

# THE WALL STREET JOURNAL.

DOW JONES | News Corp \*\*\* MONDAY, SEPTEMBER 12, 2022 ~ VOL. CCLXXX NO. 61 WSJ.com ★★★★★ \$5.00  
Last week: DJIA 32151.71 ▲ 833.27 2.7% NASDAQ 12112.31 ▲ 4.1% STOXX600 420.37 ▲ 1.1% 10-YR. TREASURY ▼ 1 2/32, yield 3.321% OIL \$86.79 ▼ \$0.08 EURO \$1.0047 YEN 142.58

## What's News

### Business & Finance

**A**ctivist investor Dan Loeb signaled on Twitter that he was backing off his push to persuade Disney to spin off its popular sports television network ESPN. **A1**

◆ **A rally** in technology shares helped the stock market snap a three-week losing streak, but there are already signs that reprieve may be short-lived. **A1**

◆ **Another turbulent week** in oil markets carried petroleum prices to their lowest point since January. **B1**

◆ **Nikola founder** Trevor Milton faces a securities-fraud trial beginning this week on allegations that he lied about his electric-truck maker's development of environmentally friendly technology. **B1**

◆ **Apple's new** emergency-text feature on its latest iPhone models makes it a first-mover in a budding market for low-cost satellite phone connections. **B1**

◆ **Visa, Mastercard** and American Express will add a new merchant category for firearms retailers, a victory for gun-control advocates who have pressed the financial industry to do more to help curb mass shootings. **B3**

◆ **High temperatures** in the Western U.S. are hitting the produce industry, damaging crops, shrinking shipments and leaving fewer greens and fruits on market shelves. **A7**

◆ **Illness caused** by Covid-19 shrank the U.S. labor force by around 500,000 people, according to new study. **A3**

### World-Wide

◆ **Ukraine seized** the initiative in its war against Russia, retaking more than 1,000 square miles in the northeastern Kharkiv region over recent days, according to the country's military chief, handing Moscow one of its biggest setbacks since its troops invaded more than six months ago. **A1, A8**

◆ **Ceremonies marking** the events of Sept. 11, 2001, were held in lower Manhattan, Shanksville, Pa., and at the Pentagon on the 21st anniversary of the attacks. **A3**

◆ **The House committee** investigating the Jan. 6, 2021, riot is planning a new round of televised hearings expected later this month. **A4**

◆ **Wildfires continued** to blaze in Oregon and Washington state, prompting officials to order evacuations and electric utilities to shut off power for safety reasons in some areas. **A6**

◆ **Queen Elizabeth II's coffin** was taken by hearse from her holiday home at Balmoral Castle to Edinburgh as tens of thousands of mourners lined up to pay their respects. **A18**

◆ **Record drought** across the globe this year dried up rivers and reservoirs and sapped the world's largest source of renewable electricity: hydropower. **A9**

◆ **Canada's Conservative** Party picked as its new leader a politician who backed the paralyzing protests this year against pandemic restrictions and vaccine mandates. **A9**

### JOURNAL REPORT

Wealth Management: How much can I spend in retirement? **R1-6**

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## Nation Remembers 9/11, Honors Victims



New York

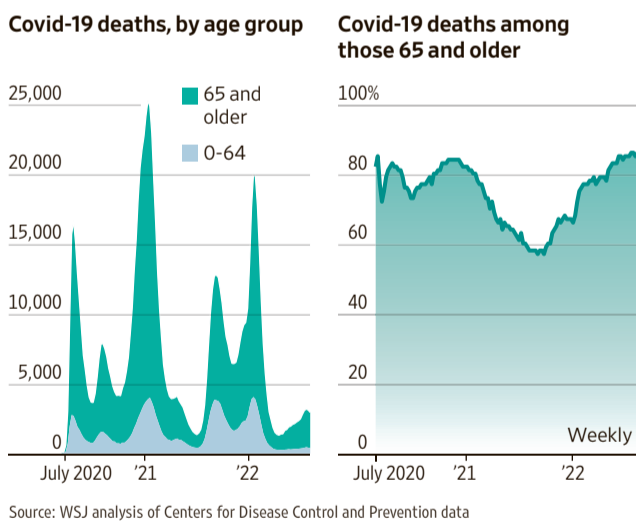


Washington

**SOMBER DAY:** Top, the family of Rosa Maria Feliciano, who died in the North Tower during the Sept. 11, 2001, attacks on the World Trade Center, etched her name onto paper at the 9/11 memorial in New York on Sunday. Bottom, President Biden attended a wreath-laying ceremony at the Pentagon. A ceremony for the victims was also held in Shanksville, Pa. **A3**

## Covid Remains a Top Killer

While the virus has become less risky for many in the U.S., thanks in part to vaccines and prior infections, it is still killing hundreds of Americans each day, mostly seniors. **A3**



Source: WSJ analysis of Centers for Disease Control and Prevention data

## Fans Get in a Lather as Longtime Soap Opera Moves to Streaming

Like sand through the internet—some recruit help to keep 'Days of Our Lives'

By DAVID MARCELS

Elizabeth Capobianco flew about 500 miles on Friday for just one reason: to make sure her grandmother can keep watching her favorite soap opera.

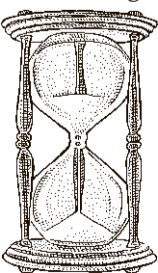
Starting Monday, "Days of Our Lives" is leaving NBC after nearly 57 years on the air and is moving exclusively to Peacock, a streaming platform owned by NBC parent Comcast Corp.

Minutes after she heard about the move a few weeks ago, Ms. Capobianco, a 35-year-old logistics coordinator from Charlotte, N.C., called her grandmother, who has barely missed a daily episode since the show began airing in 1965.

"She doesn't know anything about streaming," Ms. Capobianco said of her grandma, Sidnee Capobianco, who introduced her to "Days" more than 20 years ago. She offered to come to her grandmother's Long Island home and set up Peacock on her TV ahead of Monday's launch. They plan to watch the show's Peacock debut together.

The announcement last month that "Days" would no longer be on TV was greeted with a mix of shock, anger and resignation by fans, many of whom have been watching it since childhood. Casey Costello, a 31-year-old freelance musician from

Washington, D.C., said she had been watching it since childhood. *Please turn to page A10*



Screen time

## Investor Halts Push to Force Disney to Spin Off ESPN

By ROBBIE WHELAN

Activist investor Dan Loeb signaled Sunday morning on Twitter that he is backing off his push to persuade Walt Disney Co. to spin off its popular sports television network ESPN.

The change of heart comes after Disney's chief executive, Bob Chapek, said in media interviews at this past weekend's D23 Expo event, an annual gathering of Disney fans where the company announces new shows and films, that he has plans for ESPN to be a big growth engine and a large part of the company's entertainment offerings.

"As Bob has said, ESPN is an integral part of The Walt Disney Company, and he believes that its full potential will continue to be realized," Disney spokeswoman Kristina Schake said on Sunday.

Last month, Mr. Loeb's hedge fund, Third Point LLC, said it had renewed its stake in Disney stock after having liquidated one earlier this year. He sent a letter to Mr. Chapek asking for major changes to Disney's business, including spinning off ESPN, refreshing Disney's board and cutting spending.

"We have a better understanding of ESPN's potential as

a stand-alone business and another vertical for [Disney] to reach a global audience to generate ad and subscriber revenues," Mr. Loeb wrote on Twitter Sunday morning. "We look forward to seeing [ESPN chief James] Pitaro execute on the growth and innovation plans, generating considerable synergies as part of The Walt Disney company."

Mr. Loeb declined to comment beyond his tweets, a spokeswoman said, adding that the rest of the requests Mr. Loeb made in his letter to Disney still stand. Messrs. Loeb and Chapek "have regular con-

*Please turn to page A2*

## Tech Stocks' Outlook Darkens After Swings

By GUNJAN BANERJI

A rally in technology shares helped the stock market snap a three-week losing streak. There are already signs that reprieve may be short-lived.

Investors are bailing out of technology-focused mutual and exchange-traded funds at the fastest clip since early February, when the tech selloff was first intensifying, according to data from Refinitiv Lipper. They yanked about \$2.4 billion from such funds in the three weeks ended Wednesday.

The group has been among the hardest hit since the early summer stock-market rally fizzled amid dimming hopes for a pivot by the Federal Reserve. Last week, clues on the central bank's interest-rate path continued to drive big swings in stocks—as of Tuesday, the Nasdaq Composite was in the midst of a seven-session losing streak, its longest since 2016, before it rocketed higher over the following three days.

Even after rallying 4.1% this past week, the tech-heavy gauge is still down around 3.1% over the past month, underperforming the S&P 500, which is off 1.3%. In 2022, the Nasdaq has fallen 23% and is headed toward its worst annual performance relative to the broad benchmark since 2002.

"It's a volatile year—it's never easy to sound the all clear from a short-term basis," said Giorgio Caputo, a senior fund manager at J O Hambro Capital Management Group.

Still, Mr. Caputo said he thinks the entry point to pick up tech shares is better now than it was earlier in the year. In the coming week, traders will be closely parsing fresh data on consumer prices for clues on the path of interest-rate increases, a report that could stoke giant moves across stock and bond markets.

Tech stocks have been more susceptible to rapidly shifting sentiment in the bond market. *Please turn to page A2*

## Ukraine Makes More Gains as Russians Flee

By DANIEL MICHAELS AND JAMES MARSON

Ukraine seized the initiative in its war against Russia, claiming to have recaptured more than 1,000 square miles in the northeastern Kharkiv region over recent days as it handed Moscow one of its biggest setbacks since Russian troops invaded more than six months ago.

Ukraine's military said Sunday it was recapturing villages in the area around Kupiansk and Izyum, two cities that Russian forces fled Saturday as Ukrainian troops advanced on them. Those two cities had been central to a key war goal

of Russian President Vladimir Putin: to seize full control of Ukraine's eastern Donetsk and Luhansk regions, together known as Donbas. Russian forces have used Izyum as a base to strike other towns in the area.

Gen. Valeriy Zaluzhny, commander in chief of the Armed Forces of Ukraine, said the military had pushed Russian forces from around 1,150 square miles of territory—around the size of Rhode Island—to the east of Kharkiv, Ukraine's second-largest city. *Please turn to page A8*

◆ Ukrainians in Kherson resist occupiers..... **A8**

## Europe's Industry Reels at Gas Shutoff

European industry thrived for decades on a steady supply of cheap Russian gas, which flowed uninterrupted throughout the Cold War and other times of tension between Moscow and the West.

By Joe Wallace, David Uberti, Georgi Kantchev and William Boston

Since invading Ukraine, Russian President Vladimir Putin has weaponized the country's vast stores of energy to undermine support for Kyiv. He turned off the taps to the biggest natural-gas pipeline, Nord Stream, completely this month.

The impact has pushed Eu-

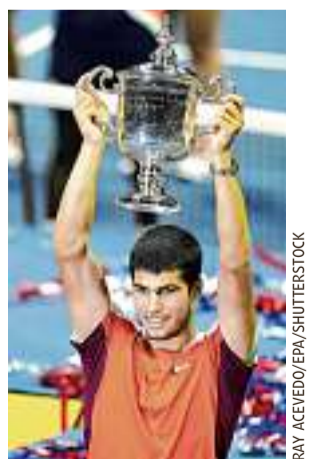
rope to the brink of recession and threatens to inflict lasting harm on its manufacturing businesses. Unlike the U.S., Europe leaned on manufacturing and heavy industry to keep its economy chugging in recent decades. A bigger chunk of its economy comes from the likes of steelmakers, chemicals producers and car makers.

Europe's energy crisis has left few businesses untouched, from steel and aluminum to cars, glass, ceramics, sugar and toilet-paper makers. Some industries, such as the energy-intensive metals sector, are shutting factories that ana-

*Please turn to page A10*

◆ Oil slumps amid geopolitical turmoil..... **B1**

## INSIDE



### SPORTS

Jason Gay: Alcaraz wins U.S. Open, and tennis's future feels right. **A14**

### BUSINESS & FINANCE

Nikola's founder faces a securities-fraud trial over his electric-truck promises. **B1**



# U.S. NEWS

THE OUTLOOK | By Jon Hilsenrath

## Some Bright Spots in Inflation Picture



U.S. consumer-price inflation showed signs of moderating in August for the second straight month, though the decrease was uneven across sectors and it remains unclear whether the slowdown will continue.

Gasoline prices fell sharply in August, airfares dropped and used cars and hotels ebbed, while rent increases also gave hints of slowing, according to private firms that track such data.

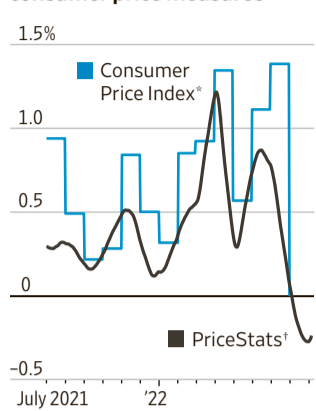
Still, food prices continued to soar this past month and prices for a range of goods and services remained much higher than a year earlier, the figures show.

The path of inflation could influence looming decisions by the Federal Reserve about how high to lift interest rates. Inflation could also shape midterm elections as voters assess their pocketbooks.

Looking ahead to a government inflation report to be released on Tuesday, many Wall Street analysts estimate the Labor Department's overall consumer-price index was unchanged or dropped in August from July. If so, it would mark the second straight month of slower inflation since annual inflation surged to a four-decade high in June.

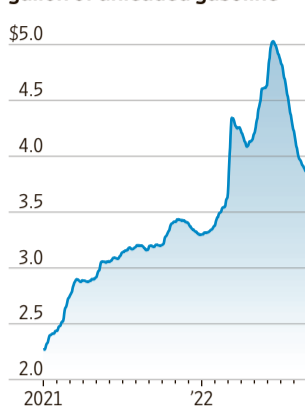
"We are experiencing a slowdown driven by the decline in fuel prices, but there is still significant upward pressure in such important categories as food, household

Month-to-month change in consumer price measures

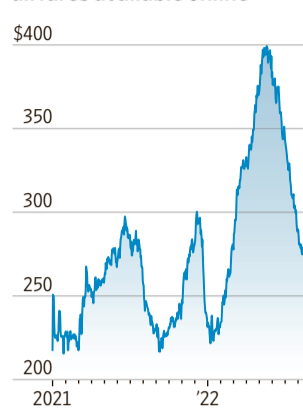


\*Consumer Price Index for August will be released by the Labor Department Sept. 13. †PriceStats data based on daily transactions. Sources: PriceStats (consumer price measures); AAA (gasoline); Hopper (airfares)

Average national price for one gallon of unleaded gasoline



Average price for budget airfares available online



items and healthcare products," said Alberto Cavallo, a Harvard Business School professor who in 2008 created a "billion price" index that tracked dollar amounts of online consumer transactions. "We are not out of the woods yet."

Called PriceStats, the price index—which is managed by State Street Global Markets and generally tracks the CPI—fell in August. The year-over-year increase in the CPI reached 9.1% in June, the highest annual inflation rate since 1981, and ticked down to 8.5% in July.

In some industries, firms report progress working through pandemic-related supply-chain disruptions that have pushed prices higher. Meantime, consumers—particularly in low-income households—are pushing back against high prices by changing their spending habits. Moreover, many retailers have

amped up discounting programs to clear inventory of clothing and other items that they overstocked during the pandemic.

"I hesitate to call it a bloodbath, but it's going to be ugly in terms of the amount of discounting and mark-downs," Richard Hayne, chief executive of Urban Outfitters Inc., said on an earnings call with analysts a month ago.

A leading theme in August was the decline in the price of gasoline. A gallon of unleaded dropped to \$3.84 at the end of August from \$4.22 at the end of July, a 9% decline, according to AAA.

A range of factors were at play. Recession fears drove oil prices lower. Moreover, households responded to higher prices by changing their habits, including driving less, combining errands and reducing dining out, AAA reported.

Airfares dropped, too, according to Hopper, an online travel website. The most affordable coach fares on domestic flights fell 11% to an average of \$277 during August from \$312 in July, according to Hopper.

Fares typically drop in August as summer travel wanes, said Hayley Berg, a Hopper analyst, though the decline last month represented more than the typical figure for this time of year. Pricing and household travel patterns had been disrupted by Covid-19, but seem to be returning to a state of normalcy, she said.

"This fall looks more like a traditional fall season," Ms. Berg said.

Hotel rates dropped 4.6% in August from July, according to STR, a global hospitality data and analytics company. Month-to-month declines in August are common in the hotel industry, but they outpaced declines of 2% to 3% for

August in prepandemic years.

Used-car prices dropped 1.2% for the month, after soaring during the pandemic, according to Edmunds, an auto-industry researcher. Nonetheless, Ivan Drury, the director of the Edmunds analytics group, said the auto industry remains plagued by microchip supply shortages that continue to push up the prices of new cars.

Igor Popov, chief economist at Apartment List, which tracks 5.5 million listings around the country, said that the cost of rental housing stabilized in August after surging in earlier months.

Factors include a slowdown in the pace of household formation, or the number of people starting new homes. Many people cohabitated during the pandemic—for instance, children moved in with parents—then ventured out as the pandemic eased. Mr. Popov said the slowing surge in household formation is diminishing the demand for rental housing.

"We are past peak rent growth," he said, although he added it could take time before the stabilization he finds in his measures shows up in national statistics.

Fed officials meet Sept. 20-21 and have suggested they are leaning toward raising their benchmark short-term interest rate by 0.75 percentage point to combat inflation by restraining economic demand. A soft inflation reading would make it easier to slow the pace of rate increases in the months ahead.

### ECONOMIC CALENDAR

**Monday:** The U.K.'s Office for National Statistics releases **gross domestic product data** for the three months through July.

**Tuesday:** The U.S. Labor Department releases its **consumer-price index** for August, the last major inflation reading before the Federal Reserve's Sept. 20-21 meeting. Consumer prices rose 8.5% in July from a year earlier, slower than the 9.1% annual increase in June, which was a four-decade high.

The National Federation of Independent Business releases August data from its monthly survey that gauges **optimism among small businesses**. The survey's reading for July improved from the month before, but remained below the 48-year average.

**Wednesday:** The Labor Department releases its **producer-price index** reading for August, which reflects prices paid to suppliers.

**Thursday:** The Commerce Department releases August **retail sales figures**, which measure spending at stores, online and in restaurants.

The U.K.'s Office for National Statistics releases **inflation data** for August.

The Labor Department releases the number of U.S. **worker filings for unemployment benefits** in the week ended Sept. 10.

The Fed releases August **industrial production figures**, which measure the output of factories, mining and utilities.

China's National Bureau of Statistics releases **industrial production figures** for the 12 months through August.

**Friday:** The University of Michigan publishes its final reading of **consumer sentiment** for August.

## ESPN Push Abandoned

Continued from Page One  
versations" and are currently in close contact, people familiar with the matter said.

The new stake for Mr. Loeb's fund represented less than 1% of Disney's shares outstanding and at the time had an economic value of around \$1 billion, The Wall Street Journal has previously reported.

Disney shares are down 26.5% this year as of the close of trading Friday. In August, the company reported stronger-than-expected financial results and an addition of 14.4 million subscribers to its Disney+ streaming service.

Last month, Disney said in response to Mr. Loeb's Third Point letter that it welcomes the views of all investors. The company said its board has been continuously refreshed, with an average tenure of four years.

The idea of selling ESPN—which sends a steady flow of cash to Disney via licensing



agreements with cable TV operators—has come up frequently in recent years as the price of sports broadcast rights has steadily risen. Some investors have argued that ESPN is more valuable as a stand-alone company than as a division of Disney.

While fewer Americans are getting cable TV, the sports network is home to some of the most-watched events on television, and it attracts huge numbers of prime-time viewers, ac-

ording to Nielsen. ESPN also brings in significant fees to Disney. On average, every American with a pay-TV package that features ESPN pays more than \$100 a year for access to the network, according to Kagan, a media-research group within S&P Global Market Intelligence. For Disney, ESPN+, the streaming service attached to the sports network, is growing. ESPN+ has 22.8 million subscribers, Disney reported last month, a 53% gain from a year earlier.

Mr. Loeb's August letter pushed for Disney to do another deal: to make every attempt to buy up Comcast Corp.'s remaining minority stake in the streaming service Hulu before a window opens in early 2024 to acquire the stake. Under a 2019 agreement, Comcast can require Disney to purchase its NBCUniversal subsidiary's one-third stake in Hulu for at least \$9 billion, assuming the streaming service has an equity value greater than \$27.5 billion.



Dan Loeb, above, last month sent a letter to Disney chief Bob Chapek asking for major changes to the entertainment company's business, including spinning off ESPN, refreshing Disney's board and cutting spending.

Third Point said that the Hulu deal is of urgent importance and that it has been made more feasible by the recent decline in the share prices of streaming video businesses like Netflix Inc., The Wall Street Journal previously reported.

Some investors say if Disney waits to buy Hulu, it risks paying a higher price than they say it might pay now.

"We believe that it would even be prudent for Disney to pay a modest premium to accel-

erate the integration but are cognizant that the seller may have an unreasonable price expectation at this time," Mr. Loeb's letter said.

Disney's CEO, Mr. Chapek, said in an interview published this weekend in Variety that he has been in continuing discussions with Comcast to buy the rest of Hulu. A Comcast spokesman declined to comment.

Hulu has been a boon to Disney in part because the service provides more adult-oriented shows and films, drawing subscribers to both Hulu's stand-alone streaming service and Disney's streaming bundle, which includes Disney+, Hulu and ESPN+. Mr. Chapek has said that the company wants to invest in more general entertainment content and has highlighted hit series such as Hulu's "Pam & Tommy" and "The Dropout."

Last month, Disney said the premium Disney streaming bundle, which includes ad-free versions of Disney+ and Hulu, as well as a version of sports-focused ESPN+ with ads, will remain at its current price of \$19.99 a month in the U.S., while a bundle that includes all three services, but with ads on Hulu, will rise in price by \$1 a month, to \$14.99.

## Tech Stocks' Outlook Darkens

Continued from Page One  
ket—which is in one of the most intense downturns in decades—than many other corners of the stock market. That is in part because rising yields make their future cash flows less attractive and have led many investors to flee the shares.

