

THE WALL STREET JOURNAL.

What's News

Business & Finance

- ◆ **The U.S. economy is** approaching what most economists had thought either unlikely or impossible: inflation returning to its prepandemic norm without a recession or even much economic weakness, a so-called soft landing. **A1**
- ◆ **Growing evidence** of a cooling economy again helped push stocks higher, lifting the S&P 500, Dow and Nasdaq by 0.2%, 0.5% and 0.1%, respectively. **B9**
- ◆ **Consumers cut their** spending at stores, dealerships and gas stations last month, tapping the brakes on economic growth ahead of the holiday shopping season. **A2**
- ◆ **Internet service providers** will have their business practices scrutinized for "digital discrimination" based on income or race under a regulation adopted by the FCC, raising legal risks for some of the most powerful U.S. companies. **A4**
- ◆ **Target's earnings grew** 36% in the third quarter even as sales fell, with choosy shoppers reducing spending on some products and visiting stores less often. **B1**
- ◆ **Activist fund ValueAct** has accumulated a stake in Disney and initiated a dialogue with the entertainment giant's board. **B1**
- ◆ **A majority of workers** at GM's largest U.S. factory voted in favor of a tentative contract with the UAW, bolstering the deal's chances for approval. **B1**
- ◆ **FDIC Chairman Gruenberg** recanted a denial made before a House panel that he had ever been investigated, saying he was interviewed in 2008. **A3**

World-Wide

- ◆ **Biden and Xi struck** a less contentious tone at their summit, with agreements to resume communications between their militaries and to cooperate on choking off fentanyl production. **A1**
- ◆ **Israel released footage** from Gaza's largest hospital that it said proved the site was being used by Hamas after searching buildings in an operation that carries high stakes for both sides of the war. **A1, A6-7**
- ◆ **The Senate passed** a short-term funding bill, 87 to 11, that simply extends the status quo until early next year but averts a partial government shutdown. The bill now goes to President Biden for his signature. **A4**
- ◆ **The judge overseeing** the racketeering case against Trump and 14 remaining co-defendants said he would soon place new limits on how evidence should be handled, after a defense lawyer admitted to disclosing video clips of witness interviews to a media outlet. **A5**
- ◆ **The air-traffic-control** system faces increasing hazards from short staffing, outdated technology and chronic underfunding, according to a report that examined safety issues following a string of close calls at U.S. airports over the past year. **A3**
- ◆ **Hunter Biden is seeking** to subpoena Trump and former Attorney General Barr as he prepares to raise a defense that his prosecution on felony gun charges stems from an "unrelenting pressure campaign" by the former president and his Republican allies. **A5**

JOURNAL REPORT

Encore: The secret to finding love after 60. **R1-12**

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Chinese leader Xi Jinping and President Biden stroll through a garden after their meeting Wednesday outside San Francisco.

Biden, Xi Dial Back Rancor In Summit to Stabilize Ties

WOODSIDE, Calif.—President Biden and Chinese leader Xi Jinping struck a less contentious tone at their summit Wednesday, a reset that

By Andrew Restuccia, Charles Hutzler and Lingling Wei

will be quickly tested by deep U.S.-China disagreements. With relations between the two countries near a low point, Biden and Xi agreed to resume communications between their militaries, cooperate on choking off fentanyl production and begin a dia-

logue on the risks of artificial intelligence. Their four hours of talks at a secluded estate outside San Francisco included a walk in the wooded grounds. "We made real progress," Biden said in a tweet. The talks, he later told reporters, were "some of the most constructive and productive conversations we've had." The outcome is likely to face pressure in coming months, with disagreements over an election in Taiwan and the Chinese navy's harassment of ships from the Philippines, a U.S. ally. The U.S. and China have differed sharply

over the Israel-Hamas war. Biden, a Democrat who is running for re-election next year, also faces political risk at home from Republican politicians who argue he is going easy on Beijing. Biden and his top aides spent months negotiating with top Chinese officials over the summit, hoping that face-to-face communication would prevent tensions between the two world powers from escalating. Xi too had an incentive to meet as he grapples with economic turbulence at home and seeks to stem the exodus of foreign capital.

But U.S. officials said the real success of the summit is less concrete: a rare opportunity for direct diplomacy with the authoritarian leader of the world's second-largest economy. The agreements reached Wednesday, though incremental, and the more positive tone contrast with the meetings of recent years and give Washington and Beijing more time to steady ties that have been on a downward pitch for years. Biden said he and Xi agreed that if there is "any concern

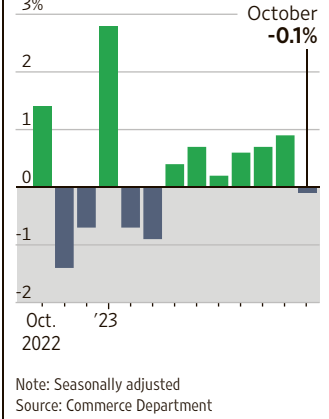
Economy Closes In On a Soft Landing

Inflation eases with no sign of recession, though consumers are pulling back

BY DAVID HARRISON AND JEFFREY SPARSHOTT

The U.S. economy is approaching what most economists had thought either unlikely or impossible: inflation returning to its prepandemic norm without a recession or even much economic weakness, a so-called soft landing. "What we are expecting now is a soft landing," said Nancy Vanden Houten, lead U.S. economist at Oxford Economics. "We expect the economy to weaken quite a bit, but it does look like we'll avoid an outright contraction" in gross domestic product. Six months ago, the consensus among economists surveyed by The Wall Street Journal was that the economy would enter a recession over the next 12

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INSIDE



PERSONAL JOURNAL
Phoenix tops the list in this year's WSJ ranking of airports across the U.S. **A11**



JOANNA STERN
A test of EV chargers in Los Angeles finds out-of-order signs and payment errors. **A12**

Israel Says It Found Evidence Of Hamas Activity in Hospital

BY DOV LIEBER AND CHAO DENG

Israel released footage from Gaza's largest hospital on Wednesday that it said proved the site was being used by Hamas militants, after searching buildings in an operation that carries high stakes for both sides in the war. The footage showed the MRI wing of the sprawling Al-Shifa Hospital in Gaza City, where Israel said it found AK-47s, grenades, military uniforms and a battle vest with the insignia of Hamas's military wing. In a video, an

Israeli military spokesman pointed to a laptop, a handheld tactical radio and a set of discs as evidence of a Hamas command center in the hospital, although the laptop screen was blurred and he didn't specify what was found on it. The Israeli military didn't show evidence Wednesday of underground complexes or prove its allegations of a Hamas tunnel network connecting to the hospital, but said it was still in the process of combing through the medical complex. The Israeli offensive has faced international criticism

for the killing of civilians and destruction of infrastructure in the Gaza Strip. Israel contends the hospital compound sits atop underground complexes and a command center used by militants, a claim backed by the U.S. Hamas has denied using the hospital for any militant activities, which would be considered a war crime. Hamas said it invited international

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◆ U.S. presses for release of hostages..... A6

Some Spotify Tattoos Strike A Sour Note

Ink that plays your favorite song may not last

By MEGAN GRAHAM

Mary Haley has the perfect party trick: a barcode-like tattoo of nearly two dozen fine lines that, when scanned with a Spotify music app, prompts a phone to play "Mambo No. 5" by Lou Bega. Haley, who is 33 and runs a marketing agency in Skowhegan, Maine, got the Spotify tattoo in early 2022. When she moonlights as a waitress at a local snowmobiler bar, guests will sometimes ask her what song it plays. She often tells them, "You have to scan it." If they do, they are rewarded with lyrics that include the line, "A

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Mortgage King Wants The NBA Crown, Too

Phoenix Suns owner Mat Ishbia charts a risky path in both business and sports

By BEN EISEN AND ROBERT O'CONNELL

When the Phoenix Suns played the Detroit Pistons early this month, Mat Ishbia's fingerprints were everywhere. He bought the Suns in February, tapping into the fortune he made in the mortgage business. And his lending company, UWM Holdings, sponsors the Pistons, with its logo appearing on their jerseys. The fast-talking 43-year-old billionaire, who sat courtside at the game in Michigan, is betting that he can win at both high-risk endeavors, becoming the king of mortgages and basketball alike.

His mortgage lender is already the largest in the U.S. and is barreling ahead with plans to get even bigger, the housing slump be damned. He has brought that same swagger to the NBA, where his goal is just as audacious. "I'm trying to win a championship this year," he said in a recent interview. "And then next year, we're trying to win a championship." Ishbia, a basketball fanatic who was a third-string point guard on Michigan State University's 2000 NCAA championship team, has a bad case of what some fans call "new owner syndrome." Within days of his buying

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U.S. NEWS



CAPITAL ACCOUNT | By Greg Ip

Housing Inflation Can Be the Worst Kind

Two weeks ago, I asked why Americans were in such a rotten mood when the data said the economy is in such good shape. The disconnect has grown since. Inflation, we learned, eased in October, extending a two-week rally in stocks and bonds. And yet the University of Michigan's index of consumer sentiment keeps falling.

It's clear readers cared less about inflation dropping, which only meant prices were rising more slowly, than about the fact that the level of prices is painfully high compared with three years ago.

It's also clear that not all inflation is equal. Three things in particular have our attention: gasoline, food and houses.

Gasoline and groceries are a big part of your budget, so you notice when the price goes up—and stays up. Their prices have also risen especially steeply: 43% and 20%, respectively, since January 2021, versus 15% for the consumer price index excluding food and energy.

This helps explain why consumer sentiment is low. Specific prices don't enter into the University of Michigan's index. That said, a rising share of respondents spontaneously mention food or gas prices in the interview, and they have much

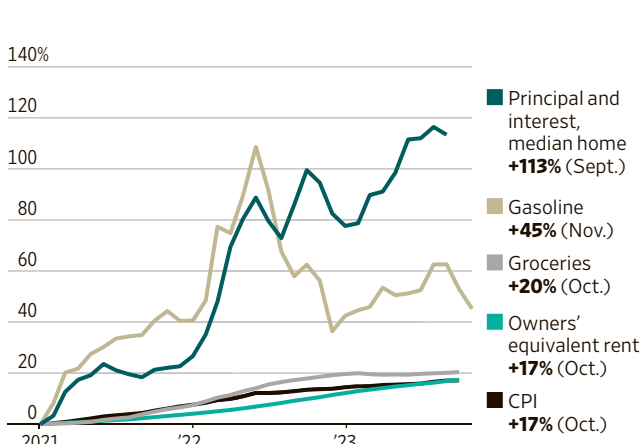
lower sentiment than those who don't, Joanne Hsu, director of the university's survey, said. That jibes with my anecdotal evidence. "Obviously, you don't do much grocery shopping or have a car that uses gasoline," was one reader's quite typical reaction to my column.

The good news is, gas is down about a third since its mid-2022 peak. Grocery prices haven't fallen, but they are only up 2% in the past year; dairy, eggs, chicken and meat are flat. Even if they don't drop, maybe a long spell of not going up will loosen their grip on our psyche.

Housing is entirely different. The Bureau of Labor Statistics doesn't measure the cost of homeownership with home prices in the CPI. It estimates what a homeowner would pay to rent their own house. This "owners' equivalent rent" is up 17% since the start of 2021.

But if you're actually in the market, what matters is the price of a home and the mortgage rate. Since January 2021, home prices, despite a late 2022 dip, have risen 29%, according to the S&P/Case-Shiller national home price index, and mortgage rates have nearly tripled. The buyer of the typical home thus faces a monthly principal and interest payment of nearly \$2,200, more than double the level of early

Cumulative price change since January 2021



Sources: Labor Department (CPI, groceries, owners' equivalent rent); OPIS (gasoline); National Association of Realtors (principal and interest); University of Michigan (buying conditions)

2021, the National Association of Realtors calculates. No wonder the net share of consumers telling the University of Michigan it is a good time to buy a home is the lowest since 1982.

If you own a house and have no plans to move, you might not care or might even enjoy your rising home value. But for buyers, this matters more than gas or food: A home affects decisions about marriage, kids, career and where to live.

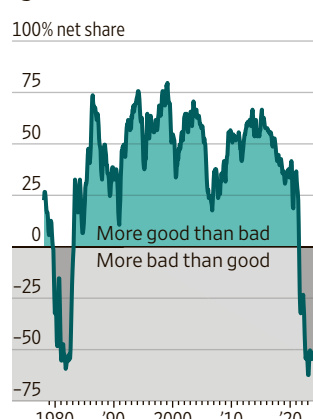
Brian McCusker attests to that. "Gasoline and food don't scare me: I'll go out to eat less. I'll buy a moped," he told me. "Housing is that one thing a lot of people view as the American dream.... That

first house proves a lot about you as an American adult." So it bothers him that at age 33, with a master's degree in school counseling with a concentration in children and family-based therapy, he's back at home, living with his parents. "My grandparents and my parents both had houses at my age," he said.

He had graduated at the start of the year from a university in Southern California. Unable to find a job in his field, and faced with paying \$2,000 rent on his condominium when his roommate moved out, he moved back to Michigan's Upper Peninsula where he grew up, where he's now working in community mental health.

Career opportunities, such

Buying conditions for houses (good time minus bad time)



as launching his own practice, are limited. In places like Northern Virginia, Florida or Southern California, McCusker can't afford the down payment on a house, and "even if I did, I would be house broke, spending half of my paycheck or more on mortgage costs alone."

Less than 1% of households in any given month will buy a house. But 17% plan to buy a home in the next 12 months, and add to that the millions like McCusker who want to buy their first home or trade up. They have all seen their hopes wilt.

As of yet, this hasn't made a dent in homeownership rates, which are higher among almost all age groups

than before the pandemic, according to the Census Bureau.

But homeownership will probably fall if it remains this unaffordable. John Burns, chief executive of John Burns Research & Consulting, says it will take some combination of falling mortgage rates, lower prices and rising incomes for affordability to return to normal, but, absent a recession, that will take years.

Mortgage rates have dropped with easing inflation, but they aren't headed to prepandemic levels, given upward pressure from structural forces such as global supply shocks and budget deficits. Burns said home prices are likely to flatten out but not fall in 2024. His home-builder clients see single-family housing starts rising 17%, to a level still lower than before the 2007-09 recession and below long-run growth in new households. Behind restrained building: financing costs, a shortage of developable land and onerous permitting.

Fixing supply constraints is a job for state and local—not federal—lawmakers. Unfortunately, local resistance to development demonstrates that while no one is rooting for high gas and food prices, plenty of people want home prices to stay high.

Closing In On a Soft Landing

Continued from Page One months. In October's survey, the average forecast of economists was for no recession.

After Tuesday, the probability appears to have dropped further. Inflation on Tuesday was shown to be surprisingly docile in October, then on Wednesday, the government reported retail sales fell slightly in October from September while Target said sales from stores and digital channels operating at least 12 months fell 4.9% in the third quarter. Both of Wednesday's reports were better than Wall Street expected and pointed to a slowing in consumer spending rather than outright contraction.

Stocks on Wednesday rose again, with the Dow Jones Industrial Average gaining nearly 164 points, after a sharp increase the previous day. The yield on the 10-year Treasury note settled at 4.535% Wednesday, up from 4.440% Tuesday. That reversed some of Tuesday's decline, which was the sharpest one-day drop since March.

A soft landing would be highly unusual. In the past 80 years, the Federal Reserve has never managed to bring infla-

tion down substantially without sparking a recession.

The strong economic rebound following the pandemic pushed inflation to four-decade highs of 9.1% last year. In response, the Fed raised interest rates to a range between 5.25% and 5.5%, the highest level in 22 years. The Fed aims for 2% annual inflation using a different measure, the personal-consumption expenditures price index.

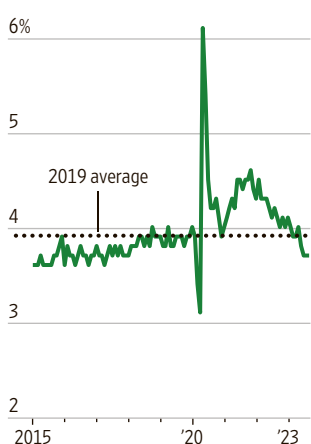
October's report, released Tuesday, showed inflation had come down to 3.2%. More encouraging, over the five months ended in October, inflation excluding food and energy ran at a 2.8% annual rate, spitting distance from 2% and well below the 5.1% annual pace in the first five months of the year.

The big drop happened while employers continued to add jobs and without any obvious sign that economic growth was petering out.

In September, the Fed expected core inflation as measured by the PCE price index to end the year at 3.7%. Now, it appears it could fall to 3.4%, according to Omair Sharif, president of Inflation Insights, a research firm.

Still, a soft landing isn't guaranteed. Inflation hasn't made it all the way to 2%. The economy might yet crumple under the delayed impact of higher interest rates. Outside forces like energy prices or a financial crisis could intervene. More noteworthy, the U.S.

Hires as a share of total nonfarm employment



Note: Seasonally adjusted Sources: Labor Department (hires); Commerce Department (consumer spending)

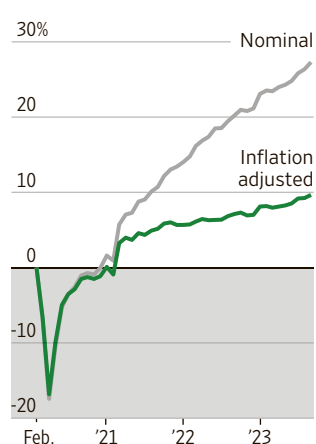
consumer, whose spending has sustained recent growth, might be running out of steam. October's fall in retail sales was the first since March.

"It looks like a soft landing until there's some turbulence and things get hairier," said Nick Bunker, an economist at Indeed who studies the labor market. "You only know it's happened once you're on the ground."

Slowing wage gains have reinforced the downward trend in inflation. Higher wages over time can feed into higher prices. But average hourly earnings were up 4.1% on the year in October, the lowest since June 2021 as companies compete less aggressively for workers.

"If one was looking for a clear sign of a soft landing, the disinflation inside the [con-

Consumer spending, change from February 2020



sumer-price index] is one unavoidable and unmistakable sign that the U.S. economy has proved far more resilient than anyone anticipated at the outset of 2023," said Joseph Brusuelas, chief economist at RSM US.

Until inflation is back to 2%, the Fed is unlikely to declare victory.

"We're still very focused on the first question, which is: Have we achieved a stance of monetary policy that's sufficiently restrictive to bring inflation down to 2% over time?" Fed Chair Jerome Powell said on Nov. 1.

Yet investors seem prepared to declare victory. Futures markets put the probability that the Fed will begin cutting interest rates by May at

roughly 65%, according to CME Group data.

Meanwhile, other data over the past few weeks point to an economy that is still healthy.

Rather than slow down this year, growth has sped up, to 4.9% annualized in the third quarter, its fastest since the end of 2021. Economists expect growth to slow to around 1% in the final three months of the year and to about 1% in 2024.

Meanwhile, over the three months through October, U.S. employers added an average of 204,000 jobs a month, a marked slowdown from earlier in the postpandemic period but still above 2019's average of 163,000. The unemployment rate has ticked up to 3.9% but remains low by historical standards.

A big question is whether consumers can keep it up.

Consumer spending grew at a brisk 4% annual rate in the third quarter. But much of that has come out of savings, which had been buttressed by pandemic-era stimulus programs. The saving rate fell to 3.4% in September from 5.3% in May.

One test will come during the holiday season. The National Retail Federation expects consumer spending in November through December will rise between 3% and 4% from the same period last year. That would be smaller than the 5.4% gain posted in 2022.

Consumer spending at stores, restaurants and online fell 0.1% in October from the prior month, the first such decline since March, according to

the Commerce Department Wednesday. Auto-dealership and furniture-store sales dragged down the overall figures, a sign that U.S. households could be shying away from big-ticket purchases.

Early warning signs also are developing in the labor market. The unemployment rate is up half a percentage point since April. Such an increase usually comes right before a recession.

The number of people filing first-time jobless claims is bumping along at historically low levels. But the number of people collecting unemployment benefits has climbed for seven straight weeks to nearly 1.6 million in the week ended Oct. 21, the highest since April.

There is also a risk that higher interest rates have made many businesses and households more exposed to unexpected shocks, said Jeremy Schwartz, senior economist at Nomura. He expects a recession next year.

Higher borrowing costs will make it increasingly costly for businesses to refinance their debt, he said. Household finances are also getting more precarious. The share of newly delinquent credit-card borrowers rose to 2% in the third quarter of this year, higher than before the pandemic, according to the New York Fed.

In such a fragile environment, a sharp rise in energy prices or a round of corporate defaults or bank failures could tilt the economy into recession next year, Schwartz said.

Retail Sales Decline for First Time Since March

By AUSTEN HUFFORD

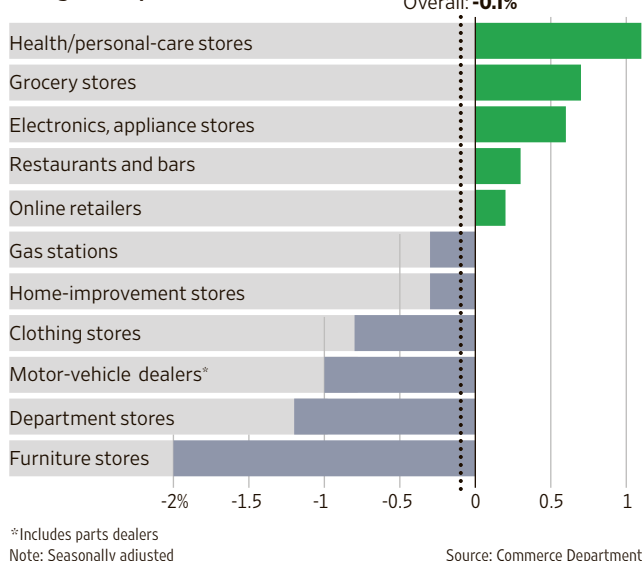
Consumers cut their spending at stores, dealerships and gas stations last month, tapping the brakes on economic growth ahead of the holiday shopping season.

U.S. retail sales fell 0.1% in October from a month earlier, the Commerce Department said Wednesday. That is the first decline since March and comes after a 0.9% increase in September and robust gains earlier in the summer. The retail figures, combined with slower hiring and easing inflation, indicate the economy is cooling after surprisingly strong growth much of this year.

Americans spent less at auto dealerships as higher interest rates could deter some from making big-ticket purchases. Declining prices at the pump resulted in less spending at gas stations. But even when excluding those categories, sales advanced just 0.1%, after averaging a 0.6% gain in the prior six months.

Retail figures aren't adjusted for inflation, so slower spending in part reflects the cost for

Retail sales for select categories in October, change from previous month



*Includes parts dealers Note: Seasonally adjusted Source: Commerce Department

many goods that have fallen in recent months. Those include used vehicles, electronics and some grocery items such as milk and eggs. Any cooling in consumer demand will soothe worries that the summer's spending surge would sustain higher inflation. A slowdown could raise hopes that inflation

will return to its prepandemic norm without a recession, a so-called soft landing.

The Federal Reserve has raised interest rates to a 22-year high to combat inflation by slowing economic activity. They last raised them in July. Since then, officials have extended a pause in rate increases, and re-

cent data likely eliminate the possibility of further hikes.

Sales also declined in October at department, hardware and furniture stores and rose more slowly at restaurants and bars and online.

One of the nation's largest retailers, Target, said Wednesday that consumers continue to pull back on discretionary items that make up much of its annual revenue. "Consumers are feeling the weight of multiple economic pressures and discretionary retail has borne the brunt of this weight," said Target Chief Growth Officer Christina Hennington. Target's comparable sales, those from stores and digital channels operating at least 12 months, fell 4.9% in the three months ended Oct. 28 from the prior year.

Home Depot said same-store sales fell 3.1% last quarter. "We saw continued customer engagement with smaller projects, and experienced pressure in certain big-ticket, discretionary categories," Chief Executive Ted Decker said.

◆ **Heard on the Street: Target's early gift to investors...** B10

CORRECTIONS & AMPLIFICATIONS

Donald Trump's rivals in the 2024 Republican presidential primaries have struggled to gain traction against him. A U.S. News article on Wednesday about House Speaker Mike Johnson's endorsement of Trump's 2024 presidential campaign incorrectly referred

to 2020 primary rivals.

The S&P 500 index gained 7.2% for the month of November through Tuesday. A Business & Finance article on Wednesday about the U.S. stock market incorrectly gave the figure as 17%.

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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U.S. NEWS

FDIC Chair Denies Probe of His Conduct, Later Revises Answer

Regulator hired firm to check complaints about Gruenberg's temperament in '08

By REBECCA BALLHAUS

Federal Deposit Insurance Corp. Chairman Martin Gruenberg testified before a House panel Wednesday that he had never been investigated for inappropriate conduct. But the FDIC tapped an external investigator more than a decade ago to examine complaints about his temperament, former officials said.

In a previously scheduled hearing before the House Financial Services Committee that followed a Wall Street Journal report that found a toxic workplace culture at the agency, the panel's chairman asked Gruenberg, "Since you've run the agency, you've been there for 20 years, have you ever been investigated for inappropriate conduct during your time at the FDIC?"

"No, Mr. Chairman," Gruenberg replied under oath, as he shook his head.

The chairman, Rep. Patrick McHenry (R., N.C.), said: "I appreciate your candor. I believe the workplace culture

starts at the top."

When the hearing returned from a break, after the Journal contacted the FDIC for comment, Gruenberg told lawmakers he wanted to correct the record. "In 2008, I was interviewed pursuant to a review done in response to a concern raised by an employee and I'm not aware of anything that came out of that review," he said.

In 2008, then-Chairman Sheila Bair asked an external firm that specializes in workplace conflicts and investigations of employee disputes to examine an incident in which Gruenberg, then the vice chairman, allegedly lost his temper with a senior female official for not clearing with him the timing of a coming senior management conference, which he couldn't attend, current and former officials said. Bair was told it was part of a pattern of behavior by Gruenberg, the officials said.

The firm interviewed senior FDIC officials in May 2008 and wrote a report on their probe, which they billed as a "management inquiry," according to documents reviewed by the Journal. The female official told the investigator that during the meeting, she had grown con-

cerned that Gruenberg might grab her notes out of her hands and rip them up, some of the officials said.

Bair spoke to Gruenberg about his conduct at the time and consultants also met with him to discuss his communication style, the officials said. Gruenberg told officials he was surprised the female official had been upset by his behavior.

Gruenberg told the House panel Wednesday that he would be willing to share the report with Congress and said no settlements resulted from the inquiry.

The FDIC declined to make Gruenberg available for an interview and declined to comment.

Last fall, President Biden nominated Gruenberg, now 70 years old, to lead the agency for a second term. During his confirmation process, Republican investigators on the Senate Banking Committee asked employees about Gruenberg's temper, current and former employees said.

Among the incidents they examined was the 2008 meet-

ing and subsequent investigation of it, officials said. Investigators were also told that Gruenberg, separately from that meeting, had broken multiple office phones in frustration, the employees said.

On a bipartisan call with Gruenberg, Republican investigators asked him about the dispute and whether he had thrown phones, former officials said. He denied acting inappropriately when meeting with the female official and denied throwing phones.

Lacking confirmation of the allegations, the committee didn't raise questions on the matter in Gruenberg's public confirmation hearing.

Gruenberg was confirmed by a 45-39 vote.

The Journal's investigation found that a toxic workplace culture had for years prompted women to quit the agency. Many employees were reluctant to raise complaints because they feared retaliation and believed they wouldn't be addressed. When employees did file complaints,

A Journal report found a toxic workplace culture at the agency.



FDIC Chairman Martin Gruenberg testified at a hearing before the House Financial Services Committee Wednesday.

the FDIC in multiple instances moved the perpetrators to other offices rather than seeking their dismissal.

In response, the FDIC said it hired a law firm to investigate allegations of harassment and discrimination. On Wednesday, Gruenberg said he was disturbed by the allegations and that addressing workplace problems "is a top priority for the FDIC now."

Wednesday marked the second consecutive day of lawmakers' demanding to know how Gruenberg plans to address problems with the FDIC's workplace culture.

Rep. Maxine Waters of California, the top Democrat on the House Financial Services Committee, said she was "very troubled" by the Journal report that surfaced allegations of harassment and discrimination at the agency stretching back a decade. She asked Gruenberg to provide a detailed written plan on steps the FDIC would take to address the

problems within a month.

"It's quite clear that there have been FDIC employees who experienced horrendous treatment," Gruenberg said.

Waters also asked regulators from the Federal Reserve, Office of the Comptroller of the Currency and National Credit Union Administration to provide written plans in the next 15 days describing how the agencies would review their sexual harassment policies and procedures. All agreed.

Earlier Wednesday, two Republican members of the FDIC board called for the board—not just the chairman—to oversee an investigation into allegations of harassment and discrimination at the agency.

"The conduct reported by The Wall Street Journal earlier this week has no place at this agency or anywhere in the workforce and should not be tolerated," Vice Chairman Travis Hill and Director Jonathan McKernan said in a joint statement.



Tolerance Tested in a Chicago Suburb

Mideast war strains Skokie's peaceful relations between Jews and Muslims

By JOE BARRETT

SKOKIE, Ill.—Descendants of Holocaust survivors and a growing Muslim population live side by side in this diverse Chicago suburb that prides itself on safety and civility. That tolerance is being put to the test as war rages in the Middle East.

Skokie has long been known as a welcoming village on Chicago's northern border, with one- and two-story homes on modest lots and good schools. A major attraction is the Illinois Holocaust Museum and Education Center. In addition to its substantial Jewish and Muslim communities, Skokie's population of 65,500 speaks more than 75 languages.

"We are very diverse and we get along well together, but there's no question that the war has created tension within the community," said George Van Dusen, who has been mayor since 1999.

Over the past several weeks, a bomb threat caused the evacuation of a synagogue, students staged a sit-in in support of Palestinians at a local high school and someone pulled up yard signs expressing homeowners' support for Israel.

In one chaotic scene last month, two men were arrested at a pro-Palestinian rally outside a gathering of supporters of Israel at a banquet hall. One was charged after allegedly using pepper spray on pro-Palestinian demonstrators while the other, who fired a gunshot into the air, wasn't charged; prosecutors described the latter incident as self-defense, local officials said.



At top, the 1:30 p.m. prayer service at Masjid-E-Suffah mosque in Skokie on a recent day. Above, Rabbi Ari Hart of Skokie Valley Agudath Jacob Synagogue stood before pictures of hostages abducted by Hamas recently put on display in the synagogue.

"We're managing as best as we possibly can," said Van Dusen.

Skokie's struggles are a microcosm of tensions across the U.S. The Federal Bureau of Investigation as well as Muslim and Jewish groups have reported a rise in antisemitic and anti-Muslim threats and incidents in the wake of the Oct. 7 Hamas attack on Israel and Israel's response in Gaza.

About 45 miles away in Plainfield Township, Ill., a 71-year-old man was charged last month in the stabbing death of a 6-year-old Palestinian-American boy. Local authorities called the attack, in which the boy's mother was severely injured, a hate crime.

Skokie's reputation as a haven for Holocaust survivors has at times made it a magnet for outsiders trying to make a point. In the late 1970s, a group of neo-Nazis was involved in a court battle to stage a protest in Skokie. Though they won in court, they never held the march.

In 2000, when a small group of Ku Klux Klan mem-

bers staged a rally, a large contingent of counterprotesters pelted them with snowballs, according to media accounts at the time.

In the 1990s, growing numbers of Muslims began arriving, Van Dusen said. When the Illinois Holocaust Museum moved out of a storefront space on a main street in town, a group of Muslims bought the property and turned it into a mosque, he said. Similarly, a former Jewish day school is now the home of an Islamic school.

Some Muslim residents of the village said they have largely felt welcomed, except in the period after the Sept. 11, 2001, terrorist attacks when anti-Muslim views raged across the country. Now, some of that uneasiness has returned.

"There's a lot of feelings that are now coming to light and that manifests itself in people losing their cool or doing things you wouldn't normally expect them to do," said Shehzad Majid, who had stopped by a local mosque for the 1:30 p.m. prayer service on a recent day.

The 45-year-old accountant

of Pakistani descent said his son was involved in the sit-in at the local high school. "There was a lot of heat at the school, but things seem to have calmed down," he said.

Arif Makda, attending the same prayer service, said he hasn't personally seen any difference in how he is treated since the war began, but the 72-year-old retired wholesaler of Indian descent said his grandchildren have noticed a change at school. "The children do say that they are feeling uncomfortable, but thank God nothing has happened," he said.

Joel Hellman, a 73-year-old retired attorney, said he was among residents who had signs that expressed their support for Israel pulled out of their yards in the middle of the night this month. "It seems like an unfortunate time where some people seem to believe the more noise you can make, the more persuasive your argument should be," he said.

Rabbi Ari Hart said many people in his Skokie Valley Agudath Jacob Synagogue congregation are feeling threatened. Sitting in the basement office of the synagogue, which started to be regularly protected by a Skokie Police squad car after the Israel-Hamas war began, he said he and other religious leaders have been trying to lower the temperature.

He and another rabbi from the synagogue attended the funeral for Wadea Al-Fayoume, the 6-year-old boy who was fatally stabbed last month.

Rabbi Hart said he is also working with other faith leaders on ways to show cooperation and bolster communication. "At the end of the day, we all want the same thing, we all want a safe community where our kids can flourish and we can freely practice our religion. That's the dream of Skokie."

Report Finds Shortcomings In Air-Traffic Safety System

By ANDREW TANGEL

The nation's air-traffic-control system faces increasing hazards from short staffing, outdated technology and chronic underfunding, according to a federal report that examined safety issues following a string of close calls at U.S. airports over the past year.

Staffing shortages at facilities that manage airplane traffic are leading to significant flight delays as the Federal Aviation Administration shuffles personnel to maintain safety at the expense of efficiency, the report said.

The abrupt changes needed to slow operations because of staffing can require rerouting flights and boosting spacing between aircraft, sharply increasing chances for mistakes in communication, the report said.

The National Airspace System Safety Review Team report, commissioned by the FAA, didn't say American airspace was unsafe. The authors, including former top U.S. government aviation and industry leaders, said the FAA's problems are eroding

safety protections and are unsustainable over the long term.

The FAA on Wednesday released the report, details of which The Wall Street Journal had earlier reported. It called for a series of changes to how Congress and the White House approve FAA funding, and issued recommendations. "The confluence of the issues we identified results in an erosion of safety margins that must be urgently addressed," the report's authors wrote.

The agency said it has taken several actions to end serious close calls since an industry summit it hosted earlier this year. Former FAA Administrator Michael Huerta, who led the review team, said Wednesday that many of the FAA's problems relate to its budget. "That's why our recommendations focus so much on ensuring adequate and stable funding," he said.

The air-traffic-control staffing shortage has also hobbled the FAA's own internal systems for managing safety risks related to pilots, near midair collisions and other incidents, the report said.

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U.S. NEWS

Senate Passes Short-Term Funding Bill

Deal avoids a shutdown, pushing the status quo into early next year

WASHINGTON—Congressional shutdown brinkmanship is taking a break, but it could be back with a vengeance soon.

By Paul Kiernan, Aaron Zitner and Lindsay Wise

Faced with a government-funding deadline this weekend, House lawmakers of both parties agreed Tuesday to back a short-term plan that simply extends the status quo until early next year, rather than stage another bare-knuckle fight now over spending and policy priorities.

The far less pugnacious Senate followed Wednesday, approving the proposal 87 to 11. The bill now goes to President Biden for his signature.

“No government shutdown, no cuts to vital programs, no poison pills. This is a great outcome for the American people,” said Senate Majority Leader Chuck Schumer (D., N.Y.) late Wednesday night.

Driving the detente: Many House Republicans were convinced that they would be blamed for any shutdown and suffer in the next elections, while Democrats decided to join GOP colleagues in punting the next big budget fight, rather than using holiday deadlines to try to jam through a victory. Both resolved to hold their fire for next time, with almost all House Democrats and a majority of Republicans backing the stopgap spending plan.

Crucially, conservatives—though largely opposed to the measure—were willing to let new Speaker Mike Johnson

(R., La.) move it forward without threatening his job just three weeks into his tenure.

“I just think that people realize it’s not a good idea,” said Rep. Mike Simpson (R., Idaho), a senior member of the House Appropriations Committee, of shutting down the government. “Never good policy, never good politics.”

“All we’re doing here is kicking the can, but thank goodness Democrats are able to say, ‘We refuse to shut down the government,’” said Rep. Sheila Jackson Lee (D., Texas).

The bipartisan peace is not expected to last. A central question is whether Republicans will stand firm on their policy demands on hot-button issues such as abortion and immigration in talks over full-year funding ahead of the new January and February deadlines. House GOP lawmakers are seeking to have fiscal 2024 government funding set below the levels established in the debt-ceiling deal between President Biden and then-Speaker Kevin McCarthy (R., Calif.) that passed back in June, and that could prompt the White House and Hill Democrats to dig in next time around.

Johnson might be unable to deliver much, given his party’s slim majority in the House and Democrats’ control of the Senate and White House. If enough conservatives wind up disappointed, they could try to oust him, as they did to McCarthy when he passed a spending bill in September on a bipartisan vote similar to Tuesday’s.

Ten months of turmoil among House Republicans set the stage for Tuesday’s compromise. The House GOP went through 15 ballots and days of grueling negotiations in Janu-



Conservatives let House Speaker Mike Johnson advance the bill without threatening his job.

ary before agreeing to select McCarthy as House speaker, only to oust him nine months later when he lost support from a small minority of his GOP colleagues.

While GOP critics blasted Tuesday’s bill for failing to immediately cut spending or tighten U.S. border policy, they expressed some sympathy for Johnson and said it wasn’t a statement about his leadership.

“I am much more likely to give grace to Mike than I am to Kevin,” said Rep. Ken Buck (R., Colo.), a member of the House Freedom Caucus who voted to remove McCarthy.

Other Republicans cautioned that the bill just reminded members of the perils of the party’s slim 221-213 majority.

“This is an unmanageable majority right now. Effectively, there’s not a majority,” said Rep. Garret Graves (R., La.). He said some Republicans are exploiting the narrow margin for personal gain or petty grievances.

“Once again, the Republican majority needs Democratic votes to govern,” said Rep. Rosa DeLauro (D., Conn.), the top Democrat on the House Appropriations Committee.

Rep. Matt Gaetz (R., Fla.) said the only difference between the bills passed by McCarthy and Johnson was the amount of time they had to prepare them.

“McCarthy had seven months, and he dragged us along, and he backed us up against shutdown politics,”

Gaetz said. “Johnson has had a few weeks. We’re gonna give him the time to design his plays and run his offense.”

Switching to a different sports metaphor, Gaetz warned Johnson against trying to pass another short-term spending bill: “It’s tough to get two mulligans on the same course.”

In pitching Tuesday’s legislation to lawmakers, Johnson framed it as a step toward ending what has become a Christmas tradition in Washington: passing a giant “omnibus” spending bill for the coming year. Conservatives grumble that the strategy, used for the past decade or so, doesn’t give rank-and-file lawmakers as much input as the traditional process of passing 12 distinct appropriations bills.

“We can’t bring fiscal sanity back to Congress until we reform the process,” Rep. Barry Loudermilk (R., Ga.) said. “We’re at least doing

something differently now.”

Polling shows that Americans by large majorities want their lawmakers to compromise, even if it means sacrificing core values at times. In a survey taken last year, just before the new Congress convened, three quarters of respondents in an NPR/PBS/Marist poll said it was more important for officials to find compromises to solve problems than to stand on principle. That included about two-thirds of Republicans and more than 80% of Democrats.

In a Pew Research Center poll this summer, Americans overwhelmingly said that the political system wasn’t working well, with more than 80% within each party believing that the two parties are more focused on fighting each other than on solving problems.

While the mood for compromise—or fatigue with partisan demands—might have taken hold for now, other factors can revive the brinkmanship once the next funding deadlines approach.

Overwhelmingly, most House members represent solidly Democratic or Republican districts, which creates incentives for them to show they are fighting for their party’s core values to stave off the threat of primary-election challenges from within their own party. Some 86% of Republicans and 80% of Democrats won election in 2022 by landslide margins of 10 percentage points or more.

In addition, social media and the rise of online fundraising mean that lawmakers are less reliant on party leaders for money and publicity. This allows them to operate as their own power centers, free from the discipline that congressional leaders could once inflict on members who broke party unity.

Months of turmoil among the House GOP set the stage for compromise.

New FCC Rule Targets ‘Digital Discrimination’

By RYAN TRACY

WASHINGTON—Internet service providers will have their business practices scrutinized for “digital discrimination” based on income or race under a regulation that was adopted Wednesday by the Federal Communications Commission, raising legal risks for some of America’s most powerful companies.

The new rule lays the groundwork for the FCC to hold providers such as AT&T or Comcast liable if their actions “differentially impact consumers’ access to broadband”—intentionally or not. That will include decisions about network upgrades, pricing, marketing, maintenance and more.

The rule takes the FCC into a contentious debate over the government’s proper role in ensuring “equity” across the economy. The agency is siding with progressive groups who argue that stricter new regulation will help ensure universal access to a service essential to modern life, particularly in underserved communities of color or minority Americans.

“Many of the communities that lack adequate access to broadband today are the same areas that suffer from long-standing patterns of residential segregation and economic disadvantage,” said FCC Chairwoman Jessica Rosenworcel, a

Democrat, after the agency approved the rule in a 3-2 party-line vote.

She described the rules as “fair and reasonable,” noting that the agency will “accept genuine reasons of technical and economic feasibility as valid reasons” for a company’s decisions.

Internet providers, and their Republican allies in Congress, oppose the measure, arguing it would chill investment—thus running counter to the Biden administration’s goal of expanding access—and go beyond antidiscrimination authority granted to the FCC in the 2021 Infrastructure Investment and Jobs Act.

“This is taking a massive regulatory sledgehammer to every part and every service element of the broadband ecosystem,” said Jonathan Spalter, chief executive of the trade group USTelecom, whose members include AT&T and others. “It goes way beyond what Congress has insisted.”

