been an outlier

in ruling that immunity could be unconstitutional under certain conditions, the court said.

Lawmakers in Nebraska and other states have considered bills to shield agricultural operations from nuisance lawsuits. A similar law passed in North Carolina in 2018 after a jury awarded 10 hog-farm neighbors \$50 million in punitive damages. The amount was later reduced because of a state law limiting punitive damages.

"We're trying to be proactive," said Nebraska Sen. Beau Ballard, a Republican who represents parts of the city of Lincoln and Lancaster County. The lawsuits-shielding bill he pro-

posed didn't pass this session, but he thinks the state can find a balanced approach that will be approved.

Of seven nuisance cases tried in Iowa between 2008 and 2019, all but one found there wasn't a nuisance, said Eldon McAfee, an attorney who has represented the Iowa Pork Producers Association and individual hog producers. In some, other neighbors testified they were unbothered by the operations and their smell.

"Even though people were saying how terrible it was other people said it wasn't," McAfee said. "The juries heard the evidence."

Jean Lappe said she helped raise up to 240 hogs at a time with her sisters while they were growing up in the Morning Sun area.

She and her husband now keep their windows closed to block the odor and flies from confinements located within 2 1/2 miles of them.

"I know what hogs smell like," Jean Lappe said. "This is something totally different."

Gordon Garrison, 81, a landowner whose lawsuit prompted the 2022 Iowa ruling, kept notes of odors he smelled and which direction the wind was blowing after a confinement began operating near his farm in northwest Iowa around 2015.

The Iowa Supreme Court ruled against Garrison, writing in its opinion that protecting livestock production is "a legitimate state interest, and granting partial immunity from nuisance suits is a proper means to that end." The Lappes were among numerous families and a town that sued the operators of large hog barns in the Morning Sun-area. They lost their case.

Adam's family decided to start operating their facility, which houses thousands of hogs owned by meatpacking giant JBS Foods, for a stable supply of manure to spread on row crops they raise. Adam said it also offers an economic boost to an industry where young farmers can struggle to raise the capital costs to break in, and that the general public doesn't understand how much labor and paperwork is involved.

It is "all things that you have to do to continue to survive," he said. "And to not only survive—thrive."

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U.S. NEWS

Two Emerged as High Court's Swing Votes

Roberts, Kavanaugh joined liberals in some cases, amid broader win for conservatives

By JESS BRAVIN

WASHINGTON—The Supreme Court completed its annual term last week with resounding conservative victories, ending a half-century of affirmative action in college admissions, curbing gay rights when they clashed with religious objectors and canceling President Biden's plan to forgive student debt owed by 40 million Americans.

Yet, Chief Justice John Roberts, concluding his 17th term in charge, sought to signal that his wasn't purely a partisan court.

Roberts wrote opinions frustrating Republican efforts to win new legal advantages in the 2024 elections, rejecting Alabama's plea to roll back Voting Rights Act protections for minority voters and turning down another, filed by North Carolina's legislative leaders, that sought to block state courts from reviewing gerrymandered congressional districts.

At Roberts's side in both cases was Justice Brett Kavanaugh, who has proven to be the chief's most reliable ally. They voted with the liberal bloc to leave current election law in place, joined as well in the North Carolina case by Justice Amy Coney Barrett. Roberts and Kavanaugh voted together in 95% of cases, while Barrett joined Roberts 89% of the time and Kavanaugh 91% of the time, creating the court's fulcrum, according to Empirical Scotus, a website that provides statistical analysis of the court.



Chief Justice John Roberts, concluding his 17th term in charge, sought to signal that his wasn't purely a partisan court.

The mix of decisions makes it harder to cast the court as an arm of the Republican Party, something that liberal critics—including some dissenting justices—did a year ago after conservatives ran the table on long-sought GOP objectives. In that session, the court revoked abortion rights, restricted the government's power to fight greenhouse gases and adopted a new Second Amendment theory that limits weapons regulations if they differ from those in force at the nation's founding.

The next term, which begins in October, will test the tenuous majority on election law.

The court is scheduled to hear an appeal filed by leaders of South Carolina's Legislature after a federal court found that it had drawn a racially gerrymandered congressional map.

Roberts has avoided the kind of public engagement over the court's reputation that some justices, such as Samuel Alito, appear to relish. But in the final words of the term's last decision, which threw out Biden's student loan-forgiveness plan, he sought to quell public doubts about the institution he steers.

"It is important that the public not be misled," he wrote, regarding disagreements be-

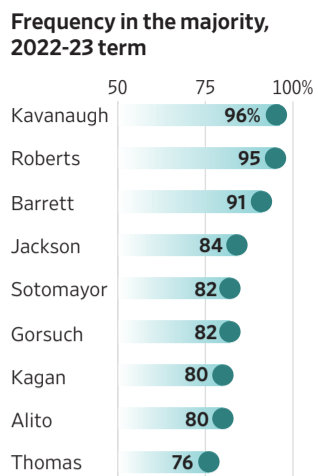
tween the conservative majority and the liberal minority. Some critics, he suggested, read those conflicts as reaching beyond differences in legal interpretation to questioning the court's legitimacy itself. "Any such misperception would be harmful to this institution and our country," he wrote for the six conservatives.

But in her dissent's opening line, Kagan rejected Roberts's portrayal of institutional normalcy.

"In every respect, the Court today exceeds its proper, limited role in our Nation's governance," she wrote for the three liberals. In their reading, the

law Congress passed gave the executive branch broad authority to waive or modify student-aid programs in light of national emergencies—and didn't rule anything out, including debt cancellation. The "danger to a democratic order" wasn't questioning the court's legitimacy, she wrote, but the majority's decision to substitute "itself for Congress and the Executive Branch in making national policy about student-loan forgiveness."

Such polarized decisions, at times overruling precedent, are fueling a decline in public confidence in the court, as are disclosures that some justices pri-



Source: empiriscotus.com

vately accepted lavish gifts from billionaire activists with conservative agendas. While the court historically has maintained a reservoir of popular support, recent years have seen Democrats in particular grow to deeply question it.

A parallel exists among legal observers, with conservatives viewing the court's actions as a deliberate and case-by-case approach, while liberals see a majority determined to rewrite the constitutional order.

"This term continued the trend of the court trying to resolve cases narrowly when it can," said Jonathan Adler, a law professor at Case Western Reserve University.

University of Texas law professor Sanford Levinson said Roberts and Kavanaugh "were just making calculations about what we can get away with."

"You might be relieved or appalled by particular decisions," he said. "But that's different than seeing this term as vindicating a commitment to law as something genuinely independent from politics."

—Jan Wolfe contributed to this article.

Ruling Puts Race-Based College Scholarships at Risk

By DOUGLAS BELKIN AND MEGAN TAGAMI

Universities in at least two states say they will no longer take race into account in awarding scholarships in the wake of the Supreme Court's landmark finding on affirmative action.

Though the decision finding race-based admissions policies unconstitutional last week didn't address scholarships, the University of Kentucky and the University of Missouri System have already said they would remove race as a criteria in scholarship programs. Other colleges are expected to follow suit, as many face political pressure to make changes following the court's ruling.

"We are still reviewing the details of the ruling, but, based

on our initial understanding, it appears that the court has restricted the consideration of race with respect to admissions and scholarships," University of Kentucky President Eli Capilouto said the day the ruling was released.

The court's 6-3 decision involved cases filed against Harvard University and University of North Carolina, alleging race-conscious admissions practices help Black and Latino applicants while hurting Asian applicants.

The moves to drop race-based scholarships highlight the rising uncertainty over how colleges and universities will navigate categories such as race, gender and class following the court's ruling.

Paulette Granberry Russell, president and chief executive

of the National Association of Diversity Officers in Higher Education, said the Supreme Court opinion only addressed the use of race in admissions and it was premature to extend its reach to scholarships.

"We have been concerned about the chilling effect that the decision might have on efforts to diversify campuses, as well as to cultivate inclusive environments, and we now see how this is already playing out," she said.

Last week, Wisconsin Speaker of the House Robin Vos tweeted: Lawmakers "will introduce legislation to correct the discriminatory laws on the books and pass repeals in the fall." Hours after the Supreme Court opinion was handed down, Missouri Attorney General Andrew Bailey, a Republi-

can, sent letters to the University of Missouri system and Missouri State University, demanding that they "immediately cease their practice of using race-based standards to make decisions about things like admissions, scholarships, programs, and employment."

About 5.3% of financial aid across the University of Missouri system is doled out through scholarships and other aid that consider an applicant's race or ethnicity, said Uriah Orland, a spokesman for the school. That totaled about \$16 million in the past academic year.

The university will honor these scholarships and financial aid in the 2023-24 school year, but will follow the attorney general's directive and disband the awards moving for-

ward, Orland said. The university is still determining how to address scholarships that were intended to stretch over multiple years, he said.

The Board of Curators, the university's governing body, is considering reallocating the money currently dedicated for financial aid with a race-based component and reinvesting some of it to scholarships based on students' socioeconomic status, Orland said.

Joanna Rodelo, a Latina student at University of Missouri-Columbia, received a \$10,000 scholarship last year that was funded by a major accounting firm in partnership with the university and was specifically designated for racial minority students. She reapplied to receive the scholarship for the coming academic year.

With two years left to finish her bachelor's and master's degrees, Rodelo said she was unsure how she would afford the remainder of her education if the university discontinues her scholarship program.

The University of Kentucky doesn't have any race-exclusive scholarships but "there are numerous scholarships that consider race as one factor among many," said Jay Blanton, a school spokesman.

Efforts to get rid of race-based scholarships follow in the footsteps of Mark Perry, professor emeritus at University of Michigan, who has been working for years to curtail scholarships and spaces on campus that are reserved for women or people of color. Perry contends the practices amount to discrimination.

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U.S. NEWS

U.S. WATCH

NEW YORK

Six Charged in Campaign Case

Six businesspeople involved in the construction industry were charged in an illegal campaign-finance scheme to make straw donations to New York City Mayor Eric Adams in hopes of gaining favor with his administration, the Manhattan district attorney's office said Friday.

The defendants recruited more than two dozen people as straw donors to take advantage of a city program that amplifies small contributions to campaigns with public funding, according to a 32-page indictment.

The donations, which amounted to tens of thousands of dollars with the matching funds, were made to Adams's campaign during the 2021 election season, prosecutors said. That year, Adams, a Democrat, beat out a crowded field of contenders to succeed Mayor Bill de Blasio.

Neither Adams nor any member of his campaign is accused of wrongdoing.

In some cases, the straw donors falsely certified they were making donations, and in others, they were reimbursed for donations they made, prosecutors said. Campaign-finance laws prohibit a political donor from using another individual's money.

The Manhattan district attorney's office charged the six defendants and site-safety firm EcoSafety Consultants with conspiracy, attempted grand larceny and other offenses.

"We allege a deliberate scheme to game the system in a blatant attempt to gain power," said Manhattan District Attorney Alvin Bragg.

A spokesman for Adams's 2021 campaign said there was no indication that the campaign or the mayor is under investigation.

Scott Grauman, a lawyer for EcoSafety, said it would fight the charges vigorously.

—James Fanelli

MARYLAND

Raskin Won't Run for Senate

Democratic Rep. Jamie Raskin, who led the second impeachment of former President Donald Trump, said Friday he wouldn't run for Maryland's open Senate seat and would seek a fifth term in the House.

Raskin, in announcing his decision, said one of his objectives in the House would be to chair the House Oversight Committee, which investigates government agencies and officials. He called the prospect of serving in the Senate alluring and said many supporters had encouraged him to run, but that he could best serve in his current job.

Democratic candidates to fill the seat of retiring Democratic Sen. Ben Cardin include Rep. David Trone and Prince George's County Executive Angela Alsobrooks.

Raskin had been considering whether to run since early May, when Cardin announced that he wouldn't seek re-election.

Raskin, 60 years old, is a Harvard-educated former constitutional-law professor who serves as the top Democrat on the House Oversight Committee.

—David Harrison

WHITE HOUSE

New FAA Head Expected Soon

President Biden is expected to nominate Mike Whitaker, who served as the Federal Aviation Administration's deputy chief during the Obama administration, to be the agency's next permanent leader, people familiar with the matter said. An official announcement by the Biden administration about Whitaker's anticipated nomination had recently been expected as soon as next week, these people said. They said the plans haven't been finalized and could change.

A White House official said no decision had been made.

—Andrew Tangel



A security robot patrols Santa Fe High School's multi-building campus grounds 24 hours a day, seven days a week.

Schools Deploy Robots for Security

BY MEGAN TAGAMI

When Lori Andrews attended her daughter's graduation at Santa Fe High School, she spotted a 5-foot-10, 400-pound robot roaming the football field alongside the newest alumni.

Andrews, a visual arts teacher at the school, said she initially thought the robot was taking photos of the graduates. She was taken aback when her husband described it as a police robot and she learned that it was providing 360-degree camera footage to the school security team.

"My reaction was, 'Yuck,'" Andrews said. "What is it filming, what kind of camera is on it?"

The New Mexico school district started a pilot program in mid-June with the robot, which patrols the multi-building campus grounds 24 hours a day, seven days a week.

Amid growing concerns about gun violence and mass shootings in schools, several companies are starting to offer similar robots to schools across the country. Few schools have deployed the ma-

chine thus far, primarily for campus surveillance. But they have the potential to do much more, including potentially confronting attackers and others who come onto campuses without permission.

Using artificial intelligence, the robot in Santa Fe learns the school's normal patterns of activity and detects individuals who are on campus after hours or are displaying aggressive behavior, said Andy Sanchez, who manages sales for Team 1st Technologies, the robot's distributor in North America.

In the case of an active shooter or other threat, the robot could alert the security team, Sanchez said. It could move toward the intruder and transmit video footage that informs the officers' course of action, he said. The robot isn't armed but can confront intruders, and human security team members would be able to speak to the intruder through the robot's communication system.

The school chose to disable the robot's weapons detection features during the pilot, although the security team is

determining whether it might be added at a later time, said Mario Salbidrez, executive director of safety and security at Santa Fe Public Schools.

The robot doesn't have facial recognition features, and Santa Fe High School owns the robot's video footage, meaning it can decide whether or not to save it, Sanchez said.

The robot hasn't yet detected intruders on campus, but it has alerted the security team to new workers entering the school's construction site and individuals trying to open locked doors in harmless attempts to enter buildings, Salbidrez said. Its cameras have also caught faculty members waving to the cameras and students making peace signs.

Callie Trader, a rising senior at Santa Fe High School, said she is unfazed by additional surveillance on campus. She doesn't think the robot will change students' behavior any more than existing security cameras do.

"I think it will just be funnier, just different," she said.

Other districts are considering robots in a security role. Robert Stokes, co-owner and

president of Stokes Robotics, said his company is working with multiple districts across the country. In most cases, schools will use robots in the classroom to teach students about coding, Stokes said. But in the face of an armed intruder, the robot could take more aggressive action, pointing a laser beam at a suspect's chest or using flashing lights to try to induce them to drop their weapons.

Humans would be responsible for deciding the robot's course of action in real-time but could remain out of the line of fire in the case of an active shooter, Stokes said.

Brad Wade, superintendent of Wyandotte Public Schools in Oklahoma, said the district hopes to introduce four robots from Stokes Robotics in the fall.

Team 1st Technologies is piloting the robot at Santa Fe High School free of charge for the summer. The cost for the 2023-24 school year is estimated to be around \$60,000 to \$70,000, Salbidrez said. The school is still determining if the robot is worth the investment, he said.

DeSantis's Support Flattens

Continued from Page One

Trump gained 5 points. While DeSantis clearly sits in second place and many GOP voters say they like him, an expansive field of candidates makes it harder for him to consolidate support among those looking to move past the former president. He is trying to sell himself to Republican Trump foes, many of whom are moderate. At the same time, he is appealing to Trump fans by portraying himself as more conservative on key issues.

"There is this real conflicted nature to the DeSantis messaging," said Craig Robinson, a former political director of the Republican Party of Iowa.

The DeSantis campaign last week circulated a provocative video portraying Trump as soft on LGBTQ issues. The Log Cabin Republicans, a group representing LGBTQ conservatives that hasn't picked a candidate for 2024, said the video, with images of drag queens and muscular men, was antigay, while others thought it was in poor taste. In an interview this week with a conservative host, DeSantis called the subject "totally fair game."

It is still at least six months before the first voting, and DeSantis has a well-financed operation. After months of seeming discomfort with the rituals of retail politics, he is taking more questions from voters and trying to show a personable side, often joined by his wife, Casey, and their three young children.

Those close to DeSantis say there is no panic, but some donors have begun to express concern, people familiar with the discussions say. This past week, Steve Cortes, a spokesman for a super PAC supporting the governor, drew unflattering headlines for comments about being "way behind" in national polls and facing "an uphill battle." Cortes said in a follow-up statement that De-



Florida Gov. Ron DeSantis and his wife, Casey, left, walked in a July 4th parade this past week in Merrimack, N.H.

Santis has a strong path to the nomination.

DeSantis played down his polling in a Fox News interview Thursday. "I have the best record of defeating the left on issue after issue. And we will be making that case over the next six or seven months," he said. "I'm running to win in January and February. I'm not running to juice polling now."

GOP pollster Whit Ayres said DeSantis lacks a team that has worked with him before in a close election. Key strategists who helped with his first bid for governor in 2018 are no longer with him—one of them, Susie Wiles, is now a top Trump campaign aide—while his 2022 re-election was a 19-point blowout. "Politics is a team sport, especially at this level," Ayres said.

Trump's legal problems, meanwhile, haven't hurt him in the polls. Trump collected more than \$35 million in the second quarter, almost twice as much as the previous quarter, according to an aide—and his ability to capture the spotlight is as strong as ever. DeSantis raised \$20 million in his first six weeks, the campaign said Thursday, not counting tens of millions of dollars a super PAC has taken in.

The Trump campaign in recent days has argued that his polling lead means he is invincible for the nomination and that other candidates should unite behind him. History suggests that would be premature.

In Iowa, the state that will host the first balloting and one viewed as critical to the DeSantis campaign, the ulti-

mate winner in the 2008, 2012 and 2016 Republican presidential caucuses was only in single digits at this point of the campaign, according to the oft-cited Iowa Poll. None of the three winners of Iowa in those years ultimately captured the GOP nomination, although Iowans argue their role is more to winnow the field than pick a nominee.

David Polyansky, a senior adviser to the super PAC backing DeSantis, said he didn't have far to climb in the polls. "We are talking about a candidate who stands at a healthy position in the mid-20s with plenty of room to continue to grow," he said.

DeSantis has largely avoided talking with the media. But his campaign, in a sign of strategy shift, is planning to do interviews around a series of policy proposals he will lay out in the coming weeks, according to people familiar with the plans.

The campaign is also counting on DeSantis's biography becoming better known through advertising and his own telling. He has played up a modest upbringing, service in the Navy and family life.

People close to DeSantis concede they don't see much movement during the summer season, though they are looking at the first GOP debate in late August—which Trump has threatened to skip—as an inflection point. Some candidates will struggle to meet the polling and fundraising requirements for the debate, which could lead some to drop out of the race, making it more of a two-person contest, assuming DeSantis isn't overtaken by a rival.

SADDLE UP
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U.S. NEWS

Jobs Data Keep Fed on Path to Raise Rates

Figures do little to clarify outlook for further tightening after this month

By Nick Timiraos

The solid June jobs report is likely to leave the Federal Reserve on course to raise interest rates to a 22-year high later this month to combat inflation.

The figures do little to resolve a debate likely to occur at the July 25-26 meeting over whether and when Fed officials should raise rates again to slow the economy, including at their subsequent gathering in September.

Employers added 209,000 jobs in June, a solid gain, but revisions showed previous reports for April and May had overstated hiring by 110,000 positions.

Average hourly earnings for private-sector workers rose 4.4% from a year earlier, little changed from the past few months, but overall income rose because hours worked



DAVID PAUL MORRIS/BLOOMBERG NEWS

Employers added 209,000 workers in June, a solid gain but down from May's revised 306,000.

ticked higher in June. Friday's report wasn't likely to change the outcome of the July Fed meeting.

The Fed last month kept its benchmark federal-funds rate in a range between 5% and 5.25%, its first pause after 10 consecutive increases since March 2022.

increases this year. The Fed boosted interest rates aggressively in 2022 and then slowed the pace in December and February.

rapid moves, Fed Chair Jerome Powell said at a conference in Portugal on June 28. The decision to leave rates unchanged last month was approved unanimously by the 11 voters on the rate-setting Federal Open Market Committee.

"To put it concisely, I remain very concerned about whether inflation will return to target in a sustainable and timely way," said Dallas Fed President Lorie Logan.

Several Fed officials could push to follow a July rate increase with another hike in September. But others have called for a more patient approach.

dent Raphael Bostic told reporters in Ireland on June 29. "I don't see as much urgency to move as stated by others."

July's employment report is likely to do little to alter that debate because it didn't show signs of either an acceleration or a sharp slowdown in hiring.

The Labor Department is set to report on June inflation, as measured by its consumer-price index, next week.

Fed officials meet eight times a year, or roughly twice each quarter. While Powell said last month he wouldn't rule out raising rates at consecutive policy meetings, he said moving rates up at a slower, quarterly pace could continue if the economy evolves in line with current expectations.

"We've all seen inflation be, over and over again, more persistent and stronger than we expected. At some point that may change, and I think we have to be ready to follow the data and be a little patient as we let this unfold," Powell said.

Employers Step Up Wage Hikes

Continued from Page One it indexes both edged lower. All three indexes fell for the week, as a stretch of strong economic figures has bolstered investors' expectations of further Fed rate rises.

The strong data has driven up Treasury yields, with the yield on the 10-year Treasury note rising to 4.047%, notching its largest one-week yield gain since May. The yield on the two-year Treasury note rose for a fifth consecutive week to 4.931%.

Fed officials have signaled that other recent signs of strong economic growth and price pressures make a rate rise very likely after they held rates steady in June.

Better-paid workers spent more on travel, dining out and ballgames in the first half of the year. Others bought new cars. The economy expanded at a solid 2% annual rate in the first quarter, and many economists estimate similar growth for the April-through-June period.

Friday's jobs figures do little to resolve a debate likely to occur at the coming Fed meeting over when and whether officials should raise rates again, including at their subsequent gathering in September.

The economy will likely slow further in the second half of this year, as the Fed's

interest-rate hikes bite, consumers run through savings and student loan repayments restart, said Bill Adams, chief economist for Comerica Bank.

"It still seems likely that the economy's next move is a step down," Adams said. Employment grew each month for 2½ years, but June's gain was the smallest during that time.

Black Bear Crane, a crane and rigging company based in Hermon, Maine, needs more crane operators to lift objects such as heating and cooling units onto buildings, said Tony DelMonaco, the company's co-owner.

to Black Bear Crane compared with before the pandemic hit, DelMonaco said. One of the company's job ads is still sitting on Indeed.com, unfilled after two years and receiving only an applicant every month or two, he said.

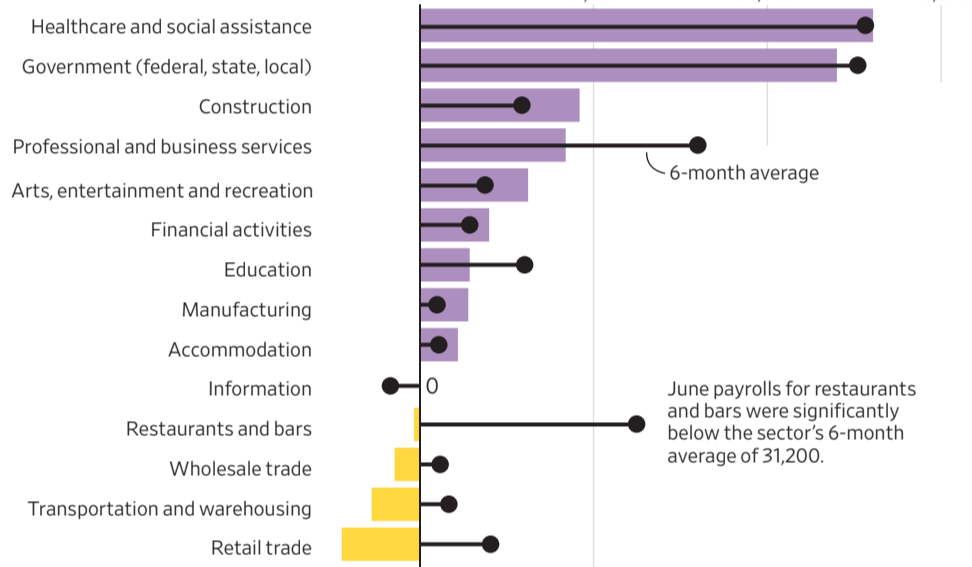
Black Bear Crane sometimes turns down business because of a lack of workers. The company generated about \$2.5 million in revenue last year, roughly \$1 million short of what it could have made with sufficient staffing, DelMonaco said.

"We can't keep up," he said. "If we could add more people, we could add more cranes and grow that way. But trying to find qualified people to do it is the problem."

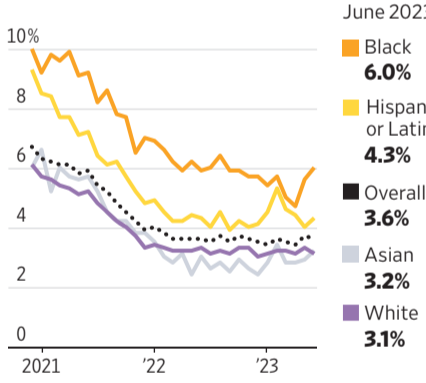
Several factors contribute to persistent hiring, including

Healthcare, government and construction accounted for more than two-thirds of the nonfarm payrolls added in June.

June nonfarm payrolls for select sectors, one-month net change

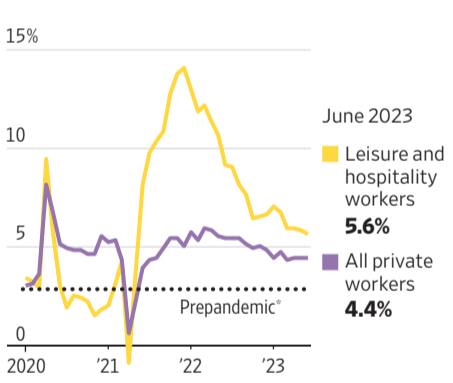


Unemployment rate



*12-month change in December 2019 for all private workers. Note: Seasonally adjusted. June payrolls are preliminary. Source: Labor Department

Hourly wages, change from a year earlier



employers' playing catch-up from the pandemic and longer-term forces shaping Americans' lives.

State and local governments, which struggled to find staff for much of the pandemic, snatched up workers last month. Government em-

ployment grew at well over twice its 2022 pace in the first half of this year, as public schools and hospitals and transit systems added workers.

Private hospitals and nursing homes also need more workers to serve the fast-

growing elderly population. Healthcare added 41,000 jobs in June.

Residential-home builders are clinging to labor despite higher interest rates because of a chronic shortage of available housing. And industrial and infrastructure businesses

continue to snap up workers for projects related to electric-vehicle batteries and semiconductors.

The labor market is cooling in some corners.

Restaurants and bars slashed jobs in June for the first time since late 2020, after powering the U.S. labor market's pandemic rebound. Employment declined at businesses that deliver and sell goods, including retailers and companies in transportation and warehousing.

The number of people working part time because they can't find full-time work jumped by nearly half a million in June. The Labor Department said the jump partially reflects more workers saying their hours were cut due to slower business conditions.

The labor-force participation rate, or the share of Americans who are working or actively seeking jobs, remains well below the February 2020 level of 63.3%, just before the pandemic hit. That largely reflects the aging U.S. population and is triggering persistent labor shortages.

However, the strong labor market is drawing in younger workers. The labor-force-participation rate for Americans ages 25 to 54 rose in June to the highest level since 2002.

Other data show initial applications for unemployment benefits, which are a proxy for layoffs, are up about 20% from the start of the year. Tech-industry job cuts dominated at the start of 2023 and included Facebook parent Meta Platforms, Google parent Alphabet and Microsoft. The pain extended to other parts of the economy as retailers, manufacturers, media companies and financial firms all announced cuts.

Nick Timiraos and Harriet Torry contributed to this article.

Wisconsin Veto Baffles The Nation

Continued from Page One attention and astonishment, even from the host of "Jeopardy!," to a Badger State veto peculiarity that goes back nearly 100 years.

Governors and U.S. presidents can veto legislation they dislike, and negate entire bills. But Wisconsin's governor has the unique power to strike out individual words, numbers and punctuation, which gives the chief the ability to turn a law into a Mad Libs-like creation that stymies even the best-laid legislators' plans.

"The Cheese stands alone," proclaimed a paper in the Wisconsin Law Review on the state's funky veto tradition.

This week, Evers, a Democrat, used his veto powers multiple times on the omnibus budget bill passed by the GOP-controlled legislature. His most notable maneuver pertained to a clause increasing

public-school funding for the 2023-24 and 2024-25 school years.

For the 2024-25 piece, he excised the "20," killed the hyphen, and created a new end date. Hello, year 2425.

He extended the law by more than four centuries.

The veto ensures "our school districts have predictable, long-term revenue" to help meet rising costs, said a statement from Evers.

Republican Wisconsin Assembly Speaker Robin Vos on the radio called it "an unprecedented brand new way to screw the taxpayer."

"Jeopardy!" host Ken Jennings said in a tweet, "Running for Wisconsin governor just so I can strike out letters in an appropriations bill to make it a 'poop bill.'"

Up until the early 20th century, Wisconsin passed budgets in a way intended to allow statesmanlike consideration of every measure. But in 1911 the legislature began using comprehensive budget bills that packaged everything together.

Such omnibus bills have long been derided as ways to pack budgets with pork, and progressive Wisconsinites

struck back with a campaign to grant the governor a partial veto to allow judicious excision of budget items without sinking the entire thing.

In 1930 the draft amendment came up for a vote and so did Philip La Follette, who was running for governor that year and was one of the most-vocal opponents of the proposed amendment, saying it "smack[ed] of dictatorship."

The amendment passed, La Follette was elected governor

and he promptly used his new power of partial veto. Twice.

A close-reading of those powers brings the governor's loophole into focus: "Appropriation bills may be approved in whole or in part by the governor, and the part approved shall become law."

For decades, relatively small appropriations bills helped prevent the practice from running amok. Yet in time, bills went from a few hundred pages to thousands,

and the "in part" clause became catnip to lawyers and politicians practiced in the arts of casuistry.

"A string of both Democrat and Republican governors really pushed the limit to how far they could take it," said Mordecai Lee, professor of urban planning at the University of Wisconsin-Milwaukee.

Gov. Anthony Earl in the 1980s peeled away words and numbers to create new sentences. The wordplay came to be known as the "Vanna White Veto," a nod to the "Wheel of Fortune."

Gov. Tommy Thompson, who took office in 1987, used a creative deletion of numbers to turn a modest property-tax credit into a multimillion-dollar school tax credit fund. The maneuver was dubbed the "Frankenstein Veto."

Former Gov. James Doyle in 2005 "pieced together 20 words within 752 words to create a new sentence" that allowed more than \$400 million to be transferred from the transportation fund to the general fund, for public schools, noted the Wisconsin Legislative Reference Bureau.

Former Gov. Scott Walker in 2017 used his veto power to



HARRIET TORRY/ASSOCIATED PRESS

Democratic Wisconsin Gov. Tony Evers signs the state's spending plan into law on July 5.

WORLD NEWS

Bank Finds No Proof Of Party's Influence

BY SHA HUA

SINGAPORE—The Beijing-backed Asian Infrastructure Investment Bank found no evidence of undue influence by China's Communist Party in its decision-making, said an internal review released Friday.

Last month, the China-led multilateral development bank's communications director, Bob Pickard, resigned and hurried out of China, accusing the bank's management in a series of Twitter posts of being "dominated by the Communist Party" and describing the work culture there as "spectacularly poisonous."

Hours after Pickard, a Canadian citizen, leveled the allegations, Canada halted its activity at the bank and launched an inquiry.

The bank, known as the AIIB, conducted a 10-day probe that included a review of documents and interviews. "The internal review found no evidence to support or validate the former director general of communications' allegations," said the bank's general counsel, Alberto Ninio, a Brazilian national.

China holds 26.6% of AIIB's shares, giving it an effective veto over major decisions, while European countries, the U.K., Canada, Australia and New Zealand collectively hold 28%. The U.S. isn't a member.

The AIIB said Pickard declined to be interviewed and said instead that he would provide a written submission by July 3. The bank said it hadn't been received. Asked for comment, Pickard reiterated his allegations of covert Communist Party influence, adding that he ultimately declined to participate after briefing the Canadian government. Canada's Department of Finance said its review was still ongoing.

Asked by The Wall Street Journal for examples of the Communist Party exerting its influence on the bank's decisions, Pickard replied: "I have pattern recognition on the people and the power. Not details on decisions overruled."

The infrastructure bank rejected separate allegations from Pickard of a "toxic work culture," but acknowledged that, "as a relatively new multilateral organization whose development has been disrupted by Covid-19, AIIB faces some challenges in building the desired culture."

Current and former foreign employees have said Pickard's allegations don't accord with their own experiences.

—Chun Han Wong
contributed to this article.



Treasury Secretary Janet Yellen spoke with Chinese Premier Li Qiang during a meeting at the Great Hall of the People in Beijing on Friday.

Yellen Aims to Heal Ties With China

During visit, Treasury secretary calls for competition that benefits both nations

BY BRIAN SPEGELE

BELJING—Treasury Secretary Janet Yellen sought to halt a steep slide in U.S.-China economic ties by offering assurances that the U.S. doesn't seek estrangement from China, while criticizing China's treatment of American companies during the first full day of a closely watched visit to Beijing.

In a meeting with Premier Li Qiang in Beijing, Yellen defended the Biden administration's position that the U.S. isn't pursuing a "winner take all" fight with China, but rather wants to engage in economic competition that would benefit both countries over time.

Yellen has been welcomed warmly. The Treasury Department described her meeting with China's premier as productive, running more than an hour, twice as long as scheduled.

The Treasury secretary is the latest senior U.S. official to fly to Beijing in a high-level bid to stabilize ties, following Secretary of State Antony Blinken's visit in June. The Biden administration seeks to halt the decline of the U.S.-China relationship to lower the risk of

conflict, although Beijing has grown increasingly skeptical of Washington's intentions.

Yellen played down efforts by the U.S. to limit China's access to sensitive technology—a particular irritant for Beijing, which has begun retaliating more forcefully—as narrowly targeted. She said such measures aren't a reason to allow relations to deteriorate further.

"The United States will, in certain circumstances, need to pursue targeted actions to protect its national security. And we may disagree in these instances," she said. "However, we should not allow any disagreement to lead to misunderstandings that needlessly worsen our bilateral economic and financial relationship."

The U.S.-China rivalry increasingly centers on access to sensitive technology. Looming over Yellen's visit are U.S. actions to limit Beijing's access to advanced semiconductors—which Washington fears could bolster China's military. Just days before Yellen's arrival, China said it was establishing export controls on two minerals critical to the production of semiconductors.

Yellen's conciliatory remarks to the Chinese premier followed a meeting earlier in the day with U.S. businesses in China, in which Yellen said the U.S. was still evaluating the recent Chinese actions, but

that they serve as a reminder of why it is important to build diversified supply chains.

She told the executives she is conveying their concerns to Chinese leaders, including over China's subsidies for state-owned enterprises and other domestic companies, as well as market-access issues that have long challenged their operations in China.

"I've been particularly troubled by punitive actions that have been taken against U.S. firms in recent months," she said, according to her prepared remarks.

Yellen didn't name specific U.S. companies in her public remarks. In May, China said it was banning purchases by major Chinese companies from U.S. memory-chip maker Micron Technology. In recent months, Chinese authorities have raided the offices of U.S. investigations firm Mintz Group and questioned staff at the consulting firm Bain & Co., as Beijing carries out a campaign targeting the collection of information it sees as potentially sensitive.

Yellen also didn't specifically mention China's expanded national-security law

in her public statement to China's premier or to the executives. The law has broadened China's definition of national security and tightened state control over a swath of data and digital activities, raising risks for U.S. companies in China and stoking anxiety among many executives who work in the country.

U.S. officials have played down any expectations of a breakthrough during the trip. Rather, it is part of a bid to re-

The rivalry increasingly centers on access to sensitive technology.

establish regular in-person communication between top officials, which were largely severed by China's Covid-induced isolation during much of the past three years.

In Beijing's telling, the U.S. seeks to contain China's rise through actions including the export controls on technology and efforts by the U.S. to deepen its partnership with allies that also oppose Beijing's assertiveness in global affairs. China says Washington's actions are to blame for the deterioration of ties, and has put the onus on the U.S. to take steps to improve them.

Even so, China has sent some signals recently that it wants to talk more to try to

improve relations. China's main state broadcaster said Li told Yellen that the U.S. and China should strengthen communications and that he hoped the U.S. would adopt a pragmatic and rational attitude in dealing with China. Yellen also explicitly told Li that the U.S. wants more regular communications with China.

A weakened Chinese economy makes it more urgent for Beijing to seek a stable relationship with the U.S. In some ways, the countries' economies have sharply diverged. While the U.S. works to tamp down inflation, China faces the inverse problem of anemic price growth. Beijing's challenge is in part a result of a weaker-than-expected rebound since it lifted almost all pandemic-related restrictions.

Some of the options that economists say Beijing could employ to jump-start its economy include cutting interest rates, weakening its currency or offering cash or other stimulus to businesses or households. Such measures would ripple across markets and affect the U.S. outlook as well. Yellen is seeking a clear reading from Chinese officials on where their country's economy is going.

Yellen also met with former Vice Premier Liu He and central-bank governor Yi Gang. It wasn't immediately known what they discussed.

Beijing Flexes Muscle Over Minerals

BY JON EMONT

SINGAPORE—China's decision this week to restrict the export of two minerals used in semiconductors, solar panels and missile systems was more than a trade salvo. It was a reminder of its dominant hold over the world's mineral resources—and a warning of its willingness to use them in its escalating rivalry with the U.S.

About two-thirds of the world's lithium and cobalt—essential for electric cars—is processed in China. The country is the source of nearly 60% of aluminum, also used in EV batteries, and 80% of polysilicon, an ingredient in solar panels. It has an even tighter grip on rare-earth minerals that go into crucial technologies, such as making smartphone touch screens and missile-defense systems, accounting for 90% of their refining, according to the International Energy Agency.

Chinese companies also often control processing that isn't done at home. A significant share of the world's nickel supply, for instance, comes directly from China, but much of the rest also is in Chinese hands, refined by companies from China in places such as Indonesia and Papua New Guinea.

China's hold over these minerals gives it the power to potentially disrupt the West's energy transition, chip manufacturing and defense indus-



The Tenke Fungurume Mine, located in the Democratic Republic of Congo, is owned by Chinese company CIOC.

tries as its rivalry with the U.S. heats up. A Chinese move to restrict exports of, say, lithium or cobalt would hit non-Chinese automakers hard, throwing the production of electric-car batteries into disarray.

Such extreme measures are unlikely in the near term, not least because they also would hurt Chinese businesses, but experts say they aren't off the table. "We would be foolish to limit our thinking that that kind of thing is impossible," said Morgan Bazilian, director of the Payne Institute for Public Policy at the Colorado School of Mines. "If you keep ratcheting up your tit-for-tat, that's one area it could go."

Beijing's restrictions on the export of gallium and germanium announced Monday fol-

lowed U.S. steps in October to limit Chinese access to equipment used to make advanced chips. The Chinese curbs are expected to add urgency to Western efforts to develop alternative mineral sources.

The Biden administration has prioritized scaling back U.S. reliance on Chinese minerals, mainly through its signature green-investment program known as the Inflation Reduction Act. The 2022 law provides subsidies for electric-vehicle batteries that contain minerals mined and refined in the U.S. and friendly nations—an effort to build supply chains that don't run through China.

Another recent law, the Infrastructure Investment and Jobs Act of 2021, provides millions of dollars in grants to ad-

vance critical-minerals mining and authorizes federal loans for projects that boost domestic supply of the resources.

Money has begun flowing under various U.S. policies. Ireland-based TechMet, whose projects include nickel and cobalt mining in Brazil, has received \$55 million since 2020 from a U.S. agency, the International Development Finance Corp., in exchange for about a 15% stake in the company. This year, TechMet began exporting a nickel product it processes in Brazil for use in Western EVs, and is raising private and public funding to expand its mine.

In the U.S., Talon Metals is seeking permits to begin mining nickel in Minnesota. The Energy Department selected the company for a \$114 million grant for a battery-mineral processing facility in North Dakota. That is more than a quarter of the estimated project cost, according to the company.

Building new supply chains can't happen overnight. Mines take years to develop, with processes to obtain environmental clearances in Western countries adding to long lead times. Trained workers are in short supply. Many ore-rich countries are politically unstable or lacking in environmental credibility, which deters Western firms even as Chinese ones, often backed directly or indirectly by Beijing, are willing to forge ahead.

Guy C. Wiggins (1883–1962)

Guy C. Wiggins is best known for his iconic New York City scenes. His work is included in over 25 museum collections, including the Smithsonian American Art Museum, the Metropolitan Museum of Art, and the Brooklyn Museum.

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WORLD NEWS

Taiwan Needs New Energy Strategy, Report Says

By SHA HUA

SINGAPORE—When Beijing effectively cordoned off Taiwan and conducted four days of live-fire exercises in response to a visit last year by then-U.S. House Speaker Nancy Pelosi, it offered a preview of the tactics that China would likely employ in a future conflict around the island.

It also raised questions about Taiwan's energy supplies and the unique vulnerabilities of an island lacking indigenous resources and relying on sea shipments for 97% of its energy.

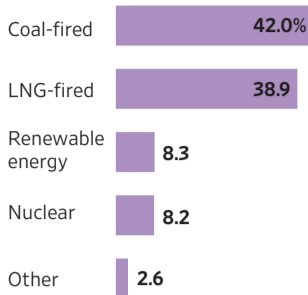
Even without the risk of military conflict, Taiwan's energy security is precarious, given rapidly growing demand from its booming manufacturing sector, including Taiwan's energy-intensive semiconductor factories, which produce more than 90% of the world's most advanced chips. Despite these known vulnerabilities, Taiwan has been slow to expand its renewable and natural-gas capacities, falling far short of its own benchmarks.

Taiwan's predicament has attracted increasing attention in Washington as the island's critical role in global technology supply chains becomes more apparent, and as the prospect of conflict looms.

China's Communist Party regards Taiwan as part of its rightful territory, to be taken by force if necessary. Despite China's decadeslong military buildup, however, many defense analysts think Beijing lacks the capacity to launch an outright invasion in the near term. Instead, it is more likely to attempt a selective blockade or quarantine, squeezing rather than flattening Taiwan into submission.

While total energy self-sufficiency is out of reach, analysts say mitigating some vulnerabilities in the case of a potential quarantine, blockade or invasion could help buy time.

A study published Friday by the Atlantic Council, a Washington-based think tank, recommends that Taiwan expand its domestic renewable-energy power generation to lessen im-

Taiwan's total electricity generation in 2022

Source: Taiwan Bureau of Energy

port dependency and increase its purchases of fossil fuels from aligned countries to deter harassment from China's People's Liberation Army Navy.

In a crisis, Taiwan would likely need roughly one-quarter of the energy it currently consumes to keep the bare minimum of its critical infrastructure and services running, Joseph Webster, a senior fellow at the Atlantic Council, concludes in his new report.

But Taiwan's efforts to adopt more domestic sources of power such as solar and

wind, which don't need to be imported during a conflict, have run into local opposition and struggled to meet requirements mandating that local companies supply as much as 60% of the materials.

Last year, Taiwanese President Tsai Ing-wen's administration lowered its target for the proportion of electricity generated by renewable sources in 2025 to 15.1%, from an earlier goal of 20%; renewables now account for 8.3%.

Critics say Taiwan's government hasn't taken energy security seriously enough. "It's a manifestation of Taiwan's lack of preparedness in the face of threat of invasion," says Elbridge Colby, a deputy assistant secretary of defense in former President Donald Trump's administration and co-founder of the Marathon Initiative, a Washington-based political advisory firm.

Taiwan is particularly susceptible to maritime disruptions of natural-gas shipments, which account for 39% of the island's electricity generation.

A partial or full blockade would inflict severe damage on the economy after just a few days, according to Jordan McGillis, an analyst at the Manhattan Institute for Policy Research, a conservative think tank, who recommends Taipei increase its energy stockpiles.

Taiwan's current reserve stockpile is paltry for the island of 24 million people, with only two terminals capable of collectively storing less than two weeks' worth of natural gas—eight days' worth during the summer months. New gas facilities have been delayed by environmental protests.

To ensure that Taiwan won't be cut off in a geopolitical crisis, Webster recommends that Taipei buy more liquefied natural gas from the U.S. If China's navy were to interdict a U.S.-flagged ship, the U.S. Navy would almost certainly intervene, though that wouldn't likely be the case with vessels bearing flags from non-Western-allied countries.

The U.S. and its allies could also step in with crude-oil

shipments if Middle East suppliers, under pressure from Beijing, curtail or even cut off shipments to Taiwan, where oil accounts for 44% of its total energy needs, said Webster.

Tsai effectively cut off another energy option when she pledged in 2016 to phase out Taiwan's nuclear plants by 2025.

Liang Chi-yuan, a management professor at Taiwan's National Central University, says Taiwan should reconsider nuclear power. He noted that nuclear plants usually store 18 months' worth of fuel on site, which could be tapped in the event of a conflict. A power plant could also pose a threat during a conflict.

Ultimately, argues Webster, there are no easy answers for Taiwan.

"If the United States and its allies and partners cannot deter a PRC military invasion or naval blockade of Taiwan," Webster said, referring to the government in Beijing by its official name, the People's Republic of China, "disaster will likely result."

WORLDWATCH



TRIBUTE: In Ouistreham, Normandy, French President Emmanuel Macron honored the flag-draped coffin of Leon Gautier, who had been the last surviving member of France's World War II green beret commando unit that stormed the beaches on D-Day.

WEST BANK

Israeli Forces Kill 3 People

Israeli forces killed three Palestinians, including two militants, in the occupied West Bank Friday, days after Israel concluded a major two-day offensive meant to crack down on militants.

The persistent violence raised questions about the effectiveness of the raid earlier this week in the Jenin refugee camp, which saw Israel launch rare airstrikes on militant targets, deploy hundreds of troops and cause widespread damage to roads, homes and businesses. Twelve Palestinians and one Israeli soldier were killed in the operation.

In the nearby city of Nablus, the West Bank's commercial capital and a flashpoint city, two militants were killed in a gunbattle with Israeli

forces. Israel's Shin Bet security agency said the men were behind a shooting attack this week on a police vehicle.

Later Friday, Palestinian health officials said a man was fatally shot in the chest by Israeli forces during a demonstration in Umm Safa, a town in the central West Bank. The army had no immediate comment.

The Palestinian Health Ministry identified the two dead in Nablus as Khayri Mohammed Sari Shaheen, 34 years old, and Hamza Moayed Mohammed Maqbool, 32. Two militant groups, the Popular Front for the Liberation of Palestine and the Al Aqsa Martyrs Brigade, claimed them as members.

Over 150 Palestinians have been killed this year in the West Bank, and Palestinian attacks targeting Israelis have killed at least 27 people. —Associated Press

NETHERLANDS

Coalition Falls; Election Is Due

The Dutch government collapsed Friday because of irreconcilable differences within the four-party coalition about how to rein in migration, a divisive issue that has split nations across Europe.

The resignation of Prime Minister Mark Rutte, the longest-serving premier of the nation, means the country will face a general election later this year. Rutte and his government will remain in office in a caretaker capacity until a new ruling coalition is chosen.

"It is no secret that the coalition partners have very different views on migration policy," Rutte told reporters in The Hague. "And today, unfortunately, we have to draw the conclusion that those differences are irreconcilable.

That is why I will immediately...offer the resignation of the entire cabinet to the king in writing"

Opposition lawmakers wasted no time in calling for fresh elections even before Rutte formally confirmed his resignation.

Geert Wilders, leader of the anti-immigration Party for Freedom, tweeted, "Quick elections now." Across the political spectrum, Green Left leader Jesse Klaver also called for elections and told Dutch broadcaster NOS: "This country needs a change of direction."

Migration is set to be an essential theme of European Union parliamentary elections next year, but the issue hit early in the Netherlands, a nation that has long been torn between a welcoming international outreach and increasing resistance to foreign influences. —Associated Press

Fukushima Water Dump Stirs Fears

By DASL YOON AND MIHO INADA

JEJU, South Korea—For years, Kim Young-goo ran a thriving seafood restaurant so close to the docks that the day's catch could be hand-delivered. The freshness of the sea urchins, flounder and conches made it a must-stop place on this South Korean island.

Now it's a grilled-pork restaurant.

The sole motivator, Kim said, was neighboring Japan's plans to dump slightly radioactive water into the sea—a move that got official approval Tuesday by the international nuclear-safety authorities. The discharge from the Fukushima nuclear plant is set to begin this summer.

"I felt that I had no choice," said Kim. "Ordinary people won't want to eat seafood."

Nuclear energy, and the inevitable need to dispose of radioactive waste, has long stoked doomsday fears and stirred health concerns about potential exposure. But the Fukushima waste disposal has attracted an unusually ferocious backlash across the region. The anxieties represent the latest clash that pits public skepticism about safety versus the assurances of regulators.

Nearly three-fourths of South Koreans say they would eat less seafood after Japan starts releasing wastewater, according to a recent survey by the Korea Federation for Environmental Movements.

The price of sea salt in the country skyrocketed and government reserves were released, as panic buying ahead of the nuclear-water dump emptied out the shelves. The public unease is so high that President Yoon Suk Yeol's administration, which has normalized relations with Japan after years of strained ties, has held daily news conferences aimed at calming the country.

Adding to the consternation is Fukushima's distinction as being the site of the worst nuclear accident of the 21st century. Japan's plan to release the water into the sea after diluting the radioactive elements to what it says are safe levels has been affirmed by the International Atomic Energy Agency, a United Nations body. The report said radionuclides would be released at a lower level than those produced by natural processes and would have a negligible impact on the environment.

Skeptics counter that a discharge into the surrounding waters from a nuclear-power plant involved in a major disaster is unusual.

"The field of nuclear power is contaminated with fear," said Michael Edwards, a clinical psychiatrist in Sydney who interviewed Fukushima residents following the nuclear accident. "Psychologically, people do not really understand and trust science, and know science can be an instrument of government."

Beijing's Foreign Ministry has slammed the Fukushima wastewater plan, accusing Japan of treating the surrounding ocean as the country's own "private sewer." On Friday, China expanded restrictions on food imports from Japan which include a ban on food products from Fukushima and nine other prefectures.

The Fukushima issue carries political risk for Yoon, who assumed South Korea's presidency last year. He is under pressure by Tokyo to resume seafood imports from the Fukushima region. But the public, some members of his own party and opposition lawmakers have expressed doubts. Eight out of 10 South Koreans oppose the Fukushima water dump, a recent poll shows.

Yoon's government on Friday signed off on Japan's plan for the Fukushima wastewater, based on an on-site inspection and scientific analysis.

FROM PAGE ONE

Layoffs, Exits Jolt Binance

Continued from Page One
The Wall Street Journal has previously reported.

Part of the frustration at the firm is that executives were working hard to clean Binance's reputation and resolve disputes with law-enforcement officials, but that effort could be undone if the Justice Department files criminal charges against the company and Zhao, according to the former employee.

Binance had been in discussions with staff from the Securities and Exchange Commission and the Justice Department hoping for a settlement for months.

But in June, the SEC sued Zhao, Binance and its U.S. exchange, alleging Binance operated an illegal trading platform in the U.S. and misused customers' funds.

Executives were surprised when the SEC dropped talks and chose to file a lawsuit against the company and Zhao instead. Since then, the mood inside the exchange has turned gloomy. Zhao has mostly stayed put in his home in Dubai, which doesn't have a mutual extradition treaty with the U.S.

Binance's market share has declined in recent months, though it remains by far the largest global crypto platform.

Hon Ng, Binance's general counsel, who also served as Zhao's personal attorney, was recently forced out of the company because of disagreements with Zhao, people familiar with his exit said. Ng didn't reply to requests for

comment. Eleanor Hughes, Binance's head of legal for Asia Pacific, Middle East and North Africa, has succeeded Ng, coming back after briefly leaving the company. Two other Binance lawyers also resigned recently.

Matthew Price, Binance's global head of investigations and intelligence, confirmed in a message Friday that he left the company in recent weeks for a position with another firm. Price is a former cybercrimes investigator for the Internal Revenue Service and had coordinated Binance's relationships with law enforcement agencies around the world.

Patrick Hillmann, Binance's chief strategy officer, said on Twitter on Thursday that it was time to leave after working nonstop for two years, taking it "through a lifetime of industry crises and regulatory challenges."

Steven Christie, the senior



Founder Changpeng Zhao

vice president for compliance, said early Friday that he was tired and wanted more time with his family.

"The executive leadership team at Binance has invested more into compliance, the people, and the technology

than anywhere I have ever worked, or even heard of in my career," Christie said.

Zhao founded Binance in 2017, soliciting users in dozens of languages and countries through a global website without conducting checks that other financial firms are required to make, such as asking users for their addresses, proof of identity and where funds came from.

Not conducting the checks, which are intended to deter illicit finance, allowed Binance to grow rapidly, drawing the attention of regulators globally. In early 2019, as the U.S. began a crackdown on crypto, Zhao created a U.S. exchange designed to appease American regulators. The exchange, Binance.US, would also shield Binance's global operations from U.S. enforcement, former executives hoped.

Binance.com had about 150 people in the U.S. out of a global staff of 8,000. Its global

staff doesn't include the staff of Binance's American exchange. Binance.US, too, has recently laid off staff: around 50 people, or 10% of its workforce.

Binance recently decided to cut exposure to the U.S. by firing or relocating U.S.-based staff as part of a plan to shield the exchange. That plan is currently in motion.

U.S.-based employees who were laid off last week said that they found meetings on their calendars with human resources for 15-minute slots without reason or warning. Employees weren't told the full scope of how many people were terminated, they said.

In attempting to recruit a U.S.-based person for a job this week, a Binance employee said the job would be based outside the U.S. and asked if the candidate would be open to relocating. Binance's website currently lists no postings based in the U.S.

WORLD NEWS

Prigozhin Remains Crucial to Putin

The Kremlin tries to lessen the mercenary chief's power, keep access to his forces

By Thomas Grove

Two weeks ago, Vladimir Putin appeared to have weathered the biggest-ever challenge to the Russian leader's rule. Yevgeny Prigozhin, the founder of the Wagner mercenary group, agreed to relocate to Belarus after calling off a march on Moscow to remove Russia's military leaders. The deal involved absorbing many of his fighters into Russia's regular army. Wagner Group, the cornerstone of Prigozhin's power, would no longer be a separate fighting force.

Little has gone to plan. Prigozhin is instead in Russia, according to Belarus's President Alexander Lukashenko, who brokered the pact. Scattered reports on Russian social media suggest he is in his hometown, St. Petersburg. Lukashenko said many of Prigozhin's Wagner forces remain in their bases in southern Russia, and the U.S. has said some Wagner troops are still in Russian-occupied territory in Ukraine.

The continued presence of the businessman-turned-warlord points to the outside role he had gained inside Putin's court in the lead-up to the abortive insurrection, not only inside Russia, but also as part of Moscow's broader project to assert greater geopolitical influence across the Middle East and Africa, where Wagner is an important lever for the Kremlin in supporting authoritarian leaders and ex-



Yevgeny Prigozhin stood with some of his Wagner Group troops in Bakhmut, Ukraine, in May.

tracting gold and other precious resources.

"Putin can't just dispose of him, which obviously shows the leader's weakness. They are too financially and militarily intertwined to get rid of him right away," said Theresa Fallon, director of the Brussels-based Centre for Russia Europe Asia Studies.

Since Wagner's revolt against Russia's military leadership, whom Prigozhin has accused of incompetence and squandering resources, the Russian government has worked to play down the events of June 24 and diminish Prigozhin's own clout.

Foreign Minister Sergei Lavrov dismissed the insurrection as little more than a scuffle. Kremlin spokesman Dmitry Peskov said Moscow hadn't been following the paramilitary leader's movements and

had "neither the ability nor the desire" to do so.

Russian state television has repeatedly aired news segments exposing Prigozhin's lavish lifestyle. The reports have focused on a stash of fake passports allegedly in his possession, as well as a number of disguises such as fake beards and wigs purportedly belonging to the businessman.

The strategy is meant to weaken Prigozhin's influence, which has steadily grown since the February 2022 invasion of Ukraine. Though Wagner has lost thousands of troops, the paramilitary force has been responsible for the only gains the Russian war effort has achieved in recent months, and Prigozhin's allegations of corruption among the military leadership and how it has hampered the campaign have resonated widely

among ordinary Russians. Moves also have been made to strip Prigozhin of his media companies, another core element in his empire, which began as a catering business.

He nonetheless retains his chief asset: the tens of thousands of Wagner soldiers who still follow him.

Under the deal with Putin, Prigozhin's fighters had the choice to either join the regular Russian army and continue fighting in Ukraine or move to Belarus with the Wagner chief.

Some Russia watchers believe the Kremlin may have given Prigozhin a reprieve to keep his battle-hardened fighters inside.

"The only explanation is that they decided to use him for the benefit of the military operation," said Andrei Kolesnikov, senior fellow at the Carnegie Russia Eurasia Cen-

ter. "He could probably go to war again, but this time without any public activity, as a punished person."

But, Kolesnikov said, without any insight into the closed world of Kremlin intrigues, it was impossible to know. "We have no material for analysis at all," he said.

Matt Dimmick, a former National Security Council director for Russia and Eastern Europe, said he didn't see Prigozhin's apparent re-emergence in Russia as a sign Putin has lost control. Noting that the security services had conducted raids on the Wagner leader's property and Russian state media had been broadcasting negative coverage of him, Dimmick speculated that the Kremlin is keeping Prigozhin around to manage the remaining Wagner fighters while knocking him down a peg.

Putin "must have something in his plans," said Dimmick, who now works for the non-profit group Spirit of America to supply Ukrainian troops. "At this point it's acceptable for him to allow Prigozhin's freedom of movement."

He suggested that Putin has so many resources at his disposal he could easily eliminate Prigozhin at any time, but the Kremlin needs Wagner forces on the battlefield and has chosen to keep him around.

"Prigozhin may be the only person that those Wagner troops listen to," especially the hard-core fighters, Dimmick said. "If the Russians want to get any juice out of the Wagner troops they may need Prigozhin to tell them what to do."

—Daniel Nasaw contributed to this article.

Moscow Blocks U.N. Nuclear Inspectors

By Laurence Norman

The United Nations atomic agency said Russia has prevented its inspectors from accessing all parts of the occupied Zaporizhzhia nuclear plant in Ukraine to investigate Kyiv's claims that Moscow is planning to sabotage the facility.

Russian forces occupied the Zaporizhzhia plant in the first weeks of its 2022 invasion, and the plant is situated near a front line where Kyiv last month launched its counteroffensive. Before the war, the plant accounted for about 20% of Ukraine's electricity supply.

Russia and Ukraine have exchanged accusations for months about plans to endanger the plant. The International Atomic Energy Agency Director-General Rafael Grossi has warned the that two sides are "playing with fire" by undertaking military action at or near the plant.