Even after the downturn this year, many analysts say tech stocks still appear richly valued. Apple Inc., Microsoft Corp., Alphabet Inc., Amazon.com Inc., Tesla Inc., Meta Platforms Inc. and Nvidia Corp. have on average a forward 12-month price-to-earnings ratio of 38, compared with 16.7 for the S&P 500, according to DataTrek Research.

"If you expect that there's going to be stiff economic headwinds and realize that the Fed is in inflation-fighting mode, those valuations are still at risk of coming lower," said Jake Jolly, senior investment strategist at BNY Mellon Investment Management, which oversees about \$1.9 trillion in

assets, of tech stocks.

Many traders expect the Federal Reserve to raise interest rates by 0.75 percentage point for the third consecutive time at its meeting later this month as it looks to combat sky-high inflation.

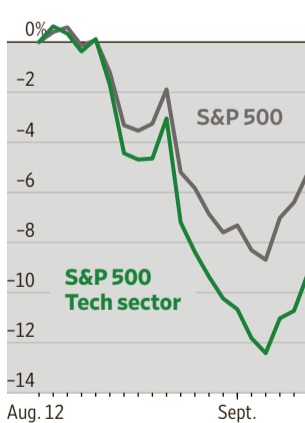
Analysts have taken an especially aggressive hand with companies in the tech sector when evaluating their earnings estimates.

Expectations for third-quarter earnings within the S&P 500's information technology and communication services sectors—home to the parent companies of Facebook and Google—have fallen by about 9% and 13%, respectively, over roughly the past two months. Those are the steepest declines among any of the groups in the index, FactSet data show. Analysts have slashed their estimates on everything from Twitter Inc. to Meta and Alphabet.

An options measure called skew, which measures how costly it is to protect against further stock declines, is elevated for stocks such as Microsoft, Amazon, Meta and Nvidia, according to Charlie McElligott, a managing director at Nomura Securities International. That is typically a sign that some traders are positioning for a bigger drop.

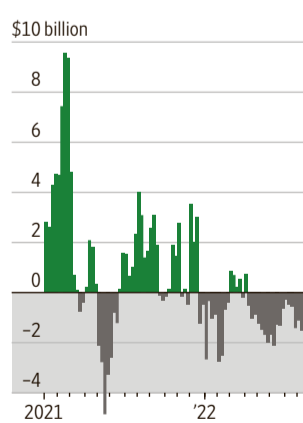
Meanwhile, semiconductor

Index and sector performance, past month



\*Mutual and exchange-traded funds

Three-week net flows into technology-focused funds\*



Sources: FactSet (performance); Refinitiv Lipper (flows)

stocks, such as Nvidia and Advanced Micro Devices Inc., have faced some of the most acute pressure of late. Both stocks have tumbled more than 10% over the past month, a slide that has erased tens of billions of dollars in market value.

"We continue to believe we are entering the worst semiconductor downturn in a decade given the recession and inventory build," Citigroup analysts wrote in a note to clients on Aug. 30. The analysts projected that the PHLX Semiconductor Index would fall another 25%.

The underperformance in tech is bad news for the

broader market, which is closely correlated to the group's performance. The S&P 500 is weighted by market cap, and most of its biggest constituents remain in the tech industry.

The recent selloff—and late-week rally in tech—has led some investors to question whether the worst of the declines are over after an already punishing year. Much of the debate around tech's performance hinges on the path of Treasury yields in the coming months.

If inflation keeps falling and economic growth flounders, that could be a boon to the sector, especially if the Fed

eventually eases up on raising interest rates, some investors said.

Goldman Sachs analysts recently suggested that could lead to a repeat of 2019, when shares of growth stocks outperformed their value counterparts as the Fed shifted to cutting rates after steadily raising them. That said, the bank said it is still expecting shares of value companies—traditionally considered those that trade at a low multiple of their book value, or net worth—to shine.

Some investors have gone hunting for bargains, positioning for a rebound. One fund that provides turbocharged exposure to the Nasdaq-100, the ProShares UltraPro QQQ, recently recorded its biggest one-day inflows since early June, FactSet data show.

Christopher Grisanti, chief equity strategist of MAI Capital Management, said his firm trimmed some of its tech positions earlier in the year. Now, after the continued selloff, he thinks several companies in the group, including Alphabet, look attractive.

"If you want to pick the best house to buy in this crummy neighborhood that's the market right now, I think tech is looking relatively attractive," Mr. Grisanti said. "Should we roll into a recession, they'll lose me less money than other things."

### CORRECTIONS & AMPLIFICATIONS

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## U.S. NEWS

## Nation Honors Victims of 9/11 Attacks

BY GINGER ADAMS OTIS  
AND ALEX LEARY

Ceremonies commemorating the events of Sept. 11, 2001, were held in lower Manhattan; Shanksville, Pa.; and at the Pentagon in Arlington, Va., on Sunday, the 21st anniversary of the attacks that killed nearly 3,000 people.

In New York, the families of victims gathered for a ceremony inside the 9/11 Memorial plaza in lower Manhattan. The annual reading of the victims' names passed for a moment of silence at six points, marking when each aircraft crashed and when the World Trade Center towers fell.

President Biden attended the memorial service at the Pentagon, which was struck at 9:37 a.m. by a hijacked American Airlines flight in 2001. Under a cool, drizzling rain, he paused at the large wreath in front of the podium, then touched his hand to his heart as he stepped away to take a seat for the reading of the victims' names.

"To all the families and loved ones who still feel the ache, that missing piece of your soul, I'm honored to be here with you once more to share this solemn rite of remembrance and reflect on all that was lost in the fire and ash on that terrible September morning, and all that we found in ourselves to re-

spond," Mr. Biden said, when it was his turn to speak.

He added: "The American story, the American story itself, changed that day. But what we will not change, what we cannot change, and never will, is the character of this nation that the terrorists thought they could wound."

In his remarks, Mr. Biden mentioned Queen Elizabeth II, who died Thursday at the age of 96, and the message of support the British monarch sent to those who lost a loved one on 9/11. "Her ambassador read a prayer of service at St. Thomas Church in New York, where she poignantly reminded us, quote, 'Grief is the price we

pay for love,'" Mr. Biden said.

First lady Jill Biden traveled to Shanksville to speak at the Flight 93 National Memorial commemoration. That hijacked United flight crashed at 10:03 a.m. in a field about 80 miles southeast of Pittsburgh after passengers tried to regain control of the plane. Accompanied by her sister Bonny Jacobs, a United Airlines flight attendant, Dr. Biden paid special tribute in her remarks to members of the Association of Flight Attendants-CWA. "Americans see your dedication and we are grateful for it," the first lady said.

Vice President Kamala Harris and her husband attended the

memorial service in New York. Ms. Harris stood alongside former New York City Mayor Michael Bloomberg, Mayor Eric Adams and Gov. Kathy Hochul as the names of 9/11 victims were read aloud.

The events of the day were relatively subdued compared with those of a year ago, the attacks' 20th anniversary, when several former presidents and former elected officials from New York and New Jersey attended ceremonies.

On Sunday, moments of silence were held at 8:46 a.m., to mark the time the first plane hit the North Tower, and at 9:03 a.m., when the second plane hit the South Tower. The

ceremony paused to note the time of the Pentagon and Shanksville crashes, and the collapse of the World Trade Center towers.

Most of the 9/11 Memorial & Museum was closed to the public on Sunday. The museum was accessible only to family members of 9/11 victims. The memorial plaza was closed for the commemoration ceremony until 3 p.m., at which point it reopened for visitors.

The annual Tribute in Light also returned for the 21st commemoration ceremonies, beaming two powerful lights into the night sky from lower Manhattan to evoke the shape and location of the Twin Towers.

## Covid Still a Leading Killer, Especially Among Seniors

BY JON KAMP

Mark Pfundheller promptly got his first two Covid-19 shots and a booster, his family said, knowing the disease was a threat related to treatment for an inflammatory disorder that compromised his immune system.

The 66-year-old former aviation consultant for Wisconsin's Transportation Department caught the virus in April at a family wedding near his home in southern Wisconsin, where many guests were infected. Mr. Pfundheller died in a Madison hospital July 2 after an illness including time on a ventilator.

His was one of nearly 200,000 Covid-19 deaths in the U.S. this year, according to death-certificate data. While the virus has become less risky for many thanks in part to immunity from vaccines and prior infections, it is still killing hundreds each day. Most are older people, and many have underlying health conditions and compromised immune systems, doctors said.

"I don't think people realize that this is still a big deal," Mr. Pfundheller's daughter Jamie Pfundheller said. The U.S. has recently averaged about 320 Covid-19 deaths each day, and the average was above 400 before the Labor Day holiday weekend, data from the Centers for Disease Control and Prevention show. The rate is far below pandemic peaks, including levels above 2,500 a day during the Omicron wave early this year. But the country hasn't matched lows closer to 200 a day reached during a lull last year.



Mark Pfundheller with his wife, Kelli, in April. Mr. Pfundheller, 66, caught the virus that month and died in a Wisconsin hospital in July.

Roughly 85% of people who died from Covid-19 through mid-August this summer were 65 or older, a Wall Street Journal analysis of death-certificate data show. The rate is similar to 2020 peaks, before vaccines were available. Deaths trended younger for much of last year.

Covid-19 is on pace to be the third-leading cause of death for the third straight year, said Dr. Robert Anderson, chief of the mortality statistics branch at the CDC's National Center for Health Statistics. Since 2020, it has trailed only heart disease and cancer, significantly reducing life expectancy.

The problem is this summer's infections due to Omicron

subvariants such as BA.5. Though case trends have recently eased, the consistently heavy volume has kept deaths elevated.

"If it's attacking so many people on such a regular basis, unfortunately, some people will have severe illness and deaths," said Dr. Paul Biddinger, chief preparedness and continuity officer for Mass General Brigham, a Boston-area hospital system.

Luke Spicer, 69, from Pardeeville, Wis., died from Covid-19 complications and other ailments five days after Mr. Pfundheller. The former public-school band director was nearing the end of his life because of Parkinson's disease and Lewy body dementia, and

## Illness Causes Many To Exit Labor Force

Illness caused by Covid-19 shrank the U.S. labor force by around 500,000 people, a hit that is likely to persist if the virus continues to sicken workers at current rates, according to a new study released Monday.

Millions of people left the labor force—the number of people working or looking for work—during the pandemic for various reasons, including retirement, lack of child care and fear of Covid. The total size of the labor force reached 164.7 million people in August, exceeding the February 2020 prepandemic level for the first time. The labor force would have 500,000 more members if not for the people

sickened by Covid, according to the study's authors, economists Gopi Shah Goda of Stanford University and Evan J. Soltas at the Massachusetts Institute of Technology.

"If we stay where we are with Covid infection rates going forward, we expect that 500,000-person loss to persist until either exposure goes down or severity goes down," said Mr. Soltas. That assumes that some of those previously sickened eventually return to work.

The authors "provide the most-credible evidence to date about labor-market impacts for a large set of workers," said Aaron Sojourner, an economist at the W.E. Upjohn Institute for Employment Research, who wasn't involved in the study.

The study, which hasn't yet been peer-reviewed, was based

on a representative population of more than 300,000 workers followed over 14 months in the Census Bureau's monthly household survey. The analysis covered the period from January 2010 to June 2022. The authors used health-related, weeklong absences as a proxy for probable Covid illnesses. From March 2020 to June 2022, about 10 workers per thousand missed a week of work due to health reasons, on average, up from six per thousand on average over the decade before the pandemic.

The economists found that people who experienced weeklong absences due to their own health problems were about 7 percentage points less likely to be in the labor force one year later than similar workers who didn't miss work for health reasons.

—Gwynn Guilford

Covid-19 hastened his death, his son Peter Spicer said. The music lover and former athlete was vaccinated and caught the virus at a long-term-care facility, his son said.

"There's people like my dad who will still die from it because they're in tough shape," he said.

The health system AdventHealth counted 24 deaths related to Covid-19 at its Orlando, Fla.-area hospitals in August. Age was the biggest factor, although younger patients with compromised immune systems were also at risk, doctors with the health system said. All but one Covid-19 patient who died had serious health problems such as diabetes, chronic obstructive

pulmonary disease, heart failure and obesity.

"It was not uncommon in the previous waves to have someone that was older than 65 with minimal comorbidities," said Dr. Eduardo Oliveira, AdventHealth's executive medical director of critical-care services. "Right now, when we see them, they appear to have more."

Doctors said these older, at-risk patients are similar in profile to people vulnerable to dying from influenza. There remain key differences. Covid-19 threatens serious, long-term symptoms for some people. Flu deaths range from roughly 15,000 to 70,000 a year, said Dr. Anderson at the CDC, while the most recent

seven-day average for Covid-19 deaths over a year would add up to 116,000.

The U.S. shouldn't accept this as the burden of living with Covid-19, said Dr. Katelyn Jetelina, an epidemiologist who writes a newsletter tracking the pandemic and other issues. "It's a substantial number of deaths, and it's I think a tragedy," she said.

Federal health authorities are urging people to get vaccine shots that target the original virus and Omicron subvariants. About 29% of fully vaccinated people age 65 and up haven't received their first booster dose, CDC data show.

CDC data show vaccines greatly reduce rates of hospitalization and death.

## Pilot Turns Firefighter as Afghan Newcomers Join U.S. Workforce

BY JESSICA DONATI

BOZEMAN, Mont.—Samimullah Samim flew his last mission for the Afghan air force a year ago, rescuing wounded soldiers from Helmand province as the country was falling to the Taliban. He has returned to the skies in America, where he flies firefighting missions in Montana, Idaho and nearby states.

Mr. Samim is the first Afghan pilot to make the transition to flying in the U.S. after a harrowing escape through Kabul airport with his wife and three young children last year. He upgraded his qualifications here with the assistance of a network of American veterans, who helped him navigate the U.S. system and raise the \$10,000 needed to cover the cost of training.

"Unfortunately, there are a lot of fires in California these days, and we are super busy," he said, describing his efforts over the past few weeks. "The people of the company are super hardworking, and I love working with them."

Close to 80,000 Afghans have been resettled in the U.S. since the Afghan government collapsed as American troops were leaving last August.

According to a report published by the International Rescue Committee last month, about 41,000 of the resettled Afghans are working age and many have joined America's workforce. The average salary, based on a survey of 1,800 Afghan arrivals, was just over \$16.50 an hour and the main hiring sectors have been manufacturing, retail and food services, the IRC data shows.

While many are beginning to restart their lives, others struggle because of difficulties speaking and learning English, a shortage of affordable hous-



Samimullah Samim, center, with colleagues at Bridger Aerospace in Bozeman, Mont., where he helps map wildfires across the region.

ing, and limited support by overstretched U.S. resettlement agencies.

The Tent Partnership for Refugees advocates in favor of hiring refugees, and more than 100 major U.S. companies have signed up to join its network. Gideon Maltz, the executive director, estimates around half of working-age Afghans resettled last year have found jobs.

"That first job is the way that they improve their English. It's the way they get exposed to American culture. And so, it's hugely important

for us. We see that as a starting point," Mr. Maltz said.

Major companies like Amazon.com Inc., Walmart Inc. and Uber Technologies Inc. have emerged as key destinations for Afghans looking for their first job in America.

Walmart said it doesn't have data on the number of refugees it hires, but has been actively involved for years in welcoming Afghan arrivals to the U.S.

Ahmed Nabizada, a Walmart store manager in Virginia who oversees some 400 employees, made the transition himself

when he arrived from Afghanistan about 20 years ago. He helped donate goods to Afghan families last year and continues to encourage them to adapt.

"You've got to get out of your comfort zone, you know, move on, and accept the changes," he said.

Ofori Agboka, a vice president at Amazon, said the company launched a new program in April to provide benefits to refugees, including language and legal resources. He couldn't provide a figure for the number of Afghan refugees it has hired.

Alix Anfang, a spokeswoman at Uber, said the company has made its app available in the two primary languages spoken in Afghanistan, and hundreds of Afghans have signed up. Pfizer Inc. said it has committed to hiring 100 refugees this year through a dedicated portal, and to date has hired 72, including 60 Afghans.

Aman Khalili, who helped rescue then-Sen. Joe Biden after he was stranded with two other senators in a remote Afghan valley, is among those who have found work in Ari-

zona at a construction company. He has settled there with five of his eight children, who have started school in the U.S. He is anxious for the remaining three—adults struggling for survival in Afghanistan—to join him in the U.S.

"This month I will pay my rent with my own money," he said. He is grateful for the low-skill job, and he hopes one day to put his computer and accounting skills to use.

Mr. Samim's new employer, Bridger Aerospace, is an aerial firefighting company based in Bozeman, Mont., and founded by a former U.S. Navy Seal, Tim Sheehy. Mr. Sheehy served and was wounded in Afghanistan, and was eager to make the hire when he heard about the Afghan fighter pilot from one of his staff.

Operation Sacred Promise is a nonprofit dedicated to helping the roughly 260 Afghan pilots who reached the U.S. with their families. It guided Mr. Samim through the transition and says about a dozen more Afghan pilots are close to finding jobs.

The IRC data shows that Afghan women have entered the workforce at a lower rate, with just 14% of placements going to women. Many have weaker English language skills and lower rates of literacy.

Ahdia Hussein worked as a midwife in Afghanistan before escaping last year with her husband and their daughter, now 2. The family were resettled in Detroit, and she was afraid after learning that the city's crime rate was among the highest in the country. But after reaching Dearborn, Mich., home to a large Muslim population, she felt at home. She has started community college while her husband has found work in the tech industry.



## U.S. NEWS

## Manchin-Favored Bill Faces Fresh Doubts

By SIOBHAN HUGHES

WASHINGTON—Congress is flashing warning signs about the prospects for passing legislation to speed up permitting of both renewable-energy and traditional fossil-fuel projects, with a growing number of lawmakers objecting to the proposal being tied to a must-pass spending bill.

Last week, Senate Majority Leader Chuck Schumer (D., N.Y.) said he would attach the permitting bill to a short-term budget measure known as a continuing resolution needed to keep the government funded beyond the end of September. Lawmakers on both sides of the aisle have balked at supporting the permitting bill, leaving its fate up in the air with just a few weeks until the funding deadline.

The newest hurdle came Friday, when House Natural Resources Committee Chairman Raúl Grijalva (D., Ariz.) said he

had the support of more than 70 Democrats for a letter opposing the inclusion of the permitting measure in legislation funding the government. That was up from more than 40 just days earlier.

“We urge you to ensure that these provisions are kept out of a continuing resolution or any other must-pass legislation this year,” they wrote in the letter. They said the permitting bill would “curtail public input, environmental review, and government accountability.”

The letter didn’t say that signatories would necessarily reject the continuing resolution if permitting were included. Some lawmakers have indicated they could reject a spending measure that included permitting.

“The Continuing Resolution must not be held hostage by Big Oil,” Sen. Bernie Sanders (I., Vt.) said in a tweet.

The permitting bill is advancing as part of a deal between



Legislation that many Democrats are trying to pass would facilitate both renewable-energy and fossil-fuel projects.

Sen. Joe Manchin (D., W.Va.) and Mr. Schumer. Mr. Manchin agreed to support Democrats’ now-enacted climate, healthcare and tax law if party leaders then worked to ensure the passage of the permitting bill, which is intended to speed up both renewable-energy and fossil-fuel-en-

ergy projects. House Speaker Nancy Pelosi (D., Calif.) had also signed on to that deal, which at the time called for scheduling a vote on the bill by the end of September.

Asked about the opposition, an aide to Mr. Schumer pointed to the senator’s recent com-

ments that he considered the permitting measure an integral part of the party’s climate and health push. “We will get it done,” Mr. Schumer said.

White House press secretary Karine Jean-Pierre said this past week that President Biden continues to support the permitting bill.

Opponents cite different reasons for objecting to the permitting bill. Some Republicans feel burned over the passage of the climate and health bill and don’t want to help Democrats get it over the finish line. Progressive Democrats are unhappy that the permitting bill will advance fossil-fuel projects in addition to renewable projects.

Their combined opposition is a problem for leaders given the narrow margins in both the Senate and the House.

In the 50-50 Senate, 60 votes are needed to pass most legislation, and Mr. Schumer needs to keep most of his cau-

cus on board while cajoling Republicans.

In the House, Mrs. Pelosi is operating with a 219-211 majority, meaning she can currently lose no more than three votes if all House members cast a vote. The number of House Democrats who signed on to Mr. Grijalva’s letter suggests the potential to lose more than that, meaning she would have to make up the difference with Republican votes.

But it isn’t clear whether House Republicans would be willing to provide enough support. A spokesman for House Minority Leader Kevin McCarthy (R., Calif.) didn’t respond to a request for comment.

Part of Mr. Manchin’s calculation has been that the permitting bill was favorable enough for the fossil-fuel industry—currently a Republican constituency—that Republicans would vote in favor even if significant numbers of progressives stampeded away from the bill.



Lawyer Chris Kise stepped into the spotlight when he became the leading member of former President Donald Trump’s legal team.

## Trump’s New Lawyer Tries Softer Tack

By ALEX LEARY AND JAN WOLFE

WASHINGTON—Chris Kise, the well-connected former Florida solicitor general who last month became the leading member of former President Donald Trump’s legal team, has sought a conciliatory tack in challenging the Justice Department’s investigation into the handling of highly sensitive documents at Mar-a-Lago, but he faces strong headwinds.

His aim is to resolve the case without the government seeking criminal prosecution, people familiar with the strategy say. But arrayed against him, they say, are a client who relishes a fight over compromise and a Justice Department that has said its probe has escalated because of potential criminal activity it can’t easily ignore, namely that classified documents remained at Mar-a-Lago months after Mr. Trump’s allies affirmed they had provided all of them to the FBI, and some appeared to have been deliberately moved.

Ty Cobb, who worked for Mr. Trump as a special White House counsel in 2017 and 2018, said the former president’s tendency to rail against prosecutors undermines his lawyers’ work. “The problem for Trump’s lawyers is, while he may be briefly on message, he has no discipline. As soon as he is at one of his rallies,

he’ll assert the Big Lie and rail about how the Constitution is being dismantled just to go after him,” Mr. Cobb said. “I think it’s just sad. But I don’t see Trump changing his tone.”

The depth of Mr. Kise’s challenge was evident late Friday, when his team and prosecutors submitted a joint brief to U.S. District Judge Aileen Cannon in response to her request for candidates for the role of special master, an independent arbiter she will appoint to separate any potentially privileged material from the documents in Justice Department hands. The two sides disagreed on who that person should be, what constitutes privileged material, how long the vetting should last and who should pay for it.

