

THE WALL STREET JOURNAL.

What's News

Business & Finance

OPEC oil producers are discussing an output increase, the group's delegates said, a move that could help heal a rift between Saudi Arabia and the Biden administration and keep energy flowing amid new attempts to blunt Russia's oil industry. **A1**

◆ **A darkening economic outlook** dragged U.S. oil prices to their first close below \$80 since September. **A8**

◆ **Behind the surprise change in leadership** at Disney was festering discontent among investors and top executives, including finance chief McCarthy, who had expressed to directors her lack of confidence in Chapek. **A1**

◆ **Customers of FTX** are losing hope that they will ever see their money again in the wake of the crypto exchange's collapse. **A1**

◆ **Musk extended his job-cutting** at Twitter, laying off some employees in sales after they had signed on to his vision for the platform. **B1**

◆ **Paramount Global** said in a federal filing that it terminated an agreement to sell its Simon & Schuster unit to Penguin Random House. **B1**

◆ **U.S. stocks fell**, with the S&P 500, Nasdaq and Dow retreating 0.4%, 1.1% and 0.1%, respectively. **B11**

◆ **Merck struck a deal** to purchase blood-cancer biotech Imago BioSciences for \$1.35 billion. **B1**

◆ **One of the country's largest railroad unions** said its members voted to reject a new wage deal brokered by the White House, splitting with another large union. **B3**

World-Wide

◆ **U.S. officials are engaged** in a diplomatic push to get Russia's major trading partners to enforce sanctions and trade controls, as exports to the country pick up after diving in the weeks following Moscow's invasion of Ukraine. **A1**

◆ **Russian artillery pounded** Ukrainian defenders' positions in the east as Moscow stepped up efforts to capture more territory there, while Kyiv sought to win international support for its peace terms. **A6**

◆ **Several Colorado lawmakers** are asking why the state's red-flag law wasn't used to seize weapons from the alleged gunman in the deadly shooting at an LGBT nightclub after a prior arrest for violent threats last year. **A3**

◆ **Beijing sent** a delegation of policy advisers and business executives to New York to meet with a U.S. counterpart group set up by insurance executive Hank Greenberg ahead of Xi's summit with Biden. **A7**

◆ **China acknowledged** its first deaths related to Covid-19 in about six months, as surging cases collide with a push to ease unpopular and costly pandemic controls. **A7**

◆ **Ethnic tensions** in the eastern Democratic Republic of Congo have erupted into the most intense clashes in a decade as warring militias fight for control of the region and its mineral riches. **A9**

◆ **Iran launched** drones and missiles against Kurdish groups in northern Iraq as the Islamic Republic intensifies efforts to suppress a protest movement inside its borders. **A10**

CONTENTS Opinion..... A15-17 Arts in Review... A13 Personal Journal A11-12 Business News... B3 Sports..... A14 Crossword... A13 Technology... B4 Equities... B8 U.S. News... A2-5 Heard on Street. B12 Weather..... A13 Markets..... B11 World News... A6-9



At Least 162 Are Killed as Earthquake Strikes Indonesia



INJURED: Survivors receive medical treatment outside a hospital following an earthquake in Cianjur, West Java, Indonesia, on Monday. The 5.6-magnitude quake left at least 162 people dead, hundreds injured and thousands of homes damaged. **A9**

Disney Executives Told Board They Lost Faith in Ousted CEO

Behind the surprise change in leadership at Walt Disney Co. on Sunday was festering discontent among investors and top executives, including chief financial officer Chris-

vestors had been complaining for months to the prior CEO, Robert Iger, about the direction of the company under Mr. Chapek, according to people familiar with the matter.

Mr. Iger advised some of these executives to take their concerns to the board, some people familiar with the matter said.

Then came Nov. 8, and Disney's calamitous fiscal fourth-quarter earnings report.

On Sunday evening, Disney said Mr. Iger would be returning as chief executive after a prior 15-year stint in the role,

and that Mr. Chapek was out after less than three years in the job.

On Monday, the company said that Kareem Daniel, a top lieutenant to Mr. Chapek whose job entailed deciding how Disney's movies and TV shows would be shown—in theaters, on streaming platforms or on television—was leaving the company and that his division would be overhauled.

"Over the coming weeks, we will begin implementing organizational and operating changes within the company.

It is my intention to restructure things in a way that honors and respects creativity as the heart and soul of who we are," Mr. Iger said in a memo. Shares closed Monday at \$97.58, up 6.3%, marking the stock's largest increase since Dec. 11, 2020. They are down 37% this year.

The board of directors earlier this year credited Mr. Chapek with steering the company through the worst of the coro-

◆ **Heard on the Street: Is Iger's second time the charm?...** B12

OPEC+ Weighs Pumping More Oil

Higher output would partially reverse cuts amid an expected EU embargo on Moscow

By SUMMER SAID AND BENOIT FAUCON

OPEC oil producers are discussing an output increase, the group's delegates said, a move that could help heal a rift between Saudi Arabia and the Biden administration and keep energy flowing amid new attempts to blunt Russia's oil industry over the Ukraine war.

A production increase of up to 500,000 barrels a day is under discussion for OPEC+'s Dec. 4 meeting, delegates said. The move would come a day before the European Union is set to impose an embargo on Russian oil and the Group of Seven wealthy nations plans to cap the price of Russian crude sales, potentially taking Moscow's petroleum supplies off the market.

After The Wall Street Journal and other news organiza-

Please turn to page A8

WTI crude-oil futures price



◆ **U.S. crude falls below \$80 a barrel.....** A8

Beyond Meat Loses Its Early Sizzle

Founder Ethan Brown struggles to manage growth while stock plunges 83% in year

By JESSE NEWMAN

Beyond Meat Inc. was moving into its new 300,000-square-foot headquarters in the Los Angeles area last month when it laid off about one-fifth of its workforce, the second round this year.

Ethan Brown, the company's chief executive and founder, assured employees at a town hall a day later that a more focused version of his plant-based food com-

pany would thrive. He compared Beyond to Starbucks Corp. and Martin Cooper, an inventor of the cellphone, saying people thought they would fail, too.

"The path is rarely straight and smooth," Mr. Brown wrote in a company email about the layoffs.

In May 2019, Beyond launched one of the most successful initial public offerings by a major company in

Please turn to page A10

INSIDE



SPORTS
The U.S. and Wales play to a 1-1 draw in their opening match at the World Cup. **A14**

BUSINESS & FINANCE
Elon Musk extends layoffs at Twitter, cutting some staff in sales. **B1**

U.S. Presses Allies To Tighten Up Russia Sanctions

By IAN TALLEY

WASHINGTON—U.S. officials are jettisoning the globe in a quiet diplomatic push to get Russia's major trading partners to enforce sanctions and trade controls, as exports to the country pick up after diving in the weeks following Moscow's invasion of Ukraine.

The U.S. and its allies claimed early successes in their international pressure campaign, which disrupted Russia's military supply chains and pitched its economy into a

steep contraction. But so-called sanctions leakage—in which weak enforcement enables banned finance and trade to flow—is undermining the campaign, aiding Russia's economy and potentially prolonging the war, according to senior Western officials.

"We want to avoid circumvention, both within Europe

Please turn to page A6

◆ **Russia steps up artillery attacks.....** A6

◆ **Ukraine says it will probe Russian deaths.....** A6

Hey You, Please Pass The Gravy

Newlyweds are perplexed about what to call in-laws

By GRETCHEN TARRANT

This year could approach a record for weddings in the U.S. Quite a few newlyweds have no clue what to call the in-laws.

Mom and Dad? Bill and Judy? Hey there? Advice columns have tackled this etiquette puzzle for years, and it is still popping up in households to a surprising degree.

The pollster YouGov conducted its first-ever survey on the topic in recent months at the behest of a British colleague who wondered if the in-law discord he saw featured in American television and

Please turn to page A11

FTX Clients Seethe, Fearing Money Gone

By CAITLIN McCABE AND RACHEL LOUISE ENSIGN

Customers of beleaguered crypto exchange FTX are losing hope they will ever see their money again.

The company's massive financial problems began spilling into the open early this month, and FTX was quick to halt withdrawals from its international unit. U.S. customers had hoped they might be luckier, but many of them haven't been able to get their money out either.

"My blood is boiling," said Matthew Way, a fundraiser for an Illinois orchestra who has about \$1,800 stuck at FTX.

Where the money could be—and whether it will ever arrive—is anyone's guess. FTX filed for bankruptcy on Nov. 11. John J. Ray, the company's new CEO who also unwound Enron, said in a court filing Thursday that "only a frac-

tion" of FTX's digital assets have been located and secured. Determining how much cash is left has been difficult too, according to the bankruptcy filings, since FTX didn't keep an accurate list of its bank accounts.

FTX said in a statement Saturday that it is working "to maximize recoverable value for stakeholders."

"I respectfully ask all of our employees, vendors, customers, regulators and government stakeholders to be patient with us as we put in place the arrangements that corporate governance failures at FTX prevented us from putting in place prior to filing our Chapter 11 cases," Mr. Ray said in the statement.

Mr. Way, the orchestra fundraiser, was drawn to FTX in part by the buzz. The exchange came recommended by the social-media influencer

Please turn to page A4

DELL Technologies

The future of multicloud data protection is here.

Protect your business with modern, simple and resilient solutions.

Learn More
Dell.com/FutureOfDataProtection

U.S. NEWS

Student-Loan Debtors See Path for Relief

Discharge through bankruptcy to get easier as cancellation on mass scale stalls

By GABRIEL T. RUBIN

The Biden administration's decision to make it easier to discharge student loans in bankruptcy could offer a new safety valve for debtors who have exhausted other options for getting out from under heavy debt loads.

The move, announced Thursday, comes as President Biden's broader plan for mass student-debt cancellation is in limbo after being blocked by two separate federal courts. That plan calls for canceling up to \$20,000 in debt for borrowers under certain income thresholds. It would render up to 20 million people free of debt, around half of all student-loan borrowers, if courts allow it.

The bankruptcy changes set specific requirements for borrowers to prove that they are experiencing economic distress. Government lawyers will assess a borrower's ability to repay their loans based on a set formula—whether expenses equal or exceed a debtor's income—and other considerations, such as retirement age, disability, educational attainment and job history.

The scope of its impact will depend on how the new rules are applied by judges, lawyers and student-loan borrowers across the country in individual bankruptcy cases. Over time, the handling of these cases could differ depending on which party controls the White House.

"I can imagine that it will be applied unevenly across admin-



Borrowers such as Zena Dodson, a school employee, could be among the first to benefit from the new student-debt guidance.

istrations with different attitudes toward loan cancellation," said Beth Akers, a higher-education expert at the American Enterprise Institute, a conservative think tank.

Borrowers such as Zena Dodson, a 59-year-old school employee in King County, Wash., could be among the first to benefit from the new guidance.

Ms. Dodson said she took out less than \$20,000 in federal loans in the late 1980s to attend a for-profit business school that closed before she got her degree. That balance has since ballooned to nearly \$80,000, despite years of pay-

ments. Over the years, the balance weighed on Ms. Dodson as she cared for elderly family members and supported her children. She said she has worked secondary jobs in child care and elder care for much of the past two decades to make ends meet.

In instances when she was faced with the choice of paying her student debt or putting food on the table, she said she always chose the latter. In 2014, Ms. Dodson successfully filed for chapter 7 bankruptcy protection. Her student loans weren't discharged because at the time she was unaware of the requirement that borrow-

ers file a separate claim to start an "adversary proceeding," something few borrowers do. Those who file this separate claim have significantly higher success rates and often settle with their creditor, the Education Department.

"If you can prove that you have a total hardship, your student loans should be included in your bankruptcy," Ms. Dodson said. "I have tried everything that I possibly could do, getting a second job, to pay these student loans off, and it didn't work."

Last month, Ms. Dodson made another attempt to get her student loans discharged

with the help of a local bankruptcy lawyer and an organization founded by former Education Department lawyers. The Justice Department is required to respond to her filing by Tuesday. That makes her one of the first plaintiffs in a bankruptcy case to test the impact of the new legal guidelines.

"She was targeted by a for-profit college that closed more than two decades ago, but she has always tried to make her student loan payments," said Aaron Ament, a former senior lawyer at the Education Department and president of the National Student Legal Defense Network. "Zena is exactly who

this new bankruptcy guidance is intended to help get a fresh start."

A senior Education Department official told Congress over a year ago that new bankruptcy guidelines were in the works. In March, Education Secretary Miguel Cardona tweeted, "we are working to change our policies so that bankruptcy is an option for those struggling with student debt," and said that any borrower currently going through bankruptcy proceedings should have the Justice Department pause their case so "every borrower can benefit from these changes." But work on the guidelines dragged on, in part because the Biden administration was attempting to change so many parts of the student-loan system at once.

During that time, government lawyers continued to take a hard line in some student-loan borrower bankruptcy cases. In March, they opposed a bankruptcy discharge for a cancer patient, arguing that when she recovered, she would be able to hold a job again and pay off her debts. The approach continued up to this month, when Justice Department lawyers opposed discharges in cases in Missouri and Arizona.

The bankruptcy guidance joins a series of other piecemeal changes set in motion by the Biden administration, mostly through regulation, to overhaul federal student-loan programs. The administration has proposed or finalized new rules for income-based repayment plans and borrowers who work in public-service professions. They will revise the process for defrauded borrowers to receive loan cancellation, and restore millions of defaulted borrowers' loans to good standing.

Executives Lost Faith In Chapek

Continued from Page One
navirus pandemic. Under his watch, Disney's theme-parks division has posted record quarterly revenue and profit.

Mr. Chapek's position at the top of the company had been shaky for months, according to people familiar with the matter, despite Disney's board deciding unanimously in June to renew his contract through the end of 2024.

The company has been under pressure from two prominent activist investors to cut costs and make major strategy changes.

The trouble came to a head Nov. 8, when Mr. Chapek hosted a conference call with analysts following Disney's weaker-than-expected quarterly report. Disney had just reported a loss of \$1.47 billion in its streaming business, more than twice the loss reported for the prior year's quarter. The company underperformed analysts' expectations in revenue and income.

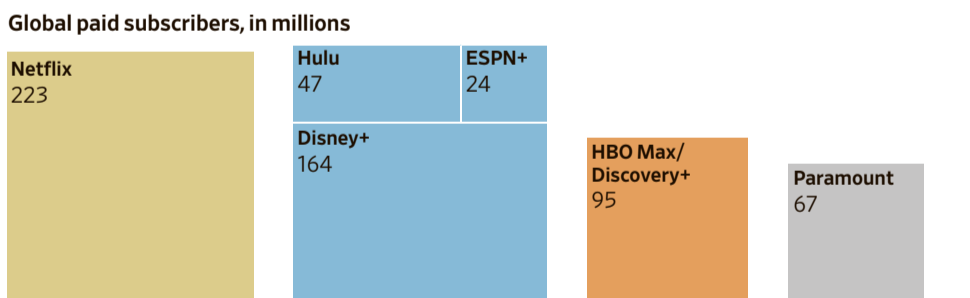
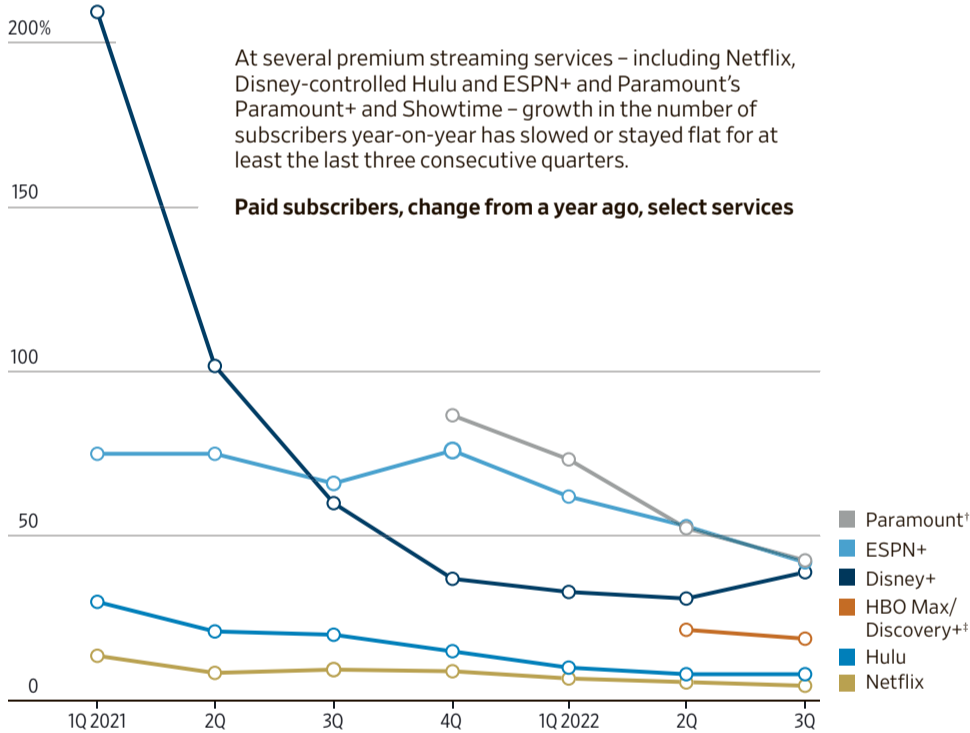
Profit margins at the theme parks—Disney's best-performing division over the past year—were shrinking, the company said, and the streaming segment's goal of profitability by September 2024 could be in danger if the economy worsened. Despite the gloomy report, Mr. Chapek's tone on the call was upbeat and his outlook positive.

"We believe we are on a path to profitable streaming business that generates shareholder value long into the future," he said.

Investors didn't buy it. Disney's share price fell 13.2% the following day to close at \$86.75. Analysts began publishing negative reports about Disney's prospects, and Jim Cramer, who hosts a financial show on CNBC, called for Mr. Chapek to be fired.

Ms. McCarthy, the CFO, told board members that she wasn't happy with the way Mr. Chapek had communicated with investors during the conference call, people familiar with the matter said.

On Friday, according to people familiar with the matter, Mr. Iger received a call from Susan Arnold, the chairman of Disney, which Mr. Iger led for 15 years. Ms. Arnold, who hadn't spoken to Mr. Iger



*Total for Paramount properties, including Paramount+ and Showtime. †Includes HBO; Reflects figures reported by Warner Bros. Discovery under a subscriber definition first published in the second quarter of 2022.
Note: Chart dates are calendar-year quarters for which figures were reported. Not all streaming services publicly report subscriber numbers.
Source: the companies

in months, asked: Would Mr. Iger consider coming back to run Disney again?

Over the next two days, a fevered negotiation unfolded, culminating Sunday night with the surprise announcement—just as many of the top executives were on their way to an Elton John concert in Los Angeles being streamed on Disney+—that Mr. Chapek had stepped down and Mr. Iger would be returning as CEO.

Meanwhile, Nelson Peltz's Trian Fund Management LP built a sizable stake in the company earlier this month and is seeking a board seat as it pushes for other operational changes, according to people familiar with the matter.

Trian's view is that Mr. Iger shouldn't be back in control of the company, the people said. Executives at Trian—which was founded by Mr. Peltz, Ed Garden and Peter May—have also initiated a dialogue with Disney leadership about having Mr. Peltz serve on the board, according to the people.

Mr. Iger had long expressed displeasure with the organiza-

tional structure Mr. Chapek put in place to handle content distribution, according to people familiar with the matter.

Shortly after taking the reins of the entertainment giant, Mr. Chapek had restructured the television and film operations and created a distribution arm to determine the best platform for any given content, whether that is a streaming service, a TV network or movie theaters. As part of that change, content executives no longer had control over their budgets.

Mr. Chapek said at the time that the moves were a recognition of changing consumer habits and were meant to give priority to its streaming-video services. Mr. Iger has told people close to him that he didn't think the new regime made sense, said the people, noting that it took away freedom from the creative side of the business.

The primary streaming service, Disney+, was Mr. Iger's brainchild. Launched in the fall of 2019, it grew at a frenetic pace, thanks in part to a competitive pricing strategy—

at launch, it cost about half of Netflix Inc.'s most-popular plan. It has also offered numerous deals with commercial partners from Verizon Communications Inc. to Delta Air Lines Inc. that offered the service at a discount or no additional cost.

In the three years since its inception, Disney+ amassed more than 164 million sub-

scribers, about three-quarters of Netflix's current subscriber base of 223.1 million. Overall, Disney—which also owns the ESPN+ streaming platform and controls the majority of Hulu—boasts more streaming subscribers globally than any other company.

But the streaming division, which Mr. Chapek has said he expected to be profitable by the company's 2024 fiscal year, has lost more than \$8.5 billion since Disney+ launched and has posted bigger operating losses in each of the past four quarters. Under Mr. Chapek, Disney+ has increased its content spending dramatically—to around \$30 billion this year alone.

Like many of its rivals, Disney is now trying to shift from a growth-oriented streaming strategy to profitability, but is doing so in a difficult economic environment and an intensely competitive market.

Disney is moving some shows that were supposed to be Disney+ originals and air them first on other networks including the Disney Channel, people familiar with the matter said. By doing so, the costs of production and marketing of the shows—which included mystery show "The Mysterious Benedict Society" and medical drama "Doogie Kameāloha, M.D."—would be shifted away from the streaming service, making its financial performance look better, they said.

Ms. McCarthy was concerned about this strategy, the people said.

In another attempt to improve the profitability of its streaming unit, Disney is about to raise the price of Disney+ and launch an ad-supported tier of service. The company also raised the monthly price of ESPN+ in August to \$9.99, a 43% increase.

J.P. Morgan analysts said Monday that they expected few changes in Disney's streaming strategy, but said Mr. Iger might try to speed up the process of buying Comcast Corp.'s Hulu stake. The cable giant retains a 33% stake in the streaming service, which Disney can decide to acquire in early 2024.

Mr. Chapek faced other challenges than the unprofitable streaming business during his two-year tenure.

He had alienated people at the animation units of Disney including Pixar, people familiar with the situation said. Mr.

Mr. Chapek's position had been shaky for months, some people said.

Chapek recently suggested in an interview at a Wall Street Journal conference that adults didn't watch the company's animation. Some in the animation team felt the remark demeaned the value of their content, which has been a staple of the company.

Since he stepped down as Disney's executive chairman at the end of last year, Mr. Iger joined the board of the venture-capital firm Thrive Capital. He has told people close to him that retirement isn't as enjoyable as he thought it would be, in part because he is not getting to spend enough time with his wife, the journalist Willow Bay, who is dean of the University of Southern California's Annenberg School of Communication and Journalism.

—Sarah Krouse and Lauren Thomas contributed to this article.

CORRECTIONS & AMPLIFICATIONS

In some editions Monday, a photo of a Universal Studios theme-park ride incorrectly accompanied a Business & Finance article about Walt Disney Co.'s theme parks.

Netflix Inc.'s name was misspelled as Neflix in a photo caption with an Exchange article on Saturday about Ryan Cohen.

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

THE WALL STREET JOURNAL
(USPS 664-880) (Eastern Edition ISSN 0099-9660)
(Central Edition ISSN 1092-0935) (Western Edition ISSN 0193-2241)

Editorial and publication headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036
Published daily except Sundays and general legal holidays.
Periodicals postage paid at New York, N.Y., and other mailing offices.

Postmaster: Send address changes to The Wall Street Journal, 200 Burnett Rd., Chicago, MA 01020

All Advertising published in The Wall Street Journal is subject to the applicable rate card, copies of which are available from the Advertising Services Department, Dow Jones & Co. Inc., 1211 Avenue of the Americas, New York, N.Y. 10036. The Journal reserves the right not to accept an advertiser's order. Only publication of an advertisement shall constitute final acceptance of the advertiser's order.

Letters to the Editor: Fax: 212-416-2891; email: wsjltrs@wsj.com

Need assistance with your subscription?
By web: customercenter.wsj.com; By email: wsjsupport@wsj.com
By phone: 1-800-JOURNAL (1-800-568-7625)

Reprints & Licensing:
By email: customreprints@dowjones.com
By phone: 1-800-843-0008

WSJ back issues and framed pages: wsjshop.com

Our newspapers are 100% sourced from sustainably certified mills.

GOT A TIP FOR US? SUBMIT IT AT WSJ.COM/TIPS

U.S. NEWS



JACK DEMPSEY/ASSOCIATED PRESS

Murder, Hate-Crime Charges For Alleged Nightclub Gunman

COLORADO SPRINGS, Colo.—Several Colorado lawmakers are asking why the state's red-flag law wasn't used to seize weapons from the alleged gunman in the deadly shooting at an LGBT nightclub in Colorado Springs after a prior arrest for violent threats last year.

By Dan Frosch, Zusha Elinson and Alicia A. Caldwell

The suspect, Anderson Lee Aldrich, was arrested on murder and hate-crime charges, according to court records. Five people were killed and 19 injured when a gunman, identified by police as Mr. Aldrich, opened fire inside the nightclub late Saturday.

Officials on Monday identified the five victims killed: Daniel Davis Aston, Derrick Rump, Kelly Loving, Ashley Paugh and Raymond Green Vance.

Within minutes of the shooting, people inside the club confronted and restrained Mr. Aldrich, according to police. As of Monday, Mr. Aldrich was in custody in a local hospital receiving treatment for injuries sustained in the attack, authorities said.

Law-enforcement officials said Mr. Aldrich used an AR-15-style weapon to carry out the attack at the nightclub. Police said they were trying to figure out when he got it and whether he bought it legally.

Over a year ago, police confiscated firearms from Mr. Aldrich after he held his family hostage at gunpoint, according to the officials. During the June 2021 incident, Mr. Aldrich's mother told police her son was threatening to hurt her with a homemade bomb,

Victims of Colorado Springs Rampage

Above, a memorial outside Club Q in Colorado Springs, Colo., honored the five people killed there in the Saturday shooting. Nineteen people were also injured when a gunman opened fire at the LGBT nightclub. Those who died are pictured here.



Ashley Paugh



Derrick Rump



Kelly Loving



Daniel Davis Aston



Raymond Green Vance

weapons and ammunition, according to an El Paso County Sheriff's Office account of the incident at the time.

Mr. Aldrich was arrested on two counts of felony menacing and three counts of first-degree kidnapping. No explosives were found, the sheriff's office said at the time.

According to one of the law-enforcement officials, officials never proceeded with the case. Ultimately, the case files were sealed. The guns were seized from the suspect pursuant to a search warrant, but authorities didn't use the state's red-flag law, a law-en-

forcement official said.

Tom Sullivan, a Democratic state senator-elect whose son was killed in the 2012 Aurora theater massacre, said he wants to know why the state's red-flag law wasn't used in the case. He said the suspect was exactly the type of person whom the law was written for.

"It's preventable," he said. "It's hard to put into words the sadness and frustration you feel."

Under Colorado's red-flag law, Mr. Aldrich could have been barred from possessing or buying guns for at least 364 days after the bomb-

threat incident. The law allows both family members and police to ask a judge to bar an individual from possessing firearms if they pose a significant risk of harming others or themselves with a gun. Judges have an option to extend the order or cut it short.

According to a report from the Colorado Attorney General's Office, the law was used fewer than 125 times in 2020, the first year it was implemented. The report also stated that more education was needed to ensure the public knew how to use the law.

One of the two law-enforcement officials said it didn't appear that Mr. Aldrich had anything on his record, such as a felony conviction, that would have clearly barred him from buying guns legally even after the 2021 incident.

The suspect entered Club Q just before midnight and immediately began shooting, police said at a press conference Sunday. The shooter wore body armor and began firing with an AR-15-style firearm, said a law-enforcement official briefed on the shooting. At least two firearms were recovered at the scene, police said.

One of the five people who were killed, Mr. Aston, worked at Club Q, said his father, Jeff Aston.

Another victim, Mr. Rump, 38, also worked as a bartender at Club Q. His family in Pennsylvania confirmed he died in the attack.

His friend Shawn Smith, who used to work at Club Q with Mr. Rump, said he was always lively and loved being at the bar. "My mom used to go to Club Q when Derrick was working just to hang out with him. That's how much fun he was."

—Nicole Friedman and Ginger Adams Otis contributed to this article.

Army Veteran Tackled, Held Down Shooter

By GINGER ADAMS OTIS

Jess Fierro and her husband, Richard Fierro, went to Club Q in Colorado Springs Saturday night to celebrate a friend's birthday with dancing and a drag show.

By around midnight, Mr. Fierro ended up subduing and pinning down a mass shooter who killed five people and wounded 19 at the LGBT club, according to Ms. Fierro and local officials.

The group, which included the Fierros' daughter, Kassy, and her boyfriend, Raymond Green Vance, watched a performance by Kassy's best friend and were on the dance floor when shots rang out, according to Jess Fierro.

"For a minute, there was confusion. People weren't sure where it was coming from or if it was the music or what was going on," Ms. Fierro, 44 years old, said. "From there, it was just chaos. Everyone started running and looking for cover."

According to officials, alleged gunman Anderson Lee Aldrich entered Club Q wearing body armor and opened fire using an AR-15-style rifle. Ms. Fierro said he was also carrying a pistol.

Among those killed was Mr. Vance. In addition, Kassy Fierro suffered a broken knee, according to her mother.

Mr. Aldrich was arrested on



Richard Fierro

murder and hate-crime charges.

Eventually, the shooter turned away from the dance floor to head toward the patio, said Ms. Fierro. Her 45-year-old husband, an Army veteran of the Iraq and Afghanistan wars, jumped on the shooter's back and knocked him to the floor.

The two men grappled on the floor and Mr. Fierro managed to grab the pistol, she said. He kept the shooter from picking up the rifle while hitting him with the handgun, she said.

He shouted to other patrons to call police and help him hold down the suspect.

Several people helped by kicking the suspect, Ms. Fierro said, including a performer wearing stiletto heels. "My husband just kept hitting him until police came," she said.

—Zusha Elinson and Ben Kesling contributed to this article.

SIDNEY GARBER

SINCE 1946



ROLLING BRACELET AND DOMED CUFF 18K YELLOW GOLD

SIDNEYGARBER.COM 877 427 2377

BROOKE GARBER DONATES ALL HER PROFITS TO ORGANIZATIONS DEDICATED TO CHILDREN'S MENTAL HEALTH, THE ARTS, RACIAL JUSTICE & ENDING GUN VIOLENCE.

VERDURA EST. 1939 SAGITTARIUS November 23rd - December 21st ZODIAC PENDANT NECKLACE Hand-engraved, in diamond and 18k gold, \$7,950. Includes 19" chain and 1" pendant. All 12 zodiac signs available. 745 FIFTH AVENUE, 12TH FLOOR 212.758.3388 • VERDURA.COM

THE WAVE CUFF 22K VIRGIN GOLD. \$18,750 EACH BELPERRON MY STYLE IS MY SIGNATURE 745 FIFTH AVENUE, SUITE 1210, NYC 212 702 9040 • BELLPERRON.COM

Army Veteran Tackled, Held Down Shooter By GINGER ADAMS OTIS Jess Fierro and her husband, Richard Fierro, went to Club Q in Colorado Springs Saturday night to celebrate a friend's birthday with dancing and a drag show. By around midnight, Mr. Fierro ended up subduing and pinning down a mass shooter who killed five people and wounded 19 at the LGBT club, according to Ms. Fierro and local officials. The group, which included the Fierros' daughter, Kassy, and her boyfriend, Raymond Green Vance, watched a performance by Kassy's best friend and were on the dance floor when shots rang out, according to Jess Fierro. "For a minute, there was confusion. People weren't sure where it was coming from or if it was the music or what was going on," Ms. Fierro, 44 years old, said. "From there, it was just chaos. Everyone started running and looking for cover." According to officials, alleged gunman Anderson Lee Aldrich entered Club Q wearing body armor and opened fire using an AR-15-style rifle. Ms. Fierro said he was also carrying a pistol. Among those killed was Mr. Vance. In addition, Kassy Fierro suffered a broken knee, according to her mother. Mr. Aldrich was arrested on

SIDNEY GARBER SINCE 1946 ROLLING BRACELET AND DOMED CUFF 18K YELLOW GOLD SIDNEYGARBER.COM 877 427 2377 BROOKE GARBER DONATES ALL HER PROFITS TO ORGANIZATIONS DEDICATED TO CHILDREN'S MENTAL HEALTH, THE ARTS, RACIAL JUSTICE & ENDING GUN VIOLENCE.

Misahara GIVE HER THE SUN, MOON AND STARS SERENGETI COLLECTION 18k gold and diamonds | Starting at \$1,100 Experience the world of Misahara in person at our appointment only Showroom in NYC. Call or email to schedule an appointment or make a purchase: (805) 390 6326 | contact@misahara.com MISAHARA.COM

U.S. NEWS

U.S. WATCH



Members-elect from the U.S. House of Representatives mingle after taking a group photograph outside of the U.S. Capitol building in Washington last Tuesday.

GOP Gains Alter Regulatory Outlook

BY BRODY MULLINS
AND JOHN D. MCKINNON

WASHINGTON—Republican wins at the ballot box have long translated into gains for the business lobby in Washington. This election is likely to be no exception, despite the party's increasingly populist slant.

The GOP takeover of the House will give Republicans the power to block efforts by Democrats to approve new regulations or taxes on the fossil-fuel industry, private-equity funds, tobacco makers and drug manufacturers.

Plus, with President Biden in the White House and Democrats holding the slimmest of majorities in the Senate, Washington overall isn't expected to do much for the next two years.

"Gridlock in Washington is pretty good for American business," said Alex Conant, a Republican strategist and business consultant.

In particular, the GOP takeover of the House also bodes well for business sectors that have allies among House Republicans, such as Rep. Kevin McCarthy (R., Calif.), the leading candidate to be elected in January as speaker of the House for the next two-year session of Congress.

These businesses include the cryptocurrency industry, big internet platforms and gig-economy companies such as Uber Technologies Inc. and DoorDash Inc.

Another potential winner is Elon Musk, who enjoys support among Republicans, including Mr. McCarthy, who calls him a friend. Republicans cheered Mr. Musk's rebellion in 2020 against government restrictions on business activity during the coronavirus pandemic.

Mr. Musk could benefit from Republican support as he seeks to drum up government business for his rocket-launch company, SpaceX, and avoid

content regulations on Twitter.

To be sure, Republicans aren't all of the same mind when it comes to business. There is a widening divide between the party's traditional pro-business faction and populists who believe that many U.S. corporations are too enamored with progressive causes.

Republicans are considering hearings aimed at questioning Walt Disney Co., big banks and other companies on their environmental, social and governance initiatives.

"When large corporations

collude and coordinate with the Federal Government to appease woke political activists through ESG and 'equity' mandates, a Republican Majority will use every tool available to provide transparency and demand accountability for coordinated efforts that are meant to destroy American industry," Mr. McCarthy said in a statement.

Many of the hearings by newly empowered Republican committee leaders are likely to focus on the Biden administration. Some are already planning oversight hearings to bog down

regulatory initiatives from the Federal Trade Commission, the Consumer Financial Protection Bureau, the Securities and Exchange Commission and other agencies.