The rule implements a provision in the 2021 infrastructure law telling the FCC to prevent “digital discrimination of access based on income level, race, ethnicity, color, religion, or national origin.” The language made it into the bipartisan law as part of a package that also included the largest-ever federal subsidies for expanding broadband service.

U.S. WATCH



GRADUATION DAY: Prisoners cheer as they get their bachelor’s degrees from Northwestern University during a ceremony for the inaugural class of the Northwestern Prison Education Program at Stateville Correctional Center in Crest Hill, Ill.

VIRGINIA Democrat Concedes In Attorney Race

A high-profile Democratic prosecutor in northern Virginia who pursued progressive reforms and drew criticism from Republican Gov. Glenn Youngkin conceded defeat Wednesday in her re-election bid.

Buta Biberaj’s narrow loss to Republican Bob Anderson in the race for Loudoun County Commonwealth’s Attorney gave the Virginia GOP one of its most significant wins in the election that saw Democrats win control of both houses of the state Legislature.

Biberaj conceded a day after the Loudoun County Board of Elections finished counting all ballots. Late absentee and provisional ballots narrowed her deficit from roughly 1,000 votes to 300 votes out of more than 135,000 ballots cast. Biberaj could have requested a recount under state law, but she said she thought it was better to use the next two months to ensure a smooth transition.

—Associated Press

NEW JERSEY First Lady Murphy Runs for Senate

New Jersey first lady Tammy Murphy launched a bid for the Democratic nomination for U.S. Senate in next year’s contest.

Her candidacy, announced Wednesday, puts her in the running to become the first woman elected to the Senate from New Jersey. The Democratic primary already features Rep. Andy Kim and could include Democratic U.S. Sen. Bob Menendez, who has lost significant party support amid federal bribery charges, which he denies.

Murphy is a constant at events alongside her husband, Democratic Gov. Phil Murphy, and has taken on maternal and infant health and the environment as her top issues as first lady. A former Republican, Tammy Murphy has spoken about growing up in a GOP-leaning area of Virginia. She became a Democrat before her husband’s run for office.

—Associated Press

NEW YORK Amtrak Service to Return North of City

Amtrak service north of New York City will be restored Thursday after it was disrupted for several days by structural issues with a parking garage over the tracks on Manhattan’s west side, the railroad said Wednesday.

Service between New York City and the Croton-Harmon station in Westchester County was halted Monday after cracks and deteriorated steel were discovered in the parking structure on West 51st Street that sits over Amtrak tracks.

Officials with the city’s Department of Buildings said they worked with the parking structure’s owner, Lineage Ventures LLC, to develop a repair plan. Amtrak spokesperson Jason Abrams said railroad officials have been assured the repairs will be completed Wednesday night.

Abrams said riders can expect minor delays until both tracks are restored Saturday.

—Associated Press

OREGON Drug-Ring Probe Yields Arrests

An investigation into what authorities described as a major drug trafficking group based in southern Oregon resulted in two dozen arrests and seizures of guns, fentanyl, methamphetamine and other drugs, law enforcement agencies said Wednesday.

The Drug Enforcement Administration, Oregon State Police and the Grants Pass Police Department were among the agencies involved in the probe, which lasted more than a year.

Officers seized 37 guns, 2,000 grams of meth, 636 grams of fentanyl pills and 52 grams of fentanyl, Oregon State Police said.

That amount of fentanyl had the potential to yield more than 144,000 lethal doses, said David Reames, special agent in charge of the DEA’s Seattle division. Just 2 milligrams of fentanyl can be deadly, according to the DEA.

—Associated Press

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U.S. NEWS

Judge in Georgia Case Says He Will Curb Disclosures

Defense attorney says he provided witness interviews to a media outlet

By MARIAM TIMMS
AND JAN WOLFE

ATLANTA—The judge overseeing the racketeering case against former President Donald Trump and 14 remaining co-defendants said he would soon place new limits on how evidence should be handled, after a defense lawyer admitted to disclosing video clips of witness interviews to a media outlet.

Fulton County Superior Court Judge Scott McAfee said during an unusual court hearing Wednesday afternoon that he would impose a “protective order,” which would bar defense lawyers from disclosing certain information they get about the prosecution’s case during discovery.

“Until we decide what is relevant and admissible, this case should be tried not in the court of public opinion as much as possible, but before a jury, with evidence that has been vetted and approved,” McAfee said.

McAfee said he would draft the protective order and publish it by Thursday. The judge said his order wouldn’t be a total ban on sharing evidence with the public. The order would only apply to materials designated as sensitive, such as witness interviews and business records. Defendants would have an opportunity to pose objections to the application of the sensitive label, McAfee said in court.

The hearing came after ABC News and the Washington Post earlier this week published video excerpts of meetings between prosecutors and Trump co-defendants who pleaded guilty. Fulton County District Attorney Fani Willis provided those video clips to defense lawyers in the case so that they could prepare for trial.

Jonathan Miller, a lawyer for Trump co-defendant Misty Hampton, said during the hearing that he disclosed the video clips to one media outlet, without specifying which one. Hampton, a former elections official in Georgia’s Coffee County, has pleaded not guilty to charges including racketeering and conspiracy to commit computer theft.

“In being transparent with the court, and to make sure that nobody else gets blamed

for what happened, and so that I can go to sleep well tonight, judge, I did release those videos to one outlet,” Miller said.

Willis’s office requested a protective order in an emergency motion filed Tuesday, a day after ABC News and the Washington Post published their stories. Willis’s office originally proposed a blanket ban of sharing pretrial discovery with the public, before consenting to a more limited order favored by the majority of the defense lawyers.

Miller, the lawyer who said he had leaked to the media, said “the public has a right to know” about what was said in meetings, known as “proffer sessions,” between prosecutors and the four defendants who have pleaded guilty so far: Sidney Powell, Jenna Ellis, Scott Hall and Kenneth Chesbro.

The video clips revealed new details of what those co-defendants told prosecutors since taking no-jail deals and agreeing to cooperate in Willis’s election interference case.

In one clip, Ellis told prosecutors about a conversation she had with a top Trump aide, Dan Scavino, in December 2020. In that conversation, Scavino said Trump had no intention of leaving the White House after his 2020 election loss, according to Ellis.

“The boss is not going to leave under any circumstances,” Scavino allegedly told Ellis, a former lawyer for the Trump campaign. “We are just going to stay in power.” Scavino didn’t respond to a request seeking comment.

Tom Clyde, a lawyer for a media coalition led by the Atlanta Journal Constitution, argued Wednesday that the proposed protective order goes against First Amendment protections of public access to court proceedings.

“What the state and the defendants are trying to do is get the authority of the court behind an order that will impose secrecy on information that’s exchanged during the discovery process, notwithstanding the information is,” Clyde said.

McAfee was skeptical that the public has a right to see sensitive discovery evidence, like the videos published this week.

“The First Amendment concerns of this case are not ones to just be ignored or flippantly denied,” McAfee said. “However, pretrial discovery places us, I think, in a very different realm.”



Hunter Biden last month pleaded not guilty to three felony charges, following the collapse of a plea deal.

Hunter Biden Seeking Trump, Barr Documents in Gun Case

By C. RYAN BARBER

President Biden’s son, Hunter Biden, is seeking to subpoena Donald Trump and former Attorney General William Barr as he prepares to raise a defense that his prosecution on felony gun charges stems from an “unrelenting pressure campaign” by the former president and his Republican allies.

In a 16-page court filing Wednesday, the younger Biden asked a federal judge to sign off on subpoenas for communications among Trump administration officials about investigating and prosecuting him. His lawyer, Abbe Lowell, said the information he is pursuing “goes to the heart of his defense that this is, possibly, a vindictive or selective prosecution arising from an unrelenting pressure campaign beginning in the last administration.”

Biden, 53, pleaded not guilty last month to three felony charges related to his purchase of a firearm from a Delaware gun shop in 2018. His indictment on those charges followed the collapse of a plea deal in which he was set to plead guilty to a pair of misdemeanor tax charges and avoid prosecution on a gun charge.

In the court filing Wednesday, Lowell asked the federal judge presiding over the criminal case to approve subpoenas to Trump and Barr to gather more information about “certain instances that

appear to suggest incessant, improper, and partisan pressure applied” by the former president on Barr and other top Justice Department officials. In addition to Trump and Barr, the younger Biden hopes to issue subpoenas to the two top-ranking Justice Department officials at the end of the last administration: former acting Attorney General Jeff Rosen and his deputy Richard Donoghue.

A Trump spokesman didn’t respond to a request for comment. Barr declined to comment. Rosen and Donoghue didn’t respond to requests for comment.

Lowell highlighted handwritten notes, released in connection with the House investigation into the Jan. 6, 2021, attack on the Capitol, in which Donoghue documented a call in which Trump urged Justice Department officials to “figure out what to do with” Hunter Biden. Donoghue’s notes also say that Trump insisted that “people will criticize the DOJ if he’s not investigated for real.”

In a book, Barr also recounted erupting at Trump when he inquired during an October 2020 call about the investigation into Hunter Biden.

“These confirmations of communications give more

than a mere appearance that President Trump improperly and unrelentingly pressured DOJ to pursue an investigation and prosecution of Mr. Biden to advance President Trump’s partisan ambitions,” Lowell wrote.

The court filing came a week after House Republicans subpoenaed Hunter Biden, along with his uncle James Biden, as part of an investigation in which GOP lawmakers

have sought to tie President Biden to his family’s business dealings. The House subpoena demanded that Hunter Biden appear for testimony Dec. 13.

Lowell called the subpoena “another political stunt aimed at distracting from the glaring failure” of Republican lawmakers to “prove a single one of their wild and now discredited conspiracies about the Biden family.”

In his court filing Wednesday, Lowell pointed to several social-media posts in which Trump urged law enforcement to investigate Hunter Biden and his family. In a July post, Trump criticized Hunter Biden’s plea deal as overly lenient and referred to David Weiss, the federal prosecutor overseeing the case, as a “coward.”

“He gave out a traffic ticket instead of a death sentence,”

Trump wrote. Republican lawmakers echoed Trump’s criticism, calling the plea deal a “slap on the wrist” and a “sweetheart deal.”

In the months before that plea deal, two Internal Revenue Service agents who worked on the Hunter Biden case came forward to Congress with allegations that the Justice Department slow-walked and stymied the investigation.

Among their more explosive allegations was that the top federal prosecutors in Washington and Los Angeles had prevented Weiss, the U.S. attorney in Delaware, from bringing tax charges against Hunter Biden in their respective districts. In closed-door congressional testimony, the U.S. attorneys in Washington and Los Angeles disputed those claims and said that, while they declined to join with Weiss on the case, they offered to provide him and his prosecutors administrative support to pursue charges.

Weiss requested and received special counsel status after the collapse of Hunter Biden’s plea deal. Last week, in closed-door testimony before the House Judiciary Committee, Weiss said Justice Department officials never blocked him from taking investigative steps he viewed as necessary, including pursuing charges.

“I am, and have been, the decision maker on this case,” Weiss said, according to a transcript of his testimony.

Supreme Court’s New Code of Ethics Seen as Symbolic Step

By JESS BRAVIN
AND JAN WOLFE

WASHINGTON—The Supreme Court’s new ethics code has been welcomed by critics as a move in the right direction, but they also see it as a mostly symbolic gesture meant to address the court’s low approval rating.

“This is a step forward but hopefully only the first step,” said Keith Swisher, a professor of legal ethics at the University of Arizona’s law school, noting that the code “lacks any enforcement mechanism or improvements in the way that the justices consider and answer ethical questions.”

The justices themselves have said they weren’t trying to break any new ground. An introductory note said they were simply codifying principles they have long adhered to in hopes of dispelling the perception that they regard themselves as unrestricted by any ethics rules. According to a September Gallup poll, only 41% of Americans approve of the justices’ job performance, one point above its record low of 40% in 2021.

In a speech on the Senate floor, Sen. Richard Durbin (D., Ill.) said that “for the first time in history, the Supreme Court of the United States is at least saying to the American people: ‘We hear you.’”

Durbin, chairman of the Senate Judiciary Committee, has long urged the court to



The new code doesn’t provide any system for investigating and policing ethical violations.

promulgate a code of conduct—a step it refused to take until Monday, despite such documents being uncontroversial and nearly universal among other state and federal courts.

Senate Majority Leader Chuck Schumer (D., N.Y.) said Congress shouldn’t let up on “efforts to hold the judiciary accountable.”

While the “code of conduct is a necessary and important step, it cannot be the final word,” Schumer said on the Senate floor Tuesday. “The public’s trust in our courts is a key feature of our democratic society, and there’s a lot of work left to do before that

trust is fully restored.”

While the justices, like other government officials, are subject to anticorruption laws and follow financial-disclosure requirements, a code of conduct sets out in greater specificity the kinds of situations that could raise ethical questions and provides guidance on the proper response.

But the Supreme Court’s new code doesn’t provide any system for investigating and policing ethical violations—or even providing consistent advice for justices and the public. Some commentators have called for the court to appoint an inspector general similar to

those that investigate potential wrongdoing and mismanagement in other government agencies.

Swisher said the court could have taken more modest steps, such as formalizing a process in which the justices should seek out nonbinding advice from their colleagues on the bench.

Others say the Constitution makes clear that the Supreme Court’s justices are solely responsible for their own ethics rules. The sort of enforcement mechanisms being proposed by the court’s critics would violate basic principles of the separation of powers, said Michael

Mukasey, who served as U.S. Attorney General under former President George W. Bush. “It is impossible to conceive of a fourth branch of government to enforce ethics,” said Mukasey.

Some Republicans have also said the court should better police its own behavior, although they have cast Democratic criticism of the justices’ conduct as a collateral attack on the court’s direction since former President Donald Trump’s three appointees solidified its conservative majority.

Senate Minority Leader Mitch McConnell (R., Ky.) said Tuesday he welcomed the court’s move. “The court produced the code internally and adopted it unanimously,” McConnell said on the Senate floor. “In other words, as I expected, a coequal branch of government conducted its business independently.”

There was a sense among some Republicans that the code could temper criticism of the court, which intensified this year after ProPublica and other news organizations reported on undisclosed vacations and other favors Justice Clarence Thomas has accepted from beneficiaries, including Dallas real-estate magnate Harlan Crow.

Whether the code’s publication eases that pressure could soon be seen at the Senate Judiciary Committee, where a Democratic push to subpoena Crow and former Federalist Society executive Leonard Leo,

the conservative adviser to Republican presidents on judicial appointments, stalled last week in the face of GOP opposition.

The code contains some obvious rules, such as requiring that justices recuse themselves from cases where a spouse, child or other close relative is a party. More difficult will be assessing their aspirational provisions, such as the requirement that justices “act at all times in a manner that promotes public confidence in the integrity and impartiality of the judiciary.”

Former federal judge Jeremy Fogel, director of the Berkeley Judicial Institute at the University of California, said the focus should be on what happens next.

The code’s value “will depend in large part on whether and to what extent individual justices are involved in future ethical controversies,” he said. “My impression is that the process of getting to this point has made the justices more intentional about public trust and confidence and the impact of ethical issues.”

Others were harsher. Monday’s release “is designed to look like they’re doing something, without actually doing anything,” said Jessica Levinson, a professor at Loyola Law School in Los Angeles. She said the code was unlikely to change things because, at the end, it leaves each justice the judge of his or her own conduct.

WORLD NEWS

U.S. Presses for Release of Hostages

Administration's frustration is rising as casualties, risks to prisoners mount

TEL AVIV—With fears rising about the safety of hostages held in Gaza, the White House sent its top Middle East adviser to the region on Wednesday in search of a breakthrough in halting efforts to secure their release from Palestinian militants.

By Jared Malsin, Dion Nissenbaum, Summer Said and Anat Peled

Brett McGurk, National Security Council coordinator for the Middle East and North Africa, met with Israeli and Palestinian leaders at the start of a regional visit that is part of the Biden administration's efforts to prevent the conflict in Gaza from spiraling into a wider regional war. McGurk, who is also a deputy assistant to President Biden, will next meet with Palestinian, Jordanian and Persian Gulf officials.

The Biden administration has been pushing Israel to allow more humanitarian aid into the besieged strip and to do more to reduce the number of civilian deaths in Gaza, where thousands of women



An Israeli military bombardment in the northern Gaza Strip on Wednesday.

and children have been killed by Israeli airstrikes, according to the Ministry of Health in the Hamas-run enclave.

Israeli soldiers have taken control of key points within Gaza City, entering the strip's largest hospital, Al-Shifa, on Wednesday.

U.S. officials also are trying to discourage Israel and leaders of the Lebanon-based mili-

tant group Hezbollah from expanding hostilities along the Israel-Lebanon border, where daily attacks are raising fears of a wider regional war.

McGurk is expected to focus on efforts to secure the release of about 240 hostages, including at least nine Americans, held by Palestinian militants since Oct. 7. Talks toward a possible release of hostages

have unfolded haltingly for weeks. Talks stumbled in recent days as the Israeli military pushed deeper into Gaza, said people involved.

Israel and Hamas, negotiating through mediators Egypt and Qatar, have discussed proposals including the flow of humanitarian aid into Gaza in return for the release of some hostages. Hamas is demanding

that Israel pause its assault in return for the release of some hostages. Israel has said it won't agree to a cease-fire, but officials tracking the talks say Israel would accept a pause as a part of a deal that includes the freeing of hostages.

The number of hostages and the length of any potential pause in fighting or cease-fire are still under discussion, according to officials briefed on the talks. Hamas is also seeking the release of Palestinian prisoners held by Israel.

Israeli Defense Minister Yoav Gallant told McGurk in a meeting Wednesday that Israel would continue its military operations in Gaza until it completes the mission of "destroying Hamas and returning our hostages," according to remarks released by the Israeli government.

The two discussed the hostage crisis, and Israel shared intelligence and details on prisoners' status, the Israeli government said.

The Israeli government and military officials say the Gaza offensive will pressure Hamas to agree to more favorable terms in a possible hostage deal. Some others, including former hostage negotiators, have said the military offensive raises the risk that hostages could be killed accidentally or that Hamas could execute them.

Tehran Is Expanding Its Nuclear Program, Agency Says

By Laurence Norman

Iran continued to expand its nuclear program, including its stockpile of near-weapons-grade enriched uranium in recent months, although it hasn't accelerated the pace of its production of nuclear fuel amid the Mideast turmoil.

In its confidential quarterly report circulated to member states, the United Nations nuclear agency also said Tehran largely has refused to cooperate on several outstanding disputes, including the country's withdrawal of permission for several European inspectors to continue working there.

Wednesday's International Atomic Energy Agency report showed that while Iran has slowed its accumulation of 60%-enriched uranium since the start of summer, it continues to build up large amounts of material that could be used to fuel nuclear weapons.

Iran added 6.7 kilograms of 60% enriched uranium, taking its stockpile to 128.3 kilograms in the 2½ months to Oct. 28, the agency reported. That is enough material—once refined to weapons-grade uranium at 90% purity—to fuel about three nuclear weapons. Iran is the only state without nuclear weapons to produce 60% enriched uranium.

U.S. officials have said it likely would take Iran less than two weeks to produce enough weapons-grade material for a weapon. But they believe Tehran hasn't completed research on building an atomic bomb.

Iran insists its nuclear program is for entirely peaceful civilian purposes and it would never develop nuclear weapons.

Intercepts Helped Assess Hamas's Position in Hospital

By Nancy A. Youssef and Warren P. Strobel

WASHINGTON—The U.S. assessment this week that Hamas and other Palestinian militants were operating within Gaza's largest hospital complex was based in part on intercepted communications of fighters inside the compound, people familiar with the matter said Wednesday.

The signals intelligence was

among several pieces of U.S.-gathered information, the people said. And it was among the information that led the White House and Pentagon to announce Tuesday for the first time that the U.S. believed Hamas and Palestinian Islamic Jihad, also known as PIJ, were using Al-Shifa Hospital "as a way to conceal and support their military operations and hold hostages."

The people familiar with

the matter declined to provide more details, but stressed it was based on several streams of data and was collected independently of Israel.

The U.S. hasn't been able to determine details of Hamas's alleged operations at Al-Shifa, including their size and scope, or whether the group's fighters are operating inside the hospital, underground or both, a U.S. official said. The U.S. has said it also has picked up intel-

ligence about other hospitals.

Israel has said that Al-Shifa Hospital's grounds sit atop underground complexes and a command center used by militants, and the Israeli military have begun conducting operations targeting it.

Hamas denies using the hospital for militant activities, which would be considered a war crime. Hospitals have specific protections under international law. But under the

Geneva Conventions, hospitals can lose that protected status if an armed group uses a hospital to "commit acts harmful to the enemy."

In releasing its own intelligence assessment that Palestinian militants were using the Al-Shifa Hospital—information that was declassified earlier this week—the Biden administration buttressed Israel's arguments for its military operation there.

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WORLD NEWS

U.N. Schools In Gaza Come Under Fire

Israel says militants launch attacks from civilian sites; Hamas denies assertions

By JARED MALVIN AND ANAS BABA

RAFAH, Gaza Strip—Huddled in classrooms and crouching under tarps slung up in the courtyard, Palestinians seeking refuge from the fighting in Gaza have crowded into a United Nations-run school here near the Egyptian border.

The U.N. Relief and Works Agency for Palestine Refugees runs 183 schools in the Gaza Strip, most of which have been pressed into service as shelters. The agency, which also runs bakeries and clinics and provides financial aid, has been central to life in the Palestinian enclave for more than 70 years.

Since the war began people have been sheltering in agency facilities.

As Israel and Hamas, the Islamist militant group that rules Gaza, battle, the agency says its ability to cope is fraying. More than 100 of its workers have been killed. An Israeli blockade, imposed after Hamas's Oct. 7 attack on Israel, has cut off almost all shipments of food, fuel, water and medicine.

On Tuesday, a U.N. spokeswoman said lack of fuel meant the agency's functions would "start gradually collapsing" as ambulances, sewage and sanitation systems shut.

At least 66 people sheltering in U.N. compounds have been killed in the fighting, and more

than 550 others injured, the U.N. says. Hamas, designated by the U.S., the European Union and others as a terrorist organization, has blamed Israel, saying it is attacking U.N. sites.

Israel's military says Hamas has built tunnels near some U.N. schools and fired rockets from areas close to them. Hamas didn't respond to a request for comment on allegations it builds tunnels under the schools or uses them to hide materiel.

Since the Hamas assault on Israel the country has waged airstrikes and ground operations it says are aimed at eliminating Hamas.

On Sunday, the U.N. said shelling from an Israeli warship hit a guesthouse where the agency's international workers stay. The Israeli military said it

"carried out a strike based on operational requirements, adjacent to a U.N. building."

UNRWA said it inspects its schools to make sure there is no military equipment or activity that could compromise their neutral status.

Israeli military officials say Hamas operates in and near civilian buildings. The Israeli government also accuses UNRWA of employing Hamas militants—an allegation it denies.

"Hamas has taken control of the whole of Gaza including U.N. installations. We have done everything we can in this intensive war to avoid damage to any international installation," a senior Israeli military official said. He said some were "hit because Hamas put weap-



A boy carries sacks of food at a United Nations-run school in Rafah. The agency says it runs 183 schools in the Gaza Strip.

ons inside schools."

More than three-quarters of a million people have descended on UNRWA school shelters since the outbreak of war. The average number of people in each shelter is more than 6,250, which the U.N. said is nine times the intended capacity.

In times of peace, U.N. schools form a core part of Gaza's education system, teaching about 300,000 pupils, or about half the total number of students in the strip. "They come out of here as engineers and doctors and lawyers," said Abu Hisham Subih, a 55-year-old who took shelter in the school after the war broke out.

In times of war, Palestinians flock to the schools for shelter. "It was incredible at first the rush to these UNRWA schools with the deep belief that the schools are protected," UNRWA spokeswoman Tamara Alrifai said. "But the reality is that in Gaza there's nowhere safe."

Across Gaza, more than 11,000 people, more than half

of them women and children, have been killed since Oct. 7, according to health authorities in the Hamas-run enclave. The figures don't distinguish between civilians and militants.

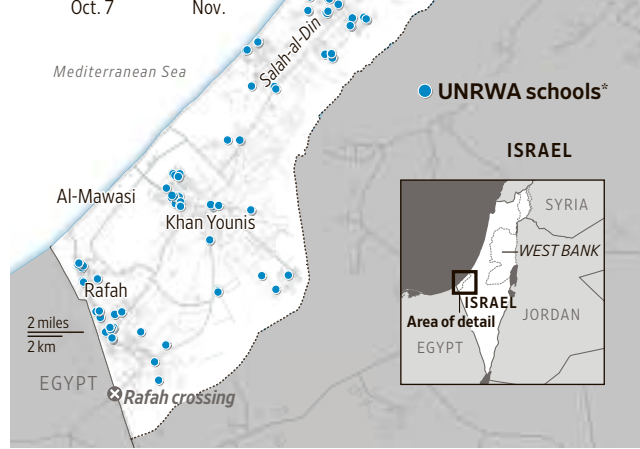
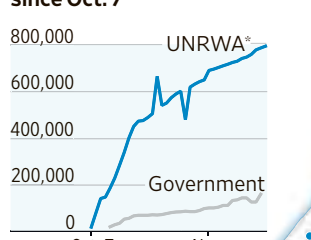
On Monday, UNRWA said it received reports from witnesses that Israeli security forces entered one school and two health centers in Gaza City and used the installations for military operations.

The U.N. said witnesses reported that Israeli soldiers conducted interrogations and arrested some people sheltering in the installations. The Israeli military didn't respond to a request for comment.

U.N. officials say they share the coordinates of all U.N. installations in Gaza with both sides each day.

Palestinians say they continue to seek shelter in the schools because they have nowhere else to turn. "The people in this school, their homes are destroyed. Where are they going to go? In the streets?" said Subih, who is camped out here.

Internally displaced people in Gaza by type of school/shelter since Oct. 7



*United Nations Relief and Works Agency for Palestine Refugees in the Near East Sources: Palestinian Ministry of Education (schools); United Nations Office for the Coordination of Humanitarian Affairs (displaced people)

Israel Says Hamas Used Hospital

Continued from Page One

tional organizations to inspect Gaza hospitals. The entry by Israeli forces into the hospital grounds brings into sharp focus the complexities of the conflict in Gaza, a densely populated Palestinian urban enclave, where further combat with an entrenched guerrilla force risks more civilian casualties.

It is also the latest episode in the dueling narratives playing out around the globe, with television screens in the Arab world filled with images of newborn babies in Al-Shifa, while in Israel and parts of the West, the focus was on the victims of Hamas's Oct. 7 attack and the militant group's alleged activities at the hospital.

Finding a command center at the Al-Shifa complex would help justify Israel's controversial decision to send troops into a hospital, but if its intelligence turns out to be faulty, it would heighten international scrutiny of the military campaign.

The assessment this week that Hamas, which the U.S. considers a terrorist organization, and other Palestinian militants were operating within Al-Shifa was based in part on intercepted communications of fighters inside the compound, people familiar with the matter told The Wall Street Journal on Wednesday.

Israeli military spokesman Rear Adm. Daniel Hagari said Israeli troops also found Hamas military uniforms thrown on the floor, which he said indicated they expected to flee in civilian disguise.

Early Wednesday, the Israeli military said troops carried out a targeted operation in an area of the hospital. There were no reported clashes between Israeli soldiers and militants inside the hospital. A senior Israeli military official said soldiers killed four Hamas fighters who attacked them outside the hospital as they moved to enter the complex later in the morning.

A Reuters video shared by



Israel's military released footage of its troops near Al-Shifa.

the Ministry of Health in Gaza showed damage and debris in Al-Shifa's intensive-care area. Medical staff rolled bed-bound patients to a corridor for cover, and one person was shown manually pumping oxygen to a reclined child.

Verified video footage from near the hospital showed scores of damaged buildings, roads filled with debris and two bodies lying facedown.

Thousands of people—including patients, doctors and families—have been sheltering on Al-Shifa's sprawling premises for days amid gunfire and explosions, and had been bracing for Israeli troops to enter, according to doctors.

Hamas condemned Israel's move into the hospital. "We hold the occupation, the international community, and the United States of America fully responsible for the safety of thousands of medical personnel, the wounded, and displaced individuals inside," Hamas said Wednesday.

The Israeli military said that it had delivered incubators, baby food and medical supplies to the hospital, and that its medical teams and Arabic-speaking soldiers were there to help distribute the items. It released photos and videos of soldiers unloading the supplies outside Al-Shifa.

A senior Israeli military official said that the incubators were for use in ambulances that could take the newborns to safer hospitals in southern Gaza or potentially to Egypt or Israel for medical care.

There is rising international concern over the plight of Gaza's hospitals. The World Health Organization said on Wednesday it had lost contact with health workers at Al-Shifa, calling the Israeli incursion "totally unacceptable."

White House National Security Council spokesman John Kirby said that while it is "understandable" that Israel would want to degrade Hamas's capabilities, it also means there is an added burden "because there are real patients and real doctors and real nurses that have nothing to do with this fight that need to be protected as much as possible."

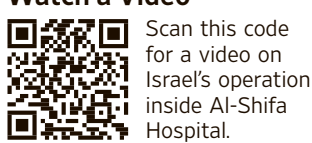
Israeli officials said they suspected that some hostages abducted from Israel were being kept at the hospital. Israel estimates around 240 hostages remain in Gaza after being kidnapped when Hamas attacked Israeli communities, a music festival and army bases on Oct. 7, killing 1,200 people.

President Biden, in a news conference Wednesday in Woodside, Calif., following his meeting with Chinese leader Xi Jinping, declined to predict how long the conflict between Israel and Hamas might last. "But I can tell you, I don't think it ultimately ends until there is a two-state solution." He said he had also told the Israelis that it would "be a big mistake" to occupy Gaza.

Health authorities in Hamas-run Gaza said that more than 11,000 people, mostly children and women, have been killed there since the war began. The figures don't distinguish between civilians and militants.

—Saeed Shah, Saleh al-Batati and Ken Thomas contributed to this article.

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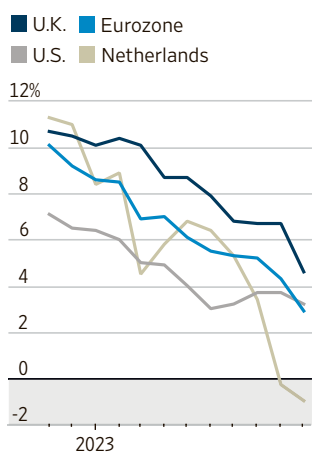
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WORLD NEWS

Inflation in Britain Declines Sharply

Consumer prices, change from a year earlier



Sources: ONS (U.K.); Labor Department (U.S.); Eurostat (Eurozone and Netherlands)

By PAUL HANNON

LONDON—The U.K.’s annual rate of inflation fell more sharply than expected in October as household energy prices tumbled, the latest sign that a two-year surge in consumer prices across Europe is running out of steam as the continent’s economy flatlines.

With Europe’s economies on the brink of recession, most economists expect inflation to continue to fall in the coming months. But central

bankers remain wary, pointing to the still-rapid rise in wages and the risk of a fresh pickup in energy prices if the conflict between Israel and Hamas spills into other parts of the Middle East.

The U.K.’s statistics agency Wednesday said consumer prices were 4.6% higher in October than a year earlier, a drop from the 6.7% rate of inflation recorded in September and the slowest increase since October 2021. Economists expected to see a decline to

4.8%. Much of that drop was because of household energy prices, with electricity tariffs down 15.6% from a year earlier, and natural-gas prices down 31%.

Progress in tackling inflation has yet to boost the government’s support among voters. According to a YouGov poll conducted in October, more voters trust the opposition Labour Party to manage the economy than they do the ruling Conservative Party.

The decline in U.K. con-

sumer prices followed a big fall in inflation for the eurozone to 2.9% in October from 4.3% in September. Consumer prices were lower than a year earlier in Belgium and the Netherlands, while the inflation rate was also below the European Central Bank’s 2% target in Italy.

The cooling of consumer prices has persuaded some European policy makers that the battle to tame inflation has been won, and in a shorter period than in the

1970s, when a comparable surge in prices last occurred.

Central bankers have been more cautious than politicians. The Bank of England last month said it is too soon to think about cutting interest rates, having forecast that inflation would only reach its 2% target in late 2025 and despite also forecasting that the economy would stagnate in 2024. The central bank in September left its key interest rate unchanged for the first time since November 2021.

U.K. Court Nixes Proposal to Send Migrants to Africa

By MAX COLCHESTER AND DAVID LUHNOW

LONDON—A U.K. plan to send some migrants who arrive illegally to live in Rwanda suffered a major setback after a top court said the central-African country isn’t a safe place to house asylum seekers.

The ruling scuttles Prime Minister Rishi Sunak’s marquee policy to curb migration and offers a warning to other European nations considering similar plans.

Many Western countries, including the U.S., are witnessing a big rise in migrants. Under international law, countries are bound not to turn anyone back who faces a real threat of persecution. But the growing numbers have overwhelmed many asylum systems and created political tensions from the U.S. to Germany, leading some countries to try sending migrants to other nations instead.

In 2022, under then Prime Minister Boris Johnson, the U.K. signed an agreement with Rwanda aimed at dissuading people from arriving illegally in Britain via small boats from

Europe. On Wednesday the U.K. Supreme Court ruled that the Rwanda plan wasn’t in compliance with British law because there was a risk migrants sent there could be deported back to their country of origin where they could face torture.

The court ruled that Rwanda could make changes to its immigration system to better ensure that this didn’t happen, but as things stand the deportations couldn’t take place. Sunak, who backed the policy, said he “remained completely committed to stopping the boats.”

The government is working on a new treaty with Rwanda to address the concerns raised by the court, Sunak said. The government will seek a legally binding treaty with Rwanda stating the African nation won’t expel any migrant sent by the U.K. Sunak also will present emergency legislation for British lawmakers to vote on to declare Rwanda is safe.

“We are working extremely hard to get a plane off the ground next spring,” he said.

The U.K. plan is part of a broader effort by Western countries to cope with the in-



Migrants were picked up off England’s southeast coast after attempting to cross the English Channel from France in August.

flux. More than two million people crossed the U.S.-Mexico border illegally in each of the past two years. Germany is on course to get more than 300,000 asylum applications this year, the highest level registered since Europe’s 2015-16 refugee crisis. Last year, 45,000 asylum seekers arrived in the U.K. by small boat, up by nearly 50% from the year be-

fore. So far this year the numbers are down by about a third.

Last week, Germany said it would seek deals with third countries to accept asylum seekers while they await approval of their applications, a process that can take years. The plans, which are being negotiated, could include permanently resettling those who fail to get refugee status in

those countries, officials said.

Italy also has said it struck a deal with Albania to have asylum seekers picked up at sea stay in the Balkan country while their applications are considered in Italy. Applicants that are accepted would be moved to Italy, while the others could be held up to 18 months before being repatriated to their home country.

The U.K. plan went further. Not only would migrants be processed in Rwanda, even if they were deemed to have refugee status they would be required to live in the African nation and never set foot in the U.K. again. If Rwanda didn’t grant them asylum, they could be deported back to their country of origin or another nation that would take them.

WORLDWATCH

HAITI Gang Hits Hospital, Takes Hostages

A heavily armed gang burst into a hospital in Haiti on Wednesday and took hostage women, children and newborns, according to the director of the medical center who pleaded for help via social media.

Jose Ulysse, founder and director of the Fontaine Hospital Center in the sprawling Cite Soleil slum in the capital of Port-au-Prince, confirmed

the incident in a brief message exchange with the Associated Press. “We are in great difficulty,” he said.

Ulysse said on social media that “hundreds” of patients at the hospital were taken hostage, but the number couldn’t be confirmed.

No further details were available, and it wasn’t clear why the assailants may have taken patients hostage. Haiti’s National Police didn’t return a request for comment.

—Associated Press

FRANCE Arrest of Syria’s Assad Is Sought

French judicial authorities issued international arrest warrants for Syrian President Bashar al-Assad, his brother and two army generals for alleged complicity in war crimes and crimes against humanity, lawyers for Syrian victims said Wednesday. They include a 2013 chemical attack on rebel-held Damascus suburbs.

A victim of the attack wel-

comed the move as a reminder of the horrors of Syria’s civil war, and urged countries where Assad might travel to arrest him.

In addition to President Assad, the arrest warrants were issued for his brother, Maher Assad, the commander of the Fourth Armored Division, and two Syrian army generals, Ghassan Abbas and Bassam al-Hassan, the lawyers said. There was no comment from the Syrian government.

—Associated Press

ETHIOPIA U.S. Will Resume Food-Aid Deliveries

The lead U.S. development agency plans to restart food aid deliveries for millions of people across Ethiopia in December, five months after it took the extraordinary step of halting its nationwide program over a massive corruption scheme by local officials.

U.S. Agency for International Development officials on Wednesday described changes

in handling of food aid to the country to try to prevent a repeat of what they have said may have been the largest theft of food aid in history.

Ethiopia is Africa’s second-most populous country and one of the largest recipients of U.S. humanitarian aid due to droughts, conflict and other factors disrupting food supplies. About one-sixth of Ethiopians received food aid before discovery of the food theft early this year.

—Associated Press

Biden, Xi Dial Back Rancor

Continued from Page One about anything between our nations, or happening in our region, we should pick up the phone and call.”

Underlying tensions were clear.

While Xi said that for the U.S. and China, “turning their back on each other is not an option,” he also indicated Beijing’s continued resolve to hit back at any moves from the U.S. deemed to hurt China’s interest, according to an account of the summit by China’s official Xinhua News Agency.

“China has no plans to surpass or replace the United States,” the Xinhua account quoted Xi as saying, “and the United States should not have any plans to suppress and contain China.”

Both countries are still set on courses certain to continue to generate friction.

Washington and Beijing find themselves in opposing camps on both Russia’s war in Ukraine as well as the Israel-Hamas conflict. A senior Biden administration official said Biden made clear to Xi Washington’s concerns about Ukraine and asked for China’s help in urging Iran against steps that could escalate the Middle East conflict.



Chinese leader Xi Jinping at the Wednesday meeting.

Meanwhile, Xinhua said Xi urged Biden to clearly demonstrate that the U.S. doesn’t support Taiwan independence and support China’s “peaceful reunification” with the self-governed island.

The senior administration official said the leaders had “a substantial exchange” about Taiwan, and that Biden had responded by saying that the longstanding U.S. position is “a determination to maintain peace and stability.” Biden urged Beijing to “respect the electoral process in Taiwan,” the official said.

Xi also appeared to push back against the White House’s view that relations with China are defined by competition, saying that he rejects the idea of a “major-country competition.”

Given the array of the two countries’ differences, admin-

istration officials have said the U.S. goal is to manage those tensions.

The agreement reached on contacts between the militaries reopens communication channels between the countries’ defense chiefs, their military commanders and others. Beijing in the past has cut those contacts during bouts of tension with the U.S., most recently over then-House Speaker Nancy Pelosi’s visit to Taiwan in 2022.

Likewise, on fentanyl, a previous agreement to cooperate in combating trafficking of the opioid languished after the Trump administration placed sanctions on a major Chinese police institute. The current agreement, Biden said, involves cooperation on choking off chemicals to make fentanyl and the presses to make pills. Asked if he trusts Xi, Biden

said, “Trust but verify, as the old saying goes. That’s where I am.” Responding to a separate question of whether he sees Xi as a dictator, Biden said, “Well look, he is.” In June, China lashed out at Biden after he described Xi that way.

U.S. and Chinese officials had been negotiating for weeks over every detail of the summit, from the décor and the seating chart to the meeting agenda.

Outside the Chinese Consulate in San Francisco on Wednesday morning, far from the meeting venue, a few hundred protesters gathered, some waving Tibetan and Taiwanese flags. Protesters also lined some streets on the way to the site of the summit, though crowds of pro-Beijing spectators waving red flags made it easy for Chinese state television coverage to show only supporters.

Wednesday’s summit was the first meeting between the two leaders since the U.S. shot down a suspected Chinese surveillance balloon in February. The incident sent U.S.-China relations plummeting further and was followed by protracted diplomatic maneuvering to try to stabilize ties.

The summit was also likely to be the two men’s last in-person meeting before the intense U.S. presidential election campaign, in which China could become a hot-button issue. That had lent a greater sense of urgency to use Wednesday’s meeting to steady relations.

—Berber Jin contributed to this article.

WORLD NEWS

European Union Moves to Harden Russian Sanctions

By LAURENCE NORMAN
AND JOE WALLACE

The European Union has proposed a swath of new measures aimed at tightening sanctions against Russia, which largely has succeeded in resisting Western efforts to undermine the Kremlin's ability to fund its war in Ukraine.

The EU's executive body sent a 12th package of Russia sanctions to member states late Tuesday, officials said. Diplomats say it could take several weeks for all 27 member states to adopt the measures, which include restrictions against foreign companies doing business with Moscow and a ban on Russian diamond and other imports.

Since Russia's February 2022 invasion of Ukraine, Western countries have imposed a range of financial, energy, trade and economic sanctions on Moscow, seeking to weaken its

economy and undermine its ability to resupply its troops fighting in Ukraine.

"The EU's policy remains to increase pressure on Russia to stop its repeated violations of...international law and to make these violations more costly for the Russian war machine," the EU's foreign-service unit said about the proposed sanctions Wednesday.

The sanctions haven't succeeded so far in eroding Russia's war effort, in part because of their failure to deprive Moscow of a windfall from energy exports. Russia also has found ways to import key dual-use goods that it can use for its military. That helped Russia

fend off a Ukrainian counteroffensive over the summer.

With Russian President Vladimir Putin poised to wage war for possibly years, making the sanctions on Moscow more effective is critical.

Among the most powerful sanctions Western countries imposed was December's oil-price cap, which sought to prevent Russia selling oil for more than \$60 a barrel. The measure crimped Moscow's energy-dependent budget income in the first half of 2023 but recently has been ineffective.