The filing augurs a legal fight of undiminished intensity, something Mr. Kise seemed eager to avoid when he first represented Mr. Trump on Sept. 1 in Judge Cannon’s Florida courtroom. “We need, respectfully, to lower the temperature on both sides,” he said.

Two days later, Mr. Trump raised it instead, blasting the FBI’s search of his Mar-a-Lago estate at length during a rally in Wilkes-Barre, Pa. Mr. Trump said the FBI had “trampled upon my rights and civil liberties” and claimed its Aug. 8 search would result in a “backlash the likes of which

nobody has ever seen.

“The FBI and the Justice Department have become vicious monsters, controlled by radical-left scoundrels,” he said.

Mr. Trump’s Save America political-action committee launched new fundraising campaigns focused on the search, fueling a significant increase in contributions.

Advisers to Mr. Trump approached Mr. Kise last month,

**‘We need...to lower the temperature on both sides,’ Mr. Kise said in court.**

drawn by his legal acumen—he won four cases before the U.S. Supreme Court—and familiarity with the courts in Florida as well as his history of navigating political situations, people familiar with the talks say. He has worked with the last three governors of Florida. The former president and the lawyer met recently at Mr. Trump’s Bedminster golf club in New Jersey and Mr. Kise, 57 years old, took the case.

The Justice Department made its displeasure plain in an Aug. 30 filing opposing the appointment of a special master. “That the FBI, in a matter

of hours, recovered twice as many documents with classification markings as the ‘diligent search’ that the former President’s counsel and other representatives had weeks to perform calls into serious question the representations made in the June 3 certification and casts doubt on the extent of cooperation in this matter.”

Mr. Kise, speaking in Judge Cannon’s courtroom two days later, played down the import of any impropriety regarding the documents’ handling.

“This is not a case about some Department of Defense staffer stuffing military secrets into a paper bag and sneaking out into the middle of the night,” he said. “This is, as I say, presidential records in the hands of the 45th president of the United States.”

Judge Cannon, a 41-year-old former federal prosecutor nominated to the bench by Mr. Trump in 2020, showed an openness to arguments by Mr. Trump’s team in her ruling approving a special master, said legal experts, many of whom criticized her decision.

Mr. Kise declined a request to discuss the strategy but has noted the goal is “to find a rational solution to document storage issues which have needlessly spiraled out of control.”

—Aruna Viswanatha contributed to this article.

## Jan. 6 Panel Plans Televised Hearings

By SCOTT PATTERSON

WASHINGTON—Members of the House committee investigating the Jan. 6, 2021, storming of the Capitol are returning to work to plan a new round of televised hearings expected later this month, hoping to recapture the public’s attention after Congress’s August break.

One focus of the hearings is likely to be the concerns among cabinet officials about then-President Donald Trump’s actions during and after the riot by his supporters, including any discussions about possibly using the Constitution’s 25th Amendment to try to remove him from power. Under the amendment, a majority of the cabinet, with the vice president, can temporarily unseat the president if they find him unable to discharge his duties.

The committee held eight hearings in June and July that featured testimony from dozens of aides, state officials and administration figures about Mr. Trump’s actions related to the riot, which aimed to prevent the congressional certification of President Biden’s election victory. The hearings focused on how Mr. Trump explored different avenues to stay in power after losing the 2020 election, which he falsely said was stolen.

Since then, a separate investigation related to Mr. Trump has stolen the spotlight, after the Justice Department seized documents from Mr. Trump’s Mar-a-Lago property last month as part of a probe into his handling of classified materials. A federal judge in Florida on Sept. 5 ordered the appointment of a special master to review the documents, a decision the Jus-



Mr. Trump denied wrongdoing.

tice Department is appealing. Mr. Trump has called the investigation the “Raid of Mar-a-Lago Document Hoax.”

The House panel, which has seven Democrats and two Republicans, hasn’t said when the Jan. 6 hearings will restart or how many there will be. The committee is expected to put out an interim report on its investigation soon, with a final report due before the end of the year. There could be additional hearings later in the year, committee members have said. A spokeswoman for the committee declined to comment.

Mr. Trump has said he did nothing wrong and has continued to call the select committee a partisan witch hunt. He was impeached by the House in early 2021 on a charge of inciting an insurrection and acquitted in the Senate.

Rep. Pete Aguilar (D., Calif.) said in an August interview with a California radio station that he anticipates “a few more hearings” focused on the period between Jan. 6, 2021, and the inauguration of Mr. Biden on Jan. 20, 2021, including conversations related to invoking the 25th Amendment to remove Mr. Trump from power.

The select committee’s most recent hearing on July 21 focused on a roughly three-hour period after Mr. Trump’s speech on Jan. 6, 2021, at the Ellipse, where he encouraged his supporters to go to the Capitol. Since then, it has interviewed several former members of Mr. Trump’s cabinet, including former Treasury Secretary Steven Mnuchin and former Secretary of State Mike Pompeo. The committee had previously interviewed former Labor Secretary Eugene Scalia and Attorney General William Barr.

Mr. Pompeo, in an interview on Fox News, said the committee asked him for information regarding discussions about the 25th Amendment. He said he never seriously undertook such discussions with other members of the cabinet.

Then-Vice President Mike Pence formally shut down that avenue several days after the attack, rejecting Democrats’ demand for the 25th Amendment to be invoked.

The committee has also been investigating what happened to U.S. Secret Service text messages from the day of the riot and the preceding day that were erased.

## Biden Jabs Trump, Touts Democrats’ Record at Midterm Events

By KEN THOMAS AND CATHERINE LUCEY

WASHINGTON—As President Biden rallies Democrats ahead of the midterm elections, he is drawing a sharp contrast with Republicans and citing polling of a potential 2024 rematch against former President Donald Trump as some allies say recent legislative victories have eased their questions about the president’s political future.

At a Democratic National Committee meeting near Washington on Thursday, Mr. Biden listed his recent legisla-

tive successes, which include passing a law aimed at lowering prescription-drug prices and boosting renewable energy. While Mr. Biden in the past has stressed the bipartisan passage of the roughly \$1 trillion infrastructure law he signed last year, this time he characterized it as only “a little help” from the GOP.

He pointed to abortion restrictions being passed around the country in the wake of the Supreme Court’s overturning of Roe v. Wade. And Mr. Biden alluded to the potential rematch with Mr. Trump in 2024, referring to polls he said are “show-

ing me beating Trump by six or eight or whatever the hell the numbers are.”

A recent Wall Street Journal poll found Mr. Biden leading Mr. Trump 50% to 44% in a hypothetical head-to-head matchup; a Journal poll in March had shown them tied at 45%. The recent poll found Mr. Biden’s job-approval ratings at 45%, up from 42% in March, though both polls showed a majority disapproving of his work as president.

Mr. Biden, 79 years old, is the oldest sitting president in U.S. history. Some Democrats question whether he should run

for re-election in two years, as he has consistently signaled he intends to do. He is still contending with high inflation and concerns about the economy.

Rep. Tim Ryan (D., Ohio), who is running in a competitive Senate race, told Youngstown’s WFMJ television station recently: “My hunch is that we need new leadership across the board. Democrats, Republicans, I think it’s time for a generational move. For new leaders on both sides.”

But Mr. Biden’s higher job-approval ratings, new legislative success, and the attention Mr. Trump attracted after the

Federal Bureau of Investigation search of his Mar-a-Lago home in August have bolstered Mr. Biden’s case within his party, according to several of the party faithful who attended his appearance at National Harbor, Md., outside Washington.

Mr. Biden has long played up the possibility of a rematch with Mr. Trump and invoked his predecessor by name multiple times during a recent speech at Philadelphia’s Independence Hall about what the president sees as threats to American democracy.

Republicans have accused Mr. Biden of attempting to divide

the nation with such comments.

Mr. Trump also appears to be trying out a potential 2024 message in his 2022 appearances. During a rally in early September for Pennsylvania’s GOP governor and Senate candidates, he cited priorities like tax cuts, trade deals and de-regulation, while also blasting the FBI search and repeating his false claims that the 2020 election was stolen from him.

Mr. Trump sought to tie Mr. Biden to rising inflation during a recent rally, saying: “Biden and the Democrat Congress created the worst inflation in 50 years.”



U.S. NEWS

U.S. WATCH

# Western Wildfires Prompt Evacuations

By ARIAN CAMPO-FLORES

Wildfires continued to blaze throughout Oregon and Washington state on Sunday, prompting officials to order evacuations in some areas and electric utilities to shut off power to thousands of customers for safety reasons.

Nineteen large fires burned throughout the two states, encompassing more than 295,000 acres as of Sunday, according to the Northwest Interagency Coordination Center, which provides logistical and intelligence support for agencies in the region. Some 5,000 personnel were fighting the blazes.

In Oregon, the Cedar Creek Fire in the central part of the state grew to more than 85,000 acres, driven by strong winds, scorching heat and dry conditions over the weekend, according to the Oregon Office of the State Fire Marshal. It wasn't contained, and 2,230 homes and 443 commercial structures were under threat, the agency said.

Authorities issued evacuation orders for residents of the Oakridge, Westfir and High Prairie areas. The fire marshal's office committed seven task forces and an incident-management team to protect residences, businesses and critical infrastructure. On Sunday, winds were calming and temperatures were beginning to cool, helping their efforts.

Officials ordered evacuations in connection with two other Oregon wildfires, including the largest one in the state, according to the interagency coordination center. That blaze—the Double Creek Fire, in the northeastern part of the state—covered about 152,000 acres and was only 15% contained.

In Washington, evacuation orders were in place as a result of the Goat Rocks Fire in the southern part of the state and the Bolt Creek Fire further north. The Snohomish County Sheriff's Office warned on Sunday that only about half the people asked to evacuate



Oakridge, Ore., resident Patty Beard loaded her car Friday while preparing to evacuate, above. At left, aircraft helped fight a wildfire south of Salem, Ore., on Friday.

the number still lacking electricity had declined to about 13,000.

Smoke from the fires degraded air quality in parts of the two states, according to the National Weather Service. But a shift in winds and other conditions was expected to push smoke out of the region from west to east, the agency said.

Firefighters in California struggled to contain blazes as well. The Fairview Fire southeast of Los Angeles covered more than 28,000 acres and was 45% contained as of Sunday, according to the California Department of Forestry and Fire Protection. In the northern part of the state, the Mosquito Fire spanned more than 41,000 acres and was only 10% contained.

because of the Bolt Creek Fire had done so.

"We ask that they reconsider," the office said on Twitter. "The fire remains active. We need everybody's help protecting lives today."

The extreme weather and wildfires prompted electricity companies in Oregon to shut down power over the weekend to thousands of customers as

a precautionary move to avoid increasing wildfire risks. Portland General Electric said Sunday that it had begun restoring power to affected customers, and by midafternoon,

COLORADO

## Police Officer Killed; Suspect Arrested

A police officer in the Colorado city of Arvada was killed during a shooting as officers were trying to break up a large family disturbance, the Arvada Police Department said Sunday.

The suspect and another person injured in the shooting early Sunday were hospitalized and expected to survive, police said.

Officer Dillon Michael Vakoff, 27, and another officer were trying to separate "several belligerent and uncooperative individuals" when the suspect shot a female victim, police said. The officers and the suspect exchanged gunfire.

Officer Vakoff was declared dead at a hospital. He was a staff sergeant in the U.S. Air Force, where he served for six years, before joining the Arvada Police Department in 2019. He was training to be a SWAT officer, police said. Officer Vakoff graduated from high school in Arvada in 2012.

—Associated Press

CALIFORNIA

## Mother's Boyfriend Held in Girl's Slaying

Police have arrested a suspect in the death of an 8-year-old girl whose body was found last March inside a central California home after the child was reported missing, authorities said.

After a monthslong manhunt, Dhante Jackson was taken into custody Saturday in the San Francisco Bay Area city of Newark on suspicion of killing Sophia Mason, the California attorney general's office said.

Mr. Jackson was in a relationship with the young victim's mother, 30-year-old Samantha Johnson, who was arrested in March and has pleaded not guilty to murder and child abuse, prosecutors said.

Mr. Jackson, 34, also faces murder and child abuse charges. It wasn't known Sunday if he has a lawyer who could speak on his behalf.

Four other people were arrested Saturday on suspicion of helping Mr. Jackson evade arrest, the attorney general's office said.

—Associated Press

# BUILD A BRIDGE OVER THE CHASM OF ADDICTION.

Physical distance can keep you safe and healthy. But if an emotional distance forms between you and those closest to you, it may be due to drug or alcohol use. Partnership to End Addiction works with you to establish the connections that can help save lives and end addiction.

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U.S. NEWS

# Extreme Heat Hurts Crops, Supermarkets

By JAEWON KANG AND JESSE NEWMAN

High temperatures in the Western U.S. are hitting the produce industry, damaging crops, shrinking shipments and leaving fewer leafy greens and fruits on supermarket shelves.

A California grower said some of his lettuce leaves are turning brown and melting in the fields because of crop diseases intensified by the high temperatures. In Pennsylvania, a retailer said its stores went a week without having strawberries to sell. A New York distributor has substituted honeydew melons for watermelons, which have become scarce.

Supermarkets say they are giving less shelf space to products with weather-induced discolorations, bruises or burns. Stores are cutting prices on poor-quality items to avoid getting stuck with them, and increasingly receiving products from Canada, Florida, New Jersey and Ohio instead of California, long the go-to source for U.S. grocers.

"We can't ship lettuce with defects," said Mark Mason, manager of California-based Nature's Reward, which grows romaine, iceberg and leaf lettuce. "There are fields that are near losses."

Mr. Mason said disease has likely cut Nature's Reward's lettuce yields this season by at least 15% compared with the year-ago period. Incidence of disease in the company's fields was normal throughout the growing season until the last week to 10 days, when a surge in damaged plants led to a major decline in yields, Mr. Mason said. The prices he receives for lettuce have increased slightly during that time, he said.

California vegetable growers said the current heat wave could be fueling diseases that kill or damage lettuce, leaving less to sell to restaurants or grocery stores. High temperatures can promote diseases such as pythium wilt and impatiens necrotic spot virus, or INSV, according to produce growers, researchers and trade groups. Pythium wilt is a soil-borne disease, while INSV is transmitted to lettuce by small insects known as western flower thrips.

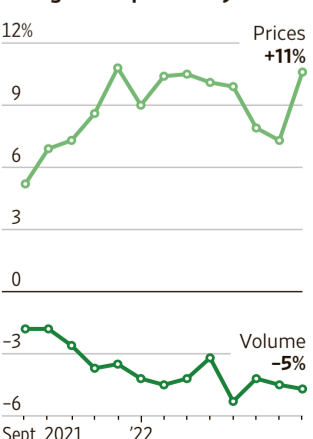
Christopher Valadez, president of the Grower-Shipper Association of Central California, which represents produce farmers, shippers and processors, said this season appears to closely resemble 2020 in terms of high temperatures and disease incidence in lettuce. Disease cut lettuce yields along California's central coast by about 30% that year, he said.

"The crop is under stress when it's hot," said Mr. Valadez. "That makes plants more vulnerable to infection."

The recent heat wave has also curbed Nature's Reward's strawberry shipments, Mr. Mason said, reducing the amount of time that workers can spend in fields and leaving fruit more vulnerable to damage during harvest, which can reduce its shelf life in stores.

Produce, which can be harvested and sold within days, has always been vulnerable to weather. This year's hot temperatures are creating more quality and supply problems, industry executives said, though the heat's long-term impact on produce remains unclear.

### Produce prices and sales volume at U.S. grocery stores, change from previous year\*



### Lettuce Supply Concerns Retailers

California's lettuce supply is among the biggest concerns for fall and winter, said Doug Diffenderfer, vice president of produce operations at 10-store chain Karns Foods in Pennsylvania.

Already, lettuce is smaller, more expensive, and customers are buying less, he said. If lettuce quality continues to decline, Mr. Diffenderfer said, shoppers will also purchase less dressing, tomatoes and other items they typically buy with lettuce.

Other retailers are selling lower-quality products at cheaper prices, even if that means slimmer profit margins, said Stefanie Katzman, executive vice president at produce distributor S. Katzman Produce Inc.

"We've had more gaps than normal," she said of supply, adding that she has purchased more inventory from New Jersey, New York and Ohio growers this year.

Early heat in Washington reduced the cherry supply earlier this summer, while watermelon season ended earlier on the East Coast. Some grapes are growing mold, according to some distributors, while others anticipate avocados might have sizing issues and be bigger than usual.

All this is driving up costs for grocers, and slowing sales volume. Prices of produce increased about 11% for the four weeks ended Aug. 7 from a year ago, according to data firm IRI, while sales volume declined about 5%.

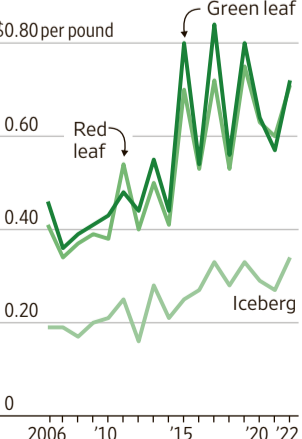
In the year through Sept. 3, shipments of iceberg, green leaf and red leaf lettuce were the lowest since at least 2006, according to Rabobank. Average annual per-pound prices for the week ended Sept. 3 are higher than levels a year ago for all three lettuce varieties, with prices for iceberg and romaine at or above their highest in at least 16 years, the data showed.

Heat is affecting seasonal summertime staples for Topco Associates LLC, a cooperative of more than 40 food sellers, including Wegmans Food Markets Inc. Rolling power blackouts are disrupting operations for some of Topco's California produce vendors, according to Mike Ferguson, Topco's senior vice president of fresh programs. "There are obviously a lot of concerns among the supplier network for the Western-grown fruits and vegetables," Mr. Ferguson said.

Tops Markets LLC has been procuring more iceberg lettuce and celery from Canada and Michigan over the past few years because of continued challenges on the West Coast, said Jeff Cady, vice president of produce and floral at the New York-based grocer. Sourcing products from closer markets shortens delivery times and keeps produce fresher, he said, and quality is comparable.

This year, the company might start getting grapes from Peru earlier than usual if California crops are in bad shape from the weather. He said: "It has a ripple effect, unfortunately, for the consumer and for us."

### Average annual per-pound prices for three lettuce varieties†



\*Four-week rolling average which entails 13 records; latest is the four weeks ended Aug. 7. †Through week 35 for each year. Sources: IRI (produce prices, sales); Rabobank (lettuce prices)



California's rice belt is shriveling as the state's worst drought on record slashes the number of acres planted with the crop.

# Hard Times Come for Rice Growers

By JESSE NEWMAN AND JIM CARLTON

COLUSA, Calif.—Rick Richter spent the past 43 years flying biplanes over California's Sacramento Valley, dropping rice seeds into flooded fields that churn out grain for consumers across the globe.

In a typical year, Mr. Richter's company seeds 42,000 acres of rice, earning more than \$3 million in revenue. This year, as a worsening drought prompts unprecedented cuts in water allocations to rice farms, he seeded 7,000 acres and expects sales of \$550,000.

"This is a year that is just a disaster," said Mr. Richter, who laid off two of his four permanent employees, turned away 20 seasonal employees, and sent his son to fly over corn fields in Indiana.

The American West has been caught in the worst drought in more than a millennium for most of the past two decades, spurring farmers to exit output and change the way they do business.

But until this year, Northern California farmers who grow rice, one of the state's most water-intensive crops, were largely spared. In the system of water allocation run by the federal government, rice farmers hold some of the state's most senior rights, meaning they received much of their assigned water while other crops withered.

Record dry weather this past winter prompted federal officials to cut the amount set aside for rice.

Rice farmers in Colusa County, 60 miles north of Sacramento, received 18% of the federal water shipments to which they are entitled, far less than normal and too little for many to grow the crop at all.

"Even in a drought, rice farmers have been able to get a fairly high percentage of the water they had rights to," said Tim Johnson, chief executive of the California Rice Commission. "Now they are experiencing drought at a level they've never seen before."

California farmers sowed 285,000 acres of rice this spring, a 30% drop from the year prior and the lowest since the 1950s, according to a June estimate by the U.S. Department of Agriculture. That is the steepest decline for any major California crop this year, said Daniel Sumner, an agricultural economist at the University of California, Davis, who expects even lower plantings.

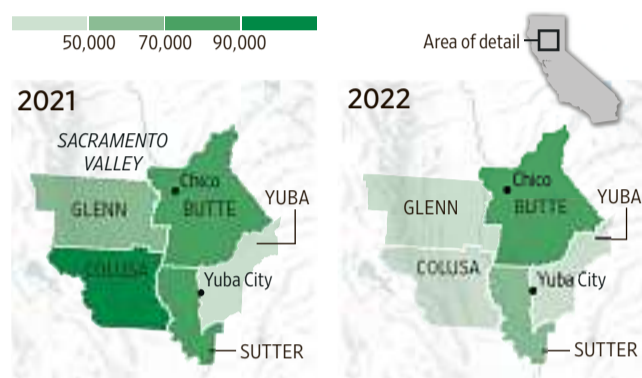
California typically produces about one-fifth of U.S. rice, most of it medium-grain Japonica varieties used in foods such as sushi and paella. Lower U.S. rice production helped push the country's rice exports down 16% in the first six months of this year compared with the same period in 2021, according to the USDA. Imports, the agency projects, will hit an all-time high in the 12 months ending in July.

Farmers' income from rice in California totaled \$1 billion in 2021, according to the USDA. Local farmers and officials say they are worried not just about the people who grow the crops, but about the businesses that sell them tractors and seed and store their crops before they are shipped domestically or are exported, primarily to Asia.

"Farmers will farm again when it rains. The question is, will we have the businesses we rely on?" said Mr. Johnson.

Without sufficient water for

### Acres of rice planted in California, by county



Note: 2022 data as of Aug. 22. Counties with less than 10,000 acres of rice planted in 2021 or 2022 not shown. Source: United States Department of Agriculture. Carl Churchill/THE WALL STREET JOURNAL

rice, many farmers are channeling supplies into their almond or walnut orchards, which take years to yield their first crop and can't be fallowed for a season.

Jeff Sutton, whose family operates a 1,400-acre farm in Colusa County, said they opted to use this year's allotment to irrigate orchards, while fallowing some 1,000 acres devoted to rice. "This is the first year of no rice," said Mr. Sutton,

whose farm dates to 1870.