An aide to Mr. McCarthy said ramping up oversight of the Biden administration will be a priority after two years in which Democrats controlled Congress.

Mr. McCarthy has shown an increasingly populist streak since former President Donald Trump rose to power six years ago. Mr. McCarthy has clashed

with the U.S. Chamber of Commerce, for example, blasting the nation's largest business lobby for its support of Democratic candidates to the House.

"We look forward to continuing to work with the leadership and all members of Congress," said Neil Bradley, the Chamber's executive vice president and chief policy officer. Mr. Bradley said Chamber officials began meeting with newly elected Republican lawmakers last week to discuss how to work together.

Still, Republicans generally remain friendlier to business—and more hostile to regulation—than their Democratic counterparts.

As a result, the new Republican House could help industry by slowing down new and proposed regulations from the Biden administration and Democratic lawmakers, who have pushed rules aimed at ensuring greater competition across American industry.

Some industries could gain as their champions take important roles in the new Congress. Rep. Patrick McHenry (R., N.C.), the incoming chairman of the House Financial Services Committee, hopes to enact legislation creating a regulatory framework for the cryptocurrency industry.

A McHenry spokeswoman said the collapse of the cryptocurrency exchange FTX makes it more important that Congress approve legislation on the matter. Mr. McHenry had pushed the issue in the House for more than a year but has faced resistance from progressive Democrats there, who will have less influence than they had this Congress.

The oil-and-gas industry could benefit from Republicans' efforts to increase domestic energy production. A focus could be a bill to speed federal permitting of new energy facilities. The measure has the backing of a key Democrat in the Senate: Joe Manchin of West Virginia.

Tech Sector Faces Fewer Perils on Hill

Tech giants are expected to have fewer fights ahead.

Republicans are unlikely to move significant legislation to strengthen antitrust laws governing the tech industry, Rep. Kevin McCarthy (R., Calif.),

echoing many other Republican lawmakers, has opposed legislation banning tech platforms such as Amazon.com Inc. from

favoring their own products, saying it would give unbridled power to regulators.

The House Republican campaign platform, the "Commitment to America," says that it would address unfairness in the market for online apps—dominated by Alphabet Inc.'s Google and Apple Inc.—without resorting to antitrust-law changes.

On the other hand, a GOP-led House could seek to rewrite Section 230 of the Communications Decency Act of 1996, which Republicans say has

been used by internet platforms to censor conservative views on social media.

Mr. McCarthy wants to scrap the current rules on internet liability and start over.

Tech companies have been among the GOP's supporters recently. Both Google and Meta Platforms Inc. have given slightly more to Republicans than to Democrats through the companies' political-action committees in the 2021-22 cycle, according to data from the Center for Responsive Politics.



Republicans are unlikely to move significant tech-antitrust legislation. Amazon offices in Seattle.

Clients of FTX Fear Money Gone

Continued from Page One
Kevin Paffrath, known on YouTube as Meet Kevin.

Mr. Musk parked the money at FTX late last year and kept it in cash, intending to buy bitcoin if its price ever fell back to its lows of early 2020. He never got the chance.

On Nov. 10, FTX founder Sam Bankman-Fried tweeted that the U.S. arm of FTX, known as FTX US, "was not financially impacted by this shitshow" and was "100% liquid." To Mr. Way, it felt like a bluff. He decided to yank his

money out and got an automated email saying his request would be processed within one business day.

The next morning, FTX filed for bankruptcy, and Mr. Bankman-Fried resigned.

As of Sunday, a message from Nov. 10 remained highlighted at the top of the FTX US website: "Withdrawals are and will remain open." Mr. Way, 43 years old, is still waiting for his money.

He has soured not just on crypto but on the people who hyped it, including Mr. Paffrath, the internet star. Mr. Paffrath, who has said he can earn millions of dollars a year giving investment recommendations on social media, apologized in an interview and said: "This is a scar on me as an influencer."

In an email to The Wall Street Journal on Friday, Mr. Bankman-Fried continued to say that customers of the U.S. unit should be fine.

"To my knowledge, FTX US has funds to process customer withdrawals," he wrote. "However the Chapter 11 team apparently is unwilling to process them."

The new FTX CEO and the company's bankruptcy lawyers made clear in court filings that Mr. Bankman-Fried doesn't speak for them or FTX. The former CEO "continues to make erratic and misleading public statements,"

Mr. Ray, the new CEO, said in a court filing.

FTX is hardly the first crypto exchange to collapse, but its demise has been particularly jarring. Until this month, it was one of the five largest in the world. Mr. Bankman-Fried was often viewed as a steadying force in a volatile industry, throwing lifelines to other companies in need.

But behind the scenes, FTX played loose with customer money. It lent billions of dollars of customer assets to fund risky bets at its sister trading

firm, Alameda Research. In traditional finance, brokers must keep customer money separate from other funds.

The crypto firms that relied on FTX are now feeling the pain as well, a sign that the destruction in the crypto industry will be felt far and wide.

Drake Lyle of Nashville, Tenn., deposited \$2,700 into FTX last year and used it to buy small positions in bitcoin, ether and litecoin. He expected the value of his crypto hold-

ings to slide around. He didn't expect FTX to implode. "It definitely seemed credible, like a Charles Schwab of crypto," Mr. Lyle, 25, said.

He tried without success to withdraw his money, which he said had shrunk to \$800, before the bankruptcy filing. "That's a nice vacation for me and my girlfriend," Mr. Lyle said.

Mr. Lyle is considering joining a class-action lawsuit filed last week against Mr. Bankman-Fried and the celebrities who endorsed FTX, such as Tom Brady and Stephen Curry. Adam Moskowitz, an attorney involved in the suit, estimates his office fielded more than 1,000 calls and emails from investors around the world in the 24 hours after the suit was filed.

FTX spent heavily to attract new customers in the crypto boom, emblazoning its name on the venue where the National Basketball Association's Miami Heat plays and making a Super Bowl commercial.

Many crypto newcomers had never given much thought to the likes of bitcoin, but the pandemic gave them time to experiment, and the rising prices were easy to get excited about.

Some customers embraced active trading, using platforms such as FTX to try to time the market. Others thought they were taking a safer route by using FTX to park their money as if it were a bank deposit—

but paying a much higher yield.

Florida resident Joseph Di Bella was drawn to FTX by the 8% interest rate the exchange offered on crypto deposits, he said. The company's ubiquitous branding also helped.

"It was just all over the place," he said. "That definitely was a factor in my thought process."

He now believes he has about a 50-50 chance of getting his \$4,000 back.

George Gonzalez, 38, received \$10,000 that he withdrew Nov. 8. But he is still waiting for \$15,000 that he tried to get out the following day. That money represents about two years of savings.

Mr. Gonzalez, a software engineer in California, was a big fan of Mr. Bankman-Fried's and followed his many media appearances closely. Now, Mr. Gonzalez has turned to meditation to try to stay calm.

"The odd thing is the feeling of shame and embarrassment that overwhelms the anger that I have for Sam and his inner circle," Mr. Gonzalez said. "It just takes my legs out from under me."

Watch a Video

Scan this code for a video on why FTX made the Bahamas its headquarters.

NASA

Orion Nears Moon, Maneuvers for Orbit

NASA's Orion spacecraft approached the moon Monday morning, the agency said, as it maneuvered to enter a lunar orbit where it is expected to spend close to a week.

Orion sped just 81 miles above the far side of the moon shortly before 8 a.m. ET, according to a National Aeronautics and Space Administration live stream. That distance is expected to be the nearest the uncrewed ship will come to the lunar surface during the nearly 26-day Artemis 1 mission that began Wednesday, when NASA blasted Orion into space on top of a powerful Space Launch System rocket.

Orion's relatively close approach to the moon Monday occurred after it traveled more than 230,000 miles from Earth. The surface skim followed a two-minute and 30-second engine maneuver, or burn, called the outbound-powered flyby. The burn, designed to help Orion enter into an orbit of the moon, harnessed the moon's gravitational force to help the vehicle shift into an orbit where it is expected to spend about six days.

—Micah Maidenberg

CALIFORNIA

Nuclear Plant to Get Up to \$1.1 Billion Aid

The Biden administration on Monday announced preliminary approval to spend up to \$1.1 billion to help keep California's last operating nuclear power plant running.

The Energy Department said it was creating a path for the Diablo Canyon Power Plant on California's central coast to remain open, with final terms to be negotiated and finalized. The plant, which had been scheduled to close by 2025, was chosen in the first round of funding for the administration's new civil nuclear credit program, intended to bail out financially distressed owners or operators of nuclear power reactors.

The program is part of the administration's effort to halve greenhouse gas emissions by 2030, compared with 2005 levels. Approval of the funding came as the Energy Department turned down a request by the Palisades nuclear plant in Michigan for funding to restart operations. The plant along Lake Michigan was shut last spring.

—Associated Press

CALIFORNIA

Pro-Impeach GOP Member Re-Elected

Rep. David Valadao of California won his re-election race, meaning two of the 10 Republicans who voted to impeach former President Donald Trump over his role in the Capitol riot will return to Congress next year.

Mr. Valadao defeated Democratic state Assemblyman Rudy Salas, the Associated Press projected Monday, hanging onto his seat in a swing district that runs from Fresno to Bakersfield. With 98% of the vote counted, Mr. Valadao had 51.7% to 48.3% for Mr. Salas.

Of the 10 House Republicans who voted to impeach Mr. Trump following the Jan. 6, 2021, attack, four including Rep. Liz Cheney (R., Wyo.) lost to Trump-endorsed opponents in GOP primaries and four decided to retire.

Rep. Dan Newhouse (R., Wash.) was the other Republican to make it to the general election and win.

—Lindsay Wise and Eliza Collins

NEW YORK

Prosecution Rests In Trump Firm's Trial

Prosecutors in the Trump Organization's criminal tax fraud trial rested their case Monday earlier than expected, pinning hopes for convicting former President Donald Trump's company largely on the word of two top executives who cut deals before testifying that they schemed to avoid taxes on company-paid perks.

Allen Weisselberg, the company's longtime finance chief, and Jeffrey McConney, a senior vice president and controller, testified for the bulk of the prosecution's eight-day case, bringing the drama of their own admitted wrongdoing to a trial heavy on numbers, spreadsheets, tax returns and payroll records.

The Trump Organization's lawyers opened their defense by calling to the witness stand the accountant who handled tax returns and other financial matters for Mr. Trump.

—Associated Press

JOHN & CHRISTIAN
Crafted in gold & platinum

Order by 12/21 for Christmas!

Your Anniversary Immortalized In Roman Numerals

JOHN-CHRISTIAN.COM 888.646.6466

U.S. NEWS

New Tool Enlisted to Fight Opioid Overdoses

By JULIE WERNAU
AND KRIS MAHER

Vending machines stocked with overdose-reversing nasal spray are part of the latest attempt to diminish a record tide of drug deaths.

The Food and Drug Administration and some states have loosened restrictions on drugs including Narcan that are sprayed into the nose to reverse an opioid overdose.

Nonprofits that work with opioid users are distributing more of the drugs as a result. Getting Narcan as close as possible to people at risk for an overdose is essential to saving lives, they said.

"If we hadn't had that vending machine, I might not have had my brother alive today," said LuDene Loyalty-Groves, who works at a homeless shelter in Moses Lake, Wash. People staying with her brother in a nearby encampment retrieved Narcan from a vending machine at the shelter and used it to revive him repeatedly, she said.

Drug-overdose deaths topped 108,000 last year, a re-

cord fueled by the potent illicit opioid fentanyl.

Fentanyl has pervaded the drug supply, killing people who don't know it is in cocaine or fake pills. It is also killing habitual users who mix it with drugs including methamphetamine.

The vending machines aim to make it easier for drug users to get overdose antidotes themselves. A five-year project through 2021 led by the University of Washington found that 94% of overdose reversals are administered by opioid users. Less than 1% of the 8,711 overdoses recorded during the project were reversed with the help of EMTs or police.

Aid groups that work with drug users are driving new business to vending-machine makers. The Wittern Group said it first got a call from an aid group in Las Vegas in 2018 asking the 90-year-old vending machine company to outfit a few used machines to dispense Narcan. Last year, more than 100 groups that dispense free Narcan to users called to request quotes for vending machines that cost up to \$12,000.

Wittern said its customers include a Rhode Island group that provides clean needles to drug users as well as Yale University and agencies in California that received funding from Anthem Blue Cross. Some social-service agencies are stocking free snacks, condoms and socks alongside Narcan. Others have added kits that test drugs for fentanyl.

"They're putting them in fire stations, jails, churches, places that are public," said Julie Burgess, head of a division Wittern created to handle higher demand from groups distributing Narcan.

Shaffer Distributing Co. said its first order for a machine to dispense free Narcan came from Wayne State University in Detroit in 2021 as overdose deaths were soaring. Marty Turner, director of vending-equipment sales for the Columbus, Ohio-based company, said he has sold 200 such vending machines since then.

"Purely through word-of-mouth, it just took off," Mr. Turner said.

The Central Washington Re-



Nonprofits are using vending machines to dispense free Narcan kits, aiming to reduce drug overdoses.

SCOTT OLSON/GETTY IMAGES

covery Coalition, a nonprofit that helps drug users, installed a machine in each of three rural counties last year. Overdose deaths in the region have risen 500% in a year. The machines have dispensed about 50 Narcan kits a month per machine, said Joey Hunter, who helped found the coalition.

The group and its partners pay about \$12,500 for 250 doses of Narcan, Mr. Hunter said. Narcan is the brand name for nasal spray naloxone, made

by Emergent BioSolutions Inc. People who have used the kits have reported via a QR code on the packaging that the drugs have reversed 55 overdoses.

Caracole, an HIV-services nonprofit that works with drug users in Cincinnati, said it installed a Narcan vending machine outside its offices last year because fewer people were coming into clinics to pick up the medication during the pandemic.

Narcan dispensed from the

machine has reversed 596 overdoses, according to Caracole Chief Executive Linda Seiter.

"We're helping to keep people alive," she said.

To use the vending machine, people receive a code from the nonprofit and then punch it in to retrieve doses for three months. People can get up to eight doses of Narcan a week. The machines also hold fentanyl test strips to determine whether fentanyl is present.

New York Approves First Permits to Marijuana Retailers

By JIMMY VIELKIND

New York state regulators approved roughly three dozen dispensaries for the recreational sale of marijuana, despite a recent court ruling that limited the potential locations for stores.

The first permits, approved Monday, will eventually allow for the legal sale of marijuana in Manhattan, the Bronx, Queens and Staten Island—but not Brooklyn, the state's most populous county. A federal judge in Albany earlier this month blocked the state's Office of Cannabis Management

from approving applications for stores in the borough as well as upstate regions including Syracuse, Rochester and Buffalo.

State officials set aside the first licenses for applicants who showed that they or a close family member were "justice involved," meaning convicted of a marijuana-related offense in New York. The applicants must also have experience running a business.

U.S. District Judge Gary L. Sharpe, an appointee of President George W. Bush, agreed with a company owned by a person convicted of a marijuana

crime in Michigan who argued that the program's requirements "have a discriminatory effect on out-of-state residents."

The licenses went to applicants who showed they were 'justice involved.'

The unidentified company owner who filed the suit had no significant connection to New York, but sought a license

to operate in either Brooklyn, the mid-Hudson Valley, Finger Lakes, Central New York or Western New York regions, according to court papers. Judge Sharpe, sitting in Albany, blocked the issuance of licenses for those regions.

A spokesman for the state Office of Cannabis Management said it wouldn't comment about the ongoing litigation. Officials said they hope the first licensees will be able to open their doors by the end of the year.

"We are rounding the corner, and operationalizing the cannabis market is within

reach," said Tremaine Wright, chair of the state's Cannabis Control Board.

In all, New York's Cannabis Control Board approved licenses for 29 businesses and eight nonprofit organizations.

Naiomy Guerrero received a license to operate a store in the Bronx along with her father and brother, who was previously convicted of a drug offense. They grew up in the Morris Heights neighborhood when the war on drugs crescendoed in the 1980s and '90s, she said.

"We are really grateful to be part of this historic mo-

ment," Ms. Guerrero said. "A lot of the people who have these types of convictions are typically left out of opportunities."

Erica Ford, the founder of the nonprofit LIFE Camp, said she was thrilled the organization received a license. The group seeks to promote nonviolence through mentoring and employment counseling.

"We see an ability to help many with this license, not only with employment and training but putting resources back into the community," said Ms. Ford, whose group is based in Queens.

Historians Take Fresh Look At a 1918 Massacre in Texas

By ADOLFO FLORES

On Jan. 28, 1918, 15 Mexican boys and men from a small Texas border town were rousted in the middle of the night, led to a bluff and shot to death at close range.

The Texas Rangers, local ranchers and soldiers who rounded up the group said they went to question the residents of Porvenir, a ranching and farming community on the far southwestern edge of the state, because they believed they were involved in an earlier raid on nearby Brite Ranch. They claimed the 15 had died in a shootout.

Evidence later showed the victims were unarmed. Pressure by survivors of the massacre led to investigations by the Mexican and U.S. governments which, despite assertions by the Texas Rangers and ranchers that their actions were justified, found them responsible for killing 15 unarmed people. Company B of the Texas Rangers was disbanded, with some members being fired or transferred, and their captain, James Monroe Fox, being forced to resign.

No one was ever charged with the murders, though, and the families were never compensated. The story was largely forgotten. But in recent years, historians have been re-examining the massacre and pushing for an understanding of what happened and acknowledgment of the culpability of those involved.

A report of an archaeological excavation in which investigators found military cartridge casings and military bullets, in addition to civilian rounds, was published online in September in the Journal of Conflict Archaeology. The authors said it opened up the possibility that the U.S. Army was more involved than previously believed. The Army said it didn't have a response but may comment this week.

The Porvenir Massacre wasn't an isolated incident in Texas. There are many other places in the state where vio-



Bullets recovered from the Porvenir massacre, seen in 2016 photo.

lence against Mexicans, Native Americans, Black people or others at the hands of law enforcement and vigilantes occurred—then was forgotten or suppressed.

Monica Muñoz Martinez, an associate professor at the University of Texas at Austin who has studied racial violence along the Texas-Mexico border, said that at the time of the Porvenir massacre, state-sanctioned violence against Mexicans was encouraged and celebrated by lawmakers and the English-language press.

"You can't lose sight of the humanity of the people who were massacred and the failure of the judicial court system to hold the people who participated in the massacre, the Texas Rangers and named civilians, accountable," Ms. Martinez said.

The survivors of those killed tried to hold the Texas Rangers and ranchers accountable despite the risks and resistance. After a grand jury in Presidio County declined to indict the shooters, the Mexican embassy filed a protest with the U.S. State Department. It was this pressure that would eventually lead to the Texas governor disbanding Company B of the Texas Rangers.

The Texas Rangers didn't respond to a request to comment on the massacre and efforts to learn more about it. The Texas Ranger Hall of Fame and Museum acknowledges

that during the violent period of 1910 to 1920 along the Texas-Mexico border, when there were raids from both sides, "serious crimes were committed" by Rangers. The rapid growth, lack of training and command control led to some Ranger companies acting as vigilante groups, according to the museum website.

In researching her book, "The Injustice Never Leaves You: anti-Mexican Violence in Texas," Ms. Martinez came across numerous cases of racial violence along the border against Black, Asian and Latino people at the hands of mobs, law enforcement and U.S. soldiers.

The period from 1910 to 1920 became known as La Matanza, or 'The Massacre'; hundreds of Mexican-Americans were killed, many in lynchings. Ms. Martinez said the 2019 El Paso mass shooting in which the assailant said the attack was in response to a "Hispanic invasion" of Texas, sparked interest in the Porvenir massacre. Though the 2019 massacre was very different, it was an example of racially targeted violence during a time of anti-Mexican sentiment along the Texas-Mexico border, she said.

Ms. Martinez co-founded Refusing to Forget, a group of historians who work to inform the public about state-sanctioned anti-Mexican violence along the border through lectures and historical markers.



A COLORFUL LIFE FRANK SINATRA

20th-century legend. Vibrant abstraction. All-American artistry.

This original oil on canvas was painted by the incomparable Frank Sinatra in the later years of his illustrious career. Remembered for his music and acting that shaped American culture, Sinatra was also a talented artist, creating colorful canvases inspired by the most popular American painters of his day. Featuring bold planes of saturated color, the dynamic composition follows the unforgettable work of Abstract Expressionists including Robert Motherwell, Clyfford Still and Helen Frankenthaler. Signed "Sinatra 87." Painted 1987. Canvas: 30 1/4" h x 20 1/8" w. Frame: 32 1/4" h x 22 1/8" w. #31-5988

M.S. Rau
FINE ART • ANTIQUES • JEWELS

622 Royal Street, New Orleans, LA • 877-677-2801 • ws@rauantiques.com • msrau.com

Since 1912, M.S. Rau has specialized in the world's finest art, antiques and jewelry. Backed by our unprecedented 125% Guarantee, we stand behind each and every piece.

WORLD NEWS

Russia Steps Up Artillery Attacks

Kyiv appeals for West's support for its peace demands as pressure increases for talks

By MATTHEW LUXMOORE

ODESSA, Ukraine—Russian artillery pounded the positions of Ukraine's defenders in the country's east as Moscow stepped up its efforts to capture more territory there, Ukrainian authorities said, while Kyiv sought to win international support for its peace terms.

Ukrainian President Volodymyr Zelensky said Russian forces launched more than 400 artillery attacks against Ukrainian positions on Sunday alone. "Thank you to every man and woman who is holding their positions and helping our defense forces," Mr. Zelensky said late Sunday.

He said weather conditions were slowing Russia's advance in the Donetsk and Luhansk regions of eastern Ukraine, but that fierce fighting was continuing.

The exiled Ukrainian governor of Luhansk region, Serhiy Haidai, said Ukraine was regaining territory there "step by step," without elaborating on which areas were recaptured.

The U.K.'s Defense Ministry said Monday that Russia was giving priority to the construction of defensive lines in the east as its forces dug in ahead of winter. Many observers predict the war's front lines are likely to move slowly in the weeks ahead as temperatures fall.

As Russia's full-scale invasion of Ukraine nears the nine-month mark, Kyiv finds itself under pressure from some of its Western backers to signal readiness for negotiations with Moscow amid concerns about the global economic fallout of the war. Ukraine's government is pushing to set the agenda for any talks.

Mr. Zelensky said on Nov. 8 that he was open to "genuine peace talks" with Moscow, stating that Ukraine's conditions included full restoration of Ukrainian control over its territory, compensation to Kyiv for Moscow's invasion and bringing to justice perpetrators of war crimes.

In his evening address on Sunday, Mr. Zelensky said:



Residents inspected the damage on Monday after a Russian military strike in Ukraine's southeastern Zaporizhzhia region.

"We will do everything so that the world accepts the Ukrainian peace formula."

But talks between Kyiv and Moscow, which sputtered to a halt in the spring, remain a scant prospect amid a hardening of both sides' positions and a belief in both capitals that they can win on the battlefield.

In an interview with Russian media on Monday, Konstantin Kosachev, deputy speaker of Russia's upper house of parliament, said a normalization of relations between the two countries would only be possible after a change of government in Ukraine.

"I don't expect anything positive from the current leadership in Ukraine," Mr. Kosachev told the newspaper Argumenty i Fakty.

Kremlin spokesman Dmitry Peskov on Monday said regime change wasn't one of Russia's goals in Ukraine.

Meanwhile, the International Atomic Energy Agency warned that continued shelling of Ukraine's Zaporizhzhia nuclear-power plant could lead to a catastrophe.

Russia and Ukraine accused each other on Sunday of shelling the Russian-held plant, which before the war produced some 20% of Ukraine's electricity.

Russia said large-caliber artillery shells had been fired at more than a dozen areas of the facility, including the power line that feeds the power plant.

The IAEA, without apportioning blame, said shelling damaged buildings, systems and equipment, with some of the explosions occurring near the reactors.

Radiation levels at the site remained normal and there were no reports of casualties, the agency said. The plant's external power supplies also weren't affected, it added.

"Once again, we were fortunate that a potentially serious nuclear incident did not happen," said IAEA Director General Rafael Grossi. "Next time, we may not be so lucky."

Vyacheslav Gladkov, the governor of Russia's Belgorod region near the Ukrainian border, said on Monday that authorities were extending a pe-

riod of heightened alertness for what he called the threat of terrorist attacks through Dec. 6. Belgorod has been the site of several strikes in recent months, according to Russian authorities, some of which they have blamed on Ukraine.

The heightened alertness level has been in place in several other Russian regions near the Ukrainian border since early April, and allows for stepped-up security patrols and checkpoints throughout the regions.

In the Kursk region near Belgorod, authorities have urged residents to be vigilant and to report suspicious people, abandoned objects and drones.

Ukraine has made significant gains on the battlefield in recent months and says it will continue to advance as winter approaches. Kyiv is eager to show its Western supporters that it can push Russian forces back given enough weapons. Russia believes it can outlast the West's patience and sap its support for Kyiv.

Western capitals say the Kremlin is escalating the war,

including with frequent missile and drone attacks on Ukraine's energy infrastructure, rather than seeking openings for talks.

U.S. and European officials have said it is up to Ukraine to define the terms of an acceptable settlement.

Despite Ukrainian successes in pressing Russian forces out of some occupied territories, residents of many Ukrainian cities are steeling themselves for a tough winter with regular outages of electricity, heating and water supplies amid the concerted Russian campaign to damage critical infrastructure across the country.

Mr. Zelensky said on Sunday that engineers were working around the clock to repair Ukraine's electricity grid after the latest Russian attacks, and that there were planned power outages in 15 regions as part of efforts to ease pressure on the grid.

"We're doing everything possible and impossible to return normality to life in Odessa, Kharkiv and all of our cities and communities," he said.

Ukraine Says It Will Probe Russian Deaths

By THOMAS GROVE

KYIV, Ukraine—Video snippets that pointed to the killing of a group of surrendering Russian soldiers in Ukraine triggered accusations of war crimes from both sides and an investigation by the Ukrainian government.

One video shows a group of soldiers surrendering to other military personnel wearing yellow armbands, an identifier used by Ukrainian troops. The soldiers who are surrendering wore red arm bands that are typically used by Russian troops.

The soldiers leave a brick shed one-by-one with their hands in the air before lying down in a line on the ground in front of the troops with yellow armbands. The film abruptly cuts out after a man emerges from the building shooting bullets in their direction.

Separate drone footage shows nearly a dozen soldiers with the same characteristic markings and gear as the soldiers believed to have been Russian around what appears to be the same building. They are lying in pools of blood and at least one has what appears to be a gunshot wound to the head. The footage leaves unan-

Kyiv and Moscow seize on video clips to accuse the other side of war crimes.

swered questions about the circumstances in which the soldiers were killed, whether during an exchange of fire with the shooter or later in retaliation, as Moscow suggests.

Russian officials, including Foreign Ministry spokeswoman Maria Zakharova, and propagandists have used the film to accuse Kyiv of intentionally executing unarmed prisoners of war, a war crime.

"Of course, Ukrainian authorities will investigate this video," Olha Stefanishyna, Ukraine's deputy prime minister overseeing European integration, said at the Halifax International Security Forum on Sunday. The United Nations' human-rights office also called for a probe. The veracity of the videos couldn't be determined, nor could the timing or location of the events they depict.

Kremlin spokesman Dmitry Peskov said Monday that Russia would bring those responsible for the alleged killing of Russian soldiers to justice.

Dmytro Lubinets, Ukraine's human-rights ombudsman, said it appeared that the Russian soldiers were faking their surrender to attack the Ukrainian soldiers, whom they seem to outnumber in the video. "Having used a staged surrender, the Russians committed a war crime, shooting to kill soldiers of the Armed Forces of Ukraine," he said on his Telegram channel Sunday. A false surrender is a war crime under the Geneva convention.

Ms. Stefanishyna, the Ukrainian deputy prime minister, said Ukraine has no interest in killing Russian prisoners of war because Kyiv is trying to get as many as possible to exchange them for Ukrainian soldiers. "There is a direct order from the chief of the armed forces and other elements of security and defense to get as many prisoners of war as we can," she said.

Russia has sought to justify its invasion of Ukraine by portraying the Kyiv government and its military as extremists, but has produced little evidence in support of its claims. Matilda Bogner, head of the United Nations Human Rights Monitoring Mission in Ukraine, said earlier this month that her group received credible allegations of summary executions and several cases of torture and ill-treatment, reportedly committed by members of the Ukrainian armed forces.

The office of Ukrainian President Volodymyr Zelensky didn't respond to a request to comment.

—Yaroslav Trofimov and Vivian Salama contributed to this article.

Sanctions Leakage Targeted

Continued from Page One and then with third countries," European Commission financial-services commissioner Mairead McGuinness, whose office oversees European Union sanctions policy, said in an interview. "The longer we have any leakage...the more difficult it is to see things coming to a conclusion."

Ms. McGuinness's office is sifting through European customs data to root out evasion, she said.

To tighten the finance and trade cordon established by Western countries, the U.S. is sending senior officials from major cabinet agencies to foreign capitals. Their mission: to share intelligence on sanctions evasion networks, quietly threaten reluctant authorities and firms with punitive action, and gather information on groups suspected of ferrying supplies into Russia, according to administration officials.

Treasury Secretary Janet Yellen pressed the case with counterparts at the Group of 20 industrialized and developing nations in Bali, Indonesia, last week. Earlier this month, Deputy Treasury Secretary Wally Adeyemo went to Brussels, London and Paris. Elizabeth Rosenberg, assistant secretary for terror finance and financial crimes, was recently in Japan on the same mission.

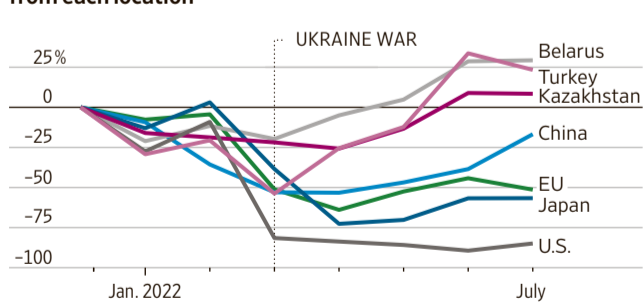
Lower-level officials from the Treasury, Commerce and State departments are also jetting around the globe.

"There are public reports that Russian money laundering is active in the Arab world," Ms. Rosenberg told a Union of Arab Banks conference late last month, using unusually pointed language that U.S. officials said was intended



Exports to Russia from Turkey have jumped since sanctions were imposed. Ankara says it still trades with Moscow in areas not subject to sanctions. Above, ships off the coast of Istanbul.

Cumulative change in value of Russian imports from each location



Source: Countries via CEIC Data

as a warning. "This is something we all have a vested interest in preventing, investigating and eliminating."

Trade data through the second quarter show exports to Russia from many of the world's largest economies collapsed by more than 50% in the wake of the sanctions imposed in late February. But exports are recovering from many of those countries, including the U.S.'s traditional allies, according to a Wall Street Journal analysis of trade data.

Exports from allies South Korea and Japan remain below presanction levels but have recovered nearly a third of their initial losses, according to the Journal's analysis.

The EU has continued to expand the total share of exports

banned under the Russia sanctions, but it has also erased some of its initial trade declines.

Western officials and some senior compliance officers are concerned that banks in Austria, the Czech Republic and Switzerland—a non-European Union member that has adopted the EU sanctions—are taking a relaxed view of sanctions enforcement.

While most companies and banks are avoiding transactions that could potentially breach the sanctions, "some industry players see this as an opportunity," said George Voloshin, a Russia sanctions investigator at the Association of Certified Anti-Money Laundering Specialists. "For example, they are very relaxed when working with Russian

government officials."

Swiss financial authorities in April said the country froze about \$8 billion in Russian assets, but by May said that they had released about \$3 billion of those assets. Industry analysts estimate the sum of Russian oligarchs' assets held in Switzerland to be much higher.

Antje Baertschi, spokeswoman for Switzerland's State Secretariat for Economic Affairs, said the level of assets frozen by the government was "high by international standards as well as in comparison to other sanctions regimes."

"We are completely unaware of any criticism," Ms. Baertschi said.

Austria's Raiffeisen Bank International said in March that it would review its exposure to Russia, a source of significant business, including possibly exiting the country. Months later, it said in its third-quarter report that it was still assessing its strategic options in the country. By contrast, most Western banks immediately restricted financial dealings with Russia after the February invasion.

"RBI Group is, of course, complying with all applicable sanctions," said Ingrid Ditz, Raiffeisen Bank spokeswoman. She said the bank had reduced

its loans to customers in Russia by 25% in rubles since the beginning of the year and limited new lending.

Exports to Russia from China—which hasn't backed the Western pressure campaign—are now larger than they were when sanctions were imposed. U.S. officials are concerned that China will provide the financing and goods critical to Russia's war effort and economy. Beijing has said it won't comply with Western sanctions it says are illegal.

"Sino-Russian relations are rock-solid," Chinese Foreign Ministry spokesman Zhao Lijian said at a regular news briefing this month.

Exports to Russia from Turkey—a North Atlantic Treaty Organization member that has supplied Kyiv with armed drones and played a key role in diplomatic talks over Ukrainian grain exports—were up about 25% at the end of the second quarter from before the sanctions. Recent data show that exports from Turkey to Russia have picked up further since.

Nureddin Nebati, the country's finance minister, said his nation isn't undermining the pressure campaign. "We are continuing our trade with Russia in areas that are not subject to any sanction," he told the Journal in an interview.

Ankara said it had halted plans in its banking sector to connect Turkey's financial industry to Russia's payments system, which would have provided Moscow with an important link to the global financial system. Most of Russia's banking system has been sanctioned.

"It is a global effort," Brian Nelson, undersecretary for terrorism and financial intelligence, said in an interview. That means, "going after sanctions evasion, targeting our efforts to have an impact on the battlefield, and going after those who continue to allow President [Vladimir] Putin to project power."

—Andrew Duehren and Caitlin Ostroff contributed to this article.

WORLD NEWS

China Tries Back Channels to Mend U.S. Ties

BY LINGLING WEI
AND CHARLES HUTZLER

China is turning to an old friend in corporate America to bolster communications with the U.S., as President Xi Jinping tries to stabilize the bilateral relationship while gearing up for greater competition between the two powers.

A few days before Mr. Xi's summit last week with President Biden, people with knowledge of the matter said, Beijing dispatched a delegation of senior policy advisers and business executives to New York to meet with a U.S. counterpart group set up by insurance executive Maurice "Hank" Greenberg, one of the most successful American businessmen in China.

Wall Street executives have long held a special place in Beijing's corridors of power. Beijing has viewed Mr. Greenberg, 97 years old, as what Chinese leaders call an "old friend of China."

Mr. Greenberg, a decorated World War II veteran and a major Republican donor, is the chief executive of insurance and investment firm C.V. Starr & Co. and former CEO of insurance giant American International Group Inc.