On Tuesday, Ukrainian President Volodymyr Zelensky called for international pressure on Russia to prevent an attack on Zaporizhzhia, the largest nuclear plant in Europe, saying his government has intelligence that the Russian military placed "objects resembling explosives on the roof of several power units."

"It is the responsibility of everyone in the world to stop it, no one can stand aside, as radiation affects everyone," he said.

The following day, the IAEA, which has a small team of inspectors based at the plant, took the rare step of publicly pressing Russian authorities to give its staff access to specific locations at the plant. "In particular, access to the rooftops of reactor units 3 and 4 is essential, as well as access to parts of the turbine halls and some parts of the cooling system," it said.

In a new statement Friday, the agency said its inspectors received additional access to certain areas of the plant, including the large cooling pond used to lower heat from the reactors and ponds storing spent fuel. The agency said it has so far not observed any indications of mines or explosives at the site.

However, Grossi said his inspectors hadn't received access to the rooftops of the two reactors or to parts of the turbine halls. He said he was hopeful access would be granted soon.

Russia's representative at the IAEA, Mikhail Ulyanov, declined to comment.

U.S. Says No 'Pathway' Yet to Prisoner Swap

By William Mauldin

WASHINGTON—The White House cautioned that talks with Russia on potential prisoner swaps for jailed Wall Street Journal reporter Evan Gershkovich hadn't yet yielded "a pathway to a resolution," marking 100 days since his detention in Russia.

"I do not want to give false hope," said White House national security adviser Jake Sullivan. "I cannot stand here today and tell you that we have a clear answer to how we are going to get Evan home. All I can do is tell you that we have a clear commitment and conviction that we will do everything possible to bring him home."



Evan Gershkovich has been held in Russia since March.

The Kremlin said earlier this week that Russia was in touch with the U.S. about prisoner swaps. Sullivan said the U.S. remained focused on the re-

turn of Gershkovich and other Americans detained in Russia, including Paul Whelan. The U.S. government has designated both Gershkovich and Whelan as wrongfully detained.

U.S. officials say they are engaging with authorities in countries that hold Russian citizens in custody and are open to incorporating those prisoners in a deal to free Gershkovich and other Americans detained in Russia. Moscow hinted at the possibility of a deal but said that any consideration of a swap involving Gershkovich must wait until a court issues a verdict in his case.

"Every day that Evan isn't home is another day too many," Gershkovich's family said Friday.

Gershkovich, a U.S. citizen who was accredited by Russia's Foreign Ministry to work as a journalist, was detained on March 29. He is being held on an allegation of espionage that he, the Journal and Washington vehemently deny. The Biden administration says Gershkovich isn't a spy and has never worked for the government.

Sullivan said he met Friday with representatives of Gershkovich's family and officials from the Journal, as the newspaper used the 100-day mark to press for the reporter's release.

Also Friday, lawyers representing the publisher of the Journal asked a United Nations human-rights advocate

to press Russia to release Gershkovich. Dow Jones lawyers urged Mariana Katzarova, the U.N.'s special rapporteur on human rights in Russia, to contact Russian officials and demand the 31-year-old reporter's immediate release.

The Dow Jones lawyers asked Katzarova to work with Russia to ensure Gershkovich can exercise his legal rights. U.N. officials have criticized Russia over Gershkovich's treatment.

Watch a Video



Scan this code to see Evan Gershkovich's family reflect on his detention.

Deepening Poverty Grips Ukraine, but Spurs Resilience

By Oksana Grytsenko

BORODYANKA, Ukraine—Lines snake outside churches and aid stations that hand out bread and secondhand clothing. Several restaurants in Kyiv offer free meals for the elderly, whose meager pensions have been squashed by surging inflation. A group on social-media platform Telegram offers free toys, medicine, books and even underwear to people uprooted by the war.

Russia's invasion has pushed the number of Ukrainians living in poverty to nearly a quarter of the population, according to the World Bank—the most acute economic hardship the country has experienced since independence in 1991.

In waging war on Ukraine, Russian President Vladimir Putin has sought to break the country's resolve and trigger an exodus.

One-fifth of the country is now reliant on humanitarian aid, according to the United Nations, with 44% of households saying they didn't have enough money to meet essential needs. One-third of the population of 44 million is displaced within Ukraine or abroad, while 2.4 million have lost their jobs.

Ukraine's Western allies have stepped in with billions of dollars to prop up the economy, which shrank 30% last year.

Locals have stepped up, too. Volunteers have turned a Protestant church in the town of Irpin near Kyiv into a hub providing aid to those in need. On the grounds, a field kitchen serves 100 free lunches a day.

"It's hard to define if the person is poor. All are equal

now," said the church's deacon, Roman Ilnytsky. "A person could have had two cars and a house but lost everything."

But despite losing property and income, many Ukrainians say they have gained a sense of unity and belonging as society mobilizes in response to the war. Priorities have shifted from individual well-being to the survival of relatives and the state.

A poll conducted by the Rating Sociology Group published in February found that confidence in the future increased among respondents, even as two-thirds said they had become poorer. A record 80% of respondents said the country was moving in the right direction.

Ukrainians have known hardship before: from the economic turmoil that followed the collapse of the Soviet Union to the Soviet famines, repressions and World War II.

Returning to their hometown near Kyiv last year, the Udovenko family found little of their former life survived Russian occupation.

A rocket had blasted through the multistory apartment block where they lived in Borodyanka, burning down their flat. Russian soldiers who occupied the town early in the invasion had already looted their belongings.

They rented an apartment and scraped together money to expand the family's cake-making business, selling their car and opening a new cafe near the shattered town's main square.

"What if it gets back to normal in 10 years?" said Anna Udovenko, 35 years old. "Life passes by. We should live now."



In hard-hit Borodyanka, the Udovenko family, above, runs a cafe. At left, Nina Korol gets a free haircut from volunteer hairdressers.

ple who used to buy her cakes have left Borodyanka, she said.

Even so, she has few complaints. Her losses pale in comparison to those whose loved ones have been killed, she said. "Poor are the people who have no friends, relatives, or family happiness," she said.

Her customers were similarly upbeat. At one table, 40-year-old Lyudmyla Shymko discussed plans for the summer with her sister and a friend. Because they can't afford to vacation the women joked they would spray each other with water from a hose. Shymko, a Ukrainian-lan-

Outside the entrance to Udovenko's cafe, residents line up for coffee and cake. The adjacent building is empty and in ruins. A poem written on the wall opens with the

words: "Ukraine is undefeatable. Ukrainians are resilient."

Costs have soared, but Udovenko must keep prices low because her clients have little money. Many of the young peo-

guage teacher, said her standard of living had fallen by more than half in the past year, as both her and her husband's salaries decreased while prices went up. She can no longer afford to spend the \$20 it costs to visit a swimming pool, and only buys new clothing for her 14-year-old daughter. Still, she finds the means to donate to the country's armed forces.

In Borodyanka, more than 300 locals and several dozen people displaced from the war elsewhere live in mobile homes installed by Poland and Lithuania. Volunteers regularly come to provide free food, medication and equipment.

Nina Korol, an 85-year-old resident of the shelter who got a free haircut from volunteer hairdressers, walks cautiously with the help of a cane. She broke her leg last year while running to safety as a Russian plane bombed Borodyanka. She also injured her arm in a recent fall.

A former elementary school teacher, she remembers World War II and believes the country is now even more devastated than it was back then.

Korol lives in a small but tidy room and relies on a meager pension, the median level of which in Ukraine is about \$125 a month. But she doesn't consider herself poor and regularly donates to the Ukrainian army. She has savings, including the money she has collected for her own funeral so her children don't have to worry about it.

"I live comfortably," Korol said. "I'm used to calculating my budget."

FROM PAGE ONE



Evan Gershkovich, above, inside a defendants' cage at a June 22 court hearing. Former Marine Trevor Reed, below, was escorted to a plane in April 2022 as part of a prisoner swap.

Russian Unit Tracks Americans

Continued from Page One
incidents that blurred the lines between spycraft and harassment, including the mysterious death of a U.S. diplomat's dog, the trailing of an ambassador's young children and flat tires on embassy vehicles.

The DKRO's role in the detention of at least three Americans, which hasn't been previously reported, shows its importance to Russia under Vladimir Putin, a former KGB lieutenant colonel who led the Federal Security Service, or FSB, before rising to the presidency. The unit intensified its operations in recent years as the conflict between Moscow and Washington worsened.

As with most clandestine activity carried out by covert operatives, it is impossible to know for certain whether DKRO is behind every such incident. The unit makes no public statements. But officials from the U.S. and its closest allies said that DKRO frequently wants its targets to know their homes are being monitored and their movements followed, and that its operatives regularly leave a calling card: a burnt cigarette on a toilet seat. They also have left feces in unflushed toilets at diplomats' homes and in the suitcase of a senior official visiting from Washington, these people said.

The DKRO is the counterintelligence arm of the FSB responsible for monitoring foreigners in Russia, with its first section, or DKRO-1, the subdivision responsible for Americans and Canadians.

"The DKRO never misses an opportunity if it presents itself against the U.S., the main enemy," said Andrei Soldatov, a Russian security analyst who has spent years studying the unit. "They are the crème-de-la-crème of the FSB."

Neither the FSB nor the Kremlin responded to written questions for this article. The State Department and the U.S. Embassy in Moscow declined to comment.

This article is based on dozens of interviews with senior diplomats and security officials in Europe and the U.S., Americans previously jailed in Russia and their families, and independent Russian journalists and security analysts who have fled the country. Information also was drawn from public court proceedings and leaked DKRO memos, which were authenticated by former Russian intelligence officers and their Western counterparts. Gershkovich's lawyers in Russia declined to comment.

"They're very, very smart on the America target. They've been doing this a long time. They know us extremely well," said Dan Hoffman, a former Central Intelligence Agency station chief in Moscow, about DKRO. "They do their job extremely well, they're ruthless about doing their job, and they're not constrained by any resources."

On March 29, DKRO officers led an operation, hailed by the FSB as a success, that made Gershkovich, 31 years old, the first American reporter held on espionage charges in Russia

since the Cold War, according to current and former officials and intelligence officers in the U.S. and its closest allies, as well as a former Russian intelligence officer familiar with the situation.

The Journal has vehemently denied the charge. The Biden administration has said that Gershkovich, who was detained during a reporting trip and was accredited to work as a journalist by Russia's foreign ministry, has been "wrongfully detained." Friday was his 100th day in captivity.

Putin briefings

Putin received video briefings before and after the arrest from Vladislav Menshchikov, head of the FSB's counterintelligence service, which oversees DKRO, according to Western officials and a former Russian security officer. During the meeting, Putin asked for details about the operation to detain Gershkovich.

DKRO also led the operation to arrest Whelan, in what U.S. officials, the former Marine's lawyers and his family have said was an entrapment ploy involving a thumb-drive. The U.S. also considers him wrongfully detained.

When Moscow police held Reed, another former Marine, after a drunken night with friends, then claimed he had assaulted a policeman, officers from DKRO took over the case,

'They're very, very smart on the America target. They've been doing this a long time. They know us extremely well.'

Dan Hoffman, a former CIA station chief in Moscow, about DKRO

according to the U.S. officials and Reed. Reed denied the assault and has said Russian law enforcement provided no credible evidence it had taken place. He was given a nine-year sentence, and eventually swapped for a Russian pilot in U.S. custody.

U.S. officials blame DKRO for cutting the power to the residence of current U.S. Ambassador to Moscow Lynne Tracy the night after her first meeting with Russian officials in January, and for trailing an embassy official's car with a low-flying helicopter. U.S. diplomats routinely come home to find bookcases shifted around and jewelry missing, for which they have blamed DKRO officers.

More recently, a Russian drone followed a diplomat's wife as she drove back to the embassy, unaware that the roof of her car had been defaced with tape in the shape of the letter Z, a Russian pro-war symbol. U.S. officials say they believe the group was behind that. U.S. officials strongly believe that the Russian police posted around Washington's embassy in Moscow are DKRO officers in disguise.

American diplomats posted to Russia receive special training to avoid DKRO and other officers from the FSB and are given a set of guidelines informally known as "Moscow Rules." It was updated recently to reflect the security services' increasingly aggressive posture. One important rule, say the officials who helped craft it: "There are no coincidences."

"Today, the FSB is incredibly powerful and unaccountable," said Boris Bondarev, a Russian diplomat who resigned and went into hiding shortly after the invasion of Ukraine. "Any-



one can designate someone else as a foreign spy in order to get promoted. If you are an FSB officer and you want a quick promotion, you find some spies."

DKRO officers occupy a privileged position within the security services and Russian society. Its predecessor was the so-called American Department of the KGB, formed in 1983 by a hero of Putin, Yuri Andropov, the longtime security chief who became Soviet leader.

The FSB emerged after the collapse of the Soviet Union subject to little legislative or judicial scrutiny. Since the February 2022 invasion of Ukraine, its official duty to expunge spies and dissidents has given it such expansive control over many aspects of Russian life that some security analysts now call Russia a counterintel-

anka, the FSB headquarters, a month before Gershkovich's arrest.

Putin spokesman Dmitry Peskov in April denied that Putin had a role in authorizing the arrest. "It is not the president's prerogative. The security services do that," he said. "They are doing their job."

Putin likes to be personally briefed on the FSB's surveillance of Western reporters, said U.S. and former Russian officials. Leaked FSB documents from previous surveillance cases against foreign reporters show agency leaders along the chain of command adding penciled notes in the margins of formal memos, so that higher-ups can erase any comments that might upset the president.

DKRO memos often begin

with greetings punctuated by exclamation marks to indicate urgency and militaristic formality—a common style in the Kremlin bureaucracy—followed by meticulous notes about the movements of Westerners in Russia and the locals they meet.

The FSB has oversight for espionage trials conducted in secret using specialist investigators and judges. During Putin's 23 years in power, no espionage trial is known to have ended in acquittal.

The First Service, which oversees DKRO, has been led since 2015 by Menshchikov, who previously headed the Kremlin's Special Programs of the President, which guards secret underground facilities. He served as the general director of air defense company Almaz-Antey, according to the state TASS news agency.

Chief investigator

The First Service has assigned Chief Investigator Alexei

Khizhnyak, an agency veteran who led the case against Whelan, to investigate Gershkovich, according to televised court proceedings.

Russian lawyers who have worked on cases involving Khizhnyak, but who aren't involved in Gershkovich's, described a heavysset interrogator who sits behind an L-shaped desk next to bookshelves filled with legal documents. Khizhnyak would alternate between threats and long philosophical discussions of Russian literature, according to one of these lawyers. A person interrogated by him years ago described him as an astute and careful questioner, difficult to fool.

Alexander Zhomov, who led DKRO after the breakup of the Soviet Union, was a familiar face to the CIA, which had once dubbed him "Agent Prologue."

Zhomov had fooled the U.S. spy agency into believing he was a defector in the late 1980s by claiming to provide detailed information about the KGB's monitoring of CIA officers in Moscow. In reality, he was a double agent leading the KGB's "Operation Phantom" to distract the American spy hunters from finding longtime Russian moles—Aldrich Ames at the CIA and Robert Hanssen at the FBI.

After President Boris Yeltsin split the KGB into smaller, less powerful services, including the current FSB, Zhomov found work at the new DKRO, created in 1998, as it surveyed the 1990s influx of American investors, reporters and visitors. Zhomov was promoted to head the unit around the time a new director arrived: Putin.

Since the early years of his presidency, Putin has used DKRO to track American journalists, placing or recruiting Russian informants in their bureaus and receiving detailed memos about their reporting, according to U.S. officials and documents published by the security analyst, Soldatov.

Putin began a new presidential term in 2012, and surveillance of U.S. citizens and embassy officials increased after popular protests broke out across Russia. Putin blamed them on U.S. spy agencies. So-called "color revolutions" dislodged pro-Moscow governments in Ukraine, Georgia and Kyrgyzstan. Anti-Americanism not seen since the 1970s filled Russia's state TV.

Embassy personnel noticed that DKRO agents were following the ambassador's children to school, soccer practices and into a McDonald's, according to U.S. officials once based in Russia. One employee was beaten up while trying to enter the embassy compound. Diplomats found their houses broken into, and a diplomat working in the

defense attaché's office came home to find his dog dead, in what appeared to be a poisoning. Peter Zwack, a foreign-service officer serving in Russia, said he was driving outside Moscow when he saw in his rearview mirror that a low-flying helicopter was trailing him.

Revoked license

Russian police revoked the driver's license of a U.S. ambassador's chauffeur, stranding him on the road in front of the Russian Foreign Ministry. When U.S. diplomats reached out to the foreign ministry to complain, they said the ministry responded that it sympathized but had no control over the FSB unit that was making their lives difficult, according to former U.S. officials.

Former U.S. officials said an assistant in the Moscow embassy was found passing on sensitive information to her Russian handlers. U.S. consulates in Yekaterinburg and Vladivostok closed in 2020, partly because expulsions of diplomats left them without enough cybersecurity staff to protect communication lines. Diplomats assumed the buildings were so bugged that they would fly to Moscow to have a sensitive conversation, those people said. "It takes a serious staff from a security standpoint to ensure the integrity of information," said one former senior U.S. official.

Embassy staffers were told to avoid any stranger trying to hand them a document; it could be a DKRO officer trying to entrap them as a spy caught carrying classified materials.

The U.S. Embassy in Russia became one of the worldwide diplomatic posts with the most Marines stationed to it. Those working at embassy buildings, which were rated by the U.S. government as having the highest counterintelligence threat alongside China, were warned not to go drinking alone, mindful that DKRO was targeting personnel from the Marine Corps.

In December 2018, DKRO officers arrested Whelan, who had traveled regularly to Russia for his work in corporate security, after he was handed a thumb drive his lawyer said he thought held photos of Russian churches. Russia said it contained state secrets.

Whelan, 52, who has denied the charges, was convicted of espionage in 2020 and sentenced to 16 years. Shortly after Whelan's arrest, Russian officials told U.S. officials in Moscow they would be interested in a prisoner swap.

In 2019, Reed, the former Marine, was arrested after a drunken evening with friends in Moscow. After first being told he could leave the police station, two counterintelligence officers who he believed were from DKRO arrived to question him, according to Reed. The officers focused on his military background, he said, but failed to discern that he had top security clearances.

"They clearly wanted to assess if I was anyone with valuable intel," he said. Reed was swapped in April 2022 for Konstantin Yaroshenko, a Russian pilot sentenced in 2011 to 20 years in prison for conspiracy to smuggle cocaine into the U.S. "Knowing I was a Marine was enough to decide to use me as a hostage," said Reed.

—Kate Vtorygina contributed to this article.



Former Marine Paul Whelan, right, with his lawyers during a 2019 court hearing in Moscow.

OPINION

THE WEEKEND INTERVIEW with Katharine Birbalsingh | By Tunku Varadarajan

American Wokeness Invades Britain's Schools

British educator Katharine Birbalsingh used to look to America for inspiration. Now she sees the U.S. as a threat to schools in her own land. American ideas on race and identity are making “alarming inroads” in British education, she says, with activists demanding that “white privilege” be rooted out of the curriculum, the teaching of history be “decolonized,” and “systemic racism” be acknowledged as the primary cause when minority students fail. “Black Lives Matter” has become a raucous leitmotif among Britain’s youth. “You see protests with people saying ‘Don’t shoot,’ when our policemen don’t carry guns,” Ms. Birbalsingh says. “It doesn’t make any sense.”

What Ms. Birbalsingh describes as woke American cultural imperialism is warping Britain’s way of life and its educational system. “We are,” she says, “just lapping up all these bad ideas from America.” In New York to observe and help a new charter school in the Bronx, she also expresses fears for the future of American education. Charter schools, she says, have “lost their way,” beset by the “social and political forces unleashed by the killing of George Floyd.”

The principal of a ‘free school’—the equivalent of a charter—says identity politics makes it hard to educate minority youths.

Ms. Birbalsingh, 49, is the irrepresible principal of the Michaela Community School in the north-west London neighborhood of Wembley. She founded Michaela in 2014, as a “free school,” a type of institution that came into being through British school reforms in 2010. Free schools are akin to U.S. charter schools: public schools (in the American sense of that term), free from the baleful influence of teachers unions, that hire their own staff and set their own disciplinary rules and curriculum. Although Michaela’s teachers “tend to be white British,” Ms. Birbalsingh says, the students are almost entirely from ethnic minorities, including “Afro-Caribbean, African, Indian, Pakistani, Arab” as well as Eastern Europeans. Ms. Birbalsingh herself is of mixed heritage, with an Indian-Guyanese father and an Afro-Jamaican mother.

The British media never tires of calling her “Britain’s Strictest Headmistress”—the title of a friendly ITV documentary—sometimes with the peculiar affection

that the British reserve for women who wield a firm hand, but usually as a way of marking her out as a prickly anachronism of whom you should be wary. She started Michaela four years after she was run out of a state school for making a brief speech at the annual Conservative Party Conference, in which she said that Britain’s school system “is broken, because it keeps poor children poor.” As she sums up her argument in our interview, it is that “black children fail because of what white liberals do and think.”

The reaction to this heresy was swift and vengeful. She was ostracized by hostile colleagues and had to quit her job. “I was essentially told I would never work in the public-school system again. I was told, ‘Forget it, you’re going to have to leave the country. You’re toxic. You cannot, as a teacher, speak at the Tory Party conference.’”

After failing to find another job as a teacher, she decided to set up her own school, inspired by American charter-school pioneers such as Geoffrey Canada and Eva Moskowitz, respectively founders of Harlem Children’s Zone and Success Academy Charter Schools. A few days before we speak, she met Ms. Moskowitz for the first time: “I said to her, ‘This is like my meeting Brad Pitt moment.’ I was so excited.”

The teachers unions tried their hardest to foil Ms. Birbalsingh’s plans. “I’d hold an evening event for prospective parents, handing out flyers that said, ‘Possibility of a New School. Come and Find Out.’ And all these single black mums in Brixton”—a predominantly Afro-Caribbean area—“would be excited and come along.” At the event, “these white people who don’t even live in London would’ve been bused in and would be shouting abuse outside, holding placards that said, ‘Tory Teacher.’” Union agitators would infiltrate the hall and “drown out what we were saying with their shouting, so the meeting just couldn’t happen.”

When the school finally opened, union picketers stood outside “handing leaflets to the kids, 11 years old, telling them the building was unsafe and that their lives were in danger. I just photocopied the leaflets and made sure every kid had one, so they could wave them at the pickets and say, ‘My headmistress gave me one, so thanks very much.’”

What irks her detractors most is the emphasis Ms. Birbalsingh places on discipline, a word she deploys often, as well as her insistence that she is a “small-c conservative.” To hear her talk about her educational philosophy is to be transported back in time. Children,



BARBARA KELLEY

she says, “need lots of discipline. And when I say discipline, I don’t just mean they need to be able to sit on a chair.” They need to be able “to work hard both in the classroom and outside, to engage with the learning and really want to listen to the teacher, to be interested in the subject matter, to be able to strategize for their lives and have goals.” They need to understand “how their behavior now will affect their futures, and the kinds of people they will be.”

When people recoil from the word, Ms. Birbalsingh tells them that she means “a discipline of mind, of attitude. Ignoring this is one of the ways we let our children down—all children, but it especially hurts the disadvantaged.” Her small-c conservatism is equally plain-spoken, with its emphasis on “personal responsibility, and a sense of duty towards others. People don’t like it when I talk about that.”

What do these values mean in the context of education and schooling? Ms. Birbalsingh responds by saying that the idea that a child has “agency” and can “choose between right and wrong” is “quite contentious.” The view that is gaining ground in schools—thanks a lot, America—is that children “cannot help the way they behave because they are poor, or they are black, or their father isn’t in the home.” But apart from “some very exceptional situations,” she says, the vast majority of children can engage with lessons and behave themselves. “If we allow them not to because of some idea that they’re not able to do it, that they don’t have the agency to decide to do so, or that something is preventing them from exercising that agency, then I think we’re letting them down.”

Instead, teachers reach all too easily for underlying causes—to

use the modish phrase—as an explanation for a child’s nonperformance at school. “So when he doesn’t do his homework, you can’t blame him, you have to blame his circumstances.” If you send students to detention or otherwise punish them, “you’re just being mean, or harming their mental health. If you insist that they do their homework every night, that is traumatic for them.” So children get waved through school, frequently innumerate, often functionally illiterate.

Teachers accept “very low standards for certain children,” Ms. Birbalsingh says. Race plays a part when instructors are “white and a bit guilty about being white and privileged. And so they feel very awkward about holding an ethnic minority child to account and insisting that they meet the standards that they would have for a richer white child.”

Sometimes this attitude takes the form of overt prejudice: “You could have a black child who comes from a middle-class family, very supportive of education, father is in the home, but the teacher looks at him and thinks, ‘Oh, you are black, therefore I have to lower my standards for you.’” And for children who actually are disadvantaged, “the school could have made up quite a lot for that.” Instead they shift the blame to “the situation, to the father for not being there.”

Contrast that with Michaela. “We are a ‘no excuses’ school,” Ms. Birbalsingh says. “No excuses for nonperformance are accepted from a child, and no excuses are offered by the school for failing to hold a child to standards.” That approach makes her school increasingly unusual in Britain—and also differentiates it from the trajectory a large number of U.S. charter schools have taken. Under pressure from racial activists, especially since the

killing of George Floyd, the American schools have come to treat the idea of “no excuses” as anathema.

“The problem with Black Lives Matter is that if children see themselves as victims, instead of powering through and picking themselves up when they fall down, they will end up wallowing in despair and giving up,” Ms. Birbalsingh laments. “It’s really quite sad how destructive the movement has been for young ethnic minority children.”

She is careful to cite Success Academies as an exception—as well as the Vertex Partnership Academies, whose new school she visited in the Bronx. Apart from them, “we’re in a situation culturally when charters and teachers are not allowed to do the things they once did, to think as they used to do. The George Floyd situation has really endangered the progress that was being made by the charter-school movement.”

She offers as emblematic the KIPP schools, which retired their motto, “Work Hard, Be Nice,” in July 2020. Michaela’s own motto, “Work Hard, Be Kind,” is a variation. KIPP’s replacement, “Together, a Future Without Limits,” leaves her cold. “It lacks the clarity and vision of the original,” she says. “The old one had a purpose. You want every child in your care, at the very least, to leave school working hard and being nice. But they got rid of it because—since George Floyd’s death—they were pressurized into believing that the ‘be nice’ aspect was teaching black children to be subservient. And so it was racist.” She shakes her head, flummoxed by the notion that “somehow teaching children to be nice has now turned into this idea of them being servile.”

And not only that. According to KIPP’s announcement, the old motto promoted “social norms that center whiteness and meritocracy as normal.” That quote came from the head of KIPP’s “equity programming.” Michaela has no such programming, and Ms. Birbalsingh rejects the idea wholesale: “Equity should never be your goal as a teacher. Your goal should be helping children to fulfill their potential. And if equity is your goal, you necessarily have to keep some children from doing that.” The word equity makes her “cringe.”

“Oh my goodness!” she exclaims archly, as she hears her own words. “Can I say that?”

Mr. Varadarajan, a Journal contributor, is a fellow at the American Enterprise Institute and at New York University Law School’s Classical Liberal Institute.

Josh Shapiro Chooses Teachers Unions Over Students



CROSS COUNTRY
By Charles Mitchell

Harrisburg, Pa. Nancy Pelosi infamously stated that to find out what ObamaCare contained, Congress had to pass the bill. This week, Pennsylvania’s Democratic Gov. Josh Shapiro surpassed that twisted logic: He instructed legislators to pass one of his own campaign promises—so he could veto it.

The Pennsylvania Senate voted twice last week in a 24-hour span, with bipartisan support, for a new \$100 million school-choice program. Dubbed Lifeline Scholarships, the program would provide low-income children in the Keystone State’s lowest-performing public schools with education-opportunity accounts to offset costs of attending a private school. Mr. Shapiro had voiced his support for the scholarships last year on the campaign trail, making waves by bucking the teachers unions—a major campaign contributor—and their decadeslong opposition to school choice. Why? “It’s what I believe,” he said in October.

Two weeks ago, Mr. Shapiro reiterated his support on Fox News, where viewers saw, perhaps for the first time, a swing-state Democratic governor invoking God and committing that he would ensure “every child has a quality education.”

It was more than rhetoric. Mr. Shapiro had struck a deal with Senate Republicans to fund Lifeline Scholarships in exchange for district school funding and other spending increases in his first state budget. The popular governor—ascendant in national media for his all-hands-on-deck management of the Interstate 95 bridge collapse in Philadelphia—was poised to aid students over the objections of teachers

unions. In doing so, Mr. Shapiro would live up to his billing as a politician whose positivity and pragmatism could make him a viable national candidate.

After clearing the Republican Senate, Lifeline Scholarships moved to the Democratic House, where representatives on both sides of the aisle support school choice. After the governor bungled the budget, House Majority Leader Matt Bradford, a Democrat and teachers-union proxy, sided against students and his own party’s governor by holding the bill hostage. Mr. Bradford claimed he would be open to future discussions if Democrats scored more wins in their “priority” areas. This gave Mr. Shapiro his first real test of leadership. He could use his political capital to force his own party to rescue kids trapped in failing schools, thereby risking an extended budget impasse and union ire, or he could go back on his word.

By Steve Milloy

The global-warming industry has declared that July 3 and 4 were the two hottest days on Earth on record. The reported average global temperature on those days was 62.6 degrees Fahrenheit, supposedly the hottest in 125,000 years. The claimed temperature was derived from the University of Maine’s Climate Reanalyzer, which relies on a mix of satellite temperature data and computer-model guesstimation to calculate estimates of temperature.

One obvious problem with the updated narrative is that there are no satellite data from 125,000 years ago. Calculated estimates of current temperatures can’t be fairly compared with guesses of global temperature

Mr. Shapiro failed the test this week. He said he would use his line-item veto to strike funding for Lifeline Scholarships from the budget.

Absent scholarship funding, students will remain trapped in schools that aren’t serving their needs.

After backing the Lifeline Scholarship program, Pennsylvania’s governor now says he’ll veto it.

These students are disproportionately low-income and members of minority groups. Among the lowest-performing high schools, 33 have zero students doing math at grade level, and six have zero students reading at grade level. Families that can’t afford private school on their own—who can’t afford to move and

can’t afford to hire Harrisburg lobbyists—still deserve a chance.

Senate Republicans aren’t out of cards to play. Senate President Pro Tempore Kim Ward, a Republican and staunch Lifeline Scholarship supporter, has resolved that Mr. Shapiro’s broken promise won’t be the last word. According to Pennsylvania law, the spending bill passed by the House and containing Lifeline Scholarship funding must be accompanied by “code bills,” which detail how the funds in the various line items must be spent. The code bills are important because of Lifeline Scholarships and the state’s existing school-choice programs: the Educational Improvement Tax Credit, Opportunity Scholarship Tax Credit and Economically Disadvantaged Schools programs. The Legislature approved a historic increase in these programs last year. In the bipartisan budget agreement the governor has now shredded, there was to be another, even larger in-

crease this year of \$150 million.

The fight over educational choice in Pennsylvania is far from over. Only a partial budget has been approved for now—and Mr. Shapiro can’t even follow through on his veto threat until Ms. Ward reconvenes the Senate. She’s said she won’t do so until Sept. 18, unless the governor comes to his senses first.

The voices of the teachers-union executives will continue to be loud. The voices of the students, parents and education leaders who depend on all these programs must be louder. Republicans have given Mr. Shapiro one last opportunity to establish himself as a true leader. If he has aspirations to transcend partisan politics and burnish his presidential ambitions—not to mention help students he knows are in need—he should jump at the chance.

Mr. Mitchell is president and CEO of the Commonwealth Foundation.

Hottest Days Ever? Don’t Believe It

from thousands of years ago.

A more likely alternative to the 62.6-degree estimate is something around 57.5 degrees. The latter is an average of actual surface temperature measurements taken around the world and processed on a minute-by-minute basis by a website called temperature.global. The numbers have been steady this year, with no spike in July.

Moreover, the notion of “average global temperature” is meaningless. Average global temperature is a concept invented by and for the global-warming hypothesis. It is more a political concept than a scientific one. The Earth and its atmosphere is large and diverse, and no place is meaningfully average.

Average global temperature also

changes on seasonal basis: Temperatures are higher globally during the Northern Hemisphere’s summer because of more sunlight-trapping land. In this case, the Climate Reanalyzer’s estimated temperatures in early July were skewed by a heat wave in the Antarctic, where areas may have warmed some Antarctic temperatures by as much as 43 degrees. This is likely the explanation for the difference between the 62.6-degree and 57.5-degree estimates.

Another problem is that our temperature data are imprecise. It has been estimated that 96% of U.S. temperature stations produce corrupted data. About 92% of them reportedly have a margin of error of a full degree Celsius, or nearly 2 degrees Fahrenheit. The lack of preci-

sion of reported temperatures, whether estimated or measured, is not reassuring.

Temperature stations also tend to be limited to populated areas. Much of the Earth’s surface isn’t measured at all. Although the National Oceanic and Atmospheric Administration likes to present global temperatures starting in 1880, regular temperature collection in places such as the north and south poles began much later.

It isn’t plausible to characterize Earth’s warming in a single average number, especially when we don’t really know what that number is today, much less from 125,000 years ago.

Mr. Milloy is a senior legal fellow at the Energy and Environment Legal Institute.

OPINION

REVIEW & OUTLOOK

Cracks Open in the Labor Market

The U.S. labor market has been remarkably resilient despite rising interest rates and slow growth, but are cracks starting to show? That's one way to read Friday's lackluster jobs report for June from the Labor Department.

U.S. employers added 209,000 for the month, down nearly a third from a surprisingly strong May, and the smallest gain since the Covid days of December 2020. Job gains were revised down for April and May by a total of 110,000.

The jobless rate stayed low, falling a tick to 3.6% and has held at historically low rates since the postpandemic hiring surge began. Despite continued layoffs at high-profile tech firms, nearly 10 million jobs remained open as of May. Employers still prefer to keep good workers rather than lay anyone off, but there are signs that they are getting more cautious with new hiring amid economic uncertainty.

Services accounted for more than half of new hiring in June with 120,000 new jobs, but the pace of growth has slowed compared with last year. Manufacturing was nearly flat with about 7,000 new workers. Government jobs made up more than a quarter of new hiring in June, but those gains are unsustainable as state tax revenue comes under pressure from slower growth.

The question before policy makers is whether 15 months of rising interest rates are finally squeezing the labor market. Monetarists point to a collapse in the money supply and say it's past

time for the Federal Reserve to end its round of tightening. But the Fed ignores the money supply, and inflation remains sticky at 4%, which means no real wage growth for millions of workers. Average hourly earnings for the last 12 months are up 4.4%, and other signs point to even higher gains for workers who have stayed in their jobs for a year. This won't

comfort the Fed on inflation.

It's possible to have job growth with disinflation, as the 1980s showed. But the difference now is that the political class lacks an economic growth strategy. President Biden's plan is growth by government subsidy, which can certainly help favored industries like green energy. But this isn't a spur to broad-based investment of the kind that will counteract tighter money and a regulatory binge that is adding costs across the economy.

Republicans in Congress also don't have much of a growth strategy as they focus on cultural issues and Biden scandals. The House Ways and Means tax bill has some good elements, but its main plank is a temporary increase in the standard deduction that would do nothing to change the incentives to work and invest. Both parties have given up on trying to pass new trade deals.

Let's hope the June jobs report is a temporary dip and not a sign of more serious trouble to come. Private employers can't expect to get any help from Washington unless you can catch a green or national-security subsidy.

Employers slow their hiring pace in June, and Washington is no help.

A Judge-Made Right to Vagrancy

Progressive policies have turned cities like San Francisco and Portland into havens for homelessness and disorder. But spare some blame for liberal judges on the Ninth Circuit Court of Appeals who have now divined in the Constitution a right to public vagrancy.

The Ninth Circuit this week declined to rehear en banc a panel decision (*Johnson v. City of Grants Pass*) last year that enjoined an Oregon town from enforcing "anti-camping" laws on public property. Fiery dissents from 16 of the appellate court's 52 judges underscore the decision's grave practical and constitutional implications and tee up the case for Supreme Court review.

In 2018 a 2-1 Ninth Circuit panel held in *Martin v. Boise* that the Eighth Amendment's ban on cruel and unusual punishment prohibits cities from arresting homeless people or imposing penalties for sitting, sleeping, or lying outside on public property when they don't have enough shelter beds for every vagrant.

Last year a different Ninth Circuit panel affirmed the *Martin* ruling in a class action brought by homeless activists against Grants Pass, Ore. But as Ninth Circuit Judge Milan Smith Jr. explains in a dissent joined by eight other judges, the two decisions have left "local governments without a clue of how to regulate homeless encampments without risking legal liability." *Martin* "handcuffed local jurisdictions as they tried to respond to the homelessness crisis; *Grants Pass* now places them in a strait-jacket," Judge Smith writes.

For example, a police officer in San Francisco cannot cite a homeless person who has set up a tent and defecated outside the Ninth Circuit's courthouse even if government workers have

offered temporary housing to the individual. As long as the city has fewer shelter beds than homeless people, police can't force vagrants to move off public property.

Yet many of the homeless decline housing and treatment for drug addictions or mental illness. The Ninth Circuit's rulings make it harder for local officials to leverage criminal and civil penalties to force vagrants to accept treatment and housing.

"In a democracy, voters and government officials should be able to debate the efficacy and desirability of these types of enforcement actions," Judge Smith adds. "Regrettably, our court has short-circuited the political process and declared a reasonable policy response to be off-limits and flatly unconstitutional."

The Ninth Circuit decisions contravene the Constitution and rulings by two other appellate courts, as senior Judge Diarmuid O'Scannlain and 14 other judges explain. The Constitution's ban on cruel and unusual punishment "was directed to modes of punishment" and was "never intended to arrogate the substantive authority of legislatures to prohibit 'acts' like those at issue here, and 'certainly not before conviction,'" Judge O'Scannlain writes.

He adds that it "is not a boundless remedy for all social and policy ills, including homelessness. It does not empower us to displace state and local decisionmakers with our own enlightened view of how to address a public crisis over which we can claim neither expertise nor authority, and it certainly does not authorize us to dictate municipal policy here."

Grants Pass plans to appeal to the Supreme Court. The Justices may be getting tired of cleaning up the Ninth Circuit's messes, but they are the only ones who can do it.

The Inflation Reduction Act sweetened ObamaCare's insurance premium tax credits that are tied to income. As a result, a 60-year-old making just above four times the poverty level (\$58,320) has to pay only 8.5% of his income toward his insurance premium while the government picks up the rest. If premiums increase, government is on the hook for more.

The Administration is taking away cheaper insurance options from consumers.

But after the Inflation Reduction Act's enhanced subsidies expire in 2025, consumers will be in for sticker-shock. Hence, the Administration is trying to drive more young, healthy people back into the exchanges by reinstating a four-month cap on short-term plans and prohibiting renewals. Presto: A free market for insurance that competes with the ObamaCare exchanges disappears.

Some states have experimented with restricting short-term plans, but a 2021 study by the Galen Institute found this didn't reduce full-coverage premiums. For many young people, the ObamaCare plans even with subsidies aren't worth the cost. So prepare for an increase in the number of uninsured after the rule takes effect.

The Biden rule may also draw a legal challenge. The Cato Institute's Michael Cannon notes that the proposal conflicts with a 2020 ruling by the D.C. Circuit Court of Appeals that "nothing in [federal law] prevents insurers from renewing expired STLDI policies." Once again, the Administration is rewriting law by regulatory decree.

As with his backdoor ban on gas-powered cars, President Biden is limiting health insurance choice and competition in the name of protecting consumers from something they want to buy.

LETTERS TO THE EDITOR

The Persistent Question of Student-Loan Debt

I find it absurd that Democrats propose to cancel a half-trillion dollars of student-loan debt without correcting the underlying problem ("Biden Loses Again at the High Court," Review & Outlook, July 1). There have been no changes to address the cost of college and student loans. Even if the debt were canceled today, it would build up in the same manner tomorrow.

DOUG PRADAT
Birmingham, Ala.

I thank the Supreme Court for not allowing President Biden to transfer the requirement to repay student loans from the 13% of Americans with student debt—the ones who asked for loans, signed for them and used the funds—to the 87% of Americans who either never asked for student loans or fulfilled their obligations.

FRED WALKER
Wyndmoor, Pa.

I am sympathetic to today's college students with large debts. From 1953-66, I completed a bachelor's degree, a medical degree and a surgical residency without parental help or significant scholarship support—and emerged with no debt. I attended a

"work plan" college, washed dishes at a fraternity house and worked as a night tech at a university hospital. Because of many factors, including the student-loan program, that have increased the cost of higher education, this is now out of reach for most students. For those unfortunate students with large debts, the government could eliminate all interest on their loans, provided that they remain compliant in a structured repayment plan.

WILLIAM R. JEWELL
Kansas City, Kan.

The sixth paragraph of your editorial delivers the most arresting story of the day: Justice Elena Kagan's dissent confirms that she and two other justices go further even than Nancy Pelosi in contriving excuses to advance the progressive agenda. As you note, Rep. Pelosi said in July 2021 that the president couldn't unilaterally forgive loans: "That has to be an act of Congress." Thus are the near-daily warnings about the danger of an ideologically driven court shown to have validity, only not in the way we're supposed to believe.

DAVID HOOPMAN
Monona, Wis.

Veterans and the Military Recruitment Crisis

We don't want the ones we love to risk their lives for leaders who can't understand how precious those lives are ("Veterans Worsen Recruitment Crisis," Page One, July 1). I was a U.S. soldier during Vietnam. I knew I could get killed, but even worse, that my death might mean nothing. That any sacrifice would be written off, when our leaders decided they had had enough. At the same time, I thought that our country couldn't survive for long if people like me didn't go when we were called. I went and hoped for the best.

In Afghanistan in 2021, our leaders decided to pull out. What, now, do the lives of everyone who has died there mean? Everyone who had counted on us was educated as to what their safety was worth to us. A veteran generally doesn't want the ones he or she loves to have any part of our military right now. When things change, veterans will change, too.

ALLAN COLLISTER
Berkeley, Calif.

With the Supreme Court ending college-debt relief, another door could open: College grads joining the military in exchange for loan forgiveness. The program already exists, although it might need some modification. This GI Bill would give students a chance to serve their country, while reducing the military's recruitment woes.

BOB JOHNSON
Hendersonville, N.C.

Perhaps our armed services should re-evaluate their age requirements. There are plenty of older people in excellent shape with a wealth of knowledge and experience who might be interested in switching gears. Ages 40 and 50 look a lot different today than they did decades ago.

KRISTINA HENRY
Easton, Md.

Our military and civilian leaders seem to despise traditional values and view with suspicion anyone who holds conservative views. Improved pay, housing and healthcare aren't going to bring in recruits whose primary reason for joining has been love of country and family tradition.

TOM ECKER
Laguna Niguel, Calif.

I'm a disabled Vietnam vet. People don't want to go into the military because they see the way vets are treated. I didn't serve to spend the rest of my life sick and in poverty. Vets can't walk down the street wearing a military cap in California without someone mouthing off to them.

The volunteer military has run its course. If it can't recruit, we need mandatory service: Two years in the military or three years of community service. And for those with bone spurs and bum knees, we'll find something for them to do.

DENNIS BELL
Redlands, Calif.

Chips Act Funding Is Aligned With the Law

Your editorial "The Incredible Expanding Chips Act" (June 29) criticizes the Commerce Department for expanding its first Chips Act funding opportunity to include materials and equipment facilities critical to the semiconductor supply chain. But the Chips Act explicitly directs the department to invest in facilities for not only semiconductor production but

also materials and equipment to manufacture semiconductors. Congress recognized that investments in the upstream supply chain are core to revitalizing the domestic semiconductor industry. The department's funding opportunity aligns with this directive.

Your editorial also suggests that this will lessen the amount of money available to chip makers. The department has stated that it will reserve a significant majority of its funding for chip makers, though—consistent with the law—it intends to make targeted investments across the supply chain.

MICHAEL SCHMIDT
Director, Chips Program Office
U.S. Department of Commerce
Washington

Of Controllers and Presidents

Air-traffic controllers have mandatory retirement at age 56 ("Who Is to Blame for Your Delayed Flight?" Letters, July 5). With in-depth physicals, that could be safely extended at least five years. You can be the president, a justice or a senator past 85, but a controller only until 56? This is a government-created problem.

TIM O'BRIEN
St. Petersburg, Fla.

Pepper ... And Salt

THE WALL STREET JOURNAL



"Didn't read the book, missed the movie, but caught the theme park ride."

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OPINION

May Trump Soon Reach His Waterloo



DECLARATIONS
By Peggy Noonan

If you frequently have a screen on, your impression this summer is that all the hungry things are coming closer in. The sharks are coming closer to shore, the beaches suddenly closed. Bears have been coming in closer for years, deer too. Alligators are advancing onto the golf course and creeping out of the pond.

Candidates for president are coming in closer, away from their natural habitat in the greenrooms of the east and into the heartland primary states, marching in July Fourth parades, waving sweatily, hoping someone will wave back. To mark their summer kickoff, a few thoughts on the race.

The former president isn't Napoleon, but there are similarities in the cults around both men.

The first primaries are just more than six months away, the first GOP debate is next month, and yet the only thing to be sure of is that clear and consistent majorities of Republicans, Democrats and independents don't want the choice they're likely to get, a race between Joe Biden and Donald Trump. It has a depressing effect on political talk. If either party were daring and serious about history, it would shake off its front-runner and increase its chances of winning in 2024. It feels weird that, politics being the cold business it is, neither is making this pragmatic decision.

Democrats are stopped by their

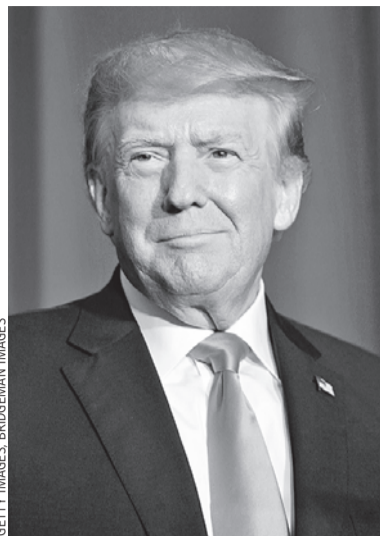
fear of the apparatus of presidential power. They're afraid to push against the big, inert, tentacled power blob that is the presidency. They fear they can't raise money in such circumstances; they fear unsettling things—better the devil you know—and fear that a challenge to Biden-Harris will be interpreted by a major part of their base as a move against the multiracial first female vice president. They fear their party isn't organized enough, in a way isn't real enough, to execute an unexpected national primary race.

If Mr. Biden had more imagination than hunger, he'd apprehend his position and move boldly: "After long thought, I judge that I have done the job set for me by history: I removed Donald Trump and saw to the ravages of the pandemic. I now throw open the gates and say to my party: Go pick a president. You did all right last time, you'll do fine this time too." What a hero he'd be—impressive to his foes, moving to his friends. History would treat him kindly too: "Not since George Washington . . ." But he has more hunger than imagination.

Many Republicans, the polls say, are also having trouble letting go.

This weekend I reread Paul Johnson's "Napoleon," which came out in 2002, part of his series of brief lives. Johnson paints his subject as genius and devil and spends time on his political unscrupulousness: "French rule was corrupt and rapacious." In conquered nations France took everything not nailed down, especially art, which would go to the Louvre for the convenience of the world. At birth, nature gave Napoleon great gifts but "denied him things that most people, however humble, take for granted—the ability to distinguish between truth and falsehood, or right and wrong." He was a mountebank who hid his "small feminine hand" inside his waistcoat and lavished his person with cologne.

It should be noted, should your



GETTY IMAGES; BRIDGEMAN IMAGES

mind be going there, that Donald Trump isn't Napoleon, who was a serious man, or anyone else. He's a one-off, and of his time.

But Johnson writes of the cult of Napoleon in a way that is now pertinent. As he rose, "the English intellectuals, if that is not too fancy a term, were divided." Lord Liverpool, who as a young man had witnessed the French Revolution and never got over its horrors, located his place in history: Napoleon was the man who took a violent French mob and turned it into an army that terrorized Europe. William Wordsworth protested his cruel treatment of the peasants in occupied countries; Samuel Taylor Coleridge saw him as a threat to democratic freedoms—"the evil genius of the planet." Edmund Burke was of course Napoleon's most powerful literary foe.

Others, still captivated by the revolution, saw him as its residual heir. Some hated monarchy and welcomed Bonaparte as an enemy of the British throne. Some admired him "more as a criticism of British institutions and ruling personalities than in approval of his doings." The poets John Keats and Percy Shelley saw



him as a romantic hero, a daring breakthrough artist of history. Johnson thinks they were influenced by the work of Napoleon's paid propagandists, especially the painters Jacques-Louis David and Antoine-Jean Gros.

"The cult of Bonaparte was originally wide, but it did not last," Johnson writes. It had power in the moment, but it passed. Reality settled in; history made its judgments. The cultists changed the subject, or added nuance when pressed to explain their previous support.

But Johnson sees in the Napoleon cult the beginning of something, the rise of mass and effective political propaganda. "In the twentieth century, this infatuation was to occur time and again." George Bernard Shaw, that brilliant man, fell for Stalin and became his willing dupe. Norman Mailer and others worshiped Castro; French intellectuals celebrated Mao.

The Irish writer Fintan O'Toole wrote in the New York Times in 2017 of Shaw's loyalty to Stalin. In political cults there is "the tendency to fantasize. . . . There is the same impatience with the messiness and in-

efficiency of democracy, and it leads to the same crush on the strongman leader who can cut through the irrelevant natterings of parliaments and parties."

Back to now. Chris Christie could easily defeat Joe Biden. So could several of the GOP candidates now in the field. Donald Trump wouldn't, for one big reason: His special superpower is that he is the only Republican who will unite and rally the Democratic base and drive independents away. He keeps the Biden coalition together.

A sad thing is that many bright Trump supporters sense this, and the case against him, but can't concede it and break from him, in some cases because they fear him and his friends. They don't want to be a target, they don't want to be outside the in-group, they want to be safely inside. They curry favor.

This weekend at a party, one of Mr. Trump's New York supporters, a former officeholder, quickly made his way to me to speak of his hero. He referred to the Abraham Accords and the economy and said: "Surely you can admit he was a good president."

He was all wound up, so I spoke slowly. "I will tell you what he is: He is a bad man. I know it, and if I were a less courteous person I would say that *you* know it, too."

He was startled, didn't reply, and literally took a step back. Because, I think, he does know it. But doesn't ever expect it to be said.

A journalist in our cluster said, musingly, "That was an excellent example of apophasis," the rhetorical device of saying something by saying you're not going to say it.

We all moved on, but that was the authentic sound of a certain political dialogue. "Surely you can admit he made France great again." "He is a bad man." Its antecedents stretch back in history.

Political cults are never good, often rise, always pass. May it this time come sooner rather than later.

The Future of War Has Come in Ukraine: Drone Swarms

By Eric Schmidt

Kramatorsk, Ukraine

My most recent trip to Ukraine revealed a burgeoning military reality: The future of war will be dictated and waged by drones.

Amid a front line covering 600 miles, the Ukrainian counteroffensive faces a formidable Russian force, as it tries to break through to the Azov Sea and stop the Russian overland supply line to Crimea. Between the two armies, there are at least 3 miles of heavily mined territory followed by rows of concrete antitank obstacles, with artillery pieces hidden in nearby forests. The Russian military has amassed so much artillery and ammunition that it can afford to fire 50,000 rounds a day—an order of magnitude more than Ukraine.

Traditional military doctrine suggests that an advancing force should have air superiority and a 3-to-1 advantage in soldiers to make steady progress against a dug-in opponent. Ukrainians have neither. That they've succeeded anyway is owing to their ability to adopt and adapt new technologies such as drones.

Drones extend the Ukrainian infantry's limited reach. Reconnaissance drones keep soldiers safe, constantly monitoring Russian attacks and providing feedback to correct artillery targeting. During the daytime, they fly over enemy lines to identify targets; at night, they return with payloads.

Unfortunately, Russia has picked up these tactics, too. Behind the initial minefields and trenches blocking Kyiv's advance, there's a more heavily defended line. If courageous Ukrainians make it there, Russian soldiers will send in drones and artillery. All the while Russia's army—which excels at jamming and GPS spoofing—is working to take out Ukrainian drones. A May report from the Royal United Services Institute for Defence and Security Studies estimated that Ukraine was losing as many as 10,000 a month even before the start of the counteroffensive.

Yet Ukraine has continually out-innovated the enemy. Its latest drone

models can prevent jamming, operate without GPS guidance and drop guided bombs on moving targets. Ukrainian command centers use personal computers and open-source software to classify targets and execute operations.

Ukraine has also pioneered a more effective model of decentralized military operations that makes its tech use varied and quickly evolving. In the war's early stages, Ukraine's government put the new Digital Ministry in charge of drone procurement but left important decision making to smaller units. While the ministry sets standards and purchases drones, the brigades are empowered to choose and operate them. Ten programmers can change the way thousands of soldiers operate. One brigade I visited independently designed its own multilayered visual planning system, which coordinates units' actions.

To win this war, Ukraine needs to rethink 100 years of traditional mili-

tary tactics focused on trenches, mortars and artillery. But the innovations it and Russia make will carry on far beyond this particular conflict.

The innovations that have led to Kyiv's remarkable successes will change combat dramatically.

Perhaps the most important is the kamikaze drone. Deployed in volume, this first-person-view drone—invented for the sport of drone racing—is cheaper than a mortar round and more accurate than artillery fire. Kamikaze drones cost around \$400 and can carry up to 3 pounds of explosives. In the hands of a skilled operator with several months of training, these drones fly so fast they are nearly impossible to shoot down.

By Bret Swanson

In the wake of the 1986 Challenger space-shuttle explosion, Nobel Prize-winning physicist Richard Feynman knew that the truth would both fuel progress and soothe the nation's sorrow. "For a successful technology," he said, "reality must take precedence over public relations, for Nature cannot be fooled."

For three years, pandemic public relations mocked nature, generating fear, illness, inflation and excess death beyond what the virus caused. Digital censorship supercharged the effort to hide reality, but reality is getting its day in court.

On July 4, U.S. District Judge Terry Doughty temporarily blocked numerous federal agencies and the White House from collaborating with social-media companies and third-party groups to censor speech.

Discovery in *Missouri v. Biden* exposed relationships among government agencies and social-media

firms and revealed an additional layer of university centers and self-styled disinformation watchdogs and fact-checking outfits.

Elon Musk's release of some of Twitter's internal files revealed that up to 80 Federal Bureau of Investigation agents were embedded with social-media companies. The agents mostly weren't fighting terrorism but flagging wrongthink by American citizens, including eminent scientists who suggested different paths on Covid policy.

The results of these relationships? Twitter blacklisted Stanford physician and economist Jay Bhattacharya for showing Covid almost exclusively threatened the elderly, severely reducing the visibility of his tweets. When Stanford health policy scholar Scott Atlas began advising the White House, YouTube erased his most prominent video opposing lockdowns. Twitter banned Robert Malone, a pioneer of mRNA vaccine technology, for calling attention to the vaccines' dangers. YouTube demonetized evolutionary biologist Bret Weinstein, who suggested the virus might be engineered and predicted vaccine-evading variants. And those are only a few examples.

Social-media platforms were powerful tools for full-spectrum censorship, but they didn't act alone. Medical schools, medical boards, science journals and legacy media sang from the same hymnal.

Legions of doctors stayed quiet after witnessing the demonization of their peers who challenged the Covid orthodoxy. A little censorship leads people to watch what they say. Millions of patients and citizens were deprived of important insights as a result.

Health authorities and TV doctors insisted young people were vulnera-

ble, demanded toddlers wear masks, closed schools, beaches and parks, and were loath to contemplate crucial cost-benefit analysis. The economy? Mental health? Never heard of them.

These "experts" denied the protective effects of recovered immunity, a phenomenon we've known about since the Plague of Athens in 430 B.C. They effectively prohibited generic drugs approved by the Food and Drug Administration, such as

Government and social-media companies colluded to stifle dissenters who turned out to be right.

azithromycin and ivermectin, which low-income nations around the world were deploying successfully. They failed to appreciate the evolutionary dynamics of mass vaccination during a pandemic.

The U.S. government spent \$6 trillion to buoy its shuttered economy, and most people got Covid anyway. Worst of all, the lockdowns and mandates resulted in unprecedented bad health outcomes for young and middle-aged people in rich countries.

Excess mortality in most high-income nations was worse in 2021 and 2022 than in 2020, the initial pandemic year. Many poorer nations with less government control seemed to fare better. Sweden, which didn't have a lockdown, performed better than nearly every other advanced nation.

After navigating 2020 with relative success, young and middle-aged healthy people in rich nations began

try of the tractors cultivating fields only miles from the front line was a powerful reminder of how human civilization can withstand unbelievable hardship—and emerge stronger.

The war in Ukraine shows us the best and worst humanity can offer, from the ruthlessness of the invasion to the bravery of the defenders. It's also a stark warning of the future wars to come. Just as drones can be deployed to protect soldiers, they can be used to hunt civilians.

The world needs to learn and innovate from the lessons of this emerging form of fighting to be ready to deter and prevent such conflict from ever happening again.

Mr. Schmidt was CEO of Google, 2001-11, and executive chairman of Google and its successor, Alphabet Inc., 2011-17. He is the chairman of the Special Competitive Studies Project and a co-author of "The Age of AI: And Our Human Future."

Covid Censorship Proved to Be Deadly

dying in unprecedented numbers in 2021 and 2022. Health authorities haven't focused enough on this cataclysm of premature death from non-Covid heart attacks, strokes, pulmonary embolisms, kidney failure and cancer.

Hiding these and other realities has become more difficult in the internet age. The information explosion has allowed more people to spot quickly the mistakes of officials and learn the truth. This has changed the relationship between the authorities and those they govern. Those in charge feel threatened.

Digital censorship is their response to this crisis of authority. True, misinformation is rampant online. But it was far worse before the internet, when myths could persist for centuries. New technologies allow us to compile data quickly, correct errors, find facts and dispel falsehoods. Science, supported by an open internet, is the process by which we reduce misinformation and approach the truth.

Artificial intelligence will improve our ability to sift, parse, edit, authenticate and organize information. When you hear calls to license or centralize control of AI, remember the hubris of Covid censorship.

"Attacks on me," Dr. Anthony Fauci famously insisted, "quite frankly, are attacks on science." Feynman would have been appalled. "Science," he wisely noted, "is the belief in the ignorance of experts."

Mr. Swanson is a nonresident senior fellow at the American Enterprise Institute. He writes the Infonomena newsletter on Substack.com.

Holman W. Jenkins, Jr. is away.

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SPORTS

By JOSHUA ROBINSON

London

Christopher Eubanks was just eight minutes into his first match on a Wimbledon stadium court when his confidence began to surge. Even though he was facing British No. 1 Cam Norrie in front of a hometown crowd, Eubanks could sense on Friday that he was in his groove. Rattling off a service game with four consecutive aces will do that.

"OK," he told himself. "I'm feeling good today."

A little over two hours later, the 27-year-old late bloomer from Atlanta was feeling even better. Eubanks had a 6-3, 3-6, 6-2, 7-6(3) victory to his name and a ticket to the third round of a major tournament. For a player who has spent nearly a decade ranked in the triple digits, seriously considered retirement, and recently thought grass was "stupid," Friday's victory was the kind that reaffirms a few life choices.

"By far the biggest win of my career," Eubanks, now ranked No. 43, said on court. "By far. Not even a question."