Farmers say they aren't ready to give up on rice. Many want the option to grow it whenever possible, so they aren't too dependent on other crops. Researchers predict droughts will continue and even worsen because of climate change, but there are efforts in the state to increase water-storage options for dry years.

Some rice farmers have been able to stem their losses

through sales of their water allotments to neighbors. Halbert Charter, an almond farmer in Colusa County, recently bought water originally allotted to neighbors for \$575 an acre-foot, nearly five times what he normally pays the government. "It's allowed us to survive," said Mr. Charter.

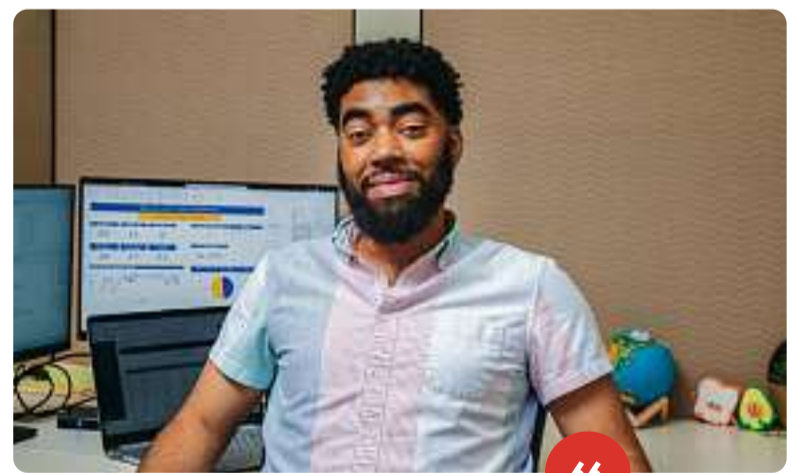
Industry officials say many farmers will weather the difficult year with help from federal crop insurance. But the sharp drop in plantings is crippling a critical economy built around rice, choking off business for local shops and services.

In Colusa County, the top rice producer in California, officials project a \$2.4 billion hit to the economy due to the drop-off in rice and other crop production, said county supervisor Daurice Kalfsbeek Smith. She said the county anticipates that a rise in unemployment will show up by October. Colusa's unemployment rate of 7.9% as of July is more than double the national rate of 3.5% and higher than the 5.5% average in other northern Sacramento Valley counties.

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Detroit, Michigan



## WORLD NEWS

## Ukrainians in Kherson Resist Occupiers

Residents in southern city wait for liberation, fight efforts to erase their national identity

By IAN LOVETT

ZAPORIZHZHIA, Ukraine—Explosions shake the southern Ukrainian city of Kherson throughout the day. Internet, electricity and water are sporadic. Prices for basic goods, such as food and soap, are skyrocketing. Hundreds of cars are lined up trying to leave the city. By 4 p.m., the streets are empty.

Ukraine has launched a military offensive aimed at retaking Kherson and upending a key goal of Vladimir Putin's war: eliminating independent Ukrainian identity. How that liberation effort plays out is a test case for Russia's efforts to mold the territory and its people in its own image. Residents of Kherson are trying to hang on, waiting for their army to arrive and doing what they can to resist Russification.

"We realize dangerous times are coming," said Serhiy Ivaschenko, the head of a district in the city who has been going back and forth between Kherson and Ukrainian-held territory. "But it's the only way to be liberated."

The Ukrainian offensive has forced Moscow-installed authorities to put on hold plans for a vote on joining Russia. Still, they are pushing ahead



Russians frequently smash armored vehicles into cars in occupied Kherson, a resident said.

with efforts to consolidate their hold on the region—and cracking down on anything that looks pro-Ukrainian. They opened schools on Sept. 1, despite the shelling, and have warned parents that children who aren't enrolled could be taken away from them. On TV, banner ads at the bottom of the screen promise 10,000 Russian rubles, about \$165, to anyone who turns in Ukrainian sympathizers. Troops roam the city in trucks, pulling down garage doors and breaking into apartments in search of Ukrainian partisans.

This account of life in the city is drawn from interviews

with eight people still living in Kherson, plus more than a dozen others who fled the city during the war. Several spoke on condition that they not be fully identified. The Wall Street Journal verified their identities and agreed to withhold their last names.

Lina's family, like many others, has been stocking up on food and water and preparing beds in the basement. Since Ukraine first struck a major bridge into the city with rockets about a month ago, vegetable prices have doubled, residents said. Some staples, like butter and eggs, are becoming tough to find.

Lina said she goes out only between 8 a.m. and 2 p.m. and takes public transit, hoping to minimize her interactions with Russians, who she said are often drinking and frequently smash into cars with armored vehicles. One armored vehicle recently began parking in a neighbor's yard, she said.

"We're avoiding anywhere Russian soldiers might be," she said. "It's easy to end up in the basement"—a shorthand locals use for being detained by Russians.

The threat of detention shapes life in Kherson as much as the strikes. Since the occupation began, more than 500

residents of the region have been detained, according to reports compiled by the Ukrainian regional prosecutor, Volodymyr Kalyuga, who is working in absentia from Odessa. More than 200 remain in custody or unaccounted for. Photos of missing people are posted on walls around the city.

"At first, you could show you were pro-Ukrainian," Mr. Ivaschenko said. "Now, you could be detained even for some picture on your phone that they don't understand."

The Russian Ministry of Defense didn't respond to requests for comment.

Signs of defiance still abound. Yellow-and-blue ribbons, the colors of the Ukrainian flag, hang from fences. A former Ukrainian member of Parliament who was collaborating with the Russians in Kherson was recently assassinated. Though supermarkets have been rebranded and filled with Russian products, the Ukrainian hryvnia, not the Russian ruble, remains the dominant currency, locals say.

Natalya, who said her husband was detained just over a month ago, refuses to open a Russian bank account, though her Ukrainian bank was forced to close months ago. Her children in Europe send money to her Ukrainian bank card, and she shops at stores where she knows the owners or clerks, who let her use card terminals hidden under the counter or in the back.

Like many residents, she now keeps two phones: one that she uses at home with a virtual private network to access Ukrainian sites that are now blocked by the Russian internet providers, and another that is wiped of all personal data that she takes out in public, in case she is stopped somewhere.

"This is my way of resisting," she said. "If we all just let Russia control what currency we use, it'll help them occupy the territory."

Russian troops captured Kherson on March 2, the first major city seized during the full-scale invasion, and the only regional capital.

As soon as the Russians arrived, local officials said, Russian forces began pressing them—and other influential residents—to collaborate.

Residents say the Russians in Kherson set up surveillance operations reminiscent of Soviet times. Oksana Naumova, a 41-year-old resident, wrote on social media in July that Kherson was part of Ukraine. Russians soon came knocking, she said, and gave her a choice: Work with us, or go to jail.

Ms. Naumova told them she would collaborate. She left the region three days later.

"You had to hide or stay silent," she said. "You never knew who would betray you."

More than half of Kherson's residents have fled for Ukrainian-held territory, according to Ukrainian officials.

## Russians Run From Offensive

Continued from Page One

since the start of September. Now, Ukrainian commanders must decide how to exploit their battlefield success and prepare for Russia's response.

Russia's military said Saturday that it was withdrawing from Kupyansk and Izyum, saying it was regrouping forces to defend Donetsk, which Moscow sent a covert proxy force to seize in 2014.

Even as Russian forces retreated, they shelled parts of the Donetsk region they don't control, killing 10 people in the city of Pokrovsk on Saturday, according to Donetsk Gov. Pavlo Kyrylenko.

North of Kharkiv, Ukrainian forces also appeared to be pushing toward the border with Russia. Vsevolod Kozhemiako, one of Ukraine's leading businessmen turned commander, posted a video of himself near the border.

A battlefield map released by Russia's Defense Ministry



Even as Russian forces retreated in Ukraine, they shelled Pokrovsk, killing a man in this house. Below, a destroyed bridge in Izyum, a regional hub retaken by Ukraine.

on Sunday appeared to indicate that Russian forces had vacated all northern parts of the Kharkiv region where

Ukraine is continuing to press its counteroffensive and hasn't claimed to have recaptured.

"These days, the Russian army is showing its best side—its back," said Ukrainian President Volodymyr Zelensky on his Telegram channel.

The reversal came suddenly, following months of sputtering and ultimately stalled advances by the Russians behind withering artillery fire. After punching through a thinly defended Russian front line last week, Kyiv's forces have raced forward, routing soldiers caught unprepared to fight. As panic spread in Russian-controlled settlements nearby, troops and occupants sympathetic to Moscow fled, in turn clearing a bigger path for advancing Ukrainian tanks and infantry.

On social media, scenes abounded of ecstatic liberated Ukrainians greeting Kyiv's troops, who ripped down the trappings of Russia's month-long occupation, including flags and propaganda posters.

Ukraine's speedy advance helps its cause on many fronts, starting with a morale swing in its favor. The high-speed maneuver encircled potentially tens of thousands of Russian troops over recent days, Western analysts said.

The attack also appears to be bolstering Ukraine's armories. Russian troops abandoned ammunition and weapons, including rifles, tanks and artillery pieces, according to images and reports on social media. They may also have left maps and documents that Ukrainian and Western intelligence analysts will mine for fresh insights into Russia's plans, tactics and weaknesses. After Russian forces retreated from around Kyiv earlier this year, abandoning camps and



equipment, they left behind materials that proved valuable to Ukrainian analysts.

As Kyiv's forces push east, more Russian targets will fall within range of Ukraine's advanced Western rocket launchers, such as highly mobile HIMARS systems, which Kyiv didn't yet have as it retreated earlier this year from the regions it is now retaking. Ukraine has used the precision munitions to destroy Russian supplies and air-defense systems, and the recent ground advance puts more Russian-controlled territory within their range.

Outside Ukraine, its success in retaking within days territory that Russian forces spent weeks struggling to gain will strengthen Kyiv's argument that it deserves arms, funding and moral support from the West. Mr. Zelensky has repeatedly said his country can defeat and evict Russian forces.

While Ukraine remains a long way from winning, its improved battlefield position strengthens its hand in any eventual peace talks with Russia.

Whether the defeats make Mr. Putin more or less threat-

ening to Ukraine and the West remains an open question. Over recent weeks, he has increased economic pressure on Europe by cutting off natural-gas flows through the Nord Stream pipeline to Germany and threatened to curtail grain exports from Ukraine.

"Western leaders in Europe have got to be able to say to their people: This is a miserable winter, but after this it gets easier," said Michael

## Kyiv's forces trapped potentially tens of thousands of Russian troops.

Clarke, a professor of war studies at the University of Exeter in the U.K. "This is Putin's last, best shot, so if we can last out this winter and the Ukrainians look like they can kick the Russians out, things will turn against Putin."

Ukrainian commanders now need to assess how hard to push ahead as they consoli-

date their gains.

"It's great to make rapid gains, but the challenge is not to get your troops spread out too far," said Jeffrey Edmonds, a senior analyst at the Center for a New American Security, a Washington think tank.

Ukrainian forces have the advantage of retaking friendly territory against a retreat, so defending their flanks and rear will be less of a concern than when punching into hostile terrain. Russia's initial attack on Kyiv in February failed because its troops sped far ahead of their supply lines, leaving soldiers poorly provisioned. That weakened them, opening vulnerabilities to Ukrainian attacks from all directions.

But even thinly opposed, an attacking force requires fuel, ammunition and food that can keep pace. "Outrunning logistics is a challenge," said Seth Jones, director of the international security program at the Center for Strategic and International Studies in Washington.

Ukraine accomplished its breakthrough using deceit and surprise. Earlier this summer, Mr. Zelensky announced a new offensive on the city of Kherson, in the southeast, and his troops began targeting Russian forces nearby. Russia responded by shifting forces there from Donbas.

Once Russia had relocated the troops, Ukraine last week struck the thinned-out Donbas defenders with its biggest massing of troops, tanks and other weaponry yet in the war.

Around Kherson, meanwhile, as many as 20,000 of Moscow's troops are defending an occupied city that has now been cut off from resupply by Ukrainian strikes on bridges to their rear.

—Isabel Coles contributed to this article.

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WORLD NEWS

Drought Saps Hydropower

By ANNA HIRTENSTEIN AND KATHERINE BLUNT

Record drought across the globe this year dried up rivers and reservoirs and sapped the world's largest source of renewable electricity: hydropower.

The drop in electricity generated by the flow of water across dams in China, Europe and the U.S. stifled power production. In some places, it has caused factories and smelters to shut down for weeks on end.

California's energy grid faced its biggest blackout risk since 2020 last week because of record demand and lack of electricity supply, including from water-starved hydropower stations.

As governments push a transition away from fossil fuels and climate change upends the reliability of nature-driven energy sources, the drought has also raised questions about how hydropower fits into the energy mix.

"We're becoming more reliant on electricity for our needs such as transport and heat, but at the same time the risks to the energy system are increasing," said Duncan Sinclair, a partner with a focus on energy

infrastructure at consulting firm Baringa.

The drop in output from hydropower, an energy technology long thought to be tried and true, is causing a rethink of how it fits into a resilient energy system, according to energy executives, analysts and government planners. Drought frequency and duration has increased by nearly a third globally since 2000, according to the World Meteorological Organization, a United Nations body.

"The entire industry right now is really trying to figure out what these types of extreme events mean for our electrical infrastructure in terms of planning and stresses on the grid," said Elliot Mainzer, chief executive at the California Independent System Operator.

Hydropower generated 16% of the world's electricity in 2021, more than all other sources of renewable energy combined, according to data from the International Hydropower Association. Both major types of hydro technology are affected by drought. Plants that use river currents to spin turbines generated less due to shallow water levels. Those that collect or

pump water into reservoirs to be used later were hit by low rainfall and higher evaporation due to heat.

Parts of China endured the hottest and driest summer in 60 years. The Yangtze River is at the lowest level since records began. Water flowing to nearby hydropower stations has halved. This led the government of Sichuan to order the closure of factories in 19 cities last month to ration power.

In the U.S., two of the nation's largest reservoirs, Lake Mead and Lake Powell, have fallen to historically low levels. A severe heat wave that has swept much of the Western U.S. forced the California ISO to issue several calls for electricity conservation to alleviate strain on the grid.

For Europe, the combination of low rainfall and a record heat wave added to an energy system already in crisis from Russia's cuts to natural-gas supply. Lack of hydro played a role in electricity prices hitting record highs in recent weeks.

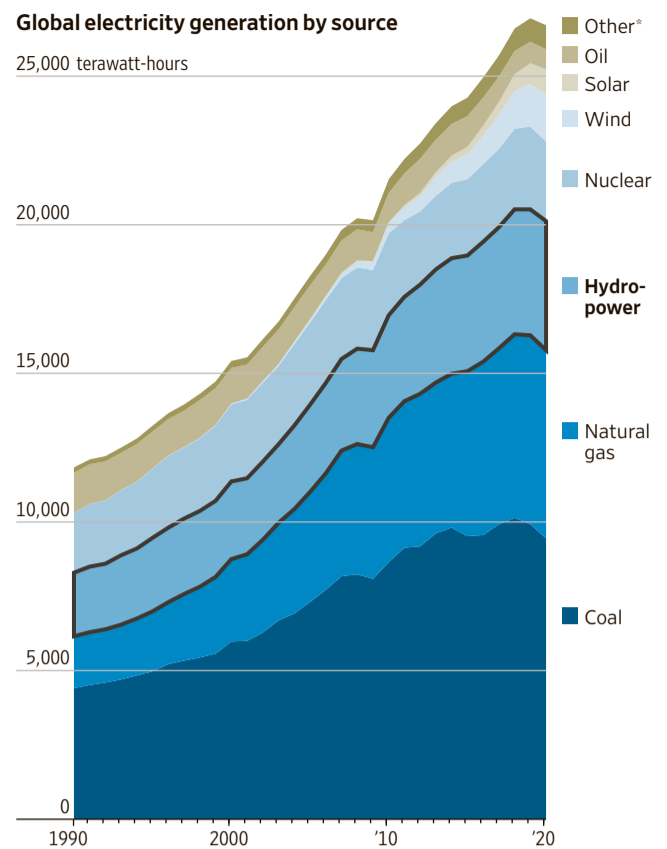
Norway is the region's largest producer of hydroelectricity due to an abundance of rivers and deep valleys. The Norwegian government warned in

early August that the country may have to limit electricity exports to the U.K., Germany, Sweden, Finland and Denmark, for the first time in history in the coming months.

The transition away from fossil fuels banks on electrons generated from clean sources and sent along long-distance transmission lines to charge cars, power factories and run heat pumps. Part of the appeal of hydropower is that it can be used to store electricity by pumping water into reservoirs and letting the water flow later when needed. This gives it a complementary role to more intermittent sources such as solar or wind.

"It can fill the gaps in between solar and wind generation, for instance," said Luiza Demoro, head of energy transitions at research provider BloombergNEF. "We need to understand that hydro might change and be less reliable than it has been in the past."

Other forms of energy storage are competing to take its place. Giant arrays of batteries that charge at night when prices are cheaper and help balance the grid during the day are being installed by utilities and asset



\*Includes geothermal, biomass, waste, tidal and wave Source: International Energy Agency

managers. Investment in battery storage is expected to more than double this year, led by grid-scale projects in China and the U.S., according to the International Energy Agency.

Investors appear more wary of hydro. Investment in new projects has been declining since 2020, data from the IEA showed. The group is forecasting another drop this year.

Nationalist Party Flexes Power in Sweden's Election



Jimmie Åkesson, head of the nationalist Sweden Democrats, said at an election night party Sunday: 'We really are a big party today.'

By DOMINIC CHOPPING

The nationalist Sweden Democrats took their biggest-ever share of votes in a general election Sunday, with preliminary results giving the center-right bloc of parties a slim majority over the incumbent center-left government.

However, a large number of overseas and mail votes are still to be counted, and the outcome could change, with a definitive result not expected for several days.

With an estimated 20.6% of ballots cast, according to a preliminary count of the majority of constituencies, the Sweden Democrats have become the biggest party in the center-

right bloc and the second-biggest party in the country.

Preliminary figures show that of the 349 seats in the parliament that are up for grabs, the center-right bloc holds 176 seats, which would be enough to form a majority government, versus 173 for the opposition center-left.

Incumbent Prime Minister Magdalena Andersson's Social Democrats won 30.2% of the vote.

"Whether there will be a change of power or not, we won't know until next week," Sweden Democrats leader Jimmie Åkesson said at his election night party. "We really are a big party today. From a small...party that ev-

eryone laughed at to really challenging."

Mr. Åkesson has worked to move the party, which has its roots in neo-Nazism, more into the mainstream while remaining steadfast in his belief that mass immigration threatens the welfare system and national security.

Those views ran counter to Swedish public sentiment favoring inclusion and acceptance, but the country has seen a shift in the debate as fears over immigrant integration have grown, with gang violence spiking and a spate of well-publicized shootings. The main parties leaned toward some of the Sweden Democrats' policies in the run-up to the election.

If the preliminary results stand, the parties will engage in talks aimed at forming a center-right government. While the bloc appears united in many key issues facing Sweden such as energy and law and order, talks could be protracted.

The Moderates had hoped to boost their share of the vote and remain the largest party in the center-right bloc, aiming to form a government with the Christian Democrats and Liberals and only relying on the Sweden Democrats for support in the parliament. But with results showing Sweden Democrats have overtaken them as the biggest party on the right, negotiations are likely to be complicated.

Canada's Conservatives Pick Populist as Their New Leader

By PAUL VIEIRA

OTTAWA—Canada's Conservative Party has chosen as its new leader a politician who backed the paralyzing protests earlier this year against pandemic restrictions and vaccine mandates, hoping his populist appeal with disaffected voters will be enough to unseat Prime Minister Justin Trudeau.

Pierre Poilievre was declared the winner Saturday, garnering 68% from party members voting on the first ballot. Mr. Poilievre's campaign said it signed up hundreds of thousands of new party members, drawn by his promises to reduce the role of the state in people's lives and to roll back government spending and taxes that he says helped fuel inflation.

Mr. Poilievre has frequently attacked the country's establishment class and its appointed "gatekeepers," who he claims thwart entrepreneurship, stifle free speech and violate individual liberties. He has appealed to younger voters, particularly those who can't afford a home.

"There are people in this

country who are just hanging on by a thread," Mr. Poilievre, a 43-year-old lawmaker first elected to the Canadian Parliament in 2004, said in a victory speech. "They don't need a government that sneers at them, looks down on them and calls them names. They don't need a government to run their lives. They need a prime minister who will restore hope."

Former Conservative Party officials and political analysts say Mr. Poilievre succeeded—

Pierre Poilievre appealed to voters irked by inflation and Covid rules.

much like Donald Trump did—in attracting people who traditionally weren't politically engaged, are distrustful of institutions and believe they are falling behind economically.

Throughout his campaign, Mr. Poilievre said the Liberal government's aggressive fiscal policy, combined with the

Bank of Canada's decision to undertake large-scale bond purchases, helped fuel inflation, which recently hit a four-decade high in Canada.

Mr. Poilievre said as prime minister, he would try to remove Bank of Canada Gov. Tiff Macklem, claiming the central banker bears much responsibility for elevated inflation. A Bank of Canada spokesman declined to comment.

Economists have said supply-chain constraints, pent-up consumer demand following the easing of Covid-19 restrictions and the war in Ukraine have contributed to high inflation in Canada and elsewhere in the developed world.

"To blame the current Bank of Canada governor demonstrates a serious lack of understanding of the inflation process," Chris Ragan, an economics professor at Montreal's McGill University, wrote recently in the Line, a Canadian online publication.

Canada's governing Liberal Party said in a statement the new Conservative leader "is proposing dangerous ideas that would risk our economy, our health, and our safety."

WORLD WATCH

PAPUA NEW GUINEA

At Least 3 Die After 7.6 Magnitude Quake

At least three people are dead after a powerful earthquake hit a remote part of Papua New Guinea Sunday morning, authorities say. Others were injured and infrastructure damaged in the magnitude 7.6 jolt that was felt across the Pacific country.

The three people died in a landslide in the gold-mining town of Wau, said Morobe Provincial Disaster Director Charley Masange. He said the sparse and scattered population and lack of large buildings near the epicenter in the nation's largely undeveloped highlands may have helped prevent a bigger disaster.

—Associated Press

HONG KONG

Therapists Sentenced For Children's Book

A group of speech therapists were sentenced to 19 months in prison after being convicted of sedition for publishing children's books that a judge ruled depicted the Chinese government as evil wolves and Hong Kong people as sheep.