Russian oil companies and their trading partners circumvented the cap by building up an alternative fleet of mostly aging tankers, owned and insured outside the West, to

New measures aim to make violations more costly for Moscow.

which the sanctions don't apply.

As a result, in October, oil and gas revenues flowing to Russia's state budget more than doubled from September, in contrast to early this year when energy revenues tumbled after the oil sanctions kicked in. Russia's main grade of crude oil has traded above the \$60-a-barrel cap since July, says Argus Media.

Western officials say they are looking at ways to drive up costs for Russian oil companies, cutting into the profits that flow to the Kremlin. They are examining ways to boost insurance costs for the older Russian ships transporting crude. The EU is preparing measures to restrict sales of tankers to Russia, and regular information exchanges to identify deceptive practices by vessels carrying Russian oil—such as transferring oil from one vessel to another.

Ukraine Forces Make Daring River Crossings to Revive Push

By MATTHEW LUXMOORE

KHERSON, Ukraine—Ukrainian marines slip across the Dnipro River at night in small groups to reinforce a growing contingent of troops engaged in a daring operation to reinvigorate Kyiv's military efforts in the occupied south.

They have established three footholds in and around villages on the eastern bank of the river, cutting off a road Russia uses to supply troops in the area, according to soldiers involved in the operation. The Ukrainians are hunkered down in basements and trenches, and heavily outnumbered. Their hold is precarious.

Still, it is a rare bright spot for Kyiv amid somber developments, including the failure of its counteroffensive to gain much ground, a new Russian offensive in the east and uncertainty about additional military aid from the U.S.

Ukrainian forces recently transferred armored Humvees and at least one infantry-fighting vehicle to support troops on the Dnipro's eastern bank, the soldiers said. If the Ukrainians can amass sufficient units and armored vehicles there, they could advance into territory where Russian defenses are less extensive than those farther east that blunted the main thrust of Ukraine's counteroffensive.

That could force Russia to reposition forces needed for offensives to the east, and pose a threat to Russian supply lines from occupied Crimea, a critical staging post and logistics hub for Moscow's war effort that Ukraine has been targeting with drone and missile attacks for weeks.

The operation on the opposite bank a few miles from the Ukrainian-held regional capital of Kherson is proving costly and hard going. Soldiers involved in the fight say they are



Andriy, left, a marine from Ukraine's 38th brigade, is being treated after suffering a concussion.

under heavy fire. Russian drones constantly circle over their hastily dug trenches, coordinating artillery strikes each time they detect movement. As darkness falls, the Ukrainian troops use shovels to dig themselves deeper into the ground.

One private in Ukraine's 38th Marine Brigade who crossed to the eastern bank in early November said his unit advanced 100 yards in the six days he was there before he was evacuated for treatment of a concussion.

"For every fighter we have there, they have 10," said the 32-year-old private, who gave his name as Andriy. "And we're sitting in trenches unable to even stick our heads out."

Ukraine's recapture of Kherson last November was its last major advance. Russia withdrew troops across the river and began digging defenses.

In June, the destruction of the Kakhovka dam on Russian-held territory to the east of Kherson unleashed a torrent

of water that inundated dozens of settlements along the Dnipro. With the river much wider and a crossing less of a threat, Russia moved some troops eastward to fend off Ukraine's counteroffensive.

As the waters receded during the summer, Ukraine stepped up cross-river raids that initially harassed Russian forces and led to the capture of some soldiers. Last month, the Ukrainians started establishing a presence on the eastern bank in the villages of Krynky and two other areas farther west.

Video posted by pro-Kremlin military bloggers shows houses in Krynky being hit by Russian munitions. "They are hiding in hedges, in houses," Russian military analyst Boris Rozhin wrote on Telegram on Monday. Russia's defense ministry said Monday that it captured a Ukrainian unit that tried to cross the river.

The area around Krynky is heavily mined by Russian forces. The Ukrainians move

forward in small groups to limit their exposure. Winter will complicate their efforts to move men and equipment across the water and stage mechanized advances with armored vehicles brought over.

Yaroslav, a junior sergeant who is a medic in the 38th and was part of the same river crossing as Andriy, set himself up in the basement of a house in Krynky that was vacated by residents. They have only basic supplies, with no generators.

Yaroslav's job was to patch up wounded soldiers and transfer them to boats for treatment on the left bank. He said he struggled to keep up with the flow of wounded soldiers. Often the shelling was so intense that some of those carrying stretchers were wounded.

"Everything you have there is what you brought yourself, and what they manage to bring you on boats," he said. "But for that you have to go to the riverbank, and every such trip is Russian roulette."

Supplemental Legal Notice

3M COMBAT ARMS EARPLUG SETTLEMENT

INFORMATION ABOUT PROPOSED STOCK ISSUANCES AND FAIRNESS HEARING

Background: On August 29, 2023, settlement agreements between Negotiating Plaintiffs' Counsel and 3M Company and other defendants were signed. The settlement agreements are intended to resolve all Combat Arms Earplugs claims alleging hearing loss and other hearing-related injuries, including all claims in the federal multi-district litigation in the Northern District of Florida, Pensacola division, claims consolidated in Minnesota State Court, Hennepin County, and future claims.

How will the settlement be funded? As part of the settlement, 3M will contribute up to \$6.01 billion between 2023 and 2029, and up to \$1 billion may be in the form of 3M stock. If 3M stock is issued, it will be issued without a registration statement that provides certain disclosures typically required by the U.S. Securities and Exchange Commission. A registration statement is not required here due to the exemption provided by Section 3(a)(10) of the Securities Act of 1933, 15 U.S.C. § 77c(a)(10). All settlement consideration, including any 3M stock, will be deposited into a qualified settlement fund before being distributed under the terms and conditions of the settlement agreements.

When is the Fairness Hearing? The Court will hold a hearing on December 11, 2023, at 9:00 a.m. (CST), in the Fifth Floor Courtroom at the United States District Courthouse in Pensacola, Florida, 32502-5665, to consider whether the terms and conditions of 3M stock being used to fund the settlement are fair.

1. Claimants or their attorney may attend the hearing and ask to be heard.
2. If claimants want to appear and be heard at the hearing, they must file a Notice of Intent to Appear in the MDL Court on or before December 1, 2023.
3. Following the hearing, the Honorable M. Casey Rodgers will issue a ruling on whether the terms and conditions of the 3M stock being used to fund the settlement are fair.

Nothing contained in this Notice of hearing will be considered an offer to issue securities to anyone receiving, reviewing, or gaining knowledge of the potential issuance of securities.

For More Information
www.3m-earplugsettlement.com

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FROM PAGE ONE

Mortgage King Wants NBA Crown

Continued from Page One

the team, the Suns announced a trade for superstar Kevin Durant, part of a big-ticket, win-the-title-quick scheme. Observers who hadn't yet registered his brashness couldn't escape it during the playoffs, when a loose ball bounced into his hands in the front row. Instead of lobbing it back to a referee or player, he briefly wrestled for it with Denver Nuggets big man Nikola Jokic—a stunt that made highlight reels and cost the Nuggets star a technical foul.

Mark Cuban, another billionaire owner known for his courtside antics, said Ishbia reminds him of his hard-charging self when he first bought the Dallas Mavericks. It took Cuban a decade to win his only title. “The NBA has a way of humbling us,” he said.

In his rush to succeed, Ishbia has brought his childhood hero, former Detroit Pistons star and Hall-of-Famer Isiah Thomas, into his inner circle. He installed Thomas on his mortgage company's board of directors and often has the former pro at his side at Suns games, even though Thomas's post-player record in the sport hasn't been stellar.

As president of basketball operations and, later, head coach for the New York Knicks in the 2000s, Thomas oversaw a string of losing seasons and was widely disliked by fans. He was fired as coach in 2008, not long after a jury found that Thomas had sexually harassed a Knicks executive. Thomas has said that the harassment “didn't happen.”

Ishbia, speaking generally about Thomas, said he doesn't “know all of the stories,” but “I know Isiah. I treat people how they treat me.”

Ishbia is well aware that he is bucking conventional wisdom in both lending and basketball.

In the mortgage industry, other lenders have been hunkering down, unnerved by nearly two years of rising rates. Ishbia's market-share grab amounts to a bet that UWM can still make money when rates are high. They have recently inched down, but they're near their highest in a generation and are expected to stay that way. Housing is on track for its worst year in a more than decade. The boom-and-bust mortgage business has a way of chastening celebrity CEOs, as it did during the 2008-09 financial crisis.

UWM, based in Pontiac, Mich., has lost money in two of the past four quarters, and its stock has lost more than half its value since its market debut in early 2021. Still, UWM says it can do well even if rates stay high because it expects the demand for its home-purchase loans to continue even while the refinancing business shrinks. The company's shares are up 73% this year, better than other big mortgage lenders.

Ishbia said that by grabbing market share now, he is setting himself up for a windfall when rates drop. “We've been the biggest and the best last year and now this year,” he said.

UWM's board is stocked with his allies. Besides Thomas, it includes his brother, Justin, and father, Jeff. “I'd rather have people

on my board that are friends than enemies,” Ishbia said. “Right?”

Ishbia said that board members like his brother and Thomas help bring a different perspective to him and other executives who are entrenched in mortgages. “They don't know our business, but they know business and they know people,” he said.

The board approved a pay package of roughly \$7 million for Ishbia's work last year, but he gets a lot more money from owning most of the company. His family holding company owns the majority of UWM's shares, and it collects about \$150 million from UWM stockholder dividends every three months.

Sometimes, that's more than what UWM makes. Over the 12 months through Sept. 30, the company earned \$329 million and paid out \$601 million to Ishbia's holding company. A spokeswoman for the company said the board is comfortable with the distributions.

Justin Ishbia, who runs a private-equity firm, also was involved with his brother's purchase of the Suns and the WNBA's Mercury. The deal valued the teams at \$4 billion, with Mat and Justin owning a reported 57% of the franchise.

Splashy deals

Mat Ishbia wasted no time putting his stamp on the Suns. The nearly immediate trade for Durant was the sort of superstar deal that rarely happens in the middle of a season. After the Nuggets bounced the Suns from the playoffs, Phoenix fired Monty Williams, the coach who had taken the club to the 2021 Finals, and hired Frank Vogel in his place. Ishbia then approved another deal for an All-Star, Washington Wizards guard Bradley Beal. To get him, Phoenix had to trade two players and the rights to 10 future draft picks.

Such aggressive deal-making is declining as franchises tweak their rosters to accommodate new and coming league rules. Big spenders will be subject to escalated luxury taxes and barred from trading draft picks, among other penalties.

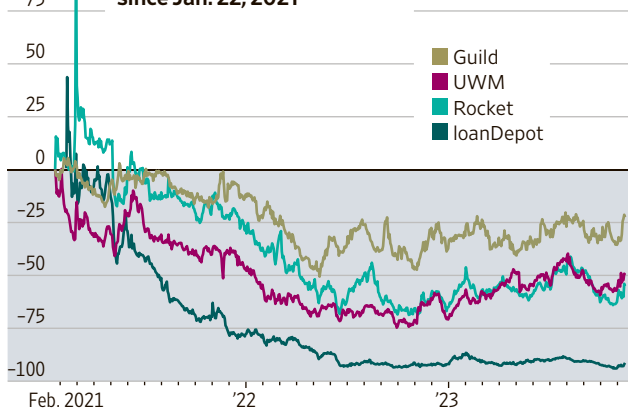
“The Suns went the other way,” said Keith Smith, an analyst for the salary-tracking site Spotrac. “They're like, ‘Let's do it right now. We'll load up and we'll deal with the fallout.’”

The Suns have a less than impressive 4-6 record through Tuesday, though they have battled through injuries in the



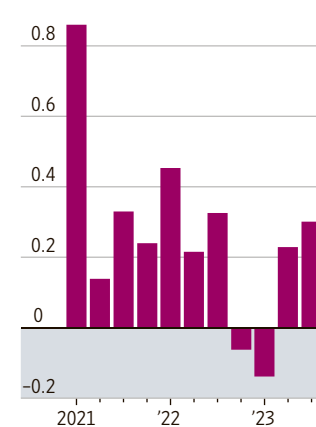
Phoenix Suns owner Mat Ishbia, who also is CEO of UWM, at a Phoenix Suns game this year.

Share-price performance of select mortgage companies since Jan. 22, 2021



Sources: FactSet (performance); the company (net profit/loss)

UWM quarterly net profit/loss



early season. To Ishbia—who will pay his star trio of Durant, Beal and Devin Booker more than \$120 million this season—tomorrow's problems can wait.

According to filings with the state of Michigan and the Securities and Exchange Commission, Ishbia's holding company pledged about half of its UWM shares for “loan facilities” from JPMorgan just before he bought the team. Ishbia says he has drawn very little from them, and that he paid cash to buy the team.

Ishbia is a frequent donor to MSU. When the university offered football coach Mel Tucker a \$95 million contract extension in 2021, it used \$14 million from funds that Ishbia had given to the school. At the time, Tucker had a middling career record, though he would go on to lead the Spartans to an 11-2 record that season.

Tucker's 2022 season was far less successful. Then, in September, MSU fired him af-

ter a woman hired by the university to educate the football team on preventing sexual misconduct alleged that he sexually harassed her during a phone call. Tucker has described the call as consensual phone sex and referred to his firing as wrongful termination.

“I have nothing to do with any of that stuff,” Ishbia said of the dispute. “I'm supportive of Michigan State. I'm supportive of Mel Tucker. I'm supportive of everyone.” He added later that what he supports is Tucker's right to a “full investigation.”

As a student at the university, he walked onto the basketball team and played for longtime coach Tom Izzo. During MSU's run to the championship his sophomore year, the 5-foot-10 Ishbia played an average of less than three minutes a game.

“I was maybe not gifted and talented with height and a lot of the other talents that people would have,” Ishbia

said of his boyhood involvement in team sports. “But I worked extremely hard before school, after school, you know, played on every team I could play on.”

After graduating with a degree in business management, Ishbia landed a job as an assistant coach at another college. But Izzo urged him to go into business, so he worked at the 12-person mortgage company started by his father, who is a lawyer and entrepreneur.

Mortgage play

The company clawed its way up the mortgage production rankings. By 2013, it was the 26th-biggest lender in the U.S., according to industry research group Inside Mortgage Finance. That year, Ishbia was named CEO. There were about 1,000 employees.

Today, UWM's roughly 6,000 employees work from two big buildings in Pontiac. Ishbia's favorite conference



Sales representatives in UWM's offices in Pontiac, Mich., after employees were ordered back five days a week.

Tattoos Can Strike Sour Note

Continued from Page One

little bit of Mary all night long.”

Just how long the tattoo will perform as advertised is a painful subject. A growing cadre of music fans have joined the Spotify tattoo craze as a conversation starter or a way to commemorate sentimental favorites like wedding first-dance songs. But while many on social media tout the tats and how well they scan, some are starting to discover that nothing in life is permanent, even tattoos. Over time, ink fades. As skin ages it may

warp the lines.

Haley said her tattoo artist tried to ward off the ravages of time by making the lines thinner than normal. “Eventually, they will get fuzzy, like regular tattoos,” said Haley.

Dex Heine, an auto mechanic from Rotterdam, the Netherlands, got his own Spotify tattoo in 2020 after the pandemic had brought QR codes into fashion. His below-the-knee tattoo played “Pony” by Ginuwine.

“It's so corny and so cheesy,” 37-year-old Heine said. “It doesn't matter in the world where you are, if that song starts, everybody immediately lights up and thinks it's funny.”

But before long, Heine's bar code stopped working. The tattoo became harder to scan in different light and eventually became too frustrating to attempt in a group setting.

The code is now covered with a large dragon.

A Spotify spokesperson said in an email, “We love seeing listeners wear the audio they love on their sleeves and helping them rep their fandom. Since 2017, we've seen Spotify Codes used on everything from bumper stickers to sneakers to, yes, tattoos.”

Veronica Reid, a 24-year-old graphic designer from Omaha, Neb., got one of the tattoos on her right wrist in 2020. She received the code for AC/DC's “Thunderstruck,” joining 30-some other tattoos.

“The whole reason I got Thunderstruck was so I always have a drinking game on here,” Reid said, referring to a game that involves alternating chugging a drink whenever the lyrics say “thunder.”

But her tattoo has never scanned—she believes it's because she doesn't have the

Spotify logo next to it.

For tattoo artists, the Spotify tats are a challenge, because they require so much precision to work.

“They are the most stressful tattoos I have ever done,” said Natalie Wilkinson, a 34-year-old artist who runs the Black Parade tattoo studio in Rotherham, U.K. She advises patrons to find places on the body that are flat, such as the knee area or inner ankle. She avoids hands, since the ink is prone to fade, as well as the ribs and stomach.

She also prints out tests to make sure that the bar code works before actually tattooing them on customers at a price of around \$60.

“And if by any chance it didn't scan after it was tattooed, it's free,” she said.

Keysha Nunley, a 43-year-old owner of Driftless Tattoo and Art in Holmen, Wis., has

inked just one Spotify code—for a mother who wanted to commemorate a song her son wrote. The tattoo doesn't scan from the customer's arm, but does from a photograph of the tattoo, Nunley said.

“The mother who asked me to do it, she said that she would love for it to work. But before I tattooed her, she said ‘If it doesn't, it still just means a lot to me.’” she said.

Jason Griffith, a tattoo artist and studio owner in Jackson, Ky., has had a Spotify tattoo of his own since January 2022 just above his left kneecap and said his code still works successfully, though he has had to shave his hair so it doesn't obstruct the scan. He said he's done about a dozen of the tattoos and that he's only aware of one that needed the lines within the Spotify logo redone with white ink. “Every person heals differ-

room has a table made of the old floorboards from the Breslin Center, where MSU's basketball team plays. Four of his old MSU teammates work for the company.

Every year, UWM hosts a game at its indoor basketball court pitting the interns against Ishbia and the other former college athletes there. The old guys always win.

Last year, UWM overtook crosstown rival Rocket Mortgage as the nation's largest mortgage lender by dollar volume. UWM says that, unlike most of its rivals, it hasn't cut staff. But turnover has been high, and many workers quit after Ishbia ordered everyone back to the office five days a week in 2021. Last year, employee head count shrank from about 8,000 to 6,000.

UWM operates differently than most mortgage lenders. Rather than extending loans directly to home buyers and owners, it has cultivated a network of independent brokers, who offer mortgages from UWM and other so-called wholesale lenders. Many are loyal to Ishbia, partly because he often says that brokers are better than traditional loan officers.

UWM's push to grab market share last year by offering better rates than its competitors took a bite out of its margins, which dropped to as low as 0.51% on each loan. Margins rebounded to 0.97% in this year's third quarter.

Ishbia and other executives say big profits will come when the mortgage market roars back and loyal customers return to do more business.

If demand for mortgages falls further, it might prove costly to retain employees and chase market share. High rates tend to be hardest on the kind of smaller shops that UWM relies on to send it customers.

When rates do fall, there is no guarantee that UWM will hold its market share. Mortgage lenders are all effectively selling the same product, and customers tend to go wherever the rates are lowest.

The company spokeswoman said UWM works hard to keep customers happy. “We have to be great every day” to earn business, she said.

Ishbia's tactics have proven controversial, and to critics, anticompetitive. In 2021, he issued what came to be known in the industry as the “ultimatum.”

Ishbia declared that the brokers who offered UWM loans couldn't also work with Rocket and one other mortgage lender, and accused them of trying to put brokers out of business. Rocket fired back, urging brokers not to be bullied.

Rocket was founded by Dan Gilbert, another MSU alum, who owns the NBA's Cleveland Cavaliers. When NBA owners voted on whether to approve Ishbia's purchase of the Suns, Gilbert abstained.

“He doesn't like me and I don't like him,” Ishbia said on a recent podcast with Bill Simmons. A spokesman for Gilbert declined to comment.

Partly as a result of the ultimatum, thousands of mortgage brokers send nearly all of their business to UWM, according to mortgage data and analytics company Modex.

“We're trying to win every day,” said Ishbia, referring to both his mortgage and basketball operations.

“We're not going to come to the Phoenix Suns and Mercury and sit idly by and just see how things go,” he said. “That's not how I've built what I've built here at UWM, how I've built everything in my life.”

ent, but the thickening of the lines is inevitable over time,” he said.

The tattoos may one day hark back to this point in time, said Matt Lodder, director of American Studies at the University of Essex.

“We can tell something about the people and places and times by the works of art that were created and consumed in that time,” he said.

Some consumers are less philosophical.

Miranda Beeman, a 31-year-old dental hygienist from Waverly, N.Y., said her tattoo started to pay for itself after a fan for the other team at a Steelers game scanned it. His speaker belted out “The Spins” by Mac Miller, prompting him to open his wallet.

“He bought our group of people two beers each” she said, “Which is around \$30 a person.”

PERSONAL JOURNAL.



CARRY ON
DAWN GILBERTSON

This Year's Best Airports? Phoenix Tops the List

The WSJ's annual ranking finds fliers in the West have lots to brag about, while New Yorkers are settling for 'works in progress'

▲ Phoenix's airport is easy to get to and offers a solid lineup of airlines and flights with few delays.

Searing heat. Erratic sports teams. An unending influx of Californians. Residents of this desert city have plenty of gripes. One thing you'll hear few complaints about: the airport. Phoenix Sky Harbor International Airport is a breeze to get to. It offers a solid lineup of airlines and flights. And travelers rarely fret about flight delays and cancellations given the never-have-to-look-at-the-forecast weather.

It's a combination that helped land the airport atop The Wall Street Journal's annual ranking of the country's busiest airports—again. Sky Harbor took the crown in 2019, before a pandemic pause in the rankings.

Minneapolis-St. Paul International Airport finished a hair behind Phoenix among the 20 busiest U.S. airports on this year's list. Los Angeles International Airport took third, just behind them.

The Journal's report card ranks the 50 largest U.S. airports on 30 measures divided into two categories important to travelers: The first group measures reliability, the second value and convenience.

Each accounted for half of an airport's overall score, with 10 reliability measures, from Transportation Security Administration waits to time on the tarmac, carrying the most weight overall. After all, the thing we care most about in our travels is getting there on time.

New this year as a measure of customer satisfaction: a survey of travelers done by Dynata for the Journal on amenities that airports get right and wrong, from food and drink to bathrooms to parking.



▲ San Jose Mineta International Airport in California topped the list of 30 midsize airports in the U.S.

Good, not great

No airport had a perfect score or anything close to it, a sign of the never-ending stresses on these complex, 24-hour businesses. Sky Harbor scored 63.4 out of 100. That wouldn't earn report-card bonuses in any household.

San Jose Mineta International Airport in California, the winner in the midsize category, topped all airports with a score of 71.2. San Antonio finished third-worst in our scorecard, dragged down by measures of reliability like heavy arrival and departure delays.

Rick Cotton, executive director of the Port Authority of New York and New Jersey, which oversees the region's airports, describes Newark and JFK as "works in progress." Newark's redesigned Terminal A opened this year, and the Port Authority plans to overhaul the airport's other two terminals. JFK is also in the midst of a revamp that will cost billions of dollars and take years to complete.

"We're committed to a trajectory where Newark and JFK are

world-class," Cotton says.

Phoenix, where American and Southwest carry nearly three out of four passengers, was solidly reliable. It also performed well on money matters like airfares and Uber costs to downtown, plus amenities including baggage claim and car-rental facilities, though it fared poorly in rental-car costs on the November weekend we priced. Sky Harbor had among the fewest flight cancellations of any

large airport, shorter delays than most and far shorter time on the tarmac awaiting takeoff or getting to the gate. The average taxi-out time—the time from when a plane leaves the gate until takeoff—was under 15 minutes, compared with 26 minutes at JFK.

Weather helps a lot, of course. Airport director Chad Makovsky also credits the takeoff and landing choreography the airport, airlines, FAA and others have worked to perfect over the years. It's essential, given the airport's compact size.

Upgrades go live

Sky Harbor completed some major projects in the past 18 months that are already a hit with travelers, Makovsky says. Nearly 75% of the airport's passengers are local. Contrast that with an airport like Charlotte, N.C., where 70% of the passengers are connecting.

In December, a couple of months before metro Phoenix hosted the Super Bowl, the airport extended its PHX Sky Train service 2.5 miles to the rental-car center. Travelers previously had to schlep bags to the curb and board

Being able to connect from any of our terminals to the rental-car center in like five minutes is pretty cool compared to what we used to have," Makovsky says.

Makovsky says the new gates in Terminal 4, the airport's busiest, provide a glimpse into PHX's future as it builds another concourse in neighboring Terminal 3 and renovates existing concourses in Terminal 4.

Some fliers have suggested that Sky Harbor could have better signage, shorter walks and more long-haul international flights. (American and British Airways offer nonstops to London and Condor has seasonal flights to Frankfurt.)

Richard Factor can't find any fault with the airport. The inventor moved from New York to Sedona, Ariz., a tourist hot spot north of Phoenix, about a decade ago. He and his wife travel frequently.

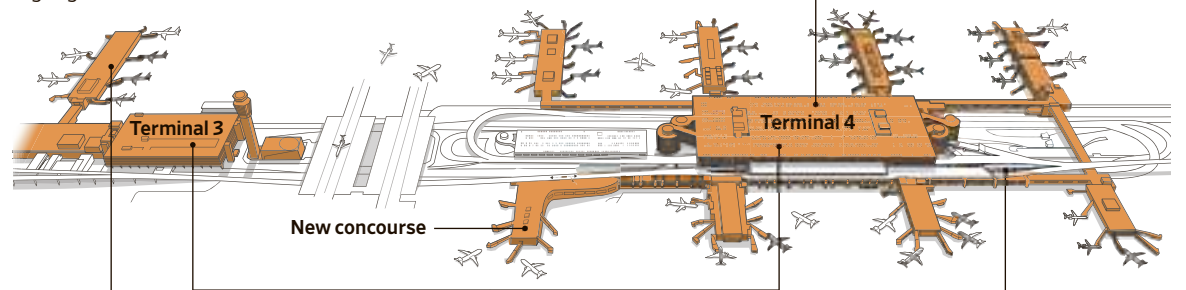
"The experience there compared to what it used to be back East is so much more pleasant that sometimes I think the airport itself should have a tip jar," he says.

—Jacob Passy, Allison Pohle and Kevin McAllister contributed to this article.

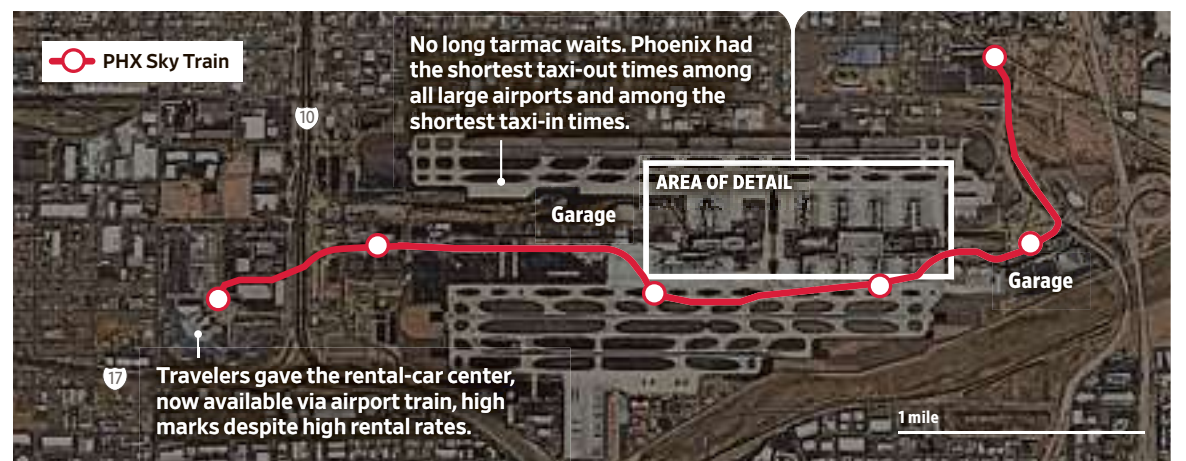
► To see the full rankings visit: <https://www.wsj.com/rankings/airport-rankings/best-airports-2023>

The Sky's the Limit

Phoenix Sky Harbor International Airport finished first in the WSJ Airport Rankings. Below are some of its highlights and new features.



Coming soon: Chase Sapphire Lounge, PGA store and a Guy Fieri restaurant



Sources: WSJ Airport survey; the airport

TOP FIVE LARGE U.S. AIRPORTS

1. Phoenix (PHX)
2. Minneapolis (MSP)
3. Los Angeles (LAX)
4. Atlanta (ATL)
5. Detroit (DTW)

TOP FIVE MIDSIZE U.S. AIRPORTS

1. San Jose (SJC)
2. San Antonio (SAT)
3. Sacramento (SMF)
4. Indianapolis (IND)
5. Houston (HOU)

PERSONAL JOURNAL.



PERSONAL TECHNOLOGY
JOANNA STERN

A City of Broken EV Chargers

Our columnist finds out-of-order signs, payment errors and connection problems in Los Angeles

Over 48 hours, with few naps or bathroom breaks, I examined more than 120 non-Tesla EV fast-charging stalls across Los Angeles, battling out-of-order signs, payment issues and bad “handshakes.”

No, I didn't do all that to earn a Guinness World Record. I did it because everyone is talking about America's Big EV-Charging Problem, and I wanted to investigate all the little problems that make up the Big Problem.

As a Ford Mustang Mach-E driver, I'm no stranger to these frustrations. Many of you have also shared your charging horror stories with me since I began my ad-EV-nture. So I set out to quantify these concerns in the best place possible: La-La Land.

L.A. County has more public DC fast chargers than any other in the country, according to the Atlas Public Policy research group. From the beach in Santa Monica to parking garages under Rodeo Drive, my video producer Adam Falk and I visited 30 different non-Tesla DC fast-charger stations in a Rivian R1T pickup. I ran into problems at 13 of them—that's more than 40%. *Oof* is right.

The easy answer is to charge at home, something I'll tackle in a future column. Tesla owners would suggest buying a Tesla, because its charging network is large and reliable. But for people like me who drive a different EV, our only choice is often to pull into a public charging station and pray.

(Note: I ignored the more common chargers known as Level 2 because they're just too slow for quick fill-ups.)

During my testing expedition, I encountered three problem categories. I pressed the companies on why they happen and what can be done to fix them. And while it's good that Tesla will start accepting non-Teslas in 2024, that might not put an end to the issues I encountered. Here's what I found.

Problem 1: Out of order

I encountered three major companies running fast chargers in Los Angeles—EVgo, Electrify America and EVCS—that operate stalls at various stations. You might find these at shopping malls, in parks or even right next to the gas pump.

Of the 126 stalls I inspected, 27% were out of order. They either had a sign, a dead screen or an error reading “Charger unavailable” or “Out of service.”

All the companies told me they have network operators monitoring the chargers 24/7. When a problem pops up, they deploy technicians to assess and fix the issue. So what was wrong with these particular machines? It could be one of many things—a broken part, a power issue, a defective connector.

Anthony Lambkin, Electrify America's vice president of operations, told me power issues can be the reason a charger is off. Operators also sometimes make chargers unavailable when they have repeated problems.

During my testing journey, I met



with people from **ChargerHelp**, an independent company that provides repair services for charging stations. To get one charger back online, a technician pulled the old turn-it-off-and-on-again trick.

Solution: New gear needed

Both cars and chargers are in rapid evolution. The Biden administration recently opened up \$100 million in federal funding to repair and replace existing electric-vehicle charging infrastructure.

Electrify America only rolled out five years ago, and it's already replacing most of its original fast chargers. At the Chinatown Bank of America parking lot, it was like coming down the stairs on Christmas morning, three new chargers!

EVgo is just as busy. “We're in the process right now of either up-

grading, decommissioning or replacing stalls that are legacy equipment and that no longer meet our standards for reliability and customer experience,” Sara Rafalson, a senior vice president at EVgo, told me.

Toward the end of my trip, I found a few brand spankin' new, fully functioning EVgo stations in Santa Monica. It was an energy oasis for my electric camel.

Problem 2: Payment rejected

My favorite stop? No. 18, an EVgo in Culver City. After I repeatedly tried the credit-card reader with several different cards, the system demanded: “CASH ONLY.” As if this was some hot-dog stand in the park—except there's no money slot! Nearly 10% of the working stalls visited had payment issues.

Why do these machines hate

credit cards? Karim Farhat, the chief commercial officer at EVCS, said the makers of the charging hardware and the credit-card reader machines are often different, so there can be integration problems.

Rafalson of EVgo pointed the finger at the state-mandated chip readers. The newest standards require more dependable contactless card readers.

Solution: Upgrades and apps

Guess what those dreamy new EVgo chargers in Santa Monica had? Contactless tap-to-pay card capabilities! With informative screen prompts! And Apple Pay! Yet the charging companies say the real solution is using their apps. When you register certain EV models with EVgo and Electrify America, you can even get automatic payment upon plug-in.

Problem 3: Handshake failed

You did it. Found a stall that works, beat payment Pac-Man but then...the car and the charger don't want to connect. I experienced this so-called “handshake” problem at a handful of stations.

The charger and the car are both computers, and they use industry standards to communicate about how much power to transfer. The Combined Charging System (aka CCS)—the technology integrated in most fast-charging non-Tesla EVs including the Rivian—requires a quick handshake. If there's a timeout before things align, you have to unplug and start over.

These stations from EVgo, Electrify America and EVCS tend to

▲ Los Angeles County has more public electric-vehicle fast chargers than any other in the country.

support CCS along with the Tesla charger and occasional older standards. So there could be a number of combinations of car and charger.

I don't blame the Rivian, since I have heard about handshake problems from many other EV drivers. Yet even a car receiving a firmware update could upset this delicate balance, EVCS's Farhat said. This is a safety measure, he added, part of the design to avoid a dangerous power overload.

Solution: Software and standards

Newer chargers appear to be better at this. The latest EVgo chargers provided more helpful on-screen information, too.

Meanwhile, people who drive Teslas typically report positive experiences at the car maker's extensive nationwide network. In 2024, when Tesla starts allowing Rivian, Ford, GM and other car models to charge, there may be some relief. The company has begun adding credit-card readers and support for CCS charging.

I'm hopeful that with the new investments and machines, things will get better. For now, anyone planning to road trip with a non-Tesla EV will need to be patient.

Watch a Video

Scan this code for a video on Joanna Stern's experience with EV fast-charging stalls across Los Angeles.

Joanna Stern and her producer checked out 30 EV-charging stations in Los Angeles. Thirteen had issues.



New Retirees Can Likely Count On The 4% Rule

BY ANNE TERGESEN

For those wondering if now is a good time to retire, here's some encouraging news: The 4% rule is back.

Thanks to higher interest rates and bond yields, it is likely safe for new retirees to spend 4% of their nest eggs in their first year of retirement and then to adjust that amount for inflation in subsequent years, according to a new analysis from Morningstar.

Though 4% had long been the gospel of retirement math, retirees in recent years were warned that starting at that spending rate raised the risk of running out of money. The recommended initial withdrawal can rise and fall with projections of future market conditions and inflation.

Two years ago, Morningstar recommended starting retirement by spending 3.3% of savings. The advice proved prescient, since inflation in June 2022 recorded a 12-month increase of 9.1%, while stocks fell nearly 20% that year. Last year, the safe

withdrawal rate inched up to 3.8%.

“It is relatively good news,” said John Rekenhaller, director of research at Morningstar and a co-author of the report. “Stock and bond valuations are lower and there is more cushion for investors.”

Morningstar runs 1,000 simulations of future market conditions to find the spending rate that allows retirees to maintain a steady annual income, adjusted for inflation, without running out of money in 90% of those scenarios.

The 4% spending rule emerged as the wealth-management industry's standard advice for retirees in the 1990s, after research showed that starting at that rate would have protected retirees from running out of money in every 30-year period since 1926, even when economic conditions were at their worst.

Why the 4% rule works

Using the method, someone who retires today with a \$1 million portfolio with 40% in stocks and 60% in bonds would spend no more than \$40,000 in 2024 from that portfolio. Assuming inflation rises 3% next year, the investor would give himself a raise to \$41,200 in 2025, regardless of the market's performance.

The report examines the outlook for those who retired in 2022 amid simultaneous declines in stocks and bonds and high inflation, a combination that is especially challenging for new retirees.

Someone who retired with \$1



million in a balanced portfolio at the end of 2021 and took the recommended 3.3% inflation-adjusted withdrawal in 2022 and this year would have about \$825,000, despite the stock market's rise this year, according to Morningstar.

If the investor continues withdrawing the same inflation-adjusted amount in future years, the odds of running out of money by the end of a 30-year retirement are now above 50%, the report said.

Those already retired should stick with the recommended withdrawal amount they began retirement with and adjust it for inflation, rather than switch to 4%.

The increase to 4% this year relies on both higher bond yields and forecasts for lower long-term inflation, which Morningstar expects to average 2.42% a year over the next 30 years. Today, the 10-year Treasury note yields 4.6%, up from near zero in 2020.

When it is safe to spend more than 4%

Retirees can spend more than 4% if they are willing to be flexible. Those able to delay retirement enough so they need only 20 years of income can use an initial spending rate of 5.4%.

The standard 4% recommenda-

tion is for a portfolio with 20% to 40% in stocks and the rest in bonds and cash. With smaller stock allocations than that, the returns could be insufficient to support a 30-year retirement. Someone with a large stock allocation risks losing so much during a bear market the portfolio wouldn't have enough time to recover.

Those willing to reduce spending in years in which the markets decline can also spend more than 4% to start. One strategy is to forgo inflation adjustments in any year after which your portfolio incurs losses, a strategy that allows for a 4.4% initial spending rate, according to the report.

Other retirement income strategies

Another approach is to build a 30-year ladder of varying maturities of TIPS, or Treasury inflation-protected securities. Investors who hold TIPS to maturity are currently guaranteed a 2.3% return, because the bond's principal adjusts for inflation.

The principal on the bonds that mature each year plus the income on the portfolio's longer-term TIPS will provide inflation-adjusted spending of about 4.6% of the amount invested each year, with no risk of running out of money, the report said. That exceeds the 4% spending recommendation for a stock-and-bond portfolio. The downside is that a retiree would deplete a TIPS ladder by the end of year 30.



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ARTS IN REVIEW



ART REVIEW

Tailored to Today

A show examines the role of dress in John Singer Sargent's work

By ERIC GIBSON

Nearly 40 years ago, the Whitney Museum presented John Singer Sargent (1856-1925) as a kind of cultural Zeitgeist, an artist whose identity was keyed to the zeitgeist. The museum focuses on post-World War II and contemporary American art yet surprised everyone by mounting a Sargent retrospective. The reason? The move over the previous decade from abstraction to figuration among the avant-garde. Or as the museum's

then director, Tom Armstrong, wrote in the catalog, "Sargent's highly expressive manner and his treatment of subject matter and narrative content, all of which are of great interest to contemporary artists."

The Museum of Fine Arts, Boston, is doing something similar. "Fashioned by Sargent" pairs clothing with Sargent's portraits to explore the role of dress in his art. But anyone expecting a study of the artist as a limner of souls who transfigured silk, lace, taffeta and other materials into dazzling passages of pure painting will be disappointed. Instead the exhibi-

tion, according to MFA director Matthew Teitelbaum writing in the catalog, "encourage[s] us to reconsider him as an artistic director of public performances"—the recording angel of the TikTok age. Does the museum think that the only way it can present a historical figure like Sargent is by making him "relevant"?

"Fashioned by Sargent" was organized by the museum's Erica E. Hirshler and brings together some 50 paintings and over a dozen dresses and accessories. (Journal contributor Dominic Green wrote one of the catalog essays.) Drawing on its own rich Sargent hold-

ings and with important loans from Tate Britain (where it travels after closing in Boston) and other museums, the show is a major event. A pity, then, that it is also a muddle-headed effort that fails to grasp what made Sargent the great artist he was.

The exhibition's big reveal, announced in the introductory wall text, is that Sargent dictated his sitters' wardrobe decisions. "He often told them what to wear, his choices revealing aspects of their personality, gender or social position." No news there. There can't have been a portrait painter since St. Luke who didn't want a say in what his subjects wore.

But in the museum's view, Sargent's motivation was, Svengali-like, to "construct" the sitter's identity. Thus, the introductory text continues: "In our age of social media, video-conferencing and selfies, this exhibition asks us to think about image-making, and whether a representation is truthful, aspirational or imaginative. Who creates and who controls your image?" At a time when gender fluidity and other issues of personal identity are front and center, the MFA has found its man of the hour.

And so the exhibition is divided into sections with titles like "Fashioning Power" and (predictably) "Sporting With Gender," and in the overly long wall labels we learn that one sitter is said to appear "as the embodiment of respectable American manliness," another one embodies the idea of "dandyism," and the outfit of still another, a schoolmistress, appears "masculine in its style and severity."

This kind of thinking may play well in the rarefied precincts of the graduate seminar room, but when measured against the actual artworks in the real-world environment of a museum, it comes across as contrived and beside the point. Because however much Sargent cared about his sitters' clothing, his paramount interest was in character and personality—what was in their faces, not on their bodies.

Take "Lady Agnew of Lochnaw (Gertrude Vernon)" (1892). Dressed in a white silk gown with a lavender sash, she sits back casually, looking straight at us. We may be drawn to her clothing—Sargent masterfully suggests the heavy weight of fabric with oil paint thinned down to the insubstantiality of watercolor—but we keep coming back to her gaze. This is Sargent's most psychologically dynamic and engaging portrait. Rather than passively submitting to the artist's close study like his other models, Lady Agnew seems

caught up in a good-natured battle of wills, sizing up Sargent with the same intensity and dispassion that we imagine he is bringing to his scrutiny of her. Looking into her face is like watching one participant in the thrust-and-parry contest between two ace fencers.