Such a high-level group as the one Mr. Greenberg hosted hasn't come to the U.S. since the Covid-19 pandemic started nearly three years ago. In that time, relations have plunged

to what both sides see as the lowest point in decades, with Beijing and Washington sparring over issues ranging from the origins of the pandemic to China's human-rights record and its military and economic pressure on Taiwan.

Mr. Xi approved the trip, organized by a think tank affiliated with China's Foreign Ministry, right after a Communist Party conclave in October that extended his hold on power, the people said. The U.S. group also notified the White House's National Security Council and other agencies ahead of the meeting, the people said. The NSC declined to comment.

Both Beijing and Washington have expressed a willingness to try to at least keep relations from deteriorating further. At their summit in Indonesia last week, Messrs. Biden and Xi pledged to restart cooperation on climate change and resume other high-level contacts.

Still, distrust is high, with tensions over Taiwan and U.S. controls on technology the latest sore spots, and both Mr. Xi and the Biden administration are putting in place policies to counter the other's power and influence.

"Xi is seeking a certain degree of stability as part of his preparation for greater competition with the U.S.," said Daniel Russel, a former Obama administration China official,



Maurice "Hank" Greenberg, seen in 2016, hosted a meeting recently of a group of U.S. and Chinese executives and policy advisers.

now a vice president at the Asia Society Policy Institute, a think tank. "Given that there is a dearth of engagement between the two sides at any level, any direct dialogue is valuable."

With domestic politics now out of the way, Mr. Xi is shifting some of his attention to adjusting policies that have left China all but closed off from the Western world, including stringent Covid-control measures at home as well as a near-suspension of officially sanctioned contacts with the U.S.

By approving the delegation with the political calendar cleared on both sides, the people said, Mr. Xi meant to sig-

nal to Washington his intention to prevent the relations from going off the rails and to find a way to communicate.

Senior Chinese officials have come to view the traditional so-called Track II dialogue, or the kind of back-channel diplomacy between think tanks and industry groups on both sides, as mostly ineffective.

In the late 1990s, Mr. Greenberg lobbied the Clinton administration hard to help get China into the World Trade Organization in 2001. In 2018, when China celebrated the 40th anniversary of the "reform-and-opening" policy, which brought China closer to the rest of the world, Mr. Xi

awarded Mr. Greenberg the China Reform Friendship Medal, making him one of the 10 foreign recipients of the Chinese honor.

This past summer, as tensions between Washington and Beijing continued to rise, Mr. Greenberg spoke up in favor of engagement with, as opposed to decoupling from, China. In a July opinion piece in The Wall Street Journal, he announced the founding of a group composed of senior U.S. business and policy leaders to help "re-establish a constructive bilateral dialogue."

Qin Gang, China's ambassador to Washington and a career diplomat deeply trusted by Mr. Xi, brought the piece to the Chinese leadership's attention, the people with knowledge of the matter said. Mr. Xi then greenlighted the Foreign Ministry to form a group that mirrored the one set up by Mr. Greenberg, which is made up of former senior officials and business leaders.

The Chinese People's Institute of Foreign Affairs, the Foreign Ministry-affiliated think tank, was named as organizer of the group—whose members, according to the people, include Cui Tiankai, Beijing's former top envoy to Washington, Chen Deming, ex-commerce minister, and Ning Jizhe, former vice minister at China's top economic-planning agency.

The Chinese and U.S. groups held discussions at C.V.

Starr's headquarters on Park Avenue on Nov. 10 and the next day, with 13 members from each side participating. Among the Americans, the people said, are Mr. Greenberg, Paul Fribourg, CEO of agribusiness ContiGroup Cos., former U.S. Sen. Joe Lieberman and two former U.S. ambassadors to Beijing: Max Baucus, a former Democratic senator from Montana, and Terry Branstad, the former Republican governor of Iowa.

In a C.V. Starr conference room, outside of which is a wall lined with pictures of Mr. Greenberg meeting with generations of Chinese leaders, the participants were arrayed on two sides of a long table covered with an ivory tablecloth and bouquets of flowers running down the middle.

Retired Adm. Mike Mullen, who attended the discussions, said he, like other members in the U.S. group, is concerned about the "downward trajectory" of the relationship, and that apprehension was shared by the Chinese side.

"We're at a dangerous time," Adm. Mullen said, describing what he said was a shared sentiment by both sides. "As the two great powers of the time, we need to try to turn this around."

Senior aides to Mr. Greenberg said the Biden administration was briefed on the exchanges between the U.S. and Chinese groups.

Beijing Reports Covid Deaths After a Lull

BY RAFFAELE HUANG

China acknowledged its first deaths related to Covid-19 in about six months as surging cases collide with a government push to ease unpopular and costly pandemic controls.

The three victims, all over 87 years old and with pre-existing illnesses, were from Beijing, where infections have more than doubled in the past four days, official data show. China reported around 26,000 locally transmitted new daily cases for Sunday, with cases also surging in other major cities and outbreaks reported in all regions for a sixth consecutive day.

The deaths and countrywide infections challenge recent moves by the top leadership to dial back some pandemic controls. The Chinese government ordered quarantine periods for inbound travelers to be shortened and lifted some mandatory quarantine requirements for close contacts of Covid patients.

At the same time, the central government has said it has no intention of abandoning its "zero-Covid" policy, only telling local officials to be more precise in its application to minimize damage to the country's economy. Still, the mixed messaging has sown confusion as many cities order citizens to take frequent Covid tests and more residential buildings are put into sudden and frequent lockdowns.

China reported an average of almost 22,000 new daily cases over the past seven days, more than half of which were found in China's southern economic hub of Guangdong province and the metropolis of Chongqing, government data showed.

Officials in major cities including Beijing and Guangzhou, the provincial capital of Guangdong, have imposed fresh lockdowns and told residents to stay home. Schools in some parts of the country's capital returned to online classes on Monday. Ridership on subways in 19 major Chinese cities last week was about

25% below levels a year earlier, and about 90% lower in Chongqing, according to a Nov. 18 research note by Goldman Sachs.

Cities under full or partial lockdowns at the end of last week contributed more than half of China's gross domestic product, the investment bank said. Beijing, Guangzhou and Chongqing alone account for almost 9% of GDP.

With cases edging closer to the record recorded at the height of this year's monthslong lockdown of Shanghai, investors are wary of a repeat of the disruption to manufacturing, global trade and domestic economic growth that caused. Restaurant, retailer and Macau casino stocks listed in Hong Kong were among the top decliners on Monday, while liquor makers dragged on the Chinese onshore market. The Hang Seng Index fell 1.9%, while the Shanghai Composite Index declined 0.4%.

"Beijing is facing the most complicated and severe situation of containing Covid since the coronavirus first emerged," Liu Xiaofeng, deputy director of the Beijing Center for Disease Control and Prevention, said Monday. Beijing will require people arriving from other cities to test daily for three days on arrival, the Beijing government said.

Guangzhou on Monday said it would lock down for five days the district where China's third-largest airport is located.

Over the weekend, authorities in the city of 19 million people closed all entertainment venues and halted dine-in services in restaurants in the central business district, after already imposing stringent restrictions in other areas of the city.

The chaotic and rapidly evolving situation presents economic uncertainty that seems likely to further damp consumption and property sales in the near term, research firm Gavekal Dragonomics said in a note to clients last week.



Beijing's central business district was nearly empty on Monday amid continued lockdowns aimed at stopping the spread of Covid-19.

Chinese Consumer Spending Falls

BY STELLA YIFAN XIE

HONG KONG—Chinese consumer spending is buckling under the country's dual campaigns against rising property prices and Covid-19 outbreaks, flashing a warning for global companies that have pinned their hopes on a more free-spending Chinese customer.

Retail sales unexpectedly dropped in October and are expected to continue to struggle as Chinese authorities launch wide-ranging lockdowns to contain the latest fast-spreading Covid outbreaks, and as easing measures do little to reverse a worsening property-market meltdown.

Online commerce giant Alibaba Group Holding Ltd. posted a surprise net loss last week, just days after breaking with precedent by not disclosing a sales figure for its annual Nov. 11 Singles Day shopping extravaganza.

French luxury conglomerate LVMH Moët Hennessy Louis Vuitton SE said its Chinese business was effectively flat in

the most recent quarter, even as it posted a 19% rise in global sales. "The Chinese market is not functioning or working the normal way," LVMH Chief Financial Officer Jean-Jacques Guiony told investors in October. "We still have disruptions, both in terms of people being in lockdowns, some stores being closed."

China hasn't been an easy place for Western companies to do business, but it has been worth it because of the market size and potential growth prospects.

For a moment, the pandemic even appeared to highlight China's attractiveness. At that time, China's relatively quick rebound from the initial Covid-19 outbreak made it the only major world economy to grow in 2020, providing a lifeline to many Western companies.

Instead, China's prolonged pandemic-induced pullback in retail spending looks set to extend into a fourth year, as China is battered by Covid disruptions, particularly after the arrival of the highly transmissible

Omicron variant—and Beijing's continued insistence on snuffing out even small outbreaks.

Meanwhile, the slumping property market, the primary store of wealth for many Chinese households and a contributor of roughly a quarter of overall growth, according to some estimates, shows no im-

The country's retail sales are expected to grow by just 1% this year.

mediate sign of easing as a monthslong slide in home prices accelerated in October.

While Beijing unveiled new loosening measures this month to mitigate the toll of the policies, authorities in both cases reaffirmed the core principles underpinning their strict approaches to controlling property prices and the pandemic. "These are difficult issues

that will take a while to resolve," said Duncan Wrigley, chief China economist at Pantheon Macroeconomics.

The policies could push companies to begin re-evaluating the prospects for the country as economists steadily lower their China growth forecasts for the rest of the decade.

China's economy expanded by only 3% in the first three quarters of the year, putting it on pace to fall far short of the government's official full-year target of around 5.5%.

Retail sales, meanwhile, are expected to grow by just 1% this year, economists say. They grew at an annual rate of around 4% in 2020 and 2021, after rising by an annual average of around 7% or 8% in the five years leading up to 2019.

Travel and restaurant dining have been particularly hard hit by a waning appetite for nonessential spending and consumer fears of being swept up in unpredictable Covid controls.

—Grace Zhu in Beijing contributed to this article.

Germany Considers Making Businesses Disclose Exposure to China

BY BOJAN PANCEVSKI

Germany is considering new rules that could require companies with large exposure to China to disclose their reliance to reduce the potential economic fallout from a deterioration in the relationship between the West and the Asian giant.

Berlin nationalized part of the German energy sector after Russia first throttled and then stopped natural-gas deliveries to the country. Moscow's move threatened to bankrupt some of Germany's largest utilities that were reliant on imported Russian fuel.

Companies with large stakes in China that are of systemic relevance to the German economy could be made to disclose details of their involvement and potentially undergo stress tests for risks related to their activities there, according to a draft government paper setting out a new strategy for dealing with China.

While the proposed mechanism wouldn't force companies to reduce their China exposure, it is designed to name and shame businesses facing potentially critical geopolitical risks, German officials said. By creating transparency, the

measure would act as an incentive for companies to diversify their investments.

The West's economic war with Russia has dealt a powerful shock to the German economy and sent energy prices rocketing for companies and consumers. More than half of German households rely on natural gas for heating.

Berlin recently nationalized Uniper SE, Germany's biggest gas trader, and has poured billions into relief packages to support consumers and forestall a wave of insolvencies.

While Germany's dependence on Russia largely was

limited to energy imports, it has a much deeper economic relationship with China, its largest trading partner and the biggest single market for German companies across a range of sectors.

Growing animosity between Beijing and Washington, China's worsening authoritarianism and geopolitical tensions over Taiwan have forced the German government—and many German companies—to reconsider their approach to the country.

The naming-and-shaming proposal is part of a new China strategy being drafted by the Foreign Office with input from

other ministries. The paper is expected to be adopted by the coalition government of Chancellor Olaf Scholz early next year, several officials said.

The new strategy isn't meant to decouple Germany from China, they said, adding that it is designed to preserve the economic relationship, while securing the national interests of Germany and Europe.

"The idea is to identify systemic risks that some companies and industries could be facing, which could also jeopardize the broader economy," a senior government official said. The exposure-disclosure

rules, which aren't guaranteed to be part of the final strategy paper, focus on sectors such as the automotive and the chemicals industries that are increasing their presence in China. Companies such as BASF SE, the world's largest chemicals firm, and car makers Volkswagen AG and BMW AG are dependent on the Chinese market for growth and have allocated tens of billions of dollars in investments into new factories there.

Germany has also decided to roll back state investment guarantees for companies venturing overseas.

WORLD NEWS

U.S. Crude Oil Falls Below \$80 a Barrel

By DAVID UBERTI

A darkening economic outlook dragged U.S. oil prices on Monday to their first close below \$80 since September.

U.S. crude has fallen for four consecutive sessions, extending a recent selloff fueled by a surge in Covid-19 cases in China. The outbreak has tested Beijing's relaxation of pandemic controls, threatening to stymie economic activity along with demand for oil and petroleum products such as diesel.

At the same time, investors expect ongoing interest-rate increases from the Federal Reserve—potentially sending the U.S. into a recession—despite data suggesting that inflation is beginning to weaken from 40-year highs. Those factors have weighed on prices, analysts say, even as Washington is set to end its release of strategic petroleum reserves—a move Wall Street expects to support oil.

"The Fed and the Chinese have both thrown cold water on those optimistic hopes," said Robert Yawger, executive director for energy futures at Mizuho Securities. "For inflation, this is a good thing."

Highlighting the market anxieties, contracts to deliver West Texas Intermediate crude next month fell near their lowest levels of the year Monday morning—as low as \$75.08 a barrel—after The Wall Street Journal reported that the Organization of the Petroleum Exporting Countries and its market allies were considering a production increase at their December meeting. An output increase would help offset potential losses of Russian supplies as the Kremlin responds to a growing web of Western energy sanctions set to expand next month.

After Saudi energy minister Prince Abdulaziz bin Salman denied the report and said a production cut was possible instead, WTI recovered to finish down 0.4% on the day, at \$79.73 a barrel, its lowest close since Sept. 30. The U.S. benchmark is down 14% since Nov. 4.

WTI's retreat dragged oil prices back below where they were before Russian tanks rolled into Ukraine in February. Economic fallout from the conflict helped push up the cost for products such as diesel and gasoline, providing a windfall to energy producers such as Exxon Mobil Corp. and Chevron Corp. and their investors. The S&P 500 energy sector has added about 63% this year, even as the broader index has lost 17%.

The recent decline in oil prices has stalled some of those gains, with the sector losing 1.4% Monday, one of the worst performances among the index's groups. Shares in Diamondback Energy Inc. fell 4%, while Pioneer Natural Resources Co. declined 2.2%. EOG Resources Inc. slipped 0.8%.

On Friday, the price of U.S. crude delivered in December slipped below the price of a barrel delivered in January, a dynamic some commodities traders see as a warning of ad-

Possible production rises, dim economic outlook, China's slow revival drag prices.

ditional weakness ahead. Lower near-term prices encourage suppliers to store crude instead of selling it, in hopes it will fetch more later. Such pileups tend to be sticky, suggesting a surplus that could weigh on prices in the future.

Some analysts still expect China's gradual reopening, and forthcoming tightening of supplies will boost prices in 2023.

A rise in production by OPEC+, which has cut its forecast for oil demand, could help stem losses from Russian barrels coming off the global market. Delegates for the group are set to meet a day before the European Union is set to ban most imports of Russian crude.

OPEC+ Weighs Output Rise

Continued from Page One tions reported on the discussions on Monday, Saudi Energy Minister Prince Abdulaziz bin Salman denied the reports and said a production cut was possible instead.

Any output increase would mark a partial reversal of a controversial decision in October to cut production by 2 million barrels a day at the most recent meeting of the Organization of the Petroleum Exporting Countries and their Russia-led allies, a group known collectively as OPEC+.

The White House said the production cut undermined global efforts to blunt Russia's war in Ukraine. It was also viewed as a political slap in the face to President Biden, coming before the congressional midterm elections at a time of high inflation. Saudi-U.S. relations have hit a low point over oil-production disagreements this year, though U.S. officials had said they were looking to the Dec. 4 OPEC+ meeting with some hope.

Talk of a production increase has emerged after the Biden administration told a federal-court judge that Saudi Crown Prince Mohammed bin Salman should have sovereign immunity from a U.S. federal lawsuit related to the brutal killing of Saudi journalist Jamal Khashoggi. The immunity decision amounted to a concession to Prince Mohammed, bolstering his standing as the kingdom's de facto ruler after the Biden administration tried for months to isolate him.

It is an unusual time for OPEC+ to consider a production increase, with global oil prices falling more than 10% since the first week of November. Oil prices fell 5% after reports of the increase and then pared those losses after Prince Abdulaziz's comments.

Brent crude was little changed at \$87.45 a barrel late Monday, while West Texas In-



Saudi Energy Minister Prince Abdulaziz bin Salman addressed an oil conference in Abu Dhabi last month.

termediate crude fell 0.4% to \$79.73 a barrel, its lowest close since Sept. 30.

Ostensibly, delegates said, a production increase would be in response to expectations that oil consumption will rise in the winter, as it normally does. Oil demand is expected to increase by 1.69 million barrels a day, to 101.3 million barrels, in the first quarter next year, compared with the average level in 2022.

OPEC and its allies said they have been carefully studying the G-7 plans to impose a price cap on Russian oil, conceding privately that they see any such move by crude consumers to control the market as a threat.

Russia has said it wouldn't sell oil to any country participating in the price cap, potentially resulting in another effective production cut from Moscow—one of the world's top three oil producers.

Prince Abdulaziz said in October that the kingdom would "supply oil to all who need it from us," speaking in response to a question about looming Russian oil shortages. OPEC members have signaled to Western countries that they would step up if Russian output fell.

Talk of a production increase sets up a potential fight between OPEC+'s two heavy-

weight producers, Saudi Arabia and Russia. The countries have an oil-production alliance that industry officials in both nations have described as a marriage of convenience, and they have clashed before.

Saudi officials have been adamant that their decision to cut production in October wasn't designed to support Russia's war in Ukraine. Instead, they said, the cut was intended to get ahead of flagging demand for oil caused by a global economy showing signs of slowing.

Raising oil production ahead of the price cap and EU embargo could give the Saudis another argument that they are acting in their own interests, and not Russia's.

Another factor driving discussion around raising output: Two big OPEC members, Iraq and the United Arab Emirates, want to pump more oil, OPEC delegates said. Both countries are pushing the oil-producing group to allow them a higher daily-production ceiling, delegates said, a change that, if granted, could account for more oil production.

Under OPEC's complex quota system, the U.A.E. is obligated to hold its crude production to no more than 3.018 million barrels a day. State-owned Abu Dhabi National Oil Co., which

produces most of the U.A.E.'s output, has an output capacity of 4.45 million barrels a day and plans to accelerate its goal of reaching 5 million barrels of daily capacity by 2025. Abu Dhabi has long pushed for a higher OPEC quota, only to be rebuffed by the Saudis, OPEC delegates have said.

Last year, the country was the lone holdout on a deal to boost crude output in OPEC+, saying it would agree only if allowed to boost its own production much more than other members.

The public standoff inside OPEC was the first sign that the U.A.E. has adopted a new strategy: Sell as much crude as possible before demand dries up.

This month, Prime Minister Mohammed Shia' al-Sudani of Iraq said his country, which is the second-largest crude-oil producer in OPEC, would discuss a new quota with other members at its next meeting.

A discussion of OPEC production quotas has been on hold for months. The idea faces opposition from some OPEC nations because many can't meet their current targets and watching other countries run up their quotas could cause political problems domestically, delegates said.

—Michael Amon contributed to this article.

THE BEST HOLIDAY GIFTS

EXPERT-VETTED PICKS FOR EVERYONE ON YOUR LIST

plus SMART SPENDING AND SAVING ADVICE FOR THE SEASON

CURATED EXCLUSIVELY FOR WSJ+ MEMBERS



GO TO [wsj.com/buysideWSJ+](https://www.wsj.com/buysideWSJ+) to activate WSJ+ and download

Buy Side FROM WSJ

THE BOLD NEW SHOPPING SITE FROM THE WALL STREET JOURNAL.

WORLD NEWS

Indonesia Quake Leaves at Least 162 Dead in Java

By Dave Sebastian and Fadiyah Alaidrus

An earthquake struck the Indonesian island of Java, leaving at least 162 people dead, hundreds injured and thousands of homes damaged, a senior official said.

The 5.6-magnitude earthquake was centered in the Cianjur area in West Java at a shallow depth of 6.2 miles, Indonesia's meteorological agency said, adding that the tremor didn't have the potential to create a tsunami.

The latest death toll, pro-

vided in a televised briefing by West Java Gov. Ridwan Kamil, marks a significant jump from figures released earlier Monday.

Rescue teams have been searching for victims buried under collapsed buildings, officials said. Mr. Ridwan said 326 people were injured in the quake, which hit at 1:21 p.m. local time, and more than 2,000 homes were damaged.

Video footage on local news television showed houses reduced to piles of rubble and a road blocked off by a landslide. Families can be seen clutching small children on streets strewn with fragments of wood, brick and other material.

Scenes captured outside a hospital in Cianjur showed large crowds of people gathered, some with bandaged heads and arms. A number of patients connected to intravenous lines were lying on stretchers and others on the ground, and medical staff were carting equipment outside the building.

Patients were treated outside the hospital because of the risk of aftershocks, said Her-



Earthquake survivors were treated Monday outside a hospital in West Java. Patients were treated outside because of aftershock risks.

KHOLID/ASSOCIATED PRESS

Earthquake epicenter



man Suherman, a senior government official in Cianjur, in a televised interview. Many of the injured suffered broken bones as buildings collapsed on or around them, Mr. Herman said, calling on doctors specializing in bone surgery to help out.

Some victims couldn't be transported to hospitals be-

cause landslides obstructed road access, he said, adding that doctors couldn't operate at one point because of electrical outages.

Achmad Solihin was getting a haircut in Cianjur town when the mirrors and windows in the barbershop shattered. The building was still shaking

when the 29-year-old and his wife ran out to the street.

In the parking lot, Mr. Achmad saw the barber bleeding from a head injury while another person appeared to have a broken leg.

"This wasn't a small earthquake, but a big one right away," he said, adding that ev-

eryone around him survived.

Tremors were also felt in the capital, Jakarta, about 40 miles northwest of the Cianjur area. Indonesia, an archipelagic nation, is prone to earthquakes because of its position on the Pacific "Ring of Fire," an arc of volcanoes and fault lines in the Pacific Basin.

Fighting Intensifies as Rivals Battle for Minerals in Congo

By Nicholas Bariyo

Long-simmering ethnic tensions in the eastern Democratic Republic of Congo have erupted into the most intense clashes in a decade as warring militias fight for control of the region and its mineral riches.

In recent days, the M23 rebel group has advanced to within 12 miles of the city of Goma, pushing United Nations-backed Congolese government forces from several surrounding towns. More than two million people are suffering shortages of food and fuel as a result of the fighting.

The M23 group, estimated to have 2,000 men under arms and backed by neighboring Rwanda and Uganda, is seeking more influence in a nation that is home to the world's largest deposits of tantalum, used in smartphones and personal computers.

The advance raises the prospect that M23 and its foreign allies could dominate a region that also produces tin, gold and coltan, and exacerbate a humanitarian situation in a country that hosts more displaced people than any other in Africa.

M23 says it is fighting to defend Congolese Tutsis, Rwanda's dominant ethnic group, against

ethnic Hutu militias. Its rise has helped transform Rwanda, which produces little tantalum, into the world's second-largest exporter of the rare metal, because it controls informal supply chains that funnel the Congolese-mined mineral across the border, say researchers and U.N. investigators.

Congo accuses Rwandan President Paul Kagame, a Tutsi, of using the group to seize control of the region's minerals. Mr. Kagame says M23 is a Congolese group fighting for legitimate political rights, and has ignored international pleas to halt his sup-

port for the rebel group, which is led by commanders who had served in the Rwandan army.

Uganda was ordered in February by the International Court of Justice to pay Congo \$325 million in reparations for its role in the plundering of the country's resources.

Regional diplomats and analysts say the latest fighting was triggered when Congolese President Félix Tshisekedi allowed Uganda to deploy troops to conduct joint operations against Islamic State-affiliated Allied Democratic Forces operating in Congo last year. The move pressured Rwanda,


which competes with Uganda over control of Congo's mineral riches, to intervene, said the International Crisis Group.

In Goma, food stocks are running low after rebels cut off the main highway to the north, sending prices of staples spiraling.

The battle for Goma, which has uprooted more than 260,000 people, could reignite regional rivalries and revive other local insurgents. That would undermine recent efforts by Mr. Tshisekedi to end decades of conflict by mending relations with neighboring states and working closely with a 12,000-strong U.N.

force. But in recent months, these hopes have vanished: Dozens of people have been killed since July, while hundreds of protesters have attacked U.N. bases, angered by the perceived inability of peacekeepers to keep civilians safe. U.N. investigators have warned that M23 rebels planned to recapture the city to extract political concessions from the Congolese government.

Regional leaders have sought to resolve tensions between Congo and Rwanda, with leaders of the East African Community bloc saying on Nov. 13 that peace talks would start in Kenya before the end of November.



CONGRATULATES


GEORGE RIZK

2022 RECIPIENT OF THE

INTERNATIONAL JUSTICE COLLECTIVE

ADVOCACY AWARD

George, thanks for 25 years of being the wartime consigliere. -A & M



WORLD WATCH

MIDDLE EAST

Iran Attacks Kurdish Groups in Iraq

Iran launched drones and missiles against Kurdish groups in northern Iraq on Monday, the second time in a week, as the Islamic Republic intensifies efforts to suppress a two-month-old protest movement inside its borders.

Iran's Islamic Revolutionary Guard Corps said Monday that it had targeted Kurdish military bases in Erbil and Sulaimaniya, alleging that factions there are fomenting unrest in Iran.

The latest strikes are part of Tehran's campaign to retaliate against outside groups and foreign governments that it has blamed for supporting the discord at home, which is posing the clerical establishment's biggest challenge in decades. The protests erupted after the death on Sept. 16 of Mahsa Amini in the custody of the morality police. What began as a movement for more rights has since morphed into broader calls to



The town of Kuc, Albania, was among the Balkan areas hit by floods. Hundreds of homes in the region suffered damage.

overthrow the Islamic leadership. The strikes caused at least one death in Koysinjaq, some 47 miles east of Erbil, where the IRGC targeted a civilian hospital with surface-to-surface missiles, according to the Kurdistan Democratic Party of Iran. The attacks

included suicide drones against Kurdish parties.

Also Monday, Turkey said it carried out airstrikes against Kurdish militants in Iraq, whom it blames for a deadly bombing in Istanbul a week ago.

—Benoit Faucon

BALKANS

Heavy Rains Bring Flooding, Killing Six

Torrential rains in the Balkans over the past two days led to floods that killed at least six people, prompted widespread evacuations and caused significant damage, authorities said Monday.

One of the most affected areas was in northwestern Albania, where thousands of acres of agricultural land and hundreds of homes were flooded. Authorities evacuated scores of families amid power outages.

Early Monday, police divers found the bodies of two missing men, a father and son whose car was washed away Sunday in the village of Boge, some 90 miles north of the capital Tirana.

Swollen rivers in Montenegro and parts of Serbia claimed four lives over the weekend. A woman and her two children drowned in Montenegro when their car plunged into a river as it was going over a bridge. In southern Serbia, a 2-year-old boy

drowned after falling into a river.

Authorities in the southern Serbian region of Raska proclaimed a state of emergency because of the heavy flooding and the army was deployed to help the local population with evacuations and deliveries of drinking water and food.

—Associated Press

QATAR WORLD CUP

Iranian Players Silent For National Anthem

Iran's soccer team chose not to sing the Islamic Republic's national anthem before their opening World Cup match against England on Monday, in an apparent show of solidarity with a monthslong rights movement sweeping across the country.

The defiant act came after the team's captain, Ehsan Hajsafi, on Sunday expressed support for those who had lost loved ones during the recent unrest, which began in mid-September after the death of 22-year-old Mahsa Amini in the

custody of the country's morality police. More than 300 people have died since then as the government used force to break the protest movement that has now morphed into broader calls to overthrow the Islamic leadership.

"We have to accept the conditions in our country are not right and our people are not happy," he said in Doha, Qatar, on Sunday, in the first remarks by a member of the team regarding the protests.

"We are here but it does not mean we should not be their voice or we should not respect them," Mr. Hajsafi said. "They should know that we are with them. And we support them. And we sympathize with them regarding the conditions."

The usually revered national team has received criticism ahead of the soccer tournament in Qatar for not speaking out in support of the protests and for meeting with a government delegation headed by President Ebrahim Raisi ahead of the tournament.

—Sune Engel Rasmussen

FROM PAGE ONE

Beyond's Problems Pile Up

Continued from Page One

more than two decades, according to Dealogic data. It snagged entertainers Snoop Dogg and Leonardo DiCaprio as boosters and signed deals with major restaurants and supermarket chains that propelled its valuation to over \$10 billion later that year.

Since then, the company has been losing money and amassing debt. It has shed a series of executives, including its chief operating officer, who was arrested in September after he was accused of biting a person's nose. U.S. grocery sales of plant-based meat substitutes are declining, and rival imitation-meat makers are capturing market share. Beyond's stock is down 83% in the last 12 months.

At the helm is Mr. Brown, who quit a career in alternative energy and started Beyond in 2009 in a commercial kitchen in Maryland. The 51-year-old is credited with helping expand the market for meat substitutes with his plant-based sausages and burgers designed to look, cook and taste like the real thing.

But some current and former employees said Mr. Brown also has struggled to stick to priorities and manage Beyond's growth—switching gears frequently in ways that has left teams confused and frustrated.

Mr. Brown's drive to roll out new products on rushed timelines led to missed deadlines, disappointed customers and wasted packaging and ingredients, according to internal company documents and emails and current and former employees. A new offering backfired when veggie sausages slumped in their packaging on store shelves.

Seth Goldman, the chair of Beyond's board, said there can be tension between passionate founders and the realities of trying to structure a large business. Beyond has had to build technology, supply chains and other elements from scratch, he said, as it grew over roughly a decade to a more than \$400 million business.

"There is inevitably an element of chaos," Mr. Goldman said, adding that he supports Mr. Brown.

The company operates from a three-year strategic vision and an annual plan that prioritizes projects with customers and partners, said Beyond spokeswoman Shira Zackai. Those plans support Beyond's rapid innovation, which borrows from a model used by technology companies, she said.

In the past year, the company has tested or introduced nine products at restaurants in 18 countries and begun offering six new products in U.S. stores, Ms. Zackai said.

"The pace and intensity of our innovation is not for everyone," she said. "It does, however, produce extraordinary results which we believe will, over time, deliver outsized impact for the world and strong returns for our investors."

Some current and former Beyond executives and employ-

ees, including chief innovation officer Dariush Ajami and senior vice president of operations Jonathan Nelson, said Mr. Brown is an open-minded leader who sets clear plans for the company. Garrett Morgan, Beyond's head of global strategy, said Mr. Brown mixes strategic vision with a practical mind-set.

Plans change and Beyond works to be agile, Mr. Morgan said, but the company follows consistent priorities even as it responds to shifting market conditions and other dynamics.

Mr. Brown has said Beyond and other meat-alternative companies are facing challenges as they compete with less expensive real meat at a time of inflation and consumer uncertainty over the health benefits of what are highly processed products.

As he started his company, Mr. Brown licensed a process developed by University of Missouri researchers that combined proteins from plants into a molecular structure resembling animal muscle. Beyond's patties are made by extracting protein from yellow peas and other sources and mixing it with ingredients such as canola oil, potato starch and beet juice color to produce burgers that suggest ground beef.

Targeting carnivores rather than vegans and vegetarians, Beyond's burger made its debut in the meat case at Whole Foods Market in 2016. The burgers, which mimic the grilled sizzle of a meat patty, found a foothold among conventional grocers, and along with products from rival plant-based meat maker Impossible Foods Inc., helped revolutionize America's veggie-burger business.

Investors poured money into Beyond as the company's annual sales soared, increasing more than fivefold to \$88 million between 2016 and 2018.

Tim Geistlinger, Beyond's vice president of research and development until he left in 2016, said exuberance over the company's rapid growth came with ever-evolving priorities, as Beyond sought and won over customers such as fast-food chains that executives called "whales."

Startup approach

Mr. Brown wanted to make progress as fast as possible and worry about details later, a common characteristic of startup founders, Mr. Geistlinger said.

That passion made Mr. Brown one of the plant-based protein sector's best public advocates, Mr. Geistlinger said. Still, before leaving, he advised the company to bring in more experienced leaders to manage its growing operations.

"Pushing back on Ethan was very hard," Mr. Geistlinger said. "He didn't want to hear things that were contrary."

Mr. Geistlinger also praised Mr. Brown for trying to disrupt the global meat industry.

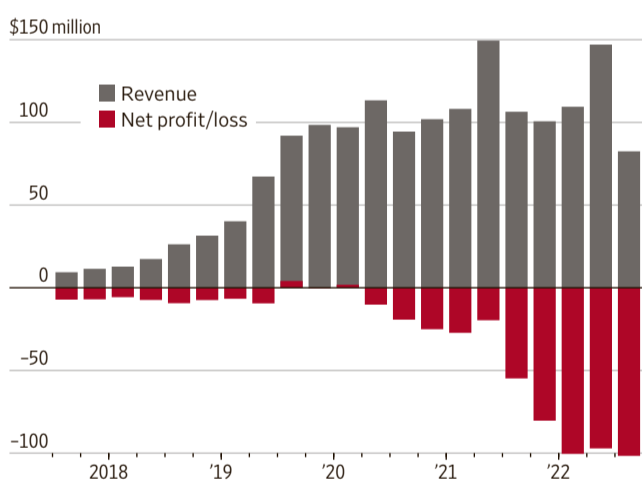
Backed by its board of directors, Beyond worked to create new products and quickly increase its manufacturing capacity while interest in the sector was hot, said Mr. Goldman, who co-founded Honest Tea, acquired by Coca-Cola Co., and has for years counseled Mr. Brown.

Beyond's sales grew 56% to \$465 million between 2019 and 2021. Its costs and debt grew far faster.



CEO Ethan Brown tried to roll out new products on rushed timelines, former employees said.

Beyond Meat's quarterly results



Sources: S&P Capital IQ (results); FactSet (shares)

Expenses tied to research and development more than tripled during that time, and capital expenditures increased more than fivefold. In January 2021, the company that once occupied 3,000 square feet of lab space in El Segundo, Calif., signed a 12-year lease valued at more than \$150 million to build a campus about 100 times as large.

The campus was to include living interior walls, a fitness center and "future-forward research incubators," according to a news release announcing the project. Inside headquarters last month, plastic tarps still hung from ceilings, and lab chairs bore their sales tags.