The five were prosecuted under a British colonial-era sedition law that the city's national-security police are increasingly using to make arrests.

Defense lawyers argued that the books were merely children's tales or fables, and that the charge was unconstitutional under the city's Basic Law.

—Selina Cheng

PAKISTAN

U.S. Military Planes Deliver Flood Aid

Two more U.S. military planes loaded with tons of aid for Pakistanis affected by flooding from deadly monsoon rains landed Sunday in southern Sindh province, one of the worst-affected regions in the impoverished country.

Saif Ullah, spokesman for the country's Civil Aviation Authority, said each plane was loaded with about 35 tons of relief aid that would be distributed in the province by the World Food Program.

Nearly 1,400 people have been killed, 13,000 injured and millions left homeless by the heavy flooding since mid-June. The waters also destroyed infrastructure.

—Associated Press

Advertisement for Ross Simons jewelry featuring a necklace with gemstone petals. Text includes 'Floral Enchantment', '\$995 Compare at \$1,395', and 'FREE EXPRESS SHIPPING — ORDER TODAY!'.



## FROM PAGE ONE



Sovalco, an aluminum producer in Slovakia, is winding down primary-metals production due to volatile energy prices, leaving a small recycling operation. Above right, Milan Veselý, the plant's manager.



MICHAELA MAGYDANOVA FOR THE WALL STREET JOURNAL (3)

## Europe's Industry Is Reeling

Continued from Page One

lysts and executives say might never reopen, imperiling thousands of jobs.

The question is whether the current pain is temporary, or marks the start of a new era of deindustrialization in Europe. The bloc has scoured the world for alternative gas supplies, striking deals to buy gas from the U.S., Qatar and elsewhere. But the continent might never again have access to the cheap Russian gas that helped it compete with the resource-rich U.S. and offset high labor costs, rigid employment rules and stringent environmental regulations.

### Power contracts

In the city of Žiar nad Hronom, Slovakia, built around a 70-year-old aluminum factory that supplies car-part makers across the continent, some fear for their financial future. "This is probably the end of metal production in Europe," said Milan Veselý, who has worked at Sovalco, majority owned by Norway's Norsk Hydro ASA, all his adult life, following in his parents' footsteps.

Sovalco is among the companies hit by volatility in electricity prices across Europe caused by low Russian supplies of power-generating gas. For years the factory was by far the biggest buyer of power in Slovakia, consuming 9% of the country's electricity. Before energy prices started rising last year, Sovalco paid about €45 (about \$45) for each megawatt-hour of power. In 2022 so far it has paid €75, in a deal locked in last year. In late August, prices hit €1,000 across Europe.

Sovalco didn't renew its power contract for 2023, which would have cost €2.5 billion euros at the recent peak in power markets. Mr. Veselý, the plant's manager, is winding down primary-metals production, leaving a small recycling operation. He is also dismissing 300 of

450 workers. "The volatility of the price of electricity these days—it's crazy," he said. "This is the way we are actually killing industry."

Factory curtailments and closures have saved fuel in Europe's quest to reduce demand. Along with the hunt for non-Russian supplies, that's enabled the European Union to sock away enough gas to fill over 80% of its storage capacity, probably enough to get to spring without government-enforced quotas even if Mr. Putin cuts supplies to zero, analysts say.

The judgment most governments have made is that slowing and shutting factories now is preferable to cutting off power to hospitals and schools over winter. Europe consumed 10% less gas than the average for the time of year in August, according to commodities-data firm ICIS. The EU is aiming for demand reductions of 15%.

The factory closures come at a ruinous cost. Companies in energy-intensive industries say they face going bust this winter without government support. Complex supply chains in sectors such as the auto and food industries are getting gummed up, adding to inflationary pressures just as pandemic snarl-ups show signs of easing.

Norwegian fertilizer giant Yara International ASA, which uses gas as an ingredient, has cut crop-boosting ammonia production by 65% across its European factories.

"We think about things we wouldn't dare to think about a year ago," said Michael Schlaug, general director of Yara's Sluiskil facility in the Netherlands, which stopped the second of three ammonia plants in late August. Engineers are rejigging machinery to accommodate imported ammonia with higher water content as the facility turns to shipments from the U.S., Trinidad and elsewhere to replace products it previously made.

Dutch fertilizer company OCI NV is importing more ammonia through Rotterdam. It plans to triple its capacity at the port by next year and is expanding its Beaumont, Texas, facility to produce ammonia that can be transported to Europe and Asia.



"It really tips the scales in the U.S.'s favor," Chief Executive Ahmed El-Hoshi said of energy costs.

A reduction of Europe's industrial capacity would deepen the reliance on materials and parts made overseas at a time when governments are striving to bring supply chains for renewable energy, electric vehicles and military arms closer to home.

### 'Pure poison'

Metals producers, which require significant power to break down and form chemical bonds, are at the front of the crisis. Electricity prices have more than doubled this year, propelled by high gas prices, trouble in France's nuclear fleet of power plants and low hydro-power generation.

ArcelorMittal SA, one of the world's largest steelmakers, will close a blast furnace in Bremen and a so-called direct reduction plant in Hamburg that produces sponge iron, used to create crude steel. In Germany, ArcelorMittal had already reduced gas demand by about 40%, compared with what it planned to consume at the start of the year.

"We have never had such upheavals in the energy prices," said Reiner Blaschek, chief executive of the company's German business. "Ev-

erything that is associated with enormous volatility in the short term is for us as a commercial enterprise, to put it mildly, pure poison."

"You have to reinvent the whole energy supply chain on the go," Mr. Blaschek added.

ArcelorMittal Germany has been buying sponge iron externally from the U.S. instead of making it locally using gas.

Zinc stockpiles have almost run out in the EU, leading customers to import metal from China, according to metals industry lobby group Eurométaux. Analysts say European output of primary aluminum is drying out, leaving the continent with recycling operations that produce metal suitable for industries such as packaging, but not for wheel hubs, brakes or parts for airplanes.

Aluminum smelters are finding themselves not able to renew their power contracts. Companies need 15 megawatt-hours of power to produce a metric ton of primary aluminum, costing €9,000 at recent electricity prices, while a metric ton can be sold for less than €2,500, according to Germany's metal association, WV Metalle.

"We need immediate emergency aid now, otherwise we are threatened with deindustrialization in Germany," said Franziska Erdle, WV Metalle's general manager.

Alcoa Corp.'s San Ciprián aluminum plant in Spain, Glencore PLC's Portovesme zinc smelter in Italy and Trafigura Group's zinc factories in the Netherlands, France and Belgium have curbed or closed production. Half of the EU's aluminum and zinc capacity is offline, on top of curtailments in silicon and alloys of iron, Eurométaux said in a letter to EU officials this month.

Tom Price, head of commodities strategy at Liberum, likens the shock to the surge in energy prices that killed off Japan's aluminum industry in the 1970s. "This is such a severe event and Europe's industrial base has become very heavily dependent on Russia for cheap energy inputs," he said. "It may not be able to come back."

Lower output from Europe's factories threatens to cascade through supply chains. Auto makers have been hit both in their own dependence on gas for power and heat and indirectly through supply issues. Volkswagen AG said it has been stockpiling glass products, such as windows and windshields, fearing a shortage of gas could hit glassmakers.

A spokeswoman for Safran SA, a French maker of aircraft engines and defense-related equipment, said a fragile supply chain had limited the company's ability to raise production. So far it has been able to buy metal from existing suppliers but the company is monitoring the situation, she added.

In food production, sugar factories are powered by natural gas. Germany's federal competition authority said this month the country's four producers would be allowed to cooperate if supplies are cut off, for example by making capacity available to each other. If the sugar plants stop, large parts of the beet harvest would likely rot and prices would rise for consumers already dealing with food inflation.

The companies are racing to find alternative energy supplies to maintain the sugar output. Securing them is difficult because it requires new logistics and storage facilities, said Südzucker AG, one of the four companies.

Some factories, such as zinc

manufacturers, can restart quickly when the economics add up again. For others, including glass and aluminum makers, reopening is a lengthy and expensive process that may never make financial sense.

Even toilet-paper makers are feeling the crunch. Hakle GmbH, a German toilet-paper and hygiene-product maker this month declared itself insolvent and sought protection from creditors because it could no longer raise prices enough to offset higher paper costs due to energy prices.

### Winding down

At Sovalco in Slovakia, Mr. Veselý sold the electricity the company had bought for the rest of the year, netting €160 million to spend on taxes and a possible restart in the future. Operators set about disconnecting podlike metal cells that turn white alumina powder into molten aluminum in the vast hall that is the factory's nerve center. The hangar is also the factory's biggest vulnerability, because the cells depend on a 285,000-amp current.

Ten of the 226 cells remain in action, but are due to wind down by the end of the year. Firing the factory up again would require replacing their electrical connections—a process that would take a year and cost up to €90 million, Mr. Veselý said.

"Everyone is concerned," said Tomáš Chrien, an operator who has worked at Sovalco since 1993. Marián Házezník, a processes expert, said the job brings a good, stable salary and a sense of camaraderie. "No one expected we would be in a situation like this—ever," he said.

Branislav Strýček, chief executive of utility Slovenské Elektrárne, A.S., which supplied power to Sovalco, worries many more Slovak firms will shut down because he estimates more than half haven't procured power for 2023.

"These electricity prices are sick," he said, adding that he is in the odd position of running a utility and wanting the government and EU to take measures to limit prices. "Your customers will not survive so you'll have no one to deliver [to]."

## Soap Fans Get in a Lather

Continued from Page One

Rochester, N.Y., said the show holds a special place in his heart because it was one of the rare things that wasn't stopped by Covid-19. Because episodes are shot so far in advance, "Days" managed to air a new one every day even at the height of the pandemic.

"I really admired the way they carried on," he said. "So when I heard they were going to this app, I was sort of dismayed." He said he fears plenty of viewers will turn on their TV on Monday "and wonder where the show went."

Comcast's NBCUniversal unit said bringing "Days" fans to Peacock would bolster the streaming service. The company said it ran a series of ads about the move, and noted that people who sign up for Peacock later than Monday will be able to catch up on any episodes they missed.

Despite declining ratings, "Days" is appointment televi-

sion for about 1.9 million viewers every day, many of whom go out of their way to watch the show live despite the fact that it airs early in the afternoon. Some even tune in from the office, scheduling their lunch break around the show.

Many fans expressed relief that "Days of Our Lives" wasn't canceled outright—a fate that befell other prominent soaps, including ABC's "All My Children" about a decade ago. They see the fact that Peacock is already home to recent "Days" spinoffs as a good omen.

Ms. Capobianco is going above and beyond to make sure the show keeps going. She says she already has complimentary access to the premium version of Peacock through her cable subscription, but decided to create another account for herself—for which she now has to pay—with the hope that "Days" will get credit for the sign-up.

"New subscriptions are really what they are looking for," she said, adding she knew of a handful of fans who canceled original subscriptions and signed on with a new email—making the most of a special promotional offer—to try to give the show a boost.

Peacock's premium version has 13 million paying subscrib-



Goodbye, network TV: Deidre Hall and Martha Madison on 'Days of Our Lives.'

ers in the U.S., not including people who get it at no extra cost through cable providers. There is also a free version of Peacock, but that one won't offer "Days of Our Lives" once the show moves to the premium version Monday.

Set in the fictional Midwestern town of Salem, "Days" chronicles the lives—and romantic entanglements—of people from several families. Hardcore fans will usually root for one family, though Ms. Capob-

anco said people also love cheering for a specific couple.

"I've always been a John and Marlena fan for as long as I can remember," she said.

As with many TV shows, the "Days" audience has been aging fast. This year, three-quarters of its viewers are 55 and older, according to Nielsen, compared with a little over half back in 2013.

In one of the ads flagging the show's move to Peacock, Billy Flynn, who portrays the

"Days" character Chad DiMera, pays a visit to co-stars Bill Hayes and Susan Seaforth Hayes to help them set up the service. No need, he's told: They've already done so, and it was a breeze.

Watching "Days" on streaming instead of broadcast TV will have upsides, fans say. For one, the show will no longer be preempted by breaking news. On Friday, the last scene of the final broadcast episode of "Days" was cut short in some markets

by King Charles III's first speech as British monarch.

Mr. Costello said that early in the pandemic, the show was so frequently interrupted by then-New York Gov. Andrew Cuomo's coronavirus briefings that he wrote a letter to the manager of his local NBC affiliate asking him to stop broadcasting them.

Some fans are speculating the show might get a little edgier as it leaves broadcast television. Bryen Miller, a 44-year-old from Goshen, Ind., said he noticed that "Days" actors who appeared on "Days of Our Lives: Beyond Salem," a recent spinoff made exclusively for Peacock, occasionally swore, which wouldn't happen on the main broadcast.

"An occasional swear word in some of these situations makes it more realistic," Mr. Miller said.

Instead of having to wait for the daily midday broadcast, people will have access to new episodes every morning, possibly as early as 6 a.m. Eastern time, NBCUniversal said.

John Michael, a 45-year-old bookkeeper from Terre Haute, Ind., plans to make the most of it. "You could watch 'Days' over breakfast with your coffee and stuff, and get it out of the way before the rest of your day."



# Failure IS an Option in Some Cases

Instead of cringing or quitting, why not embrace the stuff you've always wanted to do, even if you're mediocre?



**WORK & LIFE**  
**RACHEL FEINTZEIG**

Betsy Purves doesn't really sing anymore. Growing up, the classically trained soprano rehearsed intensely, performing at the Washington National Cathedral and a New York City church. Over time, other things started to fill her life—a career in fundraising for the arts, a husband, two children. Her skills atrophied. Several years ago, Ms. Purves auditioned for a choir, got rejected, and decided she was done.

"I know what it feels like to sing at a very high level and I can't do that anymore," the 36-year-old Washington, D.C., resident says, "so I don't want to do that at all."

She misses it. But even when she's singing her daughter to sleep and hears a faint note, she winces.

"I wish I could just let go," she says.

So many of us are terrible at being terrible. As our children venture off to school, sports, dances and music lessons, we implore them: Just try something, keep practicing, you're only a beginner. And yet, faced with evidence of our own mediocrity, we wilt in embarrassment, avoid the thing or quit altogether.

I heard more profanity while interviewing people for this column, as they detailed their failings, than for a piece I reported about swearing. We really, really do not like being bad at things.

What if we're missing out? "It's such a relief not to have to be good," says Karen Rinaldi, a Manhattan-based publishing executive and confessed horrible surfer. After 20 years on the board, she is still bad, and she loves it.

There's the thrill of being out on the water, the feeling that any wave she does catch is a bonus. But there's also the satisfaction of not having to be the expert, the freedom to seek help and rely on others in a way she never would at work or with the kids.

Back on land, she says she's more understanding and patient with others' mistakes.

"You realize, wow, they're trying," she says.

Ms. Rinaldi, whose experience led to a book about what you can learn from wiping out, recommends asking yourself, "What is it that you've always wanted to do



or try but were too afraid?" Whatever it is, she says, start doing it. Should you struggle, embrace the fact that you're a beginner.

"Go in there with the humility to say, 'I'm new,'" she says. "People want to help you learn. It makes them feel good."

We used to be better at being lousy. A recent study found that average levels of social perfectionism—the sense that you have to show the world you're flawless—among more than 41,000 college students increased by about a third from 1989 to 2016.

Over time, competition for education and jobs has ramped up, explains Thomas Curran, lead author of the study and professor of psychology and behavioral science at the London School of Econom-

**'It's such a relief not to have to be good,' says a confessed horrible surfer of 20 years.**

ics and Political Science.

Images of perfection fill our social-media feeds, along with ads assuring us we wouldn't be so deficient if we just bought this thing or tried that product. Parents often add to the pressure, fearing their kids will end up sliding down the socioeconomic ladder.

"The whole fabric of society is held up on that, our sense of inadequacy and being not enough,"

says Dr. Curran.

Two years into running his own business, Elliot Pepper was struggling with some of the basics. The intricacies of tax codes were no problem for the Baltimore-area accountant and financial planner, but he couldn't keep track of client referrals. He forgot to send invoices, never collecting money he'd earned.

At networking events with fellow entrepreneurs, "I'd just be nodding my head, like, yeah, yeah, yeah, I'm totally killing it," he says. Admitting that he wasn't good at this stuff felt like acknowledging that he sucked overall.

He finally solved the problem by bringing on a business partner, someone who excels at the details

he doesn't. Fessing up about the problems, and watching his new counterpart fix them, made him realize his fears about being judged were just in his head.

"People don't care that much," he says.

Our own expectations don't help. I started dabbling in yoga this summer, after a running injury sidelined me from my sport of choice.

When I lamented to Syd Schulz, a professional mountain biker, that I was terrible at the poses, cringing each time the instructor walked over to my mat for remedial assistance, her response was, "what did you expect?"

"It's a little insulting to people who have spent years and years of their lives acquiring skills to think that you should have those overnight," says Ms. Schulz, of Los Alamos, N.M.

The 31-year-old cyclist spent last winter learning a type of Nordic skiing, waddling up hills and attempting to improve her form going downhill.

"We expect linear progress," she says. Years spent working on her cycling have taught her that improvement often comes in halting steps, preceded by long stretches of stagnation or even getting worse.

From the moment Zachary Bouck glimpsed a BMX, or bike motocross, competition on TV as a 14-year-old in North Dakota, he was convinced it was his future.

He spent money from his newspaper-delivery route on a bike designed for BMX tricks and built ramps in his backyard. After high school, he went to Southern California to work and train at a special facility equipped with foam pits and jumps.

He didn't jump. He wasn't good enough to go pro. Nor was he sure he wanted to.

Professional BMX life was less glorious than he imagined, he says. Hanging out with his heroes, he saw how many struggled with money, drugs and injuries.

"I could tell already it would not have made me happy," he says.

He left the West Coast, eventually enrolling in college in Colorado and becoming a wealth adviser.

These days, the 39-year-old hits local skate parks with his bike, where grinding a handrail, landing a 360—or not—he feels like a little kid, zen, in the moment. The point is just to be there.

"The benefit of not pushing myself every day," he says, "is that I get to ride every time I want."

## Medications Tool Added to Apple App



**FAMILY & TECH**  
**JULIE JARGON**

With my long list of daily to-dos, I sometimes find it hard to remember to take my multivitamin. Now my phone can remind me.

A skipped vitamin isn't necessarily a big deal, but missed medications can be dangerous. Half of Americans with chronic illnesses stop taking medications within a year of the initial prescription, according to the Centers for Disease Control and Prevention. One cited reason: forgetfulness.

Apple is the latest company to address the problem, with a new Medications tool in the Health app update that arrives Monday with iOS 16.

The app lets you create a list of your medications and supplements by scanning bottles with your iPhone's camera or by typing the name in a search bar. You can schedule notifications to show up on your iPhone or Apple Watch when it's time to take them. When the alert pops up on your screen, you can indicate whether you've taken or skipped the dose. The tool tracks your medication-taking history. You can also dismiss the notification or be reminded later.

You can share your medication log with family members or caregivers, who can help you keep track (and scold you for skipping). And the tool can even tell you if your medications might not work well together.

The reminder feature marks Apple's latest push into personal-health management, following earlier iPhone or Apple Watch features such as the walking-steadiness score, fall-detection system and notifications for irregular heart rhythm.

A number of other companies have developed automated pill-dispensing devices, pill-pack services and medication-reminder apps, though some have proven difficult for people with dementia to manage without assistance from loved ones.

Some studies have shown that medication-reminder apps lead to better medication adherence. Sometimes people don't take their pills no matter how easy the tech makes it. If you, like me, realize you need a nudge, a tool that's already in your phone is worth a try.

### What you'll need

An iPhone 8 or newer model, which must be updated to run iOS 16. (The update should appear under Settings > General > Software Update sometime Monday, according to Apple.) If you also want reminders on your Apple Watch, you'll need an Apple Watch Series 4 or newer running WatchOS 9, also due Monday.

In the Health app on your iPhone (the white square icon with the heart), go to Browse > Medications.

### What to do

Once in the Medications app, tap Add Medication. There, you can type the name of your medication in the search bar or scan your pill bottle using your phone's camera. You can indicate the form of medicine—tab-



The iOS 16 update enables reminders and warns of interactions with other drugs.

let or capsule—and the dose. Next, input the days and times you need to take it. Repeat for every medication or supplement you take.

You can customize which notifications you want delivered and where. For example, if you have an Apple Watch running the latest OS, you can choose to receive reminders there—no additional setup needed. You can't, however, set up your medications list on your watch.

### What else you get

In addition to reminders, you can log when you take medications. U.S. users will get educational content on the medications they take, including how to pronounce them, what they're for, side effects and possible interactions. If there's a potential conflict between drugs on your list, you'll receive an alert.

When you set up your medications

list, you can choose to indicate if you use alcohol, cannabis or tobacco. (You can turn that off at any time.) If you do, you'll be notified when any of your medications could interact with those substances. This processing happens on the phone itself—not in the cloud—and is determined only with the software, not any sort of human review.

If you learn of any possible drug interactions, talk to your doctor.

You won't receive more than one reminder a day for each dosage, unless you choose to be reminded again.

### How to share

To share your medication information with family members or caregivers, you must have an iCloud account with Health turned on—go to Settings, tap on your name, then iCloud, and toggle on Health. You also need to enable two-factor authentication, a way of verifying your identity.

To turn on two-factor authentication on your iPhone, or just check that it's already on, go to Settings, then tap on your name, followed by Password & Security.

Go into the Health app on your phone and tap the Sharing icon at the bottom. Click the blue oval that says "Share with Someone" and, in the search bar, type in their name. (Tip: That person's Apple ID-associated email or phone number must be in your saved contacts.) Next, choose the health data you wish to share—in this case, Medications. Finally, tap Share, then Done.

If you already share other health data with someone via the Health app, you can add the Medications data to that.

The people you share with will be able to see what you're prescribed and what you've acknowledged as having taken. They won't get alerts telling them it's time for you to take your medicine.

### How to protect your privacy

All Apple health data is stored and encrypted on the device when locked with a passcode, Touch ID or Face ID.

As long as two-factor authentication is enabled, all data backed up to iCloud is end-to-end encrypted. Apple says this means it can't read or otherwise access the data.

The reminders were designed to be discreet, in case people around you can see them on your screen. When you receive a notification, it will just say that it's time to take your medication—you have to then tap on your watch or go into the app on your phone to see which one.