A similar depth of insight is visible elsewhere in the show. Elegantly attired in a red velvet dress, choker and jeweled hairpin, Mrs. Charles E. Inches nonetheless strikes us, in her portrait, as slightly self-conscious, even wistful. In "John D. Rockefeller" (1917), Sargent plays against type, por-



▲ 'Mrs. Charles E. Inches (Louise Pomeroy)' (1887)

traying a tired old man rather than the archetypal Master of the Universe. And in "Mrs. Fiske Warren (Gretchen Osgood) and Her Daughter Rachel" (1903) he gives us a tender, unsentimental study of a young daughter's love for her mother. Yet the exhibition overlooks virtually all of this.

One final curatorial misfire must be mentioned: the decision to hang "Lady Agnew" in a transitional space between two of the exhibition's galleries. This not only makes it hard to look at properly—you're amid people in motion rather than standing still—but it diminishes this magnificent picture, suggesting its inclusion was an afterthought.

Fortunately, as with other similarly overthought exhibitions of recent years, the art on display is robust enough to shrug off the curatorial folderol and compel our attention on its own terms. So by all means pay a visit to "Fashioned by Sargent" and see some of the most penetrating portraiture ever painted. Just skip the wall copy.

Fashioned by Sargent
Museum of Fine Arts, Boston,
through Jan. 15, 2024

Mr. Gibson is the Journal's Arts in Review editor.

EXHIBITION REVIEW

The American Pursuit of Peace

By MARK YOST

There is much to celebrate in the Liberation Pavilion, the National WWII Museum's newest exhibit hall and theater, which opened earlier this month. Its 33,610-square-foot space spans three floors, 13 galleries, and tells two intertwined stories: the human cost of concluding what the museum calls "the most destructive war in human history" and our postwar efforts to promote peace and freedom at home and abroad.

While it's all told well through more than 300 artifacts, 71 oral histories and 13 media displays, what is most notable about the pavilion is its unabashed narrative that the Allies, particularly the Americans, were the good guys. It's somewhat remarkable that in 2023, amid all our social upheavals and gnashing of teeth, there's a place that still celebrates all that we did. And lest you think this is some patriotic white-wash of history, the museum does not shy away from pointing out our own shortcomings, specifically the internment of Japanese-Americans and the fact that African-Americans who fought bravely in a war to free the world came back to the Jim Crow South of whites-only water fountains and bathrooms.

World War II's human cost is the defining theme of "Finding Hope in a World Destroyed," the first-floor galleries dedicated to the tragedy of the war. We're told that 65 million soldiers and civilians were killed from the Nazi invasion of Poland in September 1939 to the Japanese surrender in August 1945. That's roughly 27,000 people a day. About 415,000 of the war dead were Americans, including Army Pfc. Gerald Williams, killed in action in Germany on Jan. 15, 1945. In 1949, his remains were shipped home to his wife, Bernice, in Lorain, Ohio, in a wooden crate, on display here. There are also photos of emaciated American POWs; of those held by the Japanese, 40% died. In a nearby display case is a violin made of bed slats, table legs and aid cartons, put together by First Lt. Clair Cline, a pilot who was held at Stalag Luft 1 in Germany.

The first floor grows even more somber as visitors enter the galleries that, with their dark walls and subdued lighting, detail the horrors of the Holocaust. There's a timeline that traces the rise of European antisemitism, the pogroms, the mandatory yellow-cloth Stars of David, and the eventual deportation to the death camps. The displays are unflinching in chronicling the system-



Installation view of Army Pfc. Gerald Williams's remains crate at the Liberation Pavilion

atic murder of Jews, punctuated by the stories of survivors told through interactive kiosks. There are also tearful remembrances of what it meant to see Allied soldiers come through the camp gates.

Leaving the Holocaust gallery that documents religious persecution, visitors walk into one celebrating the religious faith of the combatants. Amid pocket Bibles and portable Mass kits, visitors learn the story of four Army chaplains who were on the Dorchester when it was torpedoed in the North Atlantic in February 1943. They selflessly gave away their lifejackets to save others, "linked arms, sang hymns, and prayed in English, Hebrew and Latin" before they all drowned.

The next gallery tells the story of the Monuments Men and Women, art professionals who, as members

of the armed forces, rescued and cataloged what the museum calls "the greatest art theft in history." Some 3.5 million objects were eventually recovered, but roughly 700,000 are still missing. On display here—in a faux cave to simulate the salt mines in Germany and Austria where the Nazis hid the stolen artworks taken from museums and Jewish homes across Continental Europe—is a map of hiding places, as well as picture frames with digital images of some of the stolen masterpieces; among those looted were works by Raphael, Manet and Degas.

While the first floor is dark and haunting, the second-floor galleries, "Forces of Freedom at Home and Abroad (1945-Present)," not only celebrate the joys of coming home to family and a prosperous America, but also the very real business of securing the hard-fought freedoms won in World War II. The first order of business was holding the German and Japanese leadership ac-

countable for the unjust war they had waged, especially against civilians. There are photos, archival materials, and touchscreens that let you hear from the witnesses and defendants in the war-crimes trials. Most fascinating is the actual execution hood worn by Japanese Prime Minister Hideki Tojo when he was hanged.

The museum also explains how military technology was adapted to civilian applications. For example, the German Me 262, the first fighter jet, spurred commercial air travel. The walkie-talkies used to communicate on the battlefield eventually led to the cellphone.

Most important here is the civil-rights gallery, which explains that Rosa Parks was a defense worker during the war and could go places most civilians of any race couldn't, but still had to ride at the back of the bus. There's also a Torah, buried in a Berlin cemetery at the start of the war. It was dug up in 1945 and used for some of the first postwar Jewish ceremonies in Germany.

The exhibits conclude on the third floor with a film that takes visitors from 1918 to today, looking at what led to World War II, how it was fought and won, and how our victory shaped the postwar world. Again, like much of the rest of the museum, the film emphasizes the freedoms we defended, and how we tried to live up to those ideals at home. Now, more than ever, we need to be reminded of that history.

Mr. Yost writes about military history for the Journal.

SPORTS

The Wild Legal Theory To Save Jim Harbaugh

An antitrust scholar believes the rule Michigan is accused of breaking may be unenforceable. He just happens to teach at Michigan's law school.

By LOUISE RADNOFSKY AND ANDREW BEATON

Michigan Law professor Daniel Crane was speaking at the Federalist Society's national lawyers convention last week when the assembled legal wonks kept stopping him to discuss something that wasn't on the originalism agenda: the explosive sign-stealing scandal engulfing his school's football team.

After Crane's beloved Wolverines drew the wrath of the college sports world, Crane cooked up a novel theory in their defense. In perhaps the spiciest piece ever to hit the Yale Journal on Regulation, Crane argued that the NCAA bylaw Michigan is accused of violating may be unenforceable—because it violates antitrust law.

Crane says that while he is a Michigan fan, he's speaking on his own behalf and isn't representing the university in any capacity. He's simply an antitrust scholar with a rooting interest. And he believes that for the same reasons the NCAA has lost monumental rulings in areas such as athlete compensation, the rule Michigan is accused of breaking might not withstand a legal challenge.

The University of Michigan happens to possess not just a top-10 football team but also a top-10 law school. So it's hardly surprising that faculty members on the brink of an Ann Arbor winter are amusing themselves by dreaming up legal defenses for Jim Harbaugh. Crane's article was rapidly shared by the subset of the population that cares deeply about both the Sherman Act and Bo Schembechler.

On Friday, the Big Ten suspended Harbaugh for three games under its sportsmanship policy, saying his team had conducted "an impermissible, in-person scouting operation over multiple years." Within hours, firms representing the university's board of regents and the head coach rushed to seek a temporary restraining order in Washtenaw County's 22nd circuit court to block the discipline. The school didn't get a ruling before kickoff against Penn State last Saturday, but it's holding out hope that a hearing set for later this week could free Harbaugh in time for games against Maryland and rival Ohio State.

Harbaugh's legal action isn't rooted in Crane's reasoning—his



The Big Ten suspended Michigan coach Jim Harbaugh for three games under its sportsmanship policy.

lawyers are accusing the Big Ten of breaching a contract by suspending him after only a flimsy initial investigation into the facts. Crane's idea is different: He believes the NCAA bylaw that governs this activity may not even be legal.

One of the many oddities of this controversy, which centers around a since-resigned Michigan staffer named Connor Stalions reportedly buying tickets to opposing teams' games in a scheme to steal the signals that coaches use to communicate plays, is that sign theft is actually perfectly legal. What's against NCAA rules is the in-person scouting of future opponents.

Crane argues that the reasoning for that restriction is what's key: it was implemented in 1994 as a cost-cutting measure, one that would

prevent big-time programs from spending on something that smaller ones couldn't afford. Crane says that's the precise type of financial restriction that courts—and the Justice Department—have been skeptical of upholding.

"Once you understand this as an economic rule, as opposed to a rule of the game, that raises antitrust issues," Crane says.

"How is this different from, say, the limits on player compensation?" he adds. "Once you frame it as, it's not a rule of the game, it's not about the integrity of the game, it's about the economics of different colleges spending more or less money, I'm not sure that the distinction can be made."

An NCAA spokeswoman didn't respond to a request for comment.

While Crane is a leading scholar on the subject, and even teaches hallmark NCAA cases to his law students, he has a bit of a bias when it comes to this case in particular. So there was only one reasonable thing to do: test his idea with an Ohio State law professor.

Felix Chang is admittedly conflicted when it comes to the game simply called The Game. He's a visiting professor at Ohio State's law school. He also got his law degree from that school up north.

"I've got split loyalties," he said, before acknowledging that these days, he generally does cheer on the Buckeyes.

Chang is skeptical that Crane's argument would fly in federal court. The problem with Crane's interpretation, Chang says, is that re-

straining player compensation affected the labor market—unlike barring scouting. That shifts the test to whether a rule on scouting really affects consumers, and probably not just ones with a lot of maize-and-blue in their wardrobes.

"Classically, when you look at the welfare of consumers, you look at: is price raised, is output limited, is there any other anticompetitive effect, like lack of innovation?" he says.

There are other ways to muster a defense, of course. Richard Friedman, one of Crane's faculty colleagues at Michigan Law, isn't an antitrust guru, but one of his areas of expertise is evidence. And at this point, he noted, that seemed to be lacking against Harbaugh, who has said he had no knowledge of any alleged improprieties.

Friedman also has a belief about NCAA bylaw 11.6.1 that isn't exactly rooted in something he once read in a legal tome.

"I think it's a dumb rule," he said from his car as he drove with his wife to State College, Pa. for last Saturday's showdown against Penn State.

Others have made the same point. These days, college football team budgets are so big that sending someone to scout a game is hardly a financial imposition. Moreover, using signals to call in plays isn't even necessary in the NFL. For decades in the pros, there have been headsets in helmets for coaches to communicate with the quarterback.

Besides, in Friedman's expert opinion as a longtime season ticket holder, the school is getting punished over something that didn't matter much.

"Most of the Big Ten, we don't have any need to spy on," he says. "Does that sound harsh?"

Since Crane wrote his initial piece, he has been inundated with responses.

The response has been so overwhelming that Crane has penned a follow-up post in the same Yale journal that delves even further into the legal arguments about why enforcing the rule may raise antitrust issues. But in the first paragraph, before he begins throwing around precedents from the types of cases he teaches, he makes one point clear.

"My post about the antitrust implications of enforcing NCAA Bylaw 11.6.1 wasn't a joke," he wrote.

The WSJ Daily Crossword | Edited by Mike Shenk

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27 Moved swiftly
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29 City up the coast from Lisbon
30 Event that calls for special glasses
32 Timid
36 Major role in "Amadeus"
38 Botch
42 Two-deck card game
44 Writers Brookner and Loos
47 Ticket category
49 Brownish yellow
51 Wharton dogs.
53 Time for saying 2-Down
54 Heir of Claudius
55 Letters of urgency
56 "___ all good"
57 Alternative to com or org
59 Geisha's accessory

DOUBLE HEADERS | By Mike Shenk

Across
1 According to
4 Eightieth of a teaspoon
9 Respectful address
14 Bolted down
15 Galvanic cell part
16 Keats's "___ Psyche"
17 With 58-Across, what four Down answers in this puzzle do
19 Rap, so to speak
20 Trees in Southern swamps
21 Value system
23 Dwarf planet in the asteroid belt
25 Irreverently crude
28 Pilots' milestones
31 Principle
33 "Cheap Thrills" singer
34 Popular tablets
35 Raises a paddle, say
36 Give a caramelized crust to
37 Course call
38 They require taking turns
39 Throw ___ (be bratty)
40 Square root of nueve
41 Bakery specialist
42 Within reach
43 Letters at the end of a series
44 "All I ___ you..."
45 Broadcast aviator Garros
48 Who's indispensable, supposedly
50 Translating challenge
52 Instrument with finger holes
56 Helpful advice
58 See 17-Across
60 Alternating current proponent
61 Red as ___
62 Low number for an ace
63 Marks for retention
64 Libyan gulf
65 Gravy dipper
Down
1 Historian's concern
2 Words to one assumed to be an ally
3 Secure

Previous Puzzle's Solution

OPTS ALTHO SOHO
LEIA SANDP PRAT
ARMWRESTLE INST
THAT COBRATE
KAZOO LOW OATER
TRIO TYPE GLENS
SENTRA HIDE
CHEXCEREALS
SILL FRONOS
WORS(E ATRY ADEL
EREOT MAE ANGER
ARLOSE SPYS
VENN ASSEENONTV
ERIC CHANT UTAH
RYNE HOOTS THIS

Three Ejections, 103 Seconds: The NBA's Hectic, Historic Night

By ROBERT O'CONNELL

A GAME BETWEEN the Minnesota Timberwolves and Golden State Warriors had barely begun, Tuesday night in San Francisco, when the rowdiest scene of the early NBA season unfolded.

Just over a minute and a half into the contest, Minnesota's Jaden McDaniels and Golden State's Klay Thompson, who had tussled for rebounding position, gripped and tore at one another's jerseys at midcourt, spinning in circles as referees' whistles blew. When Rudy Gobert, the Timberwolves' 7-foot-1 center, tried to pry them apart, Draymond Green—the Warriors' ace defender and agitator—leapt onto Gobert's back and clamped an arm around his neck.

After coaches and officials had intervened and replays were reviewed, McDaniels and Thompson were ejected from the game for technical fouls, and Green for a flagrant foul.

The box score flashed a never-before-seen combination: 103 seconds of play elapsed, zero points scored by either team, and three starters booted. It was the highest number of starters to be ejected in a scoreless game since the NBA and ABA merged in 1976, according to Stats Perform.

"We found a way to win ugly," Minnesota coach Chris Finch said after his team's 104-101 victory, "in a game that was pretty ugly."

The skirmish showed, for one thing, that a simmering rivalry between the upstart Timberwolves and dynastic Warriors may be ready to boil over.

The teams had last met on Sunday, when Green and star guard Anthony Edwards traded words in what became Minnesota's sixth straight win.

Although the league office will officially condemn the fighting, it also suggested something about the seriousness with which teams are taking the inaugural In-Se-

son Tournament. Before tip-off, Finch said that group-stage tournament games like Tuesday's are "worth double."

Perhaps most significantly, the incident is the latest in a long string of altercations involving Green, who will likely face a suspension. Green is in some ways the Warriors' beating heart, a rugged forward who threads passes on one end and barricades the rim on the other, and in others their fatal weakness.

Over his 12-year career, he has regularly been penalized for complaining, taunting,

some trust lost."

In a postgame press conference Tuesday night, Kerr stood up for his player, saying that Green reacted because he saw Gobert's hands on Thompson's neck. (Tyler Ford, the lead official, said that Gobert had been acting as a peacemaker and deserved no discipline.) Kerr said he hadn't given any thought yet to what punishment might come from the NBA.

McDaniels, for his part, was amazed at where a bit of jersey-tugging had ended up.



Three players were ejected during Tuesday's altercation.

showing, kicking and stomping on opponents. Tuesday, he added "headlocking" to the list.

His one-game suspension in the 2016 Finals, after he hit LeBron James in the groin, precipitated the Cleveland Cavaliers' comeback from a 3-1 series deficit.

During training camp before last season, Green punched then-teammate Jordan Poole in the face, opening a rift that Warriors coach Steve Kerr said hindered his team's hopes for a fifth championship during the Green-Thompson-Stephen Curry era. (Curry missed Tuesday's game with an injury.)

"Anytime some trust is lost, then it makes the process much more difficult," Kerr said following Golden State's second-round playoff loss in May, "and there was

"I didn't know Draymond was gonna do all that," he said. "That was kind of surprising for me."

The game that took place after Green's headlock had an atmosphere reminiscent of the postseason, except for the handful of notable absences. Play was halting, defense tough, the crowd energized. Golden State fans jeered when Gobert fumbled a dunk opportunity and booed when hard Warriors screens were whistled illegal.

The Timberwolves' surplus of remaining star power won out.

Gobert blocked three shots, including a late 3-point attempt; Edwards and Karl-Anthony Towns combined for 53 points. From the locker room, a now-familiar perch, Green couldn't do anything to stop them.

DARRON CUMMINGS/ASSOCIATED PRESS

JED JACOBSON/ASSOCIATED PRESS

OPINION

The Humanitarian-Crisis War



WONDERLAND
By Daniel Henninger

Every war is a humanitarian crisis. But Gaza is the first humanitarian-crisis war, presented to the world almost entirely in terms of the suffering of civilians. That is no accident.

Before the Israel Defense Forces entered the Al Shifa Hospital compound Wednesday, the media had reported extensively how its medical personnel and patients, including infants, were at mortal risk. President Biden on Monday said the hospital “must be protected.” His national security adviser, Jake Sullivan, said, “We do not want to see firefights in hospitals.” Some 500 Biden administration employees signed an open letter insisting on a cease-fire.

Where the logic of this leads is obvious: The overwhelming responsibility falls on Israel to make the suffering end.

Hamas knew that after Oct. 7 the narrative would shift to Israel’s isolation.

So let us return to what happened in southern Israel six weeks ago, an eternity in the attention span of the media cycle. Those events remain inseparable from what is going on in Gaza now.

On Oct. 7, about 3,000 well-trained Hamas soldiers invaded southern Israel. They had no significant military target. Their intention was to target civilians. One Hamas notebook read, “Kill as many people and take as many hostages as possible.” They did



An Israeli soldier at the Al Shifa Hospital in Gaza, Nov. 15.

that, methodically. They tortured Israeli families in their homes and then killed them. They violated pregnant women. They stood calmly with Kalashnikov rifles and shot attendees at a music festival. They killed some 1,200 people.

In addition to the planned civilian murders, they took more than 200 hostages back into Gaza, such as the elderly woman strapped horizontally across the back of a speeding motorcycle.

In the hours after the attack, the main question was: What did Hamas hope to achieve? The answer today is clear. Its first intention was to commit acts so barbaric that Israel would retaliate. Second, take hostages that Israel would insist on rescuing no matter how difficult it would be, as with its 1976 commando raid at Uganda’s Entebbe airport. Both to retaliate and to free the hostages Israel would have to go into Gaza. Assuming Hamas fought back, there would be firefights among Gaza’s population.

The wholly predictable sequence of events since Oct. 7 has produced what Hamas wanted—a global event defined as Israel causing a humanitarian crisis in Gaza.

Reporting about the Al Shifa

hospital complex has noted that medical personnel said they couldn’t move between buildings because of gunfire. We may assume the gunfire isn’t coming from just one direction, but that Hamas soldiers are shooting back at the IDF. The Biden administration on Tuesday confirmed Hamas was using the hospital as a “command-and-control node.”

Trigger warning: People who self-identify as U.S. progressives, such as those demonstrating in the streets for Gaza and/or against Israel, won’t much like what follows. Which is a strong suggestion that Hamas’s political strategy—to create a humanitarian-crisis war—is lifted from the pages of the American left’s playbook.

The human tragedy in Israel and Gaza has touched the world because so much of it falls outside the boundaries of civilized life. But the political reality is that Hamas now has a situation familiar to anyone who understands the importance of what the modern left calls “framing” an issue. Or more commonly, building a political narrative.

Years ago, the word “narrative” didn’t exist in politics. Now you see it all the time. The idea of depicting experience as narratives originated

in literary theories of the 1960s. A narrative is basically a story line. It is “framing” events in a way that causes people to think about an issue from a single point of view.

A goal of narrative framing is to stoke public concern about a “problem.” A repeated narrative in recent years is that incarceration rates for young black males are the result of systemic racism in the criminal-justice system. The most famous narrative of our era is the climate crisis, which at least since Al Gore’s “An Inconvenient Truth” has been framed as an imminent apocalypse. The purpose of dire narratives is to push the public to “do something.”

The strategy can work—until it doesn’t. The left elevates problems, but then has no clue about a feasible solution. Incarceration narratives got progressive prosecutors elected but they have produced nothing other than anarchy in urban neighborhoods. The climate apocalypse has produced an emerging catastrophe of unaffordable costs.

Hamas knew that the humanitarian-crisis narrative after the IDF chased them into Gaza’s teeming neighborhoods would isolate Israel politically. In that crude sense, the day of slaughter was a success. But even more cynical than their naive Western counterparts, Hamas always knew their isolate-Israel narrative had no practical solution. It was zero-sum from day one.

Rubbing the public’s face in unsolvable problems over time causes a coarsening of that same public’s sensibilities. Eventually people just want someone to clean up the mess, like the drug-addicted homeless or wandering migrants. And it’s never pretty.

Hamas wanted a humanitarian crisis. It got that. But it also got something more familiar—an ugly war.

Write henninger@wsj.com.

BOOKSHELF | By Tunku Varadarajan

An Early Leader Of Arab Agitation

We Are Your Soldiers

By Alex Rowell
Norton, 416 pages, \$30

Egypt’s schoolchildren in the 1960s were taught a song in praise of the man who’d appointed himself their president in 1954, at age 36—uncommonly young for a nonroyal to lead an Arab nation. “I heard Dad say to Mom,” went the ditty, “it’s all thanks to Father Gamal.”

The object of this veneration was Gamal Abdel Nasser, the Egyptian strongman who came to be the most popular ruler in modern Arab history. The thanks being belted out in classroom choruses were not for any material bounty—of which there was little in an impoverished land—but for Egypt’s pre-eminence in the Arab world. Until his death of a heart attack in 1970, Nasser waged a relentless crusade for pan-Arabism—the idea that all Arabs were one people, with Egypt as their natural leader, and that the boundaries between Arab states were ripe for riddance. This idea reached its zenith in 1958, when Egypt merged with Syria to form the United Arab Republic.

The union was short-lived, unraveling three years later, an inevitable result of Nasser treating his “northern province” (as he called Syria) like a vassal. But while it lasted, Nasser held out hope of adding Iraq and Jordan to his Arab super-state. His pan-Arabism was romantic and raucous, writes Alex Rowell in “We Are Your Soldiers,” a book that focuses on the malign impact Nasser had on countries in the region as well as on his own.

Not unlike the Palestinian campaigns today, Nasser’s pan-Arabism was driven by a strident, almost messianic, rhetoric of colonial resistance that reshaped itself into vicious abuse against any opponents who stood in his way. Among those who felt the lash of his anger were the young King Hussein of Jordan and Prime Minister Nuri al-Said of Iraq, both of whom refused to condemn the Baghdad Pact (later renamed Cento) in the mid-1950s, as Nasser had demanded they do. The treaty

was a Middle Eastern version of NATO, and Nasser regarded it as a return of Western imperialism in the guise of a security agreement.

Mr. Rowell’s book is at its brutal best in its account of Nasser’s breathtaking violence—including the use of nerve gas in a five-year war on Yemen and the torture of political opponents in “concentration camps.” His descriptions of the beatings and killings that took place there—as well as of the murder of a prominent Lebanese communist, lured to his death in Syria, his body hacked to bits and dissolved in acid—are hard to stomach. But such revulsion is a valuable corrective to the view—to which many in the Middle East, and even some in the West, still subscribe—that Nasser was the architect of a Great Arab Project, an emancipator of the downtrodden who sought to confer on “his people” the dignity heretofore denied them by history.

“Nasserism” was a movement, Mr. Rowell tells us, that broke Arab hearts after making them soar; stiffened Israel’s resolve to fight back against a multinational Arab mission to wipe it off the map; and earned the wrath of the West, and of President Eisenhower in particular, by its embrace of the Soviet Union at the height of the Cold War. And this was after Eisenhower had rescued Nasser from ignominy in 1956, when Nasser nationalized the Suez Canal. Britain and France, with Israel as a partner, responded to the canal’s seizure with an invasion of Egypt that would have spelled the end of Nasser’s rule had Ike not ordered a cease-fire.

“We Are Your Soldiers” is richly detailed, if sometimes a little too encyclopedic. Mr. Rowell, a Beirut-based journalist, is an editor at New Lines, a recently established (and often eloquent) magazine that focuses on the Global South (to use a modish label). His book describes how Nasser’s 16 years in power were littered with false promises and false dawns. The pharaoh-of-the-people failed to eradicate poverty in his own country. At the time schoolchildren were singing his name, there was rationing in Egypt, with the sale of meat banned three days a week, a far cry from Nasser’s vow, made early in his rule, that he’d make meat a staple of the Egyptian diet.

Nasser is often admired today as a resister of colonialism and champion of the oppressed. He was, in fact, a tyrant.

But as Mr. Rowell tells us, Nasser’s lack of success was most glaring in the areas that the “Arab street” saw as most salient: the empowerment of ordinary Arabs and the liberation of the Palestinians. His journey had begun, for many, as a sort of fairy tale. In 1952 he’d led a coup by “Free Officers” (as they called themselves) that dethroned Egypt’s king, the very fat and dissolute Farouk I, whose morals many Egyptians found repugnant. But citizens who’d hoped for democratic reforms to accompany the cleansing of royal rot were soon disappointed. Nasser banned all political parties except his own, snuffed out the Egyptian press, and orchestrated assassinations across the Arab world.

Nasser also mentored the monsters in Iraq, Syria and Libya. A young Saddam Hussein lived in Cairo for three years, on Nasser’s dime, before returning to Iraq as a despot whose villainy needs no airing here. Syria’s Hafez al-Assad was also sheltered in Cairo and was on sabbatical in the Egyptian capital, in fact, at the same time as Saddam. Mr. Rowell tells us that Assad’s nocturnal haunts were classier than the dives favored by Saddam, where the Iraqi often got into knife-fights.

In 1969, a year before his death, Nasser helped Muammar Gaddafi seize power in Libya. Furiously ambitious, Gaddafi was a desert rube who worshiped Nasser and was as passionate as his Egyptian idol in pursuit of a pan-Arabist destiny. The avuncular Nasser, writes Mr. Rowell, took to the Libyan upstart and guaranteed his “all-out backing for Gaddafi to the end, chaperoning him on the international stage.”

Nasser died at 52, a premature demise that did much to elevate his reputation as an Arab champion of mythic proportions. You have to pray that Mr. Rowell’s book will force many to rethink their perception of Nasser. For he was, in truth, a terrible, toxic man.

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

Don’t Believe the Hype About Abortion

By Karl Rove

There’s a tendency in politics to ascribe success and failure to one thing when it’s really more complicated. That has been the case with most coverage of last week’s elections. “Abortion issues burn GOP” screamed ABC News. “Democrats see big wins” shouted Roll Call, which said “access to abortion” was “front and center.”

The key example offered for this line of reasoning was Virginia’s state legislative elections, in which Democrats held the Senate, losing only one seat, and flipped the House by picking up three. Vox’s Rachel Cohen described the results in Virginia and elsewhere as “a resounding victory for Democrats and abortion rights supporters.” But is holding a 21-19 majority in the Senate and a 51-49 majority in the House really a resounding victory?

I think not. Virginia is a blue state that Mr. Biden carried 54% to 44% in 2020. Last week Republicans won in seven House districts Mr. Biden carried in 2020 by up to 10 points and four Senate districts he won by up to 9 points. Democrats didn’t flip a single district Donald Trump took. These margins don’t fit with the notion that abortion draws large numbers of independents and Republicans to vote for Democratic candidates.

Two factors probably had a bigger effect than abortion.

The commonwealth was redistricted before the election. That benefited Democrats last week, according to Sean Trende, a senior election analyst at RealClearPolitics. Since Virginia is blue, the redistricting resulted in more solidly Democratic districts than solidly Republican ones. Mr. Trende was one of the special masters appointed by the Virginia Supreme Court to draw the lines.

Offsetting the Democratic redistricting advantage was the popularity of Virginia’s Republican governor, Glenn Youngkin. An Oct. 16 Washington Post/Schar School poll found that 54% of Virginians approved of the governor’s job performance and 39% disapproved. Only 43% of the same respondents thought Mr. Biden was doing a good job, while 55% didn’t. This favorability advantage for Republicans helped GOP candidates grab districts that normally would have gone Democratic.

Given that their state has trended Democratic for years, Virginia Republicans held up admirably against a challenging map. The GOP would cheer if it pulled off similar margin changes in 2024. If Republicans flipped every U.S. House seat Democrats won by 10 points or less in 2022, the GOP would rack up 50 seats—a 271-seat majority, the biggest GOP seat haul since 1928.

GOP Senate candidates would also be sitting pretty if they do as well in 2024 as Vir-

ginia Republican Senate hopefuls did last week. If GOP candidates won every state Mr. Biden carried by 9 points or less in 2020 and all the Trump states, there would be new Republican senators from Arizona, Michigan, Minnesota, Montana, Nevada, Ohio, Pennsylvania, West Virginia and Wisconsin—giving the GOP a 58-seat majority.

Its importance in last week’s elections for state office has been vastly overstated.

Abortion-rights advocates also point to Kentucky, where incumbent Democratic Gov. Andy Beshear defeated Trump-backed Republican Attorney General Daniel Cameron, 52.5% to 47.5%. Ms. Cohen wrote that Mr. Beshear’s re-election provides “the clearest evidence” that abortion drew “voters of all persuasions” to support Democrats.

Democrats did run a powerful ad featuring a young woman raped by her stepfather when she was 12. But if abortion alone decided the governor’s race, why is it that the rest of the statewide Republican ticket won with 57% to 61% of the vote and an average margin of 18 points? All those Republicans are strongly pro-life. Maybe they won because the governor’s

race was more about the incumbent’s record and each candidate’s messages on a range of issues, not only abortion.

On the flip side, Ohio approved a ballot measure enshrining a right to abortion in the state constitution by 56.6% to 43.4%. But Republicans royally screwed up that situation. First, they tried to game the system with an August referendum raising the threshold for amending the state constitution, which voters soundly rejected. Then they didn’t offer an alternative to the unlimited-abortion proposal and were massively outspent.

Since the Supreme Court overturned *Roe v. Wade* in 2022, pro-abortion groups have gone seven for seven on state ballot measures. To describe last week’s results as “a huge sign of Democrats’ continued momentum”—in the words of a Democratic Party tweet—and principally credit abortion is to oversimplify. Abortion might have helped Democrats sometimes, but the issue is hardly a silver bullet. As Virginia showed, as long as Mr. Biden is the face of the party, pro-life candidates can make gains on Democratic turf if they frame the abortion issue with care.

Mr. Rove helped organize the political-action committee *American Crossroads* and is author of “*The Triumph of William McKinley*” (Simon & Schuster, 2015).

My Gazan Friend Is Dead

By Bert Stratton

I call my friends in Israel every few weeks. I check the war news obsessively and donate to various Jewish and Israeli causes. Somebody I know just died in the war. She was a Gazan. She was Baraa Abu Elaish, a 26-year-old doctor who was killed in the airstrikes at the Jabalia refugee camp.

My wife, Alice, used to teach physical education in the Cleveland Heights, Ohio, school system, and Baraa had been a foreign-exchange student at Cleveland Heights High School. In 2014 Baraa assisted Alice with some ele-

mentary-school classes. “A sweet girl,” my wife said at the outbreak of the Gaza-Israel war. “I hope she doesn’t get killed.”

Baraa, a charming exchange student, was killed in an airstrike.

I thought it was crazy for Baraa to attend an Israel Independence Day celebration in Cleveland, but Alice suggested she come along. Baraa—hijab and all—was game. She danced and had an engaging smile. In my experience, for-

ign-exchange students are all charming.

I said to Alice, “If a photo of Baraa gets back to Gaza, her family might be in deep trouble.” No photos got back, apparently. At the Israel Independence Day celebration, we danced to “Zemer Atik,” “Mayim” and other classic Israeli folk tunes. My klezmer band played.

In 1941 my dad changed his last name from Soltzberg to Stratton. He wanted to “pass,” I think. Anti-Semitism was at its zenith then. When I was in my 20s, I told my father, “I’m thinking of changing the name back to Soltzberg.” My dad went ballistic: “Don’t do it!”

Maybe he knew something I didn’t.

On Tuesday a man named Simcha Bloomenstiel called me about possibly booking my band for his Orthodox Jewish wedding in February. *Bloomenstiel*. Stratton. We’re both Jews; I’m sure Hamas would agree. I’m a Zionist, also, for good measure.

When Baraa went to her senior prom in Cleveland, she wore her hijab and a modest dress that covered her arms and shoulders. Now she’s dead. Thanks, Hamas.

Mr. Stratton is author of the blog *Klezmer Guy: Real Music & Real Estate*.

OPINION

REVIEW & OUTLOOK

The Biden-Xi Truce of the Moment

President Biden met Chinese President Xi Jinping on Wednesday in California, and the atmospherics suggested a new era of bilateral good feelings. But no one should be fooled that this is anything other than an era of intense competition, or that Mr. Xi is giving up his ambition to upend the U.S.-led international order.

Both sides have reasons at the moment to appear to be getting along better. Mr. Xi needs foreign investment and export markets to offset the real-estate crash and excessive debt that are slowing China's economy. He wants a respite from further economic sanctions or U.S. limits on the sale of technology to Chinese firms. He's put Beijing's "wolf warrior" diplomats in the closet for now, though they could return at any time.

Mr. Biden wants to smooth relations to avoid another security crisis in a world that already has too many. With the wars in Ukraine and the Middle East, and bad actors in Russia and Iran stirring up trouble, the President wants to put China on ice—at least through his re-election next year. He especially wants to avoid a hot crisis over Taiwan.

There are certainly good reasons for the two sides to meet to talk and better understand each other. The U.S. wants to avoid a war with China that would be destructive for both countries and the world. The restoration of military-to-military communications, which China has resisted for months, is a useful step forward. Greater transparency and cooperation over advances in artificial intelligence would also be welcome.

The question is how much any of these verbal commitments will matter given the Chinese Communist Party's ideology and ambitions. Beijing has promised to round up the usual fentanyl-producing suspects before, with little to show for it. China's pledges to reduce carbon emissions in the future are worthless given its plan to build 366 gigawatts of new coal-fired power. Mr. Xi must laugh privately at U.S. climate envoy John Kerry's pleas that China act against its energy self-interest. It won't happen.

The sign of a real thaw in relations would be if China eased up on its relentless military buildup and its military harassment of Taiwan

The new era of good feelings is less than meets the photo-op.

and the Philippines. The People's Liberation Army has stepped up its almost daily aircraft incursions across the median line in the Taiwan Strait. Some of the air and naval maneuvers are the sort that could presage an invasion or military blockade.

Chinese Coast Guard and maritime military are also interfering with Manila's attempts to resupply the Second Thomas Shoal. This includes recent use of a water cannon to force a Philippine supply ship to alter course. The shoal is part of the Philippine holdings in the Spratly Islands, which China claims as its own, as it does pretty much the entire South China Sea. If Mr. Xi really wants to play by global rules, he'd call off the war hawks.

Mr. Xi also continues his diplomatic and economic help to Russia in Ukraine, and China is buying oil from Iran that helps Tehran finance jihadist militias targeting Israel and Americans. This is the pattern that anyone who has attended a Chinese banquet knows: Chinese leaders smile and toast to the friendship between our two peoples, while they undermine U.S. interests wherever they can.

Mr. Biden has responded to all this with far more solicitousness than is deserved. He hasn't sought significant military aid for Taiwan as part of his \$106 billion supplemental aid request to Congress. Mr. Biden didn't want Mr. Xi to decline this week's visit as part of the annual summit of Asia-Pacific countries. Congress should make a bigger arms buy for Taiwan a condition of passing the aid bill.

* * *

Mr. Xi is no doubt sizing up Mr. Biden personally, contemplating how formidable the soon-to-be 81-year-old U.S. President will be as an adversary if relations again take a turn for the worse. The Chinese leader is set on retaking Taiwan on his watch, and Mr. Biden has shown little urgency in shoring up America's military deterrent in the Asia-Pacific.

The decline of American deterrence has let the world's rogues think they can take advantage of weaker neighbors in Europe and the Middle East. Let's hope Mr. Biden sent a sterner message to Mr. Xi and backs it up soon with more hard power.

Joe Biden Faces a Deep State Revolt

President Biden has been learning lately what life is like for Republican Presidents. Parts of the deep state, to borrow a phrase, are revolting in opposition to his support for Israel against the Hamas terrorists responsible for the Oct. 7 massacre.

News reports say that no fewer than 500 appointees and staff from 40 agencies, including the National Security Council and the Justice Department, have sent Mr. Biden a letter demanding that he call for a cease-fire and "de-escalation" between Israel and Hamas: "Americans do not want the U.S. military to be drawn into another costly and senseless war in the Middle East." The signatories are bravely anonymous.

The same is true of more than 1,000 employees at the U.S. Agency for International Development, who have reportedly signed a similar letter. "We believe," it says, "that further catastrophic loss of human life can only be avoided if the United States Government calls for an immediate ceasefire in Gaza." The letter adds that its backers are withholding their names out of "concern for our personal safety and risk of potentially losing our jobs."

If democracy means anything, perhaps they should lose their jobs or, better yet, they should resign honorably if they can no longer support

the boss's agenda. The malcontents are a sliver of the federal workforce. Yet the job of the executive branch is to implement a President's policies, not run a pressure campaign to change them via anonymous letters and leaks.

Unhappiness at Mr. Biden's Israel policy is also circulating at the State Department in dissent cables. One difference is that this is a normal channel for internal criticisms, created amid the Vietnam War and used in recent years to raise alarms about Mr. Biden's disastrous Afghanistan withdrawal. The signatories on the State Department cables aren't public knowledge, but they aren't anonymous.

Part of the problem here is that civil-service protections are so extensive that it is hard to discipline much less fire a dissenting career bureaucrat. This gives them a certain impunity when they want to agitate against an elected President's policy.

But this isn't how democratic government is supposed to work. Political appointees and bureaucrats are free to argue up the chain of command for a different course of action. If they don't succeed, they can continue to do their jobs, or else they can resign. But it's a dereliction of duty for federal workers to spend their time trying to stymie the policy of elected officials.

Proxy Advisers and Double Standards

Gary Gensler has brought down the hammer on public companies that have allegedly misled investors. But when

proxy advisers have done the same, the Securities and Exchange Commission Chairman looks the other way, as a new report by the American Council for Capital Formation (ACCF) documents.

Glass Lewis and Institutional Shareholder Services provide asset managers, pension funds and university endowments with recommendations on how to vote on corporate proxy resolutions. They can assist institutional investors that lack in-house resources to conduct due diligence before voting on thousands of ballot measures. Together they make up about 90% of the proxy advisory market, and it's a profitable business.

However, the two companies that are in essence a duopoly often make material analytic and factual mistakes in their voting recommendations. Even when public companies have notified the firms and the SEC of the errors, the proxy advisers have failed to correct them or change their voting recommendation.

During the 2023 proxy season, at least 64 complaints about inaccurate proxy adviser recommendations were filed with the SEC, up from 50 in 2021 and 40 in 2020. As the ACCF report notes, these complaints are likely the tip of the iceberg "because companies—unlike proxy advisers—must assume legal liability to submit a filing" to the SEC.

The ACCF documents proxy advisers' numerous errors, which stem from a combination of

A new study shows Glass Lewis and ISS make material errors in their recommendations.

sloppiness and one-size-fits-all voting guidelines that "fail to capture the nuance" about specific company issues.

Take Monolithic Power Systems, which said that Glass Lewis incorrectly concluded this year that the value of stock-price based equity awards was more than 40% higher than the value of cancelled performance-based awards. Glass Lewis nonetheless failed to change its recommendation against the company's executive compensation plan.

ISS withheld its recommendation for a director at Finward Bancorp this year because its bylaws allowed only the board of directors—not shareholders—to change its bylaws. But Finward explained that only a corporation's board can amend or repeal its bylaws under the statutory default in Indiana where the bank is headquartered.

Proxy advisers claim they engage with companies before making recommendations, but the myriad errors identified by ACCF suggests they often don't. Yet Mr. Gensler hasn't rapped them. Former SEC Chairman Jay Clayton required that proxy advisers notify their investor customers of company statements alleging errors in voting recommendations.

Mr. Gensler scrapped the Clayton rules, saying they imposed undue "burdens on proxy voting advice businesses." Since when has Mr. Gensler cared about burdening businesses? The manifest reason that Glass Lewis and ISS enjoy a government-protected duopoly is because they promote the progressive agenda against corporate America.

LETTERS TO THE EDITOR

Fix Social Security, but Don't Trim Benefits

The Hoover Institution's John Cogan and Daniel Heil ("Older Americans Are Better Off Than Ever," op-ed, Nov. 10) suggest that the improved financial well-being of many older Americans justifies a lesser benefit or higher tax in the interest of program solvency.

But Social Security benefits already include such a progressive structure. A worker earning at the payroll-tax income cap for Social Security (\$160,200 in 2023) already pays about 10 times the payroll taxes of someone holding a federal minimum-wage job but is eligible for a monthly benefit of less than four times that of the minimum-wage worker.

Franklin Delano Roosevelt's 1935 concept of retirement benefits for the aged was for all workers to participate so that the program was not seen as welfare, but as an earned benefit for all. Removing the payroll-tax cap or means-testing retirement benefits moves Social Security much closer to being a welfare program. Gradually boosting the retirement age to track increasing longevity would reduce program costs while avoiding that pitfall.