The reason Eubanks could be so definitive is that until this season, he had never even cracked the top 100 of the world rankings. In the six years since he turned professional, after three seasons of college tennis at Georgia Tech, progress was painfully slow—and that's when it came at all. He spent his time bouncing around the lower-tier Challenger tour and occasionally filling out the first and second rounds of tournament brackets at larger events. Since 2017, he has been knocked out of Grand Slam qualifying tournaments more often than he has played in main draws.

Eubanks wondered more than once what he was still doing trying to make a career out of this game.

"There were definitely some low moments," he says. "It's not that glamorous [being] ranked around 200."

What made it that much more frustrating was that Eubanks had gotten a taste of what he was aiming for longer than most players. At the age of 15, he swerved away from junior tennis and instead began living life on the professional tour as a training partner for Donald Young, the former world No. 38. But when Eubanks's turn came to try climbing the rankings, he found his game too inconsistent to do much damage despite his 6-foot-7 frame and heavy serve.

Feeling like he was getting nowhere in recent seasons, Eubanks had a heart-to-heart with his agent about perhaps finding better ways to spend his time than professional tennis. That's how he wound up

Eubanks Finds Form on Grass

The 27-year-old American used to think grass-court tennis was 'stupid.' But after winning his first career ATP title in Mallorca this summer, he is now in the third round at Wimbledon.



Christopher Eubanks beat Cam Norrie to advance to the third round at Wimbledon. The 27-year-old American said it was the biggest win of his career.

dipping his toe into the world of television as a part-time commentator on the Tennis Channel.

"Feels like it was so long ago," he said. "Feels like I was a totally different person."

Still, as the 2023 season began, Eubanks felt he had a little more to play for. He made a surprise run to the quarterfinals of the Miami Open and found himself closing in on the top 100 in the world rankings. Then came the breakthrough this summer. At age 27, Eubanks won his first title on the Association of Tennis Professionals tour on the grass courts of the Mallorca Open. The result left him in tears.

"It means that a lot of the hard work that I've been doing, and the persistence that I've tried to have

throughout the ups and downs of my career, it's all worth it," he told the ATP website at the time. "It's all worth it for this moment right here."

That Eubanks should finally find some success on grass isn't all that surprising.

With his size and serving ability, he precisely fits the profile of the players who used to float around the first week of Wimbledon and cause upsets when the grass played at its quickest. (Eubanks's fellow American John Isner, who rarely reached the latter stages of majors but made a Wimbledon semifinal in 2018, springs to mind.)

The strange part is that until this summer, Eubanks couldn't stand the surface. Ahead of Ma-

llorca a month ago, he texted the former world No. 1 Kim Clijsters for any advice she could offer on how to handle it. In a screenshot of the exchange posted on his social media, Eubanks's frustration was palpable.

Grass, he wrote, was "the stupidest surface to play tennis on." Rest assured, he said on Friday that he no longer feels this way: "I'm loving the grass right now."

Eubanks showed as much on Friday against Norrie as he won 76% of the points behind his first serve and fired 62 winners.

"His level at the moment and his confidence is unbelievable," said Norrie, one of three British men to lose on Friday, alongside Andy Murray, who fell in five sets to No.

5 seed Stefanos Tsitsipas, and Liam Broady. "He completely took the racket out of my hand today."

Stern challenges await for Eubanks. If he beats No. 73 Christopher O'Connell of Australia on Saturday, he could face Tsitsipas in the fourth round and No. 3 Daniil Medvedev in the quarters. But for now, the wildest month of Eubanks's career is giving him plenty to bask in.

"There's tons of really good tennis players who never get the chance to play the No. 1 Brit at Wimbledon, in an atmosphere like this," he said. "It didn't matter how many people were for me, or against me. This is something I'll never forget for the rest of my life."

Higher Risk For ACL Injuries

Continued from Page One

Dr. Andrew Pearle, chief of sports medicine at New York's Hospital for Special Surgery, said of a study that ended in 2009. "So this is an incredible epidemic."

The problem is especially acute at the youth level. ACL injuries are as much as six times as common among female high-school soccer players as among male players, Pearle said. A girl who plays soccer year-round has a 16% chance of injuring her ACL during her high-school years, he said.

Although the causes for ACL injuries aren't fully known, they appear to have risen as competitive soccer's calendar has expanded from the youth ranks all the way to professional leagues. For female players, competition makes a difference: High-school girls were more likely than boys to sustain injuries during games versus in practice, according to a 2020 study.

The good news for amateur players is that half or more ACL injuries are preventable with regularly performed exercises called neuromuscular training, Pearle said. The Hospital for Special Surgery and the Aspen Institute recently formed the National ACL Injury Coalition to encourage their adoption.

At soccer's higher levels, where many players are already doing preventive exercises, the contributing factors for ACL injuries are more complex. A rising number of matches and increased intensity of play have come without a parallel rise in medical and material support, players say. Women's physiology and a lack of research about it further complicate the picture.

In general, several factors are thought to put female athletes at higher risk of ACL injuries, Pearle said. Female athletes tend to move their knees inward when landing from a jump rather than keeping them in



France's Marie-Antoinette Katoto will miss the Women's World Cup due to a knee injury. The tournament begins on July 20.

screens to assure we are addressing the whole athlete at all times," U.S. Soccer's chief medical officer, George Chiampas, said.

A growing area of interest is the tracking of hormonal changes among female athletes and mitigation of menstrual-cycle symptoms such as fatigue and cramping that might make players more vulnerable to injury.

Dawn Scott led an effort to do that for the winning U.S. team at the 2019 Women's World Cup, as the U.S. high-performance coach at the time. Scott is now senior director of performance, medical and innovation for the NWSL's Washington Spirit. She said there is no consensus in the research, however, that women are more likely to tear their ACL at one point in their cycle or another, but said that more research is needed. So far it's lacking. Only 6% of sports-science studies have focused exclusively on women, said Christine Yu, a sports science journalist and author of the recent book, "Up to Speed: The Ground-breaking Science of Women Athletes."

Meanwhile, at the youth level, neuromuscular training has been shown to prevent many ACL injuries, Pearle says.

One such routine, called 11+, was developed by FIFA for players 14 and older. One study found a reduction in injuries of up to 50% in female players aged 13 to 18 when the exercises were performed at least twice a week.

The Sports Medicine Institute of the Hospital for Special Surgery in New York has launched a website called RippReps—Ripp stands for "reduce injuries, improve performance"—with several sample sessions of its own exercises. The effort also includes a free app that coaches and organization leaders can use to coordinate and track the exercises on their teams.

A large majority of ACL injuries come in noncontact events, such as when a soccer player is playing defense, stops off-balance and her knee caves in, Pearle said.

"So these exercises really build the muscle memory for you to do that safely every time," he said.

line with their toes. They are more knee-dominant in their change-of-direction movements rather than engaging the muscles around their knees and hips. Their joints are generally looser than those of male athletes. And women and girls have less muscle mass around the knee to reduce force on the joint.

In recent years, the growing number of matches also has created more opportunities for injury. Teams in England's Women's Super League each played four more regular-season games this year than they did five years ago. Teams in the U.S. pro league, the National Women's Soccer League, each play four more games than in 2019, as the regular season has increased to 28 games including the in-season Challenge Cup tournament. Playoffs can push a team's total above 30 games.

Add in national team matches, and the number of games in a year for some players climbs to 45 or more.

Meanwhile, the intensity of the women's game is rising. Players at the 2019 Women's World Cup in France covered more distance at

higher speeds than they did at the 2015 tournament, according to data gathered from the teams.

The number of ACL injuries in elite women's soccer "just shows that there's not enough resources in the sport for the women to play the schedule that we're currently playing," said Meghan Klingenberg, who plays professionally for the NWSL's Portland Thorns and was on the 2015 U.S. Women's World Cup-winning team.

Klingenberg listed the areas where the women's game often lags behind the men's: medical staff, physical and massage therapists, access to the best training environments, field surfaces and pay. "All of that adds up," she said.

The NWSL's collective-bargaining agreement caps the total number of league matches in a year at 38. This year, the league mandated minimum levels of support staff for each team,

such as two board-certified and fellowship-trained physicians along with two certified athletic trainers, a physical therapist and an applied sports scientist, a league spokesperson said.

Not every study shows a gender disparity. In England, an ongoing study of the top two women's pro leagues hasn't shown a higher rate of ACL injury than in men's soccer over a four-year period, although data is still being analyzed for the recently completed season, said a spokesperson for England's Football Association, which owns and operates the women's leagues.

U.S. Soccer Federation officials say they customize injury-prevention exercises for players on the U.S. women's team and work with players' clubs to monitor their overall workloads. The federation also implements "robust recovery, nutritional and mental health programs as part of our holistic approach along with daily

ACL injuries have knocked out star players from several nations.



Comeback Kid
Balenciaga designer rises in Paris after scandal **B3**

EXCHANGE

Ad It Up
Why Netflix wants you to pick its cheaper plan **B12**



BUSINESS | FINANCE | TECHNOLOGY | MANAGEMENT THE WALL STREET JOURNAL. * * * Saturday/Sunday, July 8 - 9, 2023 | B1
 DJIA 33734.88 ▼ 187.38 0.55% NASDAQ 13660.72 ▼ 0.1% STOXX 600 447.65 ▲ 0.1% 10-YR. TREAS. ▼ 2/32, yield 4.047% OIL \$73.86 ▲ \$2.06 GOLD \$1,926.20 ▲ \$17.50 EURO \$1.0970 YEN 142.12

The Spot in the Supermarket Where Prices Are Still Soaring



PHOTO ILLUSTRATION BY C.J. BURTON

China Fines Ant Group Nearly \$1 Billion

By REBECCA FENG AND DAVE SEBASTIAN

Ant Group, the financial-technology company associated with billionaire Jack Ma, was fined close to \$1 billion by China's financial regulators, taking the company closer to the end of its long-running business overhaul.

Hangzhou-based Ant, which owns the popular digital-payment platform Alipay, has been on a major restructuring since Beijing scuttled its blockbuster initial public offerings in Hong Kong and Shanghai in late 2020. Ant has made changes to its business and governance, and it is in the process of becoming a financial-holding company to fall fully in line with the country's financial regulations.

Ant and its subsidiaries were fined a total of 7.123 billion yuan, equivalent to \$982 million, a sum that regulators said included the confiscation of illegal income, according to statements released by China's securities regulator and the country's central bank Friday. Regulators said Ant violated laws and regulations when it conducted banking and insurance activities and engaged in payment and settlement businesses in past years. They said there were also problems with the company's corporate governance, investor protections and fulfillment of obligations to prevent money laundering. Some of Ant's activities also flouted regula-

Please turn to page B10

Regulators Seek to Hire Retired Bank Examiners

By BEN FOLDY AND ANDREW ACKERMAN

Federal regulators are trying to coax retired bank examiners back onto the payroll to help unravel the financial mess caused by rising interest rates.

The Office of the Comptroller of the Currency is sending letters that offer the opportunity to rejoin the agency's ranks through a "boomerang" program, according to a copy of the letter viewed by The Wall Street Journal. The Federal Deposit Insurance Corp. said it is also hiring former examiners and other officials.

The number of examiners has declined, in some cases significantly, for the main banking regulators recently.

Current and former regulators said the recruitment effort shows banking regulators anticipate more activity in the sector, whether through consolidation or the kind of turbulence that earlier this year saw Silicon Valley Bank, Signature Bank and First Republic Bank fail in some of the country's largest-ever bank collapses.

In some of those bank failures, banking regulators identified their

Please turn to page B11

IF YOU'RE PLANNING a cookout this summer, the chicken breasts and pork chops are finally a little cheaper. It's the ketchup, potato chips and crackers that will cost you.

The laws of supply and demand have tamed prices for goods such as meat, eggs, produce and gas. The Federal Reserve's 10 rate hikes in the past 15 months have also helped bring some prices closer to normal levels.

Prices, though, are stubbornly rising for what retail and food executives refer to as "the center store."

The middle of the store stocks items that can sit on shelves without going bad quickly, from cereal to cookies, paper towels to dish soap—all essentials that consumers can't really put off buying.

Prices for potato chips rose an average 17% to \$3.05 per package for the 52 weeks ended May 27, compared with the previ-

ous year, according to NielsenIQ, a market-research firm. Mayonnaise increased 23% to \$4.93 per container. Applesauce jumped 22%.

The chief executives of the country's major retailers aren't happy. They are resisting further price increases from the nation's packaged-food giants or pushing for lower prices—but the process is taking longer than they had hoped.

"We all need those prices to come down," Walmart CEO Doug McMillon told investors in May.

The persistent price increases for pantry staples are weighing on consumers and limiting their spending on other goods and services needed to power the American economy as people prioritize buying food and other necessities. Two major industries—retailers and producers of consumer packaged goods—have been

Please turn to page B4

By JESSE NEWMAN

Musk's SpaceX Has a 'De Facto' Monopoly

Its rockets are ferrying NASA astronauts, launching satellites, and dominating the competition

By MICAH MAIDENBERG

Satellite operators and government agencies doing business in space are increasingly dependent on one company to help them reach orbit: Elon Musk's SpaceX.

SpaceX has cornered much of the rocket-launch market, with a proven fleet of reusable rockets that can fly at a pace that rivals can't match—and at lower prices. The company's rockets powered 66% of customer flights from American launch sites in 2022, and handled 88% in the first six months of this year, according to launch data compiled by Jonathan Mc-

Dowell, an astrophysicist who tracks space activity.

That dominance is set to continue. Russia's invasion of Ukraine put one alternative, the Russian Soyuz rocket, off limits for many launch buyers. Rival vehicles from Jeff Bezos' Blue Origin and the French launch company Ariane-space haven't flown yet.

And competitors are phasing out existing rockets as they transition to new ones. United Launch Alliance in June blasted off a government satellite on a Delta IV Heavy rocket, the second-to-last time it will use that vehicle. July 5 marked

Please turn to page B5



A SpaceX rocket launched NASA astronauts to the International Space Station from the Kennedy Space Center.

JOEL KOWSKY/NASA-GETTY IMAGES

EXCHANGE

THE SCORE | THE BUSINESS WEEK IN 5 STOCKS

UPS Hits a Roadblock, Meta Battles Twitter

TESLA
▲
TSLA
6.9%

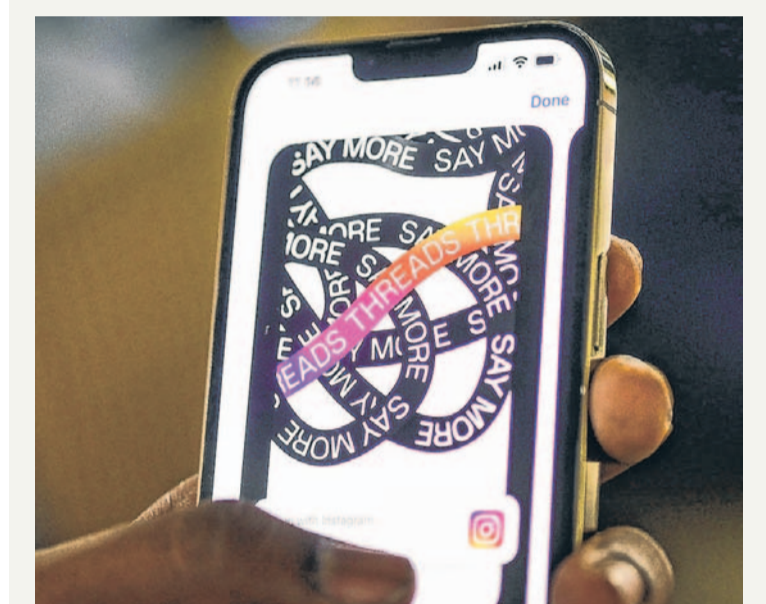
Electric-vehicle stocks surged on reports of stronger sales. Tesla on Monday posted record quarterly sales and an 83% jump in global deliveries, helped by sharp price cuts and significant discounts. The company, led by billionaire Elon Musk, said it delivered more than 466,000 vehicles to customers worldwide. The world's top EV seller has been bouncing back this year after its stock marked its worst annual performance on record in 2022. Rival electric-vehicle startup Rivian on Monday also reported better-than-expected deliveries in its latest quarter, beating expectations. Tesla shares **gained 6.9%** Monday—their best one-day gain since March.

UNITED PARCEL SERVICE
▼
UPS
2.1%

UPS hit a roadblock in its labor talks with the Teamsters. The package-delivery giant and the International Brotherhood of Teamsters—the union representing roughly 330,000 workers—said labor negotiations had stalled. The UPS-Teamsters contract is the largest collective-bargaining agreement involving a private employer in North America. The Teamsters-represented workers voted to authorize a strike if a new agreement isn't reached, a work stoppage that could harm the supply chains of many companies. The last time Teamster-represented UPS workers had a walkout was in August 1997. UPS shares **lost 2.1%** Wednesday.

Other moves from Monday
RIVIAN AUTOMOTIVE
+17%
LUCID GROUP
+7.3%

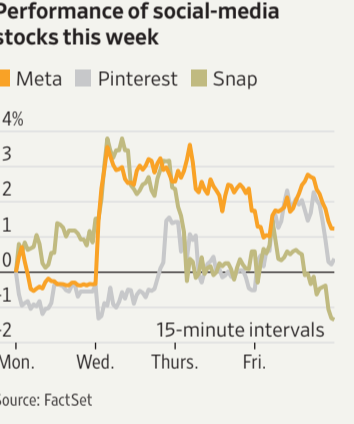
'UPS had a choice to make, and they have clearly chosen to go down the wrong road.'
SEAN O'BRIEN
Teamsters General President



The Threads app hit 30 million users within 24 hours of its launch.

META PLATFORMS
▲
META
2.9%

The Facebook parent on Wednesday launched Threads, a microblogging platform. The arrival of the new app followed a move by Twitter to limit the number of posts its users could read. Within 24 hours, Threads signed up more than 30 million users. A Twitter lawyer alleged that Meta hired Twitter employees and assigned them to help build Threads. A Meta spokesman denied the charge. Meta shares **increased 2.9%** Wednesday.



JETBLUE AIRWAYS
▼
JBLU
7.2%

JetBlue is grounding its partnership with American Airlines. Executives said JetBlue won't join American in challenging a judge's ruling against their partnership, which followed a Justice Department lawsuit. Instead, JetBlue is shifting its resources toward the defense of its planned \$3.8 billion acquisition of Spirit Airlines, which the department has challenged in a separate suit. The Justice Department has argued that the takeover—which would create the fifth-largest U.S. carrier—would stifle competition and lead to higher fares. JetBlue shares **lost 7.2%** Thursday.

LEVI STRAUSS
▼
LEVI
7.7%

Levi's on Thursday said it swung to a loss in the latest quarter and cut its annual forecast, posting a 22% drop in sales in its core market, the Americas region. Levi's is aiming to sell most of its denim through its own stores and website instead of third-party retailers. Last quarter's net loss was mostly due to higher-than-expected operating expenses, as the company spent more on advertising to support its iconic 501 jeans' 150th anniversary campaign and to grow its direct-to-consumer channel sales. Levi shares **fell 7.7%** Friday.
—Francesca Fontana

STREETWISE | JAMES MACKINTOSH

Surprising Ingredients for a Rally

Real 'value' stocks haven't done too well this year. So why is a \$25 billion value ETF up so much?

This should have been a great year for contrarian investors. The 50 stocks in the S&P 500 that fell the most last year lost an average of 31%, then rebounded a startling 56% this year. Simply buying the losers at the end of December was a winning strategy.

But contrarian investors don't usually just buy what fell the most, since that's historically been a losing strategy. Stocks have momentum, so falling stocks tend to keep falling for a while. Instead, contrarians buy shares that are cheap on some measure of price compared with the underlying fundamentals of the company, a widely followed strategy known as value investing.

Exactly what measure to use—price to sales, price to book, price to cash flow, estimated or reported—remains a point of contention. That Microsoft isn't cheap on any of these measures is almost universally agreed.

Yet, Microsoft is the biggest holding in the S&P 500 Value index. It has done really well and has propelled the index past the other two main value gauges by the most ever over six months. The \$25 billion iShares S&P 500 Value ETF (ticker IVE) has jumped 11% this year, versus less than 5% for bigger rivals using the Russell 1000 and CRSP value indexes, from FTSE Russell and Chicago's Center for Research in Security Prices.

"I would question S&P's or any definition that could ever lead to a company with a double-digit price-to-sales [ratio] entering a value index," said Rob Arnott, founder of Research Affiliates and an adherent of value investing.

Digging into the reason Microsoft features in S&P's measure will help investors understand not only the \$25 billion IVE, but also the problems with trying to buy other popular investment styles—such as growth, quality or momentum—through index-following funds.

Microsoft isn't the lone outlier in the index. Amazon and Netflix, not value stocks on any measure, are also in the index's top 10.

The history behind why this happened shows how Wall Street trips over itself when it tries to organize investments in what seem like neat and tidy categories. They are almost never neat and tidy and often end up with unintended consequences.

The story begins not with the S&P's value index, but with how the index provider puts stocks into its growth category, often considered the yin to value's yang. Growth aims to capture growing companies, typically also more expensive on price-to-fundamentals ratios.



S&P noticed back in 2009 that much of the performance of fund managers who focus on growth companies is explained by the price momentum of stocks—the tendency of rising stocks to keep going up, and falling stocks to keep dropping. It rejigged its growth indexes to include momentum, alongside sales growth and a rising price-to-earnings ratio. Reasonable enough, if controversial given that momentum is treated by academics and investors alike as a separate investing style.

Microsoft gets into S&P's value measure not because it is a value stock, but because its big fall last year meant it didn't qualify as a growth stock either—and S&P's approach forces it to allocate all stocks to one or the other. In Microsoft's case, it is split and about half the market value goes in each index, making it the second-big-

Wall Street can trip over itself when it tries to organize investments in neat and tidy categories.

gest growth stock and the biggest value stock. Investors looking for clarity will have to read far into the documents to understand what they're getting.

"There's a broad wish to think of everything as either a value or growth company, but there's a big muddle in the middle," says Tim Edwards, head of index investment strategy at S&P Dow Jones Indices.

S&P has pure growth and pure value indexes too, which exclude the stocks in the middle—but as a result, the pure growth index is even more confused. It doesn't have any of the Big Tech stocks that have come to define growth, missing Apple, Microsoft, Nvidia, Amazon and Alphabet, because

they fell so much last year. It was precisely because they were pure growth stocks that they fell so much, as rising interest rates made growth less attractive. Those falls then led S&P to conclude they were no longer pure growth stocks. Investors who want to buy into this year's Big Tech growth boom should avoid the S&P 500 Pure Growth index, which has more than a quarter of its money in oil and other energy stocks instead.

There are two big lessons for investors in the oddity of S&P's measures. First and most important is to know what you're buying. When it comes to ETFs, this takes work. It's literally in the name that S&P 500 Value is a value index, and it selects on standard value measures, so who would expect it to hold stocks best known for their growth?

Similar due diligence is needed before investing in funds focused on quality (what counts as good?), momentum (trading costs are the killer) and ESG (it's all subjective, so who makes the decisions?).

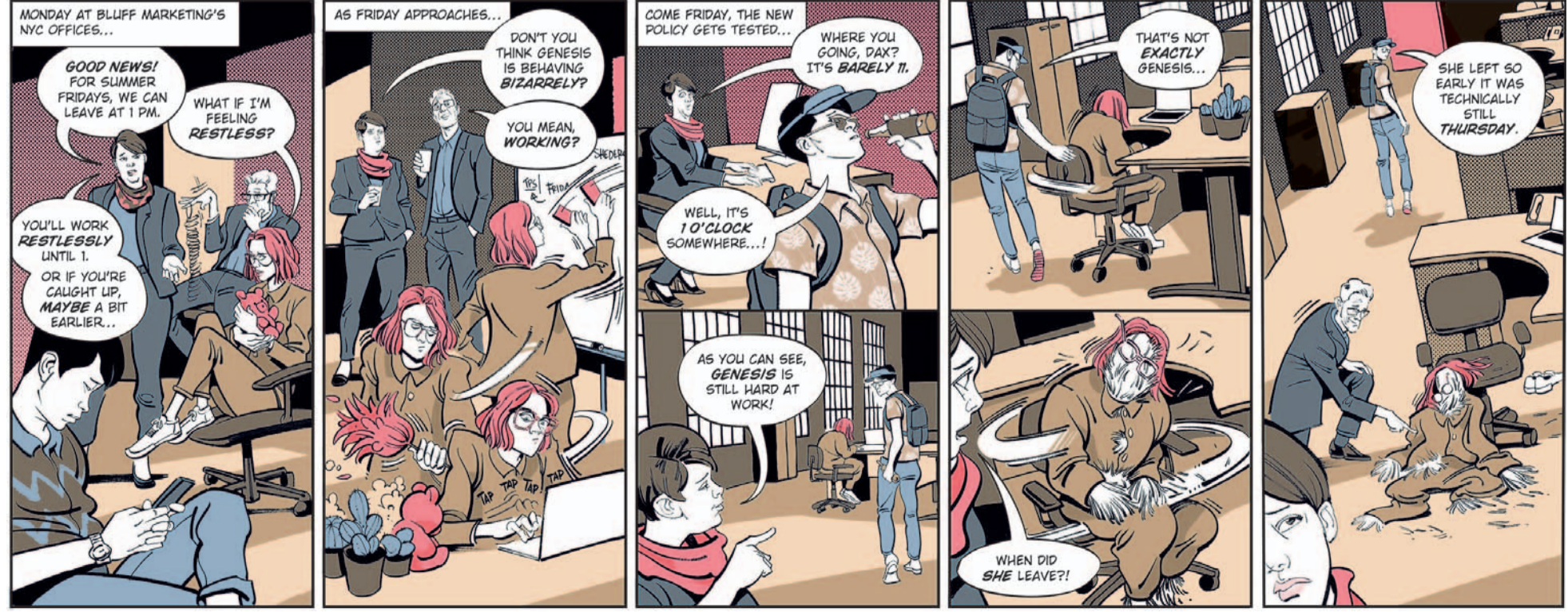
Second, don't choose based merely on past performance. An investor who agrees with Arnott that value stocks are historically cheap compared with growth stocks may well want a value ETF. The ones linked to the S&P gauge have done the best recently, so might hold appeal—until you figure out why they've done so well.

Cliff Asness, founder of fund manager AQR Capital Management, points out that buying a better-measured version of value might have done worse, precisely because value has been out of favor this year. But anyone buying value because they expect it to come back should want the best-measured version, not one that missed the downturn by including some growth.

Be a contrarian. But be an informed contrarian. At least that way when it doesn't work out—as it often won't—you'll know why.

WSJ COMIC | DALE HRABI & KAGAN MCLEOD

A Piece of Work | The Summer Fridays



ALEXANDRA CITRIN-SAFADI/THE WALL STREET JOURNAL

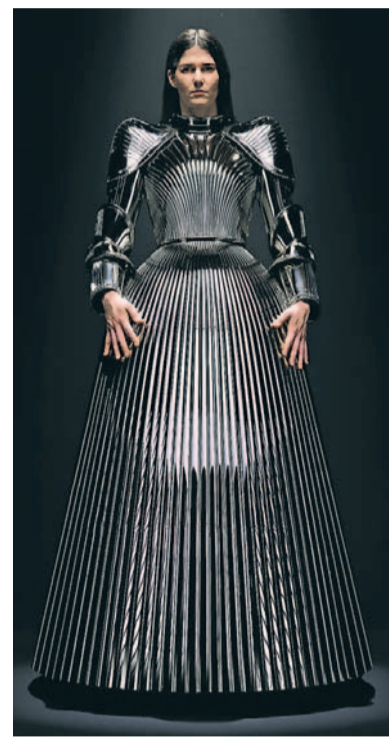
EXCHANGE

By RORY SATRAN

Paris

It was unclear in December 2022 if the creative director Demna would weather the storm of controversy whipping around Balenciaga. The French luxury brand was pilloried for being exploitative after its holiday campaign showed images of children with teddy bears in bondage-evoking straps. One photo showed a court document upholding a Supreme Court decision condemning child pornography. Outraged influencers destroyed Balenciaga gear; Kim Kardashian waffled in her support for the label; sales dipped. The brand, owned by luxury conglomerate Kering, said any association was unintentional and apologized repeatedly.

With this past week's couture show in Paris, Demna (who goes by his first name) continued to dig



Two dresses from the Balenciaga Paris couture show. A red guipure lace dress, and an armored ball gown in reference to Joan of Arc.

Back After an Ad Scandal: 'Making Clothes Is My Armor'

With a celebrity-studded Paris show, a designer charts his comeback

himself out of the mess using the only tool he has: inventive and covetable design.

In Balenciaga's carpeted couture salons on the tony avenue George V, guests including rappers Cardi B and Offset, Academy Award winner Michelle Yeoh and Vogue's Anna Wintour smiled, nodded and clapped as models including French actress Isabelle Huppert walked somberly to a soundtrack of Maria Callas singing a cappella. Yeoh even giggled at one of the more absurdist looks—a scarf sculpted to appear like it was blowing in the wind.

The show allowed the 42-year-old Georgian fashion designer to flex his couturier muscle. For this couture collection, his third for the house, that resulted in pieces that were occasionally jaw-dropping: a gravity-defying, bell-shaped red guipure lace dress; a gown with 10,000 crystals that took 900 hours to make; trompe l'oeil "jeans" that took months to paint.

Just over six months after the scandal rocked Balenciaga, Demna is clearly more committed than ever to his craft. And to him, the laborious practice of haute couture is an antidote to the "fake creativity and impostors" rampant in the fashion industry.

The stakes for success are high. Also in the front row was Demna's boss, Kering Chairman and Chief Executive François-Henri Pinault. Pinault has underlined Balenciaga's importance to the group by wearing the brand to multiple recent high-profile events including the Met Ball and an event in Cannes in May. Through a representative, Pinault declined to comment.

The show's closing look was laden with symbolism: a suit-of-armor ball gown made of 3D-printed galvanized resin in polished chrome. "Making clothes is my armor," said Demna backstage after the show. He has largely ditched

the mask that obscured his face for public appearances earlier on in his career, including to the 2021 Met Ball where he accompanied Kim Kardashian, but the impulse to conceal and protect was still apparent in the black baseball cap and gloves he wore backstage.

Although journalists had been instructed by Balenciaga's communications team to limit interviews to the topic of the couture collection, Demna wasn't shy about discussing the parallels between his work and his life. He said that the armored ball gown was a reference to Joan of Arc being burned at the stake for wearing men's clothes. "I thought that if she had worn this kind of armor, she probably would have stayed alive," he said. "I've suffered all my life because of the way I dress or what I try to show through my work," he said, explaining that he finds refuge in his métier.

"Couture to me is like Moderna," said Demna, musing on its "antivi-

ral" importance in the fashion world. "It cannot save it, but it can at least highlight the importance of keeping its immunity."

For Demna Gvasalia, fashion has been a guiding force since his childhood. He's talked about the challenges of growing up gay in Georgia. In 1993 his family fled the country's civil war, first to Tbilisi and eventually to Germany. In a striking parallel, the house of Balenciaga was first established in Paris when Spanish designer Cristóbal Balenciaga fled his country's civil war in 1937. In March 2022, Demna was one of the first and only designers to address the war in Ukraine with a collection that mined his own past as a refugee.

After studying at the prestigious fashion school the Royal Academy in Antwerp, and design stints at Maison Martin Margiela and Louis Vuitton, Demna founded the avant-garde brand Vetements in 2014. In 2015, he was named creative director at Balenciaga. During his tenure

he showed his work in innovative ways—including a film with the Simpsons characters and a collection in the videogame Afterworld. He often collaborates with his husband, the musician Loïk Gomez, also known as BFRND. The couple lives together in Geneva.

Following a period of retribution, and a relatively quiet series of fall, pre-fall and resort collections earlier this year, couture seemed to indicate a return to normalcy. And judging by the number of celebrities, including Rihanna, who've worn the brand recently, the young fans congregating outside the show and the shoppers in the brand's stores, Balenciaga is back.

Haute couture, fashion's apex of craftsmanship with one-of-a-kind pieces that can cost well into six figures, is the most rarefied expression of the fashion industry. Shown in Paris in January and July, it attracts well-to-do clients who buy looks directly following the runway show, that are then made specifi-

cally for them in a series of fittings. Since Demna began making couture in 2021, he's modernized the practice, making some pieces available for sale online directly after the show.

Kering doesn't break out Balenciaga's revenue in its earnings reports, but the "other houses" division of which it's part is down 9% over the year-ago period in the first quarter of 2023. In a call with investors, Kering chief financial officer Jean-Marc Duplax nodded to Balenciaga's troubles, saying, "We mentioned that Balenciaga was positive in terms of retail. I can tell you: It's slightly positive, which is already an achievement, considering what happened at the end of [last] year." He predicted: "We can expect some gradual recovery and improvement along the year."

"The controversy metabolized at the rate of any online scandal these days," said fashion editor Gabriella Karefa-Johnson at the show.

For couture clients like Fredrik Robertsson, a Swede who runs a charity supporting LGBTQ causes and the hair-care company Björn Axén, the show was a success. Robertsson, who tries to buy a piece from every Balenciaga collection for his archives, has his eye on the fur-printed trompe l'oeil coat and the sculpted windswept pieces.

Robertsson said he was over the controversy. "They have apologized, we have forgiven, we have moved on. I don't agree with cancel culture."

Logistics Companies Slash Payrolls in Faltering Market

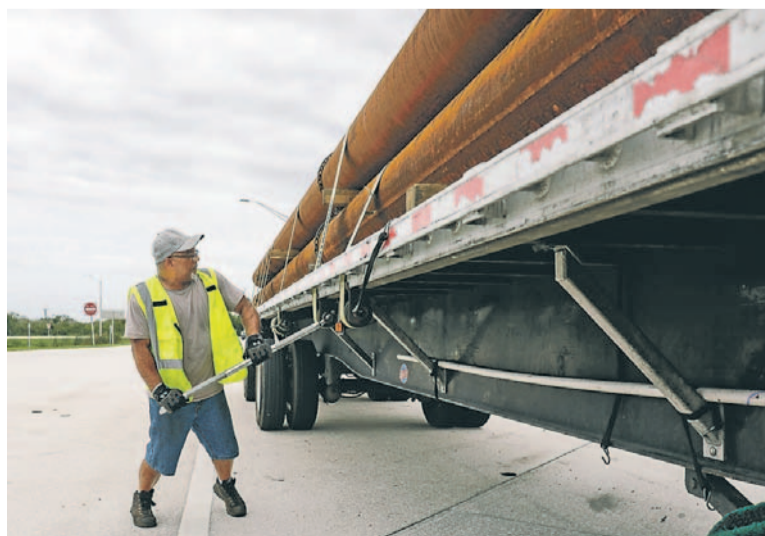
By PAUL PAGE

Package carriers, warehouse operators and other logistics companies are slashing payrolls as demand to ship goods wanes while the U.S. economy pivots toward spending on services.

Freight and parcel carriers cut more than 14,000 jobs from May to June, according to preliminary figures released by the Bureau of Labor Statistics Friday. The drop marks the latest in a series of declines that follow a sharp surge in hiring during the pandemic, when strong e-commerce growth triggered a rush to expand supply chains from shipping docks to distribution centers.

The dwindling logistics employment came as the broader economy added 209,000 workers last month, according to the BLS report, a strong result but a slowdown from earlier in the year.

Most of the hiring growth came in services industries, with private service-providing companies adding 120,000 jobs in June, led by 73,000 added workers in private education



Trucking employment, which jumped by 180,000 jobs during the pandemic, edged down last month.

and health services. Goods-producing businesses added 29,000 jobs, with most of the hiring in a construction sector that has been boosted by gains in home building.

Payrolls for courier and messenger companies, which includes the parcel carriers that deliver online orders, contracted by 7,000 jobs last month, according to BLS. That sec-

tor has cut more than 40,000 jobs since reaching a peak last October, during the peak shipping season.

Trucking employment, which jumped by 180,000 jobs during the pandemic, also edged down slightly and has been largely flat since March.

"The volumes aren't there," said Cathy Roberson, president of supply-chain research firm Logistics Trends & Insights. "Retailers are offering buy-online, pickup-in-store, curbside pickup. They're looking for ways to mitigate shipping costs by getting away from delivering orders."

At the same time, she said, companies including package carriers United Parcel Service and FedEx have stepped up automation in their facilities, so "they don't require as many people for sorting."

Roberson said she doesn't expect hiring to accelerate soon, even with the peak shipping season heading into the fourth-quarter holidays approaching. "Up until last year, the carriers started hiring peak-season workers early, even in August," she said. "I don't see that kind of ur-

gency this year."

Warehousing and storage employment fell for the eighth straight month in June, according to BLS, with companies cutting payrolls by 6,900. Warehousing was one of the fastest-growing employment categories during the pandemic, benefiting from growth in e-commerce and a drive by retailers to restock depleted inventories, but hiring has contracted by 55,600 since hitting a peak in June 2022.

Warehousing employment remains far above prepandemic levels even as broader measures show demand is receding at a rapid pace.

Real-estate services firm Cushman & Wakefield said this week that the average national vacancy rate for industrial real estate jumped from 3.5% in the first quarter to 4.1% in the three months ending June 30.

The Logistics Managers' Index in June reached the lowest point in the six-and-a-half year history of the measure, which is jointly produced by supply chain departments at several universities.

EXCHANGE



A shopper at a Whole Foods store in New York City. Whole Foods and other chains have been pushing packaged-food companies to lower their prices.

The Fight Over the Center Aisle

Continued from page B1
locked in a power struggle, with retailers throwing their muscle at suppliers to control prices, and suppliers trying to restore or protect their profit margins.

The pace of food-price increases has cooled in recent months, increasing 5.8% in May from a year ago, compared with 13.5% last August. Average unit prices for what is labeled “dry grocery,” however, rose 12% for the four weeks ended May 27 from the same time last year, NielsenIQ data showed, much higher than the 2% to 3% typical before the pandemic.

Prices for household care products rose 9%, with insect sprays and napkins among the fastest rising in that department. Pet products rose 15%.

Kroger CEO Rodney McMullen said in a June interview that price increases for packaged food tend to outlast those for fresh foods like fruits, vegetables and meat because processed products often have longer and more complex supply chains. Produce, by contrast, can be delivered from fields to stores in just a few days, he said.

Prices for less-processed products on the perimeter of the store such as meat, produce and dairy tend to be more closely tied to the vagaries of weather, geopolitics and swings in global commodity markets. The big national brands that dominate the center store also have greater leverage to negotiate higher prices.

To try to reduce costs, Kroger’s sourcing and supply-chain teams are examining the trucking routes for food manufacturers and other areas where expenses could be stripped out, McMullen said.

Walmart’s chief executive said on his company’s earnings call in May that continued price increases in dry groceries and products like paper goods were pressuring the company and its customers, at a time when price hikes for other goods have started to slow.

“The persistently high rates of inflation in these categories lasting for such a long period of time are weighing on some of the families we serve,” McMillon said.

Packaged-food companies from General Mills to Kellogg have cited their own higher costs for labor, transportation and ingredients as justification for the increases. Those increased costs weighed on food companies’ profit margins as infla-

tion ramped up. Margins are recovering now, though in many cases haven’t reached prepandemic levels. Slowing sales growth, weaker volumes and the prospect of more discounts are adding new pressure for companies, making them wary of lowering prices.

Grocers gorged on staples during the pandemic, stockpiling months’ rather than weeks’ worth of goods from pasta sauce to paper products. As demand softens and supply-disruptions abate, analysts say retailers could cut back further on inventories, affecting center-store groceries more heavily than perishable products on the perimeter.

Consumers have also been pushing back against rising prices, increasingly turning to cheaper versions of packaged groceries, while food companies’ costs have simultaneously begun to ease. As a result, food-industry analysts say, price increases for packaged food have likely peaked.

Grocery stores such as Amazon.com’s Whole Foods have for months been pushing back on higher prices from food manufacturers. If they won’t negotiate,

optional expenses, such as sports camps, given the high cost of groceries and other essentials.

In the past year, cost-conscious consumers have been seeking out store brands of goods from pasta to cooking oil, after shoppers flocked to national brands during the Covid-19 pandemic.

Consumers bought 2% more private-label dry groceries in the 52 weeks ended May 27, according to NielsenIQ. That figure had declined more than 4% in each of the two earlier 52-week periods.

Lanise Abbott, a postal worker who lives near Chicago, said rising prices for items such as canned fruit and vegetables, bread and cereal have her scouring supermarkets for discounts and switching to cheaper food brands that she worried may be less healthy.

“You have no choice but to sacrifice,” Abbott said, adding that she recently paid \$90 for a cart full of groceries that would last her family of three for three days. She said she would also visit food pantries if it becomes necessary.

Rick Gomez, Target’s chief food and beverage officer, said in a ses-

demic. Packaged-food prices could even decline for consumers if discounts get more aggressive, said Piper Sandler analyst Michael Lavery.

Meanwhile, some packaged-food manufacturers have defended their higher prices, and left the door open for more increases.

General Mills CEO Jeff Harmening said on a recent earnings call that most of the company’s price increases were in place, though more could be necessary.

“There may be a category or two we need a little bit more or maybe a geography or two where we need a little bit more because the inflationary prices are different,” Harmening said.

General Mills said sales suffered in the company’s latest quarter as retailers cut back on the amount of the company’s products they kept in stock. After stores ran out of some goods during the pandemic, many built up inventory in case more shortages emerged. Now, executives at the cereal giant said, some big stores are working to get inventories closer to normal levels as supply disruptions ease, and costs to hold supplies rise. The company’s sales volumes fell 6% in its latest quarter, as profit also declined.

Some food-industry analysts said investors are asking whether General Mills’ aggressive price increases have strained the company’s relationship with retailers.

General Mills declined to comment on its relations with retailers.

Kellogg CEO Steve Cahillane said at the Journal event that the cereal and snack maker had done everything it could since inflation took off two years ago to keep its prices as low as possible, but that shoring up profit margins is essential to the company’s survival.

“We make no excuses or apologies for trying to protect our margins,” Mr. Cahillane said.

Some of the company’s costs are starting to decline, he said, but it remains to be seen whether that continues.

“It doesn’t mean that our prices will come down. It doesn’t mean that our prices will continue to go up,” he said. “We’ll have to see what happens.”

—Jaewon Kang contributed to this article.

‘We make no excuses or apologies for trying to protect our margins.’

STEVE CAHILLANE
Chief Executive, Kellogg

some supermarkets threaten to stop carrying the products. And if packaged-food companies want to raise prices, they have to justify the increase by breaking out their costs and other details.

Since the beginning of 2019, prices for goods sold in the middle of the grocery store have risen by nearly a third, while products on the perimeter have increased roughly 22%, according to Circana Group, a market research firm.

Jenni Strobel, a social worker in Oak Park, Ill., said her grocery bills have been adding up as she purchases Goldfish crackers, animal crackers and Pringles to feed her two children, kids on their sports teams and friends who come to visit.

“It goes fast in summer. You can’t just buy one pack,” said Strobel. She has started scrutinizing

sion at The Wall Street Journal Global Food Forum in late June that the retailer’s own brands including Good & Gather and Favorite Day are growing almost twice as fast as national brands in its stores.

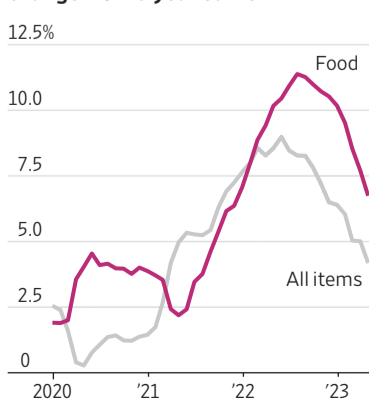
“The number one thing that is on our guests’ minds is affordability,” Gomez said.

Campbell CEO Mark Clouse said recently that competition from store brands is eating into the company’s market share in some categories, such as condensed soup.

John Furner, Walmart’s U.S. chief executive, said consumers are switching to store brands in dry grocery more than any other category.

Food companies now are reining in price increases, and beginning to offer more discounts, after pulling back on them during the pan-

Consumer-price index, change from a year earlier



Note: Seasonally adjusted
Source: Labor Department via St. Louis Fed



Shoppers at a Kroger store in Newport, Ky. The grocery chain’s CEO, Rodney McMullen, said in an interview that price increases for packaged food tend to outlast those for fresh foods.

Hold the Mayo (It’s too expensive)

One-year change in average unit price



Jellies & Jams

Peanut butter, almond butter and bread are up too.

+17.5%



Potato Chips

Intense heat fried potato crops a few years ago.

+16.7%



Pretzels

Food companies are vying for bigger shares of the snack aisle.

+16.7%



Cereal

Consumers aren’t so hot on cold cereal anymore.

+16%



Hot Cocoa

Blame strong demand and poor weather forecasts in Africa.

+15.6%



Frosting

High prices are vexing post-pandemic bakers.

+14.3%

Source: NielsenIQ

EXCHANGE

The Chinese Fast-Fashion Startup Challenging Amazon

Shein wants to become a marketplace where you can buy practically anything, putting it on a collision course with some major rivals

By SHEN LU

In just a few years, Shein has rapidly expanded from a discount Chinese apparel seller to a global fast-fashion giant. Now, it's branching out, pitting itself against some of the biggest names in e-commerce.

Shein, now based in Singapore, is pivoting from selling just its own branded apparel to becoming a marketplace platform where other merchants can sell everything from \$1,200 commercial ice makers to 50-cent safety pins directly to consumers.

The shift, plans for which The Wall Street Journal reported in December, occurs as the fashion giant seeks new growth opportunities and puts Shein in more direct competition with e-commerce stalwarts like Amazon.com, which started out as an online bookseller, as well as another newcomer, Temu, the international arm of Chinese e-commerce company PDD Holdings.

Shein recently launched its marketplace in Mexico, Brazil and the U.S., with plans to roll it out in Europe later. Shein has also announced an expansion beyond its bread-and-butter categories: fashion, beauty and lifestyle.

Shein's head of strategy, Peter Pernot-Day, said in an interview that the company is seeking out "third-party sellers who will complement our product offering, whose offerings will resonate with our customer base."

Shein said it aims to offer incentives to 100,000 sellers to reach annual sales of \$100,000 and 10,000 of them to hit \$1 million in annual sales within three years. Most of the products sold by third parties are low-price, but the company's U.S. platform now also lists wares from high-end brands like Paul Smith and Stuart Weitzman, alongside Shein's own branded clothing.

To recruit third-party sellers, the company has doled out incentives on Chinese social media, from zero commission for the first three months to zero advertising charge. To join Shein's platform, sellers must already have annual sales of \$2 million on Amazon, according to some of its recruitment advertisements.

Shein captured the hearts of



Workers ironing T-shirts at a Shein subcontractor in China, above. Furniture is among recent additions to its e-commerce platform, right.

millions of American teenagers with its trendy \$5 skirts and \$9 jeans. The 11-year-old company is now the top fast-fashion retailer in the U.S., with a 40% market share, according to New York-based Earnest Analytics.

The U.S. is one of Shein's biggest markets. Market-research firm Euromonitor International estimated that Shein recorded \$8 billion in U.S. sales last year. That suggests the U.S. accounts for about a quarter of the company's gross merchandise value, or total value of products sold. Shein doesn't sell to consumers in China, where the e-commerce market was saturated at the time of its founding.

But recently it has lost some steam in the U.S., where sales growth slowed to 13% year-over-year in the first five months of 2023, data from Earnest Analytics show. That compares with a 59% increase and a 223% surge in the same periods in 2022 and 2021, respectively.

In May, after its latest round of



financing, Shein cut its valuation to \$66 billion from \$100 billion a year ago, the Journal has reported.

Pernot-Day said Shein sees "very strong" growth and is "very, very bullish on the future." He declined to share specific financial numbers.

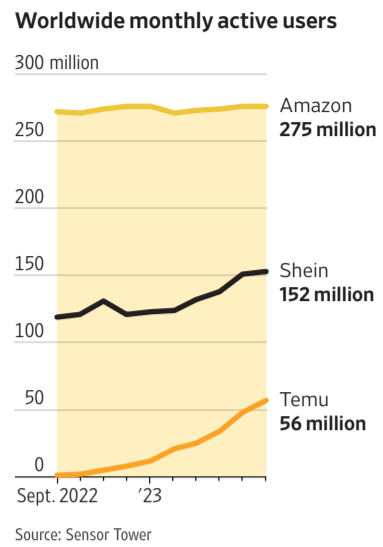
The move toward general merchandise makes sense, said Neil Saunders, a retail analyst at GlobalData, since it offers "much better prospects to become enormous."

What Shein has going for it is its large and loyal following, including an impressive social-media presence that lets it quickly detect trends—and spark new ones. Shein has more followers on TikTok than any other apparel brand, according to a recent report published by the investment bank UBS. On Instagram, it has the third-most followers, snagging the most likes in May.

"If they can establish themselves with that younger crowd and stick with them through the years, that could really turn them into a viable Amazon competitor," said Brian Ehrig, partner in the consumer practice of the consulting firm Kearney.

But Shein's explosive success is rooted in a model distinctive from Amazon's. The company uses algorithms to predict customer demand and preferences based on their browsing activities. It subcontracts with thousands of small factories, places orders in small quantities to test market appetite and replenish orders as needed, which helps cut inventory waste to low single digits, the company said. That's far below the industry average of 30%.

Shein will continue to produce



apparel, cosmetics and lifestyle products, Pernot-Day said, and third-party sellers will have access to Shein's demand-measurement and supplier-management capabilities to help them cut down unsold items.

By opening up to third-party sellers and general merchandise, Shein is introducing complexities to its established supply chain, analysts say. It requires discipline to manage other merchants and ensure adequate logistics. Onboarding a large number of sellers, along with tens of thousands of new products, presents another challenge.

Shein is also entering a part of e-commerce dominated by Amazon, which has spent decades building a logistics system. The new model also puts Shein in head-to-head competition with Temu, which has used Chinese third-party sellers from the start to ship extremely low-price wares to shoppers around the world. ByteDance's TikTok is also poised to launch a similar shopping platform in the U.S.

PDD launched Temu in the U.S. last September; it has since expanded into more than 20 other countries. Besides its fashion stronghold, Shein has started selling the kind of niche items that Temu focuses on, such as mini washing machines and fruit-fly traps, said Rui Ma, founder of research firm Tech Buzz China.

"I think Shein's major competitor is Temu," Ma said.

SpaceX Rockets Dominate

Continued from page B1
the final launch of Arianespace's Ariane 5 rocket.

"The fact is that the competition can't field anything right now and that makes SpaceX a de facto monopoly," said John Holst, a former Air Force space operations officer who now writes a newsletter about the space industry.

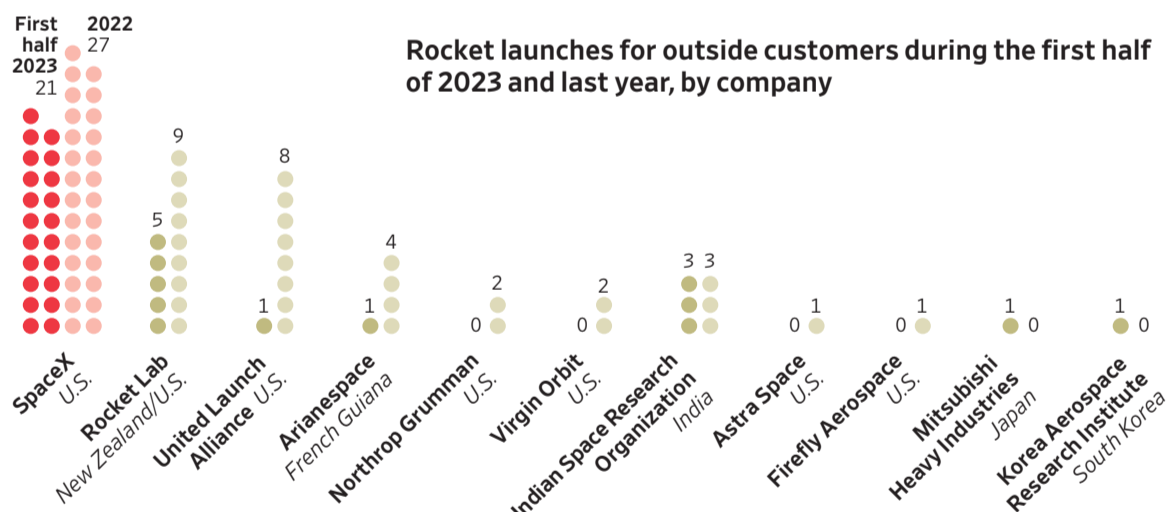
On Friday, Musk said that other companies and countries aren't setting out big enough objectives for space, and drew a contrast with what he said is SpaceX's mission to make life multiplanetary. "Even slightly succeeding in that goal results in crushingly good performance to Earth orbit," he said in a tweet that responded to this article.

SpaceX's grip on the launch business means many government agencies and satellite operators must tether their ambitions to the company's timetables and capabilities. Most launches ferry different kinds of satellites to orbit, where they do everything from provide internet service in remote areas to track weather and capture images of Earth. Some satellite-internet companies pay SpaceX to launch devices that help them compete with SpaceX's own satellite-broadband service, Starlink.

SpaceX is also the only one ferrying NASA astronauts to and from the International Space Station. Several years ago, SpaceX began handling U.S. national-security spaceflights, ending the virtual monopoly that United Launch Alliance previously held on them.

SpaceX's dominance means a steady stream of revenue to support the Hawthorne, Calif.-based company's ongoing programs, such as developing Starship, a massive new rocket.

The company wants to use Starship, which exploded after four minutes during its inaugural test flight in April, for satellite launches, human missions and the



Note: Data cover when providers launched for outside customers, therefore excluding SpaceX's flights for its Starlink division. Data also exclude rockets unavailable for many buyers because of sanctions or export controls, as well as when government agencies launch government missions. Source: Jonathan McDowell, astrophysicist

trip to Mars that Musk has long envisioned.

A SpaceX spokesman didn't respond to requests for comment.

Musk founded SpaceX in 2002. The company has shaken up the launch business since then by aggressively testing and improving vehicles, and showing it can operate its fleet of reusable rockets.

Demand for launches has been rising, spurred by government priorities and fresh bets from commercial-satellite operators. SpaceX's powerful role in the industry is something that hasn't gone unnoticed by Musk. He estimated during a recent Twitter chat about space that the company



SpaceX's Starship exploded shortly after launch on its inaugural flight.

would account for about 80% of the mass blasted from Earth to orbit this year, assuming it didn't have any launch failures.

The entrepreneur, who is also CEO at Tesla and owns Twitter, relies on longtime SpaceX President Gwynne Shotwell to oversee SpaceX on a day-to-day basis. Its engineers are well-regarded in the industry.

Rocket launchers peddle their services to satellite companies and government agencies, often charging tens of millions of dollars to ferry satellites, scientific instruments and other payloads to orbit. The worldwide market for all rocket launches was estimated at around \$8 billion in sales in 2022 and projected to grow to \$13 billion by 2025, according to Deutsche Bank.

Through the first six months of the year, SpaceX has handled 21 flights for outside customers, or 64% of the worldwide total.

Those totals exclude SpaceX's launches for its satellite-internet business, Starlink, which sells high-speed broadband connections powered by its fleet of satellites. Starlink, which has played a prominent role in providing internet links for Ukraine during its war with Russia, said in a tweet in May it had more than 1.5 million customers worldwide. The totals also don't include rockets that are barred for many launch buyers due to sanctions or export controls, and when govern-

ment agencies use their own rockets for their own missions.

SpaceX won more customers last year after sanctions stopped Western companies from using the Russian Soyuz rocket. France-based Arianespace had operated the vehicle from a South American launch site and through a joint venture from a site in Kazakhstan, but ceased those activities after the invasion of Ukraine.

Satellite-communications company OneWeb bought rides on SpaceX's Falcon 9 rockets, as well as from a division of India's space agency, after losing access to Russia's Soyuz. On July 1, SpaceX handled a flight for the European Space Agency that was originally planned for a Soyuz.

Rockets that have been in the works for years but haven't yet launched include ULA's Vulcan Centaur, Blue Origin's New Glenn, and Ariane 6, which ArianeGroup is developing and Arianespace will operate. Technical challenges, which are common during rocket development, have cropped up.

"We are, for the first time, really in the history of launch, in a situation where there is scarcity," ULA CEO Tory Bruno said at an industry event in March. "This will persist for many years."

And it is growing more expensive. SpaceX's standard price for a Falcon 9 launch is \$67 million. The company has charged \$97 million a launch for the more powerful Fal-

con Heavy. SpaceX raised prices for both last year.

The company has said that rising costs also led it in 2022 to boost prices for ride-share missions, in which multiple customers purchase rides for satellites on a single Falcon 9.

Since January 2022 and the first half of this year, SpaceX has also conducted 56 launches for its Starlink business, 54% of its total. Rivals have noticed.

"It's of course a very uncomfortable situation, where you have a supplier that wanted to go down the value chain and start competing with its own customers," said Christian Patoureaux, CEO at Kacific, a satellite internet company focused on Asia and the Pacific region. SpaceX launched a satellite for Kacific in 2019.

Englewood, Colo.-based satellite internet company EchoStar hired SpaceX to blast into orbit EchoStar's roughly nine-ton Jupiter 3 satellite, intended to give the company more broadband capacity for residential customers, businesses and other clients in the Americas. EchoStar has faced heightened competition from Starlink, executives at the company have said.

Paul Gaske, operations chief at EchoStar, said when the company settled on Jupiter 3's design, SpaceX's Falcon Heavy was the only rocket ready to handle the flight on EchoStar's preferred timetable.

"Really you have to be practical about what's demonstrated and going," Gaske said. SpaceX's launch division has shown it has capacity and flexibility, setting it apart, he said.

Musk has said the company has launched satellites for competitors. He said if SpaceX had a goal of blocking rivals, it wouldn't have done the launches for OneWeb. "We charged them the same as anyone else," he said last month.

SpaceX executives have said the company plans to increase launches this year aiming to conduct 100 flights, compared with 61 in 2022. Tom Ochiner, senior vice president for SpaceX's commercial business, said at the March industry event that reaching 200 launches a year is possible.

"We have the hardware. We have the infrastructure. We can scale the staffing," he said.

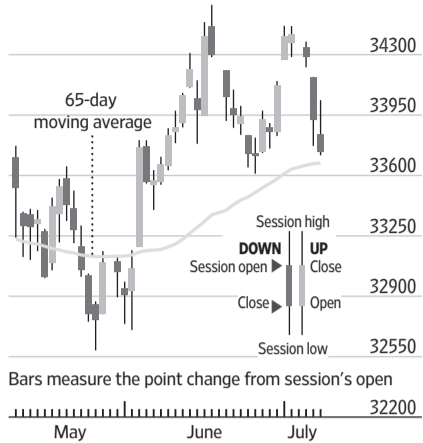
MARKETS DIGEST

Dow Jones Industrial Average

33734.88
▼ 187.38
or 0.55%
All-time high
36799.65, 01/04/22

Last Year ago
Trailing P/E ratio 22.51 17.92
P/E estimate * 18.22 16.60
Dividend yield 2.11 2.24

Current divisor
0.15172752595384



Weekly P/E data based on as-reported earnings from Birinyi Associates Inc. † Based on Nasdaq-100 Index

S&P 500 Index

4398.95
▼ 12.64
or 0.29%
All-time high
4796.56, 01/03/22

Last Year ago
Trailing P/E ratio * 19.69 21.07
P/E estimate * 20.10 16.69
Dividend yield * 1.58 1.68



Nasdaq Composite Index

13660.72
▼ 18.33
or 0.13%
All-time high:
16057.44, 11/19/21

Last Year ago
Trailing P/E ratio ** 31.25 25.28
P/E estimate ** 28.92 20.96
Dividend yield ** 0.72 0.89



Track the Markets: Winners and Losers

A look at how selected global stock indexes, bond ETFs, currencies and commodities performed around the world for the week.