## PERSONAL JOURNAL.

By JEN MURPHY

The aerobics classes that dominated fitness during the 1980s are coming back, minus the VHS cassettes and jazz hands.

The same kinds of low-impact, high-octane and sometimes campy dance-cardio workouts that Jane Fonda popularized during the Reagan era are now getting a boost from YouTube and TikTok. And like the old videotapes, these classes are gaining momentum thanks to users' ability to do them cheaply at home, fitness executives and participants say.

Nikki Whittle, 64 years old, never imagined she would return to a workout she taught in her 20s. But when Obé Fitness, the streaming-exercise platform, introduced live and on-demand step-aerobics classes in April, she dusted off her step platform.

"I've retired the high-cut leotard and sun-tanned leggings I wore in the '80s, but I've still got plenty of vibrant outfits," says Ms. Whittle, a Seattle-based operations manager at an investment advisory firm. Back in the day, she would put three risers beneath her step, bringing it 10 inches off the ground. "That was aggressive," she says. These days she sticks to a single riser and still feels the burn.

Obé Fitness co-founders Mark Mullett and Ashley Mills recall watching their moms work out to Richard Simmons videos in the 1980s. "We wanted to re-create that vibe," Mr. Mullett says. "We wanted to make workouts fun again."

Eighties touches, such as rainbow-hued lighting and retro instructor outfits, are signatures of these step, high-intensity interval training or spin classes. Step now outperforms all other equipment-based Obé classes, and 46% of its members have tried it since its April launch, according to Mr. Mullett.

As fitness enthusiasts have tired of the Peloton craze from the early days of the Covid-19 lockdowns, many are seeking fun, feel-good alternatives that get their heart rates up at home without returning to the costs of an in-person gym membership. This makes aerobics-style workouts appealing. A monthly Obé membership of \$27 is about on par with the cost of a single drop-in class at a boutique studio. The \$199 annual subscrip-



Instructor Lindsay Howe leads a Jane Fonda-style class in Austin, Texas.

## Aerobics Classes Return In Fitness Fad Flashback

The '80s cardio workouts bring a dose of retro fun to online platforms

tion fee costs less than some monthly gym memberships.

Alicia Lalim, a wellness-activity specialist at the Mayo Clinic Healthy Living Program in Rochester, Minn., remembers teaching step aerobics to a full house in the 1980s and '90s. She is not surprised by the workout's resurgence. "It's a total-body workout," she says. "You get your heart rate up and work your core, glutes and single-leg strength, all while improving balance and coordination."

The step-up motion is something we do throughout the day. And unlike running, which can punish the knees and hip joints, step aerobics is a low-impact exercise that can improve bone density. This is the

rare workout that works for geriatrics and millennials, Ms. Lalim says.

In-person dance-cardio classes with old-school touches are also having a moment. Chroma Dance Cardio, a combination of dance, choreographed-step routines and body-weight exercise performed under colorful lights, has fast become a staple of the athleisure

**'We wanted to re-create that vibe' from Richard Simmons videos, says an Obé Fitness co-founder.**

brand FP Movement's new fitness studio in Austin, Texas. It has earned a permanent spot on the studio's Saturday morning roster, a spokeswoman says.

The fitness franchise AKT, which has 35 disco ball decorated studios across the U.S., has seen a 50% increase in average monthly first-time visits in 2022, compared with the years before the pandemic, a spokeswoman says.

Even with studios reopened, similar streaming workouts remain the biggest driver of this trend because of their accessibility.

Shauna Henderson, 34, loves that Obé classes bring the energy of an in-person class into her Prattville, Ala., home. The stay-at-home

mom has a special-needs son who requires constant care. For years she relied on an elliptical for her cardio fix. She sold it since discovering Obé. "Trainers are always reminding you that no one is watching and it's OK to make up your own moves," she says. Instructors encourage participants to dress up. Ms. Henderson's closet now has more lime green—the preferred outfit color of her favorite instructor, Walter Kemp II.

305 Fitness was known for in-person studio classes that featured LED lights and live DJs spinning playlists from the '80s and '90s. When the pandemic closed in-person studios, the founder, Sadie Kurzban, started streaming her dance-cardio workouts on YouTube and TikTok. They now have a combined 200,000 followers between those two platforms. The New York company has introduced a streaming platform, 305 at Home, which charges \$30 a month for most customers or \$179 a year for unlimited classes.

Hannah Viederman, 26, says she always found aerobics classes "chatty and cringe-inducing." But 305 Fitness's YouTube aerobics-tinged classes became her social outlet during the pandemic.

Ms. Viederman, a New York-based actress, had moved in with her parents in Washington, D.C., during the pandemic. Her typical workouts, running and yoga, left her craving something more fun. She says, "305 classes provided the reckless, enthusiastic energy release I'd typically get from dancing at clubs with friends." The nostalgic beats from Whitney Houston and Van Halen and old-school fitness apparel helped the classes appeal to her mom. "It became a fun mother-daughter Covid ritual," she says.

When Christina Dörner, a fitness instructor based in the Philadelphia suburbs, launched her YouTube channel, CDörnerFitness, in March 2020 as a result of the pandemic closing gyms, most of her free classes had 1,000 or so views. Her first step class garnered 20,000 views and remains her most popular, she says.

"Because you're learning choreography, you can't zone out like you can in spin," she says.

## Casting a Narrow Net In Emmy Nominations

By JOHN JURGENSEN

Not a fan of "The White Lotus?" Too bad.

There's almost nothing else to root for in some categories at the Emmy Awards on Monday night.

Cast members from the HBO show about privileged people in paradise represent five of the seven nominees for outstanding supporting actress in a limited series.

Men of "The White Lotus" make up three of the seven candidates for best supporting actor.

Three other actors also hail from a single show: "Dopesick," a Hulu drama about the opioid epidemic.

Redundancies have hit the Emmys. There are more overlaps this year—with at least two nominees from the same show in any given acting category—than at any time since 1999, when HBO's "The Sopranos" kicked off the eventual flood of cable and streaming content into the Emmys. Of the 106 total actors nominated this year, 48% shared a category with one or more castmates, up from 44% last year, and 33% in 2020.

This year overlaps occurred in all but three of the 16 acting categories, including those for guest actors, which were awarded in a ceremony held last weekend.

Apparently Emmy voters, like the rest of us, have just a handful of TV shows on the brain. That's in spite of (or because of) the huge surplus of options available.

So why is the pool of Emmy nominees so shallow? The longstanding forces that propel Emmy front-runners have become even more pronounced in an era of TV overload, according to members of the Television Academy and awards analysts.

This year about 400 scripted programs were submitted for Emmy consideration in the categories of comedy, drama and limited series or movie. But most of these shows didn't receive the kind of awards campaigns that companies such as HBO and Netflix are known for. Such expensive blitzes, involving parties and advertising spreads, are devoted to TV shows and talent that teams of strategists deem most likely to

up the tallies for actors representing shows that are on everybody's lips, said another member who specializes in Emmy campaigns.

Nomination swarms have a long history. The tiers for supporting and guest actors are routinely stacked with "Saturday Night Live" talent. Cast members from "Game of Thrones," "Modern Family" and other decorated shows of the past were elbow-to-elbow in some categories. In 1982, "Hill Street Blues" filled 100% of the five slots for best supporting actor in a drama.

This year, big stars and big ensemble casts factored into the flood of nominees



A few hot shows can dominate a category. 'Succession's' Brian Cox and Jeremy Strong are both nominated for lead actor in a drama.

maximize nominations and wins. Awards prognosticators and media outlets play a role, too.

That drumbeat of promotion meets the psychology of buzz in the minds of Emmy voters when it comes time for them to select nominees.

"They might not know every supporting actor or guest actor on the ballot, but they do know that everyone is talking about how good 'The White Lotus' or 'Succession' is," one Academy member said.

In the first phase of voting that determines nominations, there is no limit on the number of candidates that members can vote for in a category. That can drive

for hot shows like "Succession," which received 14 acting nods, resulting in a face-off between actors playing father (Brian Cox) and son (Jeremy Strong) for lead actor in a drama.

"It's outrageous this year," said Pete Hammond, an awards columnist for the trade publication Deadline and an Emmy voter. "It's indicative to me that the Academy's actors' branch watches five shows and that's it."

Mr. Hammond is among the awards watchers who have called for the Television Academy to cap the number of nominees from the same show per category.

—Lane Florsheim contributed to this article.

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## ARTS IN REVIEW

## CULTURAL COMMENTARY

## Queen Elizabeth II: Cultural Icon

She wasn't so much a patron of the creative class as fodder for it, becoming in the process a living work of historical art

By DOMINIC GREEN

Elizabeth II was not like Louis XIV of France or her ancestor George III. Louis built a palace at Versailles, and George, though he mislaid America, laid the foundations of what is now the Royal Collection, which, at over a million objects of fine and decorative art, counts as the world's greatest private art collection. Elizabeth brought no masterpieces into existence; she was more interested in breeding racehorses than in collecting or commissioning. Instead, she achieved something harder and rarer. She became a cultural icon in her own lifetime, a living work of historical art.

That image, like her status, was multifaceted. It accumulated slowly through duty, diligence and the multiplication of modern media. Born in 1926, a year before "The Jazz Singer" inaugurated the talkies, at her death Elizabeth had her own Twitter account and had starred in skits with other symbols of an eternal England: James Bond, who, like royalty, also spends much of his time in formal attire, as well as Paddington Bear.

Elizabeth's coronation in 1953 was the first to be commemorated in color photography. Cecil Beaton's official photograph was oversaturated like a Hollywood still, but the pose and composition were those of Renaissance portraiture. The liberty and license of the 1960s loosened both manners and style. "Her Majesty is a pretty nice girl / But she doesn't have a lot to say," Paul McCartney sang on the Beatles' album "Abbey Road" in 1969, noting that "she changes from day to day."

Her Majesty, of course, knew that the less she said, the more she stood out as a symbol of permanence in a changing world. The Royal Family are accomplished performers, but they struggled to control their image, even if her sister Princess Margaret's husband, the photographer Lord Snowdon, was taking the official portraits and the holiday snaps too.

In 1954, Pietro Annigoni painted the young queen in proud profile, cloak lifted by the breeze. In 1969, Annigoni's second portrait of Elizabeth placed her head-on and almost defiant, her cloak armoring her against a dark sky. The official imagery of 1977's Silver Jubilee is now eclipsed by its punk counter-image. Jamie Reid's anti-tribute "God Save the Queen" dehumanized her by placing the first line of the



National Anthem over her eyes and "Sex Pistols" over her mouth, written in blackmail lettering. More sophisticated indignities were inflicted in 2001, when Lucian Freud miniaturized Her Majesty on a 9 1/2-by-6-inch canvas, showing her only from the neck up and with the puffy beige cheeks of one of her corgis.

The longer Elizabeth lived, the more various the images became, and the more their running commentary wove her into the fabric of our common imagination. The inevitable accolade was a star spot in Andy Warhol's cheeky but reverential "Reigning Queens" (1985). But the official image cracked in the 1990s with the public collapse of Charles and Diana's marriage.

After Diana's death in 1997, the Queen was slow to acknowledge the depth of the British public's grief. In Justin Mortimer's oil portrait "The Queen" (1997), Elizabeth's throne has shrunk to a black ob-



long. Her pixelated green dress is leaking into the banana-yellow field, and a finger-like run of yellow almost separates her head from her body. But the royal reputation bounced back quickly, not least

Craig) helicoptered across central London at rooftop level to the theme from "The Dam Busters," then parachuted into the Olympic Stadium to his theme tune, rather than her anthem. We forget that

Chris Levine's "Lightness of Being" (2008), above; Andy Warhol's portrait of Elizabeth II from "Reigning Queens" (1985), left; Daniel Craig as James Bond with the Queen, far left; and an original Sex Pistols print before auction, top left

through Helen Mirren's sympathetic portrayal of Elizabeth in the days following Diana's death in Stephen Frears's 2006 film "The Queen." Its scriptwriter, Peter Morgan, then wrote the multi-season "The Crown," with Claire Foy as the young Elizabeth and Olivia Colman as the mother of a family and a nation.

It was now impossible to tell the real from the iconic, which is just as it should be with monarchy. For the opening ceremonies of the 2012 London Olympics, Elizabeth and James Bond (Daniel

James Bond is not a real person, but we know that Elizabeth was, even if we also know that it was a body double who made that parachute jump.

The apotheosis of Elizabeth's artful blending of monarchy's message into the frantic democracy of modern media is Chris Levine's "Lightness of Being" (2007). In 2004, the Jersey Heritage Trust commissioned a holographic portrait to mark the island's 800th year of allegiance to the Crown. Levine lowered the blinds in the Yellow Room of Buckingham Palace, lit some incense sticks, and asked Elizabeth to meditate on a crucifix. He took more than 10,000 images and, as the lights were tiring her eyes, advised her to rest them between shots. Three years later, he noticed that he had caught her, eyes closed. She looks as she was: human, mystical, leonine, intimate, and entirely unknowable.

Mr. Green is a Journal contributor and a columnist for the Washington Examiner.

## ART REVIEW

## A Photographer's Zest for Life

By RICHARD B. WOODWARD

The German photographer Wolfgang Tillmans (b. 1968) treats the everyday world as a kind of paradise where pictures can be found at every turn. With genre-leveling zest, he documents his vast community of friends, things on windowsills, the aftermath of a party, socks on a radiator, body parts, clouds, mountainsides, pieces of paper, dancers at a rave, political protests, sexual acts, the transit of Venus, and himself.

"Wolfgang Tillmans: To Look Without Fear," his retrospective at the Museum of Modern Art, is designed to reflect this egalitarian attitude. Organized by Roxana Marcoci, senior curator of photography, who persevered heroically despite Covid-19 postponements and also edited the huge catalog, the overwhelming show occupies the entire sixth floor.

The fastidious installation, though, has unmistakably been crafted by Mr. Tillmans. More than 400 prints are spread across 11 rooms and the atrium. Most are unframed, hung in unpredictable patterns, and taped or clipped to the walls. Others are in vitrines or mounted on aluminum. Three videos play in loops in two adjacent spaces.

The display forces interactivity. As viewers move through the galleries,

they must constantly adjust their distance from the images—sizes vary from 10 feet across to barely larger than an iPhone—and be alert. The first room has a pair of portraits—one a close-up, one full figure—fixed to the thin edge of a partition.

It's hard to resist Mr. Tillmans's joyous intoxication with photography or his idealism. He loves what a camera can do, the details and textures it can bring out, the moods it can instantly conjure up, its communicative powers. In the world he portrays, there's room for everyone, and anyone of any ethnicity and gender orientation is free to couple.

**A Wolfgang Tillmans retrospective is a joyous collection of creatively arranged images.**

He is no less enamored with the expressive potential of printers and laser photocopiers. Like Robert Rauschenberg and Sigmar Polke, he has developed a palette that takes the medium beyond traditional black-and-white and color and into off-register shades and intensities. Camera-free images, inkjet and chromogenic prints, tear sheets and pho-

tocopies are handled with equal regard.

Mr. Tillmans belongs to the third generation of photographer-diarists, a mode associated in the 1960s and '70s with Larry Clark and William Eggleston and in the 1980s with Nan Goldin.

The spotlight first fell on Mr. Tillmans in the '90s for visceral snapshots of London's gay club scene published in *i-D*, the punk-inspired British fashion and music magazine. Winning the Turner Prize in 2000—the first photographer to be so honored—catapulted him into the upper tiers of the art world, where he has been ever since.

He and his team have presented his work in more than a dozen countries, expeditions funded in part by the high prices he now commands. A feathery red abstraction, "Zero Gravity V" (2001), sold at Christie's this March for \$201,600.

He remains attracted to the energy of youth culture and to healthy, lean bodies. There are only a few elderly people in the retrospective and almost no sick or fat ones. Income disparity is not prominent in his world. Suffering and death are only alluded to. I counted only three images among the 417 of anyone at a job: two framed photocopies of construction workers in Edinburgh (1987); and a color print (2015) of four men scraping the floor for an installation of Mr. Tillmans's art.

Among the more than 30 books Mr. Tillmans has published since



Wolfgang Tillmans's "Lüneburg (Self)" (2020).

wasteful symbol of luxury, built for a social class he is supposed to disdain. And yet this sleek, booming promise of the modernist future excites a boyhood wonder about technology that he had never lost.

The last room has two of the most arresting images in the show. The first (2021) is a metal column covered in sludgy gray cement at a building site, the kind of ugliness only a photographer would find beautiful; the second (2020) is a still-life of an iPhone propped against a bottle of water in a hospital room. The screen on the phone has an enigmatic image of another place entirely, thus effectively distorting the scene—Cubism for the Instagram age and an odd self-portrait.

Mr. Tillmans has expanded the possibilities of documentary photography with a flair, and without a big budget, in ways that others are already imitating. Anyone curious to see where he has led us needs to visit "To Look Without Fear," and probably more than once.

**Wolfgang Tillmans: To Look Without Fear**  
Museum of Modern Art, through Jan. 1, 2023

Mr. Woodward is an arts critic in New York.



# SPORTS

## Nebraska Fires Frost Following Upset Loss

By LAINE HIGGINS

College football's powerhouses have long puffed up their early season records by paying smaller, less accomplished teams to come to their stadium to be blown out. On Saturday, a trio of schools from the humble Sun Belt Conference took the money—and then staged a rebellion against the practice of playing the patsy for the big boys.

In the span of a few hours, Marshall slayed No. 8 Notre Dame, Appalachian State dropped No. 6 Texas A&M and Georgia Southern beat Nebraska.

On Sunday, the last of those came with a multimillion-dollar consequence as Nebraska fired coach Scott Frost on Sunday.

Nebraska had already agreed to pay Georgia Southern \$1.42 million to make the trip to Lincoln, Neb. Now Nebraska will pay nearly \$16.2 million to buy out Frost's contract, according to USA Today.

Frost's firing capped a day of upsets so unexpected that Sun Belt Commissioner Keith Gill opted to attend Texas State's game against Florida International on Saturday.

The chaos began in South Bend, Ind., where Marshall beat Notre Dame 26-21 and reportedly collected a \$1.25 million payday for making the trip.

As Notre Dame went down, another upset was brewing in College Station, Texas, with a familiar suspect: Appalachian State, which famously knocked off Michigan in 2007 in a game hailed as one of the sport's greatest upsets ever.

Appalachian State's defense forced two turnovers and held the home team—fresh off signing the top-rated recruiting class in the nation last winter—to just 186 yards of offense in a 17-14 win for the Mountaineers.

It was an ugly loss for the Aggies that likely slays their ambitions of making the College Football Playoff before the season could make it into October. It was made worse by the price tag: Texas A&M paid Appalachian State \$1.5 million to play at Kyle Field.



Scott Frost was fired by Nebraska.



Carlos Alcaraz beat Casper Ruud 6-4, 2-6, 7-6(1), 6-3 to win the U.S. Open final on Sunday night. The victory vaulted the 19-year-old Alcaraz to No. 1 in the world.

JASON GAY

# Carlos Alcaraz Feels Right

The young Spaniard wins the U.S. Open—and the sport's post 'Big Three' future looks bright



Carlos Alcaraz felt inevitable at the 2022 U.S. Open. Maybe it was his five-set quarterfinal that ended triumphantly at the vampire's hour of 2:50 a.m.; maybe it was the five-set marathon before that, which finished at a far more civilized 2:23 a.m.

Maybe it was the way Alcaraz held off a furious comeback from U.S. comet Frances Tiafoe in Friday night's noisy semifinal—and then, when it was over, classily yielded the microphone to Tiafoe to bid New York City a tearful adieu.

Alcaraz was ready and roaring for a breakthrough. Sunday night he did it, defeating Casper Ruud 6-4, 2-6, 7-6(1), 6-3 in a rollicking match that again showcased the 19-year-old Spaniard's spectacular endurance and physical gifts.

It is the first major tournament victory of Alcaraz's young career and vaults him, auspiciously, to the World No. 1 ranking. He is the youngest No. 1 since they began charting rankings in 1973.

Alcaraz feels right. And right on time.

Men's tennis should be in a precarious position right now. The sport has spent a decade and a half watching its major trophies hoarded by a trio of all-time champions: Roger Federer, Rafael Nadal and Novak Djokovic. While the "Big Three" era is not over—it's still raging against the dying of the light, the scalpels of the orthopedics, and the travel restrictions of the CDC—there's fear of a crashing letdown when these wizards finally hang it up. How can anyone else possibly compete?

Alcaraz, that's how. Sunday night does not feel like a one-and-done. It feels like a beginning.

The teenager from El Palmar is a tornado of talent, to the point it's physically exhausting just to watch him play. To see Alcaraz scamper east to west on the baseline—and then west to east—or bound like a bunny to the net is to be reminded what an outrageous weapon youth can be.

Consider a key moment in Sunday's final, in the third set, tied 4-4 and 30-30 on Ruud's serve. Ruud and Alcaraz embarked on another epic rally which ended with Alcaraz swatting a forehand down the line

and sliding across the hard court on his belly, like Pete Rose taking third at Riverfront. Alcaraz's shot landed just wide, giving Ruud a critical point. And yet the teenager broke out into a wide grin, as if he couldn't believe he missed.

Of course he couldn't believe it—those shots often go in. Alcaraz plays circus tennis, running down balls almost everyone else surrenders to, throwing around his body in a way that recalls another teen wonder, Boris Becker, on the lawn at Wimbledon.

While it's dangerous to confirm a young tennis superstar—the practice courts are strewn with the epithets of phenoms burned by injuries and expectations—there's no player in the sport with his electrifying package. Alcaraz is now destination tennis, right up there with Nadal, Djokovic, and 41-year-old Fed if and when he returns.

They knew it in New York, where they came ready for a coronation. The 23-year-old Ruud is no slouch—he also would have been crowned World No. 1 had he prevailed. But Alcaraz had spent the better part of two weeks building a reputation via giddy highlights and last call victo-

ries. A tournament that began with a soaring farewell voyage for Serena Williams and peaked again Saturday with a straight-sets women's title for Iga Swiatek was ready to anoint the Next Big Thing.