PETER COFFEY
Madison, Conn.

Messrs. Cogan and Heil point out that "the typical senior household today enjoys Social Security benefits that have twice the purchasing power of benefits received by the average household in 1982."

A beneficiary's initial benefit is based on the national average wage index, not the inflation rate. Because real wage growth has been greater than inflation, purchasing power has doubled since 1982. Indexing the initial Social Security benefit formula to inflation instead of this wage index would solve the Social Security solvency problem. By using the index, the government is guaranteeing a real positive return for the average person, a guarantee no other investor has.

DOUG HARTLOVE
Somerville, N.J.

The authors imply that because seniors today have ample savings, "News reports that baby boomers weren't saving enough for retirement were wrong." My husband and I, two of those baby boomers, began saving aggressively for retirement during our peak earning years because of those constant warnings.

NANCY ASHMORE
Portsmouth, R.I.

President Manchin Could Depolarize America

Sen. Joe Manchin ("Why I Won't Be Seeking Re-Election to the Senate," op-ed, Nov. 10) could be just what the White House needs: A moderate who tries to keep everyone's interests in mind.

America needs a centrist who will depolarize the nation. Can the far right and far left get with the program, or will they continue the senselessness that divides and weakens this country?

TERRY TAKASH
Western Springs, Ill.

Since 2021, Mr. Manchin has more or less supported all the Democrats' legislation, even energy policies that hurt his constituents, though with the pretense that he wasn't happy about it.

If such history is an indicator, he will explore a presidential run, then agonize and conclude that a run isn't warranted. He might say his explora-

tion of Middle America has shown him that it wants President Biden re-elected. This would help bolster the president's sagging support.

With regards to his successor, it is hard to see why West Virginia voters, having been sucker-punched by Mr. Manchin many times, would vote for a Democrat who would carry on his anticarbon policies.

GREG DEBSKI
Howell, N.J.

Mr. Manchin brings tears to my eyes for many reasons. He accurately describes my own disenchantment with Congress and political game playing. West Virginia and America are losing a dedicated and honorable statesman at a time when we most need representatives like him. One less voice for reason and positive bipartisan action is a terrible loss.

JAN T. MCCARTHY
Keswick, Va.

A Safe Space for Me, but Not Jewish Students

Sahar Tartak and Netanel Crispe's "Jewish Students Meet Hostility at Yale" describes the cruel and cowardly treatment Jews have been forced to endure from their fellow classmates. It occurs to me that their tormentors are the same students who insist their school provide them with a "safe space" where they won't have to listen to anything that might make them feel uncomfortable. These hooligans also feel free to disrupt or cancel any speaker invited to their campus with whom they might disagree while

also crying out for "diversity" and "inclusion." It's alarming that they seem to have the full support of the faculty and administration. Even more concerning is the fact that this same hypocritical intolerance is accepted at so many of our top colleges and universities.

What has happened to the original purpose of our institutes of higher learning? My understanding has always been that it was to open students' minds: to get them to see things from different viewpoints, question their certainty of what they know to be true, and stimulate their intellectual curiosity.

Rather than focus on these valuable skills, an alarming number of our colleges and universities seem perfectly content to train these ill-informed lemmings to follow each other into the sea.

ELIZABETH SHULTS
Hilton Head, S.C.

Colorado's Weird Proposals

Regarding your editorial "Coloradans Turn Down a Tax Grab" (Nov. 9): I'm not sure the proposition's defeat should hearten anyone. We have a long history of weird stuff appearing on our ballots. Luckily, they generally are confusing. We view them as dangerous, and to more than our pocketbooks.

Many of us are happy about the lack of interest politicians have in our state. That keeps the airport functioning and the roads clear.

SUSAN CONWELL
Littleton, Colo.

Pepper ... And Salt

THE WALL STREET JOURNAL



"Climate-friendly proteins, organic cleansers, locally sourced vegetables. That concludes the political portion of our shopping list."

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ALAN SHAFFER
Cincinnati

OPINION

All Is Quiet in Oil Markets—for Now

By Daniel Yergin

War in the Middle East typically sends oil prices soaring, since the region is home to about half of the world's proven reserves. Not this time. After ticking up a few dollars, the price of Brent crude has been even or lower than on Oct. 6, the day before Hamas's attack on Israel. There are three reasons for this: the shale revolution, market psychology and a transformation in the politics of oil.

The shale revolution rebalanced the market. The U.S., once the world's largest oil importer, is now its largest producer. On a net basis, the U.S. is "energy independent." The very existence of a source on this scale is a bulwark against market panic. It's also been central to keeping the market well-supplied. Oil demand, spurred by China's rebound from Covid, has grown strongly this year. It's up about 2 million barrels a day from last year.

That would change if the war were to spread, but Iran and China have a stake in keeping it contained.

But new supplies from outside the Organization of the Petroleum Exporting Countries Plus are more than meeting that growth in demand. The U.S. is at the forefront, adding a million barrels a day, along with Canada, Guyana and Brazil. Last year's anxiety about supply keeping up with demand has faded in the face of rising production.

Financial investors in the oil market aren't panicking about possible disruption. Oil prices these days vibrate primarily on economic news and prospects—high interest



A Saudi Aramco facility in Abqaiq, Saudi Arabia.

rates and the possibility of an economic slowdown or recession, all of which would constrain demand, sending prices lower.

And the politics around oil have changed. In contrast to the embargo years of the 1970s, the Gulf Arab countries are thoroughly integrated into the world economy. They are focused on job creation, economic development and investment. They have also been in various stages of dialogue or diplomatic relations with Israel, seeing that as helpful to their own economies, at least up to now.

Yet nothing guarantees that the current market calm will last. As a senior petroleum official from one of the main Gulf exporters observed the other day, "Everybody is on edge." Guards are up. Significant price spikes would be costly if they led to inflation, lower economic growth, further disruption in global food markets, turmoil in emerging markets and higher gasoline prices heading into a presidential election. Western countries would likely dip into their strategic stocks of petroleum to offset any shortages. The U.S. Strategic Petroleum Reserve is

at only half the level it was in 2021, but it still has substantial supplies.

Despite roiling the region politically, the war between Israel and Hamas doesn't threaten supplies directly. That would change if the war were to spread or expand into areas housing the infrastructure—production facilities, tankers and pipelines—that enables the flow of oil and gas. About 21 million barrels of oil pass through the Persian Gulf and Strait of Hormuz daily, along with substantial amounts of liquefied natural gas. Since the U.S. shale revolution, the bulk of those supplies now head to Asian markets.

Possible disruption could come from direct attacks on facilities, collateral damage, errant action or interdiction of tanker transit. The general expectation is that any such disruption would come from Iranian-linked militias or proxies, which are baring U.S. forces in Syria and Iraq, or from Iran itself. That was the case in the 2019 missile and drone attack on Saudi Arabia's Abqaiq production facility, probably the most important single piece of infrastructure in the global

oil industry. It was never clearly established whether the attack came from Iraq, Iran or the Houthis in Yemen. The assault slashed Saudi petroleum production in half. But it is noteworthy that the response to the attack demonstrated considerable resilience given that the Saudis had Abqaiq back in full operation in a matter of weeks.

Such an attack today would jeopardize Iran's efforts to improve its relationships with the Arab Gulf states. Last year China helped negotiate the resumption of diplomatic relations between Riyadh and Tehran. Iran is already benefiting from the current situation: The movement toward Saudi-Israeli diplomatic recognition is stalled, and Israel is embattled. The war's spread would also impose direct costs on Iran, which currently moves up to 1.5 million barrels a day through the Strait of Hormuz. These exports supply more than \$40 billion annually to Tehran. There's also deterrence. The growing presence of the U.S. Navy in the Persian Gulf should discourage Iran from doing anything that might boomerang.

China itself may also serve as an important check on any effort to disrupt oil flows out of the Middle East. It is by far the largest oil importer, buying about 75% of its annual consumption from the world market. Roughly half of what China imports passes through the Strait of Hormuz. China is also by far the largest buyer of Iranian oil. It would certainly be in Beijing's interest to use its influence to keep the oil flowing unimpeded and, facing its own economic challenges, help keep oil prices from spiking. That is a topic for further dialogue between China and the U.S.

Mr. Yergin, vice chairman of S&P Global, is author of "The New Map: Energy, Climate and the Clash of Nations" and "The Prize: The Epic Quest for Oil, Money and Power."

Companies That Can't Make Money

By Marlo Oaks

The Biden administration last month began laying the groundwork for a misguided plan that threatens to misallocate vast amounts of capital, encumber natural resources, and destroy rural economies by removing land from productive use in the name of solving climate change.

On Sept. 27, the New York Stock Exchange quietly submitted a substantial and financially material proposed change to its rules. The proposal would allow the formation of a new type of company. Natural Asset Companies, or NACs, would purchase the rights to control public and private lands, such as parks, forests and farms. But a NAC wouldn't be able to put the land to economic use. Instead, it would preserve its acquisitions to maximize the value of the land's "ecological services."

NACs would register to go public on the NYSE. The money raised would purchase land and effectively lock it away from human impact. Grazing, energy extraction and other economically critical activities would disappear on NAC-protected land. Farmland used to feed the nation and world would go back to natural landscape, erasing human activity. The resulting conversion of investor money into unusable wildlands has the potential to be one of the most significant misallocations of capital in history.

Normally, corporations are formed for investors to make money. But since NACs are clearly noneconomic, a rule is required to allow their formation. The land placed in a NAC, a private entity, must support only "replenishable" activities. Since no economic activity can occur, the property is assigned an arbitrary value and traded on that basis. In any other situation, this proposal would be identified as sanctioning fraud.

Why would anyone invest in a company that can't make money? Initial buyers would likely be "impact investors," committed to sacrificing returns to advance the climate agenda. But it seems clear the goal is to sell NACs to endowments, sovereign wealth funds, pension funds and other investors demanding greater

The SEC pushes a plan to misallocate capital by buying land and taking it out of productive use.

direct and immediate ESG presence in their portfolio. Demand from "values-driven investing" alone could drive up NAC share prices even as the value of the assets they purchase decrease by virtue of the NAC's ownership of them. More disturbing, reducing U.S. mineral extraction could be intriguing to Chinese, Russian or Saudi sovereign wealth funds.

Environmental offsets in the form of carbon credits or government transfers for "conservation uses" could also generate ostensible revenues. The supposedly temporary Wind Production Tax Credit is an example of government policy used to benefit dubious investment choices at the behest of well-connected private-equity firms.

Both private and public land is eligible for a NAC to purchase. Federal and state governments will surely sell public land to NACs, appeasing environmentalist constituencies under the guise of generating revenue. If NACs market themselves successfully, a significant amount of land will be removed from productive use. In western states like Utah, where the federal government owns 67% of the state, the effect could be devastating. Rural communities in the West, deprived of property tax revenue on vast federal land, pay for public improvements primarily through levies from extracting minerals on state land. The Biden administration's attack on energy has already reduced this essential revenue.

The federal government has long fought the purchase of public land by private parties, and this is a dramatic change in policy. But the Securities and Exchange Commission initially decided 21 days were sufficient for public comment on whether it should approve the NYSE's rule change. It has since extended the deadline to Jan. 2.

The SEC's job is to protect investors and promote capital formation. Today's SEC seems intent on destroying markets and ushering in a new economic system. States must push back against this shortsighted and ill-conceived plan—an experiment in social engineering that is likely to have disastrous consequences.

Mr. Oaks is an assistant editorial features editor at the Journal.

Mr. Oaks is treasurer of Utah.

The Shock of Facing American Anti-Semitism

By Joel Engel

Thousand Oaks, Calif.

It's a long story how I came to be standing some years ago in Archbishop's Palace in Naples alongside six Italian-Americans from New York—four academics, a monsignor, and a New York Supreme Court judge—to meet with the cardinal. Each of the others kissed his ring as he went down the line. I, at the end, turned his hand vertically and shook it. His eyes widened. Someone explained that I was Jewish, which delighted him, and for the next hour he directed all his answers to me, regardless of who had posed the questions.

Jews thought America was a safe haven, but Hamas's Oct. 7 atrocities revealed hatred here at home.

Outside afterward one of the academics asked why I didn't kiss the cardinal's ring. Before I could explain that we kiss liturgical objects, not men, the judge shouted: "They only kiss a—"

They. Two of the others physically restrained me from drop-kicking his family jewels into the Bay of Naples. I was in my 40s, and this was my first authentic, unambiguous anti-Semitic comment from the mouth of another American.

I assumed that it was a one-off and rarely thought of the judge for years. But now I can't stop thinking about him—that is, how much company he has and apparently always did. How could I have missed that? How had we all?

There isn't an American Jew I know whose worldview wasn't trampled by the anti-Semitism that has been displayed in this country with such fervor and pride since the barbaric attacks in Israel on Oct. 7. Millions more Americans than we ever imagined consider us less than human and would like to see us

dead. That's a lot to deal with so suddenly and unexpectedly.

Every conversation I've had with American Jews since then has eventually reached the point of trying to describe accurately this sudden and now unrelenting anxiety and unease none of us had felt before, which all of us agree is located deep in our *kishkes*, suggesting it's epigenetic in origin: an inherited memory of the Holocaust and all the lesser pogroms that preceded it that we didn't know we were carrying.

Here in 2023 America, not 1938 Germany: Jewish students hiding in a college library from a mob; Jews being told not to "look Jewish" in public—or, better yet, to stay home; Hamas supporters trying to break down a door to Grand Central Terminal without a policeman in sight or an arrest made; *swastikas* proudly displayed; chants of "Globalize the *intifada*," which is a war cry to kill Jews wherever they live.

One could find a silver lining in that the purveyors of this hate no longer deny the Holocaust. But they wish aloud that Hitler had finished the job. And now the denial has taken on an even stranger form. Video of the grotesque acts that Hamas terrorists themselves livestreamed is now often claimed to be Israeli propaganda, and the 240 hostages the work of the Jews.

That this is happening in the United States of America—the country where for 250 years Jews have been safer than we were anywhere else throughout history—and may continue to happen and get possibly much worse is a game-changer for us and for our relationship to most everything. Sure, there were restricted country clubs and college quotas and otherwise nonviolent forms of anti-Semitism for decades. But there weren't *Cossacks* or *Nazis*. "Never again" meant that murderous Jew hate lay on the trash heap of history. Or so we thought, believing as an article of faith that we would never have to deal with the horrors our great-grandparents in the old country had.

True, it was hard not to notice rising anti-Semitism in the last few

years—Kanye West, Charlottesville, Pittsburgh. But the offenders, we assumed, were marginal, shunned by polite society. There were no observable indications that Jew hate would reach critical mass more quickly than it did in Germany 90 years ago.

The unavoidable conclusion is that this hatred was there all along, waiting for the on button to be pushed. That realization can't fail to refract our view of this world and, alas, our country.

Two miles from where I live, a 69-year-old man named Paul Kessler died after a confrontation with a Hamas supporter, who some eyewitnesses say whacked the victim in the face with a bull horn, causing him to fall and hit his head on the sidewalk. (The medical examiner ruled the death a homicide, but police say they have been unable to establish probable cause for an arrest because of conflicting accounts.) For more than a decade, Kessler was known to be a prolific letter writer to our community's free weekly newspaper, always

taking the liberal-left position as most secular Jews seem to do. One imagines that he, like millions of us, had been shocked to find that many of the people he had always believed were his philosophical and political compatriots actually hated him for being a Jew.

Whether they had all along is irrelevant. That they do now is why Jews in this country wonder whether we'll ever feel as comfortable as we always had; and it explains why we are so grateful to Gentiles of goodwill who have reached out, by word and deed, to stand with us. May they continue to outnumber the Jew haters so that we don't redefine "Never again" to mean only that never again will we allow Germany to kill six million Jews between the years 1933 and 1945.

Mr. Engel is author, most recently, of "Scorched Worth: A True Story of Destruction, Deceit, and Government Corruption."

F1's Star Draws No Crowds

By Mark Naida

Formula One driver Max Verstappen is having one of the most dominant seasons ever by any athlete in any sport. And it's boring.

The Dutch driver has won 17 of the 20 races run so far this season, has clinched the championship, and will soon move into third place on F1's all-time-wins leader board. Though he earns headlines for his victories, race highlights hardly feature him. He usually finishes near the top in qualifying contests, which establish the race order. Once the starting lights flash, Mr. Verstappen, 26, quickly takes the lead and zooms steadily ahead, seldom facing a serious challenge for the rest of the race. He must be getting tired of the champagne spritz by now.

Such dominance in a team sport would normally earn significant viewership. From 2015-18, massive audiences tuned in to watch the National Basketball Association's Golden State Warriors in the playoffs. The trio of Stephen Curry, Klay Thompson and Draymond Green was nearly impossible to stop. Once Kevin Durant joined the team in 2016, fans watched to see if anyone could possibly challenge such an accretion of talent.

The most dominant and popular teams reinvent their sport. The 2015-16 Warriors searched for the limit of the 3-point shot. During that season, Mr. Curry improved his record of 3-pointers made in a season from 286 to 402, and the team as a whole hit 1,077 such shots while achieving the league's best ever regular-season record. The team's reliance on outside shooting made basketball, a century-old sport, feel new.

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More Than A Name Change

Aristotle Pacific Capital would like to thank each and every client for their support and dedication over many years. In addition, a profound thank you for your commitment during the successful acquisition of Pacific Asset Management and renaming to Aristotle Pacific Capital earlier this year.

After working together as a wholly owned affiliate of Pacific Life Insurance Company for almost 20 years, the team decided to take our rich and successful credit history to even greater heights.

Last year, we conducted a search to identify a future partner that would help us achieve our lofty goals. The ideal partner had to have impeccable integrity, respect for what we have built, and a vision for a better future for our clients, investment team and shareholders. Given their exceptional success and shared values, Aristotle Capital Management was the unanimous choice by the organization.

As a result, Pacific Asset Management was acquired and renamed Aristotle Pacific Capital this past April. Aristotle Capital Management is a significant partner, Pacific Life remains a valued relationship, and the organization is more motivated than ever as we embrace the future.

The world is filled with risk and challenges, and clients can select from many companies to care for their hard-earned dollars. Our experienced and seasoned team, who have worked side-by-side for the better part of two decades, are tremendously grateful for your trust in our firm and will never take your choice for granted. While investment results can never be guaranteed, we are proud of our hard work, respect for markets, character in supporting colleagues, and investment results generated thus far.

For those that are with us, we will be forever grateful. For those that know us, we welcome further conversation. For those that do not know us, we look forward to conversing. In the meantime, may our world be provided with more peace and calm.

Thank you so much for your support.

In gratitude,

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BUSINESS & FINANCE

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Activist Investor Builds Stake in Disney

ValueAct bought shares as the stock languished around \$80 over summer

By **ROBBIE WHELAN** AND **LAUREN THOMAS**

Walt Disney has attracted the interest of another activist investor that believes the company is undervalued, with **ValueAct Capital** accumulating a stake in the entertainment gi-

ant's stock and initiating dialogue with its board. ValueAct, an activist fund based in San Francisco with investments in information technology, energy, financials and media, has taken a "sizable" but so far undisclosed stake in Disney that makes it one of the fund's biggest holdings, according to people familiar with the matter. The fund built its position over the summer while Hollywood was shut down by dual writers' and actors' strikes and

as Disney's share price was languishing around \$80, the people said. ValueAct continues to add to its stake. Disney Chief Executive Bob Iger is trying to steer the company past a turbulent period and focus on building its businesses going forward. He said earlier this month that streaming, theme parks and cruises, studios and the ESPN sports network represent the four building blocks of the company's future. News of ValueAct's stake

was earlier reported by CNBC. Disney shares rose around 3% to \$93.93 Wednesday. ValueAct believes Disney's theme parks and consumer-products businesses alone are worth at least \$80 a share, people familiar with the matter said. While it is unclear if ValueAct will seek board seats or other changes at Disney, the fund manager represents at least the third activist investor to build a significant stake in Disney in under two years.

In October, The Wall Street Journal reported that activist Nelson Peltz had joined with his friend Isaac "Ike" Perlmutter, former chairman of Marvel Entertainment, to take another run at Disney. Peltz's **Triam Fund Management** launched a proxy campaign in late 2022 seeking cost cuts and board changes at Disney, but ended it in February after Iger announced \$5.5 billion in budget cuts and a headcount reduction of 7,000 across the company.

Triam's stake in Disney is valued at more than \$2.6 billion, according to a regulatory filing. Over the summer, Peltz monitored the company's performance. As Disney's share price declined and analysts' outlook dimmed, Peltz grew concerned. The Journal previously reported. He struck a deal with Perlmutter, who is one of Disney's largest independent shareholders, allowing Peltz to add his friend's shares to Triam's war chest for the purchase. *Please turn to page B2*



The global market for cloud infrastructure, which powers AI, is expected to grow 26.6% next year, Gartner says. A Google Cloud event in Qatar this past May.

Target Overcomes Weak Sales With 36% Profit Gain

By **SARAH NASSAUER**

People are skipping their **Target** runs, but the company is finding ways to boost profits.

Target sales fell in the period just before the holiday shopping season as it grappled with choosy shoppers cutting spending on some products and visiting stores less often. Comparable sales, those from stores and digital channels operating at least 12 months, fell 4.9% in the three months ended Oct. 28 from the prior year.

Sales trends "have clearly been tougher than we expected this year, and we are firmly focused on getting back to growth," said Chief Executive Brian Cornell, on a call with reporters. The Minneapolis retailer said the weakness hit nearly every sales category besides beauty.

At the same time, Target executives said the company has worked hard meet its profit targets for the year. Earnings grew by 36% to \$971 million in the third quarter, aided by tight inventory and expense management, they said. Analysts had expected earnings of \$685 million, according to FactSet.

"Our system just runs way more efficiently when inventory is in a good place" because the company needs to offer fewer discounts, and store backrooms and distribution centers can run more smoothly, said Michael Fiddelke, Target's chief financial officer, on a call with reporters. *Please turn to page B2*

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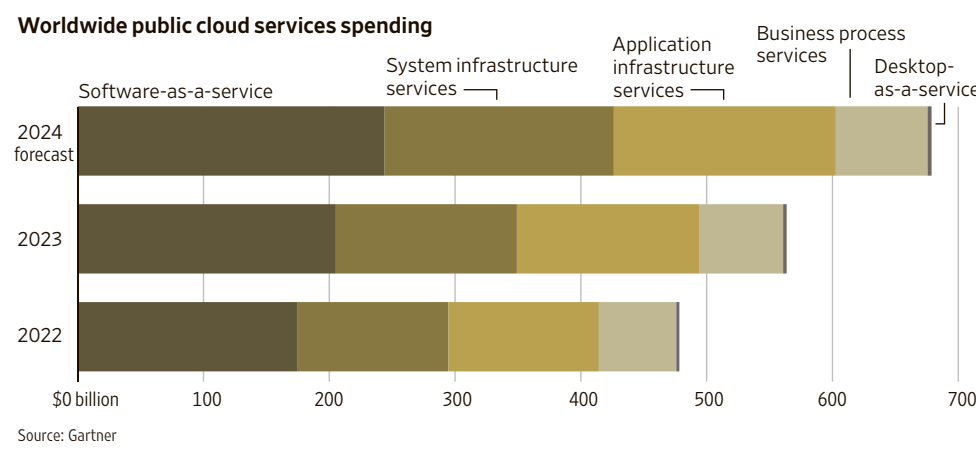
AI Impedes Efforts to Limit Cloud Spending

By **BELLE LIN** AND **ISABELLE BOUSQUETTE**

Business technology leaders are expecting their cloud spending to grow in 2024, an increase linked in part to the growth of new generative artificial-intelligence services.

"Our cloud usage is up, for example, driven by our use of generative AI in drug discovery," said Diogo Rau, executive vice president, chief information and digital officer of pharmaceutical company **Eli Lilly**. "The cloud is important for generative AI because it makes it possible to set up projects quickly and enables large, parallel computations to increase speed."

Market-research and information-technology consulting



firm Gartner said on Monday that the global cloud market will reach \$678.8 billion in 2024, a 20.4% increase from \$563.6 billion this year. Cloud infrastructure, or the underlying platform that powers AI, software and applications, is the segment expected to grow the most, at a rate of 26.6% next year, Gartner said. "Innovation in cloud services has a trickle-down effect on AI solutions and it gives organizations reasons to invest further," said Bryan Wise, chief information officer of San Francisco-based sales and

marketing software firm 6sense. "The advantages they will have access to in terms of fueling business growth through data analytics, or tools like integration platforms, is enough for any leader to want to put their focus there."

For CIOs, that has meant greater pressure to experiment with and show business results from generative AI services. And it usually means more spending on the cloud, a crucial technology that enables AI.

"At an enterprise level, embracing AI requires significant and relevant computing power," said Sathish Muthukrishnan, **Ally Financial's** chief information, data and *Please turn to page B4*

Low Platinum Prices Threaten Investment

By **YUSUF KHAN**

Plunging prices for platinum and other critical metals could derail mining investment needed to develop new supplies, posing a significant threat to decarbonization targets set by countries around the world.

Platinum is used to make the electrolyzers that produce hydrogen, and the sharp down cycle in South Africa's platinum mining sector demonstrates how low prices and a lack of investment could slow the energy transition. Last week, Johannesburg-headquartered **Impala Platinum** started offering voluntary job cuts to drive down costs. **Sibanye-Stillwater**, another South-Africa based miner, said in October that it would shut four mine shafts, putting more than 4,000 jobs at risk.

The supply-side moves in South Africa have been driven by a fall in revenue from platinum-group metals, also known as PGMs.

Platinum futures have fallen nearly 20% this year after hitting decade highs just 18 months ago. Prices for other commodities have also fallen, while miners have complained of rising costs and seem to be limiting their capital expenditures. A drop in investment can have longer-term consequences as it often takes billions of dollars and years, if not decades, to get new mines up and running.

Governments have established ambitious goals to increase the share of renewables in their energy mixes, but a shortage of the materials miners extract could hold back those plans. PGMs are critical to the energy transition, and demand for platinum and iridium are forecast to rise sharply, as both are used to make electrolyzers, a critical technology for producing low-emission hydrogen.

"The scale and duration of the [PGM] price fall—together *Please turn to page B2*

INSIDE



FINANCE
ARK founder Cathie Wood is sticking to her guns on crypto. **B5**



HEARD ON THE STREET
It is too soon to bet on China's housing turnaround. **B10**

Workers at Biggest GM Plant Back UAW Labor Agreement

By **NORA ECKERT** AND **MIKE COLLAS**

A majority of workers at **General Motors' largest U.S. factory** voted in favor of a tentative contract with the United Auto Workers, bolstering the deal's chances for approval as a tight vote enters its final hours.

Workers at GM's factory in Arlington, Texas, which makes large SUVs including the Cadillac Escalade and Chevrolet Tahoe, voted yes by more than 60%, according to Wednesday results from the local union chapter.

That victory broke through a round of rejections over recent days at major GM factories, including a 68% no vote at a Tennessee plant and other defeats in Missouri and Michigan.

As of Wednesday afternoon, around 54% of members had supported the deal, with most facilities having reported their final results, according to the UAW tally.



Workers outside the Arlington, Texas, plant on Oct. 24.

The union needs a majority of workers to vote yes for the contract to be ratified. A final result is expected this week.

The UAW reached tentative deals with **Ford Motor**, GM and Chrysler parent **Stellantis** last month to cover around 146,000 workers at the Detroit companies. The resolutions came after a six-week strike that sent more than 45,000

workers off the job. Voting is still under way at Ford and Stellantis. Workers at those two companies are supporting the agreements by wider margins than at GM, based on the UAW data. The terms of each proposed contract roughly mirror one another and include a 25% wage increase, including an *Please turn to page B4*

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BUSINESS & FINANCE

Siemens Wind Business Stumbles

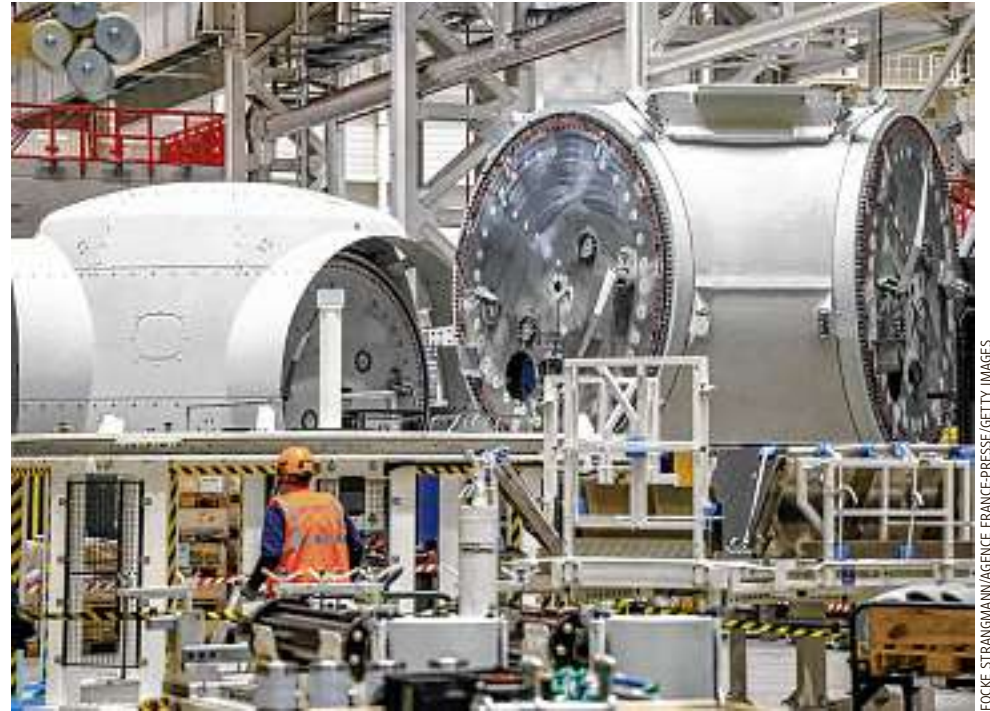
By Giulia Petroni

Siemens Energy is reviewing the structure of its troubled wind-turbine business and taking measures to strengthen the group's balance sheet after swinging to a net loss in its fiscal year. "In a year with challenges, the excellent performance and success of 70% of Siemens Energy's businesses was offset by difficulties in the wind business," the Munich-based company said Wednesday. "To help achieve the turnaround, and return Siemens Gamesa to profitability, the scope of Siemens Gamesa's activities is currently reviewed."

The company said the unit's quality issues in the on-shore business, increased product costs and ramp-up challenges in offshore had a severe impact on results and are set to continue hitting profitability in the near to midterm. Break-even at Siemens Gamesa is now expected in fiscal 2026.

Siemens Energy reported a net loss of €870 million (\$946.5 million) in the fourth quarter of its fiscal year, from a profit of €354 million in the year-earlier period. The net loss before special items amounted to €487 million. Revenue fell 2.5% year over year to €8.52 billion while orders decreased 7.8% to €10.58 billion, mainly due to a lower volume of large orders at its grid technologies segment and a high comparative basis in the previous year.

In fiscal 2024, Siemens Energy expects to swing to a net profit of up to €1 billion from a net loss of €4.59 billion in fiscal 2023. The profit margin



A Siemens Gamesa wind turbines factory in Cuxhaven in northwestern Germany.

before special items is expected between 1% and minus 2% from minus 8.9% in the current fiscal year.

Comparable revenue growth is seen in a range of 3% and 7%, while pretax free cash flow should be around negative €1 billion. The company also expects proceeds in a range of €2.5 billion to €3 billion from disposals and portfolio transformation.

To support order growth and long-term projects, the German government agreed on Tuesday to provide €7.5 billion of state guarantees to the company as part of a €15 billion rescue package with private banks and other stakeholders.

Siemens Energy, a major manufacturer of wind farms

and a key player in the energy transition, said it needs guarantees to support its projects as the current order backlog amounts to €112 billion.

"High demand for our products also brings challenges. We are therefore very glad that after very constructive discussions, we have now found a good solution with all parties to secure our energy transition-accelerated growth," Chief Executive Christian Bruch said. "Our strong balance sheet remains a top priority, and Siemens Energy's vital role in the energy transition will continue to drive our growth and success in the years ahead."

Dividends and management bonuses will be suspended for the duration of guarantees.

Siemens Energy has also agreed to sell a 18% stake in Siemens India to former parent Siemens—which spun off Siemens Energy in 2020 and retains a minority stake in the company—with proceeds amounting to around €2.1 billion.

The purchase price reflects a customary discount of 15%, Siemens said, adding it won't provide new guarantees to Siemens Energy.

Siemens Energy holds 24% of the listed Indian affiliate, while Siemens holds a 51% stake.

Further updates on business, including midterm targets and strategic decisions for Siemens Gamesa, will be provided at the capital markets day next week.

Target's Profit Jumps 36%

Continued from page B1

ers. The value of Target's inventory was 14% lower in the most recent quarter compared with the same period last year. "We are laser focused on moving both traffic and sales back into positive territory," he said.

Shares surged nearly 18%, making the company the S&P 500's best performer Wednesday.

Target is one of the first large retailers to report quarterly earnings ahead of the holiday shopping season, with **Walmart** and **Macy's** and **Gap** set to share their financial results on Thursday. Other retailers, such as **Best Buy** and **Dick's Sporting Goods**, will post earnings next week.

Some retailers that sell primarily discretionary items have reported lower sales in recent quarters. On Tuesday, **Home Depot** said its comparable sales fell 3.1% during the most recent quarter, driven by lower traffic and smaller purchases on average. The company's stock jumped 5.4% Tuesday as sales beat analysts' expectations.

In the most recent quarter, Target reported some sales bright spots. Comparable sales of home items rose 6% compared with the second quarter, said Christina Hennington, Target's chief growth officer. Some trendy sections of their store-brand women's clothing lines saw positive sales growth, even as apparel sales fell overall, she said. The volume of food sales rose from the prior year even though overall sales fell by dollar amount.

Still, consumers continued to spend cautiously. Shoppers face food prices that are about 25% higher than in 2020 even as inflation cools, as well as shrinking savings and higher credit-card debt, said Cornell.

Target has noticed shoppers who would previously buy winter clothes such as sweatshirts or denim in August or September are holding out until the weather is cold, he said. "It's an indication of the pressures they're facing." The number of transactions in the third quarter fell 4.1%.

This holiday, Target is offering more items at lower prices, such as a new line of cookware and holiday gift items for under \$25. It expects sales in the fourth quarter—typically Target's largest—to decline by a mid-single-digit percentage. Earnings are expected to increase year over year.

Target's business has struggled on several fronts this year.

Target's business has struggled on several fronts this year.

The retailer started 2023 seeking to rebound from an inventory glut. Then sales started to slow, as shoppers juggled higher prices on groceries and other essentials. Target earns most of its revenue from nonfood items, including many products that consumers are buying less frequently, such as home décor and apparel. Target's stock is down more than 12% so far this year.

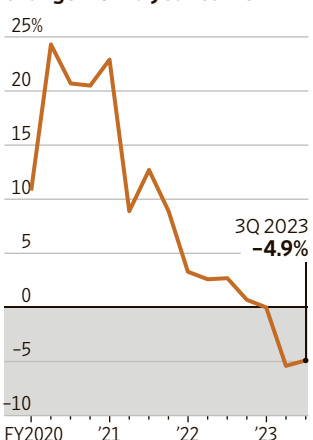
In the spring, Target angered some shoppers over certain products being sold for LGBTQ Pride Month and its response to the blowback, further hurting revenue. Earlier in the year, profits slumped, with executives citing elevated levels of theft among the reasons.

Watch a Video

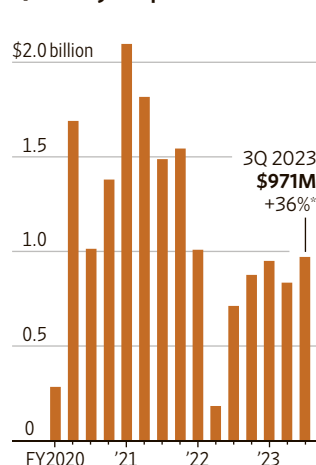


Scan this code for a video on Target's efforts to compete for fast shipping.

Target's comparable sales, change from a year earlier



Quarterly net profit



*Change from a year earlier
Note: Fiscal quarter ended Oct. 28.

Sources: the company (sales); S&P Capital IQ (net profit)

Platinum Prices Slump

Continued from page B1

with the subdued macro-backdrop is enough to deter investors in the mining space," said Tom Price, mining analyst at Liberum Capital. "History shows that if global growth is ever at risk, supply-side growth comes under pressure."

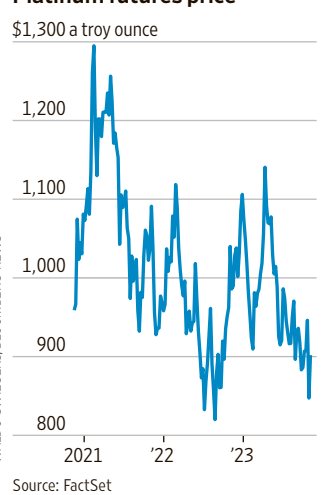
For the mining sector, cyclical returns are nothing new. PGM demand jumped after emissions regulations tightened in the U.S., China and Europe around late 2021. Those rules drove record-high prices for platinum, rhodium and palladium, metals used in catalytic converters to lower the greenhouse-gas emissions of combustion engines. Soon after, the Covid-19 pandemic, a semiconductor supply shortage and, more recently, automaker strikes caused a slump in auto production, which slashed demand for the metals.

"We've just exited a period of absolute record profitability for the sector. Times have never been as good," Emma Townshend, executive of corporate affairs at **Implats**, said at a recent industry conference. "But you also see very clearly that over a six-month



A Sibanye-Stillwater mine in Rustenburg, South Africa.

Platinum futures price



Source: FactSet

period times have got very bad very quickly."

Prices have fallen just as interest rates and input costs have risen along with government pressure to invest in new projects to increase supply for the coming transition.

"We are being asked constantly as producers how are you going to respond, what are you going to do next, what happens now?" Townshend said.

The current down cycle could stop deal making and stall mine exploration in the sector, said Raj Ray, director of metals and mining research at BMO Capital Markets. Ray said many South African PGM miners are selling their output at close to the cost of production, eating away at profitability. "To the extent that PGM prices stay at current levels, I would not be surprised to see more supply-side reaction," Ray said.

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cused on precious metals.

"The nature of the response is probably going to surprise people who like to think miners like to dig, dig, dig themselves out of a hole. I think you're going to see a far more cautious approach," Implats' Townshend said.

Implats and Sibanye-Stillwater didn't respond to requests for comment.

Disney Is Targeted by Activist

Continued from page B1

poses of a new activist campaign. Peltz is seeking multiple seats on Disney's board.

In the previous campaign, he had called for increased austerity and for the board to be more aligned with shareholder concerns. Disney hasn't responded to the new campaign, although Iger said last week on CNBC that he had spoken to Peltz and still wasn't sure "what Nelson is really after."

Last summer, another activist hedge fund, Dan Loeb's **Third Point**, took a large stake in Disney and pushed the company to make changes to both its board and the ESPN sports network. Loeb backed off after Disney added Carolyn Everson, a longtime digital advertising executive, to the board.

ValueAct, founded in 2000 by Jeffrey Ubben, is known for trying to work with management behind the scenes to avert potential proxy battles. Ubben stepped back from the company in 2017 and handed over the reins as CEO to his protégé Mason Morfit.

Last year, ValueAct took a 6.7% stake in the **New York Times** in an effort to push the publisher to more aggressively market subscriber-only content.

ValueAct Holdings, the firm's main investment fund, has about \$4.4 billion in assets under management, including large stakes in financial-technology company **Fiserv** and business-software maker **Salesforce**, worth about \$853 million and \$707 million respectively, according to a regulatory filing from the end of September. The investment firm manages more than \$10 billion globally.

Earlier this year, Morfit was named to the board of Salesforce after the company came under pressure from other activist investors, including **Elliott Investment Management**.



Terna, the Transmission System Operator of the Italian National Electricity Grid, has published a public notice regarding the market consultation on the sector of vessels to be used for submarine cable repair and other ancillary activities such as surveys and cable burial.

The notices are accessible at the link:

<https://portaleacquisti.terna.it/eso/guest/go/opportunity/detail?opportunityId=498>

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BUSINESS NEWS



CEO Luca de Meo, speaking Wednesday, said the newly carved-out company is Europe's answer to EVs from China and Tesla.

Renault's EV Company Ampere Sets Targets Ahead of Its IPO

By DAVID SACHS

Ampere, Renault's electric-vehicle and software company, which is preparing for a public listing, said it is targeting revenue of more than \$10 billion in 2025 while it readies to compete with less expensive cars from China and Tesla.

The French carmaker, which was officially carved out from its parent company on Nov. 1, said on Wednesday that it is aiming to sell around 300,000 vehicles that year, with revenue of €10 billion, the equivalent of \$10.88 billion. In 2031, Ampere is planning to sell around 1 million vehicles and has a revenue

target of more than €25 billion, the company said.

The company expects to break even in 2025. It is targeting an operating margin of more than 10% from 2030 onward.

Ampere bills itself as Europe's answer to less expensive cars from China and Tesla.

"Ampere is an ambitious, holistic, and structural response of the European industry to the challenges coming from East and West," Renault and Ampere Chief Executive Officer Luca de Meo said.

In a bid for mass affordability of battery-powered cars, Ampere is aiming for EV prices to match the cost of

Renault's gas-powered cars by 2027 or 2028. Ampere said it would reduce the cost of its lower-tier electric cars by 40% between the first and second generation to achieve this goal, and believes its two EV-native manufacturing platforms will give it a competitive edge. Analysts consider price parity between gas-burning engines and EVs key to the electrification transition.