Beyond's roster of full-time employees and contract workers swelled roughly 10-fold between the end of 2016 and the end of 2021, according to a company filing. Its manufacturing capacity increased roughly 30% in 2021 as Beyond brought online facilities in the Netherlands and China.

Beyond's losses deepened from \$12 million to \$182 million while its debt climbed to \$1.1 billion between 2019 and 2021. The company's losses in the nine months that ended Oct. 1 were \$299 million, and its debt load hadn't budged.

While Mr. Brown turbocharged growth, a gulf emerged between the team responsible for developing new products and the group that figures out how to produce them at large volumes, according to current and former employees.

ployees.

Innovations made in small quantities by hand in Beyond's research laboratories often would spur Mr. Brown and other top executives to make commitments to customers before the company knew how to produce the food at large scale in factories, the employees said. Beyond at times purchased millions of dollars worth of equipment it didn't need.

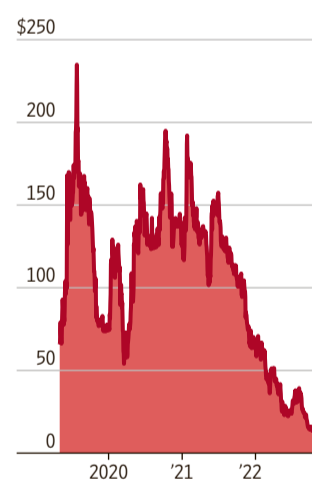
Mr. Ajami, Beyond's chief innovation officer, said Beyond employees work closely together to develop products

Beyond is aiming to move away from its 'growth-above-all' model.

that have never been made before. "It requires lots of outside thinking, lots of collaboration and hand-holding, you know, to get from one step to the other," he said.

Beyond's jerky, launched last spring as part of a joint venture with PepsiCo Inc., faced a rocky and expensive path to production after Beyond struggled to re-create an early, lab-crafted version in bulk at plants, according to current and former employees and company emails. Initially, the jerky had to be made in facilities across several states,

Share price



boosting its cost of production and squeezing profit margins.

Beyond said in its November earnings call that the jerky project had reduced the company's gross profit by \$6 million in the most recent quarter as third-party manufacturing capacity was underused or canceled.

A rush to market hurt the company's first chicken-tender-like product to hit store shelves last year, current and former employees said.

Beyond ran into difficulties producing the tenders and, shortly before the product was due on supermarket shelves, turned to a third-party manufacturer.

When details of the nutritional value, such as the amount of protein and saturated fat included, hadn't been settled, Beyond printed multiple versions of its packaging and discarded what it didn't use, the employees said and company emails showed.

Beyond's 2020 launch of a new version of its dinner sausages suffered as a result of insufficient testing. The appearance of the sagging sausages turned off consumers, and some didn't like the new flavor or feel, prompting Beyond to pull them from stores, according to internal company emails and current and former employees.

Mr. Brown's drive to get products to market and strike deals with restaurant chains regularly trumped a focus on short-term profitability, ac-

ording to current and former employees.

Beyond's expansion into Europe came with costly problems, according to company documents and current and former employees, who said burgers and sausages have spoiled in stores overseas because European refrigerators are kept at warmer temperatures than those in the U.S.

Shelf life is too limited and "we face a lot of write offs and high waste costs at retailer side—up to 20-35% for some items on total sales," according to a company document.

To help build out its operations, Beyond announced last December it had hired two meat industry veterans, executives at Tyson Foods Inc. Both had left Beyond by the end of October.

Doug Ramsey, Beyond's chief operating officer, departed shortly after he was arrested for biting someone and threatening to kill him during a fight outside a college-football game in Arkansas. He had been working to integrate the company's innovation and commercialization teams, employees said.

Bernie Adcock was Beyond's chief supply chain officer until stepping down to take a leadership position at chicken giant Pilgrim's Pride Corp.

Mr. Ramsey and Mr. Adcock didn't respond to requests for comment.

Declining sales

As Mr. Brown works to give his 13-year-old company a narrower focus, it faces a new challenge: inflation.

U.S. grocery sales of plant-based meat substitutes are falling overall, and Beyond's are dropping at an even faster rate. In the 12 weeks ended Oct. 8, Beyond's sales declined 21% by volume versus the year-ago period, according to NielsenIQ data provided by an analyst. The overall category declined 8%.

Rival Impossible's sales rose 49% in that period, as the company expands its retail presence with more items, according to Credit Suisse analyst Robert Moskow. Impossible also attributed its growth to its product quality and per-store sales gains.

Beyond has slowed or idled some production at plants in places such as Pennsylvania, according to former employees, and Mr. Brown said on the November earnings call that Beyond is working to reorganize its manufacturing.

The company also has said it is significantly reducing expenses and aims for "cash-flow positive operations" in the second half of 2023.

Following the recent layoffs, Beyond said it would stop sending samples to buyers and influencers for at least two to three weeks after losing the people who ran those functions, according to an internal company email.

Beyond is urging employees to pick budget hotels for work travel and will serve more of its own products, including the jerky, as snacks at headquarters.

On the November earnings call, Mr. Brown outlined a plan for stabilizing Beyond's business, including by focusing on its core products, such as plant-based sausages and burgers.

It is a pivot, Mr. Brown said, from the "growth-above-all" model.



RSV, flu and other viruses are surging early this year.

ALEXANDRA SUZI/SHUTTERSTOCK

Parents and Schools Tussle Over Keeping Sick Kids Home

By ALEX JANIN

Tensions are rising between parents and school nurses over children showing up to school with coughs, colds and symptoms of viral infections.

Levels of respiratory syncytial virus, or RSV, influenza, and other respiratory viruses are surging early this year. The flood is straining school nurses and creating tough decisions for parents, who worry about children missing instruction and balancing job demands with child care. School nurses are pushing back, sending sick children home and reminding families about illness guidelines.

Some parents are sending children to school sick or returning them too quickly after illness, school nurses say, with parents citing an inability to take more time off work and a broader weariness from dealing with so much illness during the Covid-19 pandemic.

"They realize, 'Oh, it's not Covid, they can go back,' and then they're discounting influenza, RSV, rhinovirus, all the other pieces that fit to this respiratory illness puzzle," says Jackie Follansbee, a nurse in the Yakima School District in Yakima County, Wash.

In a typical year, she would send two to three children a week back home for returning to school sick. Now, it's two to three "repeat offenders" a day, she says.

Kelly Debeljak, a part-time school nurse at Hilltop Elementary School in Beachwood, Ohio, says she's now spending most of her day assessing students with symptoms like fever and fatigue. The first cases of flu and RSV at her school were confirmed in late October, she says, the earliest she can remember in 25 years as a school nurse.

Schools in her district, and others around the country, are sending notes to parents with details on when it is safe to return children to school, such as when a child is fever-free for 24 hours without medication and symptoms are improving. In some cases, nurses are direct calling families to remind them that symptoms of viral illnesses often last for a week or more.

"Families kind of get the message and they realize that I mean business," says Ms. Follansbee. "I'm not going to let just anyone come back." A surge of viruses is the last thing nurses and parents wanted for a year they had hoped would bring a return to prepandemic normality.

"I just want to go back to a normal school year where my biggest problem is strep throat and pinkeye and impetigo," says Ms.

104K

Americans missed work because of child-care issues in October



'Nurses say that parents are yelling at them and very angry about us sending children home.'

Debeljak.

Parents feel the same way. Some may be sending symptomatic children to school so they don't miss out on in-person schooling after years of interruptions, says Kate King, a school nurse at World Language Middle School in Columbus, Ohio, and president-elect of the National Association of

School Nurses. Other parents can't afford to take days away from the office.

"I'm still hearing nurses say that parents are yelling at them and very angry about us sending children home," says Dr. King. "I feel for parents. They're recovering from this whole pandemic as we are."

Deciding how long or when to keep children home sick can be tough. More workplaces expect employees in the office and many jobs don't have work-from-home flexibility. Approximately 104,000 Americans missed work because of child-care issues in October, the

highest number recorded by the Bureau of Labor Statistics since tracking began in 1994.

David Wolfendale, 45 years old, a paramedic and father of a 4-year-old and 7-year-old in Washington, D.C., had to take several days off work to care for his children when they got sick around Halloween.

Discerning when they were healthy enough to go back was tough, he says. The children tested negative for Covid-19, so they weren't required to isolate, he says. He sent his daughter back to school after she was fever-free for 24 hours.

Determining when to send his son back was harder—he didn't have a fever, but had a cough. Mr. Wolfendale waited until his son's symptoms waned enough so he was coughing only once per hour or less, he says.

As of Nov. 5, about 19% of PCR tests for RSV in the U.S. were positive, an increase from about 9% at the same time last year, according to Centers for Disease Control and Prevention data collected from voluntary lab reporting. As of the first week of November this year, children under the age of 18 were hospitalized for flu at the highest rate since 2009, according to CDC data.

Several school districts or individual schools have closed for several days at a time in recent weeks, citing a surge in illness among students and staff. Staff at Community Montessori in New Albany, Ind., closed school on Nov. 10 and 11 after more than half of the students in one class were out sick, says school director Barbara Burke Fondren.

Christ the King Catholic School in Kansas City, Kan., closed from Nov. 9 to 11. Their school nurse was unavailable for an interview because she too was out sick, said school principal Cathy Fithian.

Absence rates at schools in DeKalb County school district in Georgia, which serves approximately 94,000 students, reached 10% to 30% at some schools in late October and early November, according to JoAnn Harris, who leads a team of more than 90 nurses in the district.

Amy Pilotte, a Realtor in Boise, Idaho, was asleep when her 7-year-old daughter, Cora, climbed into her bed in the early hours of Nov. 7, burning with fever. She kept Cora and her 4-year-old brother, Loic, who was also sick, home from school.

Cora, who is usually sick for no more than a day or two, kept waking up with a fever, says Ms. Pilotte, and was eventually diagnosed with flu. A few days after the children got sick, her husband did, too.

She waited for the children to be fever-free for more than 24 hours before sending them back to school, which meant five missed days for Cora and seven missed days for Loic.

"I felt like I was running a sick ward," says Ms. Pilotte, who is 37. "It was very reminiscent of the Covid quarantine feelings, like, OK, we're hunkering down again."

What Do You Call the In-Laws?

Continued from Page One
movies was real. It was. According to YouGov's July poll, 29% of couples call their in-laws by their first names, 17% refer to them as Mom and/or Dad, and 9% use Mr., Mrs. or Ms. The rest don't have relationships with their in-laws or aren't sure what to call them.

"I struggle with what to call my in-laws," says newlywed Lauren Coble, who is 30 and a deal strategist in Los Angeles.

Ms. Coble says she originally called her husband's parents "Mr." and "Mrs.," which felt comfortable given her southern upbringing. The trouble came once they suggested she use their first names.

"I'm mortified any time their first names leave my mouth," Ms. Coble says. "So now I just avoid it."

Amy and David Mosely stayed calm as they approached their October wedding in Louisville, Ky.

But Mr. Mosley, who is 29, and a clinical psychologist, admits feeling a bit thrown as Amy's mother began making what he calls "gentle bids" for him to call her "mom." David was raised by a single mother, and says calling anyone else mom would feel odd.

"I don't know if she notices me changing the subject and plays along, or if she truly doesn't realize," he says, laughing.



In some cultures, what one calls family members "is very prescribed," says Deborah Tannen, a professor of linguistics at Georgetown University. In the U.S., she says, "you've got to decide."

"Not Sure What to Call Your In-Laws?" asked a March headline in Southern Living magazine, which urged couples to address the "elephant in the room." ("Should you stick with Mr. and Mrs. Last Name? Are you on a first-name basis now? Do they want to be Mom and Dad?")

Reddit threads on the topic over the last year have prompted venting and advice. Throwing in the towel is an option: "You can probably get away with avoiding calling them anything to their faces," suggests one popular comment.

That's the path Mike Esparza is taking so far. A 30-year-old general

contractor in Los Angeles, Mr. Esparza proposed to his girlfriend, Terry Ramirez, a speech pathologist, in December of last year, but says he hasn't figured out how to address her parents.



"If they said 'hey, just call me

this,' I would follow it to a T," he says. But he says neither party has initiated the conversation.

"It's a huge problem for me! I never know how to engage," Mr. Esparza says. "I just try to find language where I'm using first person."

Kaela Powers, 21, and her husband Ronnie Alfonso, 24, of Tampa, Fla., were married this past April. While dating, Ms. Powers avoided calling her future in-laws anything, and would introduce them as "Ronnie's parents."



Things became more difficult after the wedding when the couple moved into a home on the in-laws' property. "My husband has a large family, which makes it harder to get their attention without using names," says Ms. Powers, a student at the University of South Florida. "After a while, I realized it was just easier to say 'mom' and 'dad.' It's super awkward but at least everyone knows who I'm talking about."

Alysha Madrigal-Coleman, who was married in October, dodges words altogether and resorts to body language when trying to communicate with her mother-in-law. She will

just try to catch her eye. "Or I can touch her arm," she says.

Ms. Madrigal-Coleman, who is 34, says her mother-in-law originally introduced herself by her first name. But, "I was raised to call everyone 'Mr.' or 'Mrs. first name,'" she says. She avoided the issue over two years of dating, and the situation never resolved itself. If pressed, she will use a first name for her mother-in-law.

One development that seems to break the ice: children.

Jackie Morey, a 37-year-old data analyst in Philadelphia, says she has stumbled over what to call her in-laws for 16 years. But, "ever since we've had kids I've had an easier time skirting it by calling them 'Mimi' and 'Papa,'" she says.

Tim Marino, a 63-year-old IT product manager in Chicago, has successfully avoided calling his in-laws, well, anything, for more than three decades.

"I have a great relationship with them, but I still don't always feel comfortable calling them mom and dad," he says. "To be honest, I generally try to avoid using any names for my in-laws."

Mr. Marino became an in-law himself last August, when his daughter, Lauren, got married. Now he's watching his son-in-law perform the familiar verbal gymnastics.

"If my son-in-law can avoid addressing us, he definitely will," Mr. Marino says. "Honestly, I don't blame" him, Mr. Marino says, laughing. "I'm not even sure what he should be calling me."

CLOCKWISE FROM LEFT: MOREY FAMILY; DIEGO MADRIGAL-COLEMAN

PERSONAL JOURNAL.

Wearable Tech to Help You Get Pregnant or Prevent It

PERSONAL TECHNOLOGY
NICOLE NGUYEN

Trying to have a baby? Trying *not* to have a baby? There's now a smartwatch for that—and a smart ring, too.

The new Apple Watch Series 8 (\$399 and up) and Ultra (\$799), as well as the third-generation Oura ring (\$299 and up), are modernizing the age-old practice of fertility tracking with advanced temperature sensors. Their accompanying software can detect slight rises in temperature to determine your ovulation, which typically causes an upswing of 0.5 to 1 degree Fahrenheit. This is the time of month you're most likely to get pregnant.

For the past few months, I've been testing the new Apple Watch and Oura. I compared the high-tech approaches with the traditional method of using a thermometer and manually charting the readings. Other wearables that take temperature readings haven't integrated them into fertility tracking yet. And specialized fertility products such as the Ava bracelet and Daysy thermometer can be useful, but my focus was on full-featured wearables.

On the subject of birth control, Apple doesn't recommend using its watch for contraception purposes, but the Oura ring, when paired with the Natural Cycles app, has been cleared by the Food and Drug Administration as a method to prevent pregnancies.

Letting an algorithm do the work was much easier than interpreting data on my own, but that convenience comes with a cost.

Why track ovulation and temperature?

Your fertile window typically includes ovulation and the five days leading up to it, according to Priyanka



Ghosh, an assistant professor of obstetrics and gynecology at Columbia University Irving Medical Center.

After ovulation, your body temperature rises and can stay elevated for several days, said Dr. Ghosh. You can use a basal thermometer, or wear a gadget, to track this change.

Neither the Apple Watch nor the Oura can tell if you're running a 101-degree fever like a traditional thermometer. Instead, the devices track changes in skin temperature from your baseline, recorded while you sleep.

The Apple Watch and Oura algorithms look for a temperature shift specifically to estimate which day in

your cycle you ovulated. A temperature increase could, of course, also indicate illness or exercise strain. The companies say their software knows the difference.

Testing the algorithms

The first day of your cycle and ovulation are closely tied. So, in addition to wearing the gadget, you need to log when you get your period (marking the start of a new cycle) in the Apple Health or Natural Cycles apps. Both take steps to protect your privacy, but to different degrees (more on that later). They use self-reported menstrual-cycle data, including past cycles you've recorded, to estimate your

fertility. Temperature data from the wearables makes these calculations more accurate.

If you have irregular cycles (shorter than 21 days or longer than 35 days), these apps' predictions aren't as helpful—though just keeping track can be valuable. Irregularity or lack of ovulation could indicate an underlying medical condition, Dr. Ghosh said. "If there's any concern, seek a professional opinion," she said.

Fertility tracking with Oura requires an Oura membership (\$6 a month), plus an integration with Natural Cycles (\$100 annually or \$13 a month). The Apple Health app is included with iPhones and Apple Watches at no extra cost.

A key difference between Natural Cycles and Apple Health is how they make inferences about your fertility. Natural Cycles predicts your specific ovulation date, then confirms when you actually did ovulate, based on temperature data from Oura.

Apple doesn't predict a specific date. Instead, it predicts your next period and then subtracts 13 days to calculate your fertile window, or the six days you're most likely to conceive. But then it similarly uses temperature data to look back and confirm the specific ovulation date.

Apple and Natural Cycles recommend wearing the devices every night for the most accurate results, though you can miss a day or two. You need to wear the gadgets for a few cycles to establish your body's baseline temperature, before they can confirm ovulation.

For the traditional method, I logged my daily readings from a \$14 drug-store basal thermometer, which is more precise because it shows two decimal points. I used a simple chart from my doctor, and marked down my temperature before I got up from bed. To fine-tune my estimate, I also took at-home tests to detect hormones that surge a day or two before ovulation.

During my first cycle testing these methods, I got the flu, which might have affected my temperature. Still, the ovulation estimates from Apple Health and Natural Cycles differed by only one day. In the second cycle, Apple Health and Natural

Cycles estimated the same date. The results lined up with both the hormone testing and my manual chart calculations.

Watch vs. ring: How to choose

Apple and Natural Cycles algorithms were largely in agreement. But that's where the similarities end.

Comfort: I didn't like wearing the bulky Apple Watch Ultra at night. The Series 8 is sleeker and lighter, but the Ultra's multiday battery life is better for sleep tracking. The Oura ring was more comfortable, overall.

App: In Apple's Health app, you can see a cycle log and some insights, but it's difficult to compare current cy-

cles with past cycles. Wrist-temperature information isn't available on the watch, only the iPhone app, where it's buried under multiple menus. Frustratingly, you can see only 14 days of data at a time, rather than a snapshot of your entire cycle.

The Natural Cycles app provides more context, including your typical ovulation day and variation between cycles. You can switch to a plan-pregnancy mode to view a more precise fertile window, rather than the more conservative one shown in birth-control mode that marks more potential fertile days to better prevent pregnancy.

Cost: Obviously, pen and paper were the cheapest, but also the hardest and most likely to cause errors. On several occasions, I got up to use the bathroom *before* taking my temperature, which is a no-no for the method.

For people who already have one of the new Apple Watch models, temperature-enhanced fertility tracking in Apple Health is something free to try. But I wouldn't upgrade to an Apple Watch Series 8 or Ultra just for this.

Oura, because it requires the initial purchase plus two subscriptions, can end up being the costliest. Fortunately, a Natural Cycles spokeswoman said, as a registered medical application, the app's subscription fees can be covered by both flexible spending and health spending accounts.

Natural Cycles Chief Executive Elina Berglund said the company is working on its own wearable and conducting clinical trials on other third-party hardware.

Privacy: The data practices of fertility-tracking apps took on new importance after the Supreme Court overturned the constitutional right to abortion. Apple's Health app is one of the most private, with full end-to-end encryption. That means your health data can't be shared with anyone, even Apple, unless you use the export function to share your information with a doctor.

Natural Cycles encrypts user data, but not end-to-end, so it could technically read your data. The company says that its subscription model means it doesn't share or sell personal health data to advertisers. It does, however, use anonymized device and IP-address data for marketing, and gives users the ability to opt out. The company is launching an anonymous mode early next year.

Worth it? These devices can take a lot of the guesswork out of cycle tracking—and can become even more accurate when paired with tools such as ovulation hormone tests. Choose the wearable you're most likely to be comfortable with overnight. Just remember: This technology provides an assessment and can't replace the advice or guidance of a doctor.

ROLEX

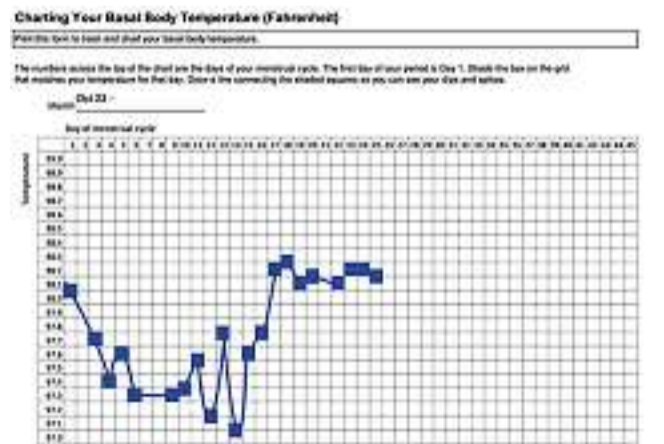
OYSTER PERPETUAL DATEJUST 41

WEMPE
ESTABLISHED 1878
700 FIFTH AVENUE & 55TH STREET
NEW YORK · 212.397.9000
WEMPE.COM

ROLEX · OYSTER PERPETUAL AND DATEJUST ARE ® TRADEMARKS.



Apple's Health app displays a six-day fertile window prediction in blue.



The traditional temperature-tracking method for identifying ovulation involves a basal thermometer and a chart, above. Natural Cycles, below, marks red days as 'fertile' and green days as 'not fertile,' based on when you ovulate.

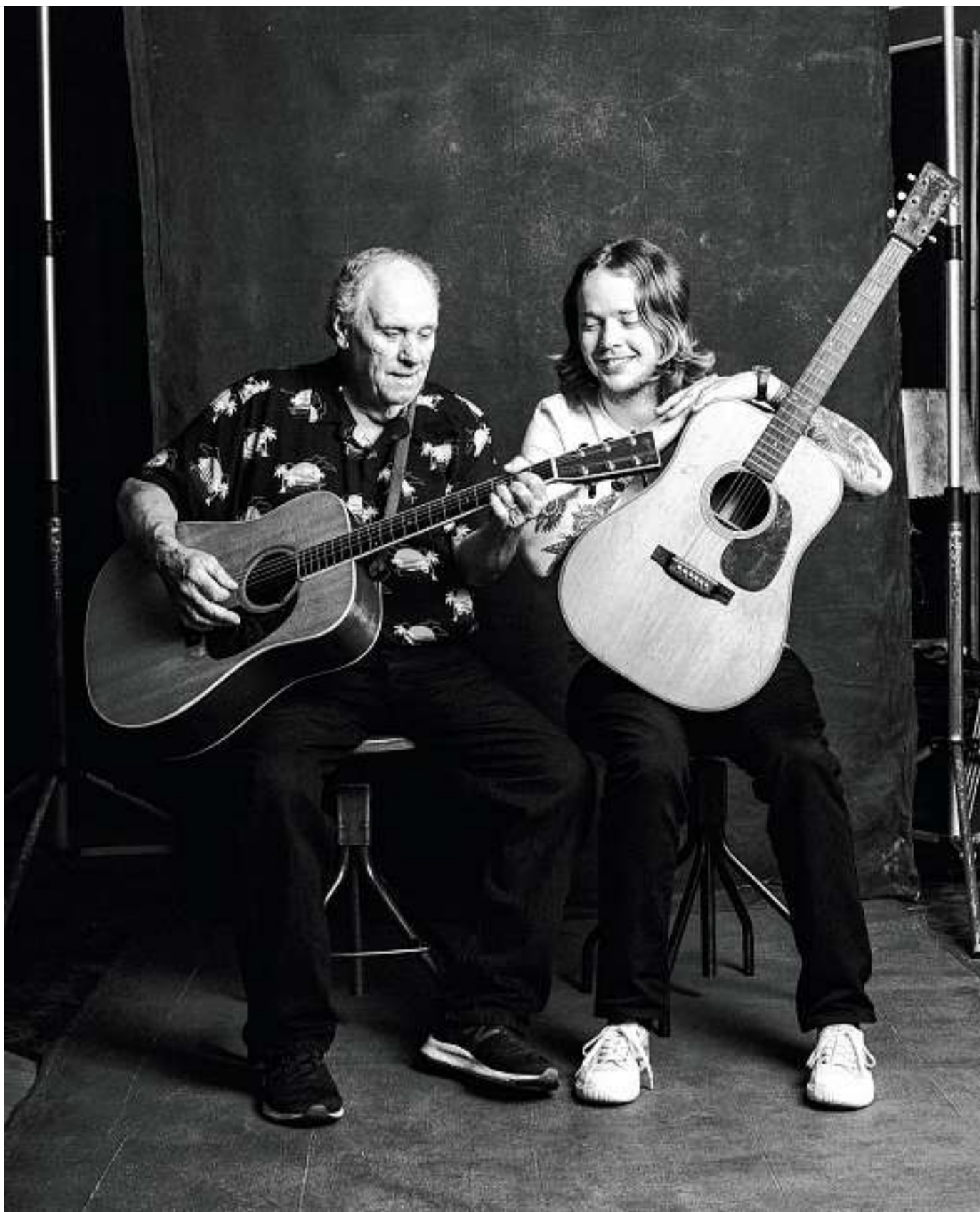


ARTS IN REVIEW

The surge of interest around guitarist and singer-songwriter Billy Strings over the past few years is the rare music phenomenon that feels almost entirely new. Mr. Strings, born William Apostol in 1992, makes bluegrass—a genre with a storied tradition and dedicated fans, to be sure, but one that hadn't exactly been known for minting young, internet-friendly stars. But Mr. Strings has mixed reverence for tradition with aesthetic exploration in a way that speaks across generations. He toured relentlessly in the 2010s and attracted attention from a growing cult following and fellow musicians for both his astonishing guitar playing and his rapidly developing songwriting voice. His 2019 album, "Home," which included bluegrass picking alongside expansive compositions that drew on psychedelic rock, eventually earned him a Grammy for best bluegrass album.

Someday, Mr. Strings' life will make a fascinating biopic. He grew up poor in a tiny town in Michigan, and his birth father died of a heroin overdose when he was two years old. His stepfather, Terry Barber, whom he grew up thinking of as Dad, began teaching him guitar before he was in kindergarten, and the way those in his family socialized was by playing music together. Alcohol and drugs, including opiates and methamphetamine, were pervasive in the family's circle. By the time Mr. Strings was a teenager, he had left home to escape the fallout from his parents' addictions while battling substance issues of his own. "Me/And/Dad" (Rounder), out now, brings him together with Mr. Barber, his formative musical influence. Together, they run through a set of old country and bluegrass tunes that pay homage to their influences while also showing how easily great songs from the past can tell our stories in the present.

"Me/And/Dad" works beautifully on two complementary levels. It's an exhilarating collection of 14 bluegrass and country tunes dating back over 60 years and ranging from classics to deep cuts. Throughout, the guitars from the principals along with mandolin, banjo, fiddle and bass are expertly played with joy and verve. But Mr. Strings crafted not just a collection of covers, but an album



Billy Strings and his stepfather, guitarist Terry Barber

Mr. Strings came up in, and how present tense it might have seemed when he first heard it as a kid.

Other songs are equally steeped in crime and a life of poverty. Sung by Mr. Strings, "Stone Walls and Steel Bars," a hit for the Stanley Brothers, tells the story of a "three-time loser" who fell in love with another man's wife and, after some unnamed deed, looks back on his life from prison. The jaunty "Way Downtown," also with Mr. Strings on lead, is about

The album, 'Me/And/Dad,' gives new poignancy to old tunes.

cutting loose and forgetting your troubles even though you barely have a dollar to your name. On most of the record, the voices of Messrs. Barber and Strings are front and center and the improvisation is reined in, but the instrumental "Peartree" features impressive interplay between the guitarists and fiddler Michael Cleveland.

As the album unfolds, it circles back to family and grows more poignant. Mr. Barber sings the Carter Family's "Wandering Boy" beautifully and with deep feeling. Though it was a hit almost 100 years ago, it's easy to imagine him singing it from the perspective of a parent whose child is touring

the country playing 200 shows a year. "John Deere Tractor," a ballad sung by Mr. Strings, is a song from a son to his mother saying that he's leaving the city life behind and coming home. On the closing "Heard My Mother Weeping," Mr. Strings' mom joins him and his dad, and her untrained but expressive voice fits perfectly on this informal-sounding record. When she and Mr. Barber harmonize on the closing line, "I still love you and our son," it's chill-inducing. It hammers home this terrific record's central argument—in music, the past is never dead, and we can learn something about our own lives from the songs of others.

Mr. Richardson is the Journal's rock and pop music critic. Follow him on Twitter @MarkRichardson.

MUSIC REVIEW | MARK RICHARDSON

Bluegrass Family Affair

Grammy winner Billy Strings makes a record with his stepfather

that works as a kind of autobiography. One of his first self-penned numbers to make an impact was "Dust in a Baggie," which drew on Mr. Strings' experiences to tell the tale of an incarcerated meth user. The songs here, written and made famous by artists like country's George Jones and bluegrass legends Doc Watson and the Stanley Brothers, are drawn from a milieu close to the one in which Mr. Strings was raised. They're stories of small towns, hard times, home

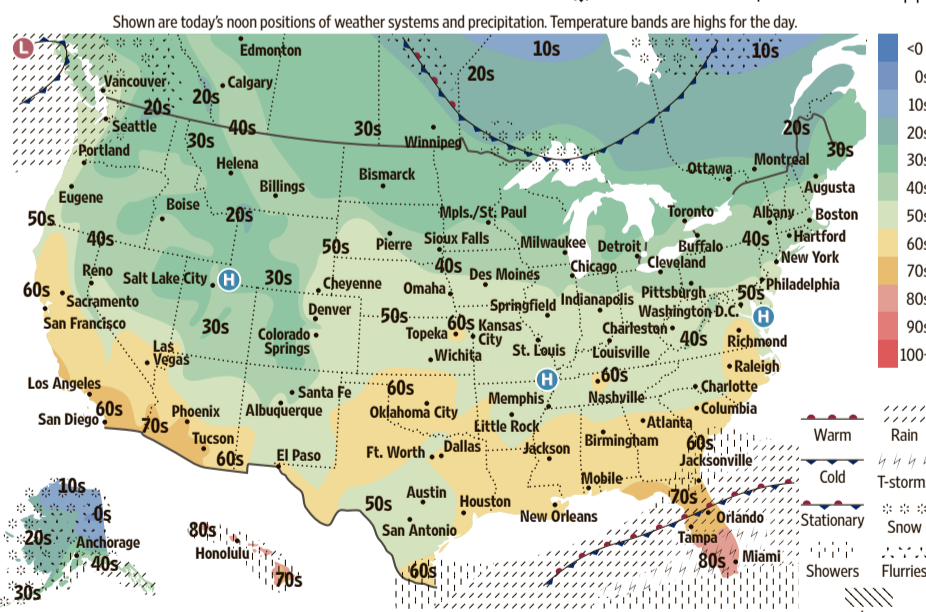
and family. Knowing what we know about Mr. Strings' childhood, many sound as if the singers had written them themselves.

Their voices work beautifully together—Mr. Barber's is grizzled and soulful, while Mr. Strings' is piercing with a twinge of vulnerability. The opening traditional number "Long Journey Home" sets the return-to-roots theme in motion. Over furious picking and a bouncing bassline, Mr. Strings sings about going back to where

he came from, introducing listeners to the world where these songs first entered his life. The following "Life to Go," an early number from Jones, is a midtempo weeper voiced by Mr. Barber. His vocal phrasing channels that of the tune's writer, which is remarkable coming from someone who has never made his living as a professional musician. It's about an incarcerated man with no future, and one can't help but think of the troubled world

Weather

AccuWeather | Discover our app



U.S. Forecasts

s.: sunny; pc.: partly cloudy; c.: cloudy; sh.: showers; t.: storms; r.: rain; sf.: snow flurries; sn.: snow; l: ice

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Anchorage	32	26	sn	31	19	sn
Atlanta	57	45	c	67	51	pc
Austin	54	43	c	64	52	c
Baltimore	55	30	s	58	33	s
Boise	42	28	c	46	25	c
Boston	47	36	s	52	35	c
Burlington	39	32	pc	40	28	sf
Charlotte	59	38	pc	67	38	pc
Chicago	48	32	s	52	39	s
Cleveland	49	31	s	51	34	s
Dallas	60	44	s	55	49	pc
Denver	54	28	pc	53	27	c
Detroit	46	29	s	49	31	s
Honolulu	84	70	pc	84	69	r
Houston	58	45	pc	64	55	c
Indianapolis	53	31	s	55	36	c
Kansas City	58	38	s	56	40	pc
Las Vegas	61	41	s	65	46	s
Little Rock	59	35	s	60	47	pc
Los Angeles	76	49	pc	75	51	s
Miami	84	72	t	83	72	sh
Milwaukee	45	32	s	50	37	s
Minneapolis	40	26	pc	46	30	c
Nashville	60	31	s	65	41	pc
New Orleans	60	53	c	70	59	c
New York City	50	37	s	54	38	s
Oklahoma City	60	38	s	53	44	pc

International

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Amsterdam	47	41	pc	49	43	r
Athens	66	61	pc	65	53	t
Bangkok	83	50	pc	80	51	s
Bahad	91	76	t	88	75	t
Beijing	51	39	pc	59	41	r
Berlin	42	36	c	45	37	s
Brussels	45	37	pc	47	40	r
Buenos Aires	73	65	s	82	71	s
Dubai	90	72	c	89	72	s
Dublin	47	44	c	51	39	c
Edinburgh	45	35	pc	43	41	r

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Frankfurt	43	36	c	45	39	c
Geneva	43	38	sh	46	41	r
Havana	85	68	pc	87	68	pc
Hong Kong	77	72	r	75	70	r
Istanbul	56	54	sh	65	52	sh
Jakarta	94	79	c	93	79	c
Jerusalem	67	48	sh	69	49	s
Johannesburg	71	53	r	79	55	pc
London	49	43	pc	54	43	r
Madrid	47	46	sh	60	46	sh
Manila	88	76	pc	88	76	pc
Melbourne	64	51	c	65	52	sh
Mexico City	71	53	pc	74	52	pc
Milan	59	37	pc	55	39	s
Moscow	35	34	sn	35	26	c
Mumbai	90	74	pc	89	75	pc
Paris	48	42	r	58	45	t
Rio de Janeiro	86	75	pc	84	72	t
Riyadh	75	54	t	77	57	s
Rome	58	44	t	62	48	pc
San Juan	86	74	s	85	74	t
Seoul	55	50	r	57	39	s
Shanghai	64	52	r	63	49	pc
Singapore	87	78	t	88	78	c
Sydney	71	54	s	76	57	t
Taipei City	81	70	pc	74	69	r
Tokyo	60	51	pc	56	56	r
Toronto	40	30	c	45	32	pc
Vancouver	48	41	c	49	38	c
Warsaw	39	26	c	38	28	c
Zurich	46	35	pc	47	36	pc

The WSJ Daily Crossword | Edited by Mike Shenk

LAND DEVELOPMENT | By Sam Koperwas & Jeff Chen

- | | | |
|------------------------------------|---|--|
| 1 Gives a tat | 28 Alpaca's cousin | 61 Lip curl |
| 5 Mustang fuel? | 31 Lb. and oz. | 62 Prime sector for development, and a clue to the ends of 18-, 24-, 40- and 50-Across |
| 9 "It's a Wonderful Life" director | 34 Took no action for the time being | 65 Deal cost |
| 14 Shoulder muscle, for short | 39 Mardi ___ | 66 Basic skateboard jump |
| 15 "Not so fast!" | 40 Meets some difficulty | 67 Persia, today |
| 16 Elite ensemble | 43 Seller of assemble-it-yourself furniture | 68 Bean variety named for a city |
| 17 Rap's Megan ___ | 44 Hunting dog | 69 Foot parts |
| 18 Home for a supercomputer array | 45 Where stars are seen | 70 Endure |
| 20 First zodiac sign | 46 Bejeweled topper | 71 March Madness rank |
| 22 Got to one's feet | 48 Reaction to a gut punch | |
| 23 Early auto | 50 Attractive region in physics | |
| 24 Guy Fawkes conspiracy of 1605 | 58 Fitting spot for an AirPods | |
| 27 Go after in court | 60 Pointed | |

- | | |
|--|---|
| 3 Calvin of fashion | 35 Foot part |
| 4 Soaks in hot water, say | 36 Place |
| 5 Pained cries | 37 IRS or FBI staffer |
| 6 In the lead | 38 2003-07 teen TV series based in SoCal |
| 7 Joe who managed the Mets, Braves, Cardinals, Yankees and Dodgers | 41 Tony winner Ramirez |
| 8 Relish | 42 They teach sophs |
| 9 Steve of "Space Force" | 47 Some marbles |
| 10 Justice Dept. division | 49 End-of-term exams |
| 11 Some fruit pastries | 51 Govt. org. that partnered with Moderna to develop a Covid-19 vaccine |
| 12 Far from well-done | 52 Messages sent without a stamp |
| 13 Magazine contents | 53 Earth, in old Rome |
| 19 Eerie ability | 54 Views |
| 21 "The Stars and Stripes Forever" composer | 55 Start of a counting rhyme |
| 25 Dresses in | 56 "I'll take it from here" |
| 26 Sister in Chekhov's "Three Sisters" | 57 Foreboding feeling |
| 29 Big name in trucks | 58 "I" problems |
| 30 Grayish | 59 Indie pop singer Parks |
| 31 Very small bit | 63 "___ geht es dir?" (German greeting) |
| 32 Kind of bar or torch | 64 Picnic invader |
| 33 Crush, as in a sports victory | |

Previous Puzzle's Solution

► Solve this puzzle online and discuss it at [WSJ.com/Puzzles](https://www.wsj.com/puzzles).