Index	Currency, vs. U.S. dollar	Commodity, traded in U.S.*	Exchange-traded fund
		Nymex ULSD	4.56%
		Nymex crude	4.56
		Lean hogs	3.50
		Nymex RBOB gasoline	1.74
		Japanese yen	1.55
		South Korean won	1.38
		Norwegian krone	1.25
		Comex silver	1.24
		Corn	1.08
		U.K. pound	1.08
		S&P BSE Sensex	0.87
		Swiss franc	0.82
		S&P/BMV IPC	0.71
		Comex copper	0.70
		BOVESPA Index	0.69
		Euro area euro	0.51
		Wheat	0.51
		Chinese yuan	0.45
		Bloomberg Commodity Index	0.43
		Australian dollar	0.42
		Comex gold	0.27
		S&P 500 Real Estate	0.21
		Dow Jones Transportation Average	0.19
		Mexican peso	-0.13
		Shanghai Composite	-0.17
		S&P 500 Utilities	-0.20
		Canadian dollar	-0.24
		South African rand	-0.29
		S&P 500 Communication Svcs	-0.32
		S&P 500 Consumer Discr	-0.33
		iSh 1-3 Treasury	-0.35
		S&P 500 Financials	-0.46
		S&P 500 Energy	-0.67
		WSJ Dollar Index	-0.67
		iShNatIMuniBd	-0.67
		Indian rupee	-0.67
		S&P MidCap 400	-0.73
		Nasdaq Composite	-0.92
		Nasdaq-100	-0.94
		Indonesian rupiah	-1.04
		S&P 500 Industrials	-1.09
		S&P 500 Consumer Staples	-1.16
		S&P 500	-1.27
		Russell 2000	-1.33
		VangdTotIntlBd	-1.36
		S&P SmallCap 600	-1.46
		S&P 500 Information Tech	-1.47
		KOSPI Composite	-1.60
		FTSE MIB	-1.61
		S&P/TSX Comp	-1.63
		iShiBoxx\$HYCp	-1.64
		VangdTotalBd	-1.64
		iSh TIPS Bond	-1.96
		Dow Jones Industrial Average	-2.01
		S&P 500 Materials	-2.08
		iSh 7-10 Treasury	-2.24
		S&P/ASX 200	-2.25
		iShJPMUSEmgBd	-2.40
		iShiBoxx\$InvGrdCp	-2.41
		NIKKEI 225	-2.67
		Russian ruble	-2.87
		S&P 500 Health Care	-2.91
		Hang Seng	-3.09
		STOXX Europe 600	-3.20
		Euro STOXX	-3.37
		DAX	-3.59
		IBEX 35	-3.65
		FTSE 100	-3.75
		iSh 20+ Treasury	-3.89
		CAC-40	-4.61
		Soybeans	-7.72
		Nymex natural gas	-7.72

Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	High	52-Week Low	% chg	YTD	% chg 3-yr. ann.
Dow Jones										
Industrial Average	34036.38	33716.75	33734.88	-187.38	-0.55	34589.77	28725.51	7.6	1.8	9.2
Transportation Avg	15715.02	15393.30	15559.51	160.06	1.04	15640.70	11999.40	16.1	16.2	18.8
Utility Average	912.08	902.92	905.77	-5.52	-0.61	1061.77	838.99	-5.8	-6.4	5.3
Total Stock Market	44314.81	43851.49	43914.42	-45.62	-0.10	44485.63	36056.21	12.1	14.0	11.1
Barron's 400	977.00	960.42	968.61	7.87	0.82	1023.20	825.73	9.8	5.2	13.4
Nasdaq Stock Market										
Nasdaq Composite	13804.51	13656.73	13660.72	-18.33	-0.13	13816.77	10213.29	17.4	30.5	9.7
Nasdaq-100	15210.63	15032.56	15036.85	-52.60	-0.35	15208.69	10679.34	24.0	37.5	12.6
S&P										
500 Index	4440.39	4397.40	4398.95	-12.64	-0.29	4455.59	3577.03	12.8	14.6	11.8
MidCap 400	2625.08	2578.67	2603.24	23.95	0.93	2726.61	2203.53	12.2	7.1	13.9
SmallCap 600	1209.81	1188.81	1199.83	11.91	1.00	1315.82	1064.45	4.9	3.7	13.7
Other Indexes										
Russell 2000	1878.90	1843.16	1864.66	22.43	1.22	2021.35	1655.88	5.4	5.9	9.6
NYSE Composite	15788.74	15602.47	15671.63	29.96	0.19	16122.58	13472.18	7.0	3.2	9.3
Value Line	571.86	562.60	567.29	4.58	0.81	606.49	491.56	5.8	5.8	9.0
NYSE Arca Biotech	5180.05	5118.11	5120.52	-41.83	-0.81	5644.50	4390.11	4.4	-3.0	-4.6
NYSE Arca Pharma	852.78	839.66	839.93	-12.85	-1.51	892.45	737.84	-0.04	-3.2	9.1
KBW Bank	81.44	79.65	80.71	1.08	1.36	115.55	71.96	-21.6	-20.0	4.1
PHLX [§] Gold/Silver	118.34	116.36	117.11	1.43	1.23	144.37	91.40	7.5	-3.1	-4.1
PHLX [§] Oil Service	84.19	78.49	83.79	5.04	6.40	93.94	56.08	30.6	-0.1	36.8
PHLX [§] Semiconductor	3633.79	3573.33	3577.73	0.24	0.01	3739.75	2162.32	36.7	41.3	21.0
Cboe Volatility	16.06	14.33	14.83	-0.61	-3.95	33.63	12.91	-39.8	-31.6	-20.4

§ Nasdaq PHLX Sources: FactSet; Dow Jones Market Data

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	934,517,413	8,397,070
Adv. volume*	675,401,900	6,249,402
Decl. volume*	247,274,619	2,021,200
Issues traded	3,043	317
Advances	2,108	210
Declines	821	86
Unchanged	114	21
New highs	54	7
New lows	21	8
Closing Arms ¹	0.86	0.91
Block trades*	4,147	123

	Nasdaq	NYSE Arca
Total volume*	5,098,120,228	265,481,370
Adv. volume*	3,072,507,227	164,289,379
Decl. volume*	1,991,239,107	89,032,304
Issues traded	4,503	1,750
Advances	2,878	1,170
Declines	1,445	551
Unchanged	180	29
New highs	57	12
New lows	66	3
Closing Arms ¹	1.29	1.19
Block trades*	41,934	1,175

* Primary market NYSE, NYSE American NYSE Arca only. (TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Net chg	% chg	YTD % chg
World	MSCI ACWI	673.44	-0.37	-0.05	11.2
	MSCI ACWI ex-USA	297.59	0.74	0.25	5.8
	MSCI World	2924.19	-0.36	-0.01	12.4
	MSCI Emerging Markets	980.66	-4.03	-0.41	2.5
Americas	MSCI AC Americas	1666.22	-3.02	-0.18	14.3
Canada	S&P/TSX Comp	19831.04	20.35	0.10	2.3
Latin Amer.	MSCI EM Latin America	2444.42	44.41	1.85	14.9
Brazil	BOVESPA	118897.99	1472.29	1.25	8.4
Chile	S&P IPSA	3358.19	84.78	2.59	5.9
Mexico	S&P/BMV IPC	53904.29	496.59	0.93	11.2
EMEA	STOXX Europe 600	447.65	0.43	0.10	5.4
Eurozone	Euro STOXX	446.61	1.60	0.36	8.9
Belgium	Bel-20	3502.90	7.32	0.21	-5.4
Denmark	OMX Copenhagen 20	1998.34	-8.27	-0.41	8.9
France	CAC 40	7111.88	29.59	0.42	9.9
Germany	DAX	15603.40	74.86	0.48	12.1
Israel	Tel Aviv	1762.59	...	Closed	-1.9
Italy	FTSE MIB	27778.32	271.41	0.99	17.2
Netherlands	AEX	753.52	0.18	0.02	9.4
Norway	Oslo Bors All-Share	1367.76	1.77	0.13	0.4
South Africa	FTSE/JSE All-Share	74823.02	709.80	0.96	2.4
Spain	IBEX 35	9248.80	-36.20	-0.39	12.4
Sweden	OMX Stockholm	829.48	5.39	0.65	6.1
Switzerland	Swiss Market	10874.90	-111.88	-1.02	1.4
Turkey	BIST 100	6187.09	45.95	0.75	12.3
U.K.	FTSE 100	7256.94	-23.56	-0.32	-2.6
U.K.	FTSE 250	18003.97	87.51	0.49	-4.5

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	High	52-Week Low	% chg
Prestige Wealth	PWM	19.09	13.69	253.52	22.45	4.60	...
Gorilla Technology Group	GRRR	4.70	2.61	124.88	51.00	1.65	...
Castle Biosciences	CSTL	20.30	7.02	52.86	36.10	9.26	-21.3
Galata Acquisition	GLTA	14.80	4.93	49.95	17.72	8.77	49.6
Real Good Food	RGF	4.90	1.25	34.25	7.93	3.11	-24.7
Greenidge Generation	GREE	5.17	1.30	33.59	48.90	1.55	-81.6
TMC the metals company	TMC	2.53	0.50	24.63	2.56	0.51	154.3
ICZOOM Group Cl A	IZM	4.94	0.93	23.19	6.10	1.61	...
Caribou Biosciences	CRBU	7.26	1.32	22.22	13.19	3.96	6.9
Carvana Cl A	CVNA	29.45	5.13	21.09	58.05	3.55	17.4
CareDx	CDNA	10.09	1.72	20.55	27.33	6.22	-61.6
Hitek Global	HKIT	5.59	0.92	19.70	11.46	4.11	...
Cibus	CBUS	18.30	2.79	17.99	38.85	6.25	32.1
NuZee	NUZE	10.31	1.56	17.83	44.80	7.70	-71.4
Kura Sushi USA	KRUS	100.07	14.82	17.38	101.99	37.97	38.4

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	High	52-Week Low	% chg
Lifzone Metals	LZM	12.89	-3.71	-22.35	19.92	9.64	28.0
EdtechX Hlgs II Cl A	EDTX	18.25	-4.70	-20.48	41.64	9.38	79.4
PainReform	PRFX	4.47	-1.08	-19.46	9.50	3.40	-50.5
Presto Automation	PRST	4.26	-0.94	-18.08	10.40	1.23	-58.1
Abacus Life	ABL	8.57	-1.47	-14.64	11.43	7.17	-14.2
Asian Pharm ADR	ASLN	2.49	-0.39	-13.54	4.94	1.70	-4.3
Immix Biopharma	IMMX	2.24	-0.35	-13.51	3.35	0.68	-16.4
Evelo Biosciences	EVLO	2.31	-0.33	-12.50	65.80	0.49	-95.1
Rallybio Holdings	RLYB	5.23	-0.65	-11.05	15.89	4.15	-41.4
Altisource Asset Mgmt	AAMC	52.35	-5.65	-9.74	103.50	10.12	39.6
Kontoor Brands	KTB	37.19	-3.89	-9.47	53.83	31.46	11.0
C4 Therapeutics	CCCC	3.37	-0.34	-9.16	13.24	2.60	-65.9
Incanex Healthcare ADR	IXHL	1.92	-0.19	-9.00	6.00	1.76	-52.9
VistaGen Therapeutics	VTGN	1.82	-0.18	-9.00	32.10	1.62	-93.5
Compass Therapeutics	CMPX	2.92	-0.28	-8.75	5.65	1.81	2.6

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	52-Week Low
Mullen Automotive	MULN	737,849	439.5	0.19	-12.97	35.00	0.10
T2 Biosystems	TTOO	280,488	857.7	0.12	38.55	15.00	0.05

MARKET DATA

Futures Contracts

Metal & Petroleum Futures						
	Open	High	Low	Settle	Chg	Open interest
Copper-High (CMX) -25,000 lbs.; \$ per lb.	3,732.5	3,770.0	3,720.0	3,767.0	0.0470	3,150
Gold (CMX) -100 troy oz.; \$ per troy oz.	3,742.5	3,787.5	3,725.5	3,782.0	0.0475	116,751
Palladium (NYM) -50 troy oz.; \$ per troy oz.	1,237.50	1,257.00	1,217.50	1,236.50	5.70	5
Platinum (NYM) -50 troy oz.; \$ per troy oz.	897.80	910.90	897.80	910.10	5.60	78
Silver (CMX) -5,000 troy oz.; \$ per troy oz.	22,860	23,110	22,860	23,092	0.406	255
Crude Oil, Light Sweet (NYM) -100 bbls.; \$ per bbl.	71.89	73.92	71.19	73.86	2.06	304,951
Gasoline-NY RBOB (NYM) -42,000 gal.; \$ per gal.	2,486.4	2,562.8	2,480.7	2,559.1	0.797	66,972
Natural Gas (NYM) -100 MMBtu.; \$ per MMBtu.	2.635	2.675	2.536	2.582	-0.27	166,887

Agriculture Futures						
	Open	High	Low	Settle	Chg	Open interest
Corn (CBT) -5,000 bu.; cents per bu.	567.00	571.75	560.00	560.50	-6.25	2,181
Soybeans (CBT) -5,000 bu.; cents per bu.	507.00	509.50	493.50	494.50	-12.00	540,079
Wheat (CBT) -5,000 bu.; cents per bu.	414.00	416.75	408.75	406.25	-10.50	1
Soybean Meal (CBT) -100 tons; \$ per ton.	1340.00	1343.25	1315.50	1317.75	-21.75	294,205
Soybean Oil (CBT) -60,000 lbs.; cents per lb.	66.58	66.85	65.96	66.55	.60	998
Rough Rice (CBT) -2,000 cwt.; \$ per cwt.	18.51	18.75	18.43	18.69	.04	184
Wheat (CBT) -5,000 bu.; cents per bu.	647.75	646.75	641.75	639.50	-7.50	316
Wheat (KC) -5,000 bu.; cents per bu.	656.75	662.00	643.75	649.50	-8.50	149,172
Cattle-Feeder (CME) -50,000 lbs.; cents per lb.	242.600	245.775	242.600	245.425	3.150	26,210
Cattle-Live (CME) -40,000 lbs.; cents per lb.	174.725	177.200	174.300	177.000	2.425	129,294
Hogs-Lean (CME) -40,000 lbs.; cents per lb.	99.550	99.650	98.100	99.000	-1.050	12,704
Lumber (CME) -27,500 bd. ft.; \$ per 1,000 bd. ft.	534.00	542.50	534.00	540.00	8.50	1,530
Milk (CME) -200,000 lbs.; cents per lb.	13.89	13.94	13.80	13.90	-0.07	6,997

Interest Rate Futures						
	Open	High	Low	Settle	Chg	Open interest
Ultra Treasury Bonds (CBT) -\$100,000; pts 32nds of 100%	132-290	133-050	131-150	131-310	-27.0	1,523,893
Treasury Bonds (CBT) -\$100,000; pts 32nds of 100%	124-050	124-150	123-080	123-240	-9.0	1,253,556
Treasury Notes (CBT) -\$100,000; pts 32nds of 100%	110-235	111-000	110-095	110-215	2.0	4,799,670
5 Yr. Treasury Notes (CBT) -\$100,000; pts 32nds of 100%	106-085	106-23	105-312	106-090	5.2	5,191,495
2 Yr. Treasury Notes (CBT) -\$200,000; pts 32nds of 100%	101-151	101-230	101-117	101-172	4.2	3,721,368
30 Day Federal Funds (CBT) -\$5,000,000; 100 - daily avg.	94.8900	94.8900	94.8875	94.8875	-0.0025	342,418
Three-Month SOFR (CME) -\$1,000,000; 100 - daily avg.	94.5900	94.6550	94.5550	94.6150	0.0400	1,187,893

Index Futures						
	Open	High	Low	Settle	Chg	Open interest
Mini DJ Industrial Average (CBT) -\$5 x index	34107	34244	33918	33937	-194	97,734
Mini S&P 500 (CME) -\$50 x index	4441.25	4476.00	4431.50	4434.00	-13.00	2,199,372
Mini S&P Midcap 400 (CME) -\$100 x index	2596.30	2644.90	2588.80	2622.20	23.90	37,679
Mini Nasdaq 100 (CME) -\$20 x index	15211.75	15359.75	15172.25	15181.75	-56.25	251,345
Mini Russell 2000 (CME) -\$50 x index	1854.40	1894.30	1847.10	1878.00	21.70	524,568
Mini Russell 1000 (CME) -\$50 x index	2434.00	2451.40	2428.20	2429.00	-5.20	7,992
U.S. Dollar Index (ICE-US) -\$1,000 x index	102.79	102.88	101.91	101.95	-9.2	26,024

Exchange-Traded Portfolios

Largest 100 exchange-traded funds, latest session

Friday, July 7, 2023

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
CnsmrDiscSelSector	XLY	169.37	-1.32	31.1
CnsStapleSelSector	XLP	73.46	-0.10	-1.5
DimenUSCoreEq2	DFAC	26.84	0.22	10.5
EnSelSectorSPDR	XLE	80.79	1.15	-7.6
FinSelSectorSPDR	XLF	33.59	0.15	-1.8
HealthCareSelSector	XLV	129.00	-1.16	-5.0
IndSelSectorSPDR	XLI	106.20	0.23	8.1
InvsCOOQI	QQQ	366.24	-0.33	37.5
InvsS&P500EW	RSP	148.52	0.25	5.1
ISHCareDivGrowth	DGRO	50.74	-0.37	1.5
ISHCareMSCIEAFE	IEFA	66.23	0.90	7.4
ISHCareMSCIEM	IEMG	49.16	1.15	5.3
ISHCareMSCITotnt	IXUS	61.71	0.95	6.6
ISHCareS&P500	IVV	440.80	-0.26	14.7
ISHCareS&P MC	USH	259.65	0.94	7.3
ISHCareS&P SC	IJR	98.39	0.99	4.0
ISHCareS&PTotUS	ITOT	96.78	-0.13	14.1
ISHCareTotalUSDBd	IUSB	54.74	-0.11	-0.4
ISHCareUSAggBd	AGG	96.53	0.02	-0.5
ISHEGSAwareUSA	ESGU	96.44	-0.21	13.8
ISHEdgeMSCIMiniUSA	USMV	73.31	-0.58	1.7
ISHEdgeMSCIUSAQbl	QUAL	132.89	-0.46	16.6
ISHGldTr	IAU	36.46	0.77	5.4
ISHiBoxxSHYCPd	HYG	73.85	0.09	0.3
ISHiBoxxSIGCPdBd	LQD	105.54	-0.09	0.1
ISHiJPMUSDEmBd	EMB	84.59	-0.12	...
ISMBS	MBB	91.61	0.01	-1.2
ISMSCIAEWI	ACWI	94.71	0.20	11.6
ISMSCIEAFE	EFA	70.90	0.75	8.0
ISMSCIEEM	EEM	39.39	1.13	3.9
ISMSCIEAFEValue	EFV	48.21	1.05	5.1
ISNatlMuniBd	MUB	106.01	-0.03	0.5
ISH1-5YIGCorpBd	IGSB	49.80	0.08	-0.04
ISH1-3YTreasBd	SHY	80.80	0.11	-0.5
ISHRussMC	IWR	72.58	0.57	7.6
ISHRuss1000	IWB	241.21	-0.16	14.6
ISHRuss1000Grw	IWF	272.24	-0.44	27.1
ISHRuss1000Val	IWD	156.14	0.12	3.0
ISRussell2000	IWM	184.71	1.06	5.9
ISHS&P500Grw	IWG	69.58	-0.42	18.9
ISHS&P500Value	IWS	159.80	-0.05	10.2
ISHSelectDiv	DVY	113.05	0.14	-6.3
ISH7-10YTreasBd	IEF	94.59	-0.13	-1.2
ISHShortTreaBd	SHV	110.09	...	0.2
ISHTIPIBndETF	TIP	105.85	-0.07	-0.6
ISH20+YTreasBd	TLT	99.08	-0.60	-0.5
ISHUSTreasuryBd	GOVT	22.59	-0.09	-0.6
JPMEquityPrem	JEPI	54.57	-0.24	0.1
JPMUltShIncm	JPST	49.97	0.04	-0.3
ProShUltPrqQQ	TQQQ	39.87	-1.02	130.5
SPDRBbg1-3MTB	BIL	91.52	0.01	0.1
SPDRDJIA Tr	DIA	337.43	-0.53	1.8
SPDRGold	GLD	178.64	0.75	5.3
SPDRPfdDevUS	SPDW	31.97	0.88	7.7
SPDRS&P500Value	SPYV	42.84	-0.02	10.2
SPDRPfdUSP500	SPPL	51.56	-0.27	14.6
SPDRS&P500Growth	SPYG	60.24	-0.38	18.9
SPDR S&P 500	SPY	438.55	-0.25	14.7
SchwabIntEquity	SCHF	34.95	0.81	8.5
SchwabSrtTRmUSTsr	SCHO	47.86	0.08	-0.8
SchwabUS BrdMkt	SCHB	51.17	-0.08	14.2
SchwabUS Div	SCHD	71.81	-0.18	-4.9
SchwabUS LC	SCHX	51.84	-0.19	14.8
SchwabUS LC Grw	SCHG	74.19	-0.40	33.5
SPDR S&PMdCpTr	MDY	475.20	1.00	7.3
SPDR S&P Div	SDY	120.50	-0.43	-3.7
TechSelectSector	XLK	171.21	-0.44	37.6
UtilitiesSelSector	XLU	65.39	-0.73	-7.2
VangdInflTech	VGT	435.48	-0.34	36.3
VangdSC Val	VBR	164.47	1.06	3.6
VangdExtMkt	VXF	147.41	0.92	11.0
VangdDivApp	VIG	159.42	-0.57	5.0
VangdFTSEAWkXx	VEU	53.53	0.92	6.8
VangdFTSEDevMkt	VEA	45.33	0.85	8.0
VangdFTSE EM	VWO	40.58	1.20	4.1
VangdFTSE Europe	VGE	60.03	0.65	8.3
VangdGrowth	VUG	280.14	-0.33	31.5
VangdHlthCr	VHT	238.23	-0.96	-4.0
VangdHDiv	VYM	104.89	-0.09	-3.1
VangdIntermBd	BIV	73.89	...	-0.6
VangdIntrCorpBd	VCIT	77.51	-0.06	...
VangdLC	VV	200.53	-0.22	15.1
VangdMC	VO	218.85	0.44	7.4
VangdMC Val	VOE	138.39	0.44	2.3
VangdMBS	VMBS	45.13	-0.04	-0.9
VangdRealEst	VNQ	83.73	-0.23	1.5
VangdS&P500ETF	VOO	402.89	-0.23	14.7
VangdST Bond	BSV	75.11	0.11	-0.2
VangdSTCpBd	VCSH	75.13	0.03	-0.1
VangdShtTmlInfltn	VTIP	46.93	0.06	0.5
VangdShortTrea	VGSH	57.51	0.07	-0.5
VangdSC	VB	197.07	0.96	7.4
VangdTaxExemptBd	VTEB	49.93	0.08	0.9
VangdTotalBd	BND	71.50	-0.06	-0.5
VangdTotIntlBd	BNDX	48.23	-0.17	1.7
VangdTotIntlStk	VXUS	55.30	0.97	6.9
VangdTotStk	VTI	218.04	-0.12	14.0
VangdTotWrldStk	VW	95.80	0.26	11.1
VangdValue	VTV	140.43	-0.16	0.04
WisdTRFRtrea	USFR	50.39	...	0.2

Borrowing Benchmarks | WSJ.com/bonds

Money Rates

July 7, 2023

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation			
May index level	Chg From (April '23)	Chg From (May '22)	
U.S. consumer price index	304.127	0.25	4.0
Core	308.096	0.39	5.3

International rates				
Latest	Week ago	-52-Week-High	-52-Week-Low	
Switzerland	2.25	2.25	2.25	0.25
Britain	5.00	5.00	5.00	1.25
Australia	4.10	4.10	4.10	1.35

Secondary market			
Fannie Mae			
30-year mortgage yields			
30 days	60 days	90 days	180 days
6.710	6.384	6.812	4.321
6.741	6.387	6.988	4.390

Prime rates			
U.S.	Canada	Japan	Euro zone
8.25	6.95	1.475	4.00
8.25	6.95	1.475	4.00
8.25	6.95	1.475	4.00
4.75	3.70	1.475	0.00

Policy rates			
U.S.	Canada	Japan	Euro zone
5.25	5.00	0.10	4.00
5.00	4.75	0.10	4.00
4.75	4.50	0.10	4.00
4.50	4.25	0.10	4.00

A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA lost 672.72 points, or 1.96%, on the week. A \$1 change in the price of any DJIA stock = 6.59-point change in the average. To date, a \$1,000 investment on Dec. 31 in each current DJIA stock component would have returned \$31,353, or a gain of 4.51%, on the \$30,000 investment, including reinvested dividends.

The Week's Action									
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BIGGEST, 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE.

The list comprises the 1,000 largest companies based on market capitalization. Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume. Boldfaced quotations highlight those issues whose price changed by 5% or more from their previous closing price as of 4 p.m.

Footnotes:
+New 52-week high
+New 52-week low
dd-Indicates loss in the most recent four quarters.
FD-First day of trading.
Stock tables reflect composite regular trading activity as of 4 p.m. and changes in closing prices from 4 p.m. the previous day.

Friday, July 7, 2023

Table with columns: YTD %Chg, 52-Week High, Low, Stock, Yld, Sym, % PE Last, Net Chg.

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Mutual Funds

Data provided by LIPPER

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

E-Extra-distribution, F-Previous day's quotation, G-Footnotes x and s apply, J-Footnotes e and r apply, K-Reallocated by Lipper, using updated data, P-Distribution costs apply, 12b-1 r-Redemption charge may apply, s-Stock split or dividend, F-Footnotes p and r apply, v-Footnotes x and e apply, X-Performance, Z-Footnote x, e and s apply, NA-Not available due to incomplete price, exchange or cost data. NE-Not released by Lipper; data under review. NN-Fund not tracked. NS-Fund didn't exist at start of period.

Friday, July 7, 2023

Table with columns: Fund, NAV, Net YTD %Chg, YTD %Chg, 52-Week High, Low, Stock, Yld, Sym, % PE Last, Net Chg.

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Income

Freedom2030 K 15.75+03.87

FrankTemp/Frank Adv

IncomeAdv 2.23 ... 2.5

FrankTemp/Frank A

Growth A 118.71-03.86

RisvA A 87.64-01.64

Guggenheim Funds Fund

TotRetBdClnt 23.14-02.19

Harbor Funds

CapInvest 84.76-29.35

Harling 25.30+0.12

Invesco Funds Y

DevMktV 38.48+0.14

JHF Hl DispVal

DispValMkt 26.11-0.18

Jan Hancock

BondRF 13.24-01.15

JPMorgan I Class

CoreBond 10.05 ... NA

CoreBond 12.00-0.05

CoreBond 54.47-0.12

CoreBond 10.06-0.01

CorePlusSD 7.08 ... NA

Adt Albett I

ShpDurinc p 3.80 ... 1.6

Metroplitan West

TotRetBd 8.93 ... 0.7

TRBdPlan 8.37 ... 0.8

MFS Funds

IE 31.31+0.11

First Eagle Funds

MFG 162.09+7.44

Franklin A

IncomeA1 2.25 ... 2.4

Net YTD %Chg

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FrankTemp/Frank Adv

IncomeAdv 2.23 ... 2.

BUSINESS & FINANCE

Musk Created Opening for Rivals

Efforts to increase Twitter subscription revenue, cut costs have alienated users

By ALEXA CORSE

The Twitter that **Meta Platforms** is now competing with is a much different service than the one Elon Musk took over eight months ago—in ways that many users aren't happy about.

Among the most significant changes have been Musk's efforts to increase subscription revenue, including by asking users to pay for verified blue check marks, which were once free and awarded only to accounts that Twitter deemed authentic and notable.

Many users have been frustrated by Musk's attempts to stabilize the business after major advertisers pulled back from Twitter following his takeover. The changes have upended who gets verified and sometimes amplified on the site, while some users also complain about unpredictability under Musk's ownership.

Last weekend, when Musk announced on Twitter limits on how many tweets users could see, he said verified accounts—those paying a monthly subscription—would be able to see more tweets than unverified users. Although Twitter soon relaxed the restrictions, some users said the incident undermined Twitter's reputation as a platform for getting critical information.

James Spann, chief meteorologist at ABC 33/40, Birmingham, Ala., said he often uses Twitter to inform his followers about severe weather. "The concern is that they're going to miss these warnings," he said.

Spann said he also was frustrated because recent changes on Twitter have seemed unpredictable. "They just do these things without any advance notice," he said.

Before Musk's takeover, Twitter's business faced challenges with profitability and scrutiny over its approach to content moderation. Technical problems and hacking incidents sometimes caused disruptions.



Before Elon Musk's takeover, Twitter's business faced challenges with profitability.

Twitter has undergone numerous changes under Musk, from the pivot to paid verification to changing content-moderation policies and cutting thousands of employees, which has raised questions from some industry observers about the platform's ability to address technical and other challenges. The tumult has created an opening for rivals including Meta's new microblogging app Threads, which signed up more than 30 million users in less than 24 hours after launching, and by Friday morning had hit 70 million, according to Meta Chief Executive Mark Zuckerberg.

Twitter has momentum, according to Musk. "This platform hit another all-time high in user-seconds last week," the billionaire tweeted at the end of June. He said the metric is calculated based on phone-screen time.

Twitter no longer publicly discloses quarterly earnings reports since Musk took it private, limiting the amount of available information about how the company is doing.

The platform says it has roughly 535 million monetizable monthly active users, according to a presentation the company gave to advertisers at the Cannes Lions International Festival of Creativity in France in June, a person familiar with the matter said. Twitter told advertisers its users'

time spent a day is up just over 13% year-over-year, at an average of 32 minutes, the person said.

An estimate from research firm Insider Intelligence puts Twitter at 363.7 million monthly users. The firm says its estimates are based on an analysis of survey and traffic data, historical trends and other information.

As of June, Twitter had as many as 850,000 subscribers to its Blue service, according to an estimate from Travis Brown, a Berlin-based software developer who tracks social-media platforms. The subscription features include verification, some prioritized visibility and the ability to edit tweets and post longer ones.

Twitter Blue could appeal to more-active Twitter users, but it is still a tough sell for the average user, said Jasmine Enberg, a principal analyst at Insider Intelligence. "It's not likely to have had a significant impact on the bottom line," she said.

Derek Guy, a California-based menswear writer and frequent tweeter, said he wouldn't mind paying for the subscription. But he said

Musk's ownership makes the service controversial. "You're like financing this guy who is constantly posting these exhausting things," he said.

Twitter has been a mixed bag since Musk took over, said Guy, whose tweets suddenly gained popularity on Twitter earlier this year. "Obviously, it's been nice to have grown my audience, I can't deny that," he said.

After Twitter removed check marks from many legacy verified accounts, some researchers warned it would be harder for users to distinguish genuine accounts within the sea of check-less ones. Twitter's policies prohibit accounts with paid check marks from engaging in deceptive impersonation or spam, though some have questioned how well the company will be able to enforce those rules. The company has had to contend with impersonator accounts.

Twitter has had a string of technical problems since Musk took over the platform in October, adding to many users' frustrations. Twitter has experienced 11 significant outages so far in 2023, compared with

eight during all of 2022, according to the internet-monitoring group NetBlocks. The group included in its 2023 tally problems with rate limits last weekend.

Musk recently hired a new chief executive at Twitter, Linda Yaccarino, whose agenda includes helping to lure back advertisers after many pulled back from Twitter following Musk's takeover in part because of concerns about content moderation.

Musk has said most advertisers either have returned or will do so soon. At the end of May, Twitter's second-quarter ad revenue globally was down about 40% compared with a year earlier, The Wall Street Journal has reported.

Enberg, the Insider Intelligence analyst, said Threads might not be a fatal blow, "but it is going to be another severe wound to Twitter." Meta has the scale and resources to make Threads a serious competitor, she said.

"We're often imitated—but the Twitter community can never be duplicated," Yaccarino tweeted Thursday after Meta released its new app. She didn't name Meta in her tweet.

Meta earlier this year began rolling out its own monthly subscription program called Meta Verified, whose features include verification, increased visibility, and direct access to customer support.

Valerie Phoenix, founder of the nonprofit Tech by Choice that encourages diversity in tech, said she has used Twitter to promote the organization. Recently, she has been trying alternatives, including Threads, Spill and Bluesky.

"I think the final straw for me was the rate limiting," she said referring to the now-relaxed policy to limit how many tweets users could see. She added later: "Having our focus just be on Twitter is going to put us in a position where we may be stuck."

Watch a Video



Scan this code for a video about the new age of big tech brawls.

70M

Number of users signed up by Meta's Threads app by Friday morning

Bed Bath Abandons Efforts to Find Buyer for Buybuy Baby

Bed Bath & Beyond canceled an auction for its Buybuy Baby retail chain, abandoning a last-ditch effort to find a buyer that would continue to operate at least some of the stores.

Last week, Bed Bath & Beyond reached a tentative agreement to sell Buybuy Baby's intellectual property to fellow baby-products retailer Dream On Me Industries for \$15.5 million. That deal was pending the outcome of another auction for all or parts of Buybuy Baby's assets that was scheduled for Friday.

The retailer said it didn't receive any higher or better offers for the baby-products chain and will seek bankruptcy court approval to sell the intellectual property to Dream On Me at a hearing next week, according to a court filing Thursday.

Bed Bath & Beyond filed for bankruptcy in April after years of losses and failed turnaround plans left the once-powerful retailer short of cash.

The Bed Bath & Beyond



brand, including its website and domain names, and its customer data were sold to

Overstock.com last month for \$21.5 million. The retailer's Buybuy

Baby chain had received interest from Go Global Retail, owner of children's apparel

retailer Janie and Jack, The Wall Street Journal has reported.

Some GOP AGs Warn Target on Its Pride Collection

By SURYATAPA BHATTACHARYA

The battle over Target's Pride collection continues.

Seven Republican state attorneys general warned the retailer in a letter that its Pride collection may violate their child-protection laws, without citing any specific violations.

The attorneys general, led by Indiana's Todd Rokita, said Wednesday they were concerned about the promotion and sale of "potentially harmful products to minors" from Target's Pride-month merchandise because of its potential interference with parental authority over matters of sex and gender identity.

The letter was cosigned by state attorneys general from Arkansas, Idaho, Kentucky, Mississippi, Missouri and South Carolina.

Target has sold specially designed clothing, décor and other items during Pride month for more than a decade. The company has long received some criticism for the collection. This year, amid a simmering U.S. culture war, the merchandise drew backlash from customers that Target said caused employees to feel unsafe. In May, the company said it would pull some of the products—sparking criticism it had caved to pressure from anti-LGBT voices.

The attorneys general in their letter called out several products, including apparel that said "Girls Gays Theys," swimsuits with tuck-friendly construction and extra crotch coverage, and clothing that featured phrases like "Transphobe Collector" alongside an image of a skull.

"Target skillfully marketed and sold LGBTQA+ promotional products to families and young children as part of a comprehensive effort to promote gender and sexual identity among children," the letter said.

The swimsuits in particular were a focus of social-media criticism. Target has said it

sold the swimsuit only in adult sizes.

Target declined Friday to comment on the letter.

Transgender issues have become a political flashpoint, with multiple Republican state legislators proposing laws aimed at curbing healthcare for transgender youth, restricting transgender athletes' participation in youth sports and banning books and events that affirm transgender rights.

Walt Disney and Anheuser-Busch InBev have also recently been ensnared by culture wars focused on gay and transgender individuals. Disney is now embroiled in a high-profile dispute with Florida lawmakers

and Gov. Ron DeSantis, while a monthslong boycott of Bud Light reshuffled the beer industry.

The Minneapolis-based retailer said the backlash it faced this year included customers knocking down Pride displays, intimidating workers and creating threatening social-media posts from inside stores.

The move to remove some Pride products drew criticism from those who said the company was bowing to threats of violence. In June, 15 Democratic attorneys general wrote an open letter to Target Chief Executive Brian Cornell saying they didn't approve of the decision.

Twitter Sues Over Legal Fees In Takeover Battle

By ALEXA CORSE

Twitter sued Wachtell, Lipston, Rosen & Katz, the law firm it hired under previous management to enforce Elon Musk's agreement to acquire the company, accusing it of improperly obtaining a \$90 million payout as the deal-closing loomed.

Twitter alleged in a complaint filed Wednesday in California Superior Court in San Francisco that Wachtell and its litigation department, led by William Savitt, were at the center of a spending spree by Twitter's departing executives. Twitter is asking for full restitution of the \$90 million paid to Wachtell. Twitter says in the complaint that the amount includes an unspecified "success fee" that it describes as extraordinary and unconscionable.

Savitt, an attorney for Wachtell in the Twitter case, didn't respond to a request for comment.

Musk completed his takeover in October in a deal valued at \$44 billion. Twitter is accusing Wachtell of an 11th-hour adjustment to its fee structure the day of the closing, despite directions from the new ownership to suspend payment to third parties ahead of the imminent merger.

"Fully aware that nobody with an economic interest in Twitter's financial well-being was minding the store, Wachtell arranged to effectively line its pockets with funds from the company cash register while the keys were being handed over to the Musk parties," Twitter says in the complaint.

Twitter's board signed off on the payment with Wachtell the day the deal closed, according to the complaint. Bret Taylor, chairman of Twitter's board at the time, didn't respond to a request for comment.

Twitter filed the complaint under the corporate name X Corp., which the company adopted after Musk took over.

Deal for National Enquirer Collapses

ALEXANDRA BRUELL

A deal to sell the National Enquirer, the scandal-plagued supermarket tabloid that facilitated a hush-money scheme involving former President Donald Trump, has collapsed.

Vinco Ventures, the majority owner of a joint venture that agreed in February to buy the tabloid and other publications, said it had found that completing the transaction wasn't in its best interests, according to a securities filing dated June 12. As a result, the purchase agreement expired, the filing said.

Vinco and its partner, Icon Publishing, had formed a joint venture—VVIP Ventures—to purchase both the U.K. and U.S. version of the National Enquirer from magazine publisher a360 Media, the companies had said in February.

The deal, terms of which weren't disclosed, also included the National Examiner and the Globe.

Vinco, Icon Publishing and a360 Media didn't respond to requests for comment.

The Enquirer helped bury stories that were damaging to Trump when he ran for president in 2016. The publication was owned by American Media at the time.

In 2019, American Media agreed to sell the Enquirer to James Cohen, a magazine distributor, for \$100 million, but the deal was never closed. In 2020, American Media consolidated with Accelerate360, a Georgia-based logistics and distribution business, and was renamed a360 Media.

BANKING & FINANCE

Beijing's Mideast Pivot Aims To Fuel Boom in Investment

By ELAINE YU

China's increasing political clout in the Middle East is fueling a push to develop more economic ties. A key part of that: billions of dollars being invested in Chinese businesses.

Chinese leader Xi Jinping visited Saudi Arabia in December, meeting Saudi Crown Prince Mohammed bin Salman as officials and business executives from the two countries signed a series of agreements that could be worth around \$50 billion. Earlier this year, Beijing brokered a diplomatic breakthrough between Saudi Arabia and Iran, a rare move by China to directly intervene in the region. In the wake of political deals, business deals have followed.

Saudi Aramco, the state-owned oil giant, is planning to invest \$3.6 billion in **Rongsheng Petrochemical**, a Hangzhou-based company. Saudi Arabia's investment ministry has signed deals that include putting \$5.6 billion into a joint venture with Human Horizons, a Chinese electric-vehicle company. An Abu Dhabi government-backed entity has bought a stake valued at more than \$730 million in NIO, another EV maker from China.

At the Arab-China Business Conference in Riyadh in June, Nicolas Aguzin, the head of Hong Kong's stock exchange, predicted that the Middle East's biggest sovereign-wealth funds could allocate between \$1 trillion and \$2 trillion of their investments to China by 2030.

The increasing economic links between China and the Middle East show the challenges that will face the U.S. as it navigates the oil-rich region in the coming decades. Saudi Arabia, which has had an occasionally strained relationship with the U.S. over the past few years, is attempting to expand its roster of allies. That has created an opportunity for China, the world's largest importer of oil, to turn



Increasing economic links between China and the Middle East show the challenges U.S. will face.

its economic clout into political capital—and vice versa.

But analysts also think the opportunities for Middle Eastern investors in China are natural, even leaving aside the politics. Aguzin, the Hong Kong exchange head, said the big sovereign-wealth funds only invest 1% to 2% of their assets in China at the moment. He thinks that will grow 10-fold.

"First, the relationship between the U.S. and the Gulf Cooperation Council has regressed, so they're investing less into the U.S.," said Ethan Chan, chairman of Hong Kong-based asset manager ARTE Capital Group, referring to a loose political and economic union in the Middle East. "Second, their allocation to China isn't high enough."

A sovereign-wealth fund Chan works with in the United Arab Emirates currently invests around 7% of its entire portfolio in Chinese assets, a fifth of what it invests in the U.S. The fund would be comfortable doubling its China investments, or going even further, Chan said.

Middle Eastern capital has already proved a useful alternative for Chinese companies that

are cut off from the U.S. financial system.

SenseTime, a Hong Kong-based artificial-intelligence company blacklisted by the U.S., signed agreements in Saudi Arabia earlier this year to explore partnerships to develop digital-tourism and smart-city projects in the kingdom. The company first started doing business in Saudi Arabia in 2018, including signing a joint venture with the Public Investment Fund, the sovereign-wealth fund.

Mubadala, Abu Dhabi's sovereign-wealth fund, has been an investor in Chinese artificial-intelligence company 4Paradigm since at least 2021, according to S&P Global Market Intelligence. The U.S. added 4Paradigm to its export control list in March.

The links between China and the Middle East are also creating opportunities in the other direction, with Hong Kong or mainland Chinese architects, construction companies and tech firms signing or negotiating deals with Middle Eastern officials trying to transform their oil-dependent economies into more sustainable smart cities.

Chinese telecom giant Huawei Technologies found itself at the forefront of the U.S.-China tech battle almost five years ago, after accusations that it violated sanctions on Iran sparked an effort by Canada to extradite the company's chief financial officer. That created a diplomatic incident involving all three countries before a deal was struck in late 2021. But Huawei has been steadily growing its business in the Middle East, including helping the U.A.E. build the first 5G network in the Gulf region, said Jiawei Liu, the company's chief executive in the emirates. Huawei has also signed deals with Saudi Arabia's state-owned telecoms company.

The growing relations between China and the Middle East are also good news for Hong Kong, which has advantages that appeal to executives from both areas. Hong Kong's chief executive, John Lee, led a delegation to Saudi Arabia in February, courting the state-owned oil giant Aramco to sell shares on Hong Kong's stock exchange. Senior bankers and executives joined the delegation.

Companies Face New Sustainability Rules

By JENNIFER WILLIAMS-ALVAREZ

While finance chiefs generally welcome recent international guidelines for corporate sustainability disclosures, some are still waiting to see how other sets of requirements develop as they plan their strategies.

The requirements from the International Sustainability Standards Board, released in June after more than a year and a half of development, aim to set a global baseline for sustainability-related disclosures. But the U.S., through as-yet-unfinished Securities and Exchange Commission rules, is expected to take a softer touch following pushback from investors, companies and lawmakers, The Wall Street Journal reported. The European Union, meanwhile, may require more disclosures from U.S. companies.

"There are lots of different efforts afoot, and while there's also cooperation, generally speaking, or collaboration, across these different standards-setting bodies, there's no one process and there's no one uniform rule," said Debbie Clifford, chief financial officer at software company Autodesk.

The rules aim to set a global baseline for sustainability disclosures.

One challenge for the San Francisco-based business is determining how the ISSB standards compare with what may come from the SEC and the EU. "The types of questions that come to my mind are, 'OK, well how is this going to then cross reference to what we may ultimately see coming from the SEC?'" Clifford said, referring to the ISSB rules. "As a U.S. publicly listed company, we're concerned about all of this disclosure regulation, but the SEC is our primary regulator, and so we must comply there."

This means CFOs and other executives are hesitant to move too quickly and go further than required or have to backtrack to comply with a patchwork of requirements. Companies expressed concerns as the ISSB's standards were being developed about revealing information that could put them at a competitive disadvantage as well as about complications related to reporting on Scope three emissions, which include those from suppliers, in addition to their own emissions.

Top among executives' concerns is how the ISSB's rules will interact with requirements from others around the globe. One ISSB rule requires companies to disclose significant climate-related risks, such as floods and other extreme weather events. Another establishes requirements for disclosing information on how companies manage, measure and monitor certain sustainability risks and opportunities. Individual countries and jurisdictions can choose to adopt the ISSB's standards, which would make them binding for companies in those areas, with reporting potentially starting as early as 2025.

The ISSB has worked closely with authorities from the U.S., China, Japan, the EU and the U.K., and with the International Organization of Securities Commissions, to develop its rules as a global baseline and work on how the rules interact with those from others. So far, Australia, Canada, Japan, Hong Kong, Singapore and the U.K. are among the major countries that have indicated they would consider using the ISSB standards. Many others are expected to adopt the new guidelines, and companies can voluntarily adopt the standards.

Ant Hit With Big China Fine

Continued from page B1
tions for mutual-fund sales, they added.

The fine is the latest in a string of large penalties that have been imposed on China's internet giants since the government's broad regulatory crackdown began in late 2020. China's antitrust regulator in 2021 fined Alibaba Group Holding, which owns a third of Ant, the equivalent of \$2.8 billion at the time, accusing the e-commerce behemoth of abusing its dominant market position.

Food-delivery company Meituan was fined the equivalent of \$533 million in 2021 by the antitrust regulator, while ride-hailing company DiDi Global was fined the equivalent of \$1.2 billion last July by China's cyberspace regulator. In all those cases, the fines represented a small percentage of the companies' annual revenues.

Ma, the **Alibaba Group** co-founder whose comments in 2020 about regulators stifling innovation prompted Chinese officials to intensify scrutiny and kickstart an era of tighter regulation for China's internet companies, has taken a step back and will be ceding his shareholding control of Ant.

Ant said Friday that it has been "conducting business rectification proactively since 2020" under the guidance of regulators and that the work has now been completed. The company said it would comply with the terms of the penalty imposed by regulators, improve its corporate governance and continue to serve consumers, small businesses and the broader economy.

Ant was very profitable before its IPO in 2020 was canceled. Its listing prospectus that year showed the company made the equivalent of \$3 billion in net profit for the first half of 2020 on revenue of about \$10.5 billion.



Jack Ma will be ceding his shareholding control of Ant.

Since then, Ant's overhaul has seen it change the way it makes personal loans, and its consumer-finance unit now counts state-owned investors among its shareholders. Ant has also closed a business that used to provide crowd-funded medical coverage as part of its de-risking efforts.

Ant's estimated profit in 2022 totaled the equivalent of roughly \$4.3 billion in today's dollars, down more than half from the previous year, according to calculations from Alibaba's quarterly results.

Ant has applied for a financial-holding-company license, and obtaining it is widely seen as the final step in its restructuring. It would result in the company being regulated in a similar fashion to banks and other financial institutions in China.

The creation of a powerful financial regulator in China, at a time when Chinese leader Xi Jinping is strengthening his control of the Communist Party, has held up the approval of Ant's license, The Wall Street Journal reported previously. The new super-regulator needs to sign off on the plan.

In January, a top Chinese regulator said that authorities had concluded investigations into the financial businesses of several internet companies, signaling that the country's crackdown on the sector was ending.

Financial regulators said Friday that they have also levied fines on Tenpay Payment Technology, the licensed entity that runs Tencent Holdings' WeChat Pay, as well as Postal

Savings Bank of China, Ping An Bank, and insurer PICC. Regulators said Tencent and other companies have been similarly guided to rectify their violations of laws and regulations.

Tencent said in a filing Friday that China's central bank inspected Tenpay in 2021, providing guidance on its efforts to satisfy regulators. Tencent described those efforts as complete and said that it believes the regulators will "focus on normalized regulation going forward" and promote the development of the platform economy.

The fines were imposed by multiple regulators, including the People's Bank of China, the new National Financial Regulatory Administration, and branches of the China Securities Regulatory Commission. The central bank fined Ant about 3.3 billion yuan, equivalent to about \$454 million, and fined Tencent a little under three billion yuan.

Ant, whose IPO in 2020 had been on track to raise more than \$34 billion at a company valuation of more than \$300 billion, is now worth much less in the eyes of global investors. Fidelity Investments earlier this year pinned a value to its Ant shares that implied a company valuation of about \$60 billion.

The Hong Kong-listed shares of Alibaba rose 3.4% on Friday, giving the company a market capitalization of roughly \$230 billion. Alibaba's market value had previously topped \$850 billion just before Ant's IPO was canceled, according to FactSet data.

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MARKETS

Stocks and Bonds Suffer Weekly Losses

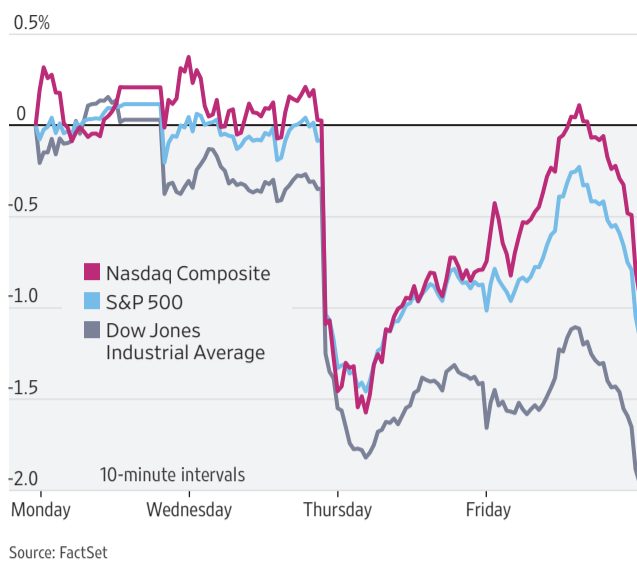
S&P 500 reverses early gains to end slightly lower on fears of rate rises

By GUNJAN BANERJI

A stretch of strong economic data hardened investors' expectations of further interest-rate increases, fueling a lockstep weekly decline for U.S. stocks and government bonds. The narrow weekly losses put a dent in a period of extraordinary market calm, during which major stock indexes have jumped to some of the highest levels of the past year. For much of the summer, volatility has ebbed and stocks have continued a steady climb. The Dow slipped 673 points, or 2%, for the week. The S&P 500 fell 1.2%, while the technology-focused Nasdaq Composite dropped 0.9%.

Some of the recent data kindled a familiar fear—that signs of a hot economy would lead the Federal Reserve to raise interest rates higher than expected. Data on Thursday showed that the private sector added 497,000 jobs in June, well above the gain of 220,000 forecast by economists polled by The Wall Street Journal. Other releases similarly suggested that the U.S. economy is far more resilient than many investors expected, upending Wall Street's bets on an imminent recession. For example, the Institute for Supply Management said Thursday that its index of services activity rose to 53.9 in June from 50.3 in May. A reading above 50 indicates expansion. The spate of hot economic data led to the worst day for the S&P 500 since May on Thursday. "We don't see the recession" in the data, said Julien Stouff, founder of hedge-fund firm Stouff Capital in Geneva.

Index performance this past week



Many investors also remained focused on wage growth, which came in higher than economists expected in Friday's monthly jobs report and pressured major indexes in early trading. Average hourly earnings rose 0.4% from the month earlier, above what economists had expected. Many analysts and investors said the data kept the Fed on track to raise interest rates again later this month.

"This adds to the narrative that the Fed has more work to do," said Mona Mahajan, senior investment strategist at Edward Jones. Still, optimism crept back into the market to end the week, helping the S&P 500 pare some of its losses in midday trading Friday, before finishing lower. Some investors appeared focused on the fact that the U.S. continues to add jobs, though at a more modest pace. All three major indexes slipped Friday. The S&P 500 lost 0.3%, while the Dow fell around 0.6%. The tech-heavy Nasdaq shed 0.1%. The strong economic data has driven up Treasury yields, which have jumped to some of the highest levels of the year. The yield on the 10-year Treasury note rose to 4.047%, notching its largest one-week yield gain since May. The yield on the 2-year Treasury note rose for a fifth consecutive week to 4.931% and is now hovering at around levels recorded before

Silicon Valley Bank collapsed. Although the headline number on Friday's jobs report missed expectations—and snapped a historic stretch of beats—the data revealed a job market that remains historically tight. The U.S. has been adding jobs at a pace rarely seen in recent decades. At times, the strong data has burned bets that the U.S. economy would tip into a recession, catching traders flat-footed. Many had wagered that sectors sensitive to the economy, such as industrials and consumer-focused segments, would tumble as the economy entered a downturn. Instead, they have kept flourishing. That led to an extreme short squeeze in recent sessions, one of the most violent of the past few years, said Edouard Matitia-Cohen, a managing director within Bank of America's prime financing team. —Ryan Dezember contributed to this article.

U.S. Oil Boom Blunts OPEC's Pricing Power

By BOB HENDERSON

U.S. petroleum production is on pace for a record-breaking year, helping to keep energy prices stable despite the efforts of Saudi Arabia and other major oil exporters to drive them higher. U.S. crude output this year through April is up 9% from a year ago, surprising analysts given that oil futures were sliding and the country's shale boom was showing signs of peaking. The surge is being driven in part by improved production efficiency, and signals that the Organization of the Petroleum Exporting Countries' power to control prices could be waning as output continues to grow in the rest of the world. After prices crashed in 2015, U.S. producers "went back to the lab and got much more efficient, with a lot of engineering-based gains and a lot of staff and cost cutting," said Vikas Dwivedi, global oil and gas strategist at Macquarie Group. OPEC and its allies so far this year have announced cuts amounting to about 6% of last year's production. Crude prices have nevertheless slid by about 13%. Along with weaker-than-expected demand in China, prices are being weighed down by stepped-up production in other countries including Brazil, Canada and Norway. Increased output in countries outside OPEC is making up for

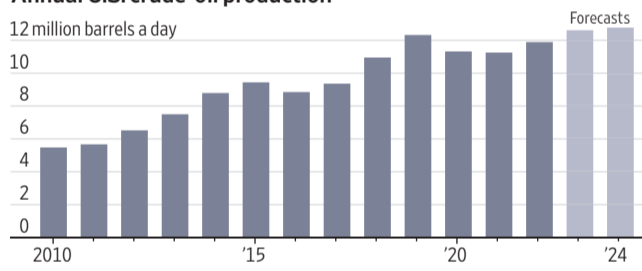
about two-thirds of the alliance's cuts, according to estimates by Rystad Energy. Half of that new crude is coming from the U.S., where major producers including ConocoPhillips, Devon Energy, Pioneer Energy and EOG delivered strong production in the first quarter. Smaller private companies are reaping the rewards of a drilling surge they made last year when oil prices were higher. Companies' efforts to improve efficiency are also giving them more leeway to remain profitable even when oil prices are slipping. Production improvements since 2014 have pushed down the cost of drilling and fracking in the U.S. shale patch by 36%, according to J.P. Morgan, even as recovered oil volumes have increased. Frackers have found ways to force more water and sand into rocks and create more oil-freeing fissures. ConocoPhillips said its planned wells this year will be 14% longer than those it drilled last year. Another major producer, EOG Resources, said it bored a well over 5 miles deep and nearly 3 miles long in South Texas early this year—a record length for the company. The increased efficiency means EOG can earn as much from oil priced at \$42 a barrel today as it would have from oil trading at \$86 nine years ago. People familiar with Saudi oil policy have said the government's budget requires



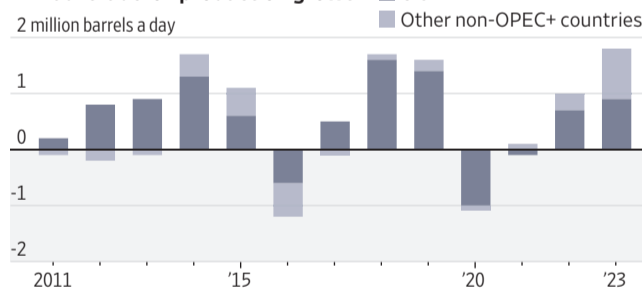
U.S. producers are looking for ways to improve efficiency in the Permian Basin.

an estimated \$81 a barrel. Brent crude is trading around \$76 a barrel, down 13% from the start of the year. Exxon-Mobil and Chevron are both working to significantly boost their output in the next few years from the Permian Basin—a key oil-producing region that spans parts of West Texas and southeastern New Mexico. The industry still only recovers about 10% of the oil it theoretically could, Exxon-Mobil Chief Executive Darren Woods said at a conference last month. Woods has challenged his engineers to double that rate. Nudging it up even a little could result in a big jump in production, said Ben Poppel, director of field engineering for Liberty Energy, one of the largest fracking companies.

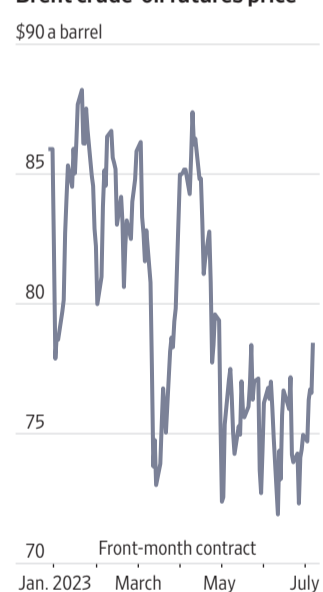
Annual U.S. crude-oil production



Annual crude-oil production growth



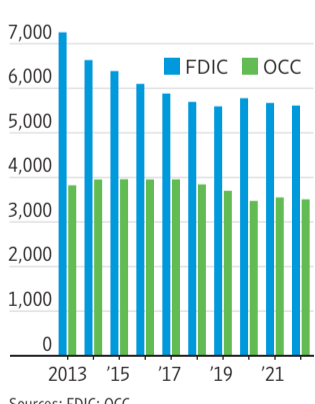
Brent crude-oil futures price



Retired Examiners Recruited

Continued from page B1
own staffing weaknesses as a contributing factor. Current and former regulators say the boomerang program is an effective way to quickly bring back workers who already have decades of institutional expertise when needed. "It's like the armed forces: in times of trouble you have a reserve," said Keith Noreika, who served as the OCC's top official in 2017. A spokeswoman for the OCC said the program isn't related to the impact of rising interest rates on banks and helps reduce the impact of temporary staffing gaps. Losses due to higher rates were a major factor in the failure of three banks, and a rebound in rates recently is expected to boost risks for a large number of banks. A spokesman for the FDIC said the agency has hired retirees in the past and is still doing so. The OCC reported employing about 3,500 people last year, about 450 fewer than it had in 2017. At the FDIC, the decline has been even sharper:

Number of employees at FDIC and OCC



the agency employs almost 5,650 people. In 2010, that number was about 8,150. In its report on the failure of Signature Bank, which was based in New York, the FDIC said that an average of 40% of jobs in the New York office for supervising large financial institutions have been vacant or filled by temporary staff since 2020. "Examination resource shortages, particularly in the New York region, are a mission-critical risk," the agency said in its report. The Fed also highlighted its staffing shortcomings in its post-mortem of Silicon Valley Bank. Between 2016 and 2022, the regulator noted, supervisory head count declined by 3% while banking sector assets grew by 37%. Michael Barr, the Fed's vice chair for supervision, said in an April report that supervisors didn't fully

appreciate the extent of the vulnerabilities as SVB grew in size and complexity. When supervisors did find risks, they didn't take sufficient steps to ensure the firm fixed those problems quickly enough, he said. While the tumult fueled by the failures of SVB and two other banks earlier this year has subsided, several banks still face a tough road ahead. The Fed's steep increases to interest rates over the past year have wreaked havoc on bank balance sheets, driving down the market values of trillions of dollars in debt banks hold. Banks held more than \$500 billion in unrealized losses on their balance sheets at the end of March, a number expected to have grown in the second quarter. Of particular concern is the roughly \$3 trillion of commercial real-estate debt held by banks, with most of that held by regional and community banks, according to Moody's Investors Service. Yields rose further on Thursday with the 2-year Treasury yield topping 5%, just below the peak it hit in March when the banking crisis took off. Last week, the OCC, FDIC and Board of Governors of the Federal Reserve issued new guidance asking banks to

"work prudently and constructively" with commercial real-estate borrowers by coming up with accommodations and workouts for problematic loans. The OCC's effort to entice former employees to return to the job is targeted at bank examiners, who comprise about 60% of the agency's total head count. Several current and former regulators said that the program appears to be targeting examiners with real-estate experience. Taken with last week's policy statement, the hiring effort appears to signal that regulators view these loans as an area of particular concern in the near future. "Combined with last week's policy statement, it suggests regulators see trouble ahead," said Bryan Hubbard, a former deputy comptroller for public affairs. OCC examiners spend much of their time on the road, making visits to the roughly 1,100 banks and other firms supervised by the agency. They help identify risks and enforce policies by reviewing banks' balance sheets and interviewing management. Examiners of large banks typically work out of the main office of the institution to which they are assigned.