Ampere's IPO is on track for the first half of 2024, subject to market conditions, the company said. While de Meo said in September that the valuation could be between €8 billion and €10 billion, ana-

lysts peg it much lower. UBS analysts see the company's worth between €3 billion and €4 billion, according to a research note from September. On Monday, Jefferies analysts said they are rooting for an alternative to an IPO, which they worry will unnecessarily dilute Renault shares.

Renault will keep a strong majority in Ampere's capital, the company said. Nissan and Mitsubishi Motors, its first cornerstone investors, have pledged up to €800 million to Ampere, and Qualcomm Technologies is considering investments, the company said.

Renault stock closed up 2.3% in Paris.

TJX Slides After Retailer's Forecast Misses Street View

By DENNY JACOB

TJX beat Wall Street estimates for the third quarter, but its guidance failed to impress investors ahead of what is expected to be a tepid holiday shopping season.

The off-price retailer posted higher quarterly sales, indicating consumers are still willing to spend on deals as they manage ongoing inflation.

But investors quickly homed in on TJX's outlook for the fourth quarter.

Shares of TJX fell 3.3% in Wednesday's trading. The stock is up about 12% for the year.

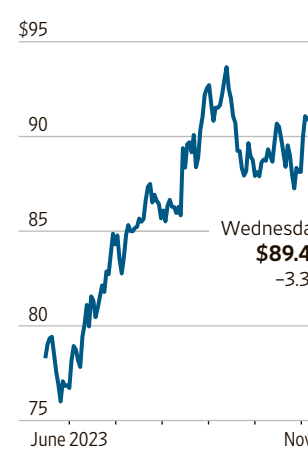
The pace of consumer spending will become clearer ahead of the holiday shopping season as more retailers including Walmart, Macy's and Gap report their quarterly results on Thursday.

TJX's sales climbed to \$13.27 billion from \$12.17 billion. Analysts polled by FactSet expected \$13.09 billion.

Comparable-store sales rose 6%. TJX attributed the increase to customer traffic.

TJX logged \$1.19 billion in net income, or \$1.03 a share,

TJX share price over the past six months



Source: FactSet

which was more than analysts expected.

The Framingham, Mass.-based company forecast overall comparable-store sales in the fourth quarter to be up between 3% and 4% and earnings between 97 cents a share and \$1 on an adjusted basis. Analysts polled by FactSet expected 3.5% and \$1.13 for the respective metrics.

TJX also raised its outlook for fiscal 2024.



The discount retailer's quarterly net income beat estimates.

French Train Maker Alstom To Cut Jobs, Scrap Dividend

By ADRIÀ CALATAYUD

French train manufacturer Alstom plans to cut around 1,500 jobs and scrap its dividend as part of a cost-savings plan to reduce debt and boost profitability.

The company said Wednesday that it is also considering equity and equity-like issuances, as well as a capital increase, among potential options to accelerate its debt-reduction plans.

The measures are Alstom's latest attempt to secure mid-term profit and cash-generation targets that it set following its merger with Canadian rival Bombardier Transportation, a deal that was completed in January 2021.

The company in May said the targets would be achieved one year later than previously

anticipated, in fiscal 2026, and last month said delays in a U.K. contract triggered a major cash flow in the six months to September, casting doubts about its ambitions.

Alstom also plans to overhaul its governance to improve accountability and financial discipline, it said. Its board intends to propose former Safran Chief Executive Philippe Petitcolin as a director and then as chairman, separating the chair role from that of CEO. Henri Poupart-Lafarge will keep the CEO role, the company said.

The company said it is targeting a reduction of €2 billion (\$2.18 billion) in its net debt by March 2025 and that it is considering a range of transactions to accelerate that effort. These include an asset-sale plan that has already been launched, with proceeds of up to €1 bil-

lion targeted, in addition to equity issues and a capital increase, it said.

The board will propose to shareholders that no dividend will be paid for fiscal 2024, it said.

The company said its cost-reduction plan would affect the equivalent of 1,500 full-time positions. As of March 2023, Alstom employed more than 80,000 people, according to its annual report.

For the first half of fiscal 2024, the company reported a swing to a net profit of €1 million from a loss of €21 million in the same period last year.

Sales climbed to €8.44 billion from €8.05 billion.

Alstom reiterated its outlook for the year ending in March and confirmed that it expects to reach its midterm targets in fiscal 2026.

Goodyear Weighs Options for Units



Goodyear Tire & Rubber is exploring strategic alternatives for some units, including its chemical business and Dunlop brand of tires.

The Akron, Ohio-based tire-maker said Wednesday that it is overhauling its portfolio and cutting costs with the goal of raising more than \$2 billion in gross proceeds.

In addition to its chemicals

segment and Dunlop, Goodyear is looking at alternatives for its Off-the-Road equipment tire business.

Goodyear said its cost-cutting, which will include footprint adjustments and plant optimization, should drive an annual run-rate benefit of \$1 billion by the end of 2025.

Actions on the top line should drive a benefit of \$300

million in that time, the company said, adding that it has identified opportunities in North America to optimize brand and tier positioning while increasing customer and channel profitability.

The new plan was announced in tandem with news that Goodyear Chief Executive Richard Kramer intends to retire next year. —Dean Seal

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TECHNOLOGY

WSJ.com/Tech

TransUnion Plans To Shift More Jobs Abroad to Cut Costs

By ADRIANO MARCHESI

TransUnion plans to reduce costs and increase savings by transitioning additional roles to its global capability centers overseas.

The information-and-insights company on Wednesday said it plans to deliver between \$120 million and \$140 million of annual operating-expense savings and a capital-expenditure reduction of \$70 million to \$80 million in 2026 compared with 2023 levels.

It said half of these operating-expense savings are expected to be realized next year.

The initiative is two-pronged. The company said it plans to transition more roles to global-capacity centers it has set up in India, South Africa and Costa Rica, where about 4,000 employees, or about one-third of its employee base, are currently working.

The transition is expected to occur over the span of the next two years, and TransUnion said that it will also eliminate roles in the near term to further reduce operat-

ing expenses. It didn't specify where it plans to cut those jobs.

At the same time, TransUnion expects to complete its cloud migration, called Project Rise, by the end of 2024 with the aim of transferring most of its technology applications to a new software foundation within the public cloud.

In total, the program is expected to affect about 10% of the company's current workforce through relocation to overseas locations and as well as position eliminations.

The moves will cost the company about \$355 million to \$375 million of one-time pre-tax expenses, with the majority incurred by the end of next year, of which \$155 million will be for employee separation and facility exit costs.

Chief Executive Chris Cartwright said the moves will help maximize its operating model and enhance its technology to reduce costs, accelerate innovation and drive growth.

"Today's announcement reflects our continued focus on creating shareholder value," Cartwright said.



The Tencent medical-imaging platform is shown during the Light of Internet Expo in Wuzhen, China, on Nov. 7.

Profit at China's Tencent Falls Despite Strength in Games, Ads

Last year's results were bolstered by asset sales; revenue increases by 10%

By KOSAKU NARIOKA

Tencent Holdings reported a drop in third-quarter net profit due partly to the absence of gains from asset sales booked a year earlier, despite operational strength in its games, advertising and fintech businesses.

The Chinese videogame and social-media company said Wednesday that net profit dropped 9.4% from a year earlier to 36.18 billion Chinese yuan, or about \$4.99 billion, for

the three months ended Sept. 30. That beat the estimate of 32.47 billion yuan in a poll of analysts by Visible Alpha.

The company's year-earlier results were boosted by gains from asset disposals and revaluation of certain companies it invested in.

Tencent said third-quarter revenue rose 10% from a year earlier to 154.625 billion yuan.

Gross profit from its games and social-network business climbed 12% from a year earlier to 42.045 billion yuan as revenue increased 4.2% to 75.75 billion yuan. International-game revenue grew by 14% to 13.3 billion yuan, while domestic-game revenue rose 5% to 32.7 billion yuan.

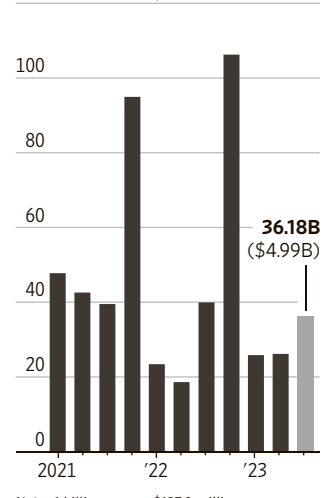
Meanwhile, social-networks

revenue was 29.7 billion yuan, little changed from a year earlier, as the number of monthly active user accounts for the Weixin and WeChat social-media apps increased 2% to 1.34 billion as of the end of September.

Gross profit from its online advertising business rose 35% to 13.45 billion yuan as revenue gained 20% to 25.72 billion yuan, thanks partly to strong demand for video ads.

Gross profit from its fintech and business-services segment increased 43% to 21.31 billion yuan as revenue climbed 16% to 52.05 billion yuan due to increased commercial payment activities and higher revenue from wealth-management services.

Tencent's quarterly net profit 120 billion Chinese yuan



Note: 1 billion yuan = \$137.9 million Source: S&P Capital IQ



CEO Chris Cartwright said the moves will drive growth.

Cisco Reduces Full-Year Sales View

By SABELA OJEA

Shares of Cisco Systems fell after the networking-equipment company cut its sales outlook for the year.

The stock was down in after-hours trading Wednesday. Cisco is now forecasting full-year revenue of \$53.8 bil-

lion to \$55 billion, down from its prior guidance of \$57 billion to \$58.2 billion.

The lowered sales view comes after Cisco posted a 7.6% increase in revenue for its fiscal first quarter, which ended Oct. 28, mainly driven by a stronger software subscription top-line performance

and customers' investments in generative AI, security and cloud services.

Revenue rose to \$14.67 billion. Wall Street analysts had expected \$14.63 billion.

Earnings climbed to \$3.64 billion, or 89 cents a share, compared with \$2.67 billion, or 65 cents a share, in the

year-ago quarter. Analysts had projected earnings per share of 84 cents. Management had forecast earnings per share of 79 cents to 84 cents.

The company guided for second-quarter revenue of \$12.6 billion to \$12.8 billion, largely missing analysts' expectations of \$14.19 billion.

How Online Currency Is Changing The Way Children Spend Money

Scan this code for the first episode of Your Money Briefing's four-part podcast series on how children today are learning about money—and how best to prepare them for financial success in adulthood.

AI Impedes Efforts to Spend Less

Continued from page B1 digital officer. The digital-bank operator is planning to use generative AI for summarizing customer service calls on a combination of private and public clouds and will increase its cloud spending as it continues to modernize its entire tech ecosystem, Muthukrishnan said.

Amazon.com, Microsoft and Alphabet's Google have looked to generative AI to reinvigorate their cloud businesses even as business leaders pulled back on software spending and sought to control cloud costs. Tech vendors, for the most part, have struggled to turn the AI hype into profits as many CIOs and consumers are still figuring out what they will use AI for and how much they are willing to pay.

Additionally, many CIOs haven't lost the mindset they gained in the earlier half of the year. Controlling cloud costs remains a key focus, they said, even as generative AI inevitably pushes spending higher.

"AI and the cloud have a mutually beneficial relationship and organizations often quickly see the impact of both through one," Wise said. "The only place to go for cloud spending is up."

Large businesses often broker years-long contracts with cloud providers in exchange for what can be significant discounts off millions in cloud spending. But companies still need to manage their cloud use, or risk paying for costs beyond their contracted use.

Airbnb began investigating its cloud costs in 2019 in preparation for an IPO, said David Nagle, Airbnb's director of



Ally Financial Chief Information Officer Sathish Muthukrishnan.

cloud infrastructure, achieving savings of \$63.5 million in 2020 over the prior year, in part by working with Amazon Web Services. Airbnb has a contract with an unspecified data-hosting provider to spend at least \$1.2 billion through 2027, according to its November 2020 initial public offering filing. Airbnb's primary hosting provider is Amazon Web Services, its filing states.

While AI is a driver of cloud spending, some CIOs say it can also help them keep those costs in check and avoid "cloud sprawl." For instance, AI can help analyze complex cloud setups and makes it easy to compare cloud infrastructure options and pinpoint pricing plans that save the most money, said Mark Troller, CIO of IT expense management firm Tango.

Some say the AI trend was another impetus to make sure they were properly managing budgets. "Generative AI was a factor that led us to take a fresh look at how we structured our internal cloud infrastructure," said Rajendra

Prasad, Accenture's chief information and asset engineering officer. "We looked at how much computing power we needed, when we needed it and most importantly, when we didn't need it."

Others, like Samir Shah, CIO of Fortune Brands Innovations, say they don't expect to increase their use of cloud while AI is still maturing. "We are working on a few more proofs-of-concept that may change that growth in 2024," Shah said.

And some say generative AI still represents only a small portion of their overall cloud use. David Vidoni, vice president of information technology at Pegasystems, said the company has a number of generative AI use cases, but "relative to other cloud spends, it's not a significant cost for us."

"It will be important to continue to evaluate each generative AI use case and closely manage that because the cost could add up quickly. But if it brings real value to our staff, then we don't see it as expensive at all," Vidoni said.

GM Plant Supports UAW Pact

Continued from page B1 11% bump in the first year. Each also includes annual cost-of-living adjustments that would get added to the base wage as an inflation protection and company contributions to retirement plans of as much as 10%.

UAW President Shawn Fain has called the tentative agreements record contracts and told union members during a livestream last week that the union leaders "squeezed every penny" out of the companies. It would be difficult for Fain's team to demand further concessions, analysts say.

Some workers felt there were more gains to be had, which led to more of a nail-biter than many industry observers expected.

Wendell Hicks III, an assembly worker at a GM truck plant in Fort Wayne, Ind., said he needed to see more from the company to compensate for the sacrifices workers made after the 2009 bankruptcy. The return of defined-benefit pensions for all workers would help change his no vote to a yes, he said.

"The promises that were supposed to be made when the UAW helped bail GM out," he said, "those promises have not yet been fulfilled."

Shares of GM slipped 6 cents to \$28.14 in trading Wednesday.

Ratification would lock in higher labor costs for the Detroit companies, whose executives have warned that the contracts would put them at a disadvantage to competitors with nonunionized U.S. workforces, such as Toyota Motor and Tesla.

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BUSINESS & FINANCE

ARK's Wood Holds Fast on Crypto Assets

By Vicky Ge Huang

Cathie Wood still expects the price of bitcoin to hit \$1 million someday.

The founder of ARK Investment Management built the firm into an investor darling during the Covid-19 pandemic with successful bets on largely unprofitable, "disruptive" technology companies.

Wood, who developed a cultlike following as a fund manager, continues to be a big proponent of crypto and blockchain technology. Crypto exchange Coinbase Global is among ARK's top holdings.

Yet she was caught flat-footed once interest rates began rising.

Shares of her flagship fund have lost two-thirds of their value since November 2021, while bitcoin and Coinbase have fallen about 50% and 75%, respectively, over the same period.

Wood spoke with The Wall

Street Journal on Tuesday from Cboe Global Markets' office in New York City, where she rang the bell to celebrate the listing of five digital-asset exchange-traded funds.

Here is an edited selection of highlights from that conversation:

If interest rates remain at current levels for the foreseeable future, are high-growth tech stocks and cryptocurrencies still worthwhile investments?

We just got a CPI report that, I think, stunned people. They expected an upward revision because of the recent revisions to the index, and you are seeing the market respond to that.

The bigger risk here is deflation, not inflation. And we're seeing more and more signs of it.

Did you follow the trial of Sam Bankman-Fried? What does his conviction mean for

the crypto industry?

More people are now beginning to understand that FTX was a centralized organization with no transparency, completely opaque and ultimately fraudulent.

And what is bitcoin? What is the crypto ecosystem all about? It's about the opposite of that.

I remind people that Sam Bankman-Fried did not like bitcoin. And it makes sense. It was decentralized. It was transparent. He couldn't control it.

When FTX went down, the bitcoin blockchain didn't skip a beat, the Ethereum network didn't skip a beat. It was as though it didn't happen.

Crypto prices have surged recently on investor expectations that U.S. regulators will soon approve spot bitcoin ETFs. Why are investors so excited about the potential advent of ETFs that directly

hold bitcoin and ether?

It's going to be an easy way to access bitcoin. Now, it's just much more complicated to go through Coinbase, but this will be regulated and protect retail investors and institutional investors.

How high can bitcoin's price go?

Our base case is around \$650,000. Our bull case is in the \$1 million to \$1.5 million range.

Coinbase Global is one of the top holdings in your flagship fund. Are you concerned about the Securities and Exchange Commission lawsuit that claims the crypto exchange is an unregistered broker that should be subject to the agency's oversight?

So far as these cases have gone before the courts, the SEC has been, by and large, not completely, but on the losing side of many of these suits. And we believe that the

issue they're raising here is so important that if Coinbase were to lose, they would appeal all the way to the Supreme Court.

Artificial intelligence is the hottest trend in tech, and many crypto entrepreneurs are pivoting to AI. Which one is a better investment?

They are going to rival each other mostly because AI is the biggest catalyst to innovation out there.

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

November 15, 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			
Oct. index level	Chg From (%)	Sept '23	Oct '22
U.S.	8.50	8.50	7.00
Canada	7.20	7.20	5.95
Japan	1.475	1.475	1.475

U.S. consumer price index			
All items	307.671	-0.04	3.2
Core	311.380	0.18	4.0

International rates			
Latest	Week ago	-52-Week High	-52-Week Low
U.S.	8.50	8.50	7.00
Canada	7.20	7.20	5.95
Japan	1.475	1.475	1.475

Policy Rates			
Euro zone	4.50	4.50	2.00
Switzerland	2.25	2.25	1.00

Prime rates			
U.S.	8.50	8.50	7.00
Canada	7.20	7.20	5.95
Japan	1.475	1.475	1.475

Notes on data:			
U.S. prime rate	is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective July 27, 2023. Other prime rates aren't directly comparable; lending practices vary widely by location. Discount rate is effective July 27, 2023. Secured Overnight Financing Rate is as of November 14, 2023. DTCC GCF Repo Index is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. Federal-funds rates are Tullett Prebon rates as of 5:30 p.m. ET.		

U.S. government rates				
Latest	Week ago	-52-Week High	-52-Week Low	
Overnight repurchase U.S.	5.33	5.39	5.40	3.77
Discount	5.50	5.50	5.50	4.00
Federal funds Effective rate	5.3400	5.3400	5.3500	3.8300
High	5.6500	5.6500	5.6500	4.0400
Low	5.3100	5.3100	5.3300	3.8000
Bid	5.3300	5.3300	5.3300	3.8200
Offer	5.3500	5.3400	5.3700	3.8400
Treasury bill auction 4 weeks	5.290	5.290	5.840	3.190

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

Latest	Week ago	-52-Week High	-52-Week Low
Britain	5.25	5.25	3.00
Australia	4.35	4.35	2.85

Overnight repurchase				
U.S.	5.33	5.39	5.40	3.77

U.S. government rates				
Latest	Week ago	-52-Week High	-52-Week Low	
Overnight repurchase U.S.	5.33	5.39	5.40	3.77
Discount	5.50	5.50	5.50	4.00
Federal funds Effective rate	5.3400	5.3400	5.3500	3.8300
High	5.6500	5.6500	5.6500	4.0400
Low	5.3100	5.3100	5.3300	3.8000
Bid	5.3300	5.3300	5.3300	3.8200
Offer	5.3500	5.3400	5.3700	3.8400
Treasury bill auction 4 weeks	5.290	5.290	5.840	3.190

Federal funds				
Effective rate	5.3400	5.3400	5.3500	3.8300
High	5.6500	5.6500	5.6500	4.0400
Low	5.3100	5.3100	5.3300	3.8000
Bid	5.3300	5.3300	5.3300	3.8200
Offer	5.3500	5.3400	5.3700	3.8400

Treasury bill auction				
4 weeks	5.290	5.290	5.840	3.190

Notes on data:			
U.S. prime rate	is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective July 27, 2023. Other prime rates aren't directly comparable; lending practices vary widely by location. Discount rate is effective July 27, 2023. Secured Overnight Financing Rate is as of November 14, 2023. DTCC GCF Repo Index is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. Federal-funds rates are Tullett Prebon rates as of 5:30 p.m. ET.		

DTCC GCF Repo Index				
Treasury	5.397	25.276	5.399	3.792
MBS	5.412	77.990	5.426	3.842

Secondary market				
Latest	Week ago	-52-Week High	-52-Week Low	
13 weeks	5.285	5.285	5.345	4.155
26 weeks	5.270	5.260	5.350	4.440

Fannie Mae				
30-year mortgage yields	Latest	Week ago	-52-Week High	-52-Week Low
30 days	6.726	6.911	7.495	5.244
60 days	6.734	6.926	7.554	5.250

Other short-term rates				
Latest	Week ago	-52-Week High	-52-Week Low	
Call money	7.25	7.25	7.25	5.75
Commercial paper (AA financial) 90 days	n.a.	5.41	5.54	4.22
Secured Overnight Financing Rate	5.32	5.32	5.35	3.79
Value Traded	Latest	Week ago	-52-Week High	-52-Week Low

DTCC GCF Repo Index				
Treasury	5.397	25.276	5.399	3.792
MBS	5.412	77.990	5.426	3.842

Macro & Market Economics

Watching the Gauges: U.S. Supply and Demand

Inventories, imports and demand for the week ended November 10. Current figures are in thousands of barrels or thousands of gallons per day, except natural-gas figures, which are in billions of cubic feet. Natural-gas import and demand data are available monthly only.

	Inventories, 000s barrels					Imports, 000s barrels per day						
	Current	Expected change	Previous week	Year ago	4-week avg	5-year avg	Current	Expected change	Previous week	Year ago	4-week avg	5-year avg
Crude oil and petroleum prod	1,263,666	...	1,264	1,217	1,264	1,261	8,018	...	8,295	7,854	7,984	8,632
Crude oil excluding SPR	439,354	800	436	435	430	451	6,373	...	6,394	5,559	6,301	6,616
Gasoline	215,670	...	217	208	220	221	514	...	704	572	607	533
Finished gasoline	15,324	100	17	16	17	22	150	...	147	99	108	88
Reformulated	20	...	0	0	0	0	0	...	0	0	0	0
Conventional	15,304	...	17	16	17	22	150	...	147	99	108	88
Blend components	200,346	...	200	192	203	199	364	...	557	473	499	446
Natural gas (bcf)	3,779	...	4	4	4	4
Kerosene-type												
jet fuel	36,720	...	39	37	39	38	72	...	132	201	110	122
Distillates	106,579	-800	108	107	109	122	152	...	216	110	139	213
Heating oil	7,362	...	8	8	8	10	0	...	0	0	0	1
Diesel	99,217	...	100	99	102	56	152	...	216	110	139	212
Residual fuel oil	26,861	...	28	29	27	29	78	...	56	171	90	202
Other oils	317,788	...	317	290	317	294	760	...	709	1,139	647	801
Net crude, petroleum products, incl. SPR	1,614,940	...	1,615	1,609	1,615	1,845	-2,861	...	-2,427	-2,033	-2,951	191

	Weekly Demand, 000s barrels per day					Natural gas storage Billions of cubic feet; weekly totals	
	Current	Expected change	Previous week	Year ago	4-week avg		5-year avg
Total petroleum product	20,080	...	21,722	21,087	20,443	20,495	
Finished							
motor gasoline	8,949	...	9,492	8,742	9,001	8,836	
Kerosene-type							
jet fuel	1,793	...	1,821	1,649	1,763	1,550	
Distillates	4,109	...	4,298	3,863	4,040	4,075	
Residual fuel oil	371	...	228	409	275	364	
Propane/propylene	854	...	1,291	943	977	...	
Other oils	4,005	...	4,591	5,481	4,389	...	

Note: Expected changes are provided by Dow Jones Newswires' survey of analysts. Previous and average inventory data are in millions. Sources: FactSet; Dow Jones Market Data; U.S. Energy Information Administration; Dow Jones Newswires

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REVIEWS & RECOMMENDATIONS TO SAVE YOU TIME & MONEY. FROM THE WALL STREET JOURNAL.

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.

Footnotes:
H=New 52-week high.
N=New 52-week low.
dd=Indicates loss in the most recent quarter.

Table of stock data with columns: Stock, Sym, Close, Net Chg, % Chg. Includes Coterra Energy, Coca Cola, ConocoPhillips, etc.

Table of stock data with columns: Stock, Sym, Close, Net Chg, % Chg. Includes POSCO, PPG Ind, PPG Ind, etc.

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 if their previous closing price was \$2 or higher.

DEF
DTE Energy DTE 102.07 0.32
Danaher DHR 208.16 4.64
Darden DRI 155.82 1.03

SNY 45.42 -0.31
SANGTAHER SRPT 83.76 1.26
SASRI SSI 71.98 0.02

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Wednesday, Nov. 15, 2023

Table of stock data with columns: Stock, Sym, Close, Net Chg, % Chg. Includes AECOM, AES, Aflac, etc.

JKL
J.D.com JDL 28.59 1.88
JPMorgan Chase JPM 147.94 1.30
Jabil JBL 132.73 0.85

SNY 45.42 -0.31
SANGTAHER SRPT 83.76 1.26
SASRI SSI 71.98 0.02

New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session.

Table of stock data with columns: Stock, Sym, Hi/Low, % Chg. Includes AAR, AECOM, Aflac, etc.

52-Wk % Hi/Low Chg

Table of stock data with columns: Stock, Sym, Hi/Low, % Chg. Includes Citas, Clearwater Analytics, etc.

52-Wk % Hi/Low Chg

Table of stock data with columns: Stock, Sym, Hi/Low, % Chg. Includes DTE Energy, Danaher, etc.

ADVERTISMENT

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NOTICE OF SALE

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
A dissolved Delaware Corporation

NOTICE OF ASSET SALE

PLEASE TAKE NOTICE that on June 13, 2023, Investment Recovery Group filed the Motion to Appoint Receiver for Vi Acquisition Corp. for Vi Acquisition Corp. ("Vi").

PLEASE TAKE FURTHER NOTICE that on October 6, 2023, the Court of Chancery for the State of Delaware (the "Court") appointed William Kaye and Robert S. Brady, Esq. as the co-receivers (the "Co-Receivers") for Vi and authorized the Co-Receivers to auction (the "Auction") the potential tax assets (the "Tax Assets") that Vi may possess and assist in collection of any such Tax Assets.

PLEASE TAKE FURTHER NOTICE that parties interested in bidding (each, a "Bidder") in cash on the Tax Assets should submit bids (each, a "Bid") in writing on or before December 17, 2023 (the "Bid Deadline").

PLEASE TAKE FURTHER NOTICE that if only one Bid is submitted in writing by the Bid Deadline, the Co-Receivers shall submit such Bid and a proposed asset purchase agreement to the Court for approval within five (5) business days.

PLEASE TAKE FURTHER NOTICE that questions regarding the Tax Assets and/or the Auction should be submitted in writing by email to the Co-Receivers and their above-listed counsel.

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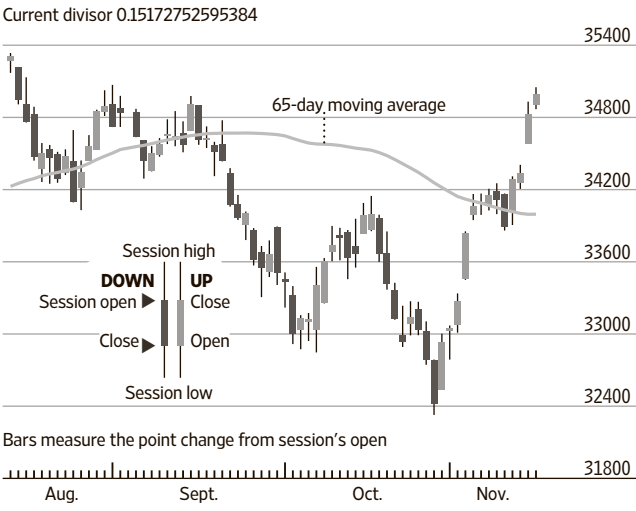
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MARKETS DIGEST

EQUITIES

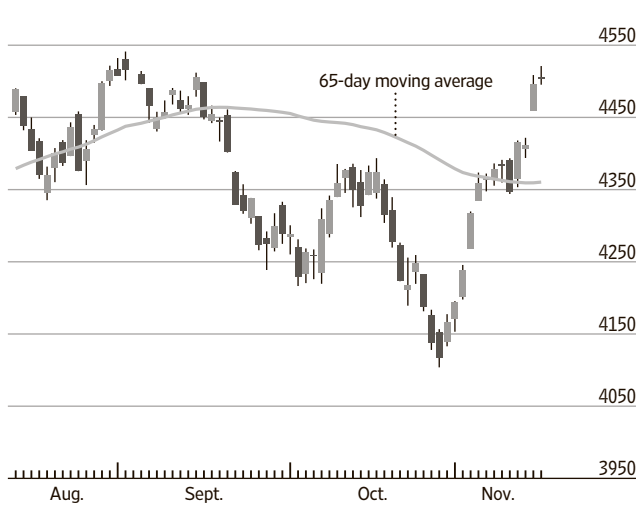
Dow Jones Industrial Average

34991.21 ▲ 163.51, or 0.47%
High, low, open and close for each trading day of the past three months.



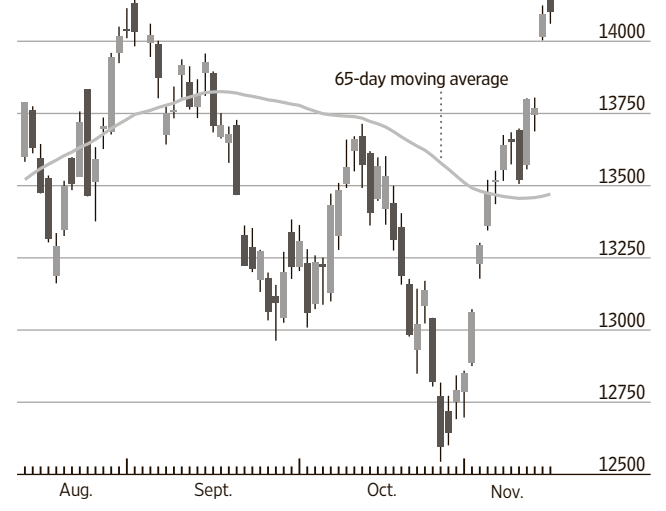
S&P 500 Index

4502.88 ▲ 7.18, or 0.16%
High, low, open and close for each trading day of the past three months.



Nasdaq Composite Index

14103.84 ▲ 9.45, or 0.07%
High, low, open and close for each trading day of the past three months.



Major U.S. Stock-Market Indexes

Table with columns for Index Name, High, Low, Close, Net chg, % chg, 52-Week High, Low, % chg, YTD, and 3-yr. ann. Includes Dow Jones, Nasdaq Stock Market, S&P, and Other Indexes.

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services...

Most-active issues in late trading

Table listing companies like Cisco Systems, iSh 20+ Year Treasury Bd, Crescent Energy, Pfizer, SPDR S&P 500 ETF Trust, Newmont, Vanguard Tax-Exempt Bd, and Bank of NY Mellon with their trading details.

Percentage gainers...

Table listing percentage gainers such as Jaguar GI Growth I C I A, MAXIMUS, Roivant Sciences, Ebix, and agilon health.

...And losers

Table listing percentage losers such as Cisco Systems, Maxeon Solar Technologies, Palo Alto Networks, CEVA, and AES.

Trading Diary

Volume, Advancers, Decliners

Table showing trading volume, advancers, and decliners for NYSE and NYSE Arca, including issues traded, advances, declines, and new highs/lows.

International Stock Indexes

Table listing international stock indexes by region/country, including MSCI ACWI, Euro STOXX, Nikkei 225, etc.

Percentage Gainers...

Table listing percentage gainers in international markets, including Ebix, SciSparc, Alpha Technology Group, etc.

Most Active Stocks

Table listing most active stocks like Tesla, ProSh UltraPro Shrt QQQ, CISO Global, etc.

Percentage Losers

Table listing percentage losers in international markets, including Jaguar GI Growth I C I A, Chanson Intl Hldg, Global-E Online, etc.

Volume Movers

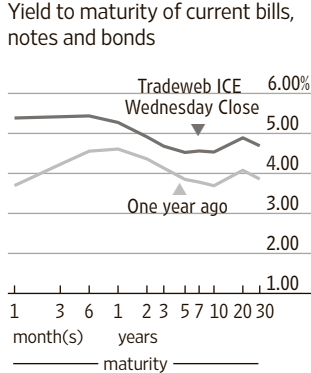
Table listing volume movers like RPAR Risk Parity ETF, CSLM Acquisition C I A, CFIV, etc.

CREDIT MARKETS

Consumer Rates and Returns to Investor

Table showing consumer rates (30-year mortgage, 10-year Treasury) and returns to investor (Federal-funds rate target, Prime rate, SOFR, etc.).

Treasury yield curve



Forex Race



Corporate Borrowing Rates and Yields

Table showing corporate borrowing rates and yields for U.S. Treasury, Aggregate, Fixed-Rate MBS, High-Yield 100, Muni Master, and EMBI Global.

CURRENCIES & COMMODITIES

Currencies

Table showing U.S.-dollar foreign-exchange rates for various countries and currencies like Argentina, Brazil, Canada, etc.

Commodities

Table showing commodity prices for DJ Commodity, Refinitiv/CC CRB Index, Crude oil, Natural gas, and Gold.

COMMODITIES

wsj.com/market-data/commodities

Futures Contracts

Metal & Petroleum Futures						
	Open	High	Low	Settle	Chg	Open Interest
Copper-High (CME) -25,000 lbs., \$ per lb.						
Nov	3.6785	3.7205	3.6755	3.7175	0.0350	1,418
Dec	3.6770	3.7250	3.6680	3.7185	0.0350	80,216
Gold (COM) -100 troy oz., \$ per troy oz.						
Nov	1962.80	1962.80	1960.00	1960.10	-1.70	196
Dec	1966.90	1979.20	1958.80	1964.30	-2.20	228,244
Jan'24	1977.20	1989.50	1971.50	1974.70	-2.30	2,416
Feb	1987.00	1999.10	1979.00	1984.30	-2.10	192,333
April	2005.50	2017.70	1999.60	2003.60	-2.00	28,575
June	2025.00	2037.80	2019.60	2023.50	-1.90	19,088
Palladium (NYM) -50 troy oz., \$ per troy oz.						
Nov	1019.50	1054.00	1005.50	1040.30	13.70	1,178
Dec	1019.50	1054.00	1005.50	1040.30	13.70	17,859
Platinum (NYM) -50 troy oz., \$ per troy oz.						
Nov	890.40	908.10	886.50	895.30	9.10	115
Jan'24	890.40	908.10	886.50	902.00	9.20	78,211
Silver (COM) -5,000 troy oz., \$ per troy oz.						
Nov	23.630	23.065	23.065	23.485	0.406	283
Dec	23.160	23.710	23.095	23.538	0.406	64,474
Crude Oil, Light Sweet (NYM) -100 bbls., \$ per bbl.						
Dec	78.17	78.77	76.31	76.66	-1.60	145,866
Jan'24	78.10	78.69	76.49	76.79	-1.38	319,807
Feb	77.88	78.48	76.49	76.80	-1.18	119,918
March	77.66	78.25	76.44	76.72	-1.03	110,302
June	76.87	77.36	75.84	76.11	-0.76	154,819
Dec	74.44	74.99	73.86	74.06	-0.47	159,358
NY Harbor ULSD (NYM) -42,000 gal., \$ per gal.						
Dec	2.8337	2.8763	2.8035	2.8687	0.0316	55,850
Jan'24	2.7745	2.8029	2.7450	2.7911	0.0119	69,990
Gasoline-NY RBOB (NYM) -42,000 gal., \$ per gal.						
Dec	2.2218	2.2328	2.1663	2.2018	-0.0210	66,582
Jan'24	2.1967	2.2092	2.1494	2.1803	-0.2023	101,909
Natural Gas (NYM) -10,000 MMBtu, \$ per MMBtu.						
Dec	3.106	3.275	3.070	3.190	0.084	109,006
Jan'24	3.316	3.448	3.269	3.362	0.046	282,124
Feb	3.257	3.388	3.216	3.308	0.047	82,831
March	3.073	3.188	3.040	3.129	0.050	175,442
April	2.980	3.062	2.947	3.021	0.043	98,719
May	3.045	3.112	3.015	3.078	0.035	80,672

Agriculture Futures						
	Open	High	Low	Settle	Chg	Open Interest
Corn (CBT) -5,000 bu., cents per bu.						
Dec	477.75	480.50	467.25	470.75	-7.50	448,402
March'24	493.75	496.50	485.00	488.50	-5.75	489,279
Oats (CBT) -5,000 bu., cents per bu.						
Dec	358.75	358.75	347.75	351.75	-4.50	2,265
March'24	373.50	375.00	365.00	370.25	-3.00	2,301
Soybeans (CBT) -5,000 bu., cents per bu.						
Jan	1389.00	1398.50	1379.50	1385.00	-4.75	290,063
March	1401.25	1410.75	1393.00	1399.50	-3.00	167,372
Soybean Meal (CBT) -100 tons, \$ per ton.						
Dec	473.70	479.00	464.20	469.20	-4.40	110,406
Jan'24	455.60	460.60	448.00	452.00	-3.60	152,426
Soybean Oil (CBT) -60,000 lbs., cents per lb.						
Dec	52.82	53.62	52.42	53.05	30	34,816
Jan'24	52.01	52.87	51.84	52.42	46	134,104
Rough Rice (CBT) -2,000 cwt., \$ per cwt.						
Jan	16.75	17.01	16.73	16.94	.17	8,686
March	17.05	17.19	17.04	17.15	.15	948
Wheat (CBT) -5,000 bu., cents per bu.						
Dec	572.75	579.25	557.00	560.50	-11.50	125,271
March'24	598.75	604.50	585.75	588.00	-9.75	179,834
Wheat (KC) -5,000 bu., cents per bu.						
Dec	639.25	649.00	634.25	639.75	...	58,127

	Open	High	Low	Settle	Chg	Open Interest
March'24	649.50	657.75	643.25	648.25	-1.25	99,766
Cattle-Feeder (CME) -50,000 lbs., cents per lb.						
Nov	229.500	229.725	229.125	229.425	-.625	3,505
Jan'24	228.800	231.175	228.125	230.900	1.900	22,866
Cattle-Live (CME) -40,000 lbs., cents per lb.						
Dec	175.625	178.100	175.450	177.775	1.925	50,775
Feb'24	176.475	179.050	176.200	178.775	1.900	104,915
Hogs-Lean (CME) -40,000 lbs., cents per lb.						
Dec	72.250	72.375	70.925	71.050	-1.250	48,993
Feb'24	75.950	76.375	74.825	74.900	-1.025	70,924
Lumber (CME) -27,500 bd ft., \$ per 1,000 bd ft.						
Nov	497.000	520.000	487.000	520.000	30.500	181
Jan'24	530.000	539.000	529.000	532.000	3.000	4,943
Milk (CME) -200,000 lbs., cents per lb.						
Nov	17.11	17.14	17.06	17.10	-.03	3,533
Dec	17.59	17.66	17.29	17.45	-.11	6,187
Cocoa (ICE-US) -10 metric tons, \$ per ton.						
Dec	3,925	3,969	3,886	3,939	-7	30,776
March'24	3,965	4,019	3,939	3,992	8	147,054
Coffee (ICE-US) -37,500 lbs., cents per lb.						
Dec	177.00	181.90	175.00	180.80	4.35	13,731
March'24	172.35	176.10	169.40	175.15	3.75	98,850
Sugar-World (ICE-US) -112,000 lbs., cents per lb.						
March	27.20	27.37	27.02	27.15	-.03	432,817
May	25.80	25.97	25.68	25.81	...	151,682
Sugar-Domestic (ICE-US) -112,000 lbs., cents per lb.						
Jan	45.00	45.00	45.00	45.00	-.25	2,619
Cotton (ICE-US) -50,000 lbs., cents per lb.						
Dec	78.54	79.19	78.04	78.41	-2.27	27,331
March'24	81.15	81.50	80.52	81.01	-.14	96,905
Orange Juice (ICE-US) -15,000 lbs., cents per lb.						
Jan	391.75	405.85	390.95	398.00	8.80	7,194
March	375.25	387.90	374.55	383.20	8.35	1,121

Interest Rate Futures						
	Open	High	Low	Settle	Chg	Open Interest
Ultra Treasury Bonds (CBT) -\$100,000, pts 32nds of 100%						
Dec	119-220	120-110	101-310	118-130	-1-14.0	1,576,506
March'24	120-200	121-050	118-260	119-070	-1-15.0	8,374
Treasury Bonds (CBT) -\$100,000, pts 32nds of 100%						
Dec	115-080	115-230	113-300	114-080	-1-06.0	1,337,707
March'24	115-140	115-240	113-300	114-080	-1-06.0	16,429
Treasury Notes (CBT) -\$100,000, pts 32nds of 100%						
Dec	108-255	108-305	108-025	108-070	-2-20.4	4,683,123
March'24	109-055	109-125	108-140	108-185	-2-20.0	60,885
5 Yr. Treasury Notes (CBT) -\$100,000, pts 32nds of 100%						
Dec	105-290	106-015	105-150	105-182	-1-42.5	5,955,361
March'24	106-122	106-162	105-290	106-000	-1-52.0	129,106
2 Yr. Treasury Notes (CBT) -\$200,000, pts 32nds of 100%						
Dec	101-202	101-211	101-138	101-152	-6-1.0	4,136,160
March'24	102-020	102-027	101-265	101-280	-6-9.0	72,433
30 Day Federal Funds (CBT) -\$5,000,000, 100 -daily avg.						
Nov	94.6700	94.6725	94.6700	94.6725	.0025	509,211
Jan'24	94.6700	94.6750	94.6650	94.6700	.0025	372,820
Three-Month SOFR (CME) -\$1,000,000, 100 -daily avg.						
Sept	94.6500	94.6525	94.6500	94.6500	.0000	945,208
Dec	94.6325	94.6400	94.6200	94.6225	-0.0125	1,438,861

Currency Futures						
	Open	High	Low	Settle	Chg	Open Interest
Japanese Yen (CME) -\$12,500,000, \$ per 100¥						
Dec	.6682	.6699	.6658	.6640	-.0046	270,230
March'24	.6785	.6799	.6739	.6740	-.0047	2,471
Canadian Dollar (CME) -CAD 100,000, \$ per CAD						
Dec	.7307	.7327	.7297	.7312	.0007	199,542
March'24	.7313	.7338	.7310	.7323	.0007	4,735

Index Futures						
	Open	High	Low	Settle	Chg	Open Interest
British Pound (CME) -£62,500, \$ per £						
Dec	1.2498	1.2523	1.2406	1.2421	-.0082	212,669
March'24	1.2510	1.2530	1.2416	1.2429	-.0082	2,607
Swiss Franc (CME) -CHF 125,000, \$ per CHF						
Dec	1.1289	1.1335	1.1271	1.1298	.0005	58,316
March'24	1.1415	1.1440	1.1388	1.1413	.0005	743
Australian Dollar (CME) -AUD 100,000, \$ per AUD						
Dec	.6508	.6556	.6490	.6517	.0001	196,350
March'24	.6529	.6565	.6508	.6534	.0001	720
Mexican Peso (CME) -MXN 500,000, \$ per MXN						
Dec	.05730	.05753	.05709	.05745	.00017	228,658
March'24	.05648	.05663	.05624	.05657	.00018	125
Euro (CME) -€125,000, \$ per €						
Dec	1.0892	1.0901	1.0846	1.0861	-.0036	682,884
March'24	1.0943	1.0945	1.0892	1.0906	-.0036	11,726

Index Futures

Mini DJ Industrial Average (CBT)

	Open	High	Low	Settle	Chg	Open Interest
Dec	34924	35103	34878	35050	163	100,058
March'24	35260	35422	35222	35374	167	948

Mini S&P 500 (CME)						
	Open	High	Low	Settle	Chg	Open Interest
Dec	4515.50	4541.25	4510.75	4519.25	8.25	2,147,782
March'24	4566.00	4589.50	4560.25	4568.75	8.75	37,351
Mini S&P Midcap 400 (CME) -\$100 x index						
Dec	2542.50	2576.90	2537.60	2549.70	11.40	40,680
March'24	2567.20	2597.20	2562.20	2567.20	12.20	2
Mini Nasdaq 100 (CME) -\$20 x index						
Dec	15895.00	16049.50	15832.25	15889.25	9.50	269,116
March'24	16095.25	16246.00	16030.00	16088.75	10.50	4,445
Mini Russell 2000 (CME) -\$50 x index						
Dec	1807.90	1838.50	1801.60	1808.50	3.30	550,877
March'24	1827.90	1857.30	1821.40	1827.30	3.30	1,777
June	1852.00	1872.60	1841.80	1844.70	4.00	10
Mini Russell 1000 (CME) -\$50 x index						
Dec	2475.50	2483.00	2467.70	2472.00	4.30	6,502
U.S. Dollar Index (ICE-US) -\$1,000						

MARKETS

EY Appoints Truncale As New Global Chair

By MARK MAURER

Ernst & Young executives selected the head of its Americas financial services business as the new global chair to succeed Carmine Di Sibio, the architect of the failed split of its audit and advisory businesses, as the Big Four accounting firm works to move out of the shadows of the botched plan.