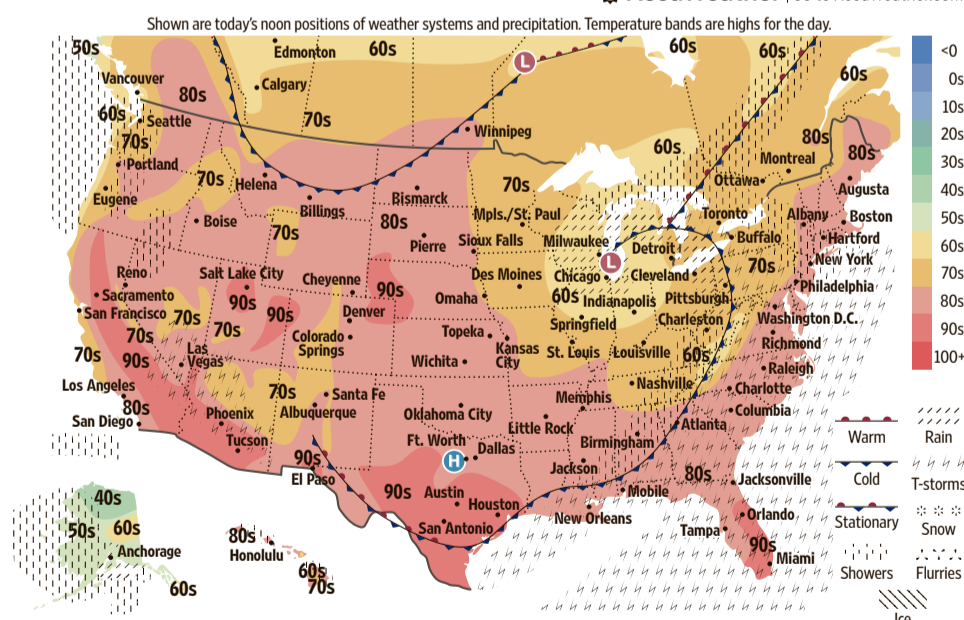
Alcaraz delivered. There were moments when he looked gassed—a zillion hours of tennis in two weeks will do that to you—but he still pulled off most of his parlor tricks.

Does he have weaknesses? Sure. Alcaraz can mentally check out of his own matches—he did a little bit of that Sunday, letting Ruud regain momentum and nearly take a 2-1 set lead. But mostly you look at Alcaraz and think: *phew*.

There was a minute during this tournament when Nick Kyrgios looked like the man to beat, and then he sank in a racket-cracking crumble. Alcaraz, by comparison, kept it steady. He didn't eat himself up. Taking a page from the lions Roger, Rafa and Nole, he picked up and moved onto the next.

Don't you want to see these valiant kings battle the prince? Is it too much to ask for? Men's tennis has had an embarrassingly brilliant couple of decades. In Carlos Alcaraz, it now has its future.

### Weather



Forecasts and graphics provided by AccuWeather, Inc. ©2022

### U.S. Forecasts

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

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Anchorage	57	50	sh	54	49	sh
Atlanta	82	59	t	82	62	s
Austin	92	65	s	96	66	s
Baltimore	84	66	t	81	61	pc
Boise	86	63	pc	82	59	pc
Boston	80	68	c	76	64	t
Burlington	80	66	r	73	59	t
Charlotte	84	63	t	83	60	pc
Chicago	64	57	sh	74	58	pc
Cleveland	71	55	c	70	60	pc
Dallas	87	65	pc	91	68	s
Denver	88	56	s	90	59	pc
Detroit	70	54	c	72	58	pc
Honolulu	88	76	pc	88	74	pc
Houston	91	69	s	90	69	s
Indianapolis	66	55	c	75	58	pc
Kansas City	82	55	s	88	62	s
Las Vegas	88	72	t	89	73	t
Little Rock	84	60	s	89	62	s
Los Angeles	81	67	pc	82	68	pc
Miami	92	80	t	92	79	t
Millwaukee	67	59	sh	76	60	s
Minneapolis	74	55	s	80	58	s
Nashville	78	58	pc	82	60	s
New Orleans	87	72	c	86	71	pc
New York City	81	71	t	80	63	sh
Oklahoma City	85	63	s	91	65	s

### International

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Amsterdam	74	63	pc	71	54	sh
Athens	85	68	s	83	67	s
Baghdad	110	78	s	111	81	s
Bangkok	90	77	t	90	77	sh
Beijing	90	64	pc	90	65	pc
Berlin	69	56	pc	70	54	pc
Brussels	76	61	pc	70	58	sh
Buenos Aires	62	52	s	64	53	s
Dubai	100	86	pc	104	89	s
Dublin	67	47	pc	65	47	pc
Edinburgh	64	49	sh	65	47	pc
Frankfurt	76	56	pc	71	61	pc
Geneva	77	57	s	81	63	t
Havana	90	72	t	90	72	t
Hong Kong	93	83	s	94	83	s
Istanbul	89	75	t	91	75	sh
Jakarta	86	63	s	83	63	s
Johannesburg	80	49	c	70	49	s
London	77	62	c	71	57	c
Madrid	88	66	t	76	61	t
Manila	89	79	t	89	79	c
Melbourne	55	39	pc	56	39	pc
Mexico City	73	56	c	73	57	sh
Milan	83	62	s	85	67	s
Moscow	55	45	c	61	46	pc
Mumbai	85	79	r	85	80	t
Paris	81	66	s	80	64	t
Rio de Janeiro	77	68	pc	81	70	pc
Riyadh	109	83	s	109	81	s
Rome	83	64	s	83	66	s
San Juan	88	78	t	90	79	pc
Seoul	83	68	pc	84	69	pc
Shanghai	83	75	pc	79	74	sh
Singapore	86	79	t	86	79	sh
Sydney	67	52	pc	60	50	r
Taipei City	82	77	r	83	77	r
Tokyo	82	75	pc	85	76	pc
Toronto	72	57	r	69	58	pc
Vancouver	68	55	s	67	55	pc
Warsaw	61	46	pc	67	58	pc
Zurich	74	51	s	77	62	pc

### The WSJ Daily Crossword | Edited by Mike Shenk

- UP IN THE AIR** | By Alexander Liebeskind
- Across**
- 1 Site of online auctions
  - 5 Capital of Morocco
  - 10 Feel the absence of
  - 14 Jay of "The Tonight Show"
  - 15 Swiftly, in poems
  - 16 Scandinavian capital
  - 17 Ordered list, from which you might order
  - 18 Tubular pasta
  - 19 Bolshevik's foe
  - 20 Object of temptation
  - 23 Restroom label
  - 24 Earth visitors
  - 25 Largest extant lizard
  - 31 Tel \_\_\_\_, Israel
  - 32 Pencil part
  - 33 Cry loudly
  - 36 Like many highways
  - 38 Carry-\_\_\_\_ (small luggage)
  - 39 Athlete's peak performance
  - 41 Quarterback Manning
  - 42 Ran amok
  - 45 Tehran's country
  - 46 Disastrous situation
  - 48 "Pan Pan" writer
  - 51 Be in a swing state?
  - 52 One's main source of income
  - 58 Once more
  - 59 Manicure targets
  - 60 Since
  - 62 In real time
  - 63 Notions
  - 64 Audacity
  - 65 Sinister look
  - 66 Scrumptious
  - 67 Chop \_\_\_\_
  - Down**
  - 1 Spreading tree
  - 2 Complaint
  - 3 \_\_\_\_ Domini
  - 4 Words to a chess opponent

- 5 Soccer star Megan
- 6 Copied
- 7 Alabama or Kansas, e.g.
- 8 Dermatologist's case
- 9 Like many Olympic gymnasts
- 10 Advil alternative
- 11 It's up for debate
- 12 Assassinated
- 13 Types
- 21 Garden section
- 22 Botanist's focus
- 25 Trendy salad green
- 26 Round figure
- 27 Skimpy skirt
- 28 Wilt, as a plant
- 29 Fiery speeches
- 30 Useful skill
- 33 Indian garment
- 34 Poet Khayyám
- 35 Nota \_\_\_\_
- 37 Celtic priest
- 40 They're added after things are wrapped up
- 43 "For real!"
- 44 "Clair de Lune" composer
- 46 Chest component
- 47 Mob informer
- 48 Hoops
- 49 Schwarzenegger, to fans
- 50 Christopher of "Deathtrap"
- 53 Zilch
- 54 Conks out
- 55 Harsh horn sound
- 56 Jacob's twin, in the Bible
- 57 Thing to play in a play
- 61 Cool, in dated slang, and what can follow the ends of 20-, 25-, 46- and 52-Across

### Previous Puzzle's Solution

The contest answer is CHARLES SCHULZ. For each theme answer, if you take a nickname for the first name plus the last initial, you get a word, like IKE A for ISAAC ASIMOV. Each of these words begins the clue for a grid answer (Ikea/CHAIR, mega/HIT, Tonya/ICE, Abel/POP, jacks/SPEED). The first letters of those answers spell CHIPS, which works like the theme answers did for Charles Schulz, with Chip a nickname for Charles.



## OPINION

## The Hot-and-Cold Economy



INSIDE VIEW  
By Andy Kessler

F. Scott Fitzgerald wrote that “the test of a first-rate intelligence is the ability to hold two opposing ideas in mind at the same time and still retain the ability to function.” George Orwell labeled the ability to double-think or indoctrination. Psychologists call it cognitive dissonance. I call it the current economy.

There are mixed signals everywhere. Inflation is running hot at an 8.5% annual rate—subtract food and energy and it’s 5.9%. Despite a string of long-overdue Federal Reserve rate hikes, credit is still loose and will be until short-term rates rise above inflation. At 2.25% to 2.5%, we have a way to go.

Prices are popping. Restaurants everywhere seem to have New York prices. Haircuts are more. Same for doctor’s bills, furniture and Uber rides. There’s still \$5 rotisserie chicken, and the \$1.50 hot-dog special, but it sure feels like Costco added a couple of bucks to every other item.

More heat: The U.S. economy added 315,000 jobs in August, and unemployment is 3.7% as workers are hard to find for the 11.2 million available jobs. Stores are closing or limiting hours owing to a lack of workers. And unionization is back, burdening Amazon, Starbucks and even Google’s cafeteria. A national railroad strike might hit soon.

Once wage hikes start, they are hard to stop. John Deere increased workers’ pay by 10% last November. Lowe’s is giving out \$55 million in bonuses this quarter. I expect more pay increases of 10% to 15% over the next year. The new- and used-car market is still tight because of chip shortages, but that’s almost over. Container ships now are idling outside East Coast ports, as I observed flying into New York recently. Hot, hot, hot.

Policy makers keep pouring gasoline on the inflation bonfire. California Gov. Gavin Newsom signed a law that would increase fast-food worker wages up to \$22 an hour next year from \$15. Expect 20% price increases, even for In-N-Out Burger’s “Animal Style” fries. After trillion-dollar spending binges in 2020 and 2021, Congress has piled on spending with the Inflation Reduction Act, a misnomer for a green pork bill, plus the unnecessary Chips+ Act with even more green goodies. And the Biden administration’s wave-of-the-hand student-loan forgiveness will have the same effect as sending out \$10,000 and \$20,000 stimulus checks. Fire in the hole.

But there are plenty of signs that the economy is weakening, most visibly at gas pumps. To whip inflation, rate hikes are becoming common. Chairman Jerome Powell said last month the Fed would take “forceful and rapid steps to moderate demand,” which might “bring some pain to households and businesses.” Ouch.

Beyond interest-rate bumps,

the Fed is sitting on \$9 trillion in reserves and running off \$95 billion a month in Treasury and mortgages. You can do the math: It will take five to seven years of quantitative tightening to return to more “normal” reserves. Continuous pain.

The average 30-year fixed-rate mortgage is now 5.9%, up from 2.9% a year ago. No wonder housing prices are dropping in many markets. Worse, new housing starts are headed

### With plenty of jobs and high inflation, the U.S. is between boom and bust.

south as mortgage payments become unaffordable for new buyers. This means construction job losses and lower demand for lumber, pipes, etc.

From Walmart to Target to Nordstrom, retailers over-ordered and now face a glut of product. They are slashing prices to move it, even renting shipping containers to store their overstocked inventory.

The pandemic and working from home pumped PC and laptop demand, but that is now cratering. Same for Peloton. Zoom usage is weakening. Chipmaker Nvidia announced a 17% shortfall in its sales outlook. Even Google had an earnings miss. Re/Max, Snap, Netflix, JPMorgan and many others are laying off employees.

Europe is a mess, with 10% or higher inflation in some countries. U.K. pub owners

complain that their electricity bills are tripling. The Nord Stream pipeline is shut down, and winter is coming. China may be a bigger mess, with its flat-lining economy. While zero-Covid lockdowns are partly to blame, real estate may be in a death spiral, with Evergrande-like defaults and loss of customer prepayments that could require massive bailouts.

Won’t all these weak economic signs douse the hot economy, killing inflation and allowing the Fed to stop raising interest rates? That mythical “soft landing”? I’m skeptical. Not to be a gloomy Gus, but here’s another scenario: Inflation persists. Rates rise. Credit tightens. Housing values drop. Corporate earnings miss. Recession continues. Earnings multiples contract. Layoffs accelerate. Wages stagnate. Then and only then will the Fed start lowering rates. That could happen in 2023, but it’s more likely to happen closer to the 2024 election.

Maybe understanding the economy’s mixed signals doesn’t require Fitzgeraldian intelligence or Orwellian indoctrination. The signals cause psychological dread, like walking a tightrope across Niagara Falls (slowly I turned . . .). Cognitive dissonance makes decision-making difficult. The stock market might continue to yo-yo up and down thousands of points, maybe for years, as investors hold two competing thoughts, boom or bust, in their heads—until one thought prevails.

Write to [kessler@wsj.com](mailto:kessler@wsj.com).

BOOKSHELF | By Allison Schrager

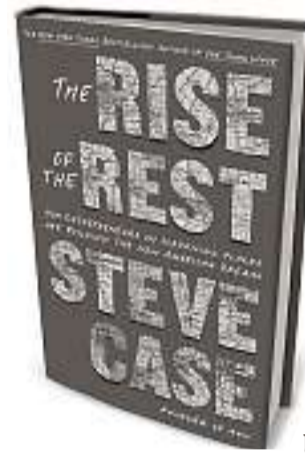
## Startups Across America

### The Rise of the Rest

By Steve Case  
(Avid Reader, 246 pages, \$28)

Steve Case, a co-founder of AOL, was one of the early internet pioneers. But he is not a creature of Silicon Valley. AOL, he points out in “The Rise of the Rest: How Entrepreneurs in Surprising Places Are Building the New American Dream,” was based in the Washington, D.C., area, and many of the early tech firms, like Dell, were not started in Silicon Valley. Hence his conviction that successful entrepreneurship can happen anywhere.

To prove it, he launched an initiative called Rise of the Rest. Since 2014 Mr. Case has been taking a coach bus on a series of tours all over the United States to see local entrepreneurship in action. The tours feature what sounds like a mashup of “American Idol” and “Shark Tank.” At the end of each one, Mr. Case holds a public competition for 10 local startups and, in a “high-octane



finale,” awards the winner a \$100,000 investment. The book describes some of the people he met and the companies he learned about on his journey.

With his initiative and now a tie-in book, Mr. Case is addressing two important problems. The first is that entrepreneurship has been trending down over the years. The second is that certain geographical areas, mainly big coastal metro cities, have grown fast, offering great opportunities but leaving the rest of the

country behind. For ambitious, educated people, moving to San Francisco or New York has become critical for success.

It seems that if we can light an entrepreneurial fire under the rest of the country, we can have broader prosperity. Perhaps Mr. Case will provide the spark. Not because he has enough money to fund every venture, but because he hopes he can inspire people all over the country to start a business or persuade talented people to move back home from the big city to do so.

Mr. Case reckons that we are entering a new phase of tech innovation. Success now requires not only software ingenuity but also industry expertise. If true, we could be due for a wave of local entrepreneurs because these are the people who are aware of the problems their communities face. Now that tech workers can work anywhere, local knowledge and expertise will be at a premium.

The author introduces us to Carter Malloy, who spent his childhood on a farm in Stuttgart, Ark., but eventually left to work for a hedge fund in San Francisco. While at the fund, he noticed that there was underinvestment in farmland: Investors didn’t know how to find good opportunities in rural America, and farmers were distrustful of financial markets. Mr. Malloy saw a chance to modernize agriculture finance and moved to Fayetteville, home of the University of Arkansas, to start a farmland investment fund. His knowhow and connections got local farmers to trust him—and helped build credibility among investors.

Another firm that Mr. Case discusses is Catalyte, a software company based in Baltimore. Founder Michael Rosenbaum was convinced that “potential talent was being overlooked by a system that valued pedigree over innate ability” and devised a hiring approach that would ignore traditional résumé points and instead match employees “according to their abilities and potential, which would be determined through carefully calibrated metrics and AI design.” To that end, Mr. Rosenbaum decided to launch his startup in Baltimore, “a post-industrial city . . . with a large, dislocated population of workers who were not connected to the future job opportunities.” His methods paid off, resulting in a diverse workforce and one that produced “off the charts” performance results.

### An AOL co-founder travels by bus on a series of tours around the country in search of local entrepreneurship.

According to Mr. Case, spurring regional entrepreneurship requires leaning on universities and building more “innovation districts.” But these zones, which contain startups, business incubators and investment funds that support one another, have a mixed record. He sees government involvement as crucial but doesn’t contend with its past failures or explain how existing institutions like the Small Business Administration could better serve modern founders’ needs. Before we lay out government funds, it seems we should figure out why we are in this unequal state in the first place.

The global economy today is ruthless to small businesses, with few stars emerging because economies of scale are bigger than ever and to compete you must scale fast. It is hard for the little guy to compete. Perhaps venture funds aren’t making investments in Duluth, Minn., because of these economic challenges, not simply because they don’t know about great entrepreneurs in Duluth.

Mr. Case doesn’t discuss most of these structural forces. The winners of his contests have received significant financing, but we’re never told how their ideas were made to scale. The author is right that new businesses need capital, and for him that means getting venture funds to invest in places other than the coasts. But he doesn’t articulate why selling equity in a nascent venture is better than, say, taking on debt. Often debt is a better deal for founders who don’t want to give up control or upside.

That said, it’s hard not to root for the people and communities in “The Rise of the Rest,” especially given the decline of economic dynamism in this country. “American Idol” was the start of something big, because it showed that talent was everywhere and that you didn’t need to go to Los Angeles or Nashville to be discovered in the music business. Perhaps Steve Case, with his tour across the country, is starting the same trend for entrepreneurship.

Ms. Schrager is a senior fellow at the Manhattan Institute and the author of “An Economist Walks Into a Brothel and Other Unexpected Places to Understand Risk.”

## Chilean Socialists Still Seek National Suicide



AMERICAS  
By Mary Anastasia O’Grady

A new Chilean constitution, put before voters for approval in a Sept. 4 referendum, aimed to expand the power of the state, enshrine new privileges for special interests, and divide the country into multiple nations. Its broad rejection—62% to 38%—signals popular support in the country for liberal democracy, individual freedom and equality under the law.

Yet it would be a mistake to conclude that Chile is now safe from the predations of the illiberal ideologues who wrote and backed the loony 388-article proposal.

Chile’s socialists and communists, the champions of the movement for a new constitution, aren’t going away. Neither are social democrats who campaigned against the latest draft but continue to insist that the country’s charter of rights must be rewritten. The left—center and extreme—will want to keep repeating some version of the exercise that lost last week until they get the guarantee of a bigger welfare state. Yes, it could be less bad than the first draft. But that’s not a vote of confidence.

The modern record of constitutional rewrites in Latin America is disastrous. It’s hard to think of a single instance in which the outcome hasn’t been a blueprint for limitless government assigned to deliver utopian solutions to

every human problem. Nevertheless, Chile’s center-right promised to go along with the farce of giving the left a mulligan and now they’re stuck.

It’s not what was agreed in Article 142 of the 2019 amendment to allow for the process of a rewrite. In reference to the constitutional assembly’s final text, it says: “If the question raised to the citizens in the ratifying plebiscite is rejected, [the current constitution] will remain in force.” In other words, the issue is dead.

Yet Congress is already working on a new law, and this one will skip a referendum on whether the nation still wants a new constitution. All that will be left for socialists is to try and try again until they get their collectivist ideals written into the highest law of the land.

There’s plenty of precedent for this strategy of perpetual do-overs—and not only in the developing world. The European Union constitution was twice defeated—by France and the Netherlands—in 2005 referenda. But big-state architects, dreaming of their Franken-bureaucracy in Brussels, refused to accept defeat. They retreated to “a period of reflection,” made revisions, and renamed the project the Lisbon Treaty.

When Ireland turned it down in 2008, changes were made to address Irish concerns. The countries where voters had approved the earlier document didn’t organize new referendums. Only the nation that had yet to give the right answer was asked to

reconsider. When Irish opponents of the treaty lost in the 2009 referendum, the voting stopped.

Rigging the democracy game, with the help of violence, is the forte of the Latin American left. The 2016 referendum in Colombia, which rejected the government’s amnesty for FARC narcoterrorists, was unilaterally annulled by President Juan Manuel Santos—even though he had promised the electorate would

### Voters repudiated a new constitution, but the political class won’t accept ‘no.’

have the last word. He promptly took the rejected deal to Congress, which he controlled, moved a few commas and had it rubber-stamped. Colombia’s political and economic elite went along with him.

In 2006-07 Bolivian strongman Evo Morales didn’t have the necessary two-thirds majority inside the constituent assembly to move the draft of a new socialist constitution to a referendum. His solution was to relocate the assembly to a different Bolivian city and employ force to keep opposition members out during the vote.

The intellectual author of that Bolivian power grab under the guise of democracy is former Bolivian Vice President Álvaro García Linaera. The Chilean press reports that Chilean

President Gabriel Boric is a follower of the Bolivian Marxist and former guerrilla.

Mr. Boric and his ilk claim that the current constitution is an artifact of the rule of Gen. Augusto Pinochet, and therefore must be shredded. But it has been heavily amended by left-of-center governments since the country returned to democracy 33 years ago. It’s far different than it was in 1980, and certainly not lacking in political rights. In 2005, during the presidency of Ricardo Lagos, a large overhaul of the document ended senators-for-life and senatorial appointments.

This isn’t to minimize the public’s grievances about inadequate old-age subsidies for those who don’t work in the formal economy or about the state’s inferior record on health, education and personal security. Life has gotten more difficult under Mr. Boric. Naturally many people want the government to help them.