The OCC employed about 3,500 people last year.

Celsius Deal Settles Crypto-Mining Claims

By SOMA BISWAS

Celsius Network reached a \$25 million deal with two large preferred shareholders, ending their litigation over claims on the company's crypto mining business. The settlement opens a path to ending a potentially costly fight that has been a key hurdle to its plan to transfer its bitcoin mining business to new managers and compensate customers who have digital currency trapped on the bankrupt platform. Celsius reached the settlement with WestCap Management and Canadian pension fund Caisse de depot et placement du Quebec. The settlement involves claims over the company's U.K. affiliate, Celsius Network Ltd., and its assets including the mining business, according to a filing in U.S. Bankruptcy Court in New York on Thursday by Celsius Chief Financial Officer Christopher Ferraro. The cash will come from the proceeds of a sale of a crypto services business, the court papers show. Celsius is preferable for Celsius and its customers to avoid expensive litigation that may have resulted in

the preferred shareholders winning recovery of several hundred million dollars, Ferraro said in the court papers. Earlier this year, Celsius picked a group of investors led by TechCrunch co-founder Michael Arrington to run a reorganized company that will include Celsius' mining business. Celsius customers will own nearly all of the equity in the reorganized company. The preferred shareholders had argued they have direct claims over the U.K. affiliate and its assets, while customers' claims are over Hoboken, New Jersey-based Celsius Network LLC. Judge Martin Glenn in March sided with the shareholders, ruling customers at Celsius didn't have direct claims on the affiliated business and its crypto mining operation. Celsius argued that the U.K. affiliate with the mining assets owed billions of dollars to the U.S. side that houses the customer platform. Celsius had hastily moved its customer-facing business from the U.K. to the U.S. in 2021, following pressure from British regulators, while the U.K. affiliate continued to own the mining business and other operations.

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Now Streaming, After These Messages

Netflix, Disney and now, perhaps, Amazon: More streamers are getting into the advertising game

In an age when Americans buy more than \$1 billion worth of vinyl records every year, it should be no surprise that other relics of old media are making a comeback.

Television advertising never looked like the same sort of endangered species; YouTube alone now generates nearly \$30 billion in revenue a year from ads. Still, the flight of viewers from traditional cable packages and the sharp rise of ad-free streaming services such as Netflix hung a major question mark over the once lucrative business of constantly interrupting “Law & Order” episodes with Chrysler commercials.

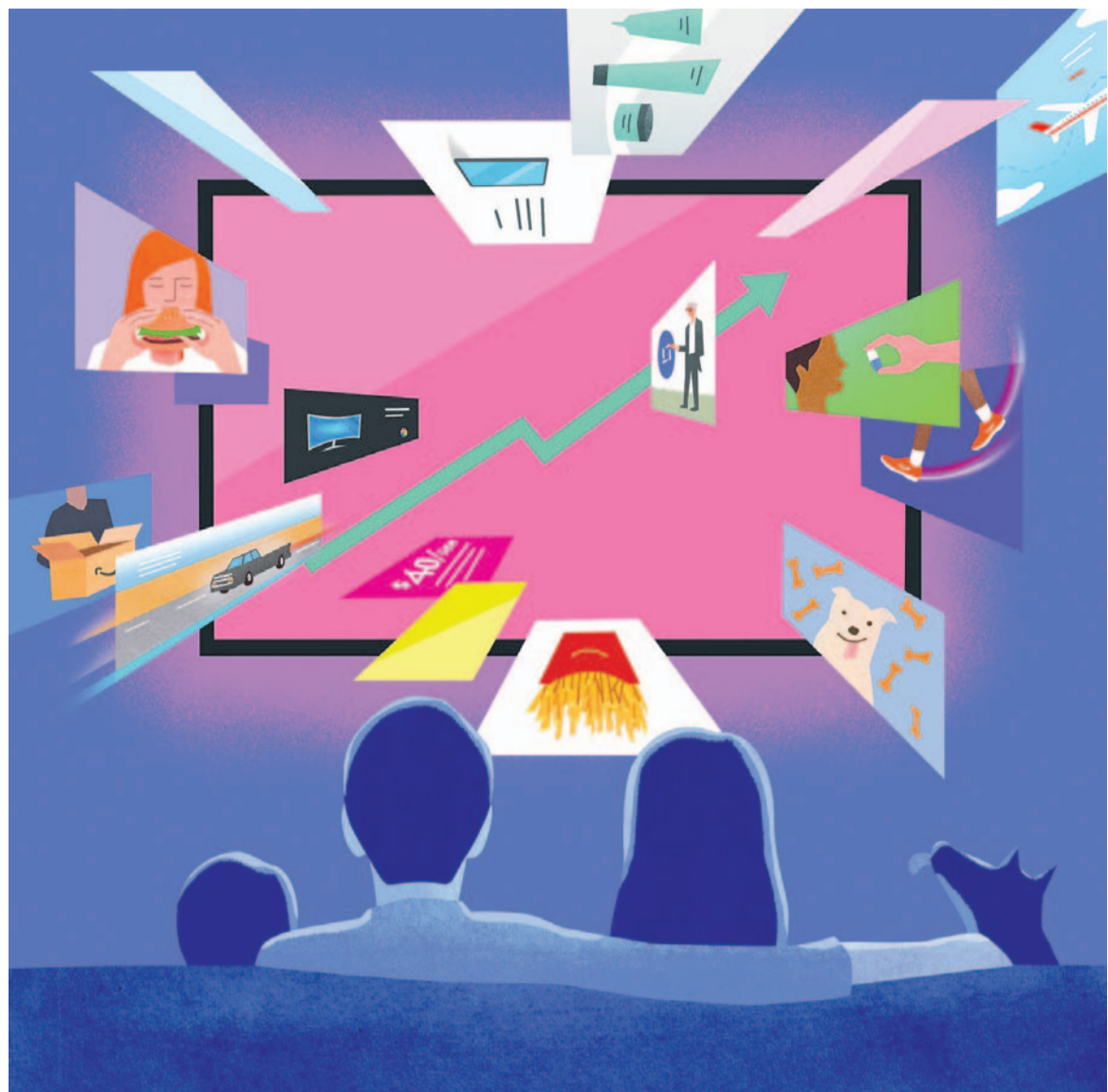
But instead of killing TV ads, streamers are now rushing to embrace them. Netflix and Disney added ad-based tiers to their service plans late last year, and The Wall Street Journal reported last month that Amazon is considering

the same for its Prime Video streaming platform. If the e-commerce giant makes that leap, only one major streamer would be left without an ad-supported option: Apple TV+. And that may only be a matter of time, as advertising has become an important contributor to Apple’s high-margin services segment that has been helping the iPhone maker diversify its exposure to the more volatile tech hardware business.

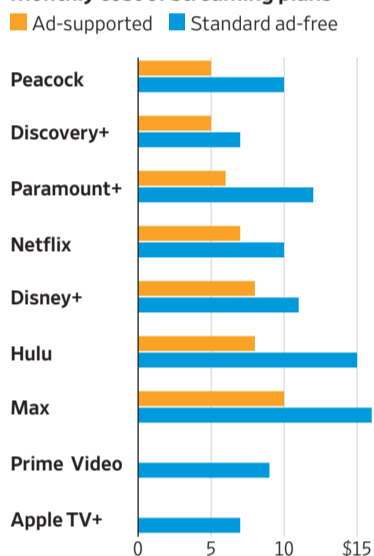
Consumers now have more streaming services than ever to choose from, but also more than ever to pay for. This comes as they are also getting pinched by rising inflation. Ad-supported plans by the major streamers currently cost an average of a third less than standard plans on a monthly basis while two—Paramount+ and Peacock—offer ad tiers at half the price of their standard plans.

Streamers are highly motivated to embrace advertising as well. Media companies saw their stocks hit hard last year after a surprising drop in Netflix subscribers drove investors to reconsider the economics of streaming. Companies that dumped billions of dollars into making exclusive, premium content are now keen to make their offerings generate profits—and cash.

Adopting advertising should help in that regard. It has already been paying some early dividends for Netflix. The streaming pioneer launched its first ad plan on Nov. 3, and the company said in its most recent earnings report in April that average revenue per user for that plan was higher than its standard plan, which costs more than twice as much on a monthly basis. It also told advertisers last month that more than five million monthly active users were currently viewing the ad-



Monthly cost of streaming plans



Source: company data

based tier.

Analysts expect ad-supported revenue at Netflix to hit about \$634 million this year—about 2% of the company’s total, according to consensus estimates from Visible Alpha. But that number is expected to surge to about \$2.2 billion next year and nearly double again to more than \$4 billion in 2025. The promise of ads plus a crackdown on password sharing that was formally launched earlier month has Netflix investors already giving a standing ovation. The stock has surged 131% over the last 12 months—the fourth-best performance in the S&P 500 in that time.

The early popularity of ad-based streaming services isn’t confined to Netflix. As of late May, one-quarter of all U.S. subscriptions to premium streaming services were ad-supported, according to data released by market research firm Antenna last week. That compares with 19% at the same point two years ago. Subscriptions to ad-based plans are growing at a rate of 32% annually compared with just 19% for ad-free plans. Ad-based plans also seem most popular at services that recently entered the sector; about 74% of Peacock’s U.S. subscribers have chosen the service’s ad-sup-

ported plan, while about 41% have done the same at Paramount+, according to Antenna’s data.

Streamers will have to resist the temptation to overdraw from the well. New adopters like Disney and Netflix are touting their light ad load; Netflix says ad-supported viewers can currently expect about four minutes of ads per hour. That is well below the 11.2 minutes per hour averaged across TV, according to data compiled in 2018 by GroupM.

More streaming viewers are clicking with ads; too many could make them click off again.

—Dan Gallagher



Labor strains remain particularly intense in parts of the service sector.

Jobs and Inflation Keep Defying the Fed

An expected slowdown still fails to materialize

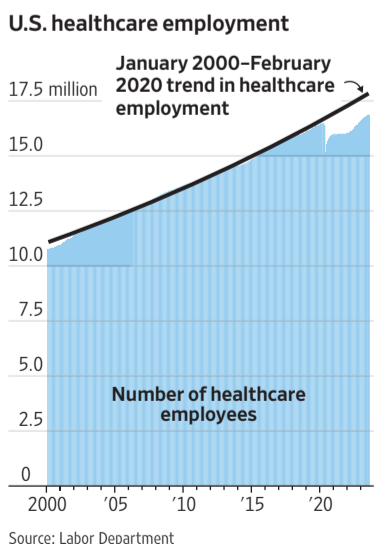
America’s job market is cooling, and so is inflation. Neither one is anywhere close to cold.

The Labor Department on Friday reported that the economy added a seasonally adjusted 209,000 jobs in June from a month earlier, down from May’s gain of 306,000 jobs and a bit shy of the 240,000 economists were looking for. The unemployment rate, meanwhile, slipped to 3.6% from May’s 3.7%, putting it a smidge higher than the multidecade low of 3.4% it hit in January, and again in April.

Still plenty strong, in other words, and stronger than either the Federal Reserve or Wall Street came into the year expecting to see.

In December, Fed policy makers’ median projection for the unemployment rate in the final quarter of 2023 was 4.6%. In June, that forecast got lowered to 4.1%. By a similar token, December’s Federal Reserve Bank survey of primary dealers—banks and other firms that deal directly with the Fed—had a median fourth-quarter 2023 unemployment rate forecast of 4.7%. In the June survey, released on Thursday, that slipped to 4%.

Even those new, lower unemployment forecasts seem as if they



could prove too high. Thursday’s report on job openings from the Labor Department showed that, even though the number of unfilled jobs fell in May relative to a year ago, there are still millions of more vacancies than there were before the pandemic. The hiring strains are particularly intense in services sectors that saw steep job losses early in the pandemic.

Take healthcare: Friday’s report showed it added 41,100 jobs last month, which brought the sector’s overall payroll count to about 16.8 million jobs. That is more than the 16.5 million it carried in February 2020, but healthcare employment arguably should be much higher. Before the pandemic, and even amid the steep overall job losses that came in the wake of the 2008 financial crisis, the sector steadily added workers to meet the needs of a growing and aging population, effectively never shedding workers. To get back to its 20-year, prepandemic trend, healthcare would need to add about 840,000 more jobs.

Alas, the job market isn’t the only thing that is defying the Fed’s and Wall Street’s expectations. So is inflation. Last December, Fed policy makers projected that, excluding food and energy, their preferred inflation gauge would show consumer prices up 3.5% in the fourth quarter of 2023 versus a year earlier. In June, they lifted their forecast of that measure to 3.9%. Inflation’s persistence is the major reason why Fed policy makers are highly likely to raise rates when they meet later this month.

The springing-eternal hope is that inflation will cool in the months ahead, and that high inflation readings prove less a function of a strong job market than other factors. There are reasons to think that cooling could occur—including lower used car prices, easing rents and a recent moderation in services inflation—but the big question has to be how fast inflation will cool, and whether it will do so more quickly than the job market.

If it does, that would give the Fed cause to stop raising rates even if the job market still looks strong. Policy makers believe they have done plenty already. A newly published index from the central bank suggests that tougher financial conditions will trim about three-quarters of a percentage point off gross domestic product growth over the next year. So if inflation cooled it would then be content to step back and see how things play out with jobs. And the Fed would likely readily lower rates at the least sign of trouble.

If inflation doesn’t slip enough, however, the Fed will decide more rate hikes are in order, and the unhappy game of chicken between the job market and inflation will continue.

—Justin Lahart

Selling Jeans Directly Is a Stretch for Levi’s

Levi Strauss’s goal is to sell most of its denim through its own stores and website, capturing more margin for itself and giving up less to third-party retailers. Its latest results show that getting there won’t be painless.

Levi’s on Thursday said revenue declined 9% on a constant currency basis in its quarter ended May 28 compared with a year earlier—slightly worse than Wall Street expectations. More surprisingly, Levi’s swung to a net loss of \$1.6 million. It was the company’s first quarter in the red since the initial shock of the pandemic in 2020. Sales trends

because of a pull-forward in wholesale revenue that Levi’s already telegraphed due to a change in its enterprise resource planning. Even excluding that impact, though, wholesale revenues were down by a low double-digit percentage last quarter.

Directionally, this lines up with where Levi’s wants to go: Its target is to generate 55% of sales through the direct-to-consumer channel by 2027. Today, that share is 46%. Still, last quarter’s losses show that Levi’s laser-focus on this strategy could come at a cost.

Notably, some of Levi’s wholesale weakness seems to be self-inflicted: Chief Executive Chip Bergh said the price gap at Levi’s value-tier products (which are sold through wholesale channels) had “widened too far” relative to competitors. That didn’t resonate so well with low-to-middle income consumers who Levi’s executives said were feeling pressure from higher inflation and a slowing economy. The company is cutting prices on those products to move inventory.

Levi’s held the No. 1 spot in global jeans market share at about 6% as of 2022, according to Euromonitor. Kontoor Brands, which owns Lee and Wrangler, isn’t too far behind with a 4% share.

To hold on to its lead, Levi’s will have to make sure it doesn’t lose relevance with the middle-to-lower income consumers that buy its jeans through retailers such as Kohl’s and JCPenney. At the same time, it has to keep its marketing push for more premium direct-to-consumer shoppers from pressuring its bottom line.

Much of the negativity is baked into Levi’s shares, which recently lost their longstanding premium over Kontoor Brands. The stock was trading around 0.85 times forward sales before Friday’s drop. To recover its valuation, Levi’s will have to convince shareholders that it can stretch its direct-to-consumer business without poking holes in its still-important wholesale channel in the process.

—Jinjo Lee



Levi’s spent more on advertising last quarter.

last quarter were weak enough that Levi’s pared its full-year revenue growth guidance. Levi’s stock, already down 8.3% year to date, shed another 7.7% Friday.

Last quarter’s net loss was mostly due to higher-than-expected operating expenses: The brand said it spent more on advertising last quarter to support its iconic 501 jeans’ 150th anniversary campaign and to grow its direct-to-consumer channel sales. While those efforts certainly boosted direct-to-consumer sales, which were up 14% on a constant-currency basis last quarter, any gross margin benefit was offset by the cost of generating that demand.

By contrast, wholesale revenue declined 22%. A part of that was

JOSE ALVARADO JR. FOR THE WALL STREET JOURNAL; DAVID PAUL MORRIS/ELONBERG NEWS (CBS)



Remaking Diversity
Elite colleges will 'shape' their classes despite the Supreme Court ruling **C3**

REVIEW

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Saturday/Sunday, July 8 - 9, 2023 | C1

WHY WE GET SCAMMED AND WHAT TO DO ABOUT IT



ILLUSTRATION BY MATT CHASE, SHUTTERSTOCK (2)

Would you invest with someone who guarantees a 50% annual return with no risk of loss? Would you reply to an email offering you a share of a lost treasure in a far-away country, in exchange for sending just a little bit of money to kick-start the recovery effort?

Would you buy a Picasso or a Dali from a late-night infomercial? We didn't think so. But many people do fall for scams like these. Why? Are the victims uneducated, unintelligent or constitutionally naive?

Unfortunately for all of us, the answer is no. Even people at the top of their professions can be taken in. Several former cabinet secretaries were convinced to join the board of Theranos, whose founder, Elizabeth Holmes, was later convicted of criminal fraud against investors. Experienced scientific journal editors had to retract scores of fraudulent papers by the Dutch psychologist Diederik Stapel. Wealthy art collectors bought phony Rothkos and Pollocks from Manhattan's tony Knoedler Gallery.

Frauds are ever evolving and can be complex and sophisticated, but even simple ploys can take us in. Everyone knows not to click on dubious links in

To avoid being fooled, we need to be aware of the mental habits and shortcuts that make us easy to deceive.

By Daniel Simons and Christopher Chabris

emails, but when we're busy and the fake messages resemble the legitimate ones we get every day, it's easy to be fooled. A test by the Dutch Ministry of Economic Affairs found that 22% of people who received a suspicious work email about password recovery clicked through and typed in their password. Phishing for passwords is the first step in "business email compromise," a fast-growing fraud by which scammers use their access to corporate accounts to steal money and valuable information. According to the FBI, such scams led to losses of more than \$43 billion between 2016 and 2021.

Con artists succeed by hijacking what are usually effective and efficient mental habits, turning our shortcuts into wrong turns. Some psychologists and philosophers argue that our brains

have a "truth bias": We automatically tag incoming information as true and must exert extra effort to remain uncertain or to relabel it as false. This bias is not a bug, but a feature. If we were unremitting skeptics, questioning everything we heard or saw, major decisions would be impossible, and everyday life would be a nightmare. We couldn't get out of the supermarket without checking every price on the receipt and verifying the accuracy of the ingredients listed on every package.

Truth bias turns seeing into believing, so it is a prerequisite for any act of deception. In 2018, the startup Nikola released a video called "Nikola One in Motion" that appeared to show its prototype self-driving truck tooling down a highway. The company went public in 2020 via a reverse merger, and it was

briefly worth more than Ford Motor. But later that year Nikola admitted that the truck lacked a fuel cell and motors: The video was created by rolling it down a shallow grade and tilting the camera to make the terrain seem flat. In 2022, Nikola founder Trevor Milton was convicted on federal fraud charges.

As psychologist Daniel Kahneman has written, people tend to assume that "what you see is all there is." Just as a magician might draw your attention to their right hand while they pocket a coin with their left, Milton used misdirection to mislead investors. Similarly, when Enron's direct-energy sales operation wasn't up and running in time for a visit from Wall Street analysts in 1998, the firm created a Potemkin sales room and borrowed employees from other divisions to play the necessary roles.

Please turn to the next page

Daniel Simons is a professor of psychology at the University of Illinois, and Christopher Chabris is a cognitive scientist who has taught at Union College and Harvard University. This essay is adapted from their new book, "Nobody's Fool: Why We Get Taken In and What We Can Do About It," which will be published on July 11 by Basic Books.

Inside

HISTORICALLY SPEAKING

Long before pink was a 'girl's color' for toys like Barbie, it symbolized manliness, spirituality and luxury in cultures around the world. **C5**



Doctors' Years

Is it better to be treated by a younger M.D. or an older one? Big data may hold the answer. **C6**

MIND & MATTER

A massive new study shows a clear link between cannabis abuse and some mental illnesses. **C4**



VACATIONS

Don't be afraid to take time off: Holidays actually boost your career prospects. **C5**



REVIEW

The Mental Habits That Make Us Easy to Deceive

Continued from the prior page

The fact that we can fail to see what we don't focus on has been demonstrated by hundreds of scientific studies. In one experiment of our own, participants were asked to watch a video of a group of people passing basketballs and to count the number of passes by players in white shirts. When a person in a gorilla suit sauntered through the scene, many viewers completely failed to notice. This tendency to focus narrowly usually benefits us by constraining the amount of information we need to consider before making a decision. But it also means that people who want to deceive us can withhold or distract us from the most critical information and count on us not to notice.

To overcome this tendency, we need to curb our enthusiasm and ask ourselves "what's missing?" When a company shows just one demo of its technology doing wonders, we should wonder whether it works every time and under a variety of conditions. If a consulting firm is seeking your business, interrupt their litany of success stories to ask about their unsuccessful engagements, and dig deeper into whether they are giving you the full story about their successes.

And if you're scrolling through your social media feeds, keep in



Former Theranos CEO Elizabeth Holmes, seen here arriving at court in November 2022, convinced former cabinet secretaries to serve on the company's board before being convicted of defrauding investors.

tency by devising a new type of Ponzi scheme, one that didn't guarantee outlandish short-term returns but instead provided its investors smooth growth year after year, with nary a down month. A study by Harvard Business School researchers that asked which of a set of hypothetical mutual funds people would invest in found that years after Madoff's fraud was revealed, a fund that reported Madoff's own impossibly consistent performance was pre-

the possibility that they're using a computer to cheat. When a scientist produces perfect results time after time, we should be a bit skeptical. Our habit should be to treat the absence of noise as a warning to dig deeper.

Just as we are overly enticed by consistency, we tend to treat precise claims as more believable than vague ones. All else being equal, precision and concreteness are indeed superior to vagueness and ab-

deep understanding and years of incremental improvements and technological advances.

But like our taste for consistency, our preference for precision can be exploited. An analysis of over 16,000 home sales in South Florida and Long Island found that houses listed with a price specified to the hundreds of dollars, like \$367,500, wound up selling for more than houses listed with a rounder price, like \$370,000—even when the rounder starting price was slightly higher. The more specific numbers carried no more meaning than the rounded ones, but buyers might have assumed that those prices were based on more objective information. The precise prices might have created stickier "anchors," giving buyers the impression that there was less room for negotiation.

Some claims are too precise to be possible, yet we still don't think to question them. In 2005, the psychologists Barbara Fredrickson and Marcial Losada announced their discovery of a "critical positivity ratio" for success in life. A model developed by Losada predicted that people who have fewer than 2.9013 positive experiences for each negative experience would flounder, but people exceeding that threshold would flourish. Verifying such a precise ratio would require perfectly classifying hundreds of thousands of emotional experiences, something currently beyond the capabilities of psychological science. Yet the claim survived expert peer review, and the paper was cited more than 1,000 times in the scientific literature before a close inspection in 2013 showed that the mathematics behind the positivity ratio were nonsensical.

We can escape the lure of precision by asking how such precise numbers could have been calculated and by imagining how attractive a claim, prediction or proposal would be if it were expressed as a more approximate value. If a business guru tells you that 13.5% of your customers are "early adopters" of new technologies, you should wonder

how they determined that it wasn't 12.2%, 14.9% or "about one in six." Had Fredrickson and Losada dropped their overly precise ratio and simply claimed instead that people who have more positive experiences are more likely to be happy, their paper likely would not have been as influential—but it would have been correct.

Most of the scams people fall for today are not really new; they are remixes and mashups of tricks that have worked for generations. As technology advances, we will likely see increasingly sophisticated versions that target the same habits of thought in more potent ways. One current scam involves a caller who tells the mark that their child has been hurt or is in trouble and asks urgently for money to help. The

We are overly enticed by consistency and tend to treat precise claims as more believable than vague ones.

time pressure and fear rev up the victim's truth bias and undermine their usual suspicion about requests for money. Imagine how much more effective this tactic will be once AI models can synthesize a child's voice to make it seem like they are making the call.

Anticipating these dangers can help us take precautions before we're deceived—for instance, by establishing a family passphrase to ensure you're talking to the person you think you are. Advance planning minimizes your risk in the moment and can help you avoid the need for constant skepticism. But taking steps to avoid deception means we have to abandon the myth that only the gullible can be taken in. There are scams out there waiting for each of us, no matter how sophisticated we think we are. Rather than "it can't happen to me," your mantra should be "accept less, check more."



Bernard Madoff, seen here in March 2009, took advantage of investors' taste for consistency by promising smooth growth year after year, rather than outlandish short-term results.

mind that masters of disinformation don't need to spread actual falsehoods. They can create a misleading narrative by sending out a stream of true but unrepresentative stories, as long as they can count on their audience not bothering to look for counterexamples or think about the broader context. As a recent study in the journal *Judgment and Decision Making* showed, if someone tells you college is irrelevant to business success and mentions the noted dropouts Bill Gates, Mark Zuckerberg and Steve Jobs, you might believe them—if you don't think about the unheralded fact that the vast majority of CEOs and billionaires have college or even graduate degrees.

Our tendency to focus on the information we already have can be amplified further by our preference for consistency. In almost every field, from investing to medicine to science, we don't intuitively appreciate how much variability should exist in numbers that describe human experiences, decisions and actions. We're seduced by the simplicity of smoothness. It's easier to interpret and remember lines that go straight up than complicated, jagged, up-and-down swings. But "noisy" patterns are more realistic, which means we should expect and prefer them.

Bernard Madoff brilliantly exploited investors' taste for consis-

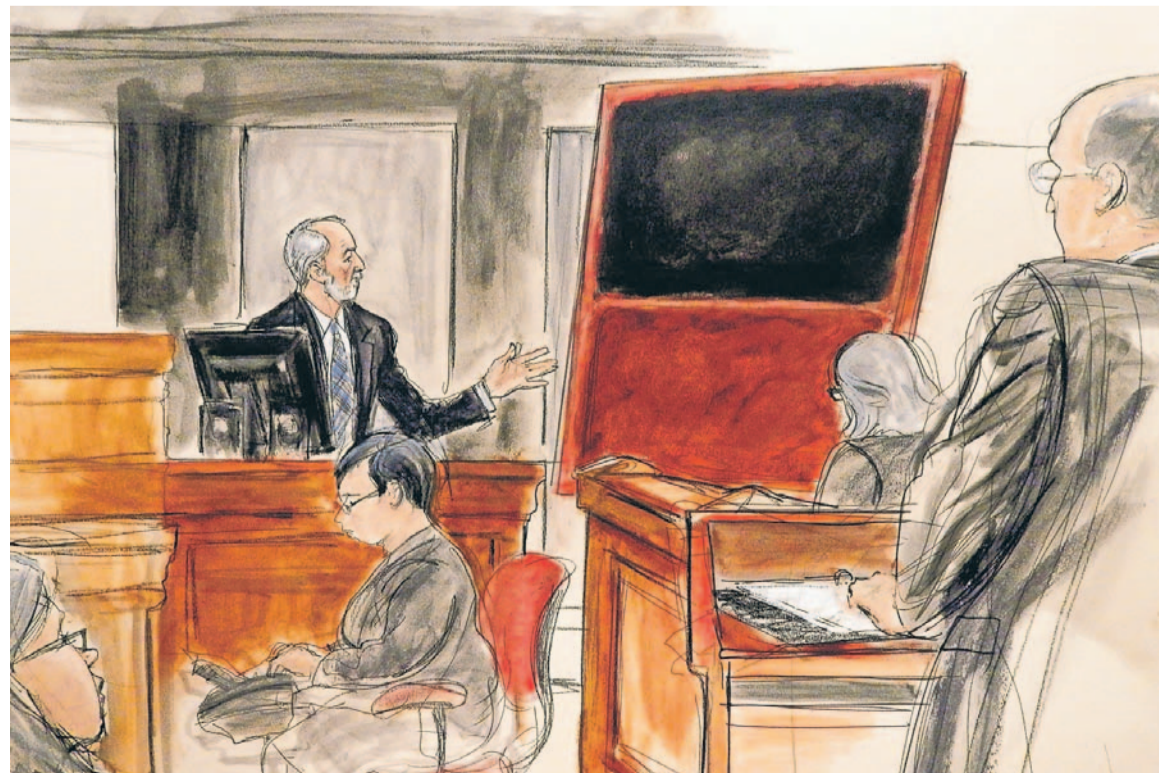
ferred over funds with similar cumulative returns but much greater month-to-month volatility.

Similarly, in the late 1990s and early 2000s one of the most prolific perpetrators of scientific fraud, the superconductivity researcher Jan Hendrik Schön of Bell Labs, managed to publish study after study in the very best journals with graphs that showed the exact same results. For a while at least, expert scientists mistakenly saw the repetition as a sign of a robust scientific discovery rather than of fakery.

Smoothness and simplicity appeal to us because perfect patterns sometimes do reflect insight. Someone who possessed a complete and accurate model of the world would be able to make consistently accurate predictions. But we should stop to ask which is more likely—that the consistent pattern before us came from mastery or from manipulation?

When Madoff explained his consistent annual returns of 8% to 12% by claiming he could read the mood of the market and time his trades accordingly, rather than taking his word for it, investors (and SEC investigators) should have wondered whether such god-like insight was possible. If you're playing online chess and your opponent always makes the best possible move or takes the same amount of time for every decision, you should consider

traction; knowing there will be a thunderstorm at 2 p.m. is more useful than knowing it will rain sometime in the afternoon. Genuinely precise measurements, like the ones scientists make of fundamental physical constants, often require



A courtroom sketch from 2016 shows a fake Mark Rothko painting sold to a collector by Knoedler Gallery.

REVIEW

How Elite Colleges Will Work Around the Supreme Court's Ruling

Despite the justices' rejection of affirmative action, schools will find ways to 'shape' their classes to keep up minority enrollment.



A rally at Harvard University on July 1 to support affirmative action in admissions.

By JEFFREY SELINGO

College admissions is a data-driven industry. In the year I spent embedded in three admissions offices for my book on the selection process, enrollment deans constantly tracked how well they were doing in fulfilling their priorities for an incoming class. In any given year, that might mean a wider geographic reach, higher GPAs, more full payers and, in many cases, greater racial and ethnic diversity. At selective colleges, where seats are limited and applications plentiful, admissions deans make a variety of trade-offs as they craft a class—this many low-income students but that many legacies, or this average SAT score but that much diversity.

Much of this “shaping of the class”—as those in the admissions profession call it—happens in the final stages of the selection process in early March. This is the dividing line in the process between what many see as fair and unfair, between a selection based on some measure of traditional criteria, such as high-school courses and grades, and one based on a variety of other factors: money, gender, intended major and an applicant's race.

As John Latting, the dean of admission at Emory University, told his staff

at the kickoff of the shaping process when I was there in 2019, “the best class for Emory is a diverse class; if you don't seek that and don't defend that at this stage, it's not going to happen.” During the days I witnessed the shaping process at Emory and elsewhere, applicants on either side of the acceptance line were pushed and pulled between admit and deny as admissions officers ensured that the enrollment projections for various demographic and special interest groups were at least on par with previous years.

The U.S. Supreme Court's recent decision ending the consideration of race as a factor in admissions will have one immediate impact: The constant tracking and massaging of the number of minority applicants will become a relic of the past. Though colleges will still report their enrollment by race and ethnicity to the U.S. Department of Education, they will be flying blind during the selection process in terms of how exactly their next class is coming together when it comes to the makeup of underrepresented students.

Opponents of affirmative action in

admissions believe its demise will make for a selection process based more on merit—and ultimately fairer. What's likelier is that admissions at top-ranked schools will become even more ambiguous and opaque than in recent years. Judging by the statements that colleges released in the hours after the Supreme Court decision, they still plan to enroll a diverse student body. The question now is how they design an evaluative process in which race can't matter, at least explicitly.

The first work-around colleges will employ is to widen their recruitment funnel, trying to increase the number of minority students who apply. The hope is that further on in the process they will then be able to send out enough admits and get enough yeses that they can enroll a diverse class without ever considering race.

Given that most selective colleges got rid of their requirements for SAT and ACT scores during the pandemic—and then saw their application numbers skyrocket, especially from first-generation and minority stu-

dents—such test-optional policies are now bound to become permanent. The lack of a testing requirement signals to students with scores that in previous years were below the college's average that it's OK to apply, but it also gives colleges greater freedom in shaping a class without worrying about the impact of lower student test scores on the academic metrics reported to the public and the college rankings. What's more, when not every admitted student submits a test score, plaintiffs will lack a key piece of evidence they have used in past admissions lawsuits claiming discrimination based on race.

The background of applicants will also become more important in the evaluation process. We like to think of college admissions as the linchpin of meritocracy. But the evaluation process at elite colleges was never fair. It wasn't fair before the Supreme Court's 1978 decision in Bakke, which said that colleges could consider an applicant's race as a factor in admissions, or after the 2003 Grutter decision, which again upheld the limited use of race to achieve the education benefits of diversity. Nor will it be fair now.

Because admissions standards are applied in context, they have never been applied consistently. Admissions officers judge applicants' achievements based on the opportunities they

The evaluation process at elite colleges was never fair. Nor will it be fair now.



WORD ON THE STREET

BEN ZIMMER

Big Talk Becomes a Presidential Defense

A KEY PIECE OF evidence in the federal indictment of former President Donald Trump over his handling of classified documents is an audio tape recorded at his golf club in Bedminster, N.J. in 2021. On the tape, Trump seemed to be showing his guests a document

sharing anything classified. As he told reporters traveling on his plane, “I would say it was bravado. If you want to know the truth, it was bravado.”

Critics in the media were quick to ridicule Trump's “bravado” defense. CNN's Anderson Cooper said that Trump's explanation amounted to “I was just BS-ing people,” adding, “He didn't say ‘BS.’ He said it was ‘bravado’—fancier word, same BS.” On MSNBC, Lawrence O'Donnell mused—not entirely accurately—“Who knew the Trump defense would be a Spanish word, but here we are.”

“Bravado,” as the American Heritage Dictionary defines it, is “a show of bravery or defiance, often in order to make a false impression or mislead someone.” The Oxford English Dictionary adds further nuance, stating that “bravado” is often “an assumption of courage or hardihood to conceal felt timidity, or to carry one out of a doubtful or difficult position.” And Merriam-Webster, which observed a spike in look-ups in its online dictionary after

Trump used the word, notes that displays of “bravado” are typically “characterized by bluster and swagger.”

While “bravado” sounds Spanish, its ultimate root is the Italian word “bravo,” meaning “wild” or “courageous,” also the origin of the English word “brave.” (It also came to denote an excellent performance, which lives on in the theatrical exclamation “bravo!”—intensified as “bravissimo!” to laud a particularly admirable outing.)

In Italian, the “bravo” root turned into a verb, “bravare,” meaning “to brag” or “to be defiant,” with the form “bravata” referring to boasting. “Bravata” was taken up by other Romance languages, entering French as “bravade.” The French version was adopted into English in the late 16th

century as “bravado,” with the “-ado” ending influenced by Spanish.

One early example of “bravado” appears in a 1583 description of barbers and the “strange fashions” that they invented, including “the French cut,” “the Spanish cut” and “one of the bravado fashion.” A 1589 account of a naval battle between England and Spain

applied the word to the leader of the Spanish fleet: “for the brag and threat of Don Pedro, it was not that Spanish bravado that should make them yield a jot to their hindrance.”

Transformed into the Spanish-sounding “bravado,” the word joined such swashbuckling terms as “renegado” and “desperado”—both of which started off as adjectives in Spanish before getting applied to lawless individuals in Eng-

were given. What high school courses did they take from the classes available to them? How many students in their high school go to college? What might a college expect from them once they get to campus?

Colleges will still have access to the high school profile that accompanies most transcripts and lists curricular offerings among other details, including the demographics of the school. Because the nation's 43,000 high schools remain highly segregated by race, expect elite institutions to focus more recruiting time and resources on high schools with large proportions of students of color.

The University of Virginia, for instance, announced last month a plan to target 40 high schools in the state that have sent few applications to the flagship campus. While studies show that colleges typically visit white, wealthier high schools, they also find that students—particularly first-generation students—are heavily influenced by colleges that recruited at their high school and are more likely to apply and enroll.

When colleges knew they could use race as a factor in the evaluation process, they spent less effort themselves on filling the top of the recruitment funnel with minority students. Elite colleges, in particular, partly outsourced the job of finding smart low-income and first-generation students by partnering with national organizations like QuestBridge and the Posse Foundation that essentially acted as talent scouts for elite colleges.

Now these colleges will likely adopt the recruiting approaches of well-known public colleges in states that had previously banned racial preferences in admissions, including California, Michigan and Washington. In those states, the public flagships have developed extensive high-school counseling and academic outreach efforts aimed at low-income communities and precollege programs designed for students who are first in their family to go to college. (Although in amicus briefs filed in the most recent Supreme Court affirmative action cases, the universities of both California and Michigan said their efforts have fallen short in admitting and enrolling underrepresented minority students.)

In the Supreme Court's majority opinion, Chief Justice John Roberts offered a clue to how colleges could better understand an applicant's lived experience. “Nothing in this opinion should be construed as prohibiting universities from considering an applicant's discussion of how race affected his or her life, be it through discrimination, inspiration or otherwise,” he wrote. That sentence sparked plenty of discussion among admissions officers and high school counselors about how the essay or other application prompts might be used to ascertain a student's race and ethnicity.

Roberts warned colleges not to consider the essay or other questions they might ask on the application to be an end run around the consideration of race. “Universities,” he wrote, “may not simply establish through applicant essays or other means [what] we hold unlawful today.” But elite colleges are unlikely to be deterred. They will figure out new ways to give their incoming classes the shape they want.

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[Bravado]

laying out a U.S. plan to attack Iran, stating that it was “highly confidential” information. But when CNN and others aired the leaked audio last week, Trump claimed he wasn't actually

lish. Indeed, in early use, “bravado” could refer to a swaggering person or a daring villain. That historical usage persisted in the title of a 1958 film starring Gregory Peck, about a man hunting down four outlaws: “The Bravados.”

Around the same time that “bravado” was introduced into the lexicon, the poet Edmund Spenser coined a somewhat similar word: “braggadocio,” which combines the English word “brag” with an Italian-style ending. In Spenser's 1590 poem “The Faerie Queene,” “braggadocio” is a character who personifies vain boasting, but the term got extended to any sort of empty bluster.

Trump has a connection to that word too—or at least to the adjective “braggadocious,” which he has used frequently. In a 2016 debate against Hillary Clinton, he said, “I have a tremendous income, and the reason I say that is not in a braggadocious way.” While he may have once distanced himself from braggadocio, Trump now is embracing bravado.

REVIEW

MIND & MATTER

SUSAN PINKER

Cannabis Is Linked to Mental Illness



THERE WAS A NEW smell to New York City on my first visit since the pandemic. The New York I remember from 2018

was scented with subway fumes, car exhaust and pretzels. Now the air was a heady blend of forest fire, car exhaust and cannabis.

Recreational marijuana was legalized in the state of New York in 2021. But even if cannabis is easy and legal to buy in 23 states and all of Canada, the risks of chronic use aren't talked about much.

Several studies have shown that chronic cannabis use is linked to a higher incidence of schizophrenia among men in their early 20s, the age when the disease is usually diagnosed. The first paper on the topic, a Swedish study published in 1997, found that heavy cannabis use was associated with a sixfold increase in schizophrenia risk. In the decades since, social scientists have unearthed a strong link between heavy cannabis use and other severe psychological illnesses, including clinical depression and bipolar disorder.

Now a new longitudinal study has examined the medical records of all citizens of Denmark over the age of 16, some 6.5 million people in all, for patterns of diagnosis, hospitalization and treatment for substance use between 1995 and 2021. In the paper, published in the journal *JAMA Psychiatry* in May, Dr. Oskar Hougaard Jepsen of Aarhus University and colleagues showed that people who had previously been diagnosed with cannabis use disorder were almost twice as likely to be diagnosed later with clinical depression. According to the Centers for Disease Control and Prevention, cannabis use disorder is characterized by craving marijuana, using it more often than intended, spending a lot of time using it, and having it interfere with friends, family and work.

Even more dramatically, the paper also found that people with cannabis use disorder were up to four times as likely to be diagnosed later with bipolar disorder with psychotic symptoms. As is true of many psychological disorders, the increased risk was higher in men than in women, and the more a



person consumed, the greater the risk. The study did not distinguish between different forms and concentrations of cannabis.

Though the association was strong, the authors note that they can't say for certain whether chronic and heavy cannabis use induces psychosis, or whether people prone to mental illness are more likely to be heavy users. It makes sense that people who feel the symptoms of incapacitating depression or mania, or who sense apparitions or voices only they can hear, might try to self-medicate with cannabis. Without a randomized controlled trial, which would be unethical in the extreme, it's hard to untangle these strands definitively.

But the study is still eye-opening due to its sheer magnitude. With so many people over so many years, there is very little statistical "noise." And because the information was gathered from the national Danish Health Registry, there were few dropouts—often a big problem in longitudinal studies. As much as possible, the researchers confirmed that the symptoms of a person's psychiatric disorder emerged after their chronic cannabis use and diagnosis, not before, and that they compared people who were alike in all ways except the frequency of their use.

Like cigarettes decades ago, cannabis is now widely considered a harmless habit: easy and legal to buy in most places, socially acceptable, and pleasurable in the moment. Over the long term, it may be safer than drinking alcohol. But is it really safe for you and your teenage kids? Only time—and more research—will tell.



French police deploy at Paris's Arc de Triomphe during nationwide rioting, July 1.

The Checkered History of France's Bastille Day Parade

Next week's July 14 celebration in Paris will once again offer a symbolic stage for the country's deep political and social tensions.

By ROBERT ZARETSKY

Last weekend, tanks rumbled along the Avenue des Champs-Élysées in Paris, past viewing stands erected in advance of Bastille Day, France's national holiday. But the tanks weren't there to rehearse for the traditional July 14 military parade from the Arc de Triomphe to the Place de la Concorde. They were deployed to suppress riots involving thousands of young people, mostly of North African descent, fueled by the police killing of an unarmed teenager in the Paris suburb of Nanterre. Next week's official celebration of nationhood will be haunted by the protests of citizens who feel scorned by their nation.

The paradoxes of nationalism have been part of the holiday from the beginning. English speakers call it "Bastille Day," assuming that it commemorates the events of July 14, 1789, when a Parisian crowd destroyed the hated Bastille prison in one of the first popular acts of the French Revolution. But the French don't use that name, referring to it simply as "the Fourteenth of July." In fact, the holiday began in 1790, when a massive crowd from across France gathered on Paris's Champs de Mars for the so-called "Feast of the Federation."

This was a largely spontaneous, improvised affair staged by the people themselves, bringing together citizen and soldier, provincial and Parisian, bourgeois and

worker, all of them amazed by what the first year of the Revolution had achieved. Yet as the French historian Mona Ozouf writes, this sense of national unity was achieved by leaving out one social class, the aristocracy—a sign of how nationalism tends to unite "the people" by excluding certain categories of humanity from its fold. Three years later, tens of thousands of French aristocrats were killed during the phase of the revolution remembered as the Terror.

Not surprisingly, subsequent kings and emperors did their best to suppress the revolutionary holiday. King Louis-Philippe rebaptized the Place de la Révolution, the public square where his predecessor Louis XVI was executed, as the Place de la Concorde. An ancient Egyptian obelisk, of all things, was installed in the spot where the revolution's guillotine once stood.

July 14 was reinvented at the end of the 19th century by a new democratic government, the Third Republic, which made it France's official national holiday. Determined to revive the nation's honor after defeat in the Franco-Prussian War, the government included a military parade in the celebration for the first time, held at the Longchamps horse track in Paris. How better to re-enact the euphoric fusion of soldiers and civilians at the original Feast of the Federation, while reminding Germany that French power was back?

Soon, however, the French mil-

itary nearly ended the young Republic's life. In 1886, wearied by parliamentary politics and worried over seismic technological and social changes, many citizens thought they had found a savior in General Georges Boulanger. The newly appointed minister of war led the parade that year on horseback, capturing the crowd's imagination with his dashing figure and determined hostility toward Germany.

Three years later, when Boulanger and his supporters won a series of parliamentary elections

In the 19th century, French kings and emperors tried to suppress the revolutionary holiday.

across France, they interpreted it as a mandate to take power. As American historians like Patrick Hutton have shown, Boulangism combined nearly all of the ingredients of 20th-century mass movements: a strident and populist nationalism tinged with equal measures of authoritarianism and antisemitism. In this case, though, it ended with a whimper. When his followers urged Boulanger to carry out a coup d'état, the overwhelmed general instead ran off to Belgium, where he eventually

committed suicide at the grave of his mistress.

A new wrinkle was added to the July 14 parade in 1919, in a France devastated by the World War it had just won. For the first time, the parade route went along Paris's grand boulevards, with battalions of French and allied soldiers preceded by more than a thousand horrifically wounded veterans, including the *gueules cassées*, or "smashed faces." Two million spectators were present, including Prime Minister Georges Clemenceau, who broke into tears and declared, "Those who have seen this day truly lived."

Less than two decades later, the national unity of wartime had disappeared. In 1936, socialist Prime Minister Léon Blum tried to bridge the simmering tensions between the right and left by holding two parades that were nearly mirror images. While the by-now traditional military parade took place along the Champs-Élysées in western Paris, a counter-march of more than one million working-class Parisians streamed along the boulevards in the city's eastern half.

While no military parade could be held on July 14 while France was under German occupation in World War II, General Charles de Gaulle, leader of the Free French Forces, held a substitute ceremony in London. In the late 1950s, de Gaulle returned to power in a country again teetering on civil war, due to its bitterly contested colonial war in Algeria. At the July 14 parade in 1953, French veterans and police had killed half a dozen Algerian protesters who unfurled pro-independence banners. Five years later, de Gaulle orchestrated a brilliant military parade to project the legitimacy of his rule and the stability of his Fifth Republic.

De Gaulle emphasized that France would never surrender Algeria by placing veterans of the conflict in the heart of the parade. Less than a decade later, however, Algeria gained its independence, leading hundreds of thousands of people from Algeria and other North African countries to immigrate to France.

The French republican ideal has always been that anyone willing to assume Frenchness as their identity can do so, regardless of skin color or religious conviction. But the current mayhem is the latest reminder that French governments since the 1960s, on the left as well as the right, have mostly made a botch of the country's new multiethnic and multicultural reality. It remains to be seen if recent events will put a damper on the nation's party next week, but it will certainly remind us that the meaning of the July 14 parade remains as complicated as it was in 1790.

Robert Zaretsky is a professor of history at the University of Houston and the author of "Subversive Simone Weil: A Life in Five Ideas."



A 1792 painting by Charles Thevenin depicts the 'Feast of the Federation' held in Paris on July 14, 1790, the origin of France's national holiday.

REVIEW

Your Summer Vacation Can Help Your Career

Research shows that using your time off boosts your creative problem-solving—and your results.



By JOANNE LIPMAN

As we barrel into summer vacation season, almost half of us with paid time off won't take all of it. For the sake of your career, don't be one of them.

Of course, time off is good for your physical and mental health, helping to reduce heart disease, stress, depression and anxiety. But taking that vacation isn't just good for your well-being; it's great for your working life and aspirations. I've spent the past three years researching innovation and creativity, and I've interviewed scores of individuals who have experienced career breakthroughs, along with scientists and academics who study innovation. The message that emerges is clear: If you want to be more successful at work, the best thing you can do is step away from it.

When Ernst & Young studied its own employees, it found that taking 10 hours a month of vacation time was associated with an average 8% boost in annual performance ratings. A separate study of more than 5,000 people published in the Harvard Business Review concluded that those who use more of their vacation days are promoted at almost twice the rate of their counterparts who leave substantial numbers of days on the table.

When Boston Consulting Group required consultants to take time off—one full day or even just one night a week—they initially were anxious, fearful that they would upset clients and deliver standard results. But the consultants ultimately found that the time away enabled them to take a fresh look at projects and deliver a better result. The firm now offers multiple time-off programs, including the ability to take eight-week sabbaticals.

BCG's Mark Kelly, senior director of global benefits and well-being, says a recent weeklong trek snowshoeing through the Arctic Circle, with no access to electronic devices, gave him a new idea for a team-building exercise for the firm. It also helped improve his coaching style, because when younger travelers asked for career advice, he allowed them to come up with their own conclusions, rather than jumping in first with the answers, as he often did at work. "From a leadership and coaching standpoint, I couldn't have gotten those skills in a classroom," he says. "I end up having a lot more ideas for the future"

by taking vacation time.

Time off boosts work performance in part because it acts as jet fuel to supercharge creative thinking. Psychologists call this downtime an "incubation" period, during which you are consciously ignoring a problem and after which your unconscious rewards you with a fresh insight or solution. They theorize that when you are occupied with nonwork matters, your brain is able to noodle ideas in the background. What's more, as you engage in other ac-

Part of the problem is disentangling ourselves from a culture that fetishizes busyness.

tivities, you're vacuuming up additional information, mixing in even more potential thoughts that can coalesce into new ideas.

For those who can take extended time off, the results can be transformative. Deborah S. Linnell and Tim Wolfred surveyed 61 nonprofit executives who had taken sabbaticals of several months each and found that in addition to relieving stress, the time away allowed them to "spark creativity," develop "out-of-the-box" thinking and introduce new visions for their organizations.

Jonathan Schooler, a psychology professor at the University of California at Santa Barbara, credits a sabbatical as the catalyst for his research on mind-wandering. For the first few decades of his career, he researched memory, but during a 1998 sabbatical, he began pondering the role of daydreaming. The time away gave him the chance to nurture those musings, which, "led me to mind-wandering and other major ideas that I've been reaping ever since."

If you don't have the luxury of a sabbatical, even a few days will do the trick. A 2012 study published in PLOS One found that after people spent four to six days hiking in Alaska, Colorado or Washington, without electronic devices, their scores on a creative problem-solving test soared by 50%. Researchers have found that multiple shorter breaks throughout the year have comparable benefits to a long vacation.

Yet 46% of employees with paid time off don't take all of it, a recent Pew study found—and al-

most half of those said the reason was they feared falling behind. At the end of 2021, Americans with paid time off left an average of almost two weeks of vacation days on the table. And when we do take vacation, half or more work at least part of the time anyway.

Part of the problem is disentangling ourselves from a culture that fetishizes busyness. I once accompanied a hard-charging colleague on a cross-country business trip to visit clients. As we landed in Los Angeles late one night, after an exhausting jaunt through a series of Midwestern conference rooms, I begged for downtime, saying I couldn't wait to check into the hotel and get some shut-eye. My colleague snickered. "Sleep is for suckers," he said.

Like my colleague, many of us keep working past the point of exhaustion. We're human versions of Boxer, the worker horse in George Orwell's "Animal Farm," repeating, "I will work harder!" until he collapsed. Some 43% of employees put in more than 45 hours a week, even though a global study of workers in 194 countries concluded that in 2016, excessive work hours—defined as more than 55 hours a week—led

a new muscle for me, and that's difficult" says BambooHR executive Anita Grantham. She says she's found that "when I get time away I'm better for the business, I'm more thoughtful, I'm less frazzled, and I come up with better solutions."

Even Goldman Sachs, as of this year, began requiring employees to take off three weeks. Goldman is also among the growing number of companies that offer unlimited time off, from tech firms like Netflix, Vimeo and Roku to traditional companies including General Electric. Such a perk, however, is sometimes counterproductive, increasing employee anxiety for fear that they'll take too much. A 2017 study found that employees offered unlimited paid time off actually end up taking two days less, on average, than their peers with set vacation time.

So if you are among those fortunate enough to get paid time off, take it. If that's too daunting, start small, with a few long weekends. And if even that is too much, just start planning. A Dutch study found that simply anticipating a vacation in the weeks before you take one will boost happiness—and happy em-



Vacationers at Nauset Beach on Cape Cod in Orleans, Mass., last July.

to about 745,000 deaths, making overwork "the largest of any occupational risk factor calculated to date."

Companies have sporadically tried to urge employees to take a break. Some offer stipends for vacations: \$1,000 a year if you work for the organizational-products firms Evernote and Calendly, and \$2,000 a year for Airbnb and the corporate-software company BambooHR.

"This is the first place where I've felt safe to take vacation. It's

employees are 12% more productive than their less happy counterparts. It's a virtuous circle. Taking vacation may be one of the very few things in life that is equally good for your health, your well-being, your family—and your career.

Joanne Lipman is a former editor in chief of USA Today and author of the new book "Next! The Power of Reinvention in Life and Work," from which this is adapted.



Giovanni Battista Moroni, 'The Gentleman in Pink' (1560).

HISTORICALLY SPEAKING

AMANDA FOREMAN

Thinking Pink, Centuries Before Barbie



BARBIE AND PINK are practically synonymous. So much so, that the makers of "Barbie" the movie, coming to theaters July 21, disrupted the global supply chain trying to get their hands on enough pink paint. That is a lot of fuss over a color often dismissed as merely pretty.

A dyed fiber inside a bead found at Mohenjo-Daro, in modern Pakistan, shows that early societies knew how to make pink dye from the madder plant, Rubia tinctorum, as early as 3000 B.C. But it was only in the Middle Ages that the color began to take center stage. In Japan during the Heian era, 794-1185, the elite wore pink to convey refined feelings, such as the exquisite sadness inspired by the transient beauty of the cherry blossom.

The European attitude towards pink was influenced by Christianity. The Renaissance artist Fra Angelico, an early innovator in color symbolism, gave his angels robes of pink, the color of flesh, and wings of gold, the color of light, to illustrate how the Holy Spirit transcended the boundary between heaven and earth.

Pink's association with divine power made it popular in royal circles, especially after the discovery of more potent dye sources such as the South American brazilwood tree. For some, there was no such thing as too much pink: The famous 16th-century portrait "The Gentleman in Pink," by Giovanni Battista Moroni, depicts an Italian nobleman named Giovanni Gerolamo Grumello dressed head to toe in salmon pink.

Pink reached its apogee in the rococo period in mid-18th century Europe. More than a color, it was now a manifesto for sensuous living, frivolity and luxurious excess. France's King Louis XV and his mistress Madame de Pompadour lived and breathed pink, adding it to everything from porcelain to wallpaper.

It wasn't until the 20th century that pink lost its masculine overtones and became indelibly feminine. As late as 1918, the British Ladies' Home Journal advised mothers to dress their little boys in pink, "a more decided and stronger colour," and their girls in blue, "which is more delicate and dainty." In 1937, the avant-garde designer Elsa Schiaparelli challenged such color norms by packaging her new perfume, "Shocking," in a bright pink box.

Pink soon jumped the gender divide, but not necessarily in the way Schiaparelli intended. First Lady Mamie Eisenhower added so much pink to the White House the staff nicknamed it the Pink Palace. In the Swinging '60s the color gave off a reassuringly retro vibe. After the first Barbie doll was released in 1959, Mattel balanced her liberated, can-do persona by cocooning her in a "feminine" color. Barbie could fly to the moon, as long the rocket ship was pink.

The color's supposed qualities even led to pink's use as a form of mind control. In the late 1970s, the psychologist Alexander Schauss invented Baker-Miller pink, a Pepto Bismol-inspired assault on the senses. He persuaded authorities that being surrounded by the color could pacify prisoners, calm mental patients and demotivate sports teams. Despite its ubiquity in correctional and other facilities, the evidence is inconclusive.

The truth is pink looks good on everyone; the rising popularity of the pink dress shirt attests to this. Today the color is having its moment, or its revenge, depending on your point of view. Pantone's color of the year is—you guessed it—a hot pink called Viva Magenta.

REVIEW



Do Younger or Older Doctors Get Better Results?

A physician's effectiveness has less to do with age than with how many patients they see and how well they keep up to date on new research.

By ANUPAM B. JENA
AND CHRISTOPHER WORSHAM

Imagine you've been admitted to the hospital and you're meeting the physician taking care of you for the first time. Who are you hoping walks through that door? Would you rather they be in their 50s with a good amount of gray hair, or in their 30s, just a few years out of residency?

In a study published in 2017, one of us (Dr. Jena) and colleagues set out to shed some light on the role of age when it came to internists who treat patients in hospitals. These physicians, called hospitalists, provide the majority of care for elderly patients hospitalized in the U.S. with some of the most common acute illnesses, such as serious infections, organ failure and cardiac problems.

In much of medical care, patients choose their doctors based on things like bedside manner, perceived expertise, responsiveness and other factors. Patients who are hospitalized, however, don't get a say in which hospitalist will treat them—they're cared for by whichever doctor happens to be on duty at the time. Those doctors tend to be scheduled to cover the hospital in blocks, perhaps one or two weeks at a time.

Using data from Medicare on patients over age 65 and a database containing doctors' ages, we identified about 737,000 non-elective hospitalizations managed by about 19,000 different hospitalists from 2011-13. We divided patients into four different groups based on the age of the doctor who treated them: doctors aged less than 40, 40-49, 50-59 and 60 and above.

Older doctors obviously had more years of experience since completing residency, with doctors under 40 having an average of 4.9 post-residency years of experience, increasing to 28.6 years for doctors over 60. Older doctors were also more likely to be male: 61% of doctors under 40 were men, compared to 84% of doctors over 60, reflecting the shift in gender makeup that has occurred in our profession in recent decades.