Janet Truncale will be the first woman to serve as global chair and chief executive of the roughly 395,000-person firm, effective July 1, 2024. The 18-person global executive committee on Wednesday told partners they had elected her to a four-year term, making the ratification official.

Truncale also will be the first woman to run a Big Four firm, holding both chair and CEO titles. While Anna Marks serves as Deloitte's global chair, a role in which she

was preceded by Sharon Thorne, that firm's structure is such that the global CEO, currently Joe Ucuzoglu, leads the organization.

Truncale, who joined EY in 1991, serves as regional managing partner for the Americas financial services organization. Truncale previously was the managing partner for the audit and assurance side of the Americas financial services group.

The appointment signals the approaching end of the tenure of Di Sibio, EY's global chairman and CEO since 2019. Di Sibio in June said he would retire from the firm the following June, having reached the mandatory retirement age of 60 in March. That would be a year earlier than the planned expiration of his term, a tenure previously extended by two years, in part to oversee the transition to two firms.

Private-Equity Pay Seen Climbing More Slowly

By CHRIS CUMMING

One of the most highly compensated sectors on Wall Street is set for a modest slowdown in pay, a new report says.

Pay in the private-equity industry has held fairly steady this year even as the industry endures a lean period for raising money and sealing mergers and acquisitions, according to a report from **Heidrick & Struggles**, a firm that works with financial firms on recruiting and talent issues.

While 2023 base salaries have generally increased from last year, annual bonuses—which will be paid out soon—are “under some threat,” the firm said in a report issued Wednesday.

In addition, compensation next year is likely to remain flat as hiring demand cools, Heidrick & Struggles said.

Higher interest rates have hit the buyout industry particularly hard, partly because of its reliance on large amounts of debt to fund deals.

As debt became more expensive as interest rates rose, private-equity returns fell, which in turn reduced investors' desire to commit more money to the asset class.

Over the first nine months of the year, global private-equity fundraising fell about 13% and total deal value by 45% compared with the same period in 2022, according to a recent report from Preqin, which collects information about private markets.

Stocks Extend Rally on Data

Producer prices, retail sales fall, sparking hopes for end of rate hikes

By CHARLEY GRANT

Growing evidence of a gradually cooling economy helped push stocks higher again.

The S&P 500 rose 0.2%. The tech-heavy Nasdaq Composite gained 0.1%. The Dow Jones Industrial Average rose 0.5%, or 164 points. Seven of the 11 sectors within the S&P 500 closed higher.

The major indexes have risen sharply so far this week, prompted by growing investor confidence that the Federal Reserve can achieve a soft landing, a scenario where inflation drops but the economy avoids a significant contraction.

New data released Wednesday bolstered that view. Producer prices fell 0.5% in October from the previous month, the Labor Department said, marking the largest single-month decline since April 2020. Retail sales fell 0.1% over the same period, the first decline since March. That followed Tuesday's news that consumer prices grew less than investors expected.

“The probability of the Fed threading the needle without causing a recession is materially higher than it seemed a few months ago from historical indicators,” said Troy Gayeski, chief market strategist at FS Investments.

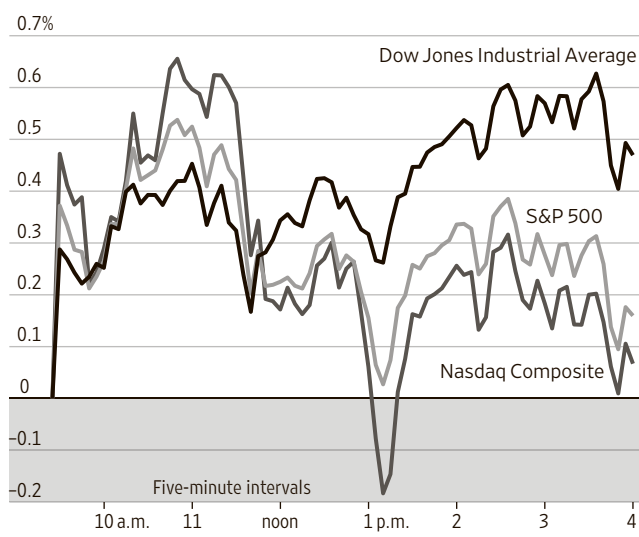
Hopes that the Fed's campaign to increase interest rates is winding down have sparked a fierce rally since the central bank's last meeting ended on Nov. 1. The S&P 500 has advanced 7.4% so far this month, while the Nasdaq Composite has gained 9.7%.

Some strategists are looking for further gains before year-end. “With inflation wan-



Eli Lilly shares declined 3.7%. Worker in a lab at the drugmaker's Indianapolis headquarters.

Index performance on Wednesday



Source: FactSet

ing, the backdrop is favorable for equities to trend higher,” said Terry Sandven, chief equity strategist at U.S. Bank Wealth Management.

The yield on the 10-year Treasury note settled at 4.535%, up from 4.440% Tuesday. That reversed some of Tuesday's decline, which was the sharpest one-day drop since March.

Still, some investors said the Fed might not be in a hurry to cut short-term rates,

even if additional hikes are off the table. “We would caution investors to not be overly optimistic on the timing of any Fed rate cut,” said Greg Basuk, chief executive officer of AXS Investments.

Traders in interest-rate derivatives are pricing in a 100% chance that the central bank leaves its policy rate unchanged at the next two policy meetings in December and January, according to CME Group's FedWatch tool.

Target shares surged 18%, the stock's best day since 2019, after the retailer reported higher profit than analysts had forecast. Shares of off-price retailer **TJX** fell 3.3% after earnings. **Walt Disney** shares rose 3.1% after hedge fund ValueAct Capital took a stake.

Two of the year's best-performing stocks finished the day in the red. **Nvidia** stock fell 1.6%, while **Eli Lilly** was off 3.7%.

Crude-oil futures fell 2% with the U.S. benchmark settling at \$76.66 a barrel.

Overseas, the FTSE 100 index rose 0.6% after U.K. inflation slowed to a two-year low. At midday Thursday, Japan's Nikkei 225 was down 0.7%, while Hong Kong's Hang Seng Index was off 1.9%. S&P 500 futures fell 0.2%.

AUCTION RESULTS

Here are the results of Wednesday's Treasury auction. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

17-WEEK BILLS

Applications	\$178,162,923,100
Accepted bids	\$56,389,795,100
* noncompetitively	\$718,946,400
* foreign noncompetitively	\$0
Auction price (rate)	98.262931 (5.255%)
Coupon equivalent	5.437%
Bids at clearing yield accepted	65.38%
Cusip number	912797117
The bills, dated Nov. 21, 2023, mature on March 19, 2024.	

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CMO Network

Member Voices

The Wall Street Journal CMO Network connects the decision-makers behind the world's most influential brands to discuss what — and who — is driving today's trends and chart the path forward.



Jonathan Bottomley

Executive Vice President and Chief Marketing Officer, Calvin Klein

In the past two years, what's the biggest lesson you've learned about marketing through economic uncertainty?

Everything is brand and everything is performance — in other words, everything you want the consumer to see, hear or experience has to be infused with both the values and the value proposition of your brand.

What priorities rise to the top for you in your role as CMO during times like this?

Marketing is a catalyst for value creation. So we are simplifying to focus on generating the demand that will unlock growth while also remaining deeply committed to continually strengthening brand equity, so consumers choose Calvin Klein again and again.

When faced with a new challenge, what's your decision-making process, and where do you turn for trusted information or advice?

Start every day trying to ask the right questions — it's a mistake to believe you have the answers. And seek advice from the most diverse group of experts possible.

What does authentic marketing look like for you? And what's one mistake you think brands make during times of instability?

Authenticity is about connecting your values to what your customers value. If there's a disconnect between the two, you could find yourself in trouble.

What are the biggest challenges around ROI, and what do you consider the most effective ways of measuring it?

We believe *desire* creates value for the business, but there's no single way of measuring that. Instead, we focus on a connected and consistent set of KPIs to measure our performance across the consumer journey to help us understand how we can constantly improve.

When engaging with new social platforms, what traditional rules of advertising and marketing are you emphasizing? Minimizing?

Social platforms are driven by engagement and are community-based. We always lead with ideas that are tuned to cut through;

we partner with ambassadors who have authentic relationships with their communities on the platforms; and we constantly listen to the feedback we hear in the conversations around the brand to keep evolving.

What shifts do you see happening in marketing and advertising in the next five years?

The distinction between brand and performance will disappear — the best-in-class marketing activities will be tuned to perform and they will bring brands to life vividly everywhere they engage the consumer.

Tell us about a milestone that shaped your career path.

I have always tried to find ways of working with people better and smarter than me, as learning from them has had a transformative effect on my journey.

What are you most proud of in your current role?

The team I am lucky to work with.

Membership is by invitation:
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HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Target Gives Investors Early Holiday Gift

After overcoming a host of problems, the retailer is wishing for a normal Christmas season

Target didn't quite hit the bull's-eye, but it's no longer missing it by a mile.

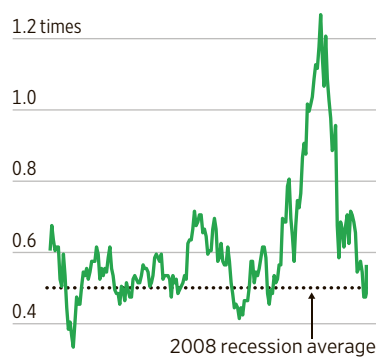
The retailer said on Wednesday that comparable sales fell 4.9% in its quarter ended Oct. 28 compared with a year earlier—better than the 5.2% decline that Wall Street analysts polled by Visible Alpha were expecting. The stock surged 18% Wednesday.

Consumers are clearly feeling more budget constrained and prioritizing necessity-based spending. Target's Chief Growth Officer Christina Hennington said on Wednesday's earnings call that customers are putting off purchases until the last minute. They are, for example, waiting until the weather turns cold to purchase sweatshirts and denim instead of buying them in August and September like they used to. Comparable sales in discretionary categories continued to fall year over year, though that decline rate was better than the prior quarter. Necessity-based categories such as food and beverage fared better than discretionary products, and comparable sales for the beauty category actually rose by a high single-digit percentage.

The real bright spot was Target's bottom line: Net income climbed 36%—a surprise gain compared with expectations of a 6.5% decline. Lower markdowns, lower freight costs and lower supply-chain and digital-fulfillment costs all helped pad the bottom line, though theft still continued to offset some of those benefits. Sales mix also helped: High-margin categories such as beauty fared well, while sales of low-margin products—including electronics—were notably weak. Target's operating margin of 5.2% was a vast improvement from 1.3% a year earlier, beating expectations of 4%.

Not much has gone right for Target over the past year. The retailer has dealt with one threat after another to its bottom line, including excess inventory, theft, shifting consumer preferences away from discretionary goods and a consumer backlash over Pride Month themed products. Target's stock had lost more one-quarter of its value before Wednesday's earnings call, shedding nearly all of its pandemic gains.

Target's share price as a multiple of expected next-12-month sales



Source: FactSet

Even after the postearnings bounce, Target's shares are priced at about 0.56 times expected sales for the next 12 months, just 12% higher than the average during the 2008 recession. The good news is that some of Target's problems are behind it now. Inventory has normalized and is 14% lower than a year earlier. And a better-than-expected comparable sales figure is an indicator that the worst of the Pride Month backlash might be over. The year-over-year impact of theft on Target's margins also improved last quarter compared with earlier this year, Chief Financial Officer Michael Fiddelke said on the call. Last quarter's profitability trend is a good indicator that the retailer can get back to its prepandemic 6% margins.

Still, Target's own guidance for its holiday quarter bakes in some caution: It is expecting comparable

sales to decline by about a mid-single-digit percentage, in line with last quarter. Its success will depend in part on whether its value marketing has gotten through to customers. The company has been leaning into its concept of "affordable joy" and said more than two-thirds of its toy assortment will be less than \$25. That won't be easy given how much customers associate value with off-price retailers. For example, **T.J. Maxx** and **HomeGoods** posted year-over-year U.S. comparable-store sales increases of 7% and 9%, respectively, in the quarter ended Oct. 28. A blowout holiday quarter probably isn't in the cards given Target's in-stock position: The company said discretionary inventory is down 19% relative to last year.

After all the problems Target has faced over the past year, though, a holiday quarter without nasty surprises would still count as a gift.

—*Jinjo Lee*

Consumer Spending Offers Reason for Cheer

Americans spent a bit less in stores last month. That hardly means it is the beginning of the end for the U.S. consumer.

The Commerce Department on Wednesday reported that retail sales slipped 0.1% in October from September. That actually counted as a decent number.

For one thing, economists polled by The Wall Street Journal expected the report to show a decline of 0.2%. For another, the September retail-sales figures were revised higher to a gain of 0.9% compared with a month earlier, versus the previously reported 0.7%.

From a purely technical sense, the September revision augurs well for fourth-quarter consumer spending and GDP figures. That is because the starting point for spending during the quarter now appears to be higher relative to the third-quarter average. Consumer spending almost certainly will be slower

Average U.S. regular gasoline price



Source: U.S. Energy Information Administration via St. Louis Fed

this quarter than last, when it grew at a blistering inflation-adjusted 4% annual rate. But at this point it looks as if it will still be firm.

Indeed, the composition of retail

spending in October was more favorable than what the headline figure on Wednesday's report showed. Sales excluding gasoline stations, car dealers, building-materials stores and food services—the control group that economists use to track the underlying pace of consumer spending—rose 0.2% in October from a month earlier.

Don't forget what is going on with prices, either: Tuesday's benign inflation report from the Labor Department showed that consumer prices were unchanged in October from September. Overall prices for goods—what gets sold in stores—fell by 0.4%, while goods prices stripping out food and energy items slipped 0.1%.

These all count as hopeful signs for stores as they approach the holiday shopping season. With inventories in much better shape than last year, the job market still strong and the savings that Americans

built up after the pandemic struck apparently not yet depleted, consumer spending doesn't look as if it is about to give up the ghost.

As an added bonus, gasoline prices have continued to decline: As of Monday, the average price for a gallon of regular gasoline was \$3.35, according to the Energy Information Administration, which compared with an October average of \$3.61.

Beyond the holidays, the outlook gets hazier. Even with this month's big decline in long-term interest rates and the growing sense that the Federal Reserve is done tightening, borrowing costs are high. Over time, that will surely damp consumers' ability to spend. It also will limit employers' willingness to keep hiring. The news has been good lately, but don't take that as a guarantee the economy is over the river and through the woods.

—*Justin Lahart*

This Isn't Your Father's Bond Rally

Tuesday's soft inflation data capped off an epic rally in U.S. bond prices.

Investors who piled into a popular long-term bond fund—the iShares 20+ Year Treasury Bond ETF—when benchmark yields were flirting with 5% last month had earned 8.8% by Tuesday afternoon. But a walk down Memory Lane is a good reminder that cause and effect didn't always work this way.

The reason for the market's optimism—both stocks and bonds surged on Tuesday—was investors' handicapping of the Federal Reserve's next move. Tamer inflation means that the central bank is likely to sit still and, if the trend continues, start cutting overnight rates in 2024.

It wasn't always so. This very day in 1994 marked a major turning point: the end of the Great Bond Massacre. The event that sparked that was a large increase in interest rates, the sixth in a row.

The Fed raised rates by three-quarters of a percentage point that day, catching the market, which had been expecting a half point, by surprise.

It was the largest single-meeting hike since 1981, when the famously hawkish Paul Volcker was Fed chief and inflation was still raging.

Today a surprise like that would both be unheard of and likely to spook traders, rather than cheer them. But back then traders judged that the Fed's move would be enough to break an upsurge in inflation, and they were right.

The 30-year bond rallied by 8/32—this was before prices were decimalized—with its yield ending that day 8.05%. And 1995 would be an epic one for fixed-income investors with gains in long bonds of more than 30%—the best year since 1982, which was the start of a secular bull market in both stocks and bonds.

Stocks would go on to have their best run since the 1920s through the remainder of that decade, with the S&P 500 gaining more than 200%.

—*Spencer Jakab*

It's Too Soon to Bet on China's Housing Turnaround

China's troubled property market remains on shaky ground despite a raft of government policies to stabilize it—and a big jump in property developer stocks today. Beijing still needs much more forceful measures if it wants to turn around the market and stabilize the economy.

Residential home sales in China kept contracting last month, data released Wednesday showed. They fell 3.7% year over year in the first 10 months of 2023, compared with a 3.2% decline in the first nine. Property investment also remains depressed: It dropped 9.3% over the same period.

That persistent and deepening weakness shows that this summer's seemingly aggressive measures from local governments—such as lowering mortgage rates for second-time home buyers—aren't enough to stabilize the market.

For one thing, high mortgage rates or home-purchase restrictions aren't really the reason potential home buyers have stayed away. Instead, they have lost faith in the housing market itself and in the safety of housing as an asset class—thanks to the collapse of major property developers such as **Evergrande**, and the struggles of others such as **Country Garden** to deliver presold apartments.

That has led to a vicious cycle as property developers are starved of presales revenue, pushing them further into financial difficulty.

The confidence problem extends to developers' bankers, too. China's central bank created a 200 billion yuan, equivalent to \$28 billion, lending facility late last year to provide interest-free funding for banks willing to support developers to deliver unfinished apartments. But so far, only 5.6 billion yuan has been used, according to research company Gavekal.

With all major funders for property developers—households, banks and bond investors—refusing to play ball, there is really only one source left that could revive



China's housing market is struggling as home buyers have lost faith in it. A property sales office in Qingzhou.

the market smartly: the government.

That is why property stocks jumped Wednesday—Country Garden surged 7%, while **Longfor** rose 6%—after an unconfirmed Bloomberg report that Beijing is preparing to flex its own muscles more directly. Bloomberg said China's central bank may provide 1 trillion yuan of funding for the country's affordable-housing programs and urban-village renovation, mediated through policy banks and trickling down to households.

Investors are excited because there is a clear parallel with a previous policy that was key to reversing China's last major property downturn in 2015 and 2016: a "shantytown redevelopment" program that funneled trillions through policy banks. That cash was used by local governments to subsidize households—who had their "shanties" knocked down—to

buy apartments directly from developers as a replacement.

The program, along with improved capital controls and abundant mortgage finance, was essential to turning around the market last time. It was also a big sop to both households and developers and rewarded the latter for their overbuilding and excessive risk taking—one reason Beijing has, presumably, been so reluctant to roll out a similar program this time around.

There are important differences this time though and an immense amount of uncertainty. It is still unclear whether such a program, if indeed it materializes, would directly help developers clear their inventories such as in 2015. And unless local governments are allowed to somehow put households with presold but undelivered apartments under the rubric of "affordable housing" or "urban village renovation," it might not help

much with the primary issue clouding the market: the delivery of unfinished housing projects.

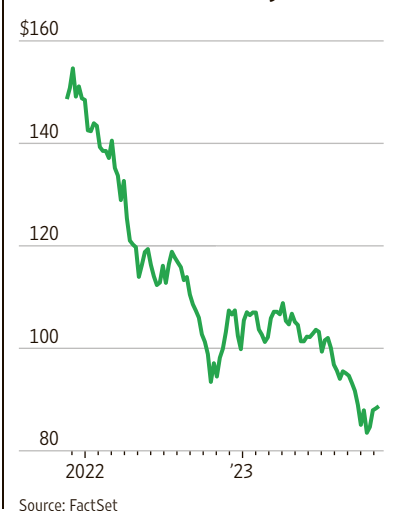
In the past, that kind of local policy experimentation was often tolerated. But another downside of the endless corruption probes and recentralization of power under Xi Jinping is probably reduced willingness by local officials to stick out their neck.

Ultimately, the government may need to provide direct funding for developers to complete presold but undelivered properties. Nomura estimates that would require about 2.7 trillion yuan—nearly two orders of magnitude more than the sum of one trillion yuan in Bloomberg's report in any case.

To put a floor under the housing market, Beijing needs to directly address households' plummeting faith in housing as a reliable store of wealth—or allow local governments to do the same.

—*Jacky Wong*

iShares 20+ Year Treasury Bond ETF



Source: FactSet



JOURNAL REPORT ENCORE

THE SECRET TO FINDING LOVE AFTER 60

Longer lifespans have given older singles the opportunity to have new, long relationships. But they need to first accept that it likely will be different this time around.

BY CAROL HYMOWITZ

FINDING LOVE is difficult at any age. But for men and women over 60, it requires navigating unique challenges and decisions.

Linnet Hultin and Angus Davis, both 75, are in the thick of them. She lives in Truro, Mass., with a daughter and grandchildren nearby. He lives a six-hour drive away, in Johnson, Vt. The distance has been wearing on both of them over the two years they have been dating.

Please turn to page R6

My Child Had a Child. But Don't Call Me Grandma!

A lot of grandparents think that being known as 'grandma' or 'grandpa' sounds too old. There is no shortage of alternatives.

BY BETH DECARBO

AT AGE 76, John Baginski takes long road trips on his motorcycle. He kayaks on a river near his Loveland, Ohio, home. And he bicycles

hundreds of miles a year. "I'm an active guy in good health," says Baginski, a retired Procter & Gamble chemical engineer.

So even with three grandchildren—and a fourth on the way—Baginski makes one thing clear: Don't call him grandpa.

"The mental image doesn't fit with me whatsoever," says Baginski, whose own grandfather went by grandpa. "It reminds me of my grandparents, who did very little. Every time I would go over, they were just sitting on the sofa."

Shortly after the birth of his first grandchild 14 years ago, Baginski decided he wanted to be called Papa John, like the restaurant chain. "For me, that connotes my senior status plus my in-

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Inside



RETIRE ABROAD

Two Minnesotans retired to Cornwall, England, where they love the walking trails, their neighbors, and even British food. **R4**

HEALTH NEWS

New treatments for low-back pain are getting good results by relying less on surgery and opioids and more on therapies designed for individual patients. **R11**

BEST BOOKS

The best books and podcasts of 2023 about aging and retirement include a novel by Richard Russo and interviews of senior women by Julia Louis-Dreyfus. **R12**



Scan this code to learn why it's so hard to pinpoint the right time to retire and how to make the best plan.



JOURNAL REPORT | ENCORE

Three Reasons to Take Social Security Early

The experts typically say that you're better off waiting. But that isn't always the case.

BY DEBBIE CARLSON

CONVENTIONAL WISDOM holds that retirees are financially better off delaying their Social Security benefits to get a fatter payout.

But for some people, not delaying—or even claiming before full retirement age—makes sense.

You can receive your full benefit once you reach full retirement age—around 66 or 67, depending on what year you were born. People who wait until 70 get an additional 8% annually, says Tim Steffen, director of advanced planning at Baird, a private wealth manager based in Milwaukee. You can also start as early as 62, but that means a much smaller payout. The math is complex on how big the haircut is, but it can be roughly 30% annually for people who start at 62, versus waiting for full retirement age to receive full benefits.

But that math doesn't tell the whole story.

"One of the things I hate, and I mean, I really hate it, is people having overwhelming guilt from taking it early...because they feel like they're not being good with their resources," says Nicholas Yeomans, a certified financial planner based in Marietta, Ga. "It's a guilty feeling that a lot of people wrestle with."

It is a nuanced decision that should be based on several variables, financial experts say. Here are three of those variables:

1. To pay bills in cases of declining health

Many people who plan to work until full-retirement age fail to reach that goal. A 2023 study by the Employee Benefit Research Institute shows 35% of people surveyed said they retired earlier because of a health problem or disability, while 38% said it was to care for a spouse or family member.

Yeomans says he worked with one such couple. The husband had

to stop working when he had a stroke at age 62, and his 59-year-old wife quit her job to care for him. After various moves to save money, they took the husband's Social Security benefit early. "It really was a lifesaver for them," Yeomans says.

Taking Social Security early can be an option for individuals who have health problems but aren't sick enough to receive Social Security Disability Insurance, says Nicole Birkett-Brunkhorst, senior wealth planner and

coverage on the healthcare exchanges.

Couples need to look at the whole picture, Birkett-Brunkhorst says, and compare what they are gaining in terms of Social Security benefits with what they are potentially losing in terms of additional income or health-insurance benefits.

The decision to take Social Security early can be more complicated if the higher-earning spouse is ill. When a higher-earning spouse claims benefits early, it will permanently reduce any survivor benefits for the partner. In that case, couples can look at other claiming strategies, she says. One idea: If neither

have made delaying Social Security payments until age 70 a better financial option than claiming early, is close to 85 for most people, says David Blanchett, managing director and head of retirement research for PGIM, based in Lexington, Ky.

Yeomans says he also has had clients claim Social Security early—rather than work or sell assets—to fund long-term-care insurance, while another used it to buy expensive medication that wasn't covered by his insurance.

2. To fund a cash-flow shortfall

Early payouts can help when there are shortfalls between income and expenses.

When retirees need better cash flow but are trying to delay taking Social Security, they often end up relying heavily on their investment portfolios, says Blanchett. It can be tough to watch that balance drop, he says, when another income option is available.

Indeed, while delaying made

rates for annuities, the more claiming early can make sense."

3. To fund wants instead of needs

Retirees who are lucky enough to have their expenses covered by other means can take a different view toward claiming Social Security early—focusing on wants over needs.

Single retirees with no dependents, for example, can complete a straightforward analysis balancing the risk/reward of when to claim, Baird's Steffen says. "If you're single, it's a matter of what are your other resources. You're not harming anyone else by taking it early, unless there's a chance you might remarry or something like that," he says.

But even for married couples, claiming Social Security early can be a funding tool for lifestyle goals. Yeomans says a client couple took Social Security early for one spouse at age 62 to fund the purchase of a dream family lake home. Like many people in the

upper middle class, most of their retirement savings were tied up in pretax assets such as traditional IRAs.

"We treated their Social Security as an endowment to make the payments on a mortgage to secure the home," Yeomans says, noting the other spouse is planning to delay claiming Social Security until 70 as that spouse is still enjoying work.

There are a few caveats. Before claiming Social Security early, individuals should be confident they won't return to full-time work. Once payments start, retirees have only one year to change their minds—and if they do, they must pay back that money. There also can be tax implications. Taking the benefits on top of a salary could push you into a higher tax bracket. If you haven't reached full retirement age, it could also reduce your benefit, even if you only work part time.

Retirees under full retirement age who opt

for part-time employment and take Social Security are subject to earnings limitations which kick in at \$21,400, Birkett-Brunkhorst says. For every \$2 a person earns from W2 and self-employment wages over the limit, the Social Security benefits will be reduced by \$1 until reaching full retirement age. Income from pensions, investment income or dividends aren't subject to this limitation.

Debbie Carlson a writer in Chicago. She can be reached at reports@wsj.com

MARK ESSENPREIS



registered Social Security analyst at U.S. Bank Private Wealth Management in St. Louis. There can be tax implications if the individual continues to work, and the benefit amount can be reduced, depending on one's salary. (More on that shortly.)

In addition, if individuals with health problems have employer-sponsored healthcare and quit working, they will need to find alternative health insurance, Birkett-Brunkhorst says, since Medicare doesn't kick in until age 65. Options include going on a spouse's plan, or shopping for

spouse has claimed and both are over 62, have the lower-earning spouse take the benefit to preserve the higher-earning spouse's benefit.

Family health history is another factor to consider, experts say. There is little sense in delaying if—because of health or genetics—you think there is a good chance that you'll die relatively young. There also may be little sense to wait past full retirement age if survivor benefits aren't necessary for a spouse.

The "break-even age," or how long a person needs to live to

more sense a few years ago, when near-zero interest rates meant there was less incentive to hold on to cash, the equation has changed. Now that interest rates are higher, fixed-income allocations may produce more significant returns in a portfolio. So, taking payouts now and using them to help with cash-flow shortfalls means your savings in your portfolio can stay intact, compounding and growing.

"Right now you can earn 5% on cash," says Blanchett. "The higher the returns you expect to earn in the market or on interest

Second Acts

She Was a Business Analyst and Tech Writer for Decades. Now She Cooks.

BY JULIE HALPERT

From the age of two, Claudia Denelle enjoyed cooking with her mother and grandmothers, rolling grape leaves and preparing pasta, the cuisines of her Lebanese and Italian heritage.

"It was the place I preferred to be," says Denelle, who lives in Brockton, Mass.

It took over 50 years, but now, at age 70, she finally is in the place she prefers to be—catering and teaching cooking.

When she graduated from college in 1975, Denelle got a job managing 12 grocery stores, a rare opportunity for a young woman in those days. The company was one of the first to scan UPCs, she recalls, and she trained all of the cashiers.

After that she earned an M.B.A. and was a senior business analyst for two decades. Then she became a tech writer at an investment firm, where, as time went on, she felt her services were no longer valued. Eventually, at the age of 51,



Claudia Denelle at her commercial kitchen in North Easton, Mass.

Denelle was laid off.

Two years passed, at a time in life when many who've lost their jobs find it difficult to start anew. Then one day Denelle was asked to cook for a high-school-

graduation party of a friend's daughter. The friend had tasted her cooking before, and on the day of the party, Denelle prepared a dinner of chicken Parmesan for 60.

"It's very gratifying when you see smiles on their faces or you don't hear anybody talking because they're eating," she says.

She started catering other parties. "It grew from there," she says.

Denelle says one of the reasons she decided to start a business preparing food was a memory of a woman with a catering business. She remembers walking into the woman's store 40-odd years ago.

There was "nice music playing and all this food. The smells were amazing. This was just a beautiful way for her to make a living," she says.

For a long time she ran the business from her home, which sometimes had its challenges. Like the time she had to make five different hot meals for a group of 300.

"My husband was beside himself," she says. "He said, 'What are you crazy? We can't do this.' And I kept saying 'Just watch me.'"

In 2021, she opened a 1,250-square-foot commercial kitchen

in North Easton, 3 miles from her home. She offers classes, clinics and parties there. Recently, at one of her cooking parties, a conga line formed. "They come to the kitchen, they cook, they have fun," she says.

For children, she leads a five-day clinic in the summer. "The children are hugging the trays I put their food in," she says. "They're so proud of what they've done."

Denelle routinely puts in 40 to 60 hours a week. But, she says, it's the best job she has ever had. "When I'm not at my shop, I miss it.... It's just where I feel happy." She expects to stay in this job until her body says she can't do it anymore.

"I'm hoping it will keep me busy until I decide I want to rest," she says.


Second Acts looks at the varied paths people are taking in their 50s and beyond. You can reach Julie Halpert, a writer in Michigan, and let us know how you're starting over, at reports@wsj.com.

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Walks are part of the charm of being retired in Cornwall. At left, a scene from the beach at Bude.

Two Minnesotans Retired In Cornwall, England. They Love It—Even the Food.

But the thing that makes them most happy are the people around them

BY ELLEN HAWLEY

WE DIDN'T move to Britain to undermine British baking. That was an unexpected bonus. But let's talk about other stuff first: In 2006, my partner and I moved from Minnesota to Cornwall, the county that makes up England's southwest peninsula, because we fell in love with its rugged cliffs and the tiny, hidden waterfalls that let me understand how people could believe in fairies.

It's a walker's paradise, crisscrossed with footpaths that are legal rights of way as surely as roads are. We live half a mile from the South West Coast Path, a trail that runs the length of Cornwall's coastline. And two roads in our neighborhood are quiet enough that we let the dog off his leash. On most of our roads drivers expect to see walkers. The trick is to wear colors startling enough that on a gray day you won't be mistaken for part of the hedge.

We came to Cornwall as visitors back in the 1990s—and the place kept drawing us back. Gradually we got to know people, largely because my partner, Ida, will talk to anyone with a dog, and the British love to talk about their dogs. So by the time we retired—I had been a freelance editor and my partner, Ida, a family therapist—and moved to North Cornwall, we had a network of friends. And the village has been welcoming, although as a same-sex couple with American accents, we do stick out.

We were lucky enough to fit into a narrow British immigration category (now closed) that allowed us to stay.

Writing and walking

The first year we were here, we lived like visitors who'd forgotten to go home. We wrote in the mornings and in the afternoons we walked. In the beginning, we'd walk several times a week, sometimes just with each other, sometimes with friends, occasionally with a village walking group whose motto, in the face of the Cornish rain, was, "We're not too proud to cancel."

These days—somehow we've gotten older—the walks are shorter and less frequent but no less beautiful, and they mean all the more to us. More moderately, the dog keeps us on an exercise program—a couple of miles a day in good weather and less when it's wet and windy. Most days, a friend has lunch with us—sandwiches, tea, and dogs leaping in all directions. It's all very formal.

since forever. Last winter, when utility prices soared, someone organized a warm room where people could come for a cup of tea, a chat and some heat.

I didn't fully appreciate the power of the community, though, until our village shop closed, depriving us all of an important social hub and panicking a few residents who didn't drive. But someone crunched enough numbers to demonstrate that a

community-owned shop could be viable, and he gathered a group of people.

It seemed insane, but I got swept up by the momentum. People applied for grants and asked villagers to buy shares. An outdoor stand raised money selling produce and baked goods, including my own. The shop opened in 2021.

Ida and I work in the shop once or twice a week, and I'm on the board. Once a month, I work at a farmers market that raises money for it, and I write whatever the shop needs to keep its community of volunteers and customers involved and informed. Our nearest supermarket is a 20-minute drive, so we rely on the shop for extras—fresh fruit and veg, newspapers, sudden whims.

Snow shoveling

We are thankful for Cornwall's milder climate,

at least as compared to Minnesota's. I'm 76; Ida's 84. Shoveling snow doesn't get easier, and snow is rare in Cornwall. A few flowers bloom all winter and the first wildflowers appear in January. I admit, winter days are short and it rains a lot, but you don't have to shovel rain. As for the summers, they're cool—or at least they have been. In a few years, who knows? But while they last, we like them.

Before we bought our house, we had an image of living in some 400-year-old cottage—preferably rose-covered—with a view of the sea. Then we looked at the



Scones, top, are British baking at its best. At right, the South West Coast Path at Tintagel. The hiking path runs all along Cornwall's coast.

Since we moved here, I've published two novels with a British publisher—that's after three in the U.S.—and I'm working on another; I also blog and I teach the occasional writing workshop.

But to give a sense of our life here, I have to give you a larger picture. By dumb luck, we stumbled into a village with a powerful community spirit. If people here decide something needs to be done, they'll gather a group and do it. A long-standing club teaches local kids surfing and water safety. A craft group and a children's playgroup have been going



Scones and mushy peas

We don't eat out a lot. Nothing's wrong with British food that a bit of excitement wouldn't cure, but it doesn't make us crazed to eat out, and among ourselves we won't pass up a chance to make fun of, say, baked beans on toast or mushy peas.

I don't write off British food, though. Scones, for example, are wonderful. And cheese. Britain's serious about regional cheeses, and the best of them are great.

And British baking can be fabulous—have you ever tried lemon drizzle cake? But I can't help pushing the boundaries. The first time I offered coffee cake for sale at the farmers market, I caused a minor meltdown. British coffee cake is (what are they thinking?) a cake flavored with coffee. So I explained, on a loop, "It's American coffee cake. There's no coffee in it."

Shock. Horror. "Then why do you call it coffee cake?"

I began to see that as a sensible question.

"We have it with coffee."

These days, I get requests for American coffee cake. British baking has survived my assault, but I'm sure I've given it something to think about.

In a minor and silly way, though, being asked to bake something no one else makes reminds me that I've become part of the community and that I contribute something to it.

It's community that makes this place home for us.

Ellen Hawley is a writer in Cornwall, England. She can be reached at reports@wsj.com.

JOURNAL REPORT | ENCORE



Why—and How—to Break Up With Your Old Friends

As people get older, they want to spend time with the people who add the most to their lives

BY FRANCINE RUSSO

WHEN my mother was in her late 50s, I walked in to see her crying. Her best friend had just told her that after 30 years of celebrating the new year as couples, she and her husband wanted to do something different—with other people.

I felt for my mother but wasn't surprised. My parents were cemented into old attitudes, tastes and relationships, while their friends had grown in their outlook and friendship needs.

My parents were outliers in holding tight to all of their friends. Most older people prune their social networks, according to Stanford University psychologist Laura Carstensen. People cutting less-appealing relationships is, in fact, more common than losing them to death or illness, she says. When people be-

come more aware of having limited time left, as seniors generally do, Carstensen says, they want to spend that time with people and things they find meaningful and rewarding.

But sometimes it isn't easy to figure out whom to cut—and how to do it right. "It's hard," says psychotherapist Jill Whitney in Old Lyme, Conn. "We don't want to hurt people's feelings."

Relationships are complicated. Maybe you're conflicted. Here are suggestions for sorting out your feelings and acting on them.

Evaluate your friendships

"Think about your needs and

your desires at this time," says family therapist Marlene Watson of the Ackerman Institute for the Family, based in New York City. "Which people can you count on in an emergency? Which are you willing to be giving to and with what limits?" Other questions to consider: How do you feel when you're with them and after? More energized and connected—or less? How old and deep is the friendship?

Ask yourself what you may 'owe' someone

Suppose you enjoy someone less than before, but that person was really there for you when you needed it. How should you act to feel good about yourself?

Psychotherapist Sharon O'Neill in Ridgefield, Conn., has an older friend who once helped her through a difficult time. Visiting her in her assisted-living center is harder now both because of the distance and her friend's growing dementia. O'Neill visits her less now, but says, "I will never not visit her until she dies." She says it would be hard to forgive herself if she didn't visit.

Have the hard talk

"Too often people let go of friendships instead of having an honest, courageous conversation," says Watson. Say you have a friend with whom you once had wide-ranging conversations, but now that person only wants to talk about adorable grandchildren. When conversations become one-sided, it can be unpleasant even for old friends. Telling such a friend how much you value your relationship *and* what you feel you're missing is risky, but it may rescue a worthwhile relationship.

Ask yourself whether seeing friends decline makes you avoid them

When you see friends decline,

you might react: *This could happen to me!* That is true, and it can be frightening. But keeping them at a distance isn't going to change that. What can help is to lean into your fear, says Tova Rubin, a psychologist in Pottomac, Md. Think about how you would want to be treated if that were you. "That creates empathy and compassion," she says. "It could help us overcome our natural aversion."

If a couple or group is too difficult, zero in on the person you value

There are some pals we've always seen as couples, or maybe three- or foursomes. But problematic dynamics sometimes arise: There is a new wife, or a husband with a dementia-unhinged personality. If you would like to see someone alone, try to connect in new ways: lunch for two rather than dinner, a drinks tête-à-tête rather than Wednesday night poker. Plead time constraints and feeling a special affection for this friend. You don't have to criticize anyone, and your friend may understand without explanation.