SPORTS



Timothy Weah of the U.S. scored in the first half, and Gareth Bale's late penalty kick tied the match.

Weston McKennie both received yellow cards for their physical tactics—two of four yellows the Americans ultimately received. And while the U.S. kept pressing down the field, Wales had successfully bunched down, playing a line of five players in the back to thwart any opportunities. So the Americans faced the prospect that if either received another yellow, they could be down a player with the game tied 0-0.

After Weah's goal, the U.S. entered halftime with a seemingly comfortable lead. The margin was only one, but Bale—who also received a first-half yellow card—was otherwise silent while Wales held just 29% of possession in the half.

Quickly, though, that margin felt far more tenuous after the break.

The Welsh pushed with far more purpose on the attack in the second half while the Americans suddenly looked tentative. Adding to the jitters, centerback Tim Ream gave the U.S. its third yellow card of the game. The Wales fans, who had been largely quieted by the Americans' early dominance, came back to life.

The lead looked like it might evaporate twice within the span of about a minute. First, off a set piece, American goalkeeper Matt Turner survived his first real test when he batted away a goalbound header from Welsh defender Ben Davies. On the ensuing corner, another header from forward Kieffer Moore just barely went over the goal.

Finally, the Americans' brute force tactics came back to haunt them.

As Bale received a ball in the box, Zimmerman attempted to dispossess him—and went through the back of his legs instead. Turner guessed right on the penalty, but it was still no match for the scorcher that came off Bale's foot.

The tides had shifted so dramatically during the final third of the game, with Wales repeatedly creating opportune looks, that it seemed the Americans were the ones fortunate to emerge with a draw.

The tie may also prove even more costly down the road because of the flurry of yellow cards. Should any of Dest, McKennie, Ream or Kellyn Acosta receive another booking, they would be suspended for a game, according to World Cup rules.

That count doesn't reset until the semifinals—a stage of the tournament the Americans can barely fantasize about at this point.

U.S., Wales Play to a 1-1 Draw

The Americans wore down and Welsh star Gareth Bale tied the match with a late penalty kick

By ANDREW BEATON

Al Rayyan, Qatar
The United States Men's National Team spent the past eight years on the sidelines of the World Cup after a disastrous failure to qualify in 2018. For the Americans, it was the ultimate missed opportunity.

Then on Monday, the U.S. marked its return to the World Cup with another blown chance in its opening match against Wales.

After taking an early 1-0 lead, and dominating the first half of the game, the Americans' physical style came back to cost them in a game that ended in a 1-1 draw after star Welsh forward Gareth Bale lashed home a late penalty kick.

After the U.S. racked up fouls throughout the game, it ultimately registered one that cost the team the win. Even before the game, the Americans detailed how they needed to be all over Bale—with one even suggesting they should kick him to slow him down. That's exactly what turned the tables against them.

U.S. defender Walker Zimmer-

man was whistled for a late penalty while tackling Bale. The call drew the ire of the U.S. fans on hand, but the referee never hesitated in awarding a penalty kick.

After the foul, Bale struck home the penalty to tie the game in the 82nd minute, turning a feel-good opening performance for the U.S. into something far more dour.

The tie does little to settle U.S. nerves after an extended absence from soccer's biggest stage. The result puts the Americans in a pitched battle for a place in the knockout stage from the middle of Group B, where England is at the top after the Three Lions thumped Iran 6-2 earlier Monday. The Americans will also be underdogs in their next game—against England on Black Friday.

Considering how most of the game went, this result is undoubtedly a disappointment for the Americans, who led much of the way with a performance built on physicality, precision and a young forward named Timothy Weah, who gave the Welsh fits for most of the evening at Ahmad bin Ali Stadium. Led by Weah's 36th minute goal, the Americans appeared to be in



control for much of the game.

Weah, the 22-year-old son of Liberia President and former Ballon d'Or winner George Weah, was the driving force behind the early U.S. attack that owned the ball and repeatedly pushed deep into the Wales defense during the first half. Then he put home a goal that had shades of his father, a former star striker. After American star Christian Pulisic threaded a perfectly

placed through-ball into the box, Weah needed just one touch off the right side of his right foot to redirect it past the goalkeeper.

From the outset, the U.S. established a physicality with its Welsh counterparts. So the Americans tackled hard, aggressively pursued 50-50 balls and eventually crossed the line, according to the referees.

In the 11th and 13th minutes, full-back Sergino Dest and midfielder

By LINDSEY ADLER

AARON JUDGE HAS AN MVP award and a big choice to make this offseason: Return to the New York Yankees, or start a new era in his career. The 30-year-old outfielder is the headliner of this year's free agency class after coming off a season in which he hit 62 home runs and put up one of the best walk-year campaigns in recent baseball history.

Judge turned down a contract extension worth \$230.5 million over eight seasons from the Yankees at the start of the 2022 season. Now, the field of potential landing spots is unclear, but one club expected to try to pry the right fielder out of New York is the San Francisco Giants, a big-market team that could really use a big star to anchor its roster.

While the Yankees are the incumbent favorite to retain Judge, the Giants—or another team—would have to sell him on starting over in a new uniform. Judge grew up as a Giants fan in Central California, making it a potentially appealing alternate option for the outfielder and his family.

Judge may face a choice between homegrown and hometown. But his value to the Yankees or Giants includes more than simple run creation—it also represents a chance to prove to their restless fan bases that they are serious about winning titles.

Both clubs are feeling pressure from their respective fan bases to deliver a winning, exciting team in coming seasons, which segments the cost for Judge's services into multiple components. There is the price a club might be willing to pay for his on-field production and the high standard he sets in a clubhouse. Then, there is the additional money they may be willing to spend to have him on the roster so that they can sell marketing campaigns, jerseys, and a commitment to winning to their angsty customer bases.

Call it a fan satisfaction tax tacked onto the price for Judge's production. His presence will al-

The Price of Signing Aaron Judge



After winning the MVP award, Aaron Judge indicated that he doesn't intend to have negotiations drag out.

most certainly go the furthest in engendering goodwill between a front office and their fan base in the market where he has thus far spent his major-league career and the market in which he was raised.

After winning the MVP award, Judge indicated that he doesn't intend to have negotiations drag out all winter.

"If we're going to build a winning team, if I can get my stuff out of the way so they can move on and add some more pieces to build the team up, I think that's an advantage for wherever I go," Judge said last week.

Judge is fastidiously private and the clubs that hope to sign him are disinclined to risk hurting their chances by sharing details of nego-

tiations with his representatives. In this event, industry executives are themselves speculating about the various levels of interest from other big-market teams, including the Dodgers, Cubs and Mets.

The Yankees may need Judge more than anyone from a fan-relations perspective. After going to seven World Series in the span of 14 seasons (and winning five), they haven't returned to that stage since their championship in 2009. Their fan base has come to see team owner Hal Steinbrenner as unnecessary frugal when it comes to roster building, though the Yankees are routinely one of the top spenders on team payroll despite their lack of serious pursuit of top free-agent position players in recent years.

Judge is the most valuable homegrown player the Yankees have had since Derek Jeter, and the organization would further erode trust with their customer base if they lose a bidding war to retain him.

"He's a very important part of this team," said Steinbrenner last week. "He's obviously very important to our fans and very important to my family and the organization. I've absolutely conveyed that I want him to be a Yankee for the rest of his life."

Steinbrenner said recently that he has taken the uncommon step of meeting with Judge in person, one-on-one, to make it clear to the first-time free agent what his return would mean to the Yankees. General manager Brian Cashman

said last week that the Yankees began engaging Judge and his representatives in contract conversations as soon as the team's postseason run ended in October, and that specific salary figures were discussed in the form of a new contract offer. (Cashman declined to share specific contract terms of the Yankees' new offer to Judge, who was incensed when the organization chose to announce the terms of the extension offer they made him before Opening Day.)

It is unknown if Judge has received formal offers from other clubs thus far. His representatives, Page Odle and David Matranga of PSI Sports, didn't respond to requests for comment.

The Giants find themselves in a similar position to the Yankees in needing to convey a message to their fan base this winter. The core that brought championships to San Francisco in 2010, 2012, and 2014 has moved on or retired, and the organization is aware that their roster offers few, if any, players for fans to become attached to in the long term.

Attendance was 30,650 fans per home game in 2022, down from 40,786 per game in 2017. Part of the winnowing ticket base is believed to be due to the exodus of tech workers from San Francisco due to the pandemic, but the stagnancy of the Giants' roster cannot be ignored.

There is a simple way to look at this dilemma: If a Giants fan walks into a team store, whose jersey should they buy?

Giants president of baseball operations Farhan Zaidi said earlier this month that club ownership hasn't given him a "directive" to sign a star player to appease their fan base—and, in any event, the Giants can control only one side of negotiations, anyway.

"We want to be a playoff team every year at this point and we weren't this year," Zaidi said of the Giants, who won 107 games in 2021, then won 81 games in 2022 to finish third in the NL West. "That's where our motivation comes from."

OPINION

An Immigrants' Thanksgiving



MAIN STREET
By William McGurn

For her Thanksgiving turkey, Asra Nomani uses spices common in her native India such as turmeric and paprika. Hung Cao, who arrived on these shores after the fall of Saigon, recalls how his mother's Thanksgiving spread featured crispy duck and egg rolls. Shanghai-born Ying McCaskill uses the leftover turkey to create an American variant of spicy *kou shui* ("mouth-watering") chicken.

What these people have in common is that they share the concerns that fueled the revolt in Northern Virginia against identity politics in education, which in turn helped propel Glenn Youngkin to the governorship in 2021. The countries they come from are vastly different—India, Vietnam and China—pointing to the absurdity of even lumping them together under a single category. But in Virginia's public-school system they all see a troubling erosion of the principles that made America such a refuge for their families in the first place.

At the center of this storm is Thomas Jefferson High School for Science and Technology, routinely ranked the top high school in the nation. Founded in 1985, admission was determined entirely by a race-blind exam—until 2020, when the Fairfax County school board abolished it in

favor of a "holistic" approach designed to limit, in the name of equity, the high percentage of Asian-Americans and then reallocate those seats to black and Latino children who didn't do as well on the exam.

"TJ is the varsity-level academic enterprise," says Mr. Cao, a member of Thomas Jefferson's first class. He went on to the U.S. Naval Academy and a distinguished career as a Navy captain before running, unsuccessfully, in the recent election to represent Virginia's 10th Congressional District.

"By changing the entrance requirements to TJ, Fairfax County Public Schools destroyed the premise of meritocracy," he says. "It meant that hard work and achievement was second place to race, color and quotas. Racism is still racism no matter the justification."

Right now everyone's waiting to see how the Supreme Court rules in two cases involving race preferences in admissions at Harvard and the University of North Carolina brought by the Students for Fair Admissions. But Virginia parents have their own lawsuit—against the Fairfax County school board, which these citizens hope will restore the old merit-based system at Thomas Jefferson.

"As children and young adults, many of us were able to realize our dreams in America because America's firm principle of equality under the law protected our right to a level playing field," says Ms. Nomani, a former

reporter for this newspaper and mother of a Thomas Jefferson grad. "That's all we want. No special privileges."

The moms and dads suing the school board are being represented by the Pacific Legal Foundation. In letting the suit proceed in May 2021, federal judge Claude Hilton expressed skepticism about the Fairfax County school board's claim that its policy was race-neutral.

Crispy duck and egg rolls instead of turkey, but a belief that merit should trump race.

"Everybody knows the policy is not race-neutral, and that it's designed to affect the racial composition of the school," he said. "You can say all sorts of beautiful things while you're doing others."

Back in February, Judge Hilton ruled Thomas Jefferson's new admissions policy unconstitutional. But in oral argument in September, the Fourth Circuit Court of Appeals appeared more sympathetic to the school board. It has yet to rule, and whatever it decides will ultimately be affected by where and how far the Supreme Court goes in the Harvard and North Carolina cases.

In the meantime, the Pacific Legal Foundation has released a 15-minute documentary about what's at stake. Called "Fortune in the Book,"

it is perfectly timed for Thanksgiving. In its focus on Virginia's Asian-American parents, it explodes the media narrative that casts the struggle against race preferences as pitting white America against people of color.

One Thomas Jefferson parent featured is Mrs. McCaskill. She arrived in the U.S. from her native China just before Thanksgiving 2003. She thinks race preferences go against all this country stands for.

"America is a great country," she says. "You never say because of your skin you deserve the school more than other people. Not like that."

Many of the people in the film make clear their families came to the U.S. to get away from racial prejudices and rigged systems. The only thing they ask for themselves and their children is that they be judged for what they can do—not by some racial label.

As immigrant families, these people may add their own embellishments to their families' Thanksgiving spreads. But like Xi Van Fleet, a Chinese immigrant who lived through Mao's Cultural Revolution and sees disturbing parallels today with the woke agenda, they regard themselves primarily as keepers of the American Dream.

"After I came to this country, one of the things that amazed me is how people get along," she says. "People of all sorts of racial backgrounds. And that is a miracle, that is not the norm—and Americans should understand it."

Happy Thanksgiving.
Write to mcgurn@wsj.com.

BOOKSHELF | By Edward Kosner

The Talk Of the Town

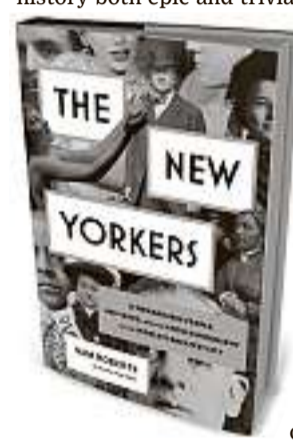
The New Yorkers

By Sam Roberts
(Bloomsbury, 371 pages, \$30)

Did you know that the first murder victim in what we now know as New York was a crewman on the flyboat Half Moon, killed in 1609 by a Lenape arrow as his captain, Henry Hudson, sailed up the river that bears his name? Or that in 1800, New York had 12,000 roaming pigs fouling its streets, more than the human population of Washington, D.C., the nation's new capital? Or that in 1829, the prominent New York judge John Lansing disappeared without a trace almost precisely a century before Justice Joseph Force Crater did his celebrated vanishing act?

Or that Horace Greeley published a periodical called the New-Yorker in the 1830s? That High Constable Jacob Hays, the city's top cop from 1801 to '50, was Jewish? Or that "Dixie" was played for the first time in New York—in blackface?

I didn't either, and I thought I knew plenty of New York history both epic and trivial. But now I've been schooled by



a master, and it's been a pleasure. Sam Roberts's "The New Yorkers: 31 Remarkable People, 400 Years, and the Untold Biography of the World's Greatest City" is an ingenious social history of Gotham rendered in deft profiles of everyone from John Colman, Henry Hudson's luckless crewman, to the Gilded Age couple Bradley and Cornelia Martin, who gave a notorious "Let-Them-Eat-Cake" costume party for 100 rich folk in the aftermath of the financial panic of 1893, to Audrey Munson, a

beautiful young artists' model immortalized in the golden statue of Civic Fame atop the Municipal Building near City Hall and countless other celebrated statuary.

Mr. Roberts, the author of nearly a dozen books about New York and other subjects, is an ace at compact biography, a skill on regular display in the obituaries he writes for the New York Times. And he is an industrious researcher, mining fascinating nuggets—some profound, some just fun—from sources familiar and obscure. The result is a sometimes dense but always rewarding panorama of the shrewd, driven, crooked, brilliant, gifted, lucky and unfortunate folk responsible for the city that likes to think of itself as the capital of the world.

Think of the book as a lively Netflix dramatization of "The Encyclopedia of New York City," Kenneth T. Jackson's compendium first published in 1995. In Mr. Roberts's pages, you'll meet the grifters of Tammany Hall; the men behind the Great White Way theater district, Grand Central Station, the unification of the five boroughs, New York's supply of delicious pure water, and the opening of Harlem to black New Yorkers; the women who spearheaded the pioneering ladies' garment workers' union, the Irish lass who was the first immigrant processed at Ellis Island, and many more. You're likely to finish the book with a new appreciation of the ingenuity, courage, guile and sacrifice that transformed the wooded wilderness Henry Hudson first explored into today's throbbing, perilous 21st-century metropolis.

Mr. Roberts's adroit method is on fullest display in his sketch of Tex and Jinx—the publicity wizard John "Tex" McCrary and his wife, Eugenia "Jinx" Falkenburg, the vivacious beauty queen. These two teamed up on morning radio in 1946 to invent the celebrity-interview talk show, featuring a gamut of guests from Hollywood mermaid Esther Williams to kibitzer-to-presidents Bernard Baruch.

Before profiling the McCrarys, the author delivers an appropriately tight history of tabloid newspapers in New York, starting with the Daily News in 1919 and quickly followed by Hearst's Daily Mirror, where Tex started and which boasted Walter Winchell's staccato gossip column. He even gives the derivation of the word "tabloid"—a condensed pill, a metaphor for breezy journalism.

The four-century history of the World's Greatest City, told through the lives of 31 insufficiently famous inhabitants.

Over the years, a pantheon of future news stars toiled offstage for the McCrarys, among them William Safire, Barbara Walters, Andy Rooney and Hugh Downs. Jinx was the first Miss Rheingold—another New York institution—and was an indefatigable star of USO shows during World War II. Tex became a Republican PR impresario, staging the celebrated "I Like Ike" rally in Madison Square Garden to persuade Dwight Eisenhower to run in the 1952 election, and the "kitchen debate" between Nikita Khrushchev and Richard Nixon at a U.S. exhibition in Moscow in 1959.

Similarly, the author uses his profile of a humble Bronx housewife named Lillian Edelstein to illuminate the era—and the depredations—of Robert Moses, the dictatorial master builder of New York roadways and parks. In the early 1950s, the extended Edelstein family lived in a Bronx tenement in the path of Moses's 225-foot-wide Cross Bronx Expressway, which razed neighborhoods as it bisected the borough. Mrs. Edelstein mobilized opposition to the exorbitant project, but Moses prevailed and thousands of New Yorkers lost their homes so that rush-hour motorists could cross the Bronx at an average speed of 13 mph. The Moses she fought, writes Mr. Roberts, "led her people away from the promised land, not toward it."

As he advances his New York cavalcade toward the present, Mr. Roberts evokes dapper Jacob Hays, that 19th-century high constable, in his sketch of Jack Maple, the dandified ex-transit cop who helped transform the crime-ridden city of the 1990s into one of the safest in America. It was Maple who developed CompStat, the data-based system that tracked crime precinct by precinct and gave New York's beefed-up police force the means to anticipate where murders and killings were likely to occur and prevent them or collar the perps. Crime fell by 26% in just two years and kept falling. But New York's history is cyclical, and a generation later, rampant crime is again the talk—and the scourge—of the town.

"From the very first years of New York's founding, naysayers predicted its doom," Mr. Roberts writes. "Some of their dire forecasts could have come true . . . but time and again, the city was poised to capitalize on its good fortune." Like a gifted New York craftsman, he has expertly set his tiles in an expansive new version of what New York's first black mayor, David Dinkins, liked to call our "gorgeous mosaic."

Mr. Kosner, a New Yorker born and bred, was the editor of Newsweek, New York, Esquire and the New York Daily News.

In Taiwan, a Shaky Status Quo Prevails



GLOBAL VIEW
By Walter Russell Mead

As I discovered on a visit here last week, the most immediate problem confronting most students at Taiwan's National Sun Yat-sen University is the macaque monkeys who occasionally descend from the forests to snatch sandwiches and snacks from careless humans loitering near the beach.

But that peaceful beach front is among the most likely landing zones for a People's Liberation Army invasion force, and a debate over reintroducing the draft keeps students' minds focused on the risks ahead. Those students

The people here have little desire either to yield to Beijing or to provoke a war.

are not alone. The extinction of liberty in Hong Kong, Xi Jinping's rise to absolute power on the mainland, and the horrors of Vladimir Putin's war in Ukraine have combined to create a new and complex mood on the island.

On the one hand, Taiwan has never been this alienated from the mainland. The descendants of the mainland Chinese who fled the advancing communist armies across the Taiwan Strait with Chiang Kai-shek increasingly think of themselves as Taiwanese rather than as exiles from China. As for the rest of the population, 50 years of Japanese colonial rule and 73

years of de facto independence have created a robust Taiwanese identity. The Taiwanese are a people, and they vastly prefer their open, democratic system to the deepening repression of life under communist rule.

Yet support for a formal declaration of independence remains low. The Taiwanese don't want to unify with Beijing, but they also don't want to provoke a war.

This reluctance is understandable. War in Taiwan would be far more destructive than anything we've seen in Ukraine. The island is roughly the size of Massachusetts, Connecticut and Rhode Island combined, and its population density, at about 1,700 inhabitants per square mile, is one of the highest in the world. Among its nearly 24 million people, nearly 80% are urbanized and almost all clustered in the coastal plains of the island's China-facing west and north. These tightly packed urban centers would be devastated in the event of an invasion, and the disruption of critically needed food and fuel imports would quickly lead to widespread suffering and shortages. While Ukrainian refugees could flee to relatively untouched cities in the west of the country or over the border in European Union countries, fleeing Taiwanese would have no place to go except into the jungles and mountains of the country's largely undeveloped east.

The risk of keeping the battle off the island helped drive decades of Taiwanese defense planning, producing a large surface navy intended to blunt Chinese attacks before the



The Taipei skyline

People's Liberation Army could establish significant footholds on the island itself. "Devise strategy inside command tent, battle thousand miles away," says a quote from the ancient Chinese strategist Sun Tzu prominently displayed at a Defense Ministry-linked think tank here.

China's growing military might makes major urban combat more likely, and the island's strategists are looking at ways to stiffen Taiwanese resistance once the Chinese have landed. Talk of increasing the length of compulsory military service and training a National Guard-like reserve force to keep resistance alive after an invasion reflect a new realism about the course of any possible war with the People's Republic of China. With U.S. Chief of Naval Operations Adm. Mike Gilday warning that China could attack well before 2027, the date that Adm. Phil Davidson (then the top naval officer in the Indo-Pacific) suggested to Congress in 2021, investors as well as ordinary citizens are concerned.

These threats make Taiwan

cautious. Extensive conversations with political, military and business leaders and academics in Taipei and Kaohsiung to the south painted a clear picture: The ruling Democratic Progressive Party has no desire to provoke a crisis with Beijing. If Beijing hoped to head off a Taiwanese declaration of independence with an aggressive military buildup, that strategy has worked.

The risk to peace in Asia is not that Taiwan will trigger a crisis by challenging Beijing. It is that China, sensing American weakness, will launch an opportunistic attack across the strait.

China has another card up its sleeve. Alienated from the mainland but deeply fearful of war, Taiwan's population keeps a close eye on Washington's mood. Few in Taiwan believe that the island could defend itself without American support, and if the Taiwanese believe that the U.S. doesn't have their back, the pressure to find some accommodation with the mainland will steadily grow.

This matters. A war in Taiwan would be a humanitarian disaster; unification on Chinese terms would be a strategic catastrophe endangering the security of our allies and of the U.S. itself.

The U.S. has kept the peace in the Taiwan Strait since 1949. We cannot drop the ball now. Fortunately, realistic defense policy, support from our allies and sensible diplomacy can keep the strait peaceful far into the future, leaving the students at Sun Yat-sen free to focus on protecting their lunches from marauding macaques.

Rushing to the Gate Is a Young Man's Game

By Bert Stratton

It's great sport to arrive at the airport at the last minute. Nothing tops the adrenaline rush of sprinting to the gate. But I'm not that fast anymore, and I've retired from the sport. The exception is Cleveland, where I live, which has a medium-size airport. There I can sometimes get away with an hour. But as a general principle, I'm now an hour-and-a-half-early-to-the-airport guy.

I messed up last month at a family bat mitzvah in Colorado. At the final group event—the Sunday brunch—we did the obligatory chit-chat: "When are you leaving? How are you getting to the airport?"

Ben, 28, boasted that he arrived to the bat mitzvah on a flight from Los Angeles International Airport, where he waltzed through security only 20 minutes prior to boarding.

Ninety minutes before the flight seems to be the optimal time to get to the airport.

Impressive. My son Ted, 41, was impressed, too. An experienced and speedy traveler, Ted has many airlines' credit cards, plus the Priority Pass card, which he often uses for free airport food. Ted knows all the

travel airport angles.

Feeling competitive after hearing Ben and Ted boast, I decided to arrive at the airport only an hour early for my trip home to Ohio. Dumb. The Denver airport is no Cleveland: At 52 square miles, it's the largest airport in the U.S. Why didn't Ted remind me of that? My most ignominious moment was at TSA PreCheck. I couldn't pull up my electronic boarding pass on my Apple Wallet app. It isn't that easy; I have a lot of old boarding passes in there. A young woman in line helped me.

Then two crew members cut in front of me in the security line. That was legit. But one flight attendant had a ton of stuff in his carry-on bag and got

searched. You'd think an airline worker would know how to pack. I had an iPad in my carry-on, which is usually permissible in PreCheck, but not in this particular Denver line. I got to hold a placard that said I didn't have to take my shoes off. That was my only perk.

I hopped a shuttle train. I ran on a moving sidewalk. I jogged past a tapas bar and cookie shop. I arrived at the gate just as the attendant announced the doors were closing. I said, "I'm too old for this kind of sprinting." He smiled and held the door open. Lesson learned. I'm back to 1½ hours.

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

OPINION

REVIEW & OUTLOOK

Biden's Railroad Deal Falls Apart

President Biden took credit for avoiding a rail strike before the election, and he even needled us on Twitter for doubting him. Well, now workers are rejecting the new contract he pushed, and Congress may have to step in to head off a destructive strike.

Workers reject terms touted by the White House. A strike looms.

The odds of a strike rose Monday after the two largest rail-worker unions announced votes on the pending labor agreement. The decision was split: The engineers union backed the deal 54% to 46%, while conductors and brakemen rejected it 50.9% to 49.1%. A few hundred votes made the difference in the latter, 28,000-member group, but close doesn't count. "It's now back to the bargaining table," the head of the conductors union said Monday.

Union leaders have now missed their best chance to regain momentum for the deal after the rank and file of three other rail unions turned it down in recent weeks. The heads of each union approved the labor agreement in September and pledged to sell it to their members. But its rejection by four of the 12 voting bodies, including the largest, shows there's still a big gap between workers' demands and what the railroads are ready to offer. A strike could begin Dec. 9 if no deal is reached, just in time for Christmas.

Mr. Biden convened the parties before a previous deadline in September and lobbied union leaders to get on board. Their quick buy-in delayed what could have been a midterm election disaster for Democrats and let Mr. Biden boast that he'd kept the trains "running on time." But his intervention rushed union leaders into an agreement some members were cool on, and refocused a chance for Congress to extend the bargaining period.

A strike could cost 700,000 jobs across multiple industries and erase the equivalent of the past three months' job gains, according to an analysis by the American Chemistry Council. It could also raise producer prices by 4%. An economy enduring stagflation doesn't need the unforced error of freight disruptions.

More time to sell the deal might have gone a long way because it offers workers substantial

gains. Rail employees would get a 24% pay increase over five years, their biggest in 40 years. This includes an average of \$16,000 in immediate back pay. They'd also retain their platinum healthcare package with a mere 15% premium contribution.

The deal unions voted on is based closely on the recommendations of the Presidential Emergency Board (PEB), which Mr. Biden created in July and staffed with labor-law experts. The maintenance workers union demanded the board step in over the summer, saying it "wants a PEB and a fair and equitable contract." Then it became the first union to reject the deal anyway.

A dispute over sick leave is the biggest reason for some employees' reluctance. The tentative deal guarantees one day of paid leave to workers calling in on short notice, while the current contract offers none. After its vote, the maintenance worker union said the offer showed "management holds no regard for their quality of life."

But the presidential board rejected the request for more short-term sick leave, saying current terms reflect unions' own preference over decades of bargaining. Policies vary across each railroad, but most employees are already paid for sick days after the first four. Carriers say that guaranteeing more paid days off would upend schedules in an already understaffed industry.

Negotiations have resumed between carriers and union leaders, but the impasse is deep. That raises the possibility that Congress may need to impose a deal and stop a strike. Sens. Richard Burr and Roger Wicker introduced legislation in September that would enact the presidential board's terms, and their proposal drew bipartisan interest. Will House Democrats balk now that the election is over?

President Biden calls himself the best friend unions have ever had in the White House, and he's certainly lavished enough money on public unions. But apparently workers in the private economy aren't feeling the same love, and maybe this time Mr. Biden should stay out of the way.

The Progressive Paradox on Marijuana

New York state's Cannabis Control Board voted Monday to approve its first 36 licenses to run marijuana dispensaries.

It's another big step toward legal pot sales, though the black market isn't struggling to meet demand, as every nose in Manhattan can attest. Meantime, the paradox in progressive attitudes toward marijuana continues to grow like skunk weed.

A study published last week in the journal *Radiology* finds that smokers who used marijuana (often in addition to tobacco), instead of tobacco alone, had higher rates of emphysema, airway inflammation, and other conditions. "There is a public perception that marijuana is safe and people think that it's safer than cigarettes," one radiologist told the *Journal*. "This study raises concerns that might not be true."

Where might people have gotten the idea that marijuana is safe? To blame politicians for this would vastly overstate their persuasive powers. Yet it's remarkable how liberal politicians have tried to take a rhetorical puff to fit in with the

cultural cool kids. On April 20, which is cannabis culture slang, Twitter was a veritable haze.

"Happy 4/20 Colorado! You're my best bud," said Colorado Sen. John Hickenlooper.

"Today is 4/20, a joyous occasion not only to celebrate weed, but to *seriously* commit ourselves to full marijuana legalization + ending the racist War on Drugs," said now Pennsylvania Senator-elect John Fetterman.

New York Gov. Kathy Hochul said 4/20 is "about creating jobs and opportunities" and "supporting small businesses and farmers." She tweeted a video of one of New York's licensed cultivators, while adding: "We can't wait to see his greenhouse in action soon!"

Can anyone imagine Sen. Hickenlooper making a Marlboro pun, Mr. Fetterman calling to "celebrate" cigarettes, or Gov. Hochul tweeting a PR video about a new tobacco farm? People differ in good faith about taking marijuana out of the shadows, but tobacco and vaping are legal and politicians manage not to celebrate them.

Tobacco, bad. Vaping, bad. Marijuana, good, for some strange reason.

The end of easy money is making life tougher on CEOs like Bob Chapek.

Disney and the Post-Pandemic Reckoning

The world of Disney hasn't been wonderful of late, and on Sunday it cost CEO Bob Chapek his job. The Disney board ousted him in favor of predecessor Robert Iger, amid disappointing earnings and a 38% fall in its stock price this year. The tougher economic times mean there will be more such corporate casualties.

Mr. Chapek took the reins from Mr. Iger in February 2020 after rising through Disney's consumer products and parks divisions. The pandemic soon arrived, which closed down Disney's theme parks but helped boost its streaming platform, Disney+, which Mr. Iger launched in his last months as CEO.

During Mr. Iger's tenure from 2005 to 2020, Disney built an unrivaled content catalogue by acquiring 21st Century Fox, Marvel Entertainment, Pixar and the rights to the *Star Wars* franchise. Disney blockbusters rang up banner profits as other film studios struggled to adapt to the digital age. Mr. Chapek was well-positioned to capitalize.

Early on Disney+ experienced rapid growth as lockdowns forced people to stay home and government Covid payments gave them money to burn. It boasted 130 million subscribers by this year's first quarter. But growth has slowed amid increased streaming competition and inflation, which has prompted consumers to cut back on media subscriptions.

Netflix's stock plunged this spring after it reported losing subscribers, although it still boasts 60 million more than Disney+. Rising interest rates have put pressure on corporate valuations and caused a selloff in growth and tech stocks. What the Federal Reserve giveth it also taketh away.