Some percentage of hospitalized patients will survive or die no matter who their doctor is, but for others, their doctor's clinical judgment, decision-making and technical skill could be the difference between life and

death. The next step, therefore, was to compare 30-day mortality rates among the four different age groups. Our statistical model found that as doctors got older, their patients had higher mortality rates. The rate for under-40 doctors was 10.8%, increasing to 11.1% in the 40-49 group, 11.3% in the 50-59 group and 12.1% in the over-60 group.

To put these numbers in perspective, the results suggest that if the over-60 doctors took care of 1,000 patients, 13 patients who died in their care would have survived had they been cared for by the under-40 doctors. We repeated the analysis using 60- and 90-day mortality rates, in case longer term outcomes might have been different, but again, the pattern persisted: Younger doctors had better outcomes than their more experienced peers. But why was this the case?

There are two possible explanations. The first is that there is a true age effect, wherein simply being older leads to changes in how a doctor practices, resulting in higher

mortality. Perhaps older doctors are overly confident in their experience, feeling they have "seen a case like this a million times," and thus miss tricky diagnoses.

The other, which we think is more likely, is that there are things that older doctors and younger doctors do differently simply because they were trained at different times. Younger doctors possess clinical knowledge that is more current. If older doctors haven't kept up with the latest advances in research and technology, or if they aren't following the latest guidelines, their care may not be as good as that of their younger peers.

One way that doctors stay up to date is simply by taking care of patients. When patients come to us with a given diagnosis, it may prompt us to check out the latest research, guidelines or recommendations for that condition. Medications are the internist's primary tool. Since newer and better drugs are developed at a (relatively) rapid pace, seeing a high volume of patients is a good way to keep up.

To see if this might be the case, we repeated the analysis but this time divided doctors based on both age and case volume. We found that for "low volume" doctors, older doctors had higher mortality. For "medium volume" doctors, the pattern was less pronounced. And for

In practical terms, as long as a doctor is seeing a sufficiently large number of patients, the doctor's age is irrelevant to the care they give.



MOVING TARGETS
JOE QUEENAN

Orcas Now Hate Our Boats, and That's Just A Start

With killer whales suddenly ruining our fun, are bears, raccoons and ducks next?

LIKE MANY AMERICANS of a certain age, I have long dreamed of buying a slightly used yacht and sailing the ocean blue, if only so I could make snippy faux-patrician remarks like, "I'm not sure I like the cut of your job."

But those dreams got smashed to smithereens when word came in from Spain that packs of killer whales were now routinely attacking sailboats, cabin cruisers and yachts, and in several cases sinking them. Deliberately. Diabolically. With malice aforethought. As if such marine mayhem were all just a big joke.

What would possess entire

pods of orcas to engage in what amounts to the aquatic version of flash mobs? The most popular theory is that a vindictive female orca—nicknamed by marine biologists "White Gladis"—once had a bad experience with yachtsmen and has now taught her offspring how to disable the boats. ("Gladis" is from "gladiator," because of the attacks.)

Bear in mind that killer whales, in fact, are not whales, but dolphins. And dolphins are really smart. With a twisted sense of humor.

Beyond White Gladis's self-styled nautical tutorials, it seems that other orcas off the Spanish coast that are not even related to her may have gotten into the act and are reducing yachts to splinters. As a result, Spanish yacht owners are now literally afraid to leave the harbor.

Ordinarily, this alarming



news would not have been enough to keep me from purchasing a competitively priced yacht and venturing out to sea. After all, Spain is a long way from New York and killer whales are rarely sighted in these parts.

But then a report came in that the puckish predators were attacking yachts off the coast of Scotland. Were the guilty parties itinerant Iberian orcas that had worked their way up through the English Channel and were wreaking havoc off the coast of Britain? Or had other pods of killer whales cribbed yacht-ramming tech-

niques from their peers in the Mediterranean and then made their way north? How long before they appear off the coast of New York?

And that's not the scariest thing. If an obdurate orca is angry enough to teach her offspring how to sink yachts, and if these orcas teach other orcas, it's only a matter of time before other species learn the ropes.

You think killer whales have bad history with human beings? How about bison? Or all those hapless *toros* bred for blood-thirsty *corridas*? What about circus animals? Or, for that matter, grotesque breeds of dog like poodles and Shih Tzu? Sure, very few of us own yachts or live anywhere near Gibraltar. But what if other species began mimicking the whales and hitting closer to home?

What if perennial roadkill like

"high-volume" doctors, the pattern went away altogether. In practical terms, as long as a doctor is seeing a sufficiently large number of patients, the doctor's age is irrelevant to the care they give.

Does this mean that, on balance, younger doctors are "better" than older ones? This study suggests that if "better" is defined as a hospitalist having lower 30-day patient mortality, then we would have to say yes. But what about surgeons, who in addition to their diagnostic skills require technical abilities that depend on experience and muscle memory?

To find out, a separate study by Dr. Jena and colleagues looked at about 900,000 Medicare patients who underwent common non-elective major surgeries (for example, emergency hip fracture repair or gall bladder surgery) performed by about 46,000 surgeons of varying age. We chose non-elective surgery since patients don't have much control over their surgeon when they come in with an urgent or emergent problem. As with hospitalists, they'll end up assigned to the surgeon on duty in an as-good-as-random fashion. Just as before, patients were divided into four groups based on the age of their surgeon, and we used a statistical model to calculate the 30-day mortality rate following surgery.

The results showed that unlike hospitalists, surgeons got better with age. Their patient mortality rates had modest but significant declines as they got older: Mortality was 6.6% for surgeons under 40, 6.5% for surgeons age 40-49, 6.4% for surgeons age 50-59 and 6.3% for surgeons over age 60.

Clearly something different was happening here. It may be that for hospitalists, the benefit of steadily increasing experience starts to be outweighed by their waning knowledge of the most up-to-date care. It's different for surgeons, though, who hone many of their skills in the OR. Surgeons build muscle memory through repetition, working in confined spaces with complex anatomy. They learn to anticipate technical problems before they happen and plan around them based on prior experience. Over time, they build greater technical skills across a wider variety of scenarios, learn how to best avoid complications and choose better surgical strategies.

What does this mean for all of us as patients when we meet a new doctor? Taking studies of hospitalists and surgeons together, it's clear that a doctor's age isn't something that can be dismissed out of hand—age does matter—but nor can it be considered in isolation. If we're concerned about the quality of care we're receiving, the questions worth asking aren't "How old are you?" or even "How many years of experience do you have?" but rather "Do you have a lot of experience caring for patients in my situation?" or "What do you do to stay current with the research?"

Drs. Jena and Worsham are researchers at Harvard and practice medicine at Massachusetts General Hospital. This essay is adapted from their new book, "Hidden Forces That Sway Doctors, Impact Patients and Shape Our Health," which will be published July 11 by Doubleday.



The Russian Temper
Slavic literature's
greatest writers pursue
the meaning of life C10

BOOKS

The Puppet-Masters
America's fascination
with cabals and
secret societies C9



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Saturday/Sunday, July 8 - 9, 2023 | C7

A Match Made in Hollywood

When they met, he was 44, a big star and married. She was 19 and a nobody.

Bogie & Bacall

By William J. Mann
Harper, 634 pages, \$40

By JEANINE BASINGER

HOLLYWOOD IS famous for successfully pairing acting couples, some “married” on screen (Greer Garson and Walter Pidgeon), some musical (Fred Astaire and Ginger Rogers), and some who became involved both off screen and on (Katharine Hepburn and Spencer Tracy). The gold standard of the on-screen romance that becomes an off-screen love affair is the one that contains a good lesson on how to whistle: Humphrey Bogart and Lauren Bacall, who first starred together in 1944’s “To Have and Have Not.” Their relationship was unexpected and unlikely but ultimately enduring and finally legendary, which is why nearly 80 years later William J. Mann has published “Bogie & Bacall: The Surprising Story of Hollywood’s Greatest Love Affair.”

The author of several books on film, including a well-researched biography of gay silent-film star William Haines, Mr. Mann clearly states his purpose regarding Bogart and Bacall: “to trace myths back to their origins and to draw connections between what was said at the start of their careers and what was said later.” He puts the famous couple under an informed scrutiny, giving the full background of both stars before they met and questioning everything they did after. He pins down every rumor or error connected to their histories: Bogart’s naval service (he saw no action), the origin of his famous lip scar, the legend of Bacall’s discovery and arrival in Hollywood, their encounters with the House Un-American Activities Committee, his part in the original Rat Pack, her infatuation with presidential candidate Adlai Stevenson, and so on. He was a child of wealth, a heavy drinker, “a drifter and idler” who bungled into acting. She was the only child of an impoverished single mother, and she knew from the beginning that she wanted to be a star.

Humphrey DeForest Bogart (original nickname: Hump) was born on Christmas Day in 1899. “I got cheated out of a birthday,” he always crabbled. His father was a New York society doctor and his mother a successful commercial artist who used him as a baby model. Bogart claimed, “There was no affection in my family, ever.” In his youth, he made a mess of everything, including boarding school, early jobs and his World War I service. After Bogart’s discharge in 1919, the Broadway producer William A. Brady (father of his best friend) took pity on the hapless 20-year-old and gave Bogart a non-acting job. From that day forward, Bogart never left show business. Mr. Mann calls Brady “the most influential figure of Humphrey’s early life.”

There was no overnight stardom for Bogart. His climb took 17 years. Throughout the 1920s, he worked in theater, playing “tennis anyone?” young sophisticates, rejected lovers



SMOLDERING Humphrey Bogart and Lauren Bacall on the set of ‘Key Largo,’ 1948.

and, wearing elevator shoes, an Italian gigolo in a 1925 Broadway comedy, “Cradle Snatchers.” He made three trips to Hollywood before becoming firmly established in movies. His breakthrough came at 35, after he returned to Broadway to appear as gangster Duke Mantee in the hit play “The Petrified Forest.” His success as the menacing killer inspired Warner Bros. to offer him a new, revised contract with a start-work date of Jan. 6, 1936.

Mr. Mann defines that date and the role of Duke Mantee as the point where today’s legend of Bogart begins, but even then he had to continue proving himself. Most people today picture Bogart as the finished product: a “like me or don’t like me, I don’t care” tough guy who hates snobs and lives by his own rules, letting a hard exterior cover the heart of a pained romantic. Yet even in the late 1930s, Bogart was often ridiculously cast: as a formerly dead scientist in 1939’s “The Return of Dr. X,” and a fast-talking wrestling promoter in a hillbilly musical, “Swing Your Lady”

(1938). He later called that the worst movie he ever made.

Bogart’s stardom was hard-earned, but never deserted him after it arrived, having been born from such films as “High Sierra” and “The Maltese Falcon” in 1941 and “Casablanca” in 1942. Today Bogart ranks as the American Film Institute’s No. 1 most popular actor in film history. (Bacall is No. 20 on the women’s list.)

Her road to fame was smoother. Born in the Bronx in 1924 as Betty Joan Perske, she was determined to become successful and moved quickly. Mr. Mann shrewdly points out that “she wondered when . . . not if” success would arrive, already impatient by age 13. In 1941, at 17, she started modeling. Mr. Mann describes her as “savvy, confident, and resourceful,” adding she was also “a fawning young woman who was drawn to older men and had already proven her ability to charm them.”

After Bacall posed for an issue of Harper’s Bazaar, director Howard Hawks invited her to Hollywood to take

a screen test. He was not impressed: “She had a high nasal voice and no training whatsoever.” In October 1943 he took her to the set of “Passage to Marseille” and introduced Bogart. He was 44, 5-foot-8, a big star and married. She was 19, 5-foot-9, a nobody and single. They said hello and shook hands. Bacall said: “There was no clap of thunder, no lightning bolt.” Not yet.

“To Have and Have Not” began filming in March 1944. Nobody expected much from it, but the atmosphere on the set began to crackle. What happened can be seen on the screen. Bacall’s lack of experience and minimum of talent is overcome by her casual confidence, unusual looks and an insolent, slightly sullen manner. She’s fresh and different, and what Bogart sees in her is in his eyes and his amused little smile.

It became a short story: They met in 1943, filmed in 1944, married in 1945 (after Bogart’s divorce) and remained together until Bogart’s death of esophageal cancer on Jan. 14, 1957. (“Goodbye, kid,” he said to her.) He died with one

Oscar (for 1951’s “The African Queen”), 75 films, two children with Bacall and a marriage that had lasted nearly 13 years. (In terms of Hollywood unions, that’s a lifetime.)

Mr. Mann’s dissection of the marriage—and how its perception was shaped for the public—is the book’s most interesting section. In his pre-Bacall life, Bogart had been famous for two things: drinking and marrying actresses (he was really good at the first, not so good at the second). His first two wives, Helen Menken and Mary Philips, were performers, and Mayo Methot, the woman he was married to when he met Bacall, had started her career at age 8. His earlier wives were heavy drinkers, but Methot surpassed the others in

Their surprisingly stable marriage would last 13 years, until his death in 1957. ‘Goodbye, kid,’ Bogart said to Bacall.

keeping up with Bogie, who was regarded as an alcoholic. Wed in 1938, the two of them had their own press mythology as “the Battling Bogarts.”

Their drunken fights made good copy when treated as charming love spats, and Methot became his media partner-in-crime, a sort of female Bogie. “She changed the narrative of his life,” claims Mr. Mann. But the author makes a strong case that, after their divorce, Hollywood’s publicity machine demonized and redefined Methot in order to promote Bacall. Methot died in 1951 at age 47, and a friend said “she never stopped loving Bogart.”

After Bogart’s death, Bacall lived another 57 years, as long as Bogart’s entire life. She wrote three memoirs detailing her own story, including a debacle of a love affair with Frank Sinatra and a third child in an unsuccessful marriage to Jason Robards Jr. She won two Tony awards, and her later movie roles included a best supporting actress nomination for “The Mirror Has Two Faces” (1996). She led a ritzy life in the famed Dakota apartment building as a living legend, but became known for her “huffs and her hissy fits.” (I was an eyewitness to one, at an event honoring John Huston.) She became a friendless old woman in a wheelchair and, Mr. Mann writes, “only a few were present to watch” as her ashes were deposited next to Bogart’s after her death on Aug. 12, 2014. “I wasn’t put on earth to be liked,” she once said.

“Bogie & Bacall” nails the basic star problem: “Fame creates tension between their public and private lives.” With a contemporary understanding, Mr. Mann locates who Bogart and Bacall were inside their manufactured images. Having kicked the tires on all sides, he officially declares their legend secure.

Ms. Basinger is the co-author, with Sam Wasson, of ‘Hollywood: The Oral History.’

The Great Conciliator

President Garfield: From Radical to Unifier

By C.W. Goodyear
Simon & Schuster,
610 pages, \$35

By RICHARD NORTON SMITH

NO CHAPTER OF the American story has caused historians more embarrassment than the Gilded Age, that national adolescence bracketed by soldier-turned-politician Ulysses S. Grant and politician-turned-soldier Theodore Roosevelt. Surrendering the moral high ground attained through battlefield heroics, a victorious North abandoned its commitment to four million liberated slaves and gave itself over to the lucrative distractions of fortune hunting.

Traditional accounts of the era depict a procession of bearded non-entities occupying the White House, none more obscure than James A. Gar-

field (1831-1881). A Union general and politically adroit Ohio congressman, Garfield emerged from a deadlocked Republican convention in 1880 to defeat a lackluster Democratic opponent by fewer than 10,000 popular votes. Garfield’s 200 days in office are chiefly remembered for his lingering death at the hands of a disappointed office-seeker.

But the wheel turns, the historical pendulum swings. As the robber barons of legend—Vanderbilt, Morgan, Carnegie and Rockefeller—are converted by modern biographers into a second generation of American revolutionaries, so hidden virtues are being discovered in such presidential outcasts as U.S. Grant, extolled for his politically courageous war on the

Our 20th president, felled by an assassin at age 49, served for only 200 days. A new biography tells why he deserved the office.

Ku Klux Klan, and William McKinley, whose 1896 election ushered in a period of Republican dominance that lasted until FDR’s 1932 landslide.

Garfield has not been overlooked. A decade ago Candice Millard’s unlikely

bestseller “Destiny of the Republic” offered a gripping re-creation of the Garfield assassination and the medical malpractice that hastened the president’s death in September 1881. Now a young Washington-based historian named C.W. Goodyear broadens the focus, resulting in the most comprehensive Garfield biography in almost 50 years, and the most readable ever. Mr. Goodyear is a stylish and energetic writer, whose passion for his subject is reminiscent of a youthful Edmund Morris in “The Rise of Theodore Roosevelt.”

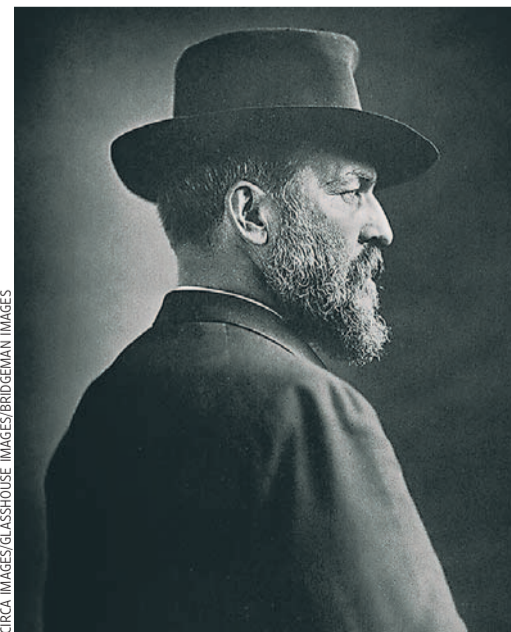
“No man ever started so low who accomplished so much in all our history,” contended Garfield’s White House predecessor, Rutherford B. Hayes. The last American president born in a log cabin, young Garfield dreamed of a life at sea, only to settle for a summer as a tow-path driver on the Ohio & Erie Canal. Entrusted with his mother’s life savings of \$17, the youth enrolled in a nearby religious school, where he joined the debating society, was baptized into the non-creedal Disciples of Christ, and met his future wife, an intellectually precocious, emotionally diffident young woman named Lucretia Rudolph.

Putting himself through Western Reserve Eclectic Institute (the future Hiram College) as a janitor and lay preacher, Garfield was recruited for the school’s faculty as a classics instructor;

youngest general in the Union Army, and, following his election in 1862, the youngest member of Congress.

Within Garfield’s oversized cranium there raged a lifelong contest between cunning and conviction. He played coy about his achievements: the presidency of Hiram; a seat in the Ohio Senate; a Civil War command commensurate with his civilian standing; and election to the House while wearing his brigadier general’s uniform. “A slipperiness lurked in his character,” concedes the author. At once a fervent abolitionist and a born conciliator, Garfield gave Lincoln’s successor, Andrew Johnson, the benefit of the doubt on Reconstruction until Johnson’s veto of the Civil Rights Bill in 1866 left the congressman no choice but to cast his lot with so-called Radical Republicans.

Garfield redeemed himself by taking politically unpopular stands like his courtroom defense of some Hoosier Copperheads condemned to death by a Union military tribunal. His Supreme Court victory in *Ex parte Milligan* was a constitutional watershed, cited by later courts to deny President Truman’s seizure of steel mills during



BRIEF CANDLE James A. Garfield in 1870.

by the age of 25 he had assumed its presidency. “I feel that there are but two tracks before me—to stand among the first, or die,” Garfield confided to his diary. So motivated, he became the

Please turn to page C8

BOOKS

'Kill the king but spare the man.' —THOMAS PAINE



FIVE BEST ON THE FRENCH REVOLUTION

Robert Darnton

The author of 'The Revolutionary Temper, Paris 1748-1789'

The History of the French Revolution

By Jules Michelet (1847)

The quality that makes Jules Michelet's history so powerful is what the French call *souffle*—literally, breath; figuratively, inspiration, creativity, energy. Michelet understood the French Revolution as a collective triumph; he describes it as the destruction of a world built up by centuries of oppression, and the creation of a new order, for the French and all humanity, based on justice, freedom and fraternity. He shows how those abstractions took on life, in Paris but also in villages such as Chavignon, where the inhabitants woke up to a clamor that they took to be an invasion of brigands. It was actually a crowd of patriots who had marched all night from other villages to rescue them from the same imaginary attack. The rescuers "had expected a fight and found a feast," for the locals emptied their larders and brought out casks of wine in a gesture of brotherly solidarity. Michelet was born in 1798, as the revolution entered its final phase, and wrote at the high tide of Romanticism; modern readers may find the prose of the Charles Cocks translation, published in 1864, a shade too purple. But it conveys something that might seem untranslatable—passions like fraternity.

The Great Fear of 1789

By Georges Lefebvre (1932)

Georges Lefebvre grasped an aspect of history that had slipped through the fingers of previous historians—that is, mass delusion and misinformation often run wild. The Great Fear that swept through much of France in July and August 1789 mobilized peasants to repel an invasion of brigands, conspirators and foreigners that did not exist and that was triggered by small events such as clouds of dust kicked up by herds of sheep. Famine and unemployment filled the roads with beggars after several bitter winters, and the storming of the Bastille on July 14 raised hopes that the peasants would be freed from crippling tithes, taxes and seigniorial dues.

Feudal charters and châteaux had been burned in uprisings that broke out earlier that year, leading to the "abolition of feudalism" by the National Assembly on Aug. 4. The Great Fear exposed the collective emotion that existed behind these events. Lefebvre shows exactly where it erupted and

years wanted to keep bread on the table and to enjoy their wine. They were defined by what they detested: In addition to counterrevolutionary conspirators (many imaginary, some real), they frowned upon bachelors, men with beards, intellectuals, billiard players and prostitutes. They had

larized and highly literate. "When a priest stepped into the noisy street outside his parish church, he was lost in the press of porters, stallkeepers, carters, animals, building workers, servant girls, and idlers." Status differences maintained their power, but they could not be easily read, because servants often bought finery from second-hand haberdashers and strutted around the boulevards dressed like their masters. The elbowing and shoulder-rubbing prepared the way for the revolution, but Mr. Garrioch resists the temptation to overstress continuity: "The springs of revolutionary thought and action lay in the past, but the Revolution operated an extraordinary transformation, opening up possibilities previously glimpsed only in dreams."

The Fall of Robespierre

By Colin Jones (2021)

The decade of events from 1789 through 1799 were determined in large part by a few days when the people of Paris intervened with violence. After the taking of the



UPRISING 'The Storming of the Bastille' (ca. 1789) by Jean-Pierre-Louis-Laurent Houël.

how it spread, day by day, through vast areas of France, as if it were a living being: "Fear engendered fear." Ultimately, he concluded, it was "one gigantic rumor."

A Second Identity

By Richard Cobb (1969)

Richard Cobb was a master of the genre that the French call the "history of mentalities"—that is, accounts of how ordinary people view the world. Cobb wanted to discover the way the French thought and felt, especially during the Terror of 1793-94, and did so by exhaustive research in Parisian and provincial archives. In "The Revolutionary Mentality," the best-known of the essays in this book, Cobb pictures the *sans-culotte* militant as surprisingly ordinary, politically naive, gullible, "puritanical and even priggish." The craftsmen and shopkeepers who intervened to shift the course of history during those crucial

only a vague notion of the issues at the level of the Committee of Public Safety, and they eventually gave up on politics because they "could not resist the pressure of time, boredom, fatigue, and laziness." Nothing could be further from the fanatics conjured up by Charles Dickens in "A Tale of Two Cities."

The Making of Revolutionary Paris

By David Garrioch (2002)

To get to know the Parisian revolutionaries at street level—their work, family life, diet and dress—nothing serves better than David Garrioch's superb social history. As Paris's population soared to nearly 700,000 in 1789 from about 560,000 in 1750, its character changed. From a corporate social order organized according to custom and hierarchy and divided into distinct neighborhoods, the city became a consumer society dominated by the "middling sort," metropolitan in culture, secu-

Bastille on July 14, 1789, and the overthrow of the monarchy on Aug. 10, 1792, the most decisive day was July 27, 1794, when Parisians overthrew Robespierre and the period known retrospectively as the Terror approached its end. Colin Jones reconstructs July 27 hour by hour in a gripping narrative that shows how analysis of a thin slice of time can deflect the understanding of the entire revolution. By the end of that day, the Parisians demonstrated their commitment to democracy as represented by the National Convention, in opposition to an attempted coup by a Robespierist faction in the Paris Commune. Throughout the 24 hours, daily life continued, tinged by the new political culture. Twenty-five couples were married in civil ceremonies, and one divorce took place—an impossibility before the revolution. An obscure diarist kept score of the weather and politics: "23 degrees [centigrade], 36 guillotinings." And false news flowed everywhere—to the dismay of Robespierre, who, however, was "a past master at playing to his own advantage on all the registers of publicity."

Cool-Headed President Garfield

Continued from page C7

the Korean War, and the George W. Bush administration's efforts to hold indefinitely without trial U.S. citizens charged as enemy combatants.

Yet even this legal triumph was shadowed by Garfield's need for money. He borrowed to build a grand home on Washington's "I" Street to house his growing family and, not so coincidentally, to reunite with Lucretia, "a passenger in life" who calculated that of their first five years of marriage all but 20 weeks had been spent apart. In the fall of 1862 Garfield had a brief affair with a woman in New York. After consulting with Lucretia, her errant husband retrieved and presumably destroyed all incriminating evidence of the relationship. A young daughter's death paradoxically strengthened the marital bond. Unreconciled to her status, Lucretia decried "the grinding misery of being a woman, between the upper and nether millstone of household cares and training children."

Meanwhile a different kind of scandal threatened Garfield when railroad lobbyists sold him a handful of shares in Credit Mobilier, a fraudulent construction company tasked with building the Union Pacific Railroad. Again Garfield weathered the storm, though

not before an opposition editor christened him "the Artful Dodger."

Garfield's constituents forgave the lapse for the same reason his colleagues admired the policy wonk and legislative workhorse who chaired committees overseeing military affairs, monetary policy and the census. The prime mover behind the country's first Department of Education, Garfield in his spare time proved the Pythagorean theorem for readers of the New England Journal of Education. His tenure as House Republican leader coincided with the zenith of party government, a time of flamboyantly corrupt bosses like New York Sen. Roscoe Conkling, who dictated to presidents as they dominated a factionalized Congress.

Of political knife fighting, Garfield said: 'I deprecate war. But if it is brought to my doorstep the bringer will find me at home.'

Of the self-regarding "Lord Roscoe" the author asserts: "Nothing in public life had taught him that goodwill or nobility existed in it, except as gestures to either serve or screen the base interests of those making them." After 1877 this strutting peacock all but paralyzed the Hayes administration in a protracted fight over the New York Customs House, supplier in those pre-income tax days of two-thirds of all federal revenue. Aided by

his dapper henchman, customs collector Chester A. Arthur, Conkling plundered the Port of New York for the benefit of his so-called Stalwart faction of the GOP, all the while denouncing Hayes and anyone sympathetic to "snivel service" reform.

Conkling's candidate for president in 1880, former President Grant, was opposed by James G. Blaine, *beau ideal* of the mildly reformist Half-Breed caucus. Garfield entered the Chicago convention hall pledged to John Sherman, a Cabinet officer of modest appeal and antiseptic demeanor. Garfield's nominating speech for Sherman touched off a stampede—for Garfield. Mr. Good-year skillfully conveys the drama of a run-away convention, culminating in Garfield's nomination on the 36th ballot.

An enraged Conkling sulked in his tent, unmollified by the peace offering of second place on the ticket for Chester Arthur. With party unity proving elusive, Garfield reluctantly left his Ohio farm for New York. Of the resulting Treaty of Fifth Avenue he concluded, "No trades—no shackles." Conkling, having left negotiations to third parties, thought otherwise. "I

need hardly add that your Administration cannot be more successful than I wish it to be," the Stalwart boss informed President-elect Garfield, "nor can it be more satisfactory to you, to

the country, and to the Party than I will labor to make it."

The appointment of Blaine as secretary of state won the new president diplomatic plaudits. But it infuriated Conkling, already angered by Garfield's refusal to install a Stalwart as secretary of the Treasury. When Garfield nominated state senator William Robertson, Conkling's sworn enemy, to the New York collectorship, it triggered an open rupture in Republican ranks. "Of course I deprecate war," Garfield told a friend. "But if it is brought to my doorstep the bringer will find me at home."

HAT TRICK A souvenir of Garfield's 1880 electoral victory.

Platt, a blustering Conkling resigned his seat, certain that legislators in Albany would return both men to office in a shattering rebuke to the White House. When lawmakers in-

stead called Conkling's bluff and Robertson was confirmed in June 1881, it settled the question, in Garfield's words, of "whether the President is the registering clerk of the Senate, or the Executive of the nation."

His victory was eclipsed on July 2, 1881, when a mentally unstable office seeker named Charles J. Guiteau shot the president at a Washington railroad station. "I am a Stalwart, and want Arthur for president," he told his captors. For 79 days Garfield languished, his fate sealed by doctors who insisted on probing his wound, searching for the bullet with unwashed fingers and germ-spreading instruments. As Washington fell silent, and anxious crowds maintained a vigil outside the White House, in New York angry mobs threatened bodily harm to Conkling and Arthur.

From his sickbed Garfield expressed sympathy for his former senatorial nemesis: Conkling, he said, had made "a great mistake." Garfield's "instinct to conciliate," writes Mr. Good-year, "simply could not be killed." In his final hours he asked an old army comrade, "Do you think my name will have a place in human history?" Through his defense of a beleaguered presidency, his ultimate sacrifice and posthumous triumph over mindless partisanship through enactment of civil-service reform, Garfield might be said to qualify as the (slightly tarnished) Gold in the Gilded Age.

Mr. Smith is the author, most recently, of "An Ordinary Man: The Surprising Life and Historic Presidency of Gerald R. Ford."

BOOKS

‘And this is the ballad of my life: that I mumble strange syllables before the people of silence.’ —AVROM SUTZKEVER

Still Ready for a Fight

The Controversialist

By Martin Peretz

Wicked Son, 350 pages, \$28

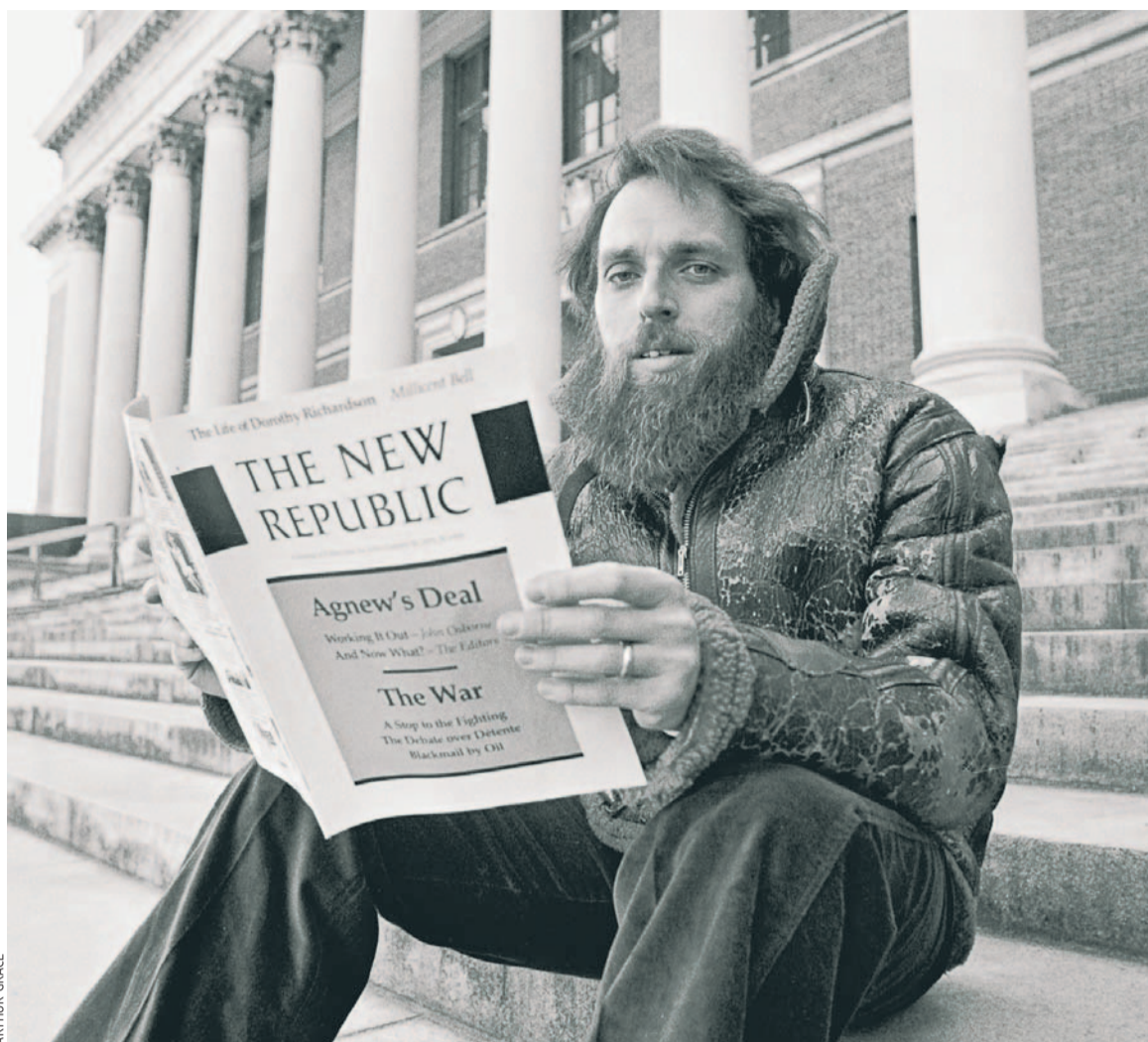
By TUNKU VARADARAJAN

MARTIN PERETZ is known to all as “Marty,” a jaunty diminutive that captures the essence and aura of a cocksure man who is, as well, cultured and likable. He is also restless, even agitated, in the way of many American Jews of his generation, whose default setting was an interminable quest for both upward mobility and a voice in all the decisive debates over America’s destiny.

Mr. Peretz, now 84, was the publisher and editor in chief of the *New Republic* from 1974 until 2011, when he relinquished all links with his once-storied magazine after writing a blog (for which he apologized) that was condemned as Islamophobic by the media’s liberal hangmen. He also had to cut his ties with the one American institution he’d worshiped without reserve, Harvard. He’d been teaching on the social-studies faculty since the early 1960s after going there for his Ph.D. from Brandeis, in those days the university of choice for smart and leftist Jewish kids who (in Mr. Peretz’s words) “might be accepted to the University of Chicago but not to the Ivy Leagues.” When he came to deliver a speech in Cambridge, Mass., in 2010 to mark the 50th anniversary of the social-studies faculty, he was jeered by students who chanted: “Harvard, Harvard, shame on you, honoring a racist fool.”

“I am a marginalized man,” writes Mr. Peretz in “The Controversialist,” his crackling, candid memoir. Politically, he’s a Democrat, but he feels like an alien in a party that makes “darlings” of Alexandria Ocasio-Cortez and Ilhan Omar and that embraces positions that are far to the left of his own undogmatic, market-oriented liberalism. The *New Republic* under his heterodox stewardship published Charles Murray on racial disparities in IQ (at the time when he co-authored “The Bell Curve,” a book regarded by many Americans as incendiary). The magazine had also supported the invasion of Iraq, which led the Nation to describe him as a “rabid neocon”; and, before that, had defended the arming of the Nicaraguan Contras, on the grounds that “authoritarians,” while unlovely, were less odious than “totalitarians.”

On the domestic front, Mr. Peretz and his editors were staunch op-



LOST VOICE Martin Peretz in Cambridge, Mass., holding the first issue of the *New Republic* after he purchased the magazine in 1974.

ponents of affirmative action and HillaryCare, whose champion—Hillary Clinton—he regards as a “corporatist leftist” whose “utopianism and self-certainty” are “unexamined and un-integrated.” His magazine, while of the left, was iconoclastic and counter-intuitive and commissioned a take-down of HillaryCare by Betsy McCaughey, a specialist in healthcare policy, who highlighted Mrs. Clinton’s “aversion to compromise.” The left would not forgive him. Nor would Mrs. Clinton, who pointedly turned her back on him at a party at the Rose Garden after the piece was published. Mr. Peretz learned from a White House source that she deliberately took him off the lists of state dinners for Vaclav Havel and Ehud Barak. “I have an image of it in my head: Hillary crossing names off a guest list while Bill fooled around.”

“The *Controversialist*” is a delicious stew of point-scoring cattiness (for which every reader will give thanks), hubris, passion, undeniable patriotism and self-deprecation, apropos of which he cites a joke that’s told about his

tendency to ramble on in his speeches, “Marty Peretz can clear a synagogue faster than the PLO.” The book is the story of Mr. Peretz’s upbringing in the very Jewish New York borough of the Bronx, followed by his assimilation into—and conquest of—the liberal American establishment. Born into a family of modest means, he was raised by a tyrannical Polish-Jewish father whose most important (and, it seems, only) enduring contribution was to instill in his son the belief that there was, ideally, “no contradiction” between being Jewish and American.

Yet Mr. Peretz’s life is one of contradictions. He has walked an existential tightrope throughout, “aware of the Jewish tension between the urges to merge with America and the urge to be separate from it.” This mirrored the in-born tensions of his own sexuality. He writes of how his mother bought him a little bird—a *faygeleh* in the Yiddish spoken in their home—when he was 3 or 4. The word is also Yiddish slang for homosexual. The bird was, he tells us, “the first *faygeleh* I fell in love with.”

Mr. Peretz managed the first tension by embracing Zionism with the greatest zeal, devoting his life to shaping American foreign policy in ways that worked to Israel’s advantage. This isn’t merely a Jewish-American position, of course, and you don’t have to have been born into a Yiddish-speaking household on the Grand Concourse in the Bronx to believe that America’s interests and Israel’s are largely inextricable. But it led Mr. Peretz, occasionally, into some interesting contortions. In 1972, for instance, he was a policy adviser on the Middle East to George McGovern, the Democratic candidate for president. And yet, Mr. Peretz tells us that he voted instead for Richard Nixon, the man more likely to support Israel from the White House. This unswerving Zionism, evidently “tribal” in nature, put him at ill-tempered odds with the American left, particularly after Israel’s invasion of Lebanon in 1982. That was the point, writes Mr. Peretz, at which Israel ceased to be a David in the media’s eyes and became a Goliath.

As for his gayness, Mr. Peretz is honest about how he swung both ways (to use the demotic expression). Even as he was drawn to men—starting with a boy called Asher in Jewish camp—he consorted with women, including a “very, very sexy” ex-mistress of a mentor of his at Brandeis. “We met once or twice a week,” he writes, “and she really threw a monkey wrench into my gayness.”

Under his stewardship, the *New Republic* was contrarian and contentious, principled and pugnacious—loved and hated. Little wonder, given the man himself.

A woman, in fact, was his salvation. In 1967, he married Anne Labouisse, a gentile, who was “astoundingly, alienatingly rich.” She was an heir to the Singer Sewing Machine Co. fortune. It was, he says, Protestant meets Jew. “For her, I was an escape. For me, she was an arrival.” With Anne’s checkbook, Mr. Peretz bought the *New Republic* in 1974 for \$380,000. It was then “a flagship magazine” of Washington that had “gone to seed but was still occasionally worth reading.”

Over the next 2½ decades—with editors like Michael Kinsley, Hendrik Hertzberg, Andrew Sullivan (who was a Catholic conservative and the first openly gay editor of a mainstream American publication) and Michael Kelly—the *New Republic* punched above its weight, feisty, unconventional and rarely irrelevant. But it never really made money, and as Mr. Peretz’s marriage began to fray the losses became unsustainable.

The magazine has cut a sorry figure in the 21st century, losing first its mojo and then Mr. Peretz altogether. Today it is just another boring leftist pamphlet, devoid of spark, mischief and any pretensions to influence and originality. But as “The *Controversialist*” reminds us, it was once the guilty pleasure of the Washington establishment, on both left and right. For that, we have reason to be thankful for Marty Peretz.

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All the Secret Histories

Under the Eye of Power

By Colin Dickey

Viking, 369 pages, \$30

By ALEX BEAM

IN “UNDER THE EYE OF Power,” a timely book about the spread of conspiracy theories, the writer Colin Dickey argues that pseudo-secret narratives “have been a hallmark of American democracy from its inception.” Take George Washington: His transition “from an uneducated plantation owner to the head of a new nation cannot be entirely disentangled from his involvement in Masonry,” Mr. Dickey writes, invoking the secret society that is a perennial wellspring of conspiracy maundering.

That was then. And now? “RFK Jr.’s White House Bid Is a Mix of Nostalgia and Conspiracy Theories,” this newspaper reported last month, citing Robert F. Kennedy’s Jr.’s suggestions that “Wi-Fi exposure leads to cancer” and that the Central Intelligence Agency assassinated his father.

Mr. Dickey’s books “*Ghostland*” (2016) and “*The Unidentified*” (2020) explored American fascinations with the supernatural and paranormal. “*Under the Eye of Power*” takes on historian Richard Hofstadter’s famous 1964 essay on the “paranoid style” in American politics. Mr. Dickey insists, contra Hofstadter, that conspiracy fabrications are not fringe or marginal events in U.S. history. “You have to be able to see American history as a series of panics,” he writes, highlighting the Salem witch trials and Sen. Joseph McCarthy’s Cold War anti-Com-

munist crusade. “These two events, held up as outliers and anomalies, were just two points on a straight line composed of a dozen similar points.”

To buttress his thesis that “conspiracies and moral panics are the great unseen engine of the country,” Mr. Dickey offers many examples, some well-known and some less so. The Freemasons, who originated as a trade association, were used to “explain” the American Revolution (Benjamin Franklin, like Washington, was a Mason). Freemasonry’s rituals were copied by other not-so-secret societies, including the Ku Klux Klan and the anti-Catholic, anti-immigrant, 19th-century Know-Nothing Party, whose slogan “Americans must rule America” sounds depressingly familiar.

Mr. Dickey highlights the many shared traits of supposed conspirators and their doctrines. For instance, it’s not always important that a secret society exist, as long as it’s believed to exist. Describing the Molly Maguires, 19th-century, pro-labor agitators, Mr. Dickey writes that, “We cannot even say definitively that they existed at all—at least as an organized conspiracy.” That’s because most of our information about them comes from a not necessarily reliable Pinkerton agent. But the Molly Maguires’ purported existence was useful to the enemies of organized labor. “You needed a place where the facts were simply unknowable and where in absence of facts you had nothing but beliefs,” according to Mr. Dickey.

Like religious dogmas, conspiracy theories are, Mr. Dickey notes, “un-

touchable by the normal laws of open scrutiny.” A case in point would be the spurious, anti-Semitic “Protocols of the Elders of Zion,” a calumnious concoction of the czarist secret police that resurfaces even to the present day. “Certainly they are a forgery,” the poet Ezra Pound said of the Protocols; “that is the one proof we have of their authenticity.”



ON THE LEVEL? George Washington as a Freemason.

Mr. Dickey is a lively writer, and it’s interesting to read how similar conspiracy tropes resurface throughout history. One is the lurid notion of sexual depredations conducted in basements. Sometimes these were imagined in the bowels of religious institutions, as in a bestseller from 1836, “Awful Disclosures of the Hotel Dieu Nunery of Montreal.” There is a clear path from this supposed site of blasphemous goings-on to the Comet Ping Pong pizza restaurant in Washington,

D.C., where gunman Edgar Welch fired off an assault rifle in 2016, thinking the pizzeria sheltered a cabal of child predators.

Even the phrase “I have a list” rings down through the ages. In 1799 Jedidiah Morse, attempting to link Thomas Jefferson with the quasi-mythological Illuminati, claimed to possess “an official, authenticated list” of the society’s officers and members. “Anticipating Joseph McCarthy by over 150 years,” Mr. Dickey comments, “Morse understood that you didn’t have to actually manifest proof if you loudly and repeatedly stated that you had it in your possession.”

One complication in creating a taxonomy of conspiracy theories is that some are true. The Federal Reserve, a frequent target of latter-day conspiracy mavens, was in fact created in secret, on an island, by a shadowy cabal of powerful bankers. “They were conspirators, but patriotic conspirators,” Roger Lowenstein wrote in his 2015 history of the Fed, “America’s Bank.”

Unfortunately, Mr. Dickey has a penchant to assign all conspiracy imaginings equal weight. It’s definitely noteworthy that many Americans follow QAnon, which he puckishly compares to Amazon: “Its corporate growth strategy is to forever expand into new markets—sopping up new theories and seemingly unrelated anxieties and folding them into its endlessly expanding distributed network of paranoia.” But how many people really believe that beneath Denver’s airport there are, in the words of one conspiracy-monger, “large numbers of human slaves, many

of them children, working there under the control of the reptilians”? Too few, I suspect, to merit our attention.

There are moments, too, when Mr. Dickey’s rhetoric seems to leap ahead of reality. Have we really “entered a period of epistemological crisis”? Has the world ever been easy to understand? He argues that conspiracy theories are “explanatory narratives for the unpredictable nature of modern life”—but why “modern”? His own book illustrates that many of the great conspiracy yarns, for instance those involving Freemasonry or the Illuminati, are hundreds of years old.

Conspiracy theorists thrive in today’s overheated digital media. But they’ve been around longer than America.

In the mind of the conspiracy theorist, Mr. Dickey writes, “there is no noise, just signal,” meaning that every aspect of every kooky idea is potentially “pregnant with meaning and direction.” But here comes Benjamin Franklin to argue that Freemasonry’s “GRAND SECRET is *That they have no secret at all.*” In other words, no signal, all noise.

Well yes, Ben, but what about that disembodied Eye of Providence hovering at the tip of the pyramid on our \$1 bill? Perhaps, as Mr. Dickey playfully suggests, the famous Masonic symbol “is an insignia of a hidden group of conspirators, signaling . . . their plans for world domination, hiding in plain sight.” Or, perhaps it is a mirror of our own gaze, searching restlessly for the secret that explains it all.

Mr. Beam’s latest book is “Broken Glass: Mies van der Rohe, Edith Farnsworth, and the Fight Over a Modernist Masterpiece.”

BOOKS

'A book is a squarish chunk of hot, smoking conscience—and nothing else.' —BORIS PASTERNAK

Hearts of Light and Darkness

Wonder Confronts Certainty

By Gary Saul Morson

Belknap/Harvard, 492 pages, \$37.95

By BOYD TONKIN

BOOKS OF CULTURAL CRITICISM seldom shed a piercing light on headline events. However, readers of "Wonder Confronts Certainty," Gary Saul Morson's masterly panorama of classic Russian literature and its hinterland of ideas, will find their understanding of Yevgeny Prigozhin's recent botched rebellion against Vladimir Putin keenly enhanced. The mercenary warlord telescoped into a two-day tragicomic plot many of the baleful forces in Russian history and thought that Mr. Morson's cherished authors dissected, dramatized—and often mocked.

Mr. Prigozhin staked everything on one roll of the dice: It's the gambler's psychology as portrayed by Dostoyevsky, an approach to progress that treats fortune and power, in the words of the liberal philosopher Peter Struve, as "a jackpot to be won at the gambling table of history." Last month's mutineers embodied a Russian faith in *avos*, which Pushkin, in "Eugene Onegin," describes as windfall luck, "pure perhapsness" and "the national shibboleth." The rebels believed in politics as, in Mr. Morson's words, "the art of the miraculous." They hoped for a magical switch from one state to another, and "sanctioned human sacrifice"—as Solzhenitsyn puts it in "The Gulag Archipelago"—to hurry the miracle along. Mr. Prigozhin's Wagner Group, like Mr. Putin's Kremlin, exemplify Mr. Morson's summary of Bolshevik doctrine: "Cruelty was the default position." Both sides confer, as did czarist-era terrorists, a "sanctity on killing." As for Mr. Putin himself, this book argues that the empty human ciphers of Gogol's comic stories show us "a substance that turns out to be an absence."

In words and deeds, Russia's epic struggles have resonated long and far. Since the reformist reign of Czar Alexander II (1855-81), a belief in Russia's writers as national conscience has had a firm hold. To Mr. Morson, this prose tradition represents "a philosophical quest to be found nowhere else" and still echoes around the globe. Foreign devotees uncover in the country's classics what Virginia Woolf revered in Dostoyevsky: "the stuff of the soul." From Edmund Wilson ("To the Finland Station") to Isaiah Berlin (whose "Russian Thinkers" Mr. Morson's book sometimes recalls), that soul has inspired eloquent overseas interpreters. Only recently, George Saunders (in "A Swim in a Pond in the Rain") couched his writer's manifesto as an exegesis of landmark Russian stories.

"Wonder Confronts Certainty" draws on this philosophical quest—for what scholars of Scripture call "wisdom literature"—in Turgenev, Tolstoy, Dostoyevsky or Chekhov. Crucially, however, Mr. Morson—a professor of Slavic languages and literature at Northwestern University—casts doubt on the hunt itself. Turn to Russia's giants for spiritual revelation and we risk tumbling into an *avos* mentality and messianic delusions. In their "poetics of process," as Mr. Morson calls it, the great writers deliver not slogans or



STORYTELLER Portrait of the writer Vsevolod Garshin (1884) by Iliia Repin.

formulas to tell us "what life's meaning is." Rather, their stories reveal "what the discovery of it looks and feel like." From Turgenev's "Fathers and Children" to Grossman's "Life and Fate," mighty works of realism, Mr. Morson tells us, "do what no philosophical treatise ever could": They bring to life the quest for values not as some "scientific demonstration" but a moment-by-moment inner drama within what Svetlana Alexievich—the newest member of Mr. Morson's pantheon—dubs "that small space called a human being." The supreme goal of life lies on the road, not at journey's end.

Plenty of critics have mined "Anna Karenina," "The Brothers Karamazov" or the peerless tales of Chekhov (this book's hero) for gems of humanistic insight. Mr. Morson's dialogic approach—a term taken from the critic-philosopher Bakhtin—assembles them all around a virtual table where they "confront each other in timeless debates."

After a scene-setting prelude that pits his skeptical, doubting authors against the vehement idealism of Russian intellectuals, Mr. Morson sketches three ideal types of thinker: the Wanderer, the Idealist and the Revolutionist. Then he explores the "eternally relevant questions" of ethics, freedom,

knowledge, responsibility and selfhood that drove his principal cast. In a century-hopping "spirit of symposium," it's not only Russian writers with posterity's stamp of approval who get an invite; Mr. Morson makes space for the militant tradition of activism espoused by the country's unique intelligentsia. For most of Russia's firebrand theorists, Mr. Morson writes, "literary quality was beside the point." The just society would represent humankind's finest work of art. With the Bolshevik revolution and its aftermath, Lenin and Stalin made their masterpiece.

The notion, as Chekhov once suggested, that "the greatest brutality comes from humane, well-educated idealists" may have dwindled into a commonplace. But Mr. Morson performs a signal service in paying heed to the influential, all-or-nothing apostles of extreme upheaval—from the charismatic critic Belinsky and utopian prophet Chernyshevsky (the author, in 1863, of the revolutionists' bible "What Is to Be Done?") to their Bolshevik descendants. Figures such as the terrorist Vera Figner, whose memoirs laud "the cult of dynamite and the revolver," won immense prestige. They told their own stories: Mr. Morson discusses the allure of the high-minded assassin-

novelist Sergei Stepniak (who even appears as the noble exile of Edith Nesbit's children's classic "The Railway Children"). When, in "Crime and Punishment" or "The Possessed," Dostoyevsky interrogates the malcontents whose theories justify the right to kill, and shows through his characters that "abstractness of thought" may prompt "extraordinary cruelty," he takes aim not at the marginalized losers but at the chiefs of dissenting Russian thought. Mr. Morson stresses the glamour of savagery in intelligentsia circles—the blood-thirsty dreamers Chekhov had in mind when he warned that "repulsive means for good ends make the ends themselves repulsive."

Readers often turn to Russian literature hoping to find spiritual revelation, at the risk of encountering chaos and messianic delusions.

Mr. Morson's previous book, "Minds Wide Shut" (co-written with Morton Schapiro), staged a heartfelt counterblast against the "new fundamentalisms" that cramp culture and envenom politics. Here, he has no need to present czarist or Soviet Russia as a mirror for today. Many readers, though, may detect contemporary parallels to Grossman's stubborn dialectical materialist, for whom, "if experimental facts contradict theory, the facts must yield." Or for the kind of bulldozer ideology that, to Solzhenitsyn, "gives evil-doing its long-sought justification." Or for the gatherers of alibis who see any wrongdoer not as a free agent but a plaything of social forces: in Chekhov's words, "the destined victim of the age." As Mr. Morson explains, the Soviets took this mindset to its logical conclusion. No guilt means no innocence: anyone could (and would) be punished if the Party chose.

With light-footed erudition, Mr. Morson passes nimbly among a crowd of guests at this lavish banquet of ideas. Readers familiar with his book's corpus of fictional classics may find fresh illumination, for instance, in the liberal thinker Semyon Frank; the storyteller Vsevolod Garshin, whom Mr. Morson considers "underrated"; or the heartrending Soviet memoirists Nadezhda Mandelstam and Evgeniya Ginzburg. For Ginzburg, "suffering lays bare the real nature of things"—a notion picked up in Svetlana Alexievich's searing interview-based chronicles, nonfictional but novel-like, of Russian life through times of fear and pain.

Though full of history's darkness, "Wonder Confronts Certainty" gives grounds for hope. From "War and Peace" to Bulgakov's "The Master and Margarita," the masterpieces it salutes embrace chance, contingency and surprise. In their "unpredetermined futurity" and "multiple possibilities," they enact not closure but what Mr. Morson calls aperture. Against the iron grip of ideology and destiny, his authors illustrate how freedom works—with all its chaotic consequences. Just ask Yevgeny Prigozhin.

Mr. Tonkin is the author of "The 100 Best Novels in Translation."

Sense, Sensibility, Murder and Mayhem



MYSTERIES

TOM NOLAN

Three Regency thrillers take their inspiration from Jane Austen's comedy of manners.

I WOULD not have people murdered only so that . . . I may investigate," asserts 17-year-old Juliet Tilney, the precocious leading lady in Claudia Gray's "The Late Mrs. Willoughby" (Vintage, 383 pages, \$17), set in England in 1820. "But if murders take place regardless of my wishes, can it be wrong to seek answers? And if it is right to seek answers, then it cannot be entirely wrong to take some pleasure in doing so."

The intelligent and morally forthright Miss Tilney made her debut in last year's "The Murder of Mr. Wickham," a sparkling Jane Austen spinoff that paired her with 21-year-old Jonathan Darcy, who also joins her in this equally engaging escapade. By chance, each is a guest at nearly adjacent house gatherings in Devonshire: Juliet at the home of Mrs. Brandon, a colonel's wife recently acquitted of the murder of a criminal cad who had assaulted her, and Jonathan at the estate of a boorish contemporary whose bullying he had endured at Oxford.

The purpose of the latter party is to celebrate the unpleasant John Willoughby's recent marriage to a young woman of means. But the festivities have barely begun when the new bride falls dead from drinking poisoned wine. The shockingly unconcerned Willoughby suggests his wife

died by suicide. Others think she was murdered—most likely by Willoughby.

Jonathan and Juliet lose no time beginning their investigation—instantly complicated by their notion that the fatal glass of wine may have instead been for the groom. "How will [the police] ever find the right murderer," worries Miss Tilney, "if they do not even know the intended victim?"

Written in a style that evokes the sense and sensibility of the early 19th century, rich with instructive aphorisms and thinly veiled insults, "The Late Mrs. Willoughby" transcends pastiche to achieve its own unique identity.

Swampshire, an unlovely township in Regency England, is the site of Julia Seales's debut novel, "A Most Agreeable Murder" (Random House, 338 pages, \$27). Its residents hew to a rigid code of etiquette. Beatrice Steele—25 years old and single, with a "passionate disposition and a lively wit"—can never adhere to the norms. "[She] was curious by nature, and thereby noticed too much, felt too much, and wondered too much." Her darkest secret is her hidden collection of newspaper stories about grisly crimes, especially those investigated by Sir Lawrence Huxley, a London detective to whom she sends unacknowledged letters of advice.

Her parents meanwhile are preoccupied with finding a suitable (wealthy) husband for at least one of their three daughters, a financial necessity if the family is to retain control of its estate. Prospects are pinned to the Annual Autumnal Ball at Stabmort Park, where the rich and dull gather. Indeed, visiting grandee Edmund Croaksworth falls fast for Louisa, fairest of the Steele sisters, and

THIS WEEK

The Late Mrs. Willoughby

By Claudia Gray

A Most Agreeable Murder

By Julia Seales

The Benevolent Society of Ill-Mannered Ladies

By Alisa Goodman

is on the verge of an attachment—when he succumbs to a glass of port dosed with belladonna.

"This is all simply devastating," Mrs. Steele tells Inspector Vivek Drake, the victim's travel companion, until recently affiliated with Sir Huxley. "To think, Mr. Croaksworth was about to marry my daughter, and then he just dropped dead. No one has worse luck than me." Drake replies: "Apart from Mr. Croaksworth."

"A Most Agreeable Murder" begins as social satire and ascends into deadly knock-about farce, with guests, suspects and potential targets trapped in a stormbound house as Drake and instant-assistant Beatrice race to find the murderer before dawn. There are dotty eccentrics, secret passageways, false identities, a rumored ghost, three acts' worth of delicious banter—and an irrepressible heroine born from the ashes of her own trial by fire. "When I find the killer," Beatrice vows, "it is *they* who should be scared of *me*."

Lady Augusta and Lady Julia Colebrook, the unmarried sisters in Alisa Goodman's Regency thriller "The Benevolent Society of Ill-Mannered Ladies" (Berkley, 445 pages, \$17), are 42-year-old twins—but hardly identical. Augusta, "fifteen minutes the elder and seven inches taller," is the alpha female, as it were: bolder by nature, hotter of temper, sharper of tongue. Julia is calmer, kinder and more religious. But both are equally angered by social injustice, especially by the harms inflicted upon women under a system where they have few legal rights. Being unwed women of privilege, both have the time and means to spend the rest of their lives "helping women escape dangerous situations."

"We shall be useful," Augusta resolves. "But just as importantly we shall be defiant, occasionally ill-mannered, and completely indomitable." Their first foray into virtuous crime-fighting has the duo keeping a midnight rendezvous in Vauxhall Gardens with a slimy lothario who's demanding payment for a compromising letter written by a friend of the sisters. The twins return the letter to its author (along with the necklace she was willing to give for its ransom) thanks to Augusta's unexpected prowess at hand-to-hand self-defense.

Their next venture involves the extraction of a woman from her own home and marriage; she's being held captive by her husband, who is systematically drugging and starving her. During this episode, Augusta and Julia become acquainted with a highwayman—the former Lord Evan Belford—who becomes an ad hoc member of their team. Julia is wary of this rogue's assistance, but Augusta is charmed; she comes to believe he was unjustly blamed for the death that sent him into exile, and she hopes to rehabilitate his reputation.

While the book's story elements have a melodramatic aura, they are rooted in historical fact and recounted with convincing realism—and wit. Ms. Goodman's ill-mannered ladies are delightful company.

BOOKS

“Working as a journalist is ... like being a wallflower at the orgy. Everyone else is having a marvelous time ... and I am standing on the side taking notes.”—NORA EPHRON

The Deadline Was Never Male-Only

Undaunted

By Brooke Kroeger
Knopf, 568 pages, \$35

By MEGHAN COX GURDON

WHILE I WAS freelancing in Southeast Asia in the early 1990s, I was lucky to get to know one of the most intrepid foreign correspondents of the last century. Clare Hollingworth was then in her 80s, still vigorous, still curious and still wafting on the fumes of glory conferred by a career of amazing scoops.