How to do the deed

The easy way out, some experts say, is to stop initiating. You're always busy, and you hope he or she will get the idea. If the person doesn't, however, just avoiding the awkward discussion can prolong the hurt. If you need to address the issues head-on, try to do it in a way that doesn't blame the person. O'Neill gives this example. An old friend had recently become unpleasantly competitive. She told her that their relationship was no longer good for either of them. "I kept saying *both of us*," she says.

Francine Russo is the author of "Love After 50: How to Find It, Enjoy It, and Keep It." She lives in New York. She can be reached at reports@wsj.com.



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The Secret to Finding Love After 60

Continued from page R1
 Their solution after lengthy deliberations: She will move to Vermont but also try to rent a townhouse in or near Truro so she doesn't have to uproot entirely.

"I'm a nester and home means everything to me," she says. And after being divorced for 20 years and learning to do her own home repairs, "It's challenging to give up some of my independence."

These days, late love is getting a lot of attention, thanks to "The Golden Bachelor," an ABC-TV series that follows Gerry Turner, a 72-year-old widower, as he searches for a new wife. The show also features 22 women in their 60s and 70s, all seemingly fit and wrinkle free, who are competing for his heart. One rides a motorcycle to her first date with Turner; another's wearing a skin-colored mini-dress.

Nobody said reality TV was anything like reality. But what is real is that there are a lot of older people searching for somebody—a companion at least, a soul mate at best. About 30% of Americans over 50 are single, according to a 2022 Pew Research Center report, and record numbers of them are pairing up. One in six Americans over 50 has used a dating app, according to Pew.

Longer lifespans mean that whether they're widowed or divorced, or have never before been attached, older singles may have years ahead of them for new relationships. What's more, because of a surge in gray divorces, there's a larger pool of older singles. Some 38% of divorces today occur among cou-



ples over 50, and one in 10 for those over 65, says Susan Brown, a sociology professor at Bowling Green State University in Ohio who studies demographic shifts in marriage and families.

For many of these people, late love offers the chance for deep happiness as they age—to find a connection they might have once

had but lost because of death or divorce, or never found before. But it's also a chance to do things better, to learn the lessons from a lifetime of past relationships. At this age, they also know what they want and need, far more than when they were young.

"They can walk into new relationships with their eyes wide open and use what they have learned," says Jacqueline Olds, a Boston-based psychiatrist. "And they're less likely to compare their relationships to romantic fantasies."

Tough questions
 That's the good news for older singles. But jumping back into dating also requires a lot of risk-taking and a willingness to tackle difficult questions. How do older couples fit romance into lives already filled with children, grandchildren, work and old friends? How do they learn about someone else's history, and share their own? Having weathered divorce or the death of a spouse, can they risk loss again? Can they have love without marriage and will they live apart or together? Do they want to be retired or keep working—and will they accept a partner with a different preference? What about health issues? Are

they willing to be one another's caregivers? And will they share finances or keep them separate?

For older women, the challenges can be especially tough. Those who have already juggled child rearing and caring for spouses with careers often don't want to get stuck in traditional gender roles again. They want more emotional and financial equality and partners they can be friends and lovers with, says Boston University sociologist Deborah Carr, who has studied re-partnered couples.

Older women also contend with a shrinking dating pool, since men typically date younger women and have shorter lifespans. Roughly half of women over 65 are without partners, compared with 21% of men.

For both women and men, the biggest challenge is balancing the longing for new intimacy with the need for familiarity, says Richard S. Schwartz, a Boston-based psychiatrist and Olds's husband. "It's hard to start a whole new life with someone when you've already lived a lot of your life and are set in your ways. It takes a big commitment," he says.

Hard, but far from impossible. To improve the chances for success, experts say, it's crucial that couples go in with their eyes open, eager to find love but aware of the challenges. Accepting those challenges, and talking about them, is perhaps the best way to make sure they won't get in the way of finding the love they want.

To that end, here are seven facets of late love that couples should anticipate—and discuss with potential partners.

1. Expect baggage
 No one enjoys dating someone who endlessly eulogizes, or denigrates, a former spouse. But older singles have long histories that have shaped them and need to be understood for a late love relationship to thrive. That's threatening to some people who feel competitive with a partner's past loves.

Richard Goldsmith, a widower and retired lawyer from West Orange, N.J., dated one woman who refused to come to his home because he had shared it for many years with his wife. He had a different experience with Tina Greenberg, a widow and retired communications professional he met through a friend three years ago. They shared memories of their spouses and decades-long marriages but didn't get mired

in the past.

Last year, when Greenberg, 75, moved in with Goldsmith, 81, they blended furnishings and belongings. "I added a picture to two that were already in the dining room, and I can feel Barbara's spirit in this house—and I like that," says Greenberg of Goldsmith's now-deceased wife. And talking frankly about their late spouses has helped them shape what they want together. "I wanted more independence than I used to have and not always doing everything together," says Goldsmith.

2. Get comfortable with online dating

It's true: It isn't how people met 20 years ago, let alone 40. Back then, they met dates through friends, or at church, parties, school and work. Because of that, some older singles find searching for dates online imper-

sonal, or exhausting because of the many choices. It can also be technologically challenging.

But the fact is that meeting online has surpassed all other ways to find romantic partners, and may be especially useful for retired seniors with diminished social circles.

Nan Bauer-Maglin, a retired English professor at the City University of New York and a writer and editor, sought advice from friends when she went online after she was widowed seven years ago. Although she didn't listen to one friend who told her to dye her gray hair before posting a photo, she followed another's counsel to date at least seven men before getting discouraged, and to only meet those who had at least a 90% match with her profile. It took her several months and nine tries before she met Daniel Hood, a retired sociology professor. They're now romantic part-

ners and work colleagues who've coedited "Gray Love," a book of essays about dating after 60.

3. Be open to nontraditional relationships

Cohabitation rates among couples over 50 more than quadrupled from 2000 to 2020, while marriage rates in that age group are steady, says Bowling Green's Brown. "Older couples are innovators, leading the changes occurring in American families," she says.

Others are forming "living apart together" or LAT relationships. Bauer-Maglin and Hood are LATs who've kept their separate apartments in New York City and regularly see one another twice a week. For both, it's a way to keep their romance fresh and free of conflict and remain in homes they're attached to.

"I'm very tidy and he's messy and this way we don't fight about that little stuff," Bauer-Maglin says. "We keep the time we spend together special."

4. Make sure you're on the same page about your children

Adult children may be living on their own but they're rarely out of mind, and can pose conflicts. Many adult children worry that their aging mother or father will be mistreated by a romantic

partner, or that the inheritance they expect to get will be depleted. Older couples themselves often differ about parenting and grandparenting styles, how much time they want to spend with one another's children and whether they want to try to blend their families, especially on holidays or vacations.

Stefanie Weiss, now 65, had just rented an apartment in Silver Spring, Md., with her new boyfriend when her son and his girlfriend moved in for a year after graduating from college. Their two bedrooms were separated by just a wall. Could they all get along together? she wondered.

For Frank Gallagher, now her husband, the answer was yes. Now 68, he had been single for years and had no children "but I knew Stefanie came as a package with her son," he says. The eldest of seven brothers, he knew how to get along in a crowded home, but he also got to know his young roommates. And before marrying Stefanie in 2017, he asked her son's permission.

"I wanted him to be OK with our marriage, and to know that, even though I'm not his dad," Gallagher says. "I want to offer him unconditional support."

5. Plan how you want to deal with finances

Older couples often decide to keep their finances separate—

and not get married—because they want their children and grandchildren to inherit their estates. Others simply want autonomy, especially if they have struggled to build wealth after a divorce. If they're living together, though, they need to plan how they want to handle living expenses. If one person has significantly more wealth, will he or she pay for travel, for instance, or redecorating a home?

Expectations about finances are bound to change over time and should be regularly reviewed. Couples who've been together for years may expect to be included in partners' wills—and may need whatever inheritance they receive to support themselves in old age.

Financial disputes also may arise if couples split up. Boston psychiatrist Olds consulted with one woman who'd left a job and moved cross-country to be with her partner, but several years later split up with him. "She felt she sacrificed so much financially to be together and wanted a settlement," says Olds.

6. Be honest about health issues and caregiving

Aging invariably leads to frailty and illnesses, which raises the question of how much caregiving you're willing to provide. Those with "living apart together" arrangements usually expect their partners' adult children to be the

primary caregivers. Others want to be one another's caregivers. Consider Hultin and Davis, the couple in Massachusetts and Vermont. Hultin has Parkinson's disease and Davis has non-Hodgkin lymphoma. They have vowed to provide care to one another and for now don't want to let their illnesses limit travel plans they have.

7. Be open to the unexpected

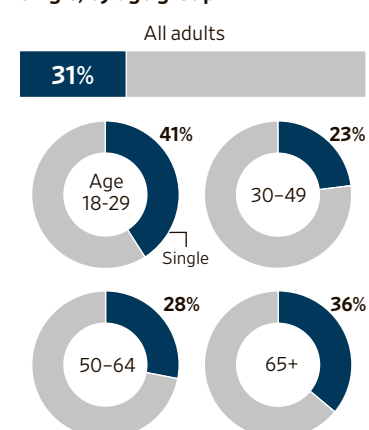
When you're young, you expect to fall in love, marry and start a family. By the time you have wrinkles and gray hair, you may think you're too old to attract or find anyone. Older singles who thought they'd be aging alone say the discovery that they can feel passionate again came as a surprise. But their willingness to be surprised enabled them to fall in love.

In Silver Spring, Md., Weiss says she likely would have overlooked Gallagher in her 20s because "he's not the dashing bad boy" type she used to find appealing.

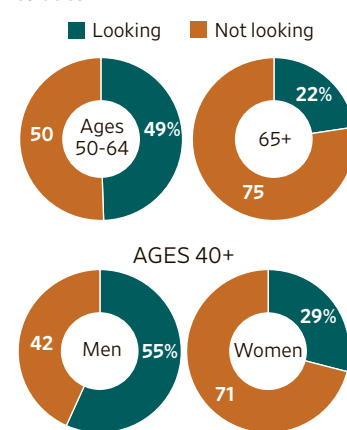
Similarly, Stacey Parkins Millett, 68, a writer and retired manager at nonprofits, says she might not have recognized her strong fit with Kurt Ross, 71, when she was younger. During her marriage and for more than a decade after she divorced and dated sporadically, she says she "fell into a pattern of being the

Statistical Snapshot of Singles* in the U.S.

Percentages of U.S. adults who are single, by age group



Older singles looking/not looking to date!



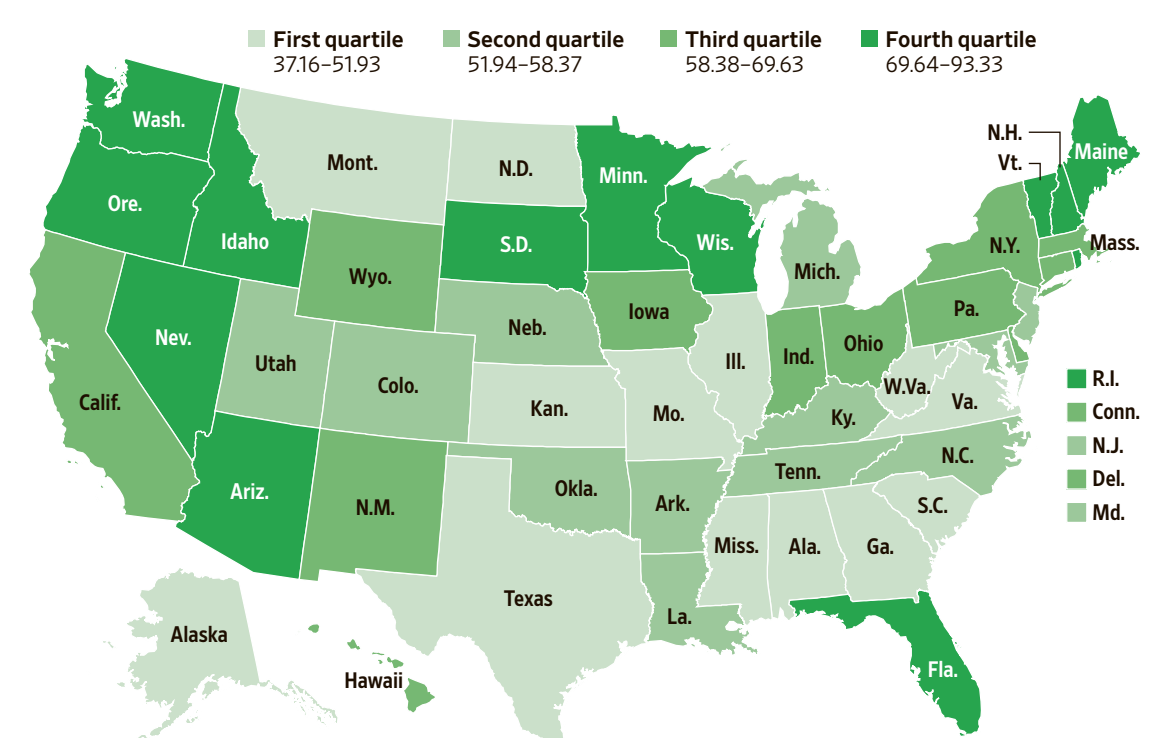
For ages 65 and older, women are more likely to be single than men



Note: Totals may not equal 100 due to rounding. *The survey, conducted Oct. 16-28, 2019, defines single as those who are not married, living with a partner or in a committed romantic relationship. †Shares of respondents who didn't answer are not shown. Source: Pew Research Center

Geography of Cohabitation

How different states compare with regard to numbers of unmarried seniors who are living together. The quartiles reflect how many heads of households aged 50+ lived together in 2019 per 1,000 unmarried household heads in the same age group.



Sources: National Center for Family & Marriage Research, Bowling Green State University; U.S. Census Bureau



Top left, Richard Goldsmith and Tina Greenberg take a walk at Orange Reservoir in West Orange, N.J. Above, Stefanie Weiss and Frank Gallagher enjoy the outdoors in Oro Valley, Ariz. Below, Stacey Parkins Millett and her husband, Kurt Ross, enjoying their home in Candler, N.C.



consummate fixer," and often ignored her own needs. After a lot of self reflection and with the help of a dating coach, she decided she would be better off alone than with someone "not quite right."

Millett defined her "must haves, won't haves and deal breakers," posted her profile online—and 10 months later met Ross, a ceramic artist and retired architect. They talked nonstop for hours on their first date, soon started living together in homes in New York and Candler, N.C., and married last year. "The fundamentals of passion and friendship—and teamwork and independence—favor us," says Millett, a marathon runner. "I need alone time to run, he needs alone time to read. We support one another's creative pursuits and agree calls from our adult children take precedence over everything. My journey here took 50 years—but the beauty of time has been unearthing who and what I've wanted."

Carol Hymowitz is a writer in New York. She can be reached at reports@wsj.com.

JOURNAL REPORT | ENCORE

Don't Call Me Grandma Or Grandpa

Continued from page R1
dividual identity," he says. "The only problem: Whenever I visit my grandkids, they expect me to bring pizza!"

Talking about my generation

Perhaps none of this should be surprising; after all, this was the generation whose music proclaimed, "I hope I die before I get old." So like Baginski, many grandparents today recoil at the idea of being called "grandma" and

be used as insults, regardless of age. "Hey, granny. Pick up the pace!"

"Ageism is extremely prevalent in our culture," says Ashton Applewhite, an activist and author of "This Chair Rocks: A Manifesto Against Ageism." "We talk about the age of presidential candidates, of people with Covid, and use [phrases like] 'OK, Boomer.' The bias is terrible." Applewhite, who is 71, says she doesn't judge grandparents who choose distinctive names, but she encourages them to embrace their age. "I'm working for a better world, where 'grandma' won't be a dirty word. That it will be OK to identify as an older woman."

40s and 50s

In truth, most first-time grandparents aren't that old, based on re-

grandchildren, ranging from 6 months to 4 years old. "Grandma feels very old-fashioned. To me personally, it's almost insulting, like 'old lady.'"

Women may struggle more with "grandma" than men do with "grandpa," says Nancy Morrow-Howell, co-director of the Center for Aging at Washington University in St. Louis. "Women have always had to face sexism," Morrow-Howell says, and the stigma is compounded when women face ageism as well.

For grandmothers who are still in the workforce, being perceived as old can be a liability. Bosses may think they're about to retire and exclude them from work teams, Morrow-Howell says. Moreover, women are bombarded with ads from the beauty industry touting products that claim to make them look more youthful.

liked it as a child. I was embarrassed by it," Lester says. She also cringes when she hears "cutesy" grandparent names that others have given themselves. "I think it sounds like we're dumbing things down. When the child is 40, do they want to be using that childish name? Also, I think you lose some dignity there. In Korea, grandma-aged women are revered."

Nonetheless, Lester says she will have to settle for "gand-ma" until her 3-year-old grandson can pronounce the word "grandma."

In fact, it isn't uncommon for mispronunciations to stick. Linda becomes Lala and Maureen morphs into Momo.

"Some names are just easier for little kids to pronounce," says Laurel Sutton, a linguist and president of the American Name Society, a nonprofit devoted to ono-

a sense of authority. I wanted to establish the concept that there's another generation above their parents—a generation that should be honored," says Barr, director of ministry partnerships at Harvest USA, a nonprofit Christian organization.

When Barr first suggested Grandsire the Magnificent to his children, there was a bit of eye-rolling. But by all accounts, he's a gregarious guy with a big personality. As Beth Barr, his wife, says: "Sometimes [the grandchildren] walk into the house and say, 'Is Grandsire here?' before they even say 'hi' to me."

Both 65 years old and living in suburban Philadelphia, the Barrs have seven children and 16 grandchildren, with No. 17 on the way. To the grandkids, there's nothing unusual about Grandsire the Magnificent. "The grandchildren think nothing of it," Beth Barr says. "The little ones, before they can speak clearly, just say 'yan, yah, yer' for a while. But they grow into it and think it's normal."

For her part, Beth Barr says she rejected the name grandma both because it was already taken by her mother and because she thought it sounded old. But she also rejected her husband's suggestion: Grandmother the Benevolent, which also has a whiff of the medieval. As a compromise, she picked a hybrid version of the name, "Bengi."

No matter how odd or unusual the grandparent name, the children and grandchildren should respect the choice, says Lizzie Post, great-great-granddaughter of etiquette guru Emily Post. Conversely, when grandparents are given a name they don't like, they shouldn't be forced to keep it, she adds. "It's OK to say, 'I really don't appreciate being called by that name. Can we think of another?'"

Ultimately, however, the grandchildren have to



"grandpa," preferring names that they say sound "younger." In an informal poll, hundreds of grandparents revealed their chosen names. There were playful ones, such as Gigi, Sukie, Lala, Magi and Cha-Cha. Others adopted derivatives of grandma and grandpa (Grams, Gramma, G-Pa and Poppy). Yet others invented one-of-a-kind names that reflect their personalities, such as Gogo, Bunky (after TV's Archie Bunker), Chief and Honey Birdie.

But there's more than vanity at play here. There's also society's stereotype of grandmas and grandpas as slow, yesterday's news and easy to dismiss. Even worse, grandma and grandpa can

sults of a 2019 survey by AARP. When broken down by generation, women who are baby boomers (born roughly from 1946-1964) were 50 years old when their first grandchild was born. Gen X women (born roughly from 1965-1980) were 40 years old.

Judi Shoup was 47 when her first grandchild was born in 2019. "My daughter said to me, 'Mom, you better pick your grandma name. It's pretty important these days,'" says Shoup, the people and social-media manager of a Savannah, Ga.-based construction firm.

She decided on the name Juju. "I'm too young for grandma," says Shoup, who is now 52 with three

"The messages are so pervasive. Women think, 'Maybe I should try Botox or color my hair,'" Morrow-Howell says.

Call me grandma

Of course, many grandparents happily stick with tradition. "I am proud to be called grandma," says Karen Lester, a former schoolteacher who currently lives in Jinju, South Korea. "Yes, I am senior-aged, but I take care of myself, am full of energy and strength, and I feel decades younger."

Her grandparents were called Maw Maw and Paw Paw, names she has always despised. "I never

mastics, the study and history of names and naming practices. Distinctive names are also helpful when children have multiple grandmothers and/or live in a multigenerational household, Sutton adds. Besides, "many people like to have pet names, coming up with something a little more personal," Sutton says. "Identity is becoming a far more open, flexible thing."

No joke

In that spirit, Jim Barr chose a name unlike any other: Grandsire the Magnificent. "It's a playful name, but not a joke," he says. "Being a grandfather should have

latch on to the chosen name for it to work, says Post, who along with her cousin, Daniel Post Senning, runs the Waterbury, Vt.-based Emily Post Institute. Lizzie Post has firsthand experience in this matter. Her own grandmother accepted a moniker given to her by the family: "Mud," a name inspired by the kitschy Allan Sherman song about camp, "Hello Muddah, Hello Faddah."

As bad as Mud sounds, it was spoken with love and fondness, Post says. And "we thought it was hysterical."

Beth DeCarbo is a writer in South Carolina. She can be reached at reports@wsj.com.

JOHNNY SIMON/WSJ. IMAGES: ISTOCKPHOTO/GETTY IMAGES

Second Acts

He Has Been Crazy About Cars His Whole Life. In Retirement, That Hasn't Changed.

According to his parents, "I was car crazy as soon as I could talk," Peter Volny says. And when he retired, he fully immersed himself in his passion.

Volny, who is 77 and lives in Fountain Hills, Ariz., with his wife, Linda Goddard-Volny, raced cars in Australia in his youth. But after figuring out that wasn't a sustainable way to earn a living, he says, he started working in advertising in 1971. Ultimately he owned an advertising and public-relations company in Toronto.

Automakers and aftermarket companies were his clients. He enjoyed the creativity involved in developing marketing ideas and promotional ads. After two decades though, and with taxes taking big bites out of his business and personal income, he decided it was "time to sit back and enjoy life." He was 57 years old when he retired in 2003.

The Volnys had spent three years building their "dream house" in Arizona and moved there in 2004. But, "It turned out to be a big mistake," Peter



Volny says. "You can't go from operating at full speed to suddenly not doing anything. Within a short period of time, I got really bored."

Then he went to a car show in Scottsdale. He had always owned high-performance cars and bought a Ford GT when he moved to Arizona. He started going to more shows and looking at how they were organized.

The owners paid fees to display their rare, expensive cars, and the public got in free.

The shows were all "fun," he says. But he also noticed they were all held in parking lots. He thought he could do better.

In 2014, Volny hosted his first charity car show in a park in Fountain Hills. The show enrolled 200 cars and raised \$25,000 for the Boys & Girls

Peter Volny and his wife, Linda Goddard-Volny, at their home in Arizona.

Clubs of Greater Scottsdale. And Volny was no longer bored.

In February, his ninth annual Concours in the Hills show in Fountain Hills drew more than 1,200 cars and about 50,000 people. The show raised more

than \$489,000 in cash and in-kind contributions for Phoenix Children's, a child-focused health-care system. Since 2018 the show has raised more than \$2 million for Phoenix Children's.

"I've been very lucky in my life and it's nice to be able to give back," he says.

He and his wife knew no one when they moved to Arizona. As a result of his car-related activities, they now have a "huge circle" of friends. "That to me is the most gratifying thing," he says. "I've met so many wonderful people that I admire and respect."

"My wife teases that I'm working harder than I did when I had a paying job, but I love it and hopefully am doing some good."

Volny hangs out with many people who are much younger than he is, which helps to keep him feeling spry, he says. That and running 7 miles each morning. "When you're retired, you should be enjoying it," he says, "and if you're not mentally and physically fit, you're not going to enjoy that time."

—Julie Halpert

PETER VOLNY

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JOURNAL REPORT | ENCORE

New Approaches Show Promise in Helping People With Low-Back Pain

Researchers point to an array of interventions that can be more effective and less expensive than surgery

BY LAURA LANDRO

MILLIONS of adults struggle with chronic low-back pain—a disabling ailment that has no easy fix.

Common causes include injury, arthritis and degenerative changes in the spine. It tends to start at midlife with the natural wear and tear of aging. But often there is no clearly identifiable physical cause, leaving patients to veer from one ineffective treatment to another—including highly addictive prescription opioids.

Now, researchers are working on personalized treatment plans that can address physical, emotional and psychological traits in individual patients that influence the pain they are experiencing. Physical therapy, exercise, diet and lifestyle choices often play a role. Some research is also looking at ways to retrain the brain to think differently about pain.

To be sure, low-back pain can be a sign of something life-threatening, such as cancer, or a severe spine condition that requires surgery. Chronic low-back pain needs to be fully evaluated. But once “red flags” are eliminated, doctors need a more precise way to determine what will work for individual patients, says Dr. Matt Mauck, a researcher and pain-medicine physician at the University of North Carolina Chapel Hill’s UNC Pain Management Center.

UNC is part of the Back Pain Research Consortium, or Bacpac, funded by the National Institutes of Health as part of a broader effort to improve the understanding, treatment and management of pain and reduce opioid abuse and addiction. In a study at multiple sites nationwide, researchers are testing the effectiveness of four nonsurgical treatments in connection with specific personal traits of patients. Each treatment has been shown to work, though not equally well for everyone.

The four treatments: acceptance-and-commitment therapy, which helps people learn new skills for dealing with pain; duloxetine, a medication used for depression, anxiety and chronic musculoskeletal pain; an online program with personalized messages to teach lifestyle skills for

pain management; and a form of exercise therapy with stretches, strength training and hands-on treatment by a physical therapist or chiropractor. Participants in the study are randomly assigned to an initial treatment for three months, which could then be modified depending on how they respond. That may include switching to another treatment, or combining two treatments.

Nonsurgical approaches

Studies have shown that nonsurgical approaches can be more effective and less expensive than surgery. A recent University of Pittsburgh study of nearly 30,000 patient records over three years found that patients who first seek out physical therapy or chiropractic care have better outcomes and lower costs. Patients who first sought care through an emergency department, by contrast, were more likely to have high-cost imaging and steroid injections; and more than half of them filled prescriptions for opioids, compared with just 11% among those who sought chiropractic care and physical therapy first.

One of the most puzzling aspects of back pain is that patients who have had physical damage to their lower back may not have any pain, while others who have little visible damage can have a great deal of pain.

“What we see on the X-ray, or the MRI may not tell the whole story, so we have to address all aspects of a person’s condition to better characterize who needs what type of treatment,” says Dr. Gwendolyn Sowa, director of the UPMC Rehabilitation Institute at UPMC, a large healthcare provider affiliated with the University of Pittsburgh.

Part of the Bacpac consortium, UPMC is one of an increasing number of healthcare providers taking a more holistic approach. Experts in its spine-health program evaluate sleep habits, nutrition, exercise, social engagement and lifestyle. Patients may see pain psychologists, physical therapists trained in spine care, surgeons and physiatrists, the specialized phy-



Vinny Rossitto takes Pilates classes to build core strength and improve balance.

sicians who focus on nonsurgical treatments for back pain.

Dr. Christopher Standaert, a UPMC physiatrist who oversees the program, says it has had success helping patients identify what works best for them, with a low percentage needing surgery or steroid injections and the majority benefiting from physical therapy and other lifestyle and mental-health interventions.

“Patients aren’t just afraid of pain; they are afraid of what might come of it—‘Am I going to be able to play with my children or work in my garden?’” says Standaert. By overcoming fear and reconnecting patients to movement and activities they enjoy, “they can live well, age well and successfully adapt.”

Downward spiral

Vinny Rossitto, 67, a former Navy officer and retired businessman, says his back first went out in 1986, and he had recurrent and often severe bouts of pain. He took anti-inflammatory medications and Valium and regularly visited a chiropractor, but things only got worse over time.

By 2017, diagnosed with degenerative disk disease, lumbar spinal stenosis and scoliosis, he was

finding it hard to walk. He cycled through treatments including physical therapy, opioid and other medications, steroid injections, an antidepressant and an anticonvulsant drug. The stenosis and scoliosis worsened by 2022, but he says he wasn’t considered a good candidate for surgery.

“I was spiraling downward and mentally resigned and depressed. I gave myself a year before I thought I would be in a wheelchair,” he says.

At that point he was referred to the UPMC spine-health program, where he says the spine-specific, personalized physical therapy helped him begin feeling better after three weeks, strengthening his abdominal muscles and providing him with exercises for home. A spine-health psychologist helped him better manage his mental outlook and adapt his lifestyle, he says. A dietitian recommended an anti-inflammatory diet with more fresh fruits and whole grains, and a medical masseuse helped loosen up muscles that had been problematic, improving his gait enough to enable hiking

on rugged trails with the use of walking sticks. He started Pilates classes to build core strength and improve balance.

Rossitto says the program has helped him take greater control of managing his pain and reduce stress and anxiety. He no longer uses opioids or other pain medications, and he sticks to his home regimen of exercises and stretches. From an average day with a pain level of 7 or 8 out of 10 in 2017, “I am now at about a 5, and on good days a 4.”

Rechecking signals

Researchers are also investigating pain-reprocessing therapy, or PRT, which focuses on retraining the brain to help people recover from chronic pain. The brain creates pain as a warning signal to restrict movement and let the body recover from injury. But in many cases, changes in the brain can cause pain to continue even after the injury has healed, says Yoni Ashar, assistant professor in the department of internal medicine at the University of Colorado Anschutz Medical Campus.

Ashar says the inaccurate belief that chronic pain means injury may promote fear, avoidance of activity and the persistence of pain. In PRT, trained therapists help patients to move in ways they have been afraid to, and to re-evaluate the sensations they experience as misfiring brain pathways rather than signs of injury. This helps the brain perceive such pain signals as less threatening, measurably reducing or eliminating pain, Ashar says.

In the first clinical trial of PRT, co-led by Ashar, 151 people with mild to moderate back pain were randomized into three groups. One got four weeks of intensive PRT, one received a placebo saline injection in the back, and one received care as usual. With PRT, 66% reported being pain free or nearly so after treatment, while only 20% of people who had the placebo and 10% of those in usual care reported similar improvements.

Study participants who were initially skeptical about the notion that the mind or brain processes were driving their pain described a shift in their thinking after the therapy, according to interviews published in a follow-up study. “It has actually made me less frightened of the pain,” said one. “Now, if I get a little bit of pain, I deal with it.”

Laura Landro is a former assistant managing editor of The Wall Street Journal and author of “Survivor: Taking Control of Your Fight Against Cancer.” Email: reports@wsj.com.

Second Acts

After a Career in Online Media, Heather Frank Found Her True Calling in Cabaret

Heather Frank recalls putting on shows for her parents from the age of 5.

“There was a delight in telling someone’s story and seeing they are really interested and they are laughing with you,” she says.

That love of performing continued throughout her life, she says. In college she sang part-time with a dance orchestra in New Orleans. But it wasn’t until she retired from a long and successful first career, in online media and journalism, that she returned to the performing arts full time.

Frank, who is 64 years old and lives in Washington, D.C., had a 27-year career as a news-media producer, editor and executive specializing in lifestyle content. One of her favorite jobs was working at AOL from 1996 to 2003 when digital content was in its infancy. “It was one of the most exciting things,” she says.

She then moved on to USA Today, and worked there until



Heather Frank is working on a show about the life of Blossom Dearie.

2014. A few years before leaving that job, her husband encouraged her to attend Levine Music, a music school in Washington.

“When I started singing again, I found that I loved the work, the progress and change in my sound and the process of finding

the right material,” she says.

She took a master class one day with a visiting professor in cabaret, learning how to create one-person acts that tell a story through words and song. “I really felt like this is what I’m supposed to be doing,” Frank says.

In 2018, she presented her first solo cabaret, based on those early years at AOL, “Love in the Time of Coloring.” The title is tongue-in-cheek, inspired by a Gabriel García Márquez novel—a reference to how social media, with its anxiety-inducing distractions, unwittingly has led to the growth of such soothing hobbies as adult coloring books.

Creating her first cabaret show, including choosing the songs and writing the script, was exhilarating. “If you love the idea of casting a spell for a group of people in the dark who like stories, there’s nothing more exciting,” she says.

Cabaret affords a spectrum of material. Sometimes it’s “unabashedly raunchy,” Frank says. Her own place on the spectrum, she adds, “is more playful than

blue.” Storytelling with music. The spoken part of the show, she explains, referred to in cabaret as “patter,” is used to knit the songs together as a narrative.

She currently is working on a new show based on the life of Blossom Dearie, a jazz pianist, singer, songwriter and entrepreneur. The music for the show will be songs with which Dearie is associated, but “I will probably rewrite some lyrics to update them for the times and/or to drive the story line.”

Figuring out “how to present the material and engage the audience is a process of discovery that I really enjoy,” she says.

“The title of the show, ‘Blossom,’ encompasses the idea that we can all bloom and surprise ourselves as we move through life, which speaks to my personal determination to be a perennial,” says Frank.

The beauty of cabaret, she says, is you can continue doing it “as long as you have a story to tell and something that you want to say.”

—Julie Halpert

JOURNAL REPORT | ENCORE

The Quiet Power of Rituals in Retirement

At a time when it's easy to feel adrift, recurring acts keep me connected to those I love

BY ROBBIE SHELL

THE FIRST piece of advice I got when I retired was from a friend who had made the move five years earlier. "Don't underestimate the importance of rituals."

I was skeptical. In thinking about how I could ease the path into retirement, rituals didn't seem to be part of the answer.

To me, rituals were daily or weekly routines that organized time efficiently with the goal of simply getting jobs done and checking off a box. My early trips on Saturday mornings to the local farmers market to buy fruits and vegetables before it got crowded, for instance.

It didn't take long, though, for me to see what my friend had been getting at. With days that are no longer ruled by tight schedules and deadlines, I came to appreciate the special role that rituals play in my life. They are more than disconnected, recurrent acts. They are the keeper of memories that might otherwise fade away. They anchor people and places that are meaningful to me, and they give structure to days and weeks during a time when it can be increasingly easy to feel adrift.

A weekly coffee

Some of my newfound rituals are grounded in relationships formed since retiring, like the coffee date every Friday with two women I met seven years ago at an adult education French course. We stopped trying to converse in French a month after the course ended. But our

weekly coffee was never really about that. With no baggage from past years to deal with, we are free to talk about the present—good books and streaming shows, family issues, health concerns, politics of course, and anything that worries us. What makes it a ritual, and not just a social event, is the care we take with each other and the certitude of knowing that we will be there every week.

Tuesday is my day with Evelyn, a 92-year-old woman I met three years ago through volunteering with a senior-services organization. She lives alone in the small townhouse where she

spent her entire life. During my weekly visits, she has shared stories of growing up in an extremely devoted family, one that has had more than its share of tragedy. She is well-versed in family dynamics, informed about the state of the world, and sees no point in complaining about the crippling pain in her back and leg. We have become close in ways I hadn't expected. She is like an older, honored family member who is always interested in my life, even as I worry about the challenges she faces in her own.

A more frequent ritual involves another relationship closer to home. My husband, who is still working, and I have fallen into the habit of holding an early post-breakfast meeting every morning (including week-

ends) to go over our different schedules for the coming hours and inevitably, to debate the latest headlines. Eventually we get to a brief discussion of dinner, the end point that wraps up a day that hasn't been lived yet but has already been shared. It's a reassuring start.

My teams

Other rituals that retirement has inspired involve the sports I follow—including my bet every winter with a former colleague that the Philadelphia Flyers hockey team will win the Stanley Cup (they haven't since 1975). This ritual gives a lighthearted meaning to what has lately been the losing seasons of a hapless team. And it keeps me connected to a colleague I might otherwise lose touch with.

I give more energy to the rituals around our pro-football team. With more time in retirement for leisurely nights and afternoons of watching football, I celebrate the Philadelphia Eagles every game by singing along with the team's fight song, "Fly, Eagles Fly," from my chair in front of the TV, and draping my scarf from their 2018 Super Bowl win on the back of my seat. It makes me feel like a part of the great Philadelphia sports network, both famous and infamous for its maniacal devotion to the hometown teams. I belong to that great river of fandom that flows through the city and beyond, buoyed by a sense of hope that this will be a championship year.

Perhaps most meaningful to me has been recommitting to rituals carried over from my preretirement years. On Christmas Day, my family shares a specific tradition passed on to us by my older son's godfather, Simon. The ingredients include a loaf of French bread, soft butter, Stilton cheese and a bottle of Port.

It's a rich, memorable combination that brings Simon, who died five years ago, back into our lives. I see him vividly, remembering his endless storytelling and the wisdom he offered from his years as a psychiatrist and then, at age 50, his return to medical school so that he could be the family doctor for generations of men and

women in the military. He was a godfather in the truest sense of the word—a mentor to my son, and one of the most caring and constant people in his life. Carrying on this Christmas ritual keeps him there, not just for my son, but for everyone in our family.

Rainbow sherbet

Another annual ritual, one that is taking a brief time out while waiting for new players, centers on the rhymed scavenger hunt I created for my husband and sons every Easter. It always involved one very obscure clue that, once deciphered, led to a pint of rainbow sherbet hidden at the bottom of our freezer. The sherbet wasn't much of a surprise after a few years, but it was always a highlight of the morning, and I always remember it as a sign that I could make a revered tradition out of a frozen, multicolored treat. We are no longer all together on Easter, but when my grandchildren get older, I fully expect rainbow sherbet to regain its place in the hunt. Some rituals are born to be generational.

And then there are the rituals, begun decades ago, that seem trivial, but aren't. Every few days I sit down and brush my hair 100 strokes. When I was 12, my mother told me I should do this every night, probably in hopes that my hair would be as thick and beautiful as hers. I followed this directive for a while, but over the years gradually started to slip. These days it happens maybe two or three times a week, but always with the full 100 strokes. There are some compromises I won't make. Whatever the time frame, an image of my mother always comes up as I sit there, hairbrush in hand, thinking back to some of her other dictates, such as I should learn to play the piano so I could be the hit of every party. I ignored that one but brushing is an easy ritual to follow—a warm reminder of her attentiveness during simpler days.

I don't see rituals becoming less important as I get older. They will continue to be familiar and comforting in the way that turning on the lights every time I enter a dark room is—an assurance that the space is intact and that things still work. Like the lights, I can count on rituals to illuminate the days ahead. If I'm lucky, I might one day see a parade of victorious Flyers hoisting the Stanley Cup on their way past throngs of adoring fans.

Robbie Shell is a writer in Philadelphia. She can be reached at reports@wsj.com.

HEELEN ESSENPREIS



The Best Books and Podcasts in 2023 About Aging and Retirement

Top picks include advice on creating the best life after leaving work, and a podcast with Julia Louis-Dreyfus

BY DIANE COLE

EACH YEAR presents new opportunities to reflect on the past even as we figure out what comes next. Here are this year's book and podcast picks that can inform, engage and enrich the lives of anybody—but especially those of a certain age.

BOOKS

HBR Guide to Designing Your Retirement

By Harvard Business Review. Harvard Business Review Press. 256 pages.

What sets this retirement guide apart from others is the perspectives brought by the contributing writers. In addition to presenting case histories and addressing the best ways to assess your life goals and financial needs, the authors discuss specific steps to help you think about encore careers in coaching, consulting or teaching; practical tips for coping with different stresses; and how

to view the career you're leaving as a period of "preretirement" to help you evaluate what comes next. Stress-management expert Ruth C. White describes retirement as having six phases, each with its own stresses and doubts. After planning and honeymoon, she writes, come disenchantment, "when you start wondering if 'this is it' for the rest of your life," and reorientation, or figuring out which new routines work—and which don't.

Still Life At Eighty: The Next Interesting Thing

By Abigail Thomas. Golden Notebook Press. 196 pages.

Veteran book editor, agent and author Abigail Thomas begins her third memoir with the observation that at 80, her thoughts can sometimes be "interrupted by a memory so vivid that I am in two places at once." Perhaps a jarring thought to some, but to Thomas, such moments can be "an inexpensive, unpatented, readily available form of time travel," and readers who choose to accompany her will be rewarded.

Somebody's Fool

By Richard Russo. Knopf. 464 pages.

The closing piece of the "North Bath" trilogy by Pulitzer Prize-winner Richard Russo is a wondrous novel that captures the changing pace of small-town life in the 21st century. The setting once again is a fictional, blue-collar community in upstate New York whose senior residents must grapple not only with the daily indignities of financial troubles and

aging bodies, but with intrusions from the inhabitants of a more-prosperous neighboring town.

The Measure of Our Age

By M.T. Connolly. PublicAffairs. 384 pages.

In this compassionate book, M.T. Connolly, founding head of the Justice Department's Elder Justice Initiative, lays out many of the problems associated with giving and finding care for seniors in our aging society. And as its subtitle, "Navigating Care, Safety, Money, and Meaning Later in Life," suggests, she also has ideas for solutions to help avert a worse crisis. Connolly draws on research, interviews and her own experience to explore these issues. "Our

norms and systems have not kept up with our longevity, sometimes with terrible, and usually preventable, consequences," she writes.

The Well-Lived Life

By Dr. Gladys McGarey. Atria Books. 256 pages.

To remain healthy in mind and body, consider the wisdom of Dr. Gladys McGarey, still a consulting physician at the age of 102, and co-founder of the American Holistic Medical Association. McGarey sums up her approach to life in six lessons, hence the book's subtitle: "A 102-Year-Old Doctor's Six Secrets to Health and Happiness at Every Age."

PODCASTS

'Wiser Than Me' With Julia Louis-Dreyfus

Dreyfus, who is in her early 60s, interviews women over 70, including Jane Fonda, Isabel Allende, Carol Burnett and Diane von Furstenberg. These aren't comedy routines, though there is much laughter. A celebration of women's wisdom resonates throughout.

'Older and Wider'

British writers and comedians Jenny Eclair and Judith Holder fill their podcast with often rambling, sometimes raunchy, always laugh-filled conversations.

Diane Cole is a writer in New York City. She can be reached at reports@wsj.com.

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