Corporate earnings are under pressure, and investors are losing patience with companies that miss profit projections. Disney's stock

plunged after it warned in August that Disney+ had added only 100,000 U.S. and Canada subscribers in the prior quarter. Its stock tumbled again after it reported mounting losses in its streaming business amid hefty investment in new content. Its market cap, once as high as \$366 billion, was \$163 billion before a rally on Monday.

Mr. Chapek planned to reduce Disney's streaming losses by raising the Disney+ subscription price to \$10.99 a month from \$7.99 and introducing a cheaper plan with ads, as Netflix did this month. He also followed other tech and media companies in announcing a hiring freeze. But Disney's board concluded it lacked confidence in Mr. Chapek, and Mr. Iger's criticism from the sidelines no doubt played a role.

The marketplace is a tough disciplinarian, in contrast to government, and the first duty of a corporate board is to replace a CEO who isn't doing the job. Most boards act too late rather than too early. Mr. Iger has signed up for two interim years, and maybe the board can do a better job finding a successor this time.

Some on the political right are attributing Disney's business troubles to its "woke" controversies, notably with Gov. Ron DeSantis over Florida's law banning K-3 instruction on sexual orientation and gender identity. Mr. Chapek handled that episode poorly, managing to upset his woke employees and the company's more traditional customers. But Disney's business is so broad that it can ride out political PR messes, and its theme parks have been doing well as people show a renewed desire to travel with the children.

The real Disney problem is the old-fashioned one: bad business performance. Can Mr. Iger turn it around? He did it once, and after Disney's long fall this year he has nowhere to go but up.

LETTERS TO THE EDITOR

Winners, Losers, Lessons from SBF and ESG

Regarding your editorial "Sam Bankman-Fried, ESG Truth-Teller" (Nov. 18): Environmental, social and governance (ESG) investing isn't a fraud. It is the apt response to a mass delusion that we are facing imminent catastrophes in climate, race relations and other domains. The writer Nassim Taleb has an aphorism that explains it best: "The characteristic feature of the loser is to bemoan, in general terms, mankind's flaws, biases, contradictions, and irrationality—without exploiting them for fun and profit."

When fearmongering politicians convince much of the public that the world will end in 12 years unless climate change is addressed according to their prescriptions, losers whine. Winners sell ESG funds.

JOE BERNSTEIN
Haverford, Pa.

A good start in recovering FTX customers' lost assets ("The Crypto Politics of Bankman-Fried," *Review & Outlook*, Nov. 16) should be the Democratic Party's return of the nearly \$40 million that was given to them by Mr. Bankman-Fried.

CHARLES WILSON
Westminster, Md.

Reading about Mr. Bankman-Fried's disastrous actions ("The FTX Crypto Fiasco," *Review & Outlook*, Nov. 11), I am reminded of a popular saying from the 1960s: "Don't trust anyone over 30." Are we about to replace that with: "Don't trust anyone under 30"?

It would almost be funny if it weren't so sad for so many.

BOB PORTER
Granite Bay, Calif.

If You Want Diversity, Join the U.S. Military

Regarding Peter Faber's "Lack of Racial Diversity Stunted My Education" (Letters, Nov. 17): I was raised on the west side of Los Angeles in a white, upper-class neighborhood. Because of my own situation, I was drafted into the U.S. Army in 1968.

I was taught by my Southern father that you judge a person by his character only and treat all people with respect. My best friend in basic and advanced individual training was of African descent. I liked him because he was a character. I was exposed to all the beautiful cornucopia of people that this wonderful country provides: Americans from the rural South, New York City, working-class Detroit and more. If you really want to experience diversity, join the military.

When I went to college full time on the GI Bill, however, I focused on mastering the subject matter. If anyone wants to experience diversity, all you need to do is talk to people and, most important, listen. I have found there are only two kinds of people, be they executives, professors, mechan-

ics, pastors or the people at the car wash: good people and not so good people. The rhetoric of diversity exposes the cowardice and denial of this fundamental ideal of human decency.

DAN WEBB
Reno, Nev.

Mr. Faber laments that he didn't enjoy the benefits of diversity because he grew up in a white neighborhood and attended a white college. At any time after graduation, however, he could have moved to a diverse neighborhood.

I grew up in the South Bronx and remained in the Bronx until age 26. I was a victim of a violent crime, as were three other members of my family. I also attended John Jay College at the City University of New York when it initiated "open enrollment," dropping admissions standards to achieve diversity. Be careful what you wish for: High school had been more challenging.

JOHN FALLON
Kings Park, N.Y.

The Core Christian Debate Hasn't Changed

In "The Church of the Sexual Revolution" (Houses of Worship, Nov. 11), Carl Trueman claims that "unlike earlier debates over, say, the incarnation or resurrection, new disagreements" about gender and sexuality "have wider social implications for Christians—and everyone else." He concludes that older debates are best classified as being about the nature of God, whereas today's concern what it means to be human.

A Christian's confession, however, is that Jesus Christ was and is both

fully human and fully God. This means that Christ is the definition of what it means to be a human being, and subsequently the incarnation and resurrection say everything about what humans are and will be. Christians can only address gender and sexuality, then, by constantly considering Christ.

The old debates around incarnation and resurrection aren't rightly described as small in comparison to today's "wider" social implications. Nothing rivals the effect that Jesus' death and missing body had on human history—this is widely accepted by historians. Great as today's debates about gender and sexuality are in fervor and implication, they don't rival the outlandish claim that God entered into history, became human and then died by execution. The disputes of our day about human identity relate as much to ancient claims about Jesus' person as yesterday's debates do about God's nature.

KATHERINE SCHUESSLER
Grass Valley, Calif.

Republicans Entrench Themselves in Power Too

"Democracy Dies in Illinois" (Review & Outlook, Nov. 17) reports on Democrats using gerrymanders and campaign-finance rules to entrench themselves in power. But it's also dying in Texas, where Republicans did the same. Democrats are no worse than Republicans. Both political parties would disable democracy if given the chance. That's why our Founding Fathers decried political parties.

MIKE COLLIER
Kingwood, Texas

Please write an obituary for democracy in Ohio next. We're the flip side of Illinois—dominated by Republicans, not Democrats, but apparently just as crooked. Our former state-house speaker has been charged in a \$60 million bribery scheme to prop up utility companies on the backs of consumers. Our governor's son sits on the state Supreme Court and won't recuse himself from cases involving his father. Our electoral maps have been ruled unconstitutional, but we used them anyway. Absolute power corrupts absolutely, regardless of political affiliation.

LISA S. KALSON
Dublin, Ohio

I'm Not Alone on This, Right?

I enjoyed Gregg Opelka's op-ed about verbal tics ("Verbal Tics Are Kinda Annoying," Nov. 16). They seem to reflect a lack of confidence, or else they are a false attempt to appear to be seeking consensus. The verbal tic that bothers me the most is when a speaker makes a statement (sometimes an extreme statement) and then turns to the listener and says, "right?" I have found that a moment of silence is much more effective than a verbal tic can ever be when a speaker doesn't yet know his next word.

JOHN BACHMAN
St. Joe, Mo.

Letters intended for publication should be emailed to wsj.letters@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

If Putin Uses a Nuclear Bomb

In his op-ed "Victory Is the Only Option for Ukraine" (Nov. 15), Boris Johnson provides an exhaustive list of the diplomatic and economic disasters that Russia would call down on itself the moment it uses nuclear weapons in Ukraine. What the former prime minister doesn't say, however, is that the military consequences would be even worse.

Following the first strike, Western leaders would face overwhelming pressure to do everything they reasonably could to prevent a second one. Concretely, that means a no-fly zone. This would shut off the air power and drones that have so far—just barely—saved Vladimir Putin's adventure from collapse.

STEPHEN M. MAURER
University of California at Berkeley

Pepper ... And Salt

THE WALL STREET JOURNAL



"What part of 'know' is it you don't understand?"

OPINION

America Can't Depend on China for Its Cars

By William P. Barr

The U.S. has been the world's technological leader since the end of the 19th century. This has made the country prosperous and secure. When the U.S. leads the way in a new technology—as it did with the internet—Americans benefit economically. But U.S. technological leadership is under assault, and the stakes couldn't be higher.

In 2015, the Chinese Communist Party launched Made in China 2025—an aggressive and highly orchestrated industrial campaign to supplant the U.S. as the world's pre-eminent economic power. The goal is to dominate

An Inflation Reduction Act provision promotes local production of electric-vehicle batteries.

the development and production of next-generation technologies, including electric and autonomous vehicles, information-technology and telecom equipment, advanced robotics and artificial intelligence. Using massive subsidies and an array of predatory and unlawful tactics—including industrial espionage, dumping, tariffs and quotas—Beijing has muscled aside American companies in critical industries. The failure of the Biden administration's piecemeal approach

in countering China's ambitions has been alarming.

Fortunately, there is a way to combat Beijing's economic thugery that both parties ought to support. The Inflation Reduction Act failed to stop inflation, but some of its provisions constitute a forceful response to the Made in China 2025 threat. Before the law passed, electric vehicles made in China or containing Chinese batteries were eligible for U.S. tax credits. Now those vehicles must be made in North America and with high levels of North American content to receive a credit. Soon vehicles with any Chinese battery or critical mineral content will be disqualified entirely. This will push auto makers and suppliers, including those in allied countries, to produce in North America instead of Asia or Europe and remove China's stranglehold over the battery supply chain.

Most of the developed world is moving inexorably toward electric vehicles, and this will accelerate with increases in scale. The Chinese Communist Party saw this coming years ago and has spent billions to build and control supply chains and mineral processing facilities that are critical to electric-vehicle batteries. If the U.S. auto industry—which includes some of America's largest employers—is going to remain relevant, it must find ways not only to compete but to lead in electric vehicles, and do so without relying on China.

Fortunately, the U.S. still has a few



CHAD CROWIE

horses in this race with a shot at winning—but only if they are given a level playing field. Otherwise, state-sponsored Chinese auto makers and battery companies will effectively dominate the industry for decades.

Recent semiconductor shortages have made clear that a transition to dependable and localized supply chains is essential for U.S. national and economic security. Creating an incentive to produce chips closer to home, with U.S. workers and reliable allies, is no longer merely desirable, it is an economic and national-security imperative. As China continues to flout international rules, shamelessly pilfer U.S. intellectual property,

and move closer to “reunifying” Taiwan, the risk associated with U.S. dependency on China only increases.

The U.S. needs to make its own batteries using a domestic supply of critical minerals. The Inflation Reduction Act will ensure that more of this happens, and faster. Republicans can help usher in this new reality by exerting pressure on the Biden administration to streamline and accelerate the permitting process for mines and battery plants, and to eliminate any loopholes that would deliver tax credits for Chinese batteries. These steps can be taken swiftly through executive action.

Implementing these provisions is

a critical first step, but more will need to be done to shore up American competitiveness globally. As China pushes ahead on autonomous-vehicle development and production, U.S. companies continue to be hamstrung by antiquated rules that prevent large-scale deployment—even when the safety and consumer benefits of autonomous vehicles are clear. At the same time, enormous concentration of power in the hands of a few U.S. tech companies threatens to stifle the innovation and free exchange of ideas on which the American economy was built and on which it must still rely to compete with China over the long term. Congress must act on both fronts.

The Inflation Reduction Act is far from what Democrats hoped (and Republicans worried) it would be, but its clean-vehicle and domestic-production provisions offer a clear path toward securing priorities that should be important to both sides of the aisle. Given a level playing field at home and abroad, I'm confident that U.S. companies, and the American workers who drive their success, will thrive in these next-generation industries. Hopefully our political parties can stop bickering long enough to take a decisive step.

Mr. Barr is a distinguished fellow at the Hudson Institute. He served as U.S. attorney general, 1991-93 and 2019-20.

The West Made the World Prosperous, and Now We Must Pay



FREE
EXPRESSION
By Gerard Baker

While you might have spent the weekend marveling at the cost of a turkey, Joe Biden celebrated his 80th birthday by signing the U.S. up to a plan that could eventually commit Americans to transferring trillions of dollars to the rest of the world in perpetuity.

The latest synod of our modern church of climate change theologians, otherwise known as COP27, concluded its deliberations in Sharm el-Sheikh, Egypt, with a “breakthrough” agreement over the “loss and damage” provisions of the global governance regime they have established to tackle climate change.

Before they left their air-conditioned hotels and hopped into limousines to take them to their jets for the long journey home, these courageous fighters for carbon neutrality agreed to create a fund on the principle that rich countries like the U.S. should compensate poor countries for the damage caused by climate

change. Successive administrations, Democratic and Republican, long opposed this idea, justifiably fearing that it represents an open-ended scheme to funnel American taxpayers' money to beacons of planet-saving good governance like South Africa, Pakistan and Indonesia.

The idea is that developing countries are being literally inundated with the costs of climate change in the form of rising sea levels, extreme weather and the other horsemen of the meteorological apocalypse. Developed countries are responsible for most of the carbon that's already in the atmosphere and therefore should be made to pay for the costs of climate damage to small developing countries that have contributed little to the planet's warming.

There are several problems with this.

We are all moved by scenes from the disasters the climate lobby cites to justify its plans, such as those from Pakistan's devastating floods this summer. Simple human compassion compels those of us more fortunate to want to assist.

But aside from the big question of how many of these weather events are actually caused by man-made climate change, we know that the

human cost of these disasters is much smaller today than it was before we were alarmed by the climate alarmists.

In his brilliant dissection of the climate extremists' case in his book, “Unsettled,” Steven Koonin, who served as undersecretary for science in President Obama's Energy Department, notes that climate-related deaths have plummeted in the era of global warming. Citing data from the

Maybe industry makes weather disasters likelier. It certainly enables us to make them less hazardous.

Centre for Research on the Epidemiology of Disaster at the Catholic University of Louvain, Belgium, he notes that “weather-related death rates fell dramatically during the past one hundred years” and are “about 80 times less frequent today than they were a century ago.”

Why? Almost entirely thanks to improvements in infrastructure and mitigation enabled by rapid industrialization.

A second problem is that under the agreed plan, China and India, as “developing countries,” haven't agreed to contribute to the fund but have made only vague commitments to assist. So countries whose emissions have grown rapidly in the past decade will be exempt while the U.S., whose emissions have been declining, are on the hook.

Above all, the idea that the least developed countries in the world have received only the cost of industrialization and not the many benefits is ahistorical. The sophists at the United Nations insist that the new fund is a model of “climate justice,” but it sounds an awful lot like a vehicle for the “reparations” climate extremists have long demanded from the countries that were first to industrialize for supposedly having inflicted their environmental costs on the world.

If we in the West are to pay damages for the Industrial Revolution, shouldn't we also consider the extraordinary wealth that process has helped spread around the world?

Maybe Pakistan could have become a thriving economy with little industrial activity, producing carbon-free economic growth and prosperity for its people. But the nation's

gross domestic product per capita has roughly tripled in the past 50 years, and I'd wager that a significant amount of that growth has been the result of innovations such as the combustion engine, air conditioning, the microchip, the personal computer and all the other wonders of the developed world.

Critics say that the developed world has already received the benefits of those advancements in the form of profits for the West's capitalists. But have they? If we are going to examine the wider social and environmental effects of rapid growth, isn't it reasonable to ask what would be the level of the world's overall income and wealth without the innovations of industrial capitalism?

No good deed goes unpunished, they say. So, for having the genius to produce the ideas, create the economic system and develop the capital that has in a little more than a century given the world unimaginable prosperity, eliminated deadly diseases that once killed millions, reduced infant mortality, extended life expectancy and lifted hundreds of millions of people out of hunger and poverty, we must now be made to pay.

The Inflation Reduction Act Comes for Medicare

By Casey B. Mulligan
And Tomas J. Philipson

President Biden has accused Republicans of scheming to cut Medicare. In fact it is his signature legislation, the Inflation Reduction Act, that will lead to benefit cuts and premium increases for seniors. Medicare's popular drug-coverage program is headed for a painful amputation.

The private plans participating in Medicare's prescription-drug program, known as Part D, currently draw on three sources of revenue to finance prescriptions: out-of-pocket payments from patients, premium payments made by plan members, and subsidies from the federal government. In 2025, under the Inflation Reduction Act, both government subsidies and out-of-pocket payments by patients are scheduled to be cut sharply. The difference will have to be made up by premiums. But the statute inhibits this third revenue source, which is also subsidized, from increasing more than 6%. That's hardly enough to cover inflation, let alone compensate for the other two revenue losses.

We estimate that beginning in 2025, plan subsidies—specifically, the reinsurance subsidies for the beneficiaries with the most drug spending—will be cut \$30 billion, out of revenue that currently totals about \$110 billion. With \$30 billion less to finance prescription benefits, something will

It will cut benefits and increase premiums, upsetting millions of elderly voters.

have to give. Plans currently have far too little profit to span the chasm that the Inflation Reduction Act opens between expenses and revenue.

Existing plans have room to cut benefits, although the original Part D statute limits their ability to do so. As plans are under no obligation to take a loss, their other choice is to exit the market, which from the patient's perspective means that all the benefits disappear. In essence, the Inflation Reduction Act statute may prohibit Part D plans from being economically

viable, even if it doesn't explicitly ban them.

We see a last resort. Seniors might find drug coverage in Medicare Part C even as the Biden administration unwittingly amputates stand-alone drug plans from the Medicare program. These plans, known as Medicare Advantage, cover drugs, hospitalization and physician visits. They will also be losing the same two drug-revenue sources, but the Inflation Reduction Act gives them room to compensate with higher premiums, reduced drug benefits (with fewer drugs covered and more constraints on accepted claims), or cuts to non-drug benefits such as dental or mental-health coverage. They will likely do all three, which will be undesirable for seniors but at least be economically viable. The best part of the last resort? The plans won't go away.

Roughly half of Medicare beneficiaries currently have traditional Medicare coverage rather than Medicare Advantage plans. These are the

beneficiaries relying on stand-alone Part D drug plans, which are the ones that may be run out of business by the Inflation Reduction Act. Traditional Medicare members face a difficult choice in 2025: Either take drastic cuts in drug coverage, or switch to Medicare Advantage plans that cover prescriptions but may not cover the hospitals and doctors who are currently providing them care.

Welcome to the fiscal and regulatory nightmare known as government-provided health care, where those writing the rules don't understand the consequences of what they do. Democrats hate that Medicare Advantage has been available as a pseudo-private alternative to original Medicare's single-payer arrangement. Yet they have (unwittingly?) passed a law that so thoroughly disrupts traditional Medicare as to render it the worst of the Medicare options.

From a political perspective, Democrats couldn't have scheduled Medicare's amputation for a worse

time. With Congress so evenly divided, a short-term legislative fix may be impossible. By September 2024, the presidential campaign will be in high gear at the same time that beneficiaries begin to consider their 2025 Medicare enrollments. That's when the Inflation Reduction Act will thoroughly upset tens of millions of elderly voters, all while the authors of the statute ask the country to vote for their presidential nominee. By then, America will have no doubt which party is cutting Medicare.

Mr. Mulligan, an economics professor at the University of Chicago and a fellow with the Committee to Unleash Prosperity, was chief economist for the White House Council of Economic Advisers, 2018-19. Mr. Philipson, an economist at the University of Chicago, was a member of the White House Council of Economic Advisers, 2017-20, and its acting chairman, 2019-20.

Brian Kemp Is GOP's Best Bet for 2024

By Scott Westcott

In their frenzied rush to declare Gov. Ron DeSantis the new standard-bearer for the Republican Party, political pundits passed over the more logical choice: Gov. Brian Kemp of Georgia.

Mr. DeSantis's re-election margin was wider, but Florida is a red state and its Democratic Party is a shambles. Charlie Crist was a weak opponent, and the Sunshine State's U.S. Senate race was barely competitive. Goofy could have won the Florida governorship if he switched parties and put “R., Magic Kingdom” after his name.

Georgia, by contrast, is a true swing state. Joe Biden narrowly carried it in 2020, and two Democrats beat Republican incumbents. The

state is competitive thanks in no small part to the efforts of Stacey Abrams, who built one of America's most formidable Democratic get-out-the-vote machines. That makes Mr. Kemp's decisive victory over Ms. Abrams all the more notable—especially given that the re-elected Republican was at the top of Donald Trump's dead-to-me list.

I live in Pennsylvania, but I've spent quite a bit of time in Georgia over the past year. I got the impression—even from folks who had no intention of voting for him—that Mr. Kemp is the kind of guy you wouldn't mind having a beer with. And like Mr. DeSantis, he kept businesses and schools open during the pandemic.

If Mr. Kemp got the nomination, you could paint Georgia red. He'd almost certainly carry North Carolina

and maybe even Virginia. He's the type of Republican to which Pennsylvanians have traditionally warmed. He's bland and pragmatic enough to appeal to Wisconsin and Minnesota residents. He'd surely generate solid support from rural America, and I suspect suburban moms and dads would like him too.

As a Democrat who has worked on a few congressional campaigns, I take no joy in laying out these meatball-size bread crumbs to what passes for today's GOP brain trust. But I think a Kemp-Biden race could be good for America. It wouldn't be exciting, but after the soul-sucking chaos of the past few election cycles, that's nothing to complain about.

Mr. Westcott is managing partner with Turn Two Communications.

THE WALL STREET JOURNAL.

PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

Rupert Murdoch
Executive Chairman, News Corp

Matt Murray
Editor in Chief

Karen Miller Pensiero, Managing Editor
Jason Anders, Deputy Editor in Chief
Neal Lipschutz, Deputy Editor in Chief
Thorold Barker, Europe; Elena Cherny, News; Andrew Dowell, Asia; Brent Jones, Culture, Training & Outreach; Alex Martin, Print & Writing; Michael W. Miller, Features & Weekend; Emma Moody, Standards; Shazna Nessa, Visuals; Matthew Rose, Enterprise; Michael Siconolfi, Investigations; Amanda Wills, Video

Paul A. Gigot
Editor of the Editorial Page
Gerard Baker, Editor at Large

Robert Thomson
Chief Executive Officer, News Corp

Almar Latour
Chief Executive Officer and Publisher

DOW JONES MANAGEMENT:
Daniel Bernard, Chief Experience Officer;
Mae M. Cheng, SVP, Barron's Group; David Cho, Barron's Editor in Chief; Jason P. Conti, General Counsel, Chief Compliance Officer; Dianne DeSevo, Chief People Officer; Frank Filippo, EVP, Business Information & Services, Operations; Robert Hayes, Chief Business Officer, New Ventures;
Elizabeth O'Melia, Chief Financial Officer;
Josh Stinchcomb, EVP & Chief Revenue Officer, WSJ; Barron's Group; Jennifer Thurman, Chief Communications Officer; Sherry Weiss, Chief Marketing Officer

EDITORIAL AND CORPORATE HEADQUARTERS:
1211 Avenue of the Americas, New York, N.Y., 10036
Telephone 1-800-DOWJONES



TAGHEUER.COM



SOME READ LEGENDS, OTHERS WRITE THEM
CONGRATULATIONS MAX AND ORACLE RED BULL RACING

DRIVER AND CONSTRUCTOR WORLD CHAMPIONS

TAG HEUER MONACO

BUSINESS & FINANCE

© 2022 Dow Jones & Company. All Rights Reserved.

THE WALL STREET JOURNAL.

Tuesday, November 22, 2022 | B1

S&P 3949.94 ▼ 0.39% S&P FIN ▲ 0.34% S&P IT ▼ 1.13% DJ TRANS ▲ 0.29% WSJ \$IDX ▲ 0.75% 2-YR. TREAS. yield 4.544% NIKKEI (Midday) 28150.50 ▲ 0.74% See more at WSJ.com/Markets

Investors Pour Into U.S. Stocks

By ERIC WALLERSTEIN

Despite a bruising year for U.S. stocks, few investors are ready to call an end to the long run of American exceptionalism.

Investors have poured more than \$86 billion into U.S. equity mutual and exchange-traded funds in 2022, according to Morningstar Direct data through the end of October. That is on track to mark the second-highest sum since 2013, following last year's inflows of \$156 billion.

Many investors credit the robust U.S. labor market and resilient consumer spending for helping American stocks retain their luster amid a darkening global economy. Skittish investors heading for the safety of the dollar have further boosted their allure.

"Beauty is in the eye of the beholder, and the problem is most of the beholders are American," said David Kelly, chief global strategist for J.P. Morgan Asset Management.

Europe is still in the midst of an energy crisis sparked by Russia's war in Ukraine. Shifting fiscal policies have roiled the U.K.'s bond market and pensions funds. China continues to grapple with the impact of its stringent zero-Covid policy. And Japan has been forced to intervene in currency markets to support a rapidly weakening yen.

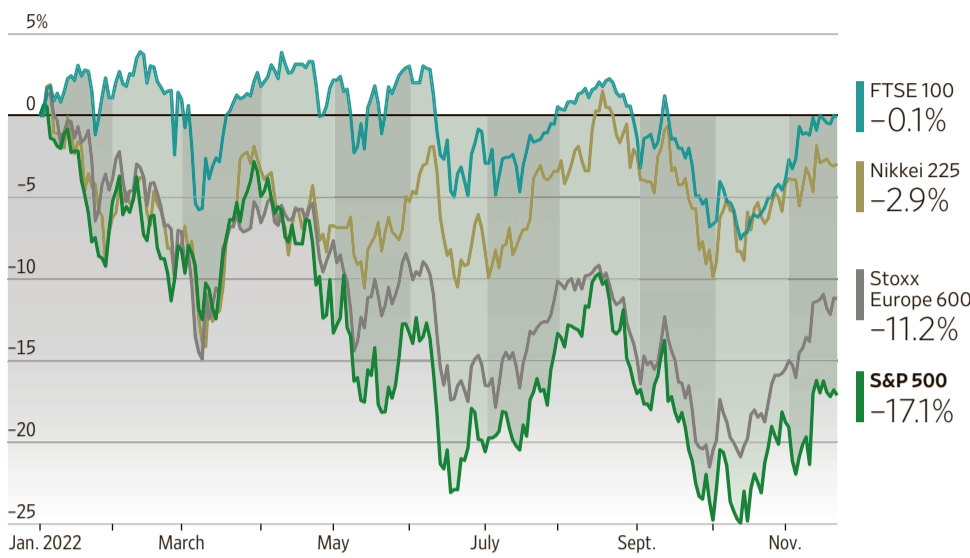
When investors call home has been one of the biggest drivers of their performance of late.

The S&P 500 has dropped 17% in 2022, trailing other major indexes on a local-currency basis. The Stoxx Europe 600 is off 11%, Japan's Nikkei 225 is down 2.9% and the U.K.'s FTSE 100 has lost a tenth of a percentage point.

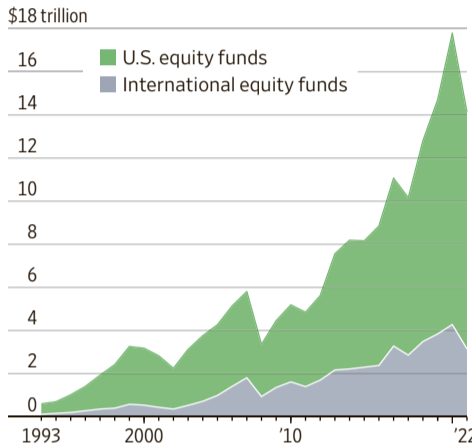
On a dollar basis, that picture changes. Funds geared toward international stocks without hedging their currency risk have been battered by the dollar's surge. The MSCI Japan ETF has fallen 20%, while a

Please turn to page B10

Global benchmark index performance this year



Assets under management, equity mutual and exchange-traded funds



*As of Oct. 31 †MSCI USA 5-year normalized P/E divided by MSCI World ex-U.S. 5-year normalized P/E. Sources: FactSet; (performance); Morningstar Direct (assets under management); Leuthold Group (P/E ratio)

U.S. vs. other developed markets, relative price/earnings ratio*



Musk Further Cuts Sales Staff at Twitter

By ALEXA CORSE AND JESSICA TOONKEL

Elon Musk extended his job cutting at Twitter Inc., laying off some employees in sales after they had signed on to the billionaire's vision for the social-media platform, people familiar with the matter said.

The exact scope of the latest cuts couldn't be learned. One employee said he found out early Monday that he had been laid off and was told in an email his role was no longer necessary.

Late Monday, Mr. Musk said he was pushing back the launch of the Twitter Blue upgraded subscription service, the second delay in as many weeks after a fumbled rollout shortly after he

Please turn to page B2

◆ Musk's options for Twitter are narrowing B2

Domino's Delivery To Deploy E-Vehicles

By HEATHER HADDON

Domino's Pizza Inc. is investing in electric vehicles for some of its U.S. outlets to help attract drivers and overcome a worker shortage that has hobbled pie deliveries industry-wide this year.

The world's largest pizza chain by stores and sales said it would procure 800 Domino's-branded Chevrolet Bolts for 37 of its own stores and hundreds of others run by its U.S. franchisees.

Domino's said it would begin deploying the branded vehicles this month, and that the company expects to order more from the General Motors Co. division after the initial round.

"We've got a long way to go, but we will have the biggest fleet of electric vehicles in the pizza industry, period," Domino's Chief Executive Russell Weiner said.

Store owners can let employees use the cars for pizza delivery to help recruit new drivers, some of whom don't have their own vehicles for work, Domino's said.

Domino's, as part of an operational review, found that shop owners identified cars as an impediment to getting

INSIDE



BUSINESS NEWS

The country's largest railroad unions have split a White House brokered wage deal. B3

HEARD ON THE STREET

Scrutiny for sky-high insulin prices could soon shift. B12

Merck Strikes \$1.35 Billion Deal For Bone-Marrow-Drug Developer

By JONATHAN D. ROCKOFF

Merck & Co. has agreed to buy blood-cancer biotech Imago BioSciences Inc. for \$1.35 billion, the big drugmaker's latest deal in search of new sources of sales.

Under the terms, Merck said Monday it would pay \$36 a share cash for Imago, which is developing drugs to treat bone-marrow diseases. Merck said it expected the deal to close during the first quarter next year.

Merck has been seeking deals to add fast-growing products and promising drugs in development as it prepares for the patent expiration on its top-selling product, a cancer immunotherapy called Keytruda.

Keytruda had \$17.2 billion of Merck's \$48.7 billion in worldwide sales last year. The therapy's patent is expected to expire in 2028.

Merck Chief Executive Robert Davis, who took the helm of the company last year after serving as its chief financial officer, has said dealmaking and



Keytruda had \$17.2 billion of Merck's \$48.7 billion in sales last year.

research partnerships are a priority.

"This acquisition of Imago augments our pipeline and strengthens our presence in the growing field of hematology," Mr. Davis said.

Imago's lead drug candidate is targeting conditions known as myeloproliferative neoplasms, which are marked by excessive production of blood

cells. The drug, called bome-demstat, blocks a protein that plays a role in the maturation of blood cells in the bone marrow.

Bomedemstat is in mid-stage, or Phase 2, testing. Among the diseases it is targeting is myelofibrosis, a rare type of blood cancer that causes scarring in the bone marrow, which disrupts its production of healthy blood cells.

Last year, Merck bought Acceleron and its experimental drug for pulmonary arterial hypertension. The drug recently had positive results in a key study. Analysts expect the therapy could be a multibillion-dollar seller.

Merck, of Kenilworth, N.J., was in advanced talks to buy cancer-drug biotech Seagen, but the sides couldn't reach an agreement, according to people familiar with the matter.

Big pharmaceutical companies, in some cases fueled by cash piles generated by Covid-19 products, have been hunting for acquisitions that can provide faster sales growth after shedding slower-growing assets.

Earlier this year, Pfizer Inc. bought sickle-cell disease drugmaker Global Blood Therapeutics for \$5.4 billion. Also this year, Amgen Inc. paid \$3.7 billion for ChemoCentryx and its recently approved drug for a rare immune-system condition.

—Laura Cooper contributed to this article

Paramount Ends Pact To Sell Book Unit

By JEFFREY A. TRACHTENBERG

Paramount Global, which owns the Simon & Schuster book-publishing unit, said in a federal filing Monday that it has terminated its agreement to sell Simon & Schuster to rival Penguin Random House.

Paramount said that Simon & Schuster "remains a non-core asset" and that the publisher "does not fit strategically within Paramount's broader portfolio," suggesting Simon & Schuster will eventually go back on the sales block.

In a letter to staff, Jonathan Karp, chief executive of Simon & Schuster, said that he has "no specific information to impart about what will happen in the coming months." Mr. Karp, however, described 2022 as "one of the single greatest years in our history" and said the company has "never been more profitable and valuable than it is today."

The \$2.18 billion deal, dis- Please turn to page B6

Amazon's Customer Satisfaction Slips

By SEBASTIAN HERRERA

For nearly three decades, Amazon.com Inc. has been defined by its obsession over customers. Recent information, however, suggests that consumer enthusiasm about the country's largest online retailer has slipped.

The number of Amazon customers who said they were "extremely" or "very satisfied" with the company in a recent survey has fallen, measuring at 79% in 2022, according to investment firm Evercore ISI. The number reached a low of 65% in 2020 during the pandemic but remains down from a peak of 88% almost a decade ago, the research shows.

Last year, customer satisfaction at Amazon declined to a record low on the American Customer Satisfaction Index, which tracks shopper approval at more than 400 of the largest companies in the U.S.

Amazon scored 78 out of 100, down from 86 out of 100 five years earlier and its worst performance since 2000—the year the index started tracking the Seattle-based company. In

2020 and 2021, Amazon fell behind the shopping sites of Costco Wholesale Corp. and Nordstrom Inc.

Consulting firm Brooks Bell earlier this year also surveyed more than 1,000 Amazon customers in the U.S. and found that nearly a third of them reported regularly receiving products late or getting an item of low quality. That is the first time the firm conducted the study.

The company has remained the country's biggest online retailer by a wide margin, with a loyal base of more than 200 million users globally who pay for Prime memberships, which offer subscribers fast shipping and access to Amazon's Prime Video streaming service as well as discounts at Whole Foods Market and other perks.

Amazon is also still a standard setter in shipping times and holds on to about 98% of Prime customers who have subscribed for at least two years, according to Consumer Intelligence Research Partners. The survey results come as the company has seen growth and

Please turn to page B2



The industry leader in artificial intelligence software.

RANK	COMPANY	2021 AI REVENUE
No. 1	Palantir	\$1,392M
No. 2	Microsoft	\$1,252M
No. 3	IBM	\$776M
No. 4	AWS	\$688M
No. 5	Google	\$536M

Source: IDC, Worldwide Artificial Intelligence Platforms Software Market Shares, 2021: AI Is Being Used In More Unique Ways Than Ever (2022)

PALANTIR TECHNOLOGIES INC — PALANTIR.COM

The information presented in the table above has been compiled and analyzed by IDC using their methodology described in the Worldwide Artificial Intelligence Platforms Software Market Shares, 2021: AI Is Being Used In More Unique Ways Than Ever (2022) report contained on IDC's website (www.idc.com). We have not independently verified, and make no representations as to, the accuracy or completeness of the data contained in this report.