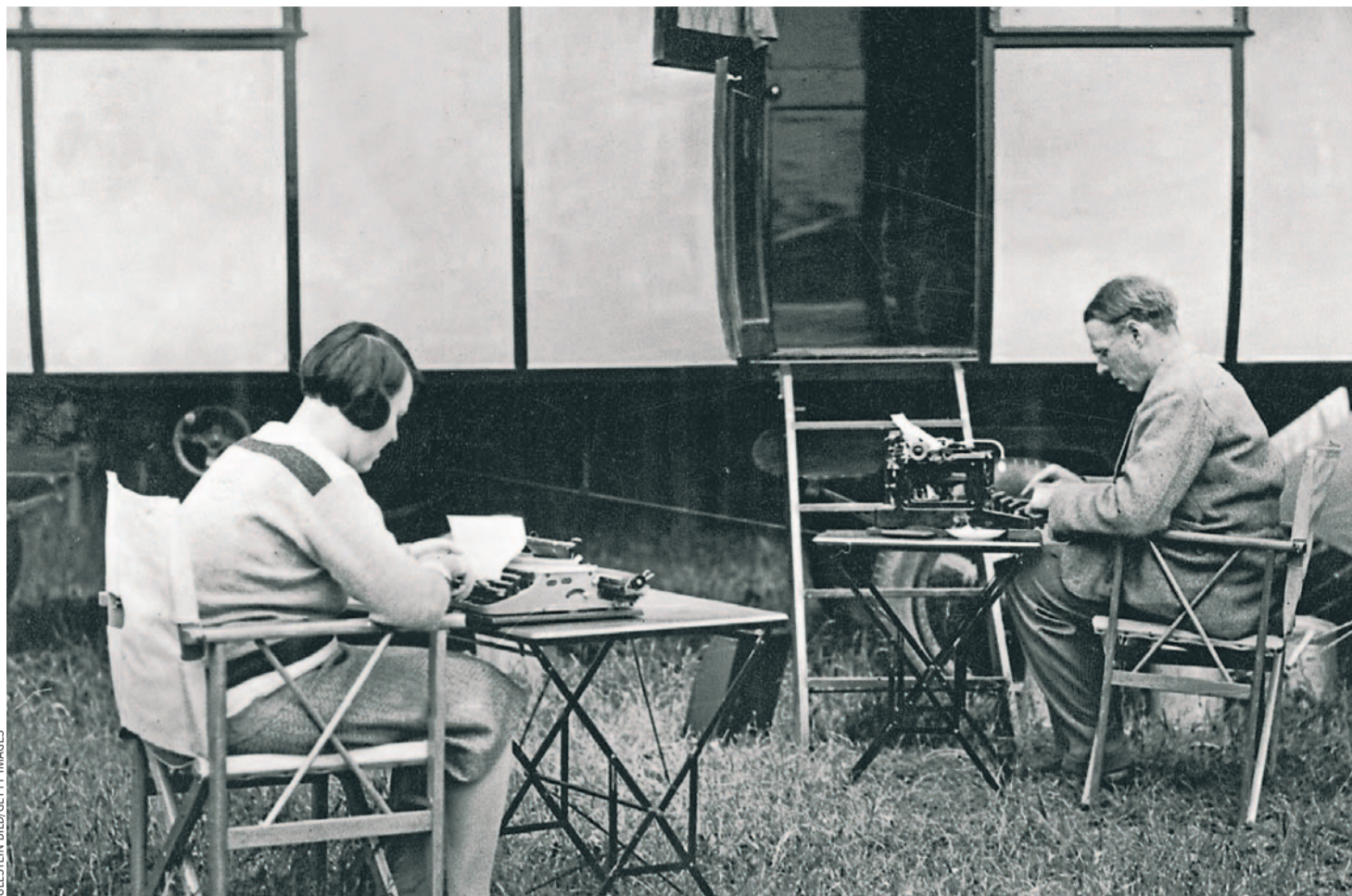
It was Hollingworth who'd broken the story of the German invasion of Poland in 1939, holding the phone receiver out the window of the house she was visiting so that her disbelieving editor in London could hear the tanks growl across the border. It was she who broke the story of the British spy Kim Philby's defection to Moscow in 1963. Hollingworth, who lived in Hong Kong, was always nice to her fellow female journalists but she saved her best tips and her shop talk for the men. She had spent most of her working life as a gal among the fellas, and, even at that stage, she seemed to want to avoid being lumped in with other women.

Something of Hollingworth's attitude—womanly pride at succeeding in a male-dominated profession, the subtle and perhaps competitive deprecation of women's society—emanates from “Undaunted,” a chronicle of women in American journalism by the veteran journalist Brooke Kroeger, a professor emerita at New York University.

The book is packed with the stories of women who have taken part in writing the first draft of history, a superabundance and historical depth of female talent that would seem to belie the premise of its subsidiary claim, “How Women Changed American Journalism.” Such a subtitle suggests that there was a time when women must *not* have been involved in American journalism; that there was a kind of male-only monolith—American journalism—that was altered by the presence of women.

But this was never so, for, as Ms. Kroeger demonstrates with refreshing positivity, women have been active in the American news business since colonial times. Women were (and are) news-organization proprietors, editors, bureau chiefs, columnists, broadcasters (when that technology came along), investigators, cultural critics and war reporters. Many are well known to people outside the profession. Famously, Mary Clemmer wrote up the Battle of Harpers Ferry, during the Civil War, for the New York Evening Post. Nelly Bly masqueraded as a madwoman to get inside New York's Bellevue Hospital to report on the condition of inmates for readers of the New York World. Ida B. Wells wrote searing accounts of lynching in the Southern states for the New York Age. The renowned muckraker Ida Tarbell took on Standard Oil.

But many thousands of less well-known women have also been in the game, and Ms. Kroeger has done almost too good a job



DISPATCH The journalist Dorothy Thompson and her husband, the author Sinclair Lewis, at their typewriters, ca. 1930.

in naming them. The multiplicity of personalities she presents, most of whom pop up (often with a small photo) and disappear again within a paragraph or two, make for a kaleidoscopic reading experience that brings an element of fatigue. So let us here dwell on generalities: that at least a dozen American women secured credentials to go to Cuba in 1898 to cover the Spanish-American War; that in 1937 some 12,000 American women were working as reporters, editors and feature writers; that by 1983 women held more than a third of all roles in journalism as reporters, editors and producers.

The historical picture, in other words, is one that shows women contributing to American journalism in almost every decade and in almost every aspect of the profession. Ms. Kroeger doesn't make light of the serious obstacles female journalists have faced over the years—sexism, discrimination, harassment and the like—but neither does she make light of the real achievements of long-ago, long-forgotten women who blazed the trails: “Their successors may have *felt* like pioneers because they trudged through the same muck and mud as their forebears, making triumphs in every generation continue to feel like breakthroughs. But every time a headline misidentifies a Joanie-come-lately in such a way, it distorts and reduces a long, rich historical record that deserves to be preserved.”

Ms. Kroeger is a great champion of women, and she is a preserver of the long, rich historical record. Yet in the examples she cites, in the people and positions she finds impres-

sive, there's an echo of Clare Hollingworth's admiration for manly affairs and deprecation of things that might smack of femininity. We read in “Undaunted” that, in 1926, the Chicago Tribune ran a full-page ad boasting of its having 369 women employees. Three were reporters, and most of the rest worked on the “women's pages,” the human-interest section that was a feature in practically every newspaper in the country.

Editors, bureau chiefs, columnists, cultural critics, war reporters—the history of journalism reveals a superabundance of female talent.

What was true at the Tribune was true elsewhere, certainly in the 19th and early 20th centuries: Journalists who were female were apt to work on subjects (fashion trends and gossip, social notes and domestic advice) in the so-called pink ghetto. “Undaunted” isn't interested in these unknowns unless they happen to have scorned the work and sought to get away from it. Crusading journalism is all very well—whether for temperance or abolition or the vote—but if there has been a place in readers' hearts for softer, more quotidian reportage, why not also a place in the pantheon for the people who have produced it?

Ms. Kroeger knows she can't please everyone. Her first words to the reader are that “Undaunted” makes “no claim to be all-inclusive.” It is true that her account is, if anything, over-inclusive in the sense of being excessively well-peopled. The reader will be in danger of zoning out at the cascade of names and attributes and career turns. But it also must be said that, when dealing in latter days, “Undaunted” chiefly represents the liberal journalistic establishment—the interlocking, mutually congratulatory circles of association and ideological preference formed by those who work for the New York Times, the Washington Post, NPR, PBS and ProPublica, along with those with Pulitzer Prizes and MacArthur “genius” awards.

Readers will thus find plenty about Maureen Dowd, Jill Abramson and Nikole Hannah-Jones, for instance, but will search in vain for a mention of the bold entrepreneurial dissenter Bari Weiss. Neither Heather Mac Donald nor Caitlin Flanagan makes the cut, nor does the Journal's Peggy Noonan or the New York Post's fearless Reagan-era Washington reporter Deborah Orin. Indeed, apart from Karen Elliott House, the Journal's foreign-affairs star, modern-day women journalists from the right-hand side of the spectrum might as well not exist. You might even say they have been edited out of the story.

Mrs. Gurdon, a Journal contributor, is the author of “The Enchanted Hour: The Miraculous Power of Reading Aloud in the Age of Distraction.”

Children of Sorcery and Silicon



SCIENCE FICTION & FANTASY

LIZ BRASWELL

In the debut novel of a short-story master, a boy destined to kill his evil and powerful father at last arrives at the moment of truth.

AS WE ENTER the slow hot days of summer the decision fatigue is real, even when it's just the choice between ice-cream flavors. So for your July reading pleasure, here are a couple opposite but equally delicious books so you can dig into two different genre flavors this season.

If you're only armchair traveling this summer, short-story professional Vajra Chandrasekera offers a wonderful vacation for readers with his first novel, “**The Saint of Bright Doors**” (Tordotcom, 368 pages, \$27.99), a truly imaginative vision of a (mostly) modern, alternate South Asia.

“The only way to change the world is through intentional, directed violence,” says Mother-of-Glory to her only child, Fetter. Then, moments after he is born, she magically rips his shadow away with a sharp nail and gives him one directive in life: to kill his worthless father.

It's a little more complicated than that, of course. Besides killing his dad there are four other goals he is told he must pursue—including killing his mother. (“After that, you won't have me around to hold your hand,” she dryly notes.) And his father isn't some deadbeat dad; he is a charismatic and powerful religious leader called “the Perfect and Kind.”

Fetter learns to murder and make minor magic—the latter of which, along with the world and its echelon of gods and demons, is painted with broad strokes

(a very welcome touch in a genre oversaturated with detailed explanations of how cantrips are cast). Besides not having a shadow, or perhaps because of it, Fetter can float in the air, though that is not relevant or important to most of his life when he's not murdering. He can also see demons: horrible apparitions that invisibly roam the world and occasionally feed on unsuspecting humans.

After a blood-spattered childhood in which he studies various lethal arts, Fetter escapes the small town his mother controls and finds independence elsewhere. The city of Luriat provides basic needs like housing, food and support groups for those who have been left behind by cult-leader parents (this world is full of them). Fetter spends his young-adult years there dating, learning to be a normal human, not killing anymore but also not working—until he is finally drawn deep into one of the many conspiracies that fester in the city. Disappearances are on the rise, as well as pogroms and burnings. A plague year has arrived in Luriat.

In his new role as anti-establishment co-conspirator, Fetter becomes a spy in one of the groups that studies the Bright Doors, the locked portals scattered throughout Luriat. They probably lead to other worlds, and sometimes demons come through them, but no one can open them, not even Fetter.

When a cult called the Path Above manages to get the Perfect and Kind to finally visit Luriat, Fetter realizes that he cannot escape the fate his mother set upon him: His father's influence is destroying the city he has come to love—and may have done worse. It is finally time to kill him.

“The Saint of Bright Doors” is an inspired and dreamy book that follows a hero growing into the role he was always meant to inhabit, with an unexpected ending that answered all my

THIS WEEK

The Saint of Bright Doors
By Vajra Chandrasekera

Emergent Properties
By Aimee Ogden

questions from the first chapter. There's also a scene that is a straight-up homage to Charles de Lint's “Memory and Dream,” a fun Easter egg moment. I truly can't wait to see what Mr. Chandrasekera does next.

Can you be held accountable for a crime you don't remember committing? That's the philosophical question at the heart of Jonathan Lethem's “Gun, With Occasional Music,” in which a man addicted to memory-destroying drugs has his wife killed.

But what if you're the victim of a crime you can't remember? It's an intriguing idea popularly introduced to science fiction in

“Down and Out in the Magic Kingdom” by Cory Doctorow, now translated into the AI-verse by Aimee Ogden in “**Emergent Properties**” (Tordotcom, 125 pages, \$16.99).

In the not-so-distant future, a married couple create a powerful artificial intelligence, which they name Hopper and raise like their own child. They train it with the idea that it will someday help explore space and scout out our neighbor planets. But Hopper prefers the name Scorn, decides to use the pronouns ze and zir, and puts zir massive cognition to work doing private investigating. Probing human intrigue and politics is far more interesting to Scorn than probing space.

Then one day Scorn “activates in the cloud”—wakes up, that is—after a terrible accident, the kind that would be fatal for most of us, with no memory of what happened. Fortunately, investigating crimes and mysteries is what ze does best. What follows is an enjoyable thriller/mystery which hits all the marks of a Dashiell Hammett but in a new, AI sort-of-way.

After putting some feelers out on Earth, Scorn has to go to the moon, where ze was blown up in the robotic body ze was inhabiting at the time. Translunar Multinational, the corporation that passes for a government there, is trying to lure AIs to relocate to the moon and help them fight for sovereignty in return for a promise of human-style freedom

and rights—a promise it might not keep. And while Scorn can travel through electronic space almost instantaneously and switch bodies with ease, bombs can destroy these bodies and backups if a personality isn't careful. Also these things cost money, and ze does not want to run to zir parents begging for some extra cash.

Beyond this extremely normal (and human) parent-child relationship, is it possible that one of Scorn's parents is involved in zir death, or was it one of the corporations they run? And what kind of relationship did Scorn actually have with Alouette, a café-running AI? True to the genre, these questions will be answered, but innocents will be permanently rebooted along the way. The different factions and political intrigues on Earth and the moon make the book feel like a pan-country WWII noir and each twist is extremely satisfying.

The only nitpick I have with the book is that—partially because of the POV—the pronouns become a little burdensome. If it was narrated first person like a traditional private-eye mystery, I wouldn't have been thrown out of readerly suspension of disbelief by the unusual number of words starting with “z.”

Otherwise, “Emergent Properties” is a short, laser-focused packet of fun that even packs a message about what it means to be human—or at least what it means to have human parents.

BOOKS

‘Banks resemble temples. [Those] who perform the rites of deposit and withdrawal instinctively lower their voices into the registers of awe.’ —LEWIS H. LAPHAM

Drama in the Halls of Finance

Virtuous Bankers
By Anne Murphy
Princeton, 275 pages, \$35

By ADAM ROWE

DURING THE 18th century, the British Empire rose to global dominance by developing a new model of organized government, one that proved especially effective at converting the wealth of a free society into the power of a fiscal-military state. At the heart of this system was the Bank of England, “the grand Palladium of Public Credit,” as the bank’s inspectors described it in 1784.

Most historians have considered the bank from the outside, as it were, describing its role in Britain’s imperial and financial system. In “Virtuous Bankers: A Day in the Life of the Eighteenth-Century Bank of England,” Anne Murphy brings readers inside the crowded corridors of the bank itself, focusing on the mundane routines that allowed it to carry out its herculean responsibilities.

The “heroes” of Ms. Murphy’s narrative are the 300 clerks who performed the essential daily work of the bank, issuing notes, discounting bills of exchange, balancing accounts. This small army of white-collar professionals, whose tedious mental labors corresponded to the repetitive physical tasks of industrial workers, didn’t officially run the bank, but they did make it run.

Second in importance to the clerks was the bank itself as a physical place, both its architectural features and its presence within the city of London. The Bank of England’s headquarters moved to its current location on Threadneedle Street in 1734, its dimensions gradually expanding with its balance sheet. Starting in the 1750s, renovations and additions, including a vast rotunda that housed the secondary market in government securities, made the bank one of London’s great architectural sites. Situated in the middle of London’s business district, the building “made a statement about its central place in the country’s economy,” Ms. Murphy writes. The Palladian facade signaled permanence, prestige and virtue. At the gate stood Robert Taylor’s statue of Britannia herself, pouring coins from a cornucopia with one hand while holding a shield and spear with the other.

Those toiling within the bank’s back offices, however, found their surroundings much less impressive. Most work spaces were lit by tallow candles, and they were heated by coal, which created thick black smoke and little warmth. Solid human waste had to be removed physically from the cesspits beneath the bank’s privies, creating a stench. In general, the office climate would have been more familiar to a Roman bureaucrat in antiquity than to anyone at a major



TAKING NOTES Inside the Bank of England, as depicted by Joseph Gandy in 1799.

financial institution today. And yet the galloping pace of technological progress did not begin to affect banking methods until recently.

Before electronic payments became the norm in the late 20th century, the work of banking was the work of creating, exchanging, storing and organizing immense volumes of paper. Markets were established in a defined space, where buyers and sellers came

Crowded back offices, an army of clerks, and the emergence of a new kind of bank—professional, powerful and answerable to shareholders.

together. And countless bank messengers, carrying securities and bills of exchange, were “a common sight,” Ms. Murphy writes, their activities “part of the rhythms of financial life.”

Incompetence and fraud at any level threatened the integrity of the entire system. Perhaps the central challenge that the Bank of England faced in this era—highlighted by dramatic and recurring lapses—was maintaining the honesty and discipline of its clerks as the scale of its

business expanded. By meeting this challenge, the bank transitioned from an institution organized around bonds of loyalty and obligation to a modern professional bureaucracy, in which fidelity was secured by regular salaries, job security and rationalized systems of accountability.

Ms. Murphy, a history professor at the University of Portsmouth, relies primarily on the records left by the Committee of Inspection between 1783 and 1784. As the name implies, the committee, composed of three of the bank’s directors, was tasked with scrutinizing nearly every aspect of the bank’s business. But she appears to have read as well every source shedding light on her subject. Her account of security reforms proposed by the committee, for example, relies on court records to describe the frauds to which they were responding.

This is more than enough to commend “Virtuous Bankers” as an important work of scholarship for serious students of the Bank of England. More casual readers, though, may find their admiration for the author’s diligence tempered by despair of their ability to match it. The daily routine of 18th-century bank clerks, it is fair to say, is less intrinsically fascinating than the exploits of Napoleon or Horatio Nelson. We learn that clerks suffered cramps from sitting hunched over ledgers; that they sometimes had to

forgo their 90-minute lunch break and eat at their desks; that senior officials spent their afternoons “at leisure” while junior clerks worked grinding hours for less pay. Readers wearied by a long day at the office, and their spouse’s nightly account of the same, will not find escape in these pages.

But Ms. Murphy also presents the bank’s intricate daily routines as a key to the success of the British Empire. During the long 18th century, from the bank’s establishment in 1694 to the conclusion of the Napoleonic Wars in 1815, the government’s debt swelled from a little more than a million pounds, lent by a handful of elites, to nearly a billion lent by 250,000 creditors from every stratum of the British public. Historians cite constitutional reforms to explain the government’s increased borrowing capacity. As Parliament restrained the spending caprices of the monarchy, the story goes, and the courts began defending property rights, the government’s financial promises came to seem credible.

But, as Ms. Murphy points out, the public’s willingness to lend preceded the government’s apparent readiness to repay. The bank itself, she argues, served as “a visible symbol of credible commitment through its building and the openly displayed actions of its clerks as they maintained the record of ownership of the national debt.”

Though the bank became a model for modern central banks, it grew into this role as a private corporation, owned by its shareholders and controlled by the directors the shareholders elected. It managed the state’s debts in exchange for lucrative fees. To the bank’s critics, the arrangement stank of corruption. But it also proved an incentive to meet the needs of the government and the exacting demands of the market, since the bank’s survival depended on its delivering “the efficiency that state machinery can seldom achieve.” At a time when the government’s financial credibility remained doubtful, the bank served as an “intermediary between the state and the public creditors,” Ms. Murphy writes. The partnership was an “extraordinary patchwork” of virtue and avarice, ingenuity and incompetence, but it worked.

The U.S. won its independence in 1783, the same year that the bank’s Committee of Inspection began its efforts. The most divisive question the new republic soon confronted was whether to re-create the Bank of England in America. To the founding generation, the bank represented both corruption and power. We have been recoiling from its example ever since—and following it.

Mr. Rowe is a historian in Dallas.

Bestselling Books | Week Ended July 1

With data from Circana BookScan

Hardcover Nonfiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Unbroken Bonds of Battle Johnny Joey Jones/Broadside	1	New
Atomic Habits James Clear/Avery	2	1
My Magical Feelings Becky Cummings & Nejia Shojaie/Free Kids	3	New
Outlive Peter Attia & Bill Gifford/Harmony	4	3
Taylor Swift Wendy Loggia/Golden Books	5	2

Nonfiction Ebooks

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Recycled Jack Rocco/Ingenium	1	New
Destined for Wealth Larisa Olteanu/Game Changer	2	New
A Woman of No Importance Sonia Purnell/Viking	3	—
Unbroken Bonds of Battle Johnny Joey Jones/Broadside	4	New
The Wager David Grann/Doubleday	5	2
This Hallowed Ground Bruce Catton/Vintage	6	—
Outlive Peter Attia & Bill Gifford/Harmony	7	3
Popular Mechanics Popular Mechanics/Hearst	8	—
Crying in H Mart Michelle Zauner/Knopf	9	—
Atomic Habits James Clear/Avery	10	9

Nonfiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Unbroken Bonds of Battle Johnny Joey Jones/Broadside	1	New
Atomic Habits James Clear/Avery	2	1
Outlive Peter Attia & Bill Gifford/Harmony	3	4
My Magical Feelings Becky Cummings & Nejia Shojaie/Free Kids	4	New
The Wager David Grann/Doubleday	5	3
Summer Brain Quest: K & 1 Workman/Workman	6	2
The 48 Laws of Power Robert Greene/Penguin	7	6
The Body Keeps the Score Bessel van der Kolk/Penguin	8	7
Rich Dad Poor Dad Robert T. Kiyosaki/Plata	9	—
Killers of the Flower Moon David Grann/Vintage	10	8

Hardcover Fiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Dog Man: Twenty Thousand... Dav Pilkey/Graphix	1	5
The Five-Star Weekend Elin Hilderbrand/Little, Brown	2	1
Fourth Wing Rebecca Yarros/Entangled: Red Tower	3	10
Happy Place Emily Henry/Berkley	4	2
Lessons in Chemistry Bonnie Garmus/Doubleday	5	3

Fiction Ebooks

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Fourth Wing Rebecca Yarros/Entangled: Red Tower	1	1
The Five-Star Weekend Elin Hilderbrand/Little, Brown	2	2
Palazzo Danielle Steel/Delacorte	3	New
It Starts With Us Colleen Hoover/Atria	4	9
The Covenant of Water Abraham Verghese/Grove	5	6
Shadow and Bone Leigh Bardugo/Henry Holt	6	—
Lessons in Chemistry Bonnie Garmus/Doubleday	7	4
Happy Place Emily Henry/Berkley	8	5
Too Late Colleen Hoover/Grand Central	9	New
The 9th Man Steve Berry & Grant Blackwood/Grand Central	10	New

Fiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Too Late Colleen Hoover/Grand Central	1	New
Fourth Wing Rebecca Yarros/Entangled: Red Tower	2	4
The Five-Star Weekend Elin Hilderbrand/Little, Brown	3	1
It Starts With Us Colleen Hoover/Atria	4	5
Happy Place Emily Henry/Berkley	5	2
Lessons in Chemistry Bonnie Garmus/Doubleday	6	3
Palazzo Danielle Steel/Delacorte	7	New
Verity Colleen Hoover/Grand Central	8	7
It Ends With Us Colleen Hoover/Atria	9	—
Icebreaker Hannah Grace/Atria	10	8

Methodology

Circana BookScan gathers point-of-sale book data from more than 16,000 locations across the U.S., representing about 85% of the nation’s book sales. Print-book data providers include all major booksellers, web retailers and food stores. Ebook data providers include all major ebook retailers. Free ebooks and those selling for less than 99 cents are excluded. The fiction and nonfiction combined lists include aggregated sales for all book formats (except audio books, bundles, boxed sets and foreign language editions) and feature a combination of adult, young adult and juvenile titles. The hardcover fiction and nonfiction lists also encompass a mix of adult, young adult and juvenile titles while the business list features only adult hardcover titles. Refer questions to Teresa.Vozzo@wsj.com.

Hardcover Business

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Atomic Habits James Clear/Avery	1	1
The One Truth Jon Gordon/Wiley	2	New
Rewired Eric Lamarin, Kate Smaje & Rodney Zempel/Wiley	3	3
StrengthsFinder 2.0 Tom Rath/Gallup	4	2
Never Lose an Employee Again Joey Coleman/Portfolio	5	New
Dare to Lead Brené Brown/Random House	6	5
The Gordon Bus Jon Gordon/Wiley	7	—
The Daily Stoic Ryan Holiday & Stephen Hanselman/Portfolio	8	4
Never Split the Difference Chris Voss & Tahl Raz/Harper Business	9	9
Emotional Intelligence 2.0 Travis Bradberry/TalentSmart	10	7

PLAY

NEWS QUIZ DANIEL AKST

From this week's Wall Street Journal

1. Per a new report, Blackstone's Stephen Schwarzman was last year's highest paid CEO, at \$253 million. Who was second?



4. Who agreed to acquire bankrupt Bang Energy for \$362 million?

- A. ExxonMobil B. Occidental Petroleum C. Chevron D. Monster Beverage

- A. Sundar Pichai of Alphabet B. Stephen Scherr of Hertz C. Barry McCarthy of Peloton D. Michael Rapino of Live Nation

2. R-star models differ. The question is, what are they?

- A. New electric vehicles from a Chinese carmaker B. The diverse individuals represented by an inclusive new modeling agency C. Measures of how much a security's price reflects a benchmark index D. Efforts to peg the Fed's "real" interest rate target under optimal conditions

3. Maria Corina Machado, a conservative, was barred from running in presidential elections expected next year—in which country?

- A. Ecuador B. Colombia C. Venezuela D. Argentina



5. A mysterious white powder was found in the White House. What was it?

- A. Talc B. Cocaine C. Ricin D. Ground starch traced to John Adams' wig

6. Invasive sea lampreys have bounced back in the Great Lakes. What's their native body of water?

- A. The Atlantic B. The Pacific C. The Amazon D. The Hudson

7. A Chinese refining breakthrough has opened up the world's largest source of nickel deposits for use in EV batteries. Which country is that source?

- A. Ecuador B. Indonesia C. Kazakhstan D. Uganda

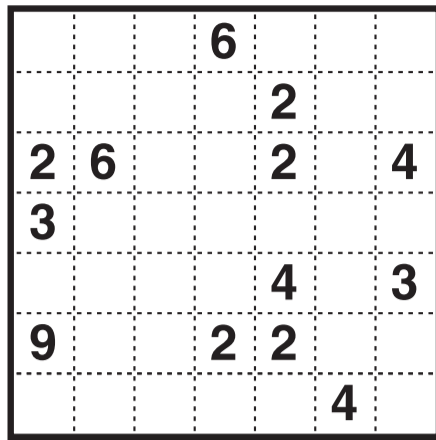
8. Facebook parent Meta Platforms launched Threads. What is it?

- A. An Instagram-based apparel marketplace B. A microblogging app challenging Twitter C. A notetaking competitor to Evernote D. A portal for conducting all aspects of your online life

Answers are listed below the crossword solutions at right.

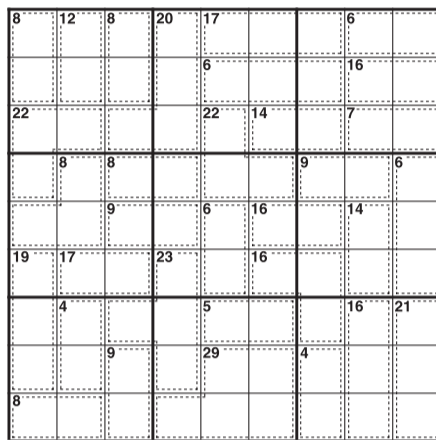
NUMBER PUZZLES

Cell Blocks



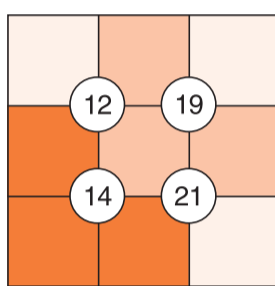
Divide the grid into square or rectangular blocks, each containing one digit only. Every block must contain the number of cells indicated by the digit inside it.

Killer Sudoku Level 1



As with standard Sudoku, fill the grid so that every column, every row and every 3x3 box contains the digits 1 to 9. Each set of cells joined by dotted lines must add up to the target number in its top-left corner. Within each set of cells joined by dotted lines, a digit cannot be repeated.

Suko

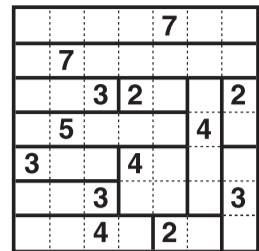


Place the numbers 1 to 9 in the spaces so that the number in each circle is equal to the sum of the four surrounding spaces, and each color total is correct.

ALL PUZZLES © PUZZLER MEDIA LTD. - WWW.PUZZLER.COM

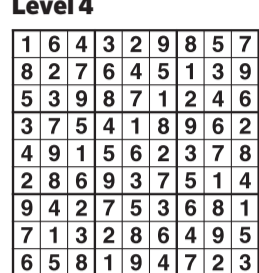
SOLUTIONS TO LAST WEEK'S PUZZLES

Cell Blocks

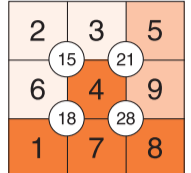


For previous weeks' puzzles, and to discuss strategies with other solvers, go to WSJ.com/puzzles.

Killer Sudoku Level 4



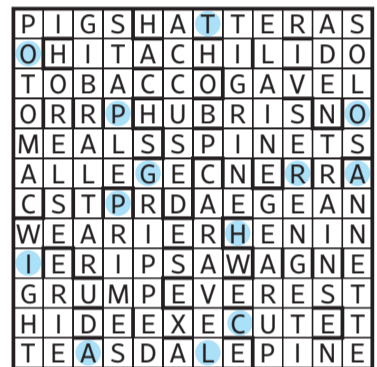
Suko



Writing Wrongs



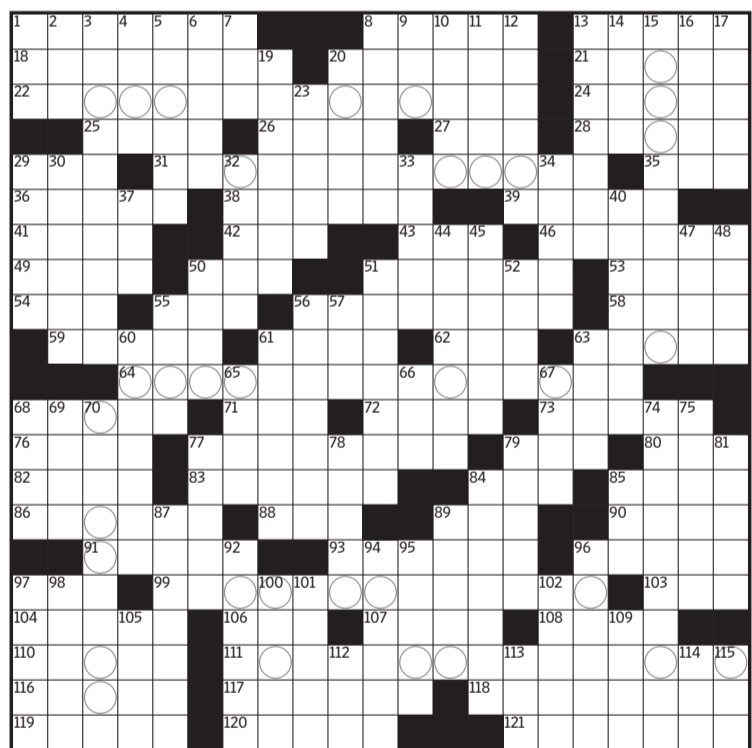
Misprints



The misprint answers are TOPOGRAPHICAL and the misprints were TYPOGRAPHICAL. Correct forms of misprinted words are in brackets.

THE JOURNAL WEEKEND PUZZLES edited by MIKE SHENK

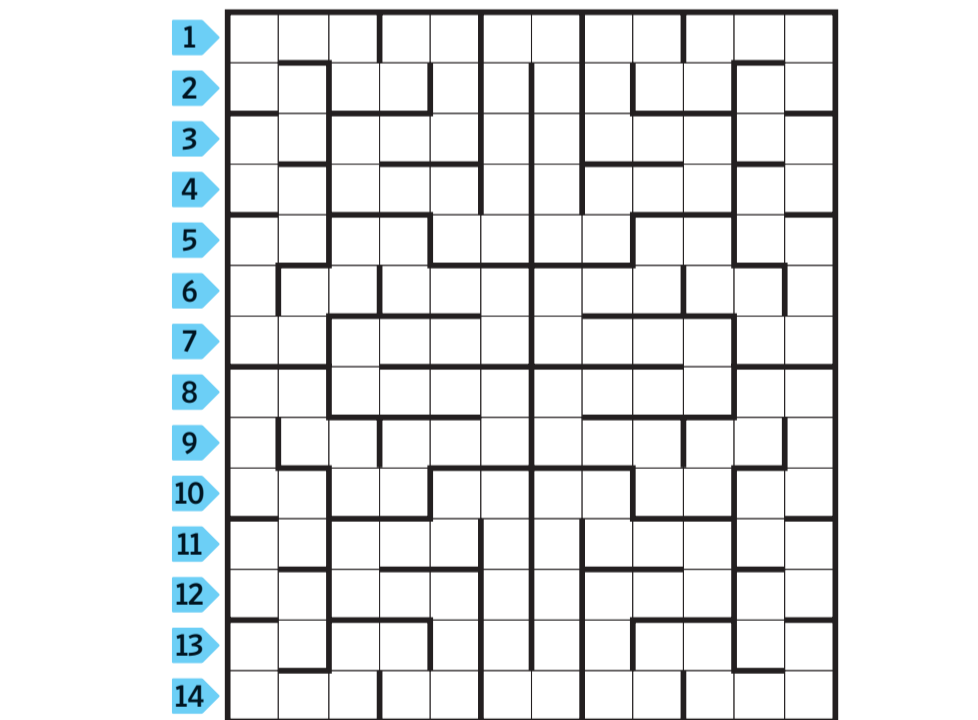
Answers to News Quiz: 1.A, 2.D, 3.C, 4.D, 5.B, 6.A, 7.B, 8.B



Artistic License | by Kathy Bloomer

- Across 1 Apparel for a tailgate party, maybe 8 Hip replacement follow-up 13 Valise attachment 18 Partnership 20 Split level? 21 Seek water, in a way 22 "The Luncheon on the Grass" (1863) depiction, perhaps? 24 Casino array 25 Nevada county that borders Idaho and Utah 26 Fill with cargo 27 Scale notes 28 "Zut ___!" (French exclamation) 29 Neither follower 31 "The Persistence of Memory" (1931) feature, perhaps? 35 Music's ___ Fighters 36 Come to pass 38 Ancestral primate 39 Puccini opera 41 Physics units 42 Something taken on a trip? 43 AARP members 46 Cheated 49 Wide valley 50 Annual Scripps event 51 Prospective buyer of a company 53 Rural skyline sight 54 The Mustangs' sch. 55 Protein in Impossible Burgers 56 Kids' clothing brand owned by The Children's Place 58 Technology sch. 59 Sauce originating in Genoa 61 Length x width, for a rectangle 62 Number on Rishi Sunak's door 63 5,500-mile-long range 64 Circumstance seen in "The Shipwreck" (1805), perhaps? 68 Went astray 71 Not requiring an Rx 72 Beach lander 73 Angry outburst 76 Emmy-winning political satire 77 Victims of some traps 79 "Without question!" 80 Fox foot 82 Muppet with a falsetto voice 83 Unruly brat 84 Grazing grounds 85 Corn concoction 86 "Poker Face" star Natasha 88 Isr. neighbor 89 It may be cured 90 Electronic dance music DJ Steve 91 Mower maker 93 Sharp 96 Word before peace or demons 99 What might be donned by "Woman Drying Herself" (c. 1868), perhaps? 103 Jerome Powell's org. 104 Fjord, e.g. 106 "Frankenfood" letters 107 Make-up expert? 108 Dueling sword 110 Mockingly dismissive 111 What MoMA's "Water Lilies" (1914-26) display provides for some, perhaps? 116 Old TV knob 117 Provides with a new crew 118 Like some grins and victories 119 Zodiac dozen 120 "Funny Girl" composer 121 African biters Down 1 Tender spot? 2 "Evil Woman" band 3 Art class supply 4 Iranian currency 5 Tear dabber 6 Composer Webern 7 Cable co. bought by AT&T in 1999 8 Strong bond assessment 9 Dr. who might place a tympanostomy tube 10 Israel's chief port 11 Record of events 12 Quits 13 "Sounds right" 14 Wearer of little clothing 15 "American Gothic" (1930) subjects, perhaps? 16 "Ruh-roh, Reorge!" utterer 17 Painter's base 19 Outshine 20 Make less bright 23 Put away 29 They may be met 30 Cloverleaf part 32 Diver Tom with four Olympic medals 33 Possible perp on "Criminal Minds"

- 34 Manager between Showalter and Girardi 37 Take advantage of 40 Law of ___ (trigonometry rule) 44 Revolting bunch 45 Scattered 47 Different 48 Pointillism feature 50 Uncouth sort 51 Superficial amount 52 Sommelier's prefix 55 Ear decoration 56 Market 57 "___ out!" 60 Where to start 61 Dessert, in Dorset 63 Warts and all 65 2022 Jordan Peele movie 66 2013 Spike Jonze movie 67 Flightless bird of the pampas 68 Daredevil Knievel 69 Depend 70 Perfecting "The Kiss" (1882), perhaps? 74 Mollycoddles 75 Player for 34-Down 77 Hard-nosed 78 Close-fitting headwear 79 Nation north of the Gulf of Aden 81 Bizarre 84 Like some passes and thinking 85 Scathing review 87 Renders ineffective 89 Most dangerous animal on Earth, many think 92 Landscaping tools 94 Like tears 95 Some folk bands 96 "Reckon so" 97 Dukes, so to speak 98 World-weary feeling 100 "The Lego Movie" hero 101 Commodious 102 Workplace helpers 105 Perfect place 109 Spew 112 Bygone M&M color 113 Mall adjunct 114 Formerly called 115 NFL scores



Labyrinth | by Mike Shenk

- Answer words go into this grid in two ways. Across answers are entered, two answers per numbered row, in the order of the clues. Winding answers are also entered in the order of the clues, in one unbroken string that begins in the upper left corner, continues to the right, forms one long path that winds around the grid between the heavy lines and ends in the box beneath the starting box. Use both sets of clues to find your way around. Across 1 Jennifer who starred in the 1986 film "Labyrinth" Sebastian in "The Little Mermaid," for one 2 Settings of some cones Solemnly serious 3 Open, as a gate Stature or merit 4 No longer on a shoulder, perhaps Title dog in a 1969 book that won the Newbery Medal 5 Equivalent of 365 giorni Make a start (2 wds.) 6 Start of a boast from Caesar (2 wds.) Pertaining to the sole of the foot

- 7 Like pins and needles Naval force 8 Party request Bathroom fixture (2 wds.) 9 Berry from a palm tree Bet like an exacta, except that the order of the two horses doesn't matter 10 Like most Diwali celebrators Hide 11 Star pitcher? Marketing factor that may determine profitability 12 Sulkily ill-tempered Allergen in a pet owner's home 13 College board figure Fabric favored for warm-weather clothing 14 Weakened over time Game summaries Winding Hotel for hit men in the "John Wick" movies Rewards for correct answers in Trivial Pursuit Claim the passenger seat (2 wds.) Get the solutions to this week's Journal Weekend Puzzles in next Saturday's Wall Street Journal. Solve crosswords and acrostics online, get pointers on solving cryptic puzzles and discuss all of the puzzles online at WSJ.com/Puzzles. Nodding, perhaps Reptile with a hood Fellow congregants Series of successive stages Easily excited Cabs may be waiting there (2 wds.) Fed chairman appointed by Ronald Reagan (2 wds.) Language in which "Good morning" is "Goðan daginn" Sequentially (2 wds.) Obscure song by a well-known musician (2 wds.) Emperor who succeeded Claudius Takes responsibility (2 wds.) Cartoon dog who lives in the Sky Pad Apartments Gift-bearing trio Pandemonium "Here's what they really said..." (3 wds.) Shot from the Civil War, say Prince Albert II's domain Person who fixes flats? (2 wds.)

REVIEW



WEEKEND CONFIDENTIAL | EMILY BOBROW

Laurel Braitman

A writer teaches healthcare workers the power of telling stories.

When Laurel Braitman first began teaching writing and communication skills to healthcare workers and students at the Stanford University School of Medicine in 2016, she assumed she would get some papers about blood, bones and cadavers. Instead, she read all too many essays about anxiety, depression and thoughts of suicide.

"I didn't expect to see that level of suffering," admits Braitman, 45, director of writing and storytelling at Stanford's medical school. According to the American Medical Student Association, medical students are three

times more likely to die by suicide than their same-age peers. "There's a lot of pressure on these young people, particularly as many are first-generation students who are thinking about how they will provide for their family," she says. These woes contribute to the growing strain on the U.S. healthcare system. In June, the American Medical Association said that in a survey, 63% of physicians reported feeling burned out.

At the start of the Covid pandemic, Braitman began offering online writing instruction for healthcare professionals beyond Stanford. Her classes have drawn thousands of participants from as far afield as

South Africa and the United Arab Emirates. She suggests that these sessions remain popular in part because healthcare workers "work on the front lines of the human experience, helping people through their hardest days and their hardest choices," yet they get little training in delivering hard news to patients and few opportunities to reflect on what they are seeing and feeling.

"In our workshops, we talk about how to be fully human in a career that often punishes vulnerability," Braitman says. Encouraging healthcare workers to reckon with their feelings and communicate them more effectively won't solve the

ensured that Braitman and her brother avoided talking about theirs, too: "If we acknowledged our own pain or suffering, we'd have to acknowledge his. Which was a kind of treason."

Instead, she says, she used "excellence as an analgesic," determined to achieve her father's dreams for her. After earning a B.A. in biology and writing at Cornell and a Ph.D. from MIT, she studied grizzly bears in Alaska, researched stream ecology in Venezuela and the Amazon basin, and hiked widely in the Andes and the Himalayas. By her early 30s, Braitman was successful—garnering academic awards, giving TED talks

and adapting her dissertation on the emotional lives of animals into a 2014 bestseller, "Animal Madness." But she was also divorced and exhausted, and felt incapable of true emotional intimacy. Her most abiding companion was a fuzzy Akita mix: "Dogs were easier than people for me," she writes.

While she was grappling with yet another romantic break-up, Braitman stumbled on a radio program about a place that helps children grieve and felt a pang of recognition. Hearing children talk about their pain pushed her to confront her own. She began supporting grieving kids through an organization called Josie's Place in San Francisco, which helped her see how kids mourning a parent or sibling often over-achieved to cope with feelings of helplessness. Braitman believes her dawning emotional self-awareness made her more resilient and also

'In our workshops, we talk about how to be fully human in a career that often punishes vulnerability.'

more capable of love. She met Josh, who manages a salmon cannery in Alaska, on a reporting trip in the Aleutian Islands in 2017, and they married in 2020.

Self-knowledge, Braitman says, is also essential to good writing. At Stanford, she has helped physicians and students publish personal essays and opinion pieces in leading medical journals, as well as newspapers and radio programs. In her classes on Zoom, she starts with short lessons on how to write about difficult emotions or sound like yourself on the page. Then the group writes together in response to a prompt, such as "Write a syllabus for a course you wish you'd had in your training but did/does not exist." When they share the results, "Someone always cries at least once, we always laugh," Braitman says.

Writing programs in medical schools are still rare, but demand for them is growing. In 2020 the Association of American Medical Colleges called for more arts and humanities courses in medical education, to ensure that physicians emerge with both clinical knowledge and emotional intelligence. A 2020 paper in *BMJ Open* found that efforts to include more literary reading and writing in medical school helped build clinical confidence, generate empathy for patients and colleagues, and reduce feelings of burnout.

Braitman says many of the clinicians and students she works with report feeling overwhelmed and demoralized. "No physician, no nurse practitioner goes into this field thinking, 'I want 45-second conversations with each patient, I want a total visit length of seven minutes,'" she says. "We need people who are trained in science and medicine to be able to tell stories about what matters in public health in a way that makes people listen. But to do that, they have to be in touch with what they really feel."

MASTERPIECE | THE APOCALYPSE TAPESTRY (LATE 14TH CENTURY), BY JEAN BONDOL AND THE WORKSHOP OF ROBERT POINÇON

Brilliant Biblical Visions

By James Romm

WHEN LOUIS I, Duke of Anjou in late-14th-century France, commissioned a tapestry illustrating the Book of Revelation, the artist and weavers he hired must have quaked in their boots. That biblical text, a vision of the end of days recorded by a certain St. John, contains a welter of phantasmagorical images—not only the famous four horsemen but a beast with seven heads and 10 crowned horns, locusts with human faces and lions' teeth, and allegories such as the "winepress of the wrath of God."

Artists before Louis's time had portrayed individual scenes from Revelation, including a few on tapestry, a challenging medium. But the lord of Anjou, who ruled his duchy from a palace in the town of Angers, wanted a depiction of the entire text. Five years of work by illustrator Jean Bondol and the workshop of Robert Poinçon produced an image cycle that compares, in scale and breadth of vision, with the more famous biblical cycle later painted by Michelangelo on the Sistine Chapel ceiling.

The tapestry Louis received in 1382 was so vast that no single room in his chateau could accommodate it. Originally about 460 feet long and 20 feet high, the work proclaimed the wealth and

magnificence of the house of Anjou on the rare occasions when it was displayed, perhaps in outdoor locales like festival grounds. Louis's son and namesake had it exhibited during his wedding ceremonies in 1400; a guest who saw it then declared in a letter that "no man can write, or express the value, the beauty, the nobility of this tapestry."

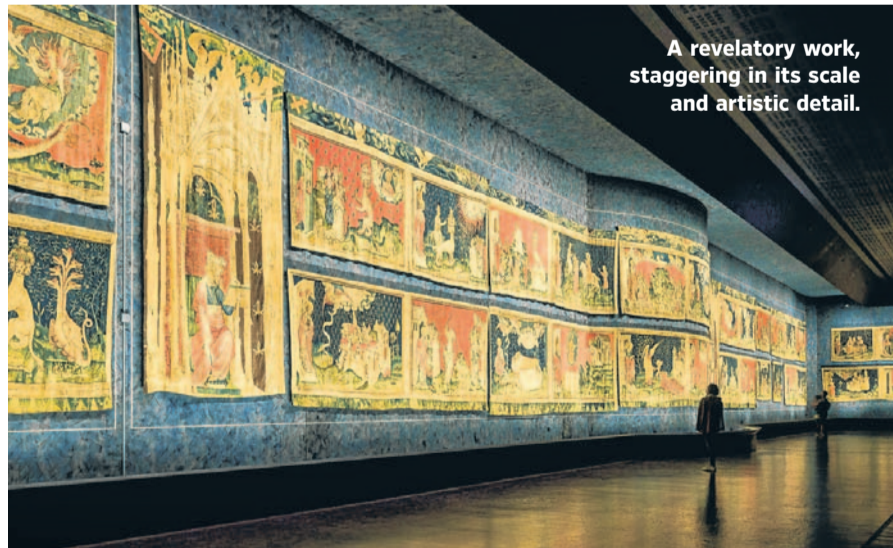
The Apocalypse Tapestry, as it is known today, inspires similar wonder in visitors to the Chateau of Angers, in the Loire valley, where extant portions are displayed in a gallery built in the 1950s. Sadly, about a third of the work was lost, and other parts damaged, during the centuries when it lay in the storerooms of the Angers cathedral. Disdained during the Enlightenment as a relic of medieval pietism, the tapestry furnished rags for stableboys and mats for wiping one's feet, until it was rediscovered and restored in the mid-19th century. Its faded colors were renewed with fresh dye and holes were patched here and there by artisans using looms similar to those of its original creators.

The surviving 71 scenes, with alternating red and blue backgrounds, illustrate the portents that, in John's vision, will herald the end of days. Stars fall from the sky, rivers turn to blood, cities col-

lapse, and vile creatures stalk the earth. But the sufferings of humankind are watched over by angels of mercy and by God himself, depicted in cloud-wreathed insets that show us how heaven takes a hand in these hellish events. Ultimately the world is being guided toward the new Jerusalem, though the culmination of the story is among the lost portions of the original work.

As they make their way down the long, solemn gallery in Angers, visitors will marvel at the ingenuity with which abstract or symbolic ideas have been given pictorial form. Scene 52, for example, depicts the salvation of seven righteous men who reject false gospel. The corpses of the seven, bearded and wizened, are seen lying peacefully in two beds, while above them two angels carry their souls, depicted as smooth-cheeked children, in a sort of bunched-up sheet. With an effortless lift—for their souls have no weight—the angels bring them inside the wreath of clouds that forms a portal to eternal bliss.

Monsters and demons are perennial sources of fascination in medi-



A revelatory work, staggering in its scale and artistic detail.

eval art, and the tapestry's depictions of these, especially the orange-hued, seven-headed dragon that represents Satan, do not disappoint. But the mastery of the work's artisans truly reveals itself in subtler effects: the huge array of plants and animals that dot its landscapes, for instance, or the constantly varied patterns, part floral and part geometric, superimposed on the red and blue backgrounds. The drapery folds in the robes of human and divine figures are as naturalistic as on the finest Greek marble sculptures.

To the left of each panel the tapestry's creators have depicted John, the author of Revelation, witnessing the scenes he will later include in his book. He reacts in vari-

ous ways as the drama unfolds, sometimes with shock and horror, other times with serene faith in the coming redemption. Angels point out to him things he must notice or unfold scrolls bearing messages he must record. The tapestry thus does not depict the Apocalypse itself but John's transcription of what he had foreseen.

Unlike other artistic masterpieces, the Apocalypse Tapestry is remarkably free of tourist crowds. When my wife brought me to see it on an afternoon in November, we found ourselves standing completely alone before this astonishing vision.

Mr. Romm is professor of classics at Bard College.

The First Electric Rolls
Designed to be both 'historic' and 'super-emotional'
D10

OFF DUTY

Below the Belt Loop
Dangling key chains for men are jangling again
D2



FASHION | FOOD | DESIGN | TRAVEL | GEAR

THE WALL STREET JOURNAL.

Saturday/Sunday, July 8 - 9, 2023 | **D1**

Have Plate, Will Travel

Food tours have evolved: Now travelers globe-trot with celebrity chefs for access to a deeper take on deliciousness.



FORK AT THE READY New-breed food tours put well-known chefs at the helm, giving travelers proximity to culinary wisdom and passion.

By **MATTHEW KRONBERG**

HOW FAR WOULD you travel for *really* great smoked fish? The trip to visit Woodcock Smokery, over four hours southwest of Dublin, and its celebrated founder, Sally Barnes, feels like a voyage to the end of the world: up a barely paved road to a lonely hillside with views of mountains and green meadows, a scant mile from the sea. It's less a place one stops to grab a bite than the endpoint of a quest to meet a guru.

At least that was the sense for a group who'd signed up with Zingerman's Food Tours, a sister business to the gourmet delicatessen and mail-order provisioner in Ann Arbor, Mich. The smokery visit came on day seven of a 10-day dive into Ireland's culture, history



A cliffside picnic with Ferpel Gastronómico chef Elio Fernandez Pelaez in Asturias, Spain.

and diversity, all through the lens of its food. So far, the travelers had made gin and shucked oysters, met the goats of cheesemakers, dined at a Michelin two-starred Turkish-Irish restaurant and downed pints of plain.

Since founding the smokery in 1979, Barnes has become something of a national treasure for her commitment to working strictly with wild-caught fish, particularly salmon. Wearing a red smock and blue wellies, Barnes demonstrated her smoking process, then led the group on a foraging expedition along the coast, clambering over rocks and through lush forests. By the ruins of an ancient church, the group paused to sip tea made from mugwort and other herbs they'd seen along the way. Then back at the smokery, the group feasted until after dark on risotto with foraged greens and mushrooms, cullen skink—a hearty fish soup—and smoked fish with brown bread.

If the expedition sounds like an episode of a *Please turn to page D4*

Inside

Sandals and the City

Exposed toes. Filthy sidewalks. Not a good match. But summer's hefty-yet-cool sandals let you stroll safely.



CURB A-PEEL This suede style cradles feet to defend against debris. \$210, AEmery.com

By **LAURA NELSON**

SOME YEARS ago, a traumatizing encounter with a New York City rat provoked Nicole Vassallo to swear off wearing flimsy, strappy sandals on urban streets. Once a sewer-dwelling rodent comes dangerously close to scampering over your nearly nude feet, "you quickly realize exposed toes—flat on the ground—are not the way to go," said Vassallo, a 32-year-old luxury-travel publicist who lives in Manhattan.

It's not just gutsy vermin that can make cities objectively disgusting. After factoring in sticky and/or oily discarded snack foods and icky puddles of indeterminate depth, sidewalks and subway platforms become minefields of grossness. If asked to choose the most suitable footwear for traversing them, only masochists would pick frail, single-sole sandals with flimsy straps.

Fortunately, urbanites no longer need to sweat the summer away in sweltering closed-toe kicks. This season, many brands are offering city-safe sandals with enough height and heft to combat such hazards. And they easily beat un-

Please turn to page D3



WHEN LIFE GIVES YOU AN UGLY RADIATOR...
...make it peacock blue. A guide to embracing eyesores. **D7**



YOUR PAJAMAS, TAILORED
Why style-conscious guys are getting *all* their clothes nipped and tucked **D2**



BEETS' BEST FRIENDS?
If we said strawberries, would you believe us? **D8**



STEAKS AND SINATRA
It's rumored Ol' Blue Eyes ate at this still 'achingly cool' California icon **D5**

F. MARTIN RAMM/THE WALL STREET JOURNAL; PROP STYLING BY JACQUELINE DRAPER FOR THIS REPRESENTS; ALEJO SABIAGO (PICNIC)

STYLE & FASHION

Do All Your Clothes Measure Up?

Think tailoring is just for suits? Don't miss out: Getting items like T-shirts and swim trunks tailored is the ultimate style hack.

By Ashley Ogawa Clarke

SOMETIMES when Evan Glick, who's cursed with a "fairly short torso," tries on T-shirts in stores, "it just looks like I'm wearing a summer dress." But if you spotted the 32-year-old Brooklyn data engineer in the street, you'd never mistake his top for a frock. Last summer, he began taking his tees and shorts to get tailored at his local wash and fold, for \$15 a pop. Now everything fits snugly. "I don't have to be disappointed with a too-big shirt," he said.

A tailored T-shirt? Many men reserve tailoring for pricey, special-occasion suits. But in-the-know guys are turning to local, low-key tailors—with no hint of stuffy Savile Row—to tweak casual items from jeans to swim trunks. The move neatly solves an oft-ignored problem: Most off-the-rack clothes fit guys imperfectly. Men can easily look disheveled in too-long jeans or toothpick-armed in polos with gaping sleeves.

It's Not Just for the Rich For less money and effort than you'd think, a smarter-

looking wardrobe awaits. Getting casual items tailored is "like a cheat code," said Jermaine Crawford, 30, a Los Angeles actor who has all his jeans nipped at the waist because he finds belts bothersome.

But even men less hostile to belts are seeking help. Over the past two years, Yamil Vaca, founder of Manhattan's Flatiron Tailor Shop, has noticed more guys bringing in casual items. Most commonly submitted for sur-

One particularly egregious issue any tailor can easily fix: overly roomy shirt sleeves.

gery: tees that billow, jeans that puddle on the floor and running shirts that run too roomy. Men with ill-fitting pajama sets also want his services. Vaca's prices start at around \$20 for abbreviating a pair of pants, and often just one, 5-minute fitting is required. Usually the tweaked item can be picked up in 24 hours if needed (the industry standard is about 3-7 days).



VICTORIA TETLER-KRYLOV

Less? Yep. More? Sure.

In many cases, said Vaca, guys with newly rigorous workout regimens want more-fitted clothes to better flaunt their physiques. But a good tailor can magically make items bigger too. A client of New York personal stylist Turner Allen recently lamented the too-short sleeves on a chore jacket. So a clever tailor stole fabric

from its back to lengthen them. Allen doubts most men "would know you could do that, but it made all the difference."

One particularly egregious issue any good tailor can easily fix? Overly roomy shirt sleeves that make men's arms look spindly. L.A. style consultant Andrew Weitz said he's always having clients' sleeves narrowed.

Recently, one guy's knit polo with short but cavernous sleeves got the treatment and suddenly he looked like he'd been eating his spinach. "Now it hugs his biceps and gives him that [defined] arm shape," said Weitz.

Weitz also finds swim shorts often disappoint off-the-rack. "A lot of guys feel they're a little too long," he said, so they'll get an inch or

so snipped off. Flashing more thigh gives the illusion of longer, leaner legs, he said. Swim shorts should hit at about mid-quad, he added.

L.A. stylist Ugo Mozie seeks out tailoring to alter garments more dramatically. He once tasked his tailor with transforming a women's trench-coat dress into a men's jacket. For less statuesque clients, he has shirts, T-shirts and tank tops all hewed to right below the waist. That length works on shorter guys, said Mozie—it suggests "a longer frame."

How to Ease In Gradually

Whether you're after a startling chop or a subtle tweak, you'll need a trustworthy tailor. Beyond checking reviews, experts suggest first testing a new tailor with an easy alteration, like hemming some pants. "If you're happy with that, you can take a shirt to be slimmed, and then a blazer to be altered," said Allen. "Start small and go from there." Snip by snip, let the style upgrade begin.

They Got What Tailored?

Insiders report on some of the unlikely items that men have been getting tweaked

Sportswear

Billowing running tops and Lycra cycling tights in need of extra tightening are a common sight at Manhattan's Flatiron Tailor Shop, said founder Yamil Vaca.

Swimwear

Lots of guys find swim trunks a little too long off-the-rack, said style consultant Andrew Weitz. He'll ask a tailor to slice about an inch off. Result: Guys' legs look longer (and they can sun their thighs).

Casual slacks

Stylist Ugo Mozie's hot tip to achieve a louche pant cut? Buy a wide-leg pair in a slightly too-big size and get the



waist and upper thigh taken in. This, he said, achieves the ideal relaxed shape.

Pajamas

Vaca has been seeing more sleepwear drift into his shop—especially pajama sets that men want either lengthened or trimmed. "I guess guys want to feel stylish right before they go to bed."

Workwear

Personal stylist Turner Allen recently

had the sleeves of a chore jacket lengthened for a long-limbed client whose wrists were awkwardly sticking out.