INDEX TO BUSINESSES

These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.

A	Emergent BioSolutions.....A5	N	Netflix.....A2
Alibaba.....A7	Exxon Mobil.....A8	Norfolk Southern.....B3	Novo Nordisk.....B12
Alphabet.....A4	F	P	Paramount Global.....B1
Amazon.com.....A4,B1,B4	FedEx.....B4	PepsiCo.....B4	Pioneer Natural Resources.....A8
Apollo Global Management.....B11	G	S	Sanofi.....B12
Apple.....A4	General Mills.....B2	T	Tesla.....B4
B	General Motors.....B1	Teva Pharmaceutical Industries.....B4	Twitter.....B1
Bertelsmann.....B6	Genesis Global Capital.....B11	U	Uber Technologies.....B4
Beyond Meat.....A1	I	Union Pacific.....B3	United Airlines.....B2
Binance.....B11	Imago BioSciences.....B1,B11	UnitedHealth.....B12	W
BNSF Railway.....B3	L	Walt Disney...A1,A2,B1	Walmart.....B6
C	LVMH Moët Hennessy Louis Vuitton.....A7		
Cargill.....B2	Lygend Resources & Technology.....B10		
Carvana.....B11	M		
Chevron.....A8	Manulife Financial.....B10		
Chipotle Mexican GrillB2	McDonald's.....B6		
Cigna.....B12	Merck.....B1		
Coinbase Global.....B11	Meta Platforms.....A4		
CSX.....B3	Microsoft.....B6		
CVS Health.....B12	Morgan Stanley.....B6		
D - E			
DHC Acquisition.....B3			
Diamondback Energy..A8			
Domino's Pizza.....B1			
Eli Lilly.....B12			

INDEX TO PEOPLE

A	Iger, Robert.....A1,B12	Moya, Edward.....B11
Aslam, Naeem.....B11	Islim, Derar.....B11	Musk, Elon.....B1,B2
B	J	Nathanson, Michael..B12
Balcells, Francesc.....B12	Jin, Xu.....B10	Peltz, Nelson.....B12
Bankman-Friend, SamA4	K	R
Brown, Ethan.....A1	Karp, Jonathan.....B1	Rabe, Thomas.....B6
C - I	Kelly, David.....B1	Raju, Vikram.....B6
Chapek, Bob.....A1,B12	L	Redha, Hani.....B11
Creutz, Doug.....B12	Loeb, Dan.....B12	S - W
Davies, Jeffrey.....B2	M - P	Schultz, Kare.....B4
Davis, Robert.....B1	Masturzo, Jim.....B10	Sikes, Brian.....B2
Faber, Meb.....B10	MacLennan, David.....B2	Smith, Brad.....B6
Francis, Richard.....B4	McCarthy, Christine..A1	Thill, Brent.....B2
Guionny, Jean-Jacques.A7		Weiner, Russell.....B1

Cargill Operating Chief Promoted as Next CEO

By PATRICK THOMAS

Agriculture giant Cargill Inc. said Chief Operating Officer Brian Sikes will take over as chief executive of the Minnesota-based company at the start of 2023.

The current CEO, David MacLennan, will take over the role of executive chair of Cargill's board on Jan. 1 and ahead of the company's customary retirement age of 65; Mr. MacLennan is 63. Mr. Sikes, 54 years old and a 31-year company veteran, will become the 10th CEO in Cargill's 157-year history.

The closely held agribusiness company said earlier this year that its revenue rose 23% to a record \$165 billion for 2021. Cargill and other agricultural commodity traders have been helped by higher commodity prices, a tighter global crop supply and strong consumer demand.

Before being elevated to COO in 2021, Mr. Sikes led Cargill's protein and salt businesses. He began his career with Cargill in 1991, worked across its meat and food-service businesses, and joined the executive team in 2019. He also previously led Cargill's global talent management.

With 160,000 employees in 70 countries, Cargill is one of the world's biggest food suppliers. It buys crops from farmers, trades sugar and cot-



Brian Sikes takes reins in 2023.

ton, and processes meat, supplying some of the world's biggest consumer brands and restaurant chains.

Mr. MacLennan joined the company in 1991 and served in various roles, including COO and chief financial officer, before taking over as CEO in 2013. Over Mr. MacLennan's nine-year tenure leading the company, he reshaped Cargill's portfolio, including the sale of more than \$3 billion of businesses ranging from petroleum trading to pork processing. The company agreed to sell its 18 agricultural retail outlets in the U.S. in 2016.

Earlier this year, Cargill and agriculture investment firm Continental Grain Co. completed a \$4.5 billion joint acquisition of Sanderson Farms Inc., the third-largest U.S. poultry company.

Musk Has Some Options for Twitter Other Than Filing for Bankruptcy

By MARK MAURER

Elon Musk says his \$44 billion Twitter takeover might result in a bankruptcy filing. But there could be other options.

To make the deal work, Mr. Musk has been trying to add subscription revenue and reassure advertisers about the platform's future. Twitter was losing money before Mr. Musk bought the company, and the deal added a debt burden that requires fresh sources of cash.

It is tough to determine the state of the company. Twitter no longer has to file regular financial reports to the Securities and Exchange Commission, which are crucial tools for determining a company's financial health.

Analysts and academics have been able to piece together a picture of the company from information Mr. Musk has offered as well as details of the deal and the last regulatory filings.

Twitter hasn't booked an annual profit since 2019, and posted a loss in eight years of the past decade. Its net loss narrowed in 2021, to \$221.4 million from \$1.14 billion the previous year. Twitter has struggled to attract new users and increase revenue, which came in at about \$5.1 billion last year.

Nearly 90% of its revenue last year came from advertising. In 2021, Twitter took in \$4.51 billion from advertisers, and \$572 million from licensing data and other services.

Twitter had more than \$2 billion in cash and less than \$600 million in net debt before the takeover talks—very little debt for a company in the S&P 500 index. But that cash position was down 35% from a year earlier as of June 30, filings show, and Mr. Musk paid for Twitter by taking on \$13 billion in debt. He paid for the rest in equity, some contributed by multiple investors.



Elon Musk said this month that Twitter was losing \$4 million a day.

Twitter had a market capitalization of \$374.8 billion in March, the month before Mr. Musk agreed to buy it. Social-media stocks have slumped sharply since then. But now, according to Jeffrey Davies, a former credit analyst and founder of data provider Enersection LLC, "This thing's probably not worth more than what the debt stack is, quite frankly, unless you put a lot of option value just on Elon."

Mr. Musk last month said he and investors were overpaying for the company in the short term.

Mr. Musk said this month that Twitter had suffered "a massive drop in revenue" and was losing \$4 million a day.

Some companies, including Chipotle Mexican Grill Inc., General Mills Inc. and United Airlines Holdings Inc., have paused ad spending on Twitter over uncertainty around where it is headed. The departure of several top executives from its ad department have soured relationships, The Wall Street Journal has reported.

Revenue will likely remain under pressure until advertisers

fully grasp the new business model, said Brent Thill, a senior analyst at Jefferies Group LLC, a financial-services firm. "Those advertisers will come back if they feel that the users are there and there's an ability to monetize their advertisement," Mr. Thill said.

But Mr. Thill said it could take months for advertisers to get clarity.

Market-research firm Insider Intelligence Inc. recently cut its annual ad-revenue revenue outlook for Twitter by nearly 40% through 2024.

Mr. Musk wants the company to lean more on subscriptions and depend less on digital advertising. He said last Tuesday that the company's upgraded subscription service, costing \$7.99 a month, would launch Nov. 29.

Twitter has moved quickly to slash costs, including cutting its staff by half. The company had 7,500 full-time employees at the end of 2021, up from 5,500 a year earlier, filings show. The layoffs of roughly 3,700 people could save roughly \$860 million a year, if the employees who are

leaving made an average of about \$233,000 annually—the company's most recently disclosed median pay figure. The estimated savings would represent about 15% of Twitter's \$5.57 billion in costs and expenses last year. Its costs and expenses climbed 51% from the previous year, as hiring drove up its payroll.

More employees left last week, rejecting Mr. Musk's demand that they commit to working "long hours at high intensity" to stay.

Before Mr. Musk's acquisition, net debt totaled \$596.5 million as of June 30, according to S&P Global Market Intelligence, a data provider. That compares with a negative balance of \$2.18 billion the prior-year period, indicating a cash surplus.

Twitter paid \$23.3 million in interest expense in the quarter ended June 30, according to a filing. Now, the company will have to pay at least \$9 billion in interest to banks and hedge funds over the next seven to eight years, when the \$13 billion in debt matures, according to a review of Twitter's loans by Mr. Davies, the former credit analyst. Buying back debt from lenders at a steep discount would help the company reduce its debt load and interest costs as well as its valuation, which would be beneficial in the long run, Mr. Davies said.

"I don't think they can issue any more debt," Mr. Davies said. "It's a really, really tough structure."

The company could also replace some of the debt with equity, both from Mr. Musk and from outside investors, said David Kass, a finance professor at the University of Maryland's Robert H. Smith School of Business. For that, Mr. Musk would need to persuade potential investors that he has a viable long-term business plan, he said.

Sales Staff Is Cut Further

Continued from page B1

took over the platform. "Holding off relaunch of Blue Verified until there is high confidence of stopping impersonation," Mr. Musk tweeted. "Will probably use different color check for organizations than individuals."

This month, the company rolled out Twitter Blue, allowing any user to pay \$7.99 a month for a verified account and other privileges. Not long

after, it halted the paid subscription program as accounts impersonating companies, celebrities and brands began populating the platform. Last week he said it would be relaunched on Nov. 29.

Last week, Twitter also suffered a new wave of departures to its already depleted workforce after many employees chose to take severance rather than commit to working "long hours at high intensity." At the time, Mr. Musk tweeted: "The best people are staying, so I'm not super worried."

Twitter didn't respond to a request for comment about the latest layoffs. The company, which has posted a loss in eight of the past 10 fiscal years, has previously said staff reductions were necessary to "place Twitter

on a healthy path."

Mr. Musk cut the company's staff roughly in half this month and let go many contractors, after he bought Twitter for \$44 billion and took it private late last month. Twitter had 7,500 employees at the beginning of this year.

The latest cuts underscore the uncertainty and rapid changes at the company as Mr. Musk races to reshape the platform. They also come as other technology companies are paring back—after growth in the early days of the Covid-19 pandemic—amid high inflation, rising interest rates and currency headwinds.

Mr. Musk said bankruptcy wasn't out of the question for Twitter, in an all-hands meeting with the company's staff this

month.

Last week, less than 24 hours after Twitter told employees it was closing its offices until Monday amid mass resignations, Mr. Musk changed course and called his remaining employees back to work on Friday.

In a series of emails to staff, he said that "anyone who actually writes software" should report to the company's San Francisco headquarters at 2 p.m. local time, adding that only those who couldn't physically get there or had a family emergency were excused.

This month, in Mr. Musk's first email to the whole company, he said he was ending Twitter's flexible remote-work policy on less than a day's notice.

Amazon Customer Mood Slips

Continued from page B1

profit decline and plans to cut jobs ahead of the holiday season, the company's most important period for sales. An Amazon spokeswoman said customers are still highly satisfied with their experience, and the company has worked in recent years to improve how customers find products on its website. Changes have included introducing a product comparison tool and updating its app to enable customers to more easily see the items and programs being searched.

The slip in the surveys could reflect a number of issues, including customer-service concerns and frustration over search results, analysts and former employees said. Amazon has boosted profit by expanding the pool of third-party sellers that use its platform and by embracing advertising whereby sellers pay to appear at the top of searches for certain products.

These two practices have affected the clarity of search results, said Guru Hariharan, a former Amazon manager who is chief executive of e-commerce service provider CommerceIQ. "For 20 years, it was customer obsession at any cost," Mr. Hariharan said. "Now, it's



The company has expanded its pool of third-party sellers.

customer obsession at the right cost."

The company's expansion of its pool of sellers and search advertising "may have undermined the quality of Amazon's marketplace," Evercore ISI said in its report, published this past summer. The downturn in Amazon's ratings has happened as some other retailers have improved their e-commerce services in recent years.

The company is aware of some increased customer dissatisfaction and has worked to improve the experience of users on the site in part by employing algorithms more tailored to individual customers based on data such as past search results, according to current and former employees. Doing so requires a balance between expanding listings to remain "the everything store" and curating shopping results.

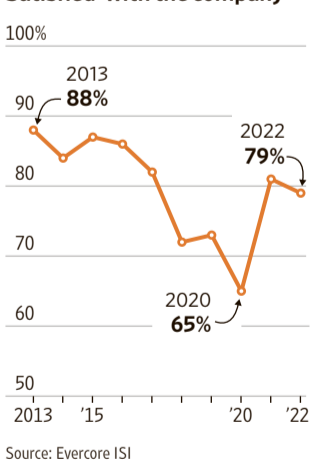
The Amazon spokeswoman said the company created more curated selections in online store sections such as Whole Foods Market. And it spent almost \$1 billion last year trying to combat counterfeiting, fraud and other abuse of its platform. Such tactics by sellers can affect search results.

Amazon says that metrics such as high user ratings of its phone app show positive shopper feedback.

In interviews, some Amazon shoppers expressed disappointment with their shopping experiences at the company even as they continue to see it as an essential part of their lives.

Ken Higgins, 48 years old, said he has been an enthusiastic Amazon Prime member since the service launched in 2005, but several experiences have left him frustrated. Recently, he tried to repur-

Amazon customers who say they are 'Extremely' or 'Very Satisfied' with the company



Fixed Annuities for Protection, Liquidity, and Growth.



ManhattanLife™
Standing By You. Since 1850.

- Principal Protection
- No Annual Fees Or Charges
- Tax-Deferred Growth
- Guaranteed Income For Life



BUSINESS NEWS

Railroad Unions Split Over Wages Pact

Strike threat looms as conductors reject proposal, engineers narrowly ratify deal

By ESTHER FUNG

One of the country's largest railroad unions said Monday its members voted to reject a new wage deal brokered by the White House, splitting with another large union and moving closer to a labor strike as soon as early December.

Union leaders said Monday they believed that a compromise could still be reached to avoid a work stoppage that could disrupt the flow of goods around the country. Four out of 12 unions have rejected the proposed contract, while the other eight have ratified the deal. Both sides have agreed to a cooling-off period until early December.

Members of the SMART Transportation Division, which represents about 36,000 rail workers, narrowly rejected the contract proposal, while the Brotherhood of Locomotive Engineers and Trainmen, which has 24,000 members, narrowly ratified it. The groups were the final two unions reporting the ratification of votes in the protracted labor dispute.

Leaders of SMART-TD said they will head back to the negotiating table with the railroads for a revised deal with a Dec. 8 deadline. Without another agreement, workers will



If one union ultimately goes on strike, leaders of the other unions have said their members won't cross picket lines.

be allowed to strike on Dec. 9.

"SMART-TD members with their votes have spoken, it's now back to the bargaining table," said SMART-TD President Jeremy Ferguson. "This can all be settled through negotiations and without a strike."

The National Carriers' Conference Committee, which is negotiating on behalf of the railroads, said that some unions are demanding terms that exceed the recommendations of the White House-appointed panel and terms that have been accepted by other unions. The group said it remains willing to enter agreements based on the panel's

framework.

The companies said the threat of a strike will require freight and passenger railroads to soon take steps to secure their networks ahead of any deadline. In September, Amtrak canceled some long-distance routes and railroads stopped accepting some cargo in the days before an earlier strike deadline.

Freight railroads move about 40% of U.S. long-distance cargo and deliver freight such as feedstock, coal, lumber, construction material and automobiles. Even a short strike could lead to diversions and cascade to delays and congestion, push-

ing back recovery in some supply chains.

Congress, given its power under the Railway Labor Act, may also intervene to impose a settlement on the two sides to prevent or shorten any work stoppage. The last national rail strike, in 1991, lasted about 24 hours before Congress passed and President George H.W. Bush signed legislation ordering the workers back to their jobs.

"As the president has said from the beginning, a shutdown is unacceptable because of the harm it would inflict on jobs, families, farms, businesses and communities across the coun-

try," said White House press secretary Karine Jean-Pierre, adding that President Biden is being briefed on the matter. "A majority of unions have voted to ratify the tentative agreement, and the best option is still for the parties to resolve this themselves."

SMART-TD said that 50.87% of train and engine service members voted to reject the agreement. Most railroad workers represented by SMART-TD are conductors, and it also represents other groups such as brakemen and yardmasters. The groups vote for their contracts separately, and SMART-TD said 62% of yardmasters

voted to ratify the agreement.

Since the contract for conductors failed to be ratified, the contract for all railroad workers in SMART-TD's coverage failed. SMART-TD said there was a turnout of more than 28,000 out of around 36,000 members covered in the current negotiations.

The BLET union said 54% of members who participated in the vote voted to accept the five-year contract. The BLET represents about 24,000 locomotive engineers and other rail workers covered by the agreement.

The unions have agreed to continue working under a status-quo period to give time for more discussions. If one union ultimately goes on strike, leaders of the other unions have said their members won't cross picket lines.

The largest freight railroads, Union Pacific Corp., CSX Corp., BNSF Railway and Norfolk Southern Corp., have been struggling with delays and service issues for more than a year. They said hiring and retention of workers are priorities to fix service disruptions.

Railroad workers said they are overworked amid a labor shortage, and they feel resentful that company executives and shareholders don't adequately value their contributions. Some conductors said they remain concerned about their job security in discussions over crew size.

—Tarini Parti contributed to this article.

Startup Bank GloriFi To Close

By ANNAMARIA ANDRIOTIS AND RACHEL LOUISE ENSIGN

The Texas startup that sought to build a conservative banking alternative is shutting down.

GloriFi has laid off most of its employees and told them that it is closing up shop, according to people familiar with the matter and emails to employees reviewed by The Wall Street Journal.

The company's fate became clear on Friday, when funding that it hoped would carry it through the first quarter fell through, Cathy Landtroop, the chief marketing and communications officer, said in an email to employees.

The "financial challenges related to startup mistakes, the failing economy, reputational attacks, and multiple negative stories took their toll," Ms. Landtroop wrote in the email.

GloriFi's app made its debut in September. The bank said customers could open checking and savings accounts and apply for credit cards. The app was aimed at people who saw Wall Street as too liberal and wanted a bank that shared their values of "God and country."

An October article in the Journal detailed GloriFi's turbulent start. The company missed launch dates, blaming faulty technology and failures by vendors, and laid off dozens of employees. Some employees said that founder Toby Neugebauer had a volatile temper and drank on the job, and that the company's unusual workspace—Mr. Neugebauer's home—added distractions.

Mr. Neugebauer stepped down as CEO following the article's publication and became executive chairman.

The company raised about \$50 million from an A-list group of investors last year. In July, GloriFi announced a deal to merge with **DHC Acquisition Corp.**, a special-purpose acquisition company. The deal valued GloriFi at about \$1.7 billion and required the company to raise at least \$60 million in additional cash.

"This is a devastating day," Mr. Neugebauer wrote in an email to employees.

GloriFi defined itself in contrast to many big, established banks, which have in recent years pledged to consider environmental, social and governance, or ESG, principles in their businesses. Some lenders have cut ties with some corporate clients in the gun, coal and private prison industries.

Friends share things. Like energy security. Canada is the solution.

Rising demand for oil and gas is matched only by the rising challenge of securing it. Global events have made that clear. The world is looking for reliable energy leadership and a way forward that includes renewables in the energy mix. Canada is up to the task. A joint commitment from our industry's six biggest oil sands producers to reach net zero by 2050 is only one step. Cutting emissions intensity by 22% over the last decade is another. With responsible production, and innovations in cleantech and carbon capture, Canada is walking the walk toward a secure, mixed energy future.

CanadaIsTheSolution.com

Canadian Energy Centre

This material is distributed by DDB Canada on behalf of the Canadian Energy Centre. Additional information is on file with the Department of Justice, Washington, D.C.



TECHNOLOGY

WSJ.com/Tech

Drugmaker Teva Replaces CEO

Pharma-industry veteran will be tasked with reviving growth after series of setbacks

BY COLIN KELLAHER AND PETER LOFTUS

Israeli drugmaker **Teva Pharmaceutical Industries Ltd.** said it named Richard Francis as president and chief executive, effective Jan. 1.

Teva, one of the largest makers of generic drugs, on Monday said Kare Schultz, who took the helm in 2017 amid falling profits, a large debt load and a declining share price, would retire at

the end of the year.

Mr. Schultz earlier this month said he planned to step down when his contract expires in November 2023, but the company on Monday said he agreed to leave early to help facilitate an orderly transition.

Teva said Mr. Francis, 54 years old, currently serves as an operating partner for life-sciences investor Syncona Investment Management Ltd. and CEO of Syncona portfolio companies Purespring Therapeutics and Forcefield Therapeutics.

He previously spent five years as CEO of Novartis AG's Sandoz generics and biosimilars division and 13 years as a senior executive at Biogen Inc.

Mr. Francis is expected to be tasked with jump-starting sales growth at Teva and trying to get past litigation over Teva's role in the opioid crisis.

Teva this year agreed to pay \$4.25 billion to settle investigations by U.S. states' attorneys general and other government entities, stemming from allegations over its past sales and marketing of opioid pain medications. The settlement includes providing up to \$1.2 billion of Teva's generic version of the opioid-overdose reversal drug Narcan. Teva didn't admit wrongdoing in the settlement.

The company's revenue has declined in recent years, as its sales from generic drugs and a

previously high-selling brand-name multiple-sclerosis treatment, Copaxone, have dropped amid tight competition.

Teva's sales for 2021 declined 4.7% to \$15.88 billion. The company expects sales to fall further for full-year 2022, to a range of \$14.8 billion to \$15.4 billion.

Under Mr. Schultz's leadership, Teva had cut thousands of jobs and closed plants as it paid down debt. He pushed the company further into areas such as biologic drugs, injectables made from living cells, while introducing new products such as migraine treatment Ajovy.

Yet the company's stock price has stayed well below



Richard Francis takes over Jan. 1 at the Israeli company after the current CEO and president agreed to leave earlier than planned.

peaks it reached in the prior decade. The company's American depository receipts rose 1.3% Monday to \$8.83, but are down from over \$60 in 2015. Teva said Mr. Francis would

receive an annual base salary of \$1.6 million and an annual bonus with a target of 150% of his base pay under his initial three-year employment agreement.

Domino's To Deploy E-Vehicles

Continued from page B1

enough delivery workers. Some pizza drivers have said that a dearth of used cars during the pandemic, high fuel costs and other factors limited their interest in continuing in the industry. Drivers typically pay for their vehicles.

Mr. Weiner said the electric vehicles should help the company lure drivers who have other job options or lack wheels. Those factors have cramped Domino's business, he said. The new vehicles also will advance the company's environmental goals by cutting carbon-dioxide emissions produced by traditional gas-fueled cars.

The move is part of American companies' embrace of electric vehicles. Amazon.com Inc. plans to deploy a fleet of EVs, FedEx Corp. has started operating electric vans, and Tesla Inc. plans to deliver its first electric semitrailer truck to PepsiCo Inc. soon. Uber Technologies Inc., which has struggled with its own driver short-



The company said electric vehicles should help lure drivers who have other job options or lack wheels.

age, is also making an EV push.

Domino's, along with competitors such as Pizza Hut and Papa John's International Inc., have struggled this year to hire and retain enough delivery drivers.

Pizza sales surged during the Covid-19 pandemic, but demand for drivers also jumped as other restaurants rushed to add their own delivery services, typically through apps that employ gig drivers, pizza companies have said.

Domino's said last month

that its same-store sales for delivery declined 7.5% in the three months ended Sept. 11 from a year earlier. The company in April called a lack of drivers and other impediments to its delivery business its biggest short-term challenge in the U.S.

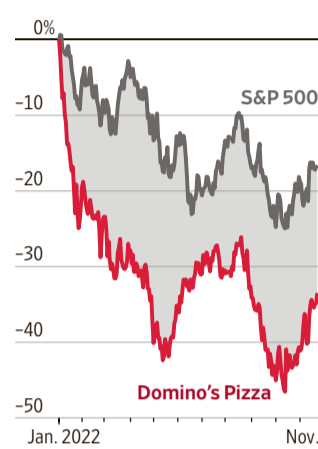
Domino's shares are down 33% since the start of 2022 as of Monday's close, while the S&P 500 were down roughly 17%. Domino's said this year it would review its to-go operations, including assessing whether third-party food-delivery

apps could play a role.

Domino's executives have said that many drivers opted for gig work during the pandemic, given a surge in the delivery business and promises of more flexible schedules. The company's review found that customers sometimes canceled orders when it took too long to get through on the phone or for pizzas to arrive, hitting Domino's sales, executives said.

Some Wall Street analysts have pushed Domino's to strike deals with food-delivery

Share and index performance, year to date



Source: FactSet

have until March to place initial orders, the company said.

Electric vehicles could save Domino's money in the long run, said Pavel Molchanov, managing director of renewable energy and clean technology for Raymond James & Associates Inc. The cost to install an on-site charger should be several thousand dollars to power passenger vehicles making short-distance deliveries, and they could quickly pay for themselves in saved fuel and maintenance expenses, he said.

Domino's has previously invested in delivery-vehicle experiments, including autonomous vehicle tests with Ford Motor Co. in 2017 and startup Nuro Inc. in 2019.

The company has test-driven some autonomous vehicles on roads and its research continues, but not all customers want to pick up their pizza from a robot, Mr. Weiner said.

Mr. Weiner said Domino's will continue searching for ways to improve its driving jobs, including creating more flexible shifts.

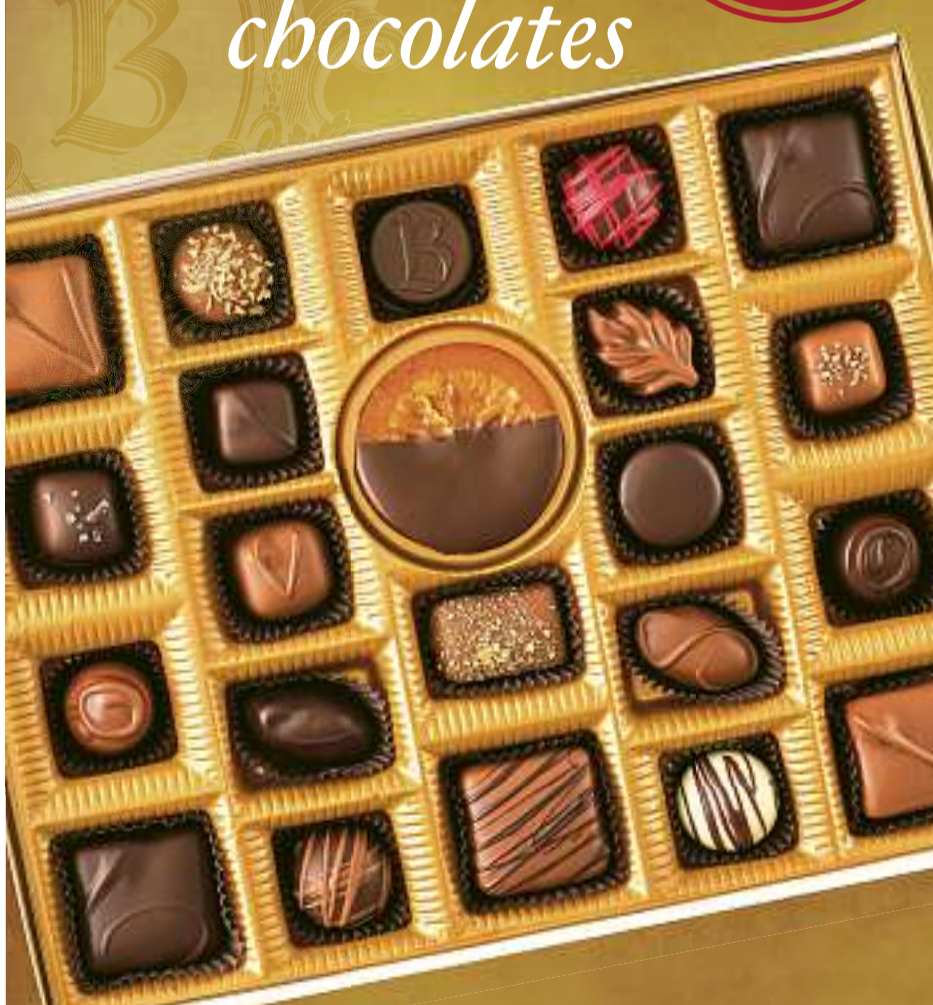
He said he didn't completely rule out working with third-party delivery apps in the U.S.

"My job is to make sure every pizza is delivered," Mr. Weiner said.



350 years of
THE FINEST
chocolates

save
15%
CODE:
HOLIDAY55



PARIS 1600s ✿ USA 1845

Bissinger's


Handcrafted Chocolates

SAVE 15%
CODE:
HOLIDAY55

Scan to order now,
or call
800.325.8881.
www.bissingers.com




Once Reserved for Royalty



WHAT HAPPENS WHEN AUTONOMOUS VEHICLES ARE PUT TO WORK IN A REAL CITY? WE'LL TELL YOU.

Announcing a living laboratory collaboration with Rutgers CAIT, Verizon 5G, the city of New Brunswick and Middlesex County, N.J.

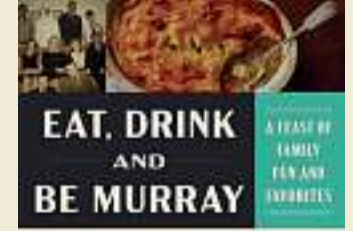
Learn how a deep commitment from local government and the community has created the perfect ecosystem for businesses developing the electric, connected, and autonomous vehicles of the future.



DiscoverMiddlesex.com/Biz

PERFECT FOR HOLIDAY HOSTING

 HarperCollins Publishers



A family cookbook full of Murray favorites from celebrated chef and owner of the Caddyshack restaurant Andy Murray, with a foreword by brother Bill Murray.



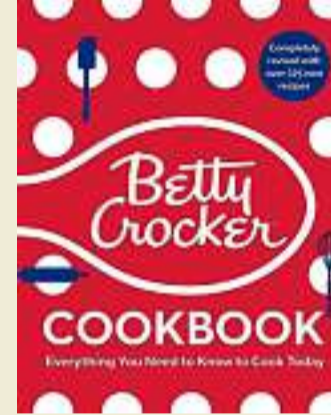
From Paul Feig, director of *Bridesmaids* and *Spy*, a love letter to cocktail culture, perfect for gifting, with 125 classic and new cocktail recipes.



The instant *New York Times* best-seller—and first cookbook—from bestselling author Tabitha Brown, featuring easy vegan recipes and stories from the spirit.



"Refreshing. . . Through stories and recipes, Jen reminds us that feeding the people we love shouldn't be one more thing to perfect or overdo." —Joanna Gaines



Completely revised with more than 1,000 recipes, this is the perfect cookbook for any home cook!



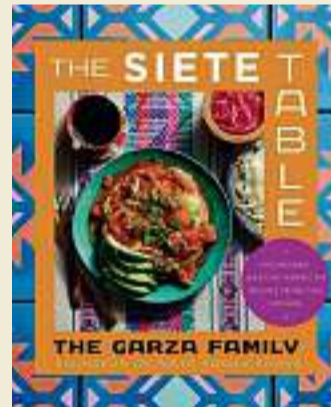
From bestselling author Coco Morante, a one-stop cookbook with 100 foolproof recipes for the Instant Pot and/or the air fryer oven.



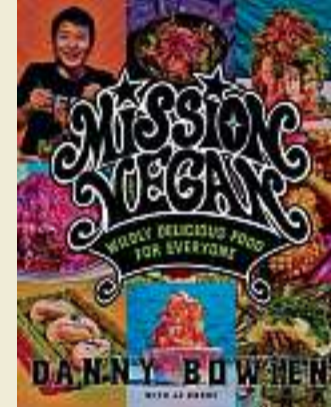
Gift the ultimate cookie cookbook this season, from best-selling author of *The Baking Bible* Rose Levy Beranbaum.



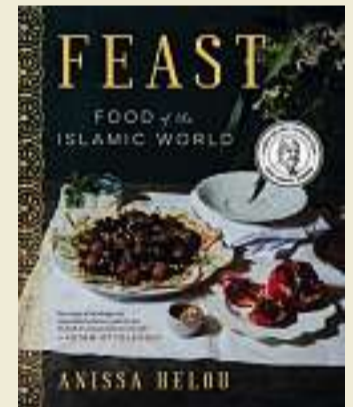
From the award-winning creator of *Chicano Eats* comes this collection of 76 sweet and dreamy Chicano recipes for irresistible desserts, cakes, tamales, pan dulce, and more.



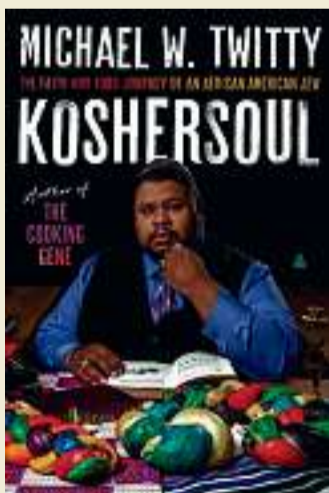
The Garzas, creators of Siete Family Foods, share over 100 family recipes for gluten-free Mexican-American dishes that inspire their bestselling products.



"Yes, you can make a quick and simple vegan meal. This chef shows you how." —NPR



Winner of the James Beard Award. "Helou's recipes gracefully capture this world where food, religion, and culture are deeply intertwined, opening it to a broader audience and presenting it unfiltered." —Taste



The James Beard award-winning author of the acclaimed *The Cooking Gene* explores the cultural crossroads of Jewish and African diaspora cuisine and issues of memory, identity, and food.



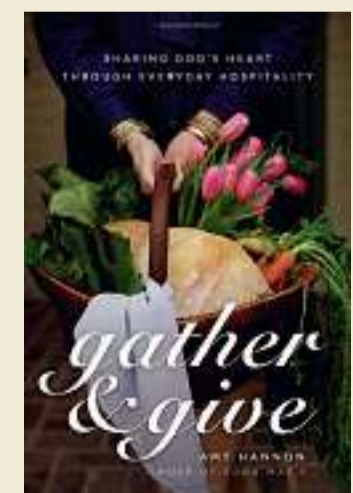
The breakout star of Food Network's hit show *Delicious Miss Brown* celebrates the Gullah/Geechee culinary traditions of her family in this spectacular cookbook featuring 125 original mouthwatering recipes.



35 holiday-themed activities that will nurture your child's curiosity and imagination and foster family bonding.



From celebrity baker Duff Goldman! A dessert book that will teach kids how to make dozens and dozens of delicious cookie recipes!



This holiday season, learn how to embrace simple hospitality that values connection more than perfection and people more than presentation. Includes easy-to-make recipes, reflection questions, and more!