Knitwear

When a knit polo or a sweater is too voluminous, Weitz will have a tailor "take in the body." Even if it's meant to be an oversize design, too many guys end up swimming in their sweaters, he said. It shouldn't wear you, he added.

2023's Key Performance Indicator

Cool guys are flaunting key chains from their belt loops. We have questions.

THIS SUMMER the hottest men's accessory might be a front-door key. Or a car fob, an AirPods case or anything else you can hang from a key chain. Stylish urbanites are announcing themselves with a jangle—clipping key rings plus all the trappings to belt loops, caretaker-style. "Euphoria" star Jacob Elordi has been snapped flaunting his keys with jeans. And finger-on-the-pulse brands like Our Legacy, Prada and JW Anderson sell key rings and silver chains designed to dangle. Here, a primer on the swashbuckling, slightly befuddling, trend.

What's the appeal? To some, practicality. Thibaud Guyonnet, 31, a Berlin menswear buyer who cycles to work, finds securing his keys to his workwear pants with a carabiner "more comfortable than sitting on them." But this freeing of the keys registers as a style play too. A silver-and-green clip jazzes up the muted, all-black outfits of Alex Miller, 31, a coffee-machine technician in Milwaukee, Wis. The move is "peacocky," said Brooklyn jeweler Martine Ali, whose gleaming key-chain designs are destined for belt loops. "It reads as confidence." Most appeal-

ing: Wearing keys this way eliminates pocket bulge.

Haven't we been here before?

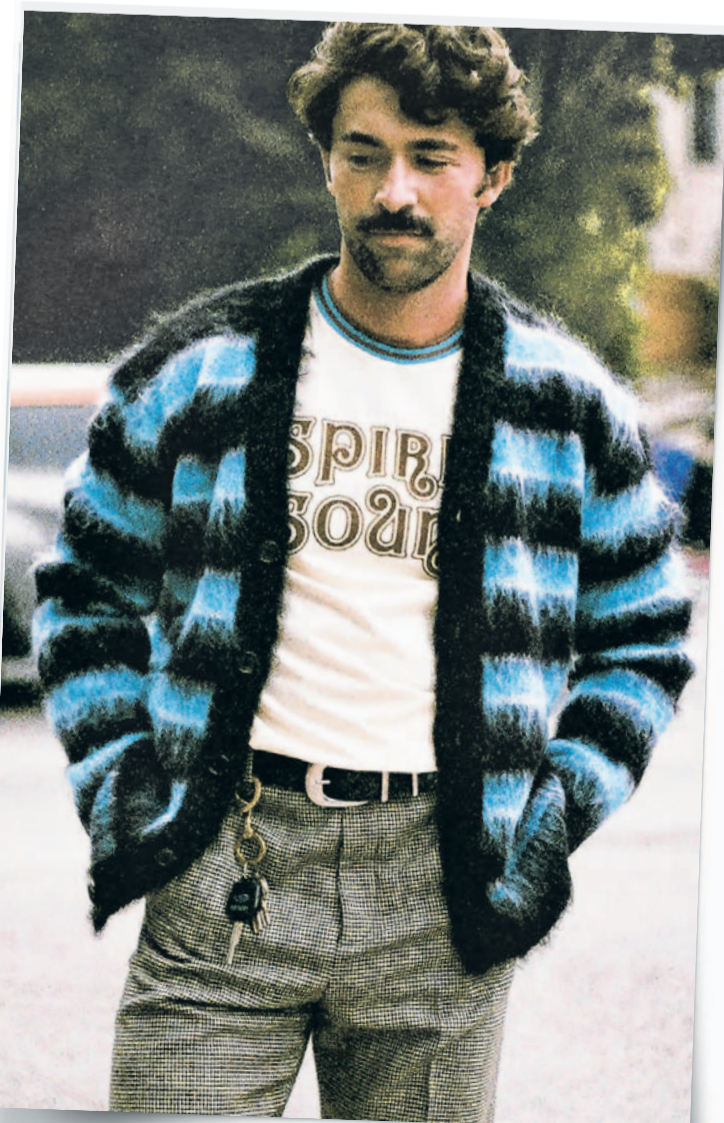
Yup. Hot in the aughts, chain-flashing was popularized by bands like Green Day. It can be traced back to 1950s motorbikers, who strapped wallets to chains. Since at least the 1970s, meanwhile, members of the lesbian community have clipped key rings and carabiners to belt loops to subtly telegraph their preferences.

Is there some phallic thing going on?

One might say that. Some regard key rings as discreet sexual symbols. And indiscreetly flashing one below-the-belt "drags attention to this area," said Guyonnet. "Keys are shiny, bouncy...it's kind of kinky, as people are going to look down," he said. Risque connotations aside, London architect Will Barker, 24, would never wear his keys on a date: The noisy jangle, he noted, doesn't exactly set a romantic mood.

I'm prepared to jangle. What key chain should I get?

For an outdoorsy vibe, nab a carabiner. To signal sophistication, lay out more for leather. A silver chain, meanwhile, skews sexier. Whatever you pick, ensure you have at least a handful of keys to attach. The ultimate, below-the-belt-loop faux pas? Hanging one, lonely key. That's "embarrassing," said Barker. —Grace Cook



THE ANTI-BIKER MOVE Menswear influencer Albert Muzquiz plays the high-low game by mixing a rugged key chain with smartish trousers (this behind-the-scenes photo was taken during a shoot for Mr Porter).

NIKKI TAVO



SWINGERS / KEY CHAINS TO SLING FROM BELT LOOPS

From left: Prada Key Chain, \$460, BergdorfGoodman.com; Key Chain, \$285, MartineAli.com; Master-Piece Key Holder, \$42, Mildblend.com; Carabiner, \$5, Montbell.us

STYLE & FASHION



UNMESSD FOOT FORWARD
Summer's substantial sandals guard you from goo. From left: Leather Sandals, \$245, us.MaguireShoes.com; Leather Fisherman Sandals, \$440, HereuStudio.com

Sandals for Safer Travels

Continued from page D1
supportive, willowy, strappy designs for comfort, too.
To determine whether a sandal has the mass and moxie to brave a messy metropolis, start with the sole. Sandals with thick gum or lug soles are becoming increasingly common, said Olympia Gayot, the women's creative director at J.Crew. Not only do such substantial bottoms elevate your toes off the ground, they replicate the feel of a sneaker, added Gayot.

After assessing any sandal's ability to repel foot-fetishizing rats, focus on its comfort credentials.

"Anything reminiscent of a fisherman, gladiator or a Birkenstock-type [sandal] is a great option for the city," she said. To explain her longtime loyalty to Birkenstock sandals, Gayot cites their trademark molded footbeds, which boast a protective lip that curls up slightly around feet.
After assessing a sandal's ability to repel grime and discourage all but the most foot-fetishizing rats, focus on its comfort credentials. Claire Mazur, a podcast host who lives in Brooklyn, barely remembers her days of running around in thin-soled flats. "I'm 39, I have a child and my body needs a comfortable sandal now," she said. "I never want to be unable to get somewhere because my feet

hurt." Mazur's current criterion—that sandals support her comfortably and chicly through hours of city schlepping—helped her zero in on two go-to pairs: black leather slides by Emme Parsons and thick-cork-soled sandals with wide elastic top bands by the brand Message.
We asked Michelle Ochs, founder and creative director of the New York fashion label Et Ochs for her approved city styles. Topping her list: sturdy black flat-form sandals, which she considers ideal for full days at work and excessive walking.
What else? "Dad sandals," a category Ochs said includes fashion-forward takes on anything Birkenstock- or Teva-adjacent. She's partial to her sporty black leather pair by the Row, which fasten via convenient, Teva-ish Velcro straps. The black MM6 Maison Margiela sandals shown at right are a flatform/dad-sandal mashup worth considering.
In warmer-climate cities like Austin, Texas, sandal season extends from May through October, according to Molly Nutter, president of Austin fashion retailer By-George. Nutter said that upscale versions of laid-back classics—such as Loewe's thick-sole leather thong sandals—sell consistently well there, but that fisherman sandals (like the yellow ones shown above) prevail among stylish insiders as a more polished summertime shoe. When women "wear a shoe like that with a suit that's relaxed and cool," she noted, the sandals function as a "kind of secret nod."
This is, arguably, the summer

of the fisherman sandal, with countless brands peddling versions—from sleek to chunky—of the caged style. Among the labels who have seized on the silhouette, named for European seamen who first wore them centuries ago: Marni, Church's, Gabriela Hearst and Gucci, which recently released a rubberized version evocative of childhood jellies.
Manhattan attorney Christine Doniak, 53, owns two pairs of puffed-up leather fisherman sandals by the brand Hereu in different colors, and recently bought a version by Coach that hoists her feet above concrete thanks to a platform sole. "I think they look great with wide pants and long

skirts and dresses," she said. Would she ever sport hers with socks, as Hailey Bieber did in June? "Yes," she said, but mostly for practicality's sake, "because the city is ridiculously filthy."
Mazur, the podcast host, wears socks with her Emme Parsons fisherman sandals for style, not safety. "I love a short, ruffled sock big time," she said. Sheer crew socks also feature prominently in her rotation.
As postpandemic dress codes for workplaces remain hazy, fisherman sandals—with their full-coverage design—not only get you through messy, filthy streets untainted, they ably walk the line between skimpy and conservative. "The rule now is

'business casual,' but no one knows what that means," said Doniak. She confidently dresses up her fisherman sandals with pleated linen shorts by Rachel Comey and a matching blazer for a summery, office-appropriate take on suiting. On the days that Ochs spends in the design studio, she dons her the Row flatforms with structured denim jeans and a crisp white button-down.
Gayot, meanwhile, suggests complementing most summer sandal styles with a "chic, drapery, puddling suit" for a look that instantly projects chic nonchalance. "Yay to sandals at work," she said. "I wait all year for this moment."

SUMMER FOOTWEAR FOR A BRAVE EW! WORLD / CHIC WAYS TO NAVIGATE URBAN ICK

Elevated soles and sculpted footbeds safeguard toes. Canvas and Leather Sandals, \$425, MeAndEm.com

Raised outer lips shield bare feet. Cotton-linen Sandals, \$480, Toteme-Studio.com

Rise above gunk with hefty platforms. MM6 Maison Margiela Leather Sandals, \$590, different colors at Farfetch.com

CULT FOLLOWING

A Soothing, Regal Mist

Fans of Caudalíe's **Beauty Elixir** tout the French effervescent spray as the ultimate skin-refresher

Beauty Elixir, \$49 for 100ml us.caudalie.com

History Grapeseeds are purportedly packed with antioxidants. That idea fueled Mathilde Thomas's decision, back in 1995, to utilize the discards of her winemaking family's Bordeaux vineyards to launch Caudalíe, a French vinotherapy beauty brand. Two years later, she released its Beauty Elixir, which does double duty as a skin-refreshing mist and makeup-setting spray. Made with grapeseed extracts, rose, lemon balm, rosemary, mint and orange blossom, this mist was inspired by a "youth elixir" the Queen of Hungary is believed to have used in the 17th century.

Claims Los Angeles makeup artist Alexx Mayo, whose clients include Lizzo and Mariah Carey, spritzes the elixir to prep skin for skin-care products, to set makeup and to cool off and enhance complexions. "It leaves skin with a subtle glow and boost of hydration," said Mayo.

Fans Zoë Kravitz, Kaia Gerber, Margot Robbie

Cult Moment After singer Madison Beer called the elixir her "favorite facial spray in the entire world" in a 2021 Vogue makeup tutorial, it sold out at Nordstrom.
—Fiorella Valdesolo

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ADVENTURE & TRAVEL



MOVEABLE FEASTING Clockwise from top left: Festival snacks and cocktails at a home in Seville on a League of Travelers' tour; pastry making at Culinarium Khasheria on Modern Adventure's Republic of Georgia tour; Ireland's Woodcock Smokery; chef Anita Lo on a Tour de Forks' foraging spree on Long Island, N.Y.

Gastro Globetrotters

Continued from page D1

TV show starring Padma Lakshmi, Andrew Zimmern or the late Anthony Bourdain, you're on the mark. While standard food tours often promise little more than a string of superficial restaurant visits and a token cheesemonger stop, outfits like Zingerman's are going deeper to explore food's cultural roots and tapping the cred of celebrity chefs and renowned experts like Barnes. It's a format a growing number of travel companies offer food-focused travelers: not just folks who enjoy eating but people who return home with more photos of kebabs than cathedrals and think that breakfast is the perfect time to exhaustively discuss lunch (and second lunch. And dinner.).

"Food is an incredible vehicle for getting people really excited about a different place, a different culture, maybe a piece of history they didn't know," said Nathan Thornburgh, co-founder, with Matt Goulding, of Roads & Kingdoms, a food- and travel-oriented media company, based in New York and Barcelona, in which Bourdain was a partner. "We were always talking with Tony about ways to expand this foundational idea into different activities." In 2021, the company launched League of Travelers, a gastro-tourism company with chef José Andrés as an investor. It aims to offer the sort of fearless cultural deep-dives asso-



ciated with Bourdain to a wider audience. Not that wide, however: The trips are limited to 10-12 people who must each file an application.

Though going solo is alluring, experienced travelers know its limits. "If I could do everything independently, and then also walk into a kitchen and have someone be like, 'I'm going to reveal my secrets to you,' I would," said Elaine Golin, a New York attorney, "but it doesn't work like that." Just as food-TV hosts rely on "fixers"—local experts who connect them with the best producers and purveyors—a food tour is only as good as its local intelligence. In Ireland, for example, Zingerman's works with Kate McCabe and Max Sussman, who host the Irish food and culture podcast "Dyed Green" (and run their own gastro-tour company, Bog & Thunder). Alejo Sabugo, the main fixer for the Asturias episode in Spain of "Parts Unknown,"

guides or hosts many of the League of Travelers's trips, such as "Salamanca and the World of Jamón" in January 2024. New and improved food tours often put well-known chefs at the helm. New York-based Tour de Forks partnered with chef Anita Lo to lead their group trips to places like Liguria in Italy and the Yucatán, or even Long Island for a weekend. There, fans of Lo stayed at Mama Farm B&B, owned by the actress Isabella Rossellini, in Brookhaven, N.Y. The group visited a North Fork oyster farm and foraged for edible mushrooms, guided by a member of the Long Island Mycological Club.

To prepare their own dinner one night, attendees took a cooking class from Lo, learning to prep Long Island Crescent ducks, searing the breasts and making rillettes with the legs and thighs. A pasta dish featured fronds from a basketball-sized hen-of-the-woods mushroom they'd found earlier that day. A Wolffer Estate Vineyard expert expounded on local viticulture, and poured a steady stream of wine.

Some companies offer an even deeper bench of notable chefs. Modern Adventure of Portland, Ore., for example, offers trips like one to Peru with Bay Area chef Traci Des Jardins and Peruvian-born mixologist Enrique Sanchez. Another itinerary to the Republic of Georgia featured Bonnie and Israel Morales of Portland's Kachka.

For those who want to travel without a group or request specific dates, there's Modern Adventure's super-luxury "Paragon" tier of private food tours. Trips start at about \$60,000 per person with intriguing options such as Japan with Kyle and Katina Connaughton of Single Thread Farms, the three-Michelin-star restaurant in Healdsburg, Calif., and South Korea with husband and wife team, Junghyun and Ellia Park, of New York City's acclaimed Atomix. That's some very fine dining.



Such intimate access to culinary insiders comes at a price, but many of these trips sell out months in advance.

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A purveyor of dolmas near the Grand Bazaar on a Culinary Backstreets tour.

Culinary Quickies

Immersive daylong tours that let you fill-up on food and facts

Bosporus Bites Culinary Backstreets grew out of an Istanbul-based food blog and now operates food tours in more than 15 cities, from Tokyo to Tbilisi. In Istanbul, pick from seven full-day tours spanning both sides of the Bosporus. *From \$110, Culinary-BackStreets.com*

Go Roman It isn't hard to eat well in Rome, but connecting the best bites with the Eternal City's history and culture takes a pro. Cookbook author Katie Parla leads

walking tours like "Roman Cuisine in Prati and Trionfale," through residential districts north of the Vatican. *From \$474 plus tastings, for up to six, KatieParla.com*

Queens for the Day With residents speaking more than 160 languages, Jackson Heights is one of the world's most diverse spots. That translates into an eclectic food scene, illuminated by Eat Your World's Queens Food Tour, on which you might nosh on Tibetan

momos, Colombian arepas, and Indian chaat. *From \$70, EatYourWorld.com*

Curry Favor In Mumbai, specialized workers known as Dabbawalas deliver home-cooked meals daily with a level of reliability that's made them a Harvard Business School case study. No Footprints tours give you a hands-on packing and delivery experience, and afterward, a vegetarian thali lunch. *From \$301 for two people, NfpExplore.com*

Epicurean Routes

Five longer food trips led by culinary notables whose mission is to teach and tempt your taste buds



A stop on Atlas Obscura's Gastro Tour in Mexico City

"New luxury [travel] is access—being able to go to places. Into people's homes and go deeper," said Modern Adventure's founder Luis Vargas. Here are five trips to take with food insiders:

Say Yes to Yunnan In cookbooks such as "Every Grain of Rice," Fuchsia Dunlop explores China's culinary diversity. That makes her a worthy guide to the Yunnan province, which borders on Tibet, Myanmar, Laos and Vietnam. On Wild China's 10-day culinary tour with Dunlop, you'll taste delicacies such as rushan, a local cheese, and learn the story behind iconic dishes such as Across the Bridge noodles. *From \$5,869, WildChina.com*

Israeli Gears Chef Michael Solomonov and author Adeena Sussman, two leading interpreters of Israeli foodways, lead a nine-day tour that brings alive the street food and cocktail scene in Tel Aviv and the markets of Jerusalem, with visits to desert farms and wineries in between. *From \$8,600, ViaSabra.com*

For Heaven's Steak Meat-lovers will savor a visit with José Gordon at Bodega El Capricho, renowned for its aged steaks, on a 10-day Madrid and Castile tour with Cúrate Trips by restaurateurs Katie Button and Felix Meana along with Paladar y Tomar. *From about \$8,000, CurateTrips.com*

A Jaunty Jolt See where two of life's greatest pleasures, chocolate and coffee, originate on Moka Origins' 10-day "Cacao & Coffee Sourcing Safari" to Uganda. This trip takes you to cacao, coffee and vanilla farms, and features wildlife experiences like chimp tracking in Kibale Forest National Park. *From \$4,950, MokaOrigins.com*

Talk of the Town The storytellers at Atlas Obscura partner with Culinary Backstreets for their unique Gastro Tours. "Layer by Layer: A Mexico City Culinary Adventure" offers a six-day download of the metropolis's foodways, from urban markets to island farms with a local guide. *From \$2,880, AtlasObscura.com*

BEATRIZ JANER (SEVILLE); SIMONE LUZZI/BEPOLAR STUDIO 2023 (SMOKERY); PI ROUNTREE/CULINARY BACKSTREETS (MEXICO CITY); TEDDY WOLFF/CULINARY BACKSTREETS (GRAND BAZAAR)

ADVENTURE & TRAVEL

TIME CAPSULE

Dearly Beloved

Dear John's in Los Angeles County remains true to its formula: steakhouse classics served with a snazzy side of cool

THEN

BACK IN 1967, the year Frank Sinatra and his daughter Nancy shared a Billboard hit with "Somethin' Stupid," ex-Marine Johnny Hlivyak opened Dear John's, a steak joint in Culver City, Calif., near the MGM (now Sony) studios. Of the "Grand Opening," Evening Vanguard newspaper columnist Helen Black wrote: "It is a darling little place, brand new, cozy, carpeted and unique," adding, almost as an afterthought, "food is good too."

An extra in movies, Hlivyak used the stage name Harlow, sharing screen time with Marilyn Monroe, Cary Grant and Jayne Mansfield, according to his niece, Monica Scheerer. Her dad Joe, a partner in Dear John's, greeted people from behind the bar.

An oft-repeated, but unconfirmed, legend is that Frank Sinatra used to visit and tickle the ivories. Hlivyak did know Ol' Blue Eyes, so the tale endures. "Family lore was that my uncle met Frank Sinatra on a movie set, and Frank Jr. came in," said Scheerer.

Diners feasted on filet mignon and frogs' legs "roadhouse style" and drank Martinis. "Shirley Temples and the spaghetti were our favorites," said Scheerer of her siblings' tastes. Her grandma made the cheesecake.



NOW

SANDWICHED BETWEEN a gas station-turned-gym and the shadow of the 405 freeway, Dear John's is easy to overlook. But part its red velvet curtains and it is like stepping into the "Mad Men" era. You see tuxedoed waiters tossing Caesar salads tableside; old jazz standards play. Ice cubes clink as bartenders mix cocktails with names like "I Get a Kick Out of You." It all feels retro-glam.

In 2019, restaurateur Hans Röck-enwagner and his wife, Patti, a marketing executive, took over the spot with chef Josiah Citrin. "It felt like a cool clubhouse," said Patti, who hung vintage art from L.A. gallerist Robert Berman on the walls—a black poodle, scantily clad ladies. The original fireplace, a piano and leather booths retain the patina of the past.

The menu is a greatest hits of classic steakhouse fare, with fun twists such as "JLC's Bougie Tots"—tater tots with caviar and crème fraiche—named after Oscar winner Jamie Lee Curtis. Jodie Foster, the Weeknd and Gwyneth Paltrow have sat in the booths, but it is the vibe, not the VIPs, that counts. "We wanted to keep it authentic without any kitsch," Patti said. And that is why it works.

—Glynis Costin



OLD FAITHFUL
The undistinguished Culver City street where Dear John's lives. Inset (left): caviar-topped tots.

MANWEN RAOULT FOR THE WALL STREET JOURNAL

Dear John's Fan-Club Tributes

"MY FATHER was in the Rat Pack, and my mother worked with Frank (Sinatra) in 'The Manchurian Candidate,' so I've felt a kinship to that time. The interior vibe of Dear John's, dark and intimate, is my jam."

—Jamie Lee Curtis, who has a

name plaque at Table 23

"It reminds me of an OG restaurant like the Brown Derby or the Ambassador Hotel. Everybody is achingly cool. But it isn't pretentious, it is laid back. My

favorite cocktail is a French martini, a vodka gimlet or a filthy, dirty Martini with extra ol-



Jeanne Yang

ives. They do it right: Glasses are ice cold."

—Jeanne Yang, Talent manager at Anonymous Content and fashion stylist (Jason Momoa, Keanu Reeves)

"My wife Karina and I love L.A. restaurant lore on old steakhouses like Musso's or Tay-



Rian Johnson

lor's. Karina told me a joint in Culver City had relaunched with a fancy new chef. We went and fell in love. We live on the east side, a good 45 minute drive away, and we're regulars. That is L.A. love right there."

—Rian Johnson, Director ('Knives Out,' 'Glass Onion')




Roxane Gay

"If you're a regular, they treat you like one. My favorite dish is the Caesar salad, prepared on chilled plates. It's a small thing that goes a long way. My wife loves the clams. Dear John's is dark and moody and loud; it could be cheesy but somehow it works."

—Roxane Gay, Author ('Bad Feminist,' 'Hunger')

REALITY CHECK / THE COST, THEN AND NOW, OF DEAR JOHN'S GREATEST HITS

Specialty Salad 1960s Crab Louie Salad \$1.75 2023 Iceberg Wedge \$18	Spaghetti 1960s w/ meatballs \$2.75 2023 w/ clams \$32	Lobster 1960s Broiled Tails \$4.75 2023 Thermidor \$68
► Shrimp Cocktail 1960s 90 cents 2023 \$26		Lambchops 1960s \$4 2023 \$58
		Parms 1960s Veal \$3 2023 Chicken \$36

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DESIGN & DECORATING

PILGRIMAGE



CROSS PURPOSES La Concattedrale Gran Madre di Dio, in Taranto, Italy, remixes sacred design.

employ color reservedly. But Ponti later “got peppy and upbeat in his palette,” said Adler, who added, “All of Ponti’s designs are quite minimal, but if you’re immersed in one of his environments, you would call him a maximalist.”

Now dunked in Ponti’s spiritual experiment, I saw that peaked pentagons and hexagons trick the eye heav-

The punctured facade charms like a paper snowflake.

enward, as the pointed arches in more-conventional churches do. Individual elements in the design—such as those massive, floating lamps—quicken my pulse. The strong southern light diffused by geometric windows cast, as De Marco had warned, a transformative spell inside. And the variety of greens let the hue read as manifold, not monotonous.

Back on my weekend balcony, as I watched the facade transform in the changing afternoon light, I mulled over the church’s place in the history of design.

Ponti himself stands for a transition from the clear-eyed rationalism of buildings like the Pirelli Tower to a more fantasy-filled kind of modernism that fully flowered in the 1960s and went on to inspire designers such as Adler.

Until now, I’d had my doubts about this near-Rococo phase—I could never quite fathom its frivolity—but seeing La Concattedrale in person made me a convert. It showed me that extravagant color and unusual patterns can do more than just warm up midcentury modernism. They can give it a greater purpose.

These rich greens—which Ponti referred to as emerald, olive and grass, among others—recall the fertile Pugliese landscape, said Vittorio De Marco, a history professor at Puglia’s University of Salento who published a monograph on La Concattedrale in 2020. To much of the world, from monks to atheists, the hue of spring represents rebirth and hope.

The mixing of reductive design with playful color is a hallmark of Ponti’s later work, says New York City designer Jonathan Adler, who counts himself a Ponti acolyte. In a recently designed cabinet, called Harlequin, Adler echoes Ponti’s career-long proclivity for geometric shapes and the Italian’s mature use of adventurous colors.

Many of Ponti’s earlier designs—or whole buildings, like the Pirelli Tower—

soaring delicacy of Ponti’s edifice, which rises above a slope of reflecting pools. Blue sky showed through the tracery of pentagons and hexagons, which served as an offbeat but elegant backdrop to a large wedding party I watched pour out of the church’s front entrance.

The next day, after morning mass, two longtime parishioners gave me a tour of the church, where Ponti designed everything from a pair of crucifix-topped concrete plinths to the anvillike altar to the cylindrical, brass-mesh lamps hanging from the ceiling.

Offsetting these industrial touches: Ponti’s delightful use of green—the dominant shade on the ceramic floors, on the concrete-stucco beams and columns, in the recessed windows and, especially, in the apse, beyond the altar. The rear of the space is decorated with Ponti’s highly fanciful, almost Disneyesque, Annunciation scene, in which the figure of Mary is rendered in what seem like 10 variations of green, from near-black to pistachio.



The altar and choir of Gio Ponti’s La Concattedrale.

Divine Perforation

A reverent fan of architect-designer Gio Ponti finally witnesses one of his late masterworks

By J.S. MARCUS

I AM JUST crazy about Milan’s Pirelli Tower. The stylish but severe 1950s skyscraper, once headquarters of the Italian tire company, was the brainchild of Giovanni “Gio” Ponti (1891-1979), the colossus of 20th-century Milanese design. A polymath architect-designer whose

output ranged from ocean liners to cutlery sets, Ponti went on to complement this high-modernist office building, still his best-known work, with a late, imaginative masterpiece—1970’s La Concattedrale Gran Madre di Dio, a church in Taranto, a remote harbor town in Puglia in the heel of Italy’s boot.

This past June, I was in the neighborhood, and intent on finding out more

about Ponti, I managed to book an Airbnb across the street from the cathedral, with a direct view of the church’s signature feature: a double-layered facade whose perforated white concrete charms like a child’s paper snowflake.

Arriving on Saturday afternoon, I took the elevator up to my temporary apartment. Out on the balcony I was gobsmacked by the



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Gio Ponti Round D.154.5, \$6,680, [Molteni.it](https://molteni.it)

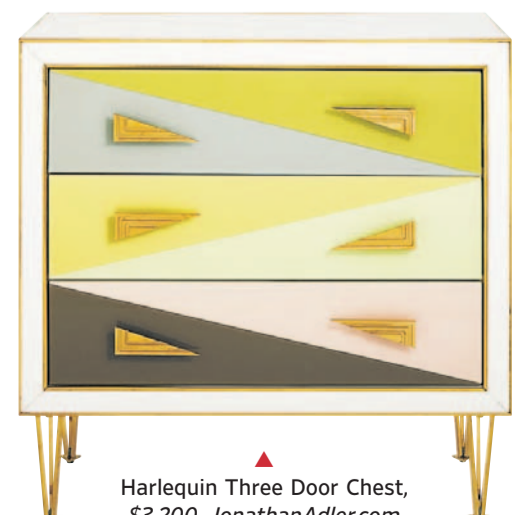


Clarus 14304 Cylinder Pendant Lamp, New Brass Powder Coat, from \$1,682, [UltralightsLighting.com](https://ultralightslighting.com)

Kery White Stoneware Round Cut Out Bowl, \$50, [LampsPlus.com](https://lampsplus.com)



Geometric Mod Martini dinner napkins by Caroline Okun, \$25, [Spoonflower.com](https://spoonflower.com)



Harlequin Three Door Chest, \$3,200, [JonathanAdler.com](https://jonathanadler.com)

DESIGN & DECORATING



1. REPEAT YOUR SEATS

With a strong, sculptural table, you can be "a little more decadent" with your chairs' style, says James. But keep them identical. Repeating these throwback seats is easy on the eyes, as are the solid-colored cushions. Margret Arm Chair Exterior in Natural, \$696, SikaDesignUSA.com



2. DON'T BE SQUARE

If you have a four-sided space, a round table, like this Brutalist number, adds interest. "I think a square on top of a rectangle is dated," said James. And go for chic, unfussy concrete over typical teak. "I didn't want it to look like a garden center." This Blok Round Concrete Dining Table checks all the boxes. \$999, TeakWarehouse.com

3. COMBAT CHAOS

Clear vases help you keep the focus on the flowers and cut visual clutter. The two vessels at different heights suggest a spontaneous "not a care in the world" mood, said James. Choose flower colors that nod to your décor; here, the pink in the tiles. Sofia Glass Vase, \$195, Hudson-GraceSF.com



ORDER UP On a leafy London terrace, designer Rebecca James created a neatly balanced tableau.

ANATOMY LESSON

Seats of Tranquility

Symmetry. Deceptive simplicity. A recipe for peaceful dining.

BY ELIZABETH QUINN BROWN

WHEN YOU THINK about Marie Kondo-ing part of your home, it's unlikely you envision your outdoor space as the would-be masterpiece of tidiness. But this terrace, which London interior designer Rebecca James was hired to transform, cried out for order. "The previous garden wasn't great, to be honest. It was very dark, cluttered, soulless and lacking structure," said James.

She set out to reimagine the enclosed rectangle behind a townhouse as the courtyard of a Moroccan riad. Step one: Organizing the dining area around a brazen focal point—a globed light fixture so large she freaked a little when she opened its box. She also imposed symmetry and restraint, limiting materials and patterns, a strategy that belies the magical atmosphere. "You have to keep it quite simplistic and rein yourself in," said the founder of her eponymous firm. Here, how to tough-love your patio into an otherworldly escape.

4. FOOL THE EYE

You might want a mirror on your patio for the same reason James placed four against the wall. "I needed to make the space bigger," she said. Bonus: Their delicate, decorative quality keeps the torrent of ivy from feeling overbearing. Try the Somerley Country Arch Large Indoor and Outdoor Mirror, about \$254, Mirror-Outlet.co.uk



5. USE TILE EXPANSIVELY

Notice how James extended medium-scale floor tile (the garden's sole pattern) up the sides of built-in border planters. This kills the need for "higgledy-piggledy" individual flower pots and avoids a change of materials that would have visually shrunk the garden. ArtisanTileCompany Jardine Rose Porcelain Tiles, \$4, Etsy.com



6. FIX A FOCAL POINT

You can lend a room instant organization with one statement piece. Suspended by a steel rod that spans two walls, a light of recycled plastic (woven to look like wicker) cannot be ignored. This similar fixture made of all-weather wicker will work just as nicely. Double Twist Outdoor Natural Pendant, \$969, Arhaus.com



CHIC TRICK

From Eyesore to Eye-Catching

Pro tip: To turn design flaws like exposed pipes and ancient radiators into lovable features, elevate them with a bold lick of paint

The Appeal

In décor as in life, confidence goes a long way. That's why using gutsy paint to spotlight ugly bits like visible plumbing and hulking heaters—rather than letting them depress you—can sometimes be a surprisingly successful way to recast them as sculptural elements.

In a recent New York City loft project, safety codes forced designer Britt Zunino of Manhattan's Studio DB to leave the exposed sprinkler system painted a fire engine-red. Instead of trying to hide the overly punchy pipes, she conceived a scheme in which they're extra prominent. The result: a dynamic dining nook where vertical lines of electric color enhance rather than distract. "The pipes ended up being a great pop in [an otherwise] minimal kitchen," she said. In the living room of a Singapore apartment, designer Ponnice Tan integrated a more common eyesore: a wall-hung television. She painted a bold Sol LeWitt-style colorblock mural, a 2-D visual grid against which the black box looks deliberate, not disorderly.



WHY HIDE? In a London dressing room by Hello Flora, daring blue paint makes an old-fashioned radiator worthy of notice.

Bonus: Compared with framing and Sheetrock, paint is a "much more economical" way to soften flaws, said Zunino. "It's a way to really make the best of what you have."

The Tips

When playing with accent color, be choosy with hues. Stick to the room's existing palette or pick a complementary shade, advises Portland, Ore., designer Casey Keasler. "It's essential to look intentional." Tracy Cole of London-based design group Hello Flora, loves how contrasting tones can create balance. When perking up a dressing room this year, her team gave a dowdy cast-iron radiator a starring role in a glossy coat of Farrow & Ball's Inchyra Blue. Suddenly, its curves popped against a rosy backdrop of floral wallpaper. "It breaks up what could have been a very pink space," Cole explained.

And don't forget function still matters. If unsure which paint suits your particular needs, consult a contractor or plumber, says Zunino, especially if dealing with surfaces like HVAC lines that fluctuate in temperature. To avoid unpleasant peeling or flaking, "you really need a paint that can withstand heat."

The Caveats

Just because you can paint something doesn't mean you should. "If a duct or pipe or grate is gracefully or curiously placed in a room, highlighting it can add intrigue," said designer Becky Carter of New York City. But if not? Think twice. You might be better off leaving a detail that's distracting in a cluttered way or just "isn't especially pretty" neutral or painting it to match the walls so it "disappears," Cole said. —David Eardley



FRIENDLY FIRE Red makes this Tribeca loft's sprinkler a modern design feature.



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EATING & DRINKING



ON WINE / LETTIE TEAGUE



Grape Escapes: 12 Terrific Island Wines

AN ISLAND ESCAPE seems pretty appealing right now. But for oenophiles like me, currently moored to the mainland and mundane concerns, may I suggest an island-made wine?

So many good wines are produced on islands all over the world, with flavor profiles as varied as the islands themselves: crisp, citric whites from the Mediterranean; characterful sparkling wines from cool, rainy Tasmania and Great Britain, too; not to mention sweet fortified drinks from subtropical Madeira.

All 12 of these wines make for transportive summer drinking.

Canary Islands
2020 Tamerán Verdello Gran Canaria \$38
When Soccer superstar David Silva decided to make wine in Spain's Canary Islands, off the coast of northwestern Africa, he turned to leading winemaker Jonatan Garcia Lima, who produced this first vintage of an intriguingly textured white from the Verdello grape. Marked by exuberant tropical notes, it's sought-after

in Spain and not always easy to find in the States. Maybe you'll have to visit the Canary Islands after all.

Corsica
2021 Yves Leccia YL Blanc Île de Beauté \$38
When Kermit Lynch began importing wines from Corsica in the 1980s, the wines from that Mediterranean island were virtually unknown in the U.S. and "quite difficult to sell," according to Anthony Lynch, the company's sourcing director (and Kermit's son). Fast forward to 2023 and Corsican wines are now "hip," said the younger Lynch—and none more so, perhaps, than those produced by highly regarded Yves Leccia. This complex white, a blend of Vermentinu (Vermentino) and the rare Biancu Gentile grape, has a terrific salinity and an almost mouth-watering minerality.

Crete
2022 Alexakis Assyrtiko \$15
Crete is the largest Greek island, where none other than Zeus is said to have been born. It's also a good place to grow grapes, especially the

Greek native Assyrtiko. The Alexakis brothers run their eponymous winery, founded by their father, Stelios Alexakis in the 1970s, and considered one of the best on Crete. They sourced the fruit for this terrific, crisp, lemony-bright take on the native white grape from various high-elevation vineyards on the island.

Great Britain
Ridgeview Bloomsbury Brut \$32
The south of England has turned out to be a remarkably good place to produce sparkling wine. (French Champagne houses have even established vineyards there.) This toasty, lush, Chardonnay-dominant Champagne-method bottling was one of the first wines that Ridgeview produced, back in 1996; today it is their largest-production cuvée. It was also the official wine of the Queen's Diamond Jubilee.

Long Island
2022 Paumanok Vineyards Chenin Blanc North Fork \$25

This year marks the 50th anniversary of grape growing on the North Fork of Long Island, N.Y., and the 31st year that the Massoud family of Paumanok has produced a Chenin Blanc. Until very recently, the Massouds were the only producers of this Loire Valley variety on Long Island, and they remain the undisputed standard-bearer for Chenin on the North Fork. Their 2022 Chenin is a particularly fruity, juicy version of the grape.

Madeira
Blandy's Rainwater Madeira \$20
An autonomous region of Portugal, Madeira is an island off the coast of Morocco with a remarkable history—and remarkable fortified wines. The name Blandy's has been inextricably linked to the island since the company's founding over 200 years ago, and it is still run by Blandy descendants. The pale, light-bodied, lightly sweet (aka medium dry) Rainwater Madeira is one of Blandy's signature wines. Drink chilled as an aperitif, as you might Sherry, or with dessert. The name Rainwater is said to date from a time when an open barrel of Madeira was left out in the rain. It's a lighter, drier style that few Madeira producers still make.

North Island, New Zealand
2022 Craggy Range Te Muna Sauvignon Blanc Martinborough \$19
While New Zealand's South Island gets all the attention thanks to Marlborough Sauvignon Blanc, notable wines are also made from that grape in the north. Martinborough is one of the most notable regions on the North Island for Sauvignon Blanc and Pinot Noir too. This bright and zippy wine is produced from Craggy Range's Te Muna vineyard, whose limestone soils are perfect for growing both grapes.

South Island, New Zealand
2022 Greywacke Sauvignon Blanc Marlborough \$22
New Zealand produces a lot of Sauvignon Blanc—the grape accounts for 85% of the country's wine exports—with much of it produced in the Marlborough region of the country's South Island. A few Marlborough wineries deliver versions of the grape that are a cut above, most notably Greywacke, whose winemaker Kevin Judd calls the wine "Marlborough Sauvignon with the volume turned down." It is indeed a more subtle, ripe style of Sauvignon, still balanced by vibrant acidity.

Santorini
2022 Domaine Sigalas Assyrtiko Santorini \$38
It's arguably the most-photographed Greek island famous for its blue seas and blue skies, but

Santorini is more than just a reliable place for a photo op: It's also a great place to grow grapes. The name of one of the island's top producers, Domaine Sigalas, is synonymous with Santorini and with the Assyrtiko grape. Produced from vineyard blocks all over the island, the Sigalas Assyrtiko is a rather full-bodied, complex white with impressive length on the palate.

Sardinia
2022 Cantina Santa Maria la Palma Aragosta Vermentino di Sardegna \$15
The Vermentino grape grows particularly well along the Mediterranean Sea—on Corsica, for example, and on the mainland, too, in Liguria—but it's particularly prolific in Sardinia. The Aragosta version of Vermentino, made by the Cantina Santa Maria la Palma co-

Santorini is an ideal place for photo ops—and for growing grapes.

operative of grape growers and winemakers, is decidedly uncomplex. This crisp, citrusy, seafood-friendly white is as suitable for drinking poolside as for accompanying lobster. Indeed, "Aragosta" means lobster—a symbol of the Alghero region, where this wine was produced.

Sicily
2021 Benanti Etna Bianco \$38
Thanks to season two of HBO's "The White Lotus," everyone seems to be talking about—and traveling to—Sicily these days. One of the best places to visit is the Etna region, which sits just below the volcano of the same name. It's where some of Sicily's top wines are produced, with those from Benanti among the very top of a small group. This terrifically savory white produced from the native Carricante grape has notes of citrus and herb. A terrific wine with food.

Tasmania
Jansz Tasmania Premium Cuvée NV \$20
Tasmania may be best known as the home of the Tasmanian devil (both a real-life marsupial and a cartoon character). It also happens to be home to some very good Champagne-method sparkling wine. One of the best-known wineries in Tassie sparkling is Jansz Tasmania, named for Abel Janszoon Tasman, who first sighted the island south of the Australian mainland in 1642. The Jansz brut non-vintage cuvée is a lush, toasty sparkler with refreshing green apple notes.

► Email Lettie at wine@wsj.com

SLOW FOOD FAST / SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

Beet and Strawberry Salad With Spiced Brown Butter and Labneh

"I LOVE EARTHY, sweet dishes," said René Touponce of this dynamic beet and strawberry salad, her second Slow Food Fast contribution. Resting on honeyed labneh and finished with a boldly spiced brown-butter drizzle, the combo is creamy, tart and nutty—like a savory ice cream sundae.

The chef's ingenious method: Slice roasted beets into berry-sized wedges and quick-pickle them before stirring in an

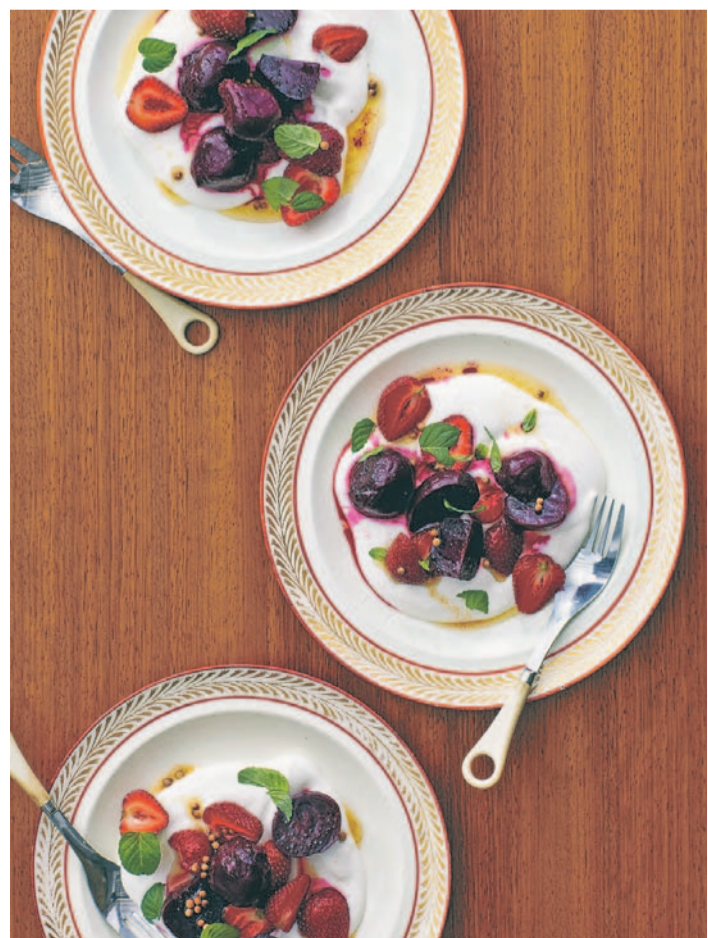
equal portion of strawberries. "With red or pink beets," Touponce explained, "the colors bleed a bit and look beautiful." For the drizzle, gently warm butter until brown and nutty, then toss in aromatics and kill the heat, letting the spices bloom. "People don't think of whole spices as adding texture, but I love their crunch," Touponce said. "This salad changes throughout the year at Oyster Club, but this combo is a favorite." —Kitty Greenwald

Time 35 minutes
Serves 4

12 small or 4 medium beets (about 1 pound)
2½ tablespoons olive oil, plus extra for drizzling
Kosher salt
½ cup Champagne vinegar
1 pint strawberries, washed and trimmed
1½ cup labneh
1-2 tablespoons honey
1 lemon, zested and juiced
½ cup (1 stick) salted butter
2 tablespoons coriander seeds
2-3 small dried red chiles
4 sprigs fresh thyme
2-3 tablespoons fresh mint or parsley, roughly torn

1. Preheat oven to 450 degrees. Spread beets on a baking dish; drizzle with olive oil, 2 tablespoons water and salt. Cover with foil and roast until just tender, 25-35 minutes, depending on size.
2. While beets are hot, use a kitchen towel to wipe off skins and discard. Cut beets into 1½-inch wedges and place in a small bowl. Toss with vinegar, 1½ tablespoons olive oil and salt to taste. Marinate for at least 5-10 minutes.
3. Slice strawberries into 1½-inch wedges and place in a medium bowl. In a small bowl, whisk labneh with 1 tablespoon honey, 1 tablespoon olive oil, lemon juice and salt. Taste and add more honey

as needed: It should be tart but slightly sweet.
4. Melt butter in a small pan over medium-low heat. Once it's golden brown and nutty-smelling, after about 5 minutes, turn off heat. Immediately add coriander seeds, chiles and thyme. Steep at least 10 minutes, then discard chiles and thyme.
5. Strain beets from vinegar and add them to the bowl with strawberries. Season with salt and a drizzle of olive oil. To serve, spread labneh across four plates. Spoon strawberry-beet mixture on top of each and drizzle generously with coriander-brown butter. Finish with lemon zest and fresh herbs.



WELL RED In this unexpected and delicious salad, earthy beets and summer strawberries rest atop a creamy swirl of strained yogurt.



The Chef
René Touponce

Her Restaurants
Port of Call and Oyster Club, both in Mystic, Conn.

What she's known for Inventive dishes that celebrate the local seafood and family farms of coastal Connecticut. Leading two buzzy restaurants in a burgeoning New England food town.

EATING & DRINKING

Grill Fish Fearlessly

Our panel of pros takes the guesswork out of grilling seafood. Their foolproof recipes produce juicy, flavorful results every time.

By KATHLEEN SQUIRES

MANY CONFIDENT grillers of meat and vegetables will hesitate when it comes to grilling fish. So we consulted three experts: chef Robynne Maii of Fête Honolulu; chef Garrette Bowe of Marcus at Baha Mar Fish + Chop House in Nassau, Bahamas; and spear-fisher Valentine Thomas, author of “Good Catch: A Guide to Sustainable Fish and Seafood.” They responded with valuable advice and foolproof recipes to guarantee a stress-free summer of seafood.

Which fish are best for grilling? Our experts agree that firm, fatty fish take best to the grill—snapper, salmon, tuna, grouper, wahoo, hogfish, kanpachi and yellowtail, for example. Bowe is fond of grilling saltwater fish: “They have a natural seasoning from the ocean and tend to be durable on the grill.” If you’re grilling a whole fish, consider the size, Thomas said: “A fish that is too big is complicated to cook to the right temperature on a grill.”

How do I prevent fish from sticking to the grill? “Scrape down your grill very well,” Maii advised. “And oil it with cooking spray. Then give the fish a good coating of oil and seasoning. After you place it on the grill, do not move it until it starts to release from the grate.” Thomas added, “Keeping the skin on is the best bet for keeping fish from sticking and falling apart.” Bowe said a very hot (400 degrees) grill is essential to prevent sticking. “You can use a fish basket, too, which will keep the fish intact while grilling,” she said.

How can I prevent fish from drying out on the grill? A favorite method of Maii’s for salmon or firm white fish such as wahoo or marlin: “Poach in olive oil for 8 minutes or so, depending on thickness, before finishing on the grill.” Patting fish dry with a paper towel before seasoning preserves moisture inside the fish, Maii explained. The best way to prevent fish from drying out, per all our experts: Don’t overcook it.

How do I know my fish is done? You want an internal temperature of 140 degrees. “Place an instant-read thermometer in the thickest part of the fish, and take it off the grill when it registers at 130,” said Bowe. The fish will continue cooking as it rests, bringing it to 140. All our experts recommend piercing the flesh with a paring knife; if it flakes, it’s done.

What tools do I need for grilling fish? Above all, a fish spatula, said Bowe: “The flexibility and angle help you get right under the fish,” she explained. “The slats allow



FIN DINING Served with a side of grilled pineapple, this snapper is a snap to prepare.

Grilled Snapper With Scotch Bonnet Marinade
Total Time 30 minutes
Serves 2

For the marinade:

3 Scotch Bonnet peppers, seeded and roughly chopped
1 white onion, roughly chopped
2 cloves garlic
Juice of 3 limes
1 cup salt

½ cup ground black pepper
½ cup vegetable oil

For the fish:

Cooking spray
1 (2-pound) whole red snapper, scaled and cleaned

For the garnish:

½ pineapple
2 limes, halved
1 bunch thyme, tied with twine
Vegetable oil, for brushing



1. Heat grill to 400 degrees. Lightly spray grates with cooking spray.
2. In a food processor, blend marinade ingredients thoroughly.
3. Pat fish dry. Cut 3 shallow incisions, 2 inches apart, on both sides of fish. Rub marinade all over, including inside cavity and each incision.

4. Brush pineapple, limes and thyme with oil. Place pineapple on grill and cook for 7 minutes. Add limes and thyme, and cook 5 minutes more.
5. Remove pineapple, lime and thyme from grill, and set aside. Place seasoned fish in the exact spot where pineapple, limes and thyme cooked.

6. Cook fish for 8 minutes. Use a fish spatula

and tongs to gently flip fish. Cook until an instant-read thermometer inserted into thickest part of fish registers 130 degrees, about 8 minutes more.

7. Squeeze grilled limes over fish and serve with grilled pineapple.

—Adapted from Garrette Bowe, *Baha Mar Fish + Chop House, Nassau, Bahamas*

for excess moisture to drip off.” All our experts recommend tongs. Thomas said, “Skewers are great to help cubes of very firm fish—salmon, cobia, cod—stay together and cook evenly.”

Which seasonings go best with grilled fish? Maii endorses a simple seasoning of olive oil and a lot of kosher

salt; after it’s cooked, add fresh lemon or lime. Bowe likes marinades, particularly the zesty Scotch bonnet pepper, onion, oil and lime blend that’s a go-to for her family cookouts. A light slick of oil on fish will not only flavor it but help prevent it from sticking. Just don’t over-oil, Thomas cautioned, or the fish may burn. Smart tip courtesy

of Bowe: Grill halved peppers, herbs brushed in oil and bundled with butcher’s twine, or pineapple, lemon, lime or any citrus, then cook fish in the same spot. Or grill fish right on top of thinly-sliced citrus rounds.

How do I know which fish to buy? At your fishmonger, look for clear eyes, pink/red

gills and firm flesh. The fish should smell like the ocean, not “fishy” or rotten. If you’re not able to purchase fish in person, try quality online retailers such as E-fish.com or the CSA-style service Seatopia Collective (Seatopia.fish).

► Find more grilled fish recipes at [wsj.com/food](https://www.wsj.com/food).

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GEAR & GADGETS



QUIET LUXURY The Rolls-Royce Spectre is the first electric automobile in the company's 119-year history.

for example: This standard defines the supple and linear acceleration expected of all Rolls-Royces, such that owners should never spill a drop—and we're not talking flutes here but the sloshy coupe glasses. If the car were allowed to deliver full torque from a standstill people would be getting those glasses stuck in their throats. Thanks to

The Spectre manages to be both scary-big and sensuous, in an "Attack of the 50 Foot Woman" sort of way

some gradualizing algorithms in the motor-control programming, the Spectre's initial acceleration (4.4 seconds to 60 mph) is notably nontraumatic.

The same is true of deceleration. To avoid any potential abruptness produced by regenerative braking, the system relies primarily on its hydraulic circuits in default mode. If drivers want more regen and more of a one-pedal response, the small "B" button on the gearshift wand engages a soft and posh sort of regenerative braking.

Built on a powertrain-agnostic architecture that Rolls-Royce says was future-proofed for electrification, the Spectre motivates by way of front- and rear-mounted motors producing up to 584 hp and 644 lb-ft. of all-wheel drive. Sandwiched between the floor and the bottom of the car is the 102-kWh battery pack, providing up to 260 miles of EPA-rated range.

Here's the part where Tesla fanboys come out of the ether to say that the Tesla Model S Plaid is nearly twice the car (performance, range, efficiency, technology) at a quarter the price.

To them I say, all true. Now stop being a hayseed. Such buyers typically have garages full of cars, including Teslas, and manservants to keep them charged up. Rolls owners don't have range anxiety. They have people for that. Besides, the average Rolls-Royce gets driven 3,200 miles a year.

So the Spectre gets away with some stuff. The active air suspension with electromechanical anti-roll bars do a tremendous job of road isolation and chassis control, a job made harder with the big-azz 23-inch wheels. But a 48-volt active suspension, such as that in the Ferrari Purosangue, would have even more authority. You know how the Brits love authority.

You'd think that under that glorious hood would be an even more fabulous frunk, but no. That space is occupied by hardware and inscrutable black-cased enclosures. Here again, Tesla partisans might claim advantage. But rich people don't pack up all their belongings for a road trip like the Joads.

Wherever they are going, the clothes are waiting for them.

RUMBLE SEAT / DAN NEIL



A Rolls-Royce That Fulfills a Founder's Electric Dreams

LAST WEEK I TRAVELED to California wine country to sample Rolls-Royce Motor Cars' new Spectre coupe, the ultraluxury brand's first electric car, with top notes of leather, pencil box and rubber.

This enormous and exquisite four-seater has been haunting the company's imagination for more than a century. In 1900, Charles Rolls observed that electric propulsion had many advantages over internal combustion—no smoke, smell, noise or engine vibration. Electric cars "should become very useful when fixed charging stations can be arranged," the eventual co-founder said. In the breach, Rolls-Royce's gas-burners have aspired to the same lubricity, effortless power and solemn hush, as if they were electric.

Which brings us to the first of many paradoxes. Because Rolls-Royce has spent a century striving to deliver an electric-like experience—the gnostic-sounding *waftability* included—the real thing feels strangely familiar, like meeting an old friend with a new bionic heart.

In fact, in many corners of the car you can sense a sort of consummation, places where the technology finally delivers on a century of overblown rhetoric. Consider, please, the problem of constraining ambient cabin noise. One of Rolls' marketing koans is "Silence is luxury." Well, no engine = no engine noise. Moreover, as director of engineering Mihir Ayoubi noted without batting an eye, a 1,549-pound battery pack makes

2024 ROLLS-ROYCE SPECTRE



Base price \$420,000

Price as tested \$532,750 (est.)

Powertrain All-electric, with front-and-rear mounted, separately excited synchronous motors (190 kW/360 kW, f/r) 102 kWh lithium battery pack; permanent all-wheel drive.

Power/torque 584 hp/644 lb-ft
Length/wheelbase/width/height 215.5/126.4/84.4/61.9 inches

Curb weight 6,371 pounds

0-60 mph 4.4 seconds

EPA-estimated range 260 miles

Max charging rate 10-80% in 34 minutes (195 kW)

for an excellent sound-deadening "mass damper." I bet it does.

The battery pack helped add 30% more torsional rigidity to Rolls' already-stiff aluminum space frame. It is this architecture's hidden, load-bearing maxima that allowed the designers to do cool and beautiful things. To wit: The Spectre is a four-seat pillarless coupe with rear-hinged "coach" doors, the widest doors in the company's history. Eat your heart out, Oldsmobile 98.

You could tell it's a Rolls if you were blindfolded. The first cues are the retractable Spirit of Ecstasy hood ornament—her wind-blown gown re-profiled for improved aero—and the illuminated, temple-style grille, with variable-pitch shutters that can open and close. This is the widest such aper-

ture in the company's history. At night the grille glows like the ancient Parthenon hosting an all-you-can-eat orgy.

The Spectre is *veddy* large, nearly 18 feet long and 7 feet wide, on a 126.4-inch wheelbase, weighing 6,371 pounds, rolling on 23-inch wheels. The design brief called for a statement both "historic" and "super emotional," said director of design Anders Warming. Up close and in person, those emotions start with awe, followed by a fleeting fear that it might somehow fall on you.

With the scale of the now-retired Phantom Coupé and the lurid fastback shape of the bygone Wraith, the Spectre manages to be both scary-big and sensuous, in an "Attack of the 50 Foot Woman" sort of way. Among the more

worldly design choices: The crisp fender lines bracketing the grille sweep up and aft, suggesting the vertical bows of ultramodern yacht design. Buyers may specify a single color or a two-tone scheme, with the dorsal section (hood, roof, fastback) painted in a contrasting color. I prefer the single-color look. Do you think eggplant is too obvious?

Speaking of purple, you should see my shin. The leading edges of the doors have a bluntly pointed profile. When you open a door from the outside—electrically assisted, of course—the leading edge sweeps a huge arc that will take you right off your Louboutins.

While electrification suits the brand well, there was some tension, if you'll pardon the pun. The "not-a-drop-of-Champagne" test,

Your Survival Kit for Outdoor-Concert Season

Six accessories you can bring into any show without missing a beat

IT IS OFFICIALLY summer, which means concert season is hitting a high note. My plans include 40 shows in three different states, ranging from Willie Nelson to Post Malone. I'll see some in stadiums, others on sprawling lawns. No matter which, I've learned to be careful about what I bring—security has become real sticklers about bag size. Here, my survival kit, to enhance the experience and avoid getting turned away at the door. After all, there's no worse sin than an unused concert ticket.

1 | Barely-There Beauty

The most stringent bag policies, first implemented by the NFL but now common, permit only clear bags no bigger than 12 inches by 6 inches by 12 inches, about the size of the medium L.L. Bean Boat and Tote. The **Little Earth Clear Stadium Bag** (\$13, *Dicks-SportingGoods.com*) is similarly sized and zips shut. The straps make it easy to throw over your shoulder, and you can even pick one with the logo of your favorite sports team.

2 | Blow it Off

Hand-held fans might lack fashion cred, but you'll appreciate their function in sweaty festival crowds. The **Honeywell Turbo On The Go Fan, HTF090B** (\$25, *Honeywell-store.com*) is small enough to fit in a tote but powerful enough to cool bodies up to 3 feet away. It can be held or propped up on its base.

3 | Flavor Savor

Each ticketed guest can usually bring a one-liter bottle of (unopened, unfrozen) water



into a venue (I like Berry) and dump it into your water after you enter. It is no whiskey, but come the next morning, you'll be happy you hydrated.

4 | Can You Hear Me Now?

To protect your hearing and

still enjoy the music when you're close to the stage, seek out better earplugs than drugstore disposables, which block all noise indiscriminately. Instead, get ones specifically made for concerts, which just soften music to

safer volumes. The **Etymotic ER20XS High Fidelity Earplugs** (\$20, *Etymotic.com*) are affordable, reusable and designed to sit within your ear without protruding.

5 | Power Up

You'll need a well-charged phone for displaying tickets, making cashless payments and calling a car home. Some venues offer charging stations, but the wise come prepared with backup power. The **Anker 337 Power Bank 26K** (\$70, *Anker.com*) is beefy enough to refuel three devices at the same time. Just don't waste the power filming and trying to upload videos for your minuscule Instagram following.

6 | Smarter Seating

Unlike chairs, which might be comfier, blankets are allowed at most outdoor venues. The **light Rumpl Original Puffy Blanket** (\$125, *Rumpl.com*) is padded and coated with a water- and stain-resistant finish. That makes it easy to keep clean and dry, even if spread over very muddy grounds.

—Rani Monson



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