DISCOVER GREAT AUTHORS, EXCLUSIVE OFFERS & MORE AT HC.COM



BUSINESS & FINANCE

Companies Team Up On Lowering Carbon

Coalition says its 65 members will purchase \$12 billion of innovative products and services

By DIETER HOLGER

Global companies are combining their purchasing power to help commercialize low-carbon technologies as part of their efforts to meet net-zero commitments.

One of the biggest corporate spending plans announced at the United Nations climate conference, known as COP27, was the First Movers Coalition. Its 65 member companies promise to collectively purchase \$12 billion of nascent low-carbon products and services by 2030 to help suppliers develop their offerings and scale up.

The money mobilized so far falls well short of what the private sector needs to put forward to help meet the Paris Agreement, but underscores how the business world is collaborating to address global

warming.

"It's just extraordinary in my view to see the continuing diversification of efforts, the large companies that are making real and very important practical commitments," said Brad Smith, vice chairman and president of Microsoft Corp.

In May, Microsoft joined the coalition and committed to spend \$200 million on long-duration carbon removal. "When we bring others together, it shows there is a real market and gives us an opportunity to start to get the wheels turning," Mr. Smith said.

The coalition targets carbon-dioxide removal as well as seven hard-to-decarbonize sectors: aluminum, aviation, chemicals, concrete, shipping, steel and trucking, which together account for more than 30% of global greenhouse-gas emissions. Members represent more than \$8 trillion in market capital and include Alphabet Inc., BHP Group Ltd., Ford Motor Co., Novelis Inc., Trafigura and Volvo Group.

"You talk to some of the pro-

viders of this technology and it is the age-old story, nobody is here to buy," said Nancy Gillis, program head of the First Movers Coalition at the World Economic Forum. "These are innovative technologies...and if they were available by 2030, it could be a game changer."

To join the group, a company's chief executive sends a letter acknowledging they may have to pay a premium for the low-carbon technologies. "They understand that they are agreeing to a certain percentage of a spend that's fundamental to the business that they do and they don't know if it's going to be there and they don't know what they are paying for it," Ms. Gillis said.

Once commitments are made, companies and suppliers meet regularly to share progress and work together. Purchasing companies also meet quarterly with representatives from the World Economic Forum to track progress.

The First Movers Coalition has grown since it was launched by the World Eco-



The coalition targets carbon dioxide as well as seven hard-to-decarbonize sectors, including aluminum.

nomical Forum and the U.S. government at last year's climate summit in Glasgow. It currently has companies signed up for six out of seven of the economically essential sectors it targets, with chemicals being the next field it will commit companies to. But Ms. Gillis said the group plans to add only enough influential corporations to spur demand in the target sectors.

This year, for instance, the coalition added a program for green cement and concrete with General Motors Co. and RMZ Corp. among the companies pledging to buy 10% near-zero-emission cement and concrete a

year by the end of the decade.

Recent coalition examples include Volvo building heavy-duty electric trucks with fossil-free steel. It will supply the first delivery of 20 trucks to fellow coalition member Amazon.com Inc. by the end of the year.

Another example is packaging-and-aerospace company Ball Corp. It joined with Rio Tinto Ltd., Novelis Inc. and Anheuser-Busch InBev SA this year to launch a pilot Corona beer aluminum can in Canada.

The can is made with hydro-power, recycled material and inert-anode technology that re-

leases oxygen instead of CO₂.

The coalition is helping Ball work with companies across the aluminum value chain—from suppliers to customers such as fellow members Novelis, Constellation SE and PepsiCo Inc.—to share data and decide where certain low-carbon methods can be accelerated, said Ball's Chief Sustainability Officer Ramon Arratia.

"Microsoft did not join [the First Movers Coalition] in Glasgow last year. I think that was a mistake. As I tend to joke, we were among the second joiners of the first movers," Mr. Smith said.

Morgan Stanley Aims to Reduce CO₂

By LUIS GARCIA

Morgan Stanley has formed a new growth-capital strategy that aims to invest \$1 billion to back companies that will seek to cut a total of one gigaton worth of carbon-dioxide emissions by 2050—and the bank is tying the strategy's performance fees to that goal.

The IGT private-equity strategy plans to back growth investments in 20 to 25 companies in areas that include mobility, power, sustainable food and agriculture, as well as the circular economy, said Vikram Raju, head of climate investing at Morgan Stanley Investment Management, the unit launching the strategy. He cited recyclers, energy-effi-

ciency software companies and makers of low-carbon fertilizers as examples of businesses the firm would look to back. The new strategy's fund has already lined up some capital from outside investors.

Morgan Stanley said it has invested around \$600 million since 2015 in companies that help mitigate climate change through other strategies it manages. Those businesses include an operator of electric-vehicle charging stations and a provider of customer-engagement software that helps utilities reduce energy usage, according to Mr. Raju.

Each portfolio company would aim to reduce greenhouse-gas emissions equivalent to roughly 50 million met-

ric tons of CO₂ by 2050, the year the United Nations has set for the world to achieve its net-zero emissions target, Mr. Raju said. The strategy's total one gigaton goal is equivalent to the emissions produced by nearly all the annual electricity consumption of the European Union's homes or the emissions that are avoided by 271,000 wind turbines running for a year, he said.

The ability to measure emissions reduction in relation to targets is critical for the strategy as half of its carried interest, or the percentage of profits it is entitled to, will be tied to the achievement of those goals, according to Mr. Raju. In the case of a low-carbon fertilizer maker, for exam-

ple, his team must be able to calculate the volume of emissions that fertilizer saves as it replaces traditional, more polluting products in the field. The calculation would be adjusted as other fertilizers "also started getting green," he said.

"Our impact should ideally start reducing over time, even though we may be selling more [products]," Mr. Raju said. "We build that into our thinking."

Mr. Raju expects the strategy to sell its investments within the roughly five-year holding period of a typical private-equity fund, while projecting their emission impact for the remaining years until 2050 and using that to calculate the carried interest, he said.

Paramount Ends Deal, Gets Fee

Continued from page B1

closed in November 2020, was blocked on competitive grounds on Oct. 31 by U.S. District Judge Florence Pan. Penguin Random House, which is owned by German media company Bertelsmann SE, said at the time that it would seek an expedited appeal and subsequently sought Paramount Global's support.

On Sunday evening, however, The Wall Street Journal reported that Paramount Global had decided not to support the expedited appeal, effectively putting an end to the deal.

Under the terms of their 2020 agreement, Bertelsmann agreed it would pay Paramount a termination fee of \$200 million if the acquisition were "completely prohibited or if the termination date is reached," according to the Bertelsmann 2021 annual report. The termination date is Nov. 21, the Journal previously reported.

Paramount Global in its filing confirmed that Penguin Random House is obligated to pay it \$200 million. A spokeswoman for Penguin Random House said Bertelsmann will make the payment.

Bertelsmann confirmed that the merger had ended. Chief Executive Thomas Rabe said that the book business remains core and that "Bertelsmann plans to achieve annual growth of five to ten percent in this area—organically, but also through acquisitions."

Disabled Shoppers Struggle With Inaccessible Self-Checkouts

By KATIE DEIGHTON

Stores' self-checkout machines can annoy shoppers with error messages about unexpected items in the bagging area and other hiccups. But for some disabled people, they are often unusable.

Blind people can have trouble navigating the touchscreens. Deaf people might not be able to troubleshoot on kiosks that connect to a customer-service worker located somewhere else. And wheelchair users sometimes can't reach or see the screens, or fit their chairs comfortably in the space allocated to each checkout.

The problem **CMO TODAY** is spreading as companies continue to install self-service transaction machines around the world, some disabled people and disability-rights activists say. It also has the potential to put the brakes on companies' efforts to automate much of the shopping experience in the name of speed and cost savings, as lawyers and lawmakers begin to scrutinize accessibility in a retail context.

"Why should I have less choice on how I check out my shopping just because I have one leg and I'm in a wheelchair?" said Lyndsay Watterson, an above-the-knee amputee who lives in the U.K. and has founded Neo Walk, a maker of fashion-forward walking sticks.

"I don't want to go to a staff checkout because I'm still vulnerable to catching infections, and I don't want someone else handling my stuff," she said. "[Self-checkout] just cuts out that extra person that you've got to interact with."

Self-checkouts grow

In the U.S., 30% of grocery transactions were completed using self-checkout in 2021, up from 18% in 2018, according to research from FMI, a food-industry trade group whose members include supermarket chains.

About 200,000 self-checkout units were shipped to retailers globally in 2021, up from about 141,000 in 2019, according to a



In the U.S., 30% of grocery transactions in 2021 were on self-checkouts, up from 18% in 2018, according to food-industry trade group FMI.

report from London-based research and consulting firm RBR, which analyzed supplier data from 53 countries.

Letting people order, pay or perform other transactions independently allows businesses to serve customers with fewer employees, said Claire Tassin, a retail analyst at research firm Morning Consult. And a self-checkout machine in a supermarket usually takes up less space than a cashier with a conveyor belt, so companies can—in theory—serve more people and reduce waiting times, she said.

"Companies assume that speed is the main driver of an optimal shopping experience," Ms. Tassin said.

But Ms. Watterson, who lives in York, England, said she found it nearly impossible to use the self-checkouts at her local Marks & Spencer department store after they were installed earlier this year.

She couldn't reach the screen because her chair didn't fit beneath it, and she couldn't read what it said clearly because of the way it was positioned underneath the store lights, she said.

Ms. Watterson complained to

staff several times before Marks & Spencer lowered the height of the self-checkout counters and removed the doors and shelving from the units underneath so that she could more easily position her chair, she said.

London-based Marks & Spencer Group PLC, one of the U.K.'s biggest retailers, didn't respond to requests to comment.

Access for the blind

Self-service checkouts and ordering systems can be made accessible to blind people by including a jack for headphones, screen-reader software that reads detailed instructions on how to use the machine and a tactile keyboard that lets users select steps such as "check out" and "pay with card" without using the touchscreen, said Matt Hackert, a nonvisual access technology specialist at the National Federation of the Blind, or NFB. The Baltimore-based organization last year worked with McDonald's Corp. to upgrade its self-service kiosks so that they could be used independently by blind people.

But accessible machines are still few and far between, Mr.

Hackert said. "That work is far being outpaced by installations where accessibility really wasn't a thought of the vendors providing the kiosks," he said.

Companies that offer self-service checkouts and kiosks, such as the touchscreen-enabled machines used to order at fast-food restaurants, said the experience is accessible overall because disabled customers can get assistance at self-checkouts or use traditional staff-operated checkouts and ordering systems instead. But disabled people say they should have the same option to check out independently as others.

That is partly because those buying kiosks often don't consider that people who are blind or have other disabilities need to use the machines, so don't make accessibility a requirement when they purchase them, said Gregg Vanderheiden, a professor at the College of Information Studies at the University of Maryland.

In the U.S., regulations concerning technological accessibility don't specifically cover self-service checkouts and kiosks. While lawsuits against inaccessible websites are on the rise, and accessible auto-

mated-teller machines have become standard, many businesses haven't been forced to ensure other self-service technologies can be used by everyone, Prof. Vanderheiden said.

Legal challenges

Walmart Inc. scored a legal victory after it was sued in 2018 by three blind plaintiffs, supported by the NFB, who argued the company breached the Americans with Disabilities Act, or ADA, because blind people couldn't independently operate its self-checkout system. The case began after two of the plaintiffs accused a store employee of stealing \$40 from them at a self-checkout after they asked for help operating the machine.

Walmart said its self-checkout system was accessible because staff had been trained to help disabled customers use it. A federal judge in Maryland last year agreed with Walmart, ruling that staff assistance is sufficient to meet ADA requirements.

Eve Hill, a disability-rights lawyer who represented the plaintiffs in the Walmart case, remains unsatisfied.

"In order to be equally effective, it has to be equally independent and equally private," Ms. Hill said. "I go to the self-checkout because I want to buy a lot of cookies, or whatever I'm ashamed of, and I don't want staff to see that. [My clients] don't have that option."

Waiting for a staff member to help also often adds extra time to a transaction, and sometimes employees aren't around to help at all, which makes customers vulnerable to nefarious actors pretending to be helpers, the NFB's Mr. Hackert said.

Customers have to trust that their helper isn't scanning more items than they requested, particularly at machines that don't audibly communicate the item scanned or the price, and then must hand over their credit card or cash to what is often a stranger, he said. The problem is getting worse as more retailers test getting rid of traditional cashiers entirely, he added.

Potential regulations

The U.S. is looking into the possibility of creating regulations for the accessibility of self-service checkouts and ordering systems.

The Access Board, a federal agency that promotes equal rights for people with disabilities, in September began developing guidelines for self-service transaction machines and kiosks, and sought comments from the public on the topic. The agency's guidelines could become official rules if an agency with enforcement powers adopts them.

The Access Board's proposal has won support from disability-advocacy organizations including the NFB and the National Association of the Deaf.

"The best solution we can use right now is a good set of rules and design patterns that everyone agrees on," Prof. Vanderheiden said.

More online at
CMO TODAY

wsj.com/news/cmo-today

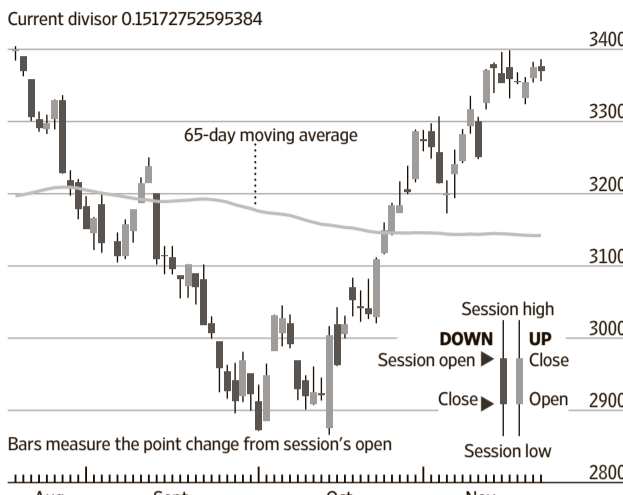
MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

33700.28 ▼45.41, or 0.13%
High, low, open and close for each trading day of the past three months.

Last Year ago
Trailing P/E ratio 20.95 22.11
P/E estimate * 18.36 18.53
Dividend yield 2.01 1.91
All-time high 36799.65, 01/04/22



S&P 500 Index

3949.94 ▼15.40, or 0.39%
High, low, open and close for each trading day of the past three months.

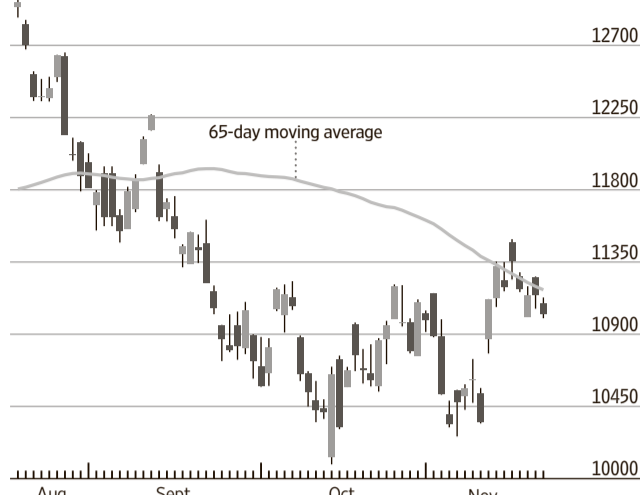
Last Year ago
Trailing P/E ratio * 19.22 28.90
P/E estimate * 17.75 22.43
Dividend yield * 1.68 1.28
All-time high 4796.56, 01/03/22



Nasdaq Composite Index

11024.51 ▼121.55, or 1.09%
High, low, open and close for each trading day of the past three months.

Last Year ago
Trailing P/E ratio ** 24.37 36.08
P/E estimate ** 22.54 30.47
Dividend yield ** 0.94 0.63
All-time high: 16057.44, 11/19/21



Major U.S. Stock-Market Indexes

Table with columns for Index, High, Low, Close, Net chg, % chg, 52-Week High/Low, % chg YTD, and 3-yr. ann. Includes Dow Jones, Nasdaq, S&P, and other indices.

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 of late trading activity with columns: Company, Symbol, Volume, Last, Net chg, After Hours % chg, High, Low. Includes Invesco Senior Loan ETF and SPDR S&P 500.

Percentage gainers...

Table of percentage gainers with columns: Company, Symbol, Close, Net chg, % chg, 52-Week High/Low, % chg. Includes Harsco and Simmons First Natl CIA.

Trading Diary

Volume, Advancers, Decliners

Summary table for trading diary with columns: Total volume, Adv. volume, Decl. volume, Issues traded, Advancers, Declines, Unchanged, New highs, New lows, Closing Arms, Block trades.

* Primary market NYSE/NYSE Arca only. ** TRIN: A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Table of international stock indexes with columns: Region/Country, Index, Close, Net chg, Latest % chg, YTD % chg. Includes MSCI ACWI, STOXX Europe, and various regional indices.

Percentage Gainers...

Table of percentage gainers with columns: Company, Symbol, Close, Net chg, % chg, 52-Week High/Low, % chg. Includes Imago BioSciences and OncoSec Medical.

Most Active Stocks

Table of most active stocks with columns: Company, Symbol, Volume, % chg from 65-day avg, Latest Session Close, % chg, 52-Week High/Low. Includes ProShares UltraPro QQQ and Tesla.

Percentage Losers

Table of percentage losers with columns: Company, Symbol, Close, Net chg, % chg, 52-Week High/Low, % chg. Includes TuanChe ADR and Grindr.

Volume Movers

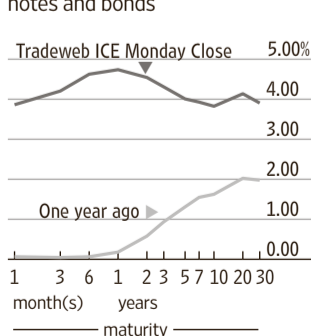
Table of volume movers with columns: Company, Symbol, Volume, % chg from 65-day avg, Latest Session Close, % chg, 52-Week High/Low. Includes Imago BioSciences and Apeiron Capital Invnt A.

CREDIT MARKETS

Consumer Rates and Returns to Investor

Table of consumer rates and returns with columns: Rate, 30-year mortgage, 10-year Treasury note yield, Interest rate, and various financial products.

Treasury yield curve



Forex Race



Corporate Borrowing Rates and Yields

Table of corporate borrowing rates and yields with columns: Bond total return index, Yield, 52-Week High/Low, Total Return.

CURRENCIES & COMMODITIES

Currencies

Table of U.S.-dollar foreign-exchange rates in late New York trading for various currencies like Euro, Yen, and others.

Commodities

Table of commodity prices including oil, natural gas, gold, and other resources.

BANKING & FINANCE

EV Nickel Producer Lygend Sets Listing in Hong Kong

By Dave Sebastian

Lygend Resources & Technology Co., a Chinese nickel producer and trader, wants to raise as much as \$593 million in its Hong Kong initial public offering, becoming the latest company along the electric-vehicle supply chain to tap public markets in a lackluster year for debuts.

The company, based in Ningbo, China, said on Monday that it is taking investor orders through Thursday, and that it expects to list on Dec. 1. Its offer price will be somewhere from HK\$15.60—equivalent to \$1.99—to HK\$19.96 apiece, Lygend said. About 90% of the 232.5 million shares on offer will be available to international investors, the company added.

Electric-vehicle makers in Asia and the companies that supply them have increasingly turned to capital markets to raise money this year despite the market volatility, taking advantage of a surge in demand for energy-efficient automobiles. These businesses tend to be capital-intensive, leaving them with little choice about raising funds.

Lygend is trying to expand its capacity to produce nickel-cobalt compounds used in EV batteries. It plans to use more than half of the proceeds from the IPO to develop and construct its production projects for nickel products on Indonesia's Obi Island, which is nestled in the Maluku Islands, toward the country's east. Lygend said it is also looking into po-



The IPO would boost a joint venture with Chinese battery maker Contemporary Amperex Technology Co.

tential minority investments in nickel mines in Indonesia.

EV-related businesses are trying to scale up and gain a deeper foothold in China's large automobile market. Lygend, which gets most of its revenue from customers in mainland China, will join the likes of EV battery supplier CALB Co. and battery-grade lithium compounds producer Tianqi Lithium Corp. that went public in Hong Kong this year.

Lygend still derives most of its trading and production revenue from the stainless-steel industry, though the share of such revenue generated from the EV industry jumped to 43% for the first half of 2022 from 3.7% in the comparable period a year ago. For the six months

ended June 30, profit soared to 2.29 billion yuan—equivalent to \$321.6 million—from 89 million yuan the year before. Revenue more than doubled to 9.98 billion yuan.

The company also plans to spend some of the IPO proceeds to fund additional capital for Contemporary Brunn Lygend Co., Lygend's joint venture with Chinese battery giant Contemporary Amperex Technology Co. that focuses on the development of EV battery projects.

High inflation, rising interest rates and Russia's invasion of Ukraine have rocked markets this year and led to a slump in global IPOs. Primary and secondary listings in Hong Kong have raised \$11.1 billion this year, down 71% from the

same period last year, according to Dealogic.

Chinese state-owned entities have supported this year's IPOs in Hong Kong, such as by participating as so-called cornerstone investors. Five cornerstone investors have agreed to buy HK\$2.55 billion in Lygend shares and hold them for at least six months. At the low end of the pricing range, the cornerstone investments would comprise about 70% of shares on offer.

Watch a Video



Investors Pour Into U.S. Stocks

Continued from page B1

similar exchange-traded fund tied to U.K. stocks has fallen 9.1%.

Even with the S&P 500 poised for its worst year since 2008, the buy-the-dip mentality that drove U.S. stocks to repeated records in recent years lives on, said Jim Masturzo, chief investment officer of multi-asset strategies at Research Affiliates.

"For the last decade, the U.S. market was ripping every year. Why would people invest anywhere else?" he said.

Investors are quick to swoop into the stock market en masse

on any sign that inflation appears to be cooling, betting that the Federal Reserve will soon slow its pace of interest-rate increases.

For example, after data showed inflation slightly eased in October, the S&P 500 rallied 5.5% to its best one-day gain since April 2020. The Nasdaq Composite surged 7.4%, one of the 20 best days for the tech-heavy index in its more than five-decade history.

Although Fed officials were quick to assert the central bank's commitment to further tightening, stocks jumped again on last week's data showing waning producer-price pressures.

Of the more than \$14 trillion sitting in equity mutual and exchange-traded funds domiciled in the U.S., roughly 78% is in U.S. stock funds, according to Morningstar Direct. The bias is even stronger this year: Of the \$93 billion that investors have

added to U.S. or international equity funds, more than 90% has gone to those holding U.S. stocks.

Meanwhile, the U.S. accounts for roughly 62% of global stock-market capitalization, based on weightings in the MSCI Country All World index.

Since bottoming in March 2009 in the financial crisis, the S&P 500 has surged 484%, outpacing Japan's Nikkei 225, which has risen 294%, the Stoxx Europe 600, which has gained 174% and the U.K.'s FTSE 100, up 108%.

U.S. stocks' sustained stretch of outperformance is a historical outlier. Since 1975, U.S. stocks typically outperform international markets for just under eight years before their advantage dissipates, according to research by Hartford Funds.

"Many people think the U.S. is the only game in town, but over history, that isn't true,"

said Meb Faber, co-founder and chief investment officer of Cambria Investment Management. "Mr. Faber expects U.S. stocks "to go sideways over the next decade" when accounting for inflation.

Still, many investors argue there is a compelling case for

\$86B

Amount investors have put into U.S. stocks this year

investing overseas. Chief among their reasons: attractive valuations, high dividend yields and bets that the dollar is due for a fall.

Despite this year's slump, U.S. stocks are nearly 1.8 times as expensive as the other 22 developed markets in aggre-

Canadian Firm to Fully Own China Fund Manager

By Rebecca Fencg

China's securities regulator has given Manulife Investment Management approval to take full ownership of its local fund-management arm, a first in a country that is slowly opening up its \$3.7 trillion mutual-fund market.

The Canadian-owned firm will become the first foreign fund manager to convert a local joint venture into a fully owned entity. It applied for full ownership after a rule change in April 2020 that scrapped a previous 51% cap for foreign shareholders.

Manulife isn't the first foreign firm to get approval for a fully owned local mutual-fund manager. BlackRock Inc. and Fidelity International have both been granted permission to do so—but neither firm previously ran a mutual-fund company with a local partner.

The approval is part of the wider opening up of China's financial market, which previously forced foreign firms to operate using joint ventures. Foreign banks, securities houses, and credit-rating firms no longer need local partners.

JPMorgan Chase & Co. and Morgan Stanley have both applied for approval to increase their ownership in their own Chinese fund-management entities. Other foreign firms including Neuberger Berman and VanEck have either set up, or are seeking approval to set up, their own mutual funds in

China.

Manulife Investment Management, the global wealth and asset management arm of Manulife Financial Corp., previously held a 49% stake in a fund manager it owned with the state-owned Tianjin TEDA International Holding.

The two companies have been in talks about a deal for two years, said Michael Dommermuth, Asia head of wealth and asset management at Manulife Investment Management. Mr. Dommermuth said the joint venture had around \$12 billion assets under management in China by June.

In August, the Chinese securities watchdog asked Manulife to explain how it would manage cross-border data flows when it gets full approval. China's internet regulator tightened rules on cross-border data transfer in July. According to the new rules, which kicked in on Sept. 1, companies processing data for key industries including finance must pass a security review by the Cyberspace Administration of China before they can transfer personal data abroad.

Xu Jin will become chairwoman of the China business, Manulife said. Ms. Jin was most recently vice chair and chief executive officer of China Merchants Fund Management Co., the fund house under China Merchants Bank. She previously worked at the Chinese Securities Regulatory Commission.

gate, when comparing prices with corporate earnings over the past five years. That is just below the high-water mark set about a year ago, according to Leuthold Group data going back to the 1970s and well above the ratio's historical average, which is nearly even.

By another metric, the American stock market is costlier than it has been more than 90% of the time since 1881. That is according to Research Affiliates' analysis of price levels relative to inflation-adjusted corporate earnings over the past 10 years.

Shiller CAPE ratios show the MSCI Europe trading at 16.4 times inflation-adjusted average corporate earnings over the past 10 years, a steep discount to the S&P 500's 28.4 ratio. The MSCI Emerging Markets index is trading at 11.9 times earnings.

U.S. dividend yields, meanwhile, haven't been lower rela-

tive to foreign markets in at least two decades. Payouts from stocks in the MSCI World ex-U.S. index yield an extra 1.9 percentage points compared with the S&P 500 over the next year, according to J.P. Morgan Asset Management analysis.

Foreign stocks should receive further support when the dollar reverts to more typical levels. The sharp rise in the greenback has punished foreign currencies—and equity markets. The WSJ Dollar Index is up more than 12% in 2022, propelled by the Fed's policy tightening and a flight to safety among global investors.

Mr. Kelly and Mr. Masturzo both said they see that combination of factors leading to double-digit annualized returns in Europe over the next decade.

"You want to buy when there is blood in the streets," said Mr. Masturzo. "That makes now a good time for Europe."

New Highs and Lows

Table with multiple columns listing stock symbols, 52-week high/low percentages, and price changes. Includes sections for 'Continued From Page B7' and 'Lows'.

Mutual Funds by Lipper

Table showing mutual fund performance metrics including Fund Name, NAV, YTD Change, and % Return. Includes sub-sections for 'Monday, November 21, 2022' and 'Fund'.

MARKETS

Crypto Lender Genesis Scouts Out Investors

Cryptocurrency firm **Genesis Global Capital** is still trying to raise cash. The lender has approached crypto exchange **Binance** for an investment and to bid for

By Vicky Ge Huang, Patricia Kowsmann and Caitlin Ostroff

its loan book, according to people familiar with the matter. Binance decided not to invest, fearful that some of Genesis's business could create a conflict of interest down the line, according to one of the people familiar with the matter. The company also approached private equity giant **Apollo Global Management** for capital assistance, according to people familiar with the matter.

"We have no plans to file bankruptcy imminently. Our goal is to resolve the current situation consensually without the need for any bankruptcy filing. Genesis continues to have constructive conversations with creditors," a Genesis spokesman said.

Genesis has faced a rush of withdrawals from its lending arm following the quick collapse of crypto exchange **FTX**. The company initially sought an emergency loan of \$1 billion from investors before it told clients it was suspending redemptions and loan originations in a brief call Nov. 16, Genesis said. At that meeting, Interim Chief Executive Derar Islim said Genesis would deliver a plan for its lending business this week.

Genesis's outreach to **Binance** was reported earlier by **Bloomberg**.

In August, Genesis laid off 20% of its 260-person workforce amid a restructuring that also saw the departure of then-Chief Executive Michael Moro.

Stocks Fall on China Covid Cases

Investors worry increase in infections will interrupt the easing of restrictions

By **CAITLIN OSTROFF** AND **PAUL VIGNA**

Stocks fell as investors worried about a rise in Covid-19 infections overseas and the state of the economy at home heading into the holidays.

The Dow Jones Industrial Average slipped 45.41 points, or 0.1%, to 33700.28, while the S&P 500 dropped 15.40 points, or 0.4%, to 3949.94.

MONDAY'S MARKETS

The Nasdaq Composite lost 121.55 points, or 1.1%, to 11024.51.

Investors had hoped that signs of easing Covid-19 containment measures in China would allow for economic growth to pick up, also benefiting the global economy. Several Chinese cities had said they would no longer carry out man-

datory mass testing and lifted the requirement for residents to show proof of a recent negative test to enter public places.

A rise in Covid-19 infections and the reporting of virus-related deaths for the first time in almost six months have caused investors to worry that China's normalization could instead be further delayed.

"All eyes are on China," said **Hani Redha**, a portfolio manager at **PineBridge Investments**. "Any attempt to reopen is going to be tricky because we know the pattern with these things: you get a spike in cases. We haven't even really got going and there are already a lot of cases."

On top of the China news, investors are looking at an assortment of concerning developments in the U.S.

A looming railroad-worker strike could disrupt some supply chains as soon as early December, hampering commerce. Investors will also be watching the shopping season to see the degree to which inflation is biting into consumers' purchasing power.

All of that complicates the Federal Reserve's balancing act between raising interest rates and fighting inflation, said **Oanda analyst Edward Moya**. "There's going to be some unwanted drivers here that will probably force the Fed to remain aggressive," he said. "And that's difficult for equities."

On the data front, investors were anticipating a quiet week with Thanksgiving on Thursday. The biggest event on the economic calendar is Wednesday's release of the minutes of last Federal Reserve meeting.

Investors will be looking for clues to Fed officials' opinion on the pace of inflation and whether it will prompt the central bank to ratchet down the pace of interest-rate increases. "It's very important for market players," said **AvaTrade analyst Naem Aslam**.

In corporate news, shares of **Walt Disney** jumped \$5.78, or 6.3%, to \$97.58 after the entertainment giant replaced Chief Executive **Bob Chapek** with



Shares of **Coinbase Global** fell 8.9% as the crypto market continues to struggle.

Robert Iger, the company's former chairman and CEO.

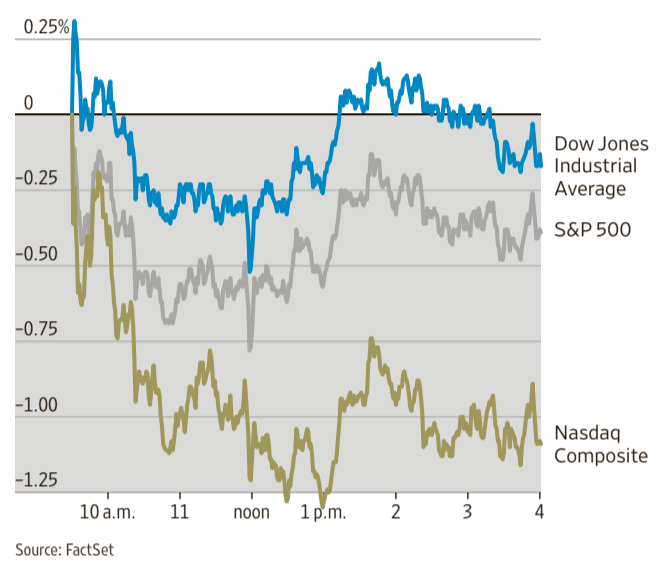
Shares of **Imago BioSciences** more than doubled, rising \$18.19 to \$35.59, after **Merck** agreed to acquire the developer of bone-marrow disease drugs for \$1.35 billion.

Carvana stock fell \$1.01, or 13%, to \$7.05. The used-car dealer was a pandemic winner but is rushing to conserve cash as once-plentiful financing options dry up and its business deteriorates.

Coinbase Global dropped \$4.03, or 8.9%, to \$41.23 as the crypto market continues to struggle following the collapse of exchange **FTX**, while bitcoin's dollar value fell below \$16,000. Investors are worried that failures among other companies could be on the horizon. For **Coinbase**, it was the second consecutive trading session in which it set a record closing low. At 5 p.m. in New York, bitcoin was trading at \$15,602.37, down 4% on the day. Bitcoin is down 24% this month and 66% this year.

In energy markets, U.S.

Index performance Monday



Source: FactSet

crude futures settled down 0.4% at \$79.73 a barrel, trading under \$80 for the first time since September amid a darkening outlook for the global economy.

In bond markets, the yield on the benchmark 10-year Treasury note rose to 3.825%

from 3.817% Friday. Yields and prices move inversely.

Overseas, the pan-continental Stoxx Europe 600 fell less than 0.1%. Early Tuesday, Japan's Nikkei 225 was up 0.7%, Hong Kong's Hang Seng Index was down 1.2% and the Shanghai Composite was down 0.2%.

WSJ PRO Cybersecurity WEBINARS

NOVEMBER 30 | ONLINE
10:15 a.m. – 3:20 p.m. EST

Cybersecurity isn't just an issue for the tech team. Everyone has a stake in keeping systems safe, and we'll tackle the topics most top of mind for leaders across the business. Learn how to navigate breaches, reporting, ransomware, whistleblowers and your board. Engage with the experts on the frontlines of this rapidly changing landscape. Gain the knowledge you need to make your biggest cybersecurity decisions.

REGISTER TODAY
WSJ.com/cyber22

Use code **WSJ50** for 50% off your ticket.



Experts Include:



Richard Clarke
Founder and CEO
Good Harbor Security
Risk Management



Ronald Sarian
Senior Counsel
Constangy, Brooks,
Smith & Prophete
Adjunct Professor of
Information Privacy Law
USC Gould School of Law



Todd Fitzgerald
VP, Cybersecurity Strategy
Cybersecurity Collaborative
Author
"CISO Compass"



Wendi Whitmore
SVP, Unit 42
Palo Alto Networks



Dmitry Smilyanets
Principal Product Manager,
Identity Intelligence
Recorded Future



Gurdeep Kaur
CISO
PSEG

FOUNDING SPONSOR
NETSCOUT

PRESENTING SPONSOR
chrome

THE WALL STREET JOURNAL.
TRUST YOUR DECISIONS