Yet opening the Pandora’s Box of constitution-writing is no way to solve these problems. Making people better off requires new and innovative changes to public policy, which is made through legislation.

Some believe that promising to offer a next time was the only way to win on Sept. 4 and that social democrats can contain the passions of the weakened Mr. Boric and the extreme left. Perhaps. But the likeliest outcome is a less free, more populist Chile, which will damage economic mobility and living standards.

Write to [OGrady@wsj.com](mailto:OGrady@wsj.com).

## King Charles Has Big Sensible Shoes to Fill

By Tunku Varadarajan

There’s been a distinct downgrade at Buckingham Palace with the ascent of King Charles III to the throne. Charles will be a good king, but not a great monarch like his mother. History tells us that it’s rare to have two in succession.

This isn’t the first time Charles has looked second-best in a comparison. In the 15 years he was married to Diana Spencer, his first wife—years in which he was, surely, the least uxorious man in Christendom—he came almost to be reviled by a public that was besotted with the princess. Her death in 1997 threatened to do more damage to the British monarchy than any event in the modern age, with delirious Britons accusing the queen of callousness—which is to say that she didn’t behave in the same unhinged way as those

who rent their garb and wept outside the palace gates.

The queen reinvented herself in response, allowing her upper lip to quiver a little. Charles, now with the woman he truly loved, Camilla Parker Bowles, resumed the long wait for the throne. The spotlight on him was often unkind, sometimes harsh, the scrutiny of his character microscopic. A man of ideas, with a greater breadth of culture than any British royal before him, Charles strove to cultivate interests that would save him from being a cipher—architecture, the environment, spirituality. He was woke before the term was coined, earning derision for views that

### He’ll be good, but it’s rare to have two great monarchs in a row.

times harsh, the scrutiny of his character microscopic. A man of ideas, with a greater breadth of culture than any British royal before him, Charles strove to cultivate interests that would save him from being a cipher—architecture, the environment, spirituality. He was woke before the term was coined, earning derision for views that

hadn’t passed into the mainstream. The British—the English in particular—have an expert sense of the boundary between eccentricity (which is good) and weirdness (which isn’t). Charles didn’t just blur the line, he sauntered across it.

He was mocked, also, because the queen was unmockable. Britons, on the whole, are irreverent, not iconoclastic. He was the perfect target for satire. He said embarrassing things. He tried too hard. He craved approval. He was vulnerable, having been raised by a mother who had no time for him as a child and a father whose idea of affection was to acknowledge his son’s existence. He was homesick and miserable at boarding school.

King Charles can take strength from the inherent monarchism of the British people, which grew even stronger in the last two decades of Elizabeth’s reign. As

Clement Attlee, Britain’s first postwar prime minister, suggested in an essay in 1952, the working class tends to be anticapitalist, not antimonarchist. The monarchy strikes an atavistic chord with all classes.

Charles is no longer the man who talks to his plants but the figurehead who must keep the kingdom whole during a tricky time. There’s a Hail-Mary prime minister in Downing Street. Brexit festers like an open sore. And the silver Scots want to secede. In all of this, the crown sits on the head of a kindly, subdued man, undervalued all his life. This is his chance to be his mother’s son.

Mr. Varadarajan, a Journal contributor, is a fellow at the American Enterprise Institute and at Columbia University’s Center on Capitalism and Society.



## OPINION

## REVIEW &amp; OUTLOOK

## Ukraine Takes the Offensive

Ukraine's counter-offensive against invading Russian forces is an important turn in the war, though not without peril as Vladimir Putin calculates how to respond. Western leaders have to be prepared that he will use nuclear weapons, or attempt to involve NATO directly in the conflict.

In less than a week, Ukrainian forces have retaken some three thousand square kilometers from the Russian invaders. That's more Ukrainian territory than Russia has seized since April. "The Ukrainian counter-offensive in Kharkiv Oblast is routing Russian forces and collapsing Russia's northern Donbas axis," says the Institute for the Study of War, which has ably tracked the conflict.

\* \* \*

The counter-offensive's early success is notable for its planning and deception. Ukraine advertised for months that it was planning to advance in the country's south, around the city of Kherson, and Russia sent reinforcements there. Ukraine has made some gains in the south, but it seems to have caught the Russians by surprise around Kharkiv. Ukraine's military intelligence, no doubt with U.S. help, seems to be better than Russia's.

Also striking is the chaotic Russian retreat in the Kharkiv region, suggesting poor morale and military leadership. A Ukrainian soldier fighting near Balakliya and Izyum texts our Jillian Melchior: "We knew that there were morale [problems] within Russian troops. But we were shocked how much tanks and armored vehicles etc. they drop behind. Fight is over. They're afraid to be surrounded. That's why they run so quickly. We need to push harder."

The desire to push harder suggests how much the Russian retreat is helping Ukrainian morale. Superior Ukrainian military esprit in defense of the homeland has been an advantage from the beginning. This is in contrast to Russian troops, who are dying by the thousands in a campaign in a foreign country.

The territorial gains are strategically significant because they complicate Russia's ability to reinforce its troops. The Institute for the Study of War said Sunday that Ukraine has taken the city of Izyum, which is a necessary step toward liberating Ukrainian troops that have been pinned down in Slovyansk. The advances build on one another.

The offensive vindicates Ukraine's assurances that with enough advanced Western weapons it could retake territory. After Ukraine's early victory in defense of Kyiv, the

U.S. and Europe let Russia gain an artillery advantage in the Donbas. But once the U.S. supplied longer-range rockets and artillery, especially precise HIMARS, it has become a more even fight. Ukraine's recent advances show the U.S. should supply even more HIMARS platforms, and not merely more rockets for the 16 platforms Ukraine

currently has.

\* \* \*

Ukraine's advances raise the stakes for Mr. Putin. Russian military bloggers are sounding the alarm, but Mr. Putin has been reluctant to mobilize the entire country for his "special military operation," lest he court more domestic opposition. Russia's response on Sunday to its recent losses was to attack power stations in Kharkiv and other cities. This is an attack on electricity for civilians.

The Russian is capable of anything. He could engage NATO forces in some fashion that he would blame on the West and use to justify a military draft. He's meeting this week with Chinese President Xi Jinping and is likely to seek direct military aid that the U.S. says Beijing hasn't provided so far. He's also likely to cut off energy supplies to Europe even more than he has to keep the pressure on the West as cold weather arrives.

Russia's use of chemical and tactical nuclear weapons also can't be ruled out. The use of battlefield nukes is part of standard Russian military doctrine. Rather than lose in humiliating fashion, Mr. Putin may calculate the military benefits are worth the risks.

We hope Western leaders have been mulling how to respond rather than thinking it can't happen. One point to make clear is that the fault would be all Mr. Putin's, not Ukraine's. Factions in the West, on the right and left, believe Ukraine should be left to its fate without Western aid, and they will blame Ukraine for having the nerve to defend itself against a brutal invader.

A nuclear escalation can't be accepted as normal warfare. Radiation fallout could reach NATO territory. NATO will have to increase its military aid and let Ukraine take the fight inside Russia. We hope Western leaders are making clear to Mr. Putin that he will become a global pariah if he does go nuclear.

The prospect is horrific to contemplate, but this is the reality of a world with dictators on the march after decades of Western complacency. Ukraine's advances are encouraging, but Mr. Putin's threat to the world is far from over.

### The wild card is how Putin responds. Will he use a nuclear weapon?

### The budget gnomes explain why student loans aren't 'paid for.'

## CBO Rebuts the White House

We told you on Saturday about the hilarious White House claim that its trillion-dollar student-loan cancellation won't add to the federal deficit. Now comes the Congressional Budget Office to show how dishonest the White House claim is.

CBO released its monthly budget review for August on Friday, and it confirms our explanation for why the deficit has so far fallen some \$1.77 trillion to \$944 billion this fiscal year. Some major pandemic spending programs have ended as planned, and taxpayers have chipped in \$822 billion through August in additional revenue. Individual income taxes alone are up 32% in the year, to \$2.41 trillion.

CBO's punch in the White House gut on student loans comes in a special note. "Ordinarily, with just one month left in the fiscal year, projecting the annual deficit would be relatively straightforward," CBO says.

But President Biden's loan write-offs "add significant uncertainty because they may lead to the recording of substantial outlays in September," CBO adds. "If significant numbers of student loans are modified in September, the 2022 deficit could be considerably larger than

CBO has estimated. Some of the announced changes (such as the changes to income-driven repayment plans) will increase deficits in future years."

No wonder the White House pretends the write-offs will cost only \$24 billion a year. And no wonder its spinners are trying to obfuscate the real cost with nonsense about it being "paid for" by deficit reduction that has nothing to do with student loans. As Purdue University president and former White House budget director Mitch Daniels put it on these pages last week, the federal student loan program has long been "draped with duplicity."

Remember in 2010 when Democrats promised that their federal takeover of student loans would save taxpayers money? They used that phony accounting to claim ObamaCare was fully paid for. Now we know that students loans could cost taxpayers up to \$1 trillion, according to the Penn Wharton Budget Model.

The federal student-loan program is one of the greatest policy failures, and one of the greatest examples of government duplicity, in history. CBO confirms how the White House is willfully compounding the deceit.

## The Manchin Permitting Watch

More than a month has passed since Sen. Joe Manchin announced he cut a super-secret side deal on permitting reform with Democratic Leader Chuck Schumer. Not to be impatient, but... where is it? The biggest news on this topic in Washington is the list of Democrats who are now lining up to throw Mr. Manchin under a subsidized electric bus.

Sen. Bernie Sanders was the latest in a Thursday speech. "I rise this morning to express my strong opposition to the so-called side deal that the fossil-fuel industry is pushing to make it easier for them to pollute the environment and destroy our planet," he said, with all the modesty of socialism. "At a time when climate change is threatening the very existence of our planet, why would anybody be talking about substantially increasing carbon emissions and expanding fossil-fuel production?"

One answer to Mr. Sanders is that even assuming the need for an energy transition, fossil fuels are still needed today and tomorrow. Look around: California is struggling to avoid electricity blackouts, while America's allies in Europe are contemplating energy rationing this winter. Another answer to Mr. Sanders is that permitting reform could also expedite transit projects or solar farms. There's a reason the American

Wind Energy Association celebrated President Trump's permitting changes.

Mr. Schumer plans to attach the permitting deal to a government-funding bill, which could make it hard for congressional Bernie bros to block. But a House opposition letter last week, warning about "environmental justice," gathered 70 signatures. Maybe a secondary goal is to get Mr. Manchin to retrench behind the scenes.

The risk is that in order to claim a permitting victory, he might settle for weak reforms that won't matter in the real world. There have been suggestions that Mr. Manchin wants to reinforce timetables for government agencies to do permitting reviews. But with what exceptions, and will there be some catchall language to preserve every existing right of activists to bring lawsuits after the fact? Such a deal wouldn't be worth much, and remember Mr. Manchin purchased it with \$433 billion from taxpayers.

It's hard to know until Mr. Manchin releases the deal's text, and we hope that language isn't also super-secret until it's snuck into a bill at the last minute. The longer this goes on with progressives getting organized, the more we wonder what's going in the negotiating room. Is permitting reform being sawed and sanded down to a nub? The world is watching, Joe.

### If Democratic critics can't block it, can they make him shrink it?

## LETTERS TO THE EDITOR

## Don't Let Colleges Off the Hook for Loan Debt

Mitch Daniels makes many insightful points in his indictment of the utterly failed and, as he says, "bankrupt" system of federal student loans ("Student Loans and the National Debt," op-ed, Sept. 2). Among the most important is that the colleges "encouraged students to borrow." The colleges played the same role in this credit disaster as subprime-mortgage brokers did in the housing bubble: inducing excessive debt while sticking somebody else with all the risk.

ALEX J. POLLOCK  
Lake Forest, Ill.

It was rich to read Mr. Daniels laud the character development of Purdue students that causes them to repay their student loans while their "less-responsible contemporaries" were bailed out by President Biden's student-loan forgiveness. Purdue was able to freeze tuition by doing exactly what Mr. Daniels said it wasn't doing: "We haven't driven up our percentage of international or out-of-state stu-

dents," he told the Atlantic in 2020.

Purdue's data suggests otherwise. Between 2012 and 2021, student enrollment increased: The university added 950 in-state students and 9,013 out-of-state students. These students pay 288% more than in-state students and come from wealthier families.

Around 35% of all college students receive Pell grants, but only 14% of incoming Purdue students do. A study by Opportunity Insights indicated that 54% of Purdue students come from the top economic quintile, and only 4% from the bottom. Among 377 selective public colleges, Purdue ranks 331st in percentage of students from families earning less than \$20,000 a year.

Mr. Daniels has no standing to criticize students who take loans because they didn't have the same privileges as the ones he recruited.

WALTER M. KIMBROUGH, PH.D.  
Atlanta

Mr. Kimbrough was president of Dillard University and Philander Smith College.

## Museums, Politics and the Experience of Art

In "When Connoisseurs Yield to Commissars" (op-ed, Sept. 3), Eric Gibson cites an exhibition at the Isabella Stewart Gardner Museum, "Titian: Women, Myth & Power," as an example of "ideologues for whom aesthetics is less important than ensuring we view art through progressive lenses." This is a false dichotomy. It's possible to share extraordinary art and offer visitors a way to interrogate those works through the lens of their own lives.

Art transports us. As Mr. Gibson writes, "You are placed in an altered relationship with the past, your own time and, hopefully, your sense of yourself." Providing responses by artists and community members encourages that personal exploration.

To pretend that Titian's work is devoid of political meaning is to ignore its historical context. In the 16th-century imagination, the mythological rape of Europa marked the founding of Europe and expansion of the Western world—something hardly lost on Titian's patron, King Philip II of Spain, as he expanded his global empire.

We can both honor the aesthetic and excavate other truths. I'm confident in our visitors to do just that.

PEGGY FOGELMAN  
Director

Isabella Stewart Gardner Museum  
Boston

At a gallery of Greek sculpture in a major East Coast art museum, I was confronted with an interpretive plaque that essentially apologized for earlier "elite" collectors who favored "classical" Greek sculpture over that of other cultures. It informed me that in ancient Greece, "slavery was common and women and immigrants were often marginalized."

In the museum's Dutch galleries, one interpretive label informed me that global warming has reduced opportunities for ice skating on Dutch waterways. Another explained that Dutch wealth was partly derived from slavery. Next I saw a contemporary work by a Native American artist that consists of photographic images of a bust of George Washington, partially effaced by superimposed images connected to what the label alludes to as an "attempted genocide."

While I strongly support collecting art from historically underrepresented groups, I find that ideological statements and apologies for past collecting practices are detracting from, rather than enhancing, my experience. Mr. Gibson implores us to insist that art museums revert to their primary mission, or "something precious and irreplaceable will be lost." I feel that I am already beginning to experience that loss.

LINDA SANDHAUS  
Cleveland

## Federal Trade Commission vs. War on Cancer

Thank you for the editorial "Anti-trust's Unholy Grail" (Sept. 7) on the fate of Illumina's acquisition of Grail, the firm behind the miracle of blood tests that can detect early-occurring cancer cells, enabling early treatment for at least 50 types of cancer.

Previous U.S. presidents announced a war on cancer. President Biden has said much the same. Yet now that Grail has an amazing test, the Federal Trade Commission sees reasons to stop it from getting the help it needs to make its test more widely available. The FTC does so even though Illumina and Grail began as one company.

The actions of the FTC have delayed and increased the cost of this

unique U.S. cancer-detection tool. I am worried about cancer. Do I have to wait for the FTC to tie Illumina and Grail in court before these tests can be widely used in America?

STANLEY BRANDWEIN  
Boynton Beach, Fla.

## Clean-Energy Agenda Runs Up Against Reality of Delay

Mario Loyola's op-ed "Clean Power? Where's Your Permit?" (Sept. 1) highlights the difficulties of obtaining timely permits from multiple agencies for new energy sources. As an executive with experience navigating statewide permitting processes, I believe there is a substantial disconnect between President Biden's clean-energy goals and the government's ability to deliver on time.

I travel frequently between Cincinnati and Chicago, and the 800-megawatt wind-turbine system along Interstate 65 in Indiana took about 10 years to install, beginning in 2008 when there were fewer environmental regulations. Without a significant change in how the U.S. manages infrastructure projects, the clean-energy goals have little chance of being completed on time.

KELLY P. KING  
Cincinnati

I was reminded of that classic motto of bureaucracy: Delay is the deadliest form of denial.

EDWARD P. McMAHON  
Williamsburg, Va.

## Pepper ... And Salt

THE WALL STREET JOURNAL



## Can One Be a Semi-Fascist?

Isn't being a semi-fascist, as President Biden described a great many Republicans ("Speaking of 'Semi-Fascism'" by Daniel Henninger, Wonder Land, Sept. 1), a lot like being a little bit pregnant?

CHRIS J. GUTIERREZ  
Georgetown, Texas

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.



## OPINION

## How to Beat China in the New Space Race

By Arthur Herman

It's been 60 years since President John F. Kennedy declared "we choose to go to the moon." In a landmark address at Rice University on Sept. 12, 1962, Kennedy affirmed America's commitment to the space race with the Soviet Union. Seven years later, Neil Armstrong and Buzz Aldrin landed on the moon—one of the most significant moments in the human history.

Today we are in a new space race, this time with China. And our economic and national security both are at serious risk.

**It's about more than money. The U.S. needs a strategy to harness private innovation.**

The experts are worried, according to a report from the State of the Space Industrial Base conference, held in June and sponsored by the U.S. Space Force, the Defense Innovation Unit and the Air Force Research Lab. For the first time since the conferences began in 2019, the 350 participants from industry and government were pessimistic about the U.S. space sector. They predicted that China will overtake the U.S. as the dominant space power by 2032.

It isn't only a question of money. The annual budgets for the National Aeronautics and Space Administration (\$24 billion) and Space Force

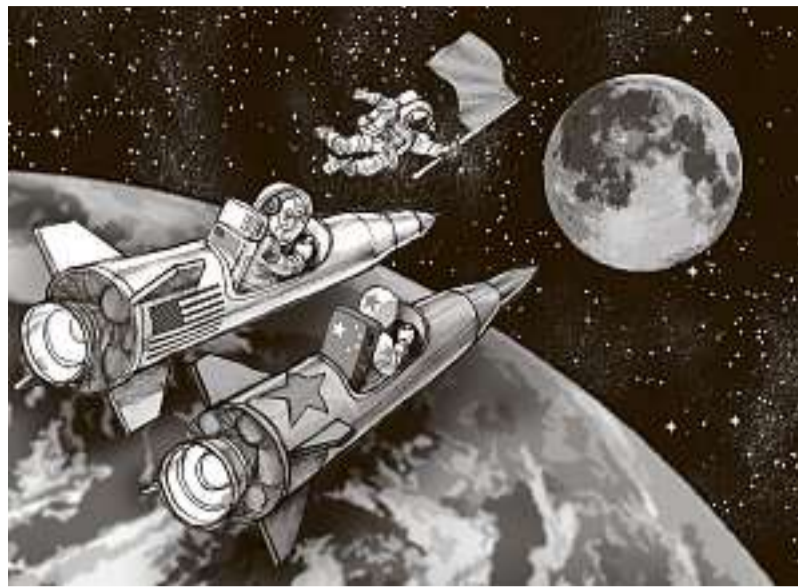
(\$24.5 billion) dwarf what the Chinese government officially spends on its space programs (\$10.29 billion in 2021). It's a matter of having the right strategy for harnessing the energy and innovation of private industry so America's space leadership doesn't get stuck on the launch pad like the current Artemis I mission has.

Xi Jinping was forthright about China's strategy in the preamble of a January 2022 white paper: "To explore the vast cosmos, develop the space industry and build China into a space power is our eternal dream." Boosting China's commercial space industry is a critical part of this plan, "which is subject to and serves the overall national strategy." According to the Chinese data company Qichacha, there are now about 95,000 space-related enterprises in China. The country will complete more than 60 space launches in 2022, surpassing its record-setting 55 successful launch missions in 2021.

If China becomes the dominant space power in the next two decades, that will put in Beijing's hands the future of global telecommunications, space exploration and human settlement as well as the application of space satellites and technology for strategic and military use.

If NASA Administrator Bill Nelson is correct and China is already laying claim to the moon, it's clear that to win the space race, the U.S. needs a national strategy for maintaining and promoting America's leadership in space.

The first step is strengthening our space industrial base. Kennedy's



DAVID KLEIN

1962 speech came at a time when it was clear that the federal money poured into the Mercury, Gemini and Apollo programs (more than \$110 billion when adjusted for inflation) would feed American industry and workers, while the innovative technologies that government developed to reach the moon and space would benefit the nation. Those innovations included computers, semiconductors and fire-resistant polymers.

Today, companies like SpaceX and Blue Origin lead in innovation and productivity. SpaceX alone conducted 37 orbital launches so far this year. America's dominance of a commercial space sector that reached \$469 billion in 2021 globally, according to the Space Foundation, will be

an essential support for our national defense and intelligence communities. These companies also are a springboard to a future space sector that includes economic activity on the moon and Mars. U.S. military and intelligence services will depend on the private companies that build the rockets, launch and track the satellites, provide the sensors, optical equipment, and encryption that keeps data and images secure, and provide ground support to missions in the sky.

A World War II-style mobilization model for harnessing this thriving commercial base to support national security is a key to the future of American space leadership.

Space will be the next great commons, a shared global resource like

the oceans or cyberspace. History shows that these great commons are inevitably a source of competition and conflict, not voluntary cooperation. Whoever dominates space will determine the future of nations. We have to abandon the globalist fantasy that the U.S., China and Russia will work together to keep space rules-based, free and open.

For a global shared resource domain to benefit all, it needs rules as well as a rule maker and enforcer. In the case of the oceans, for 200 years that was the British navy; in the 20th century it was the U.S. Given what we know of China's behavior in other circumstances, American leadership in space is essential for the future of humanity.

Kennedy himself struck this note in his Rice University speech. "We set sail on this new sea because there is new knowledge to be gained, and new rights to be won," he said. "For space science . . . has no conscience of its own. Whether it will become a force for good or ill depends on man, and only if the United States occupies a position of pre-eminence can we help decide whether this new ocean will be a sea of peace or a new terrifying theater of war." Sixty years later, we face a similar choice when it comes to the space race. How we respond will determine the future of space and the future of freedom in the 21st century.

*Mr. Herman is a senior fellow at the Hudson Institute and author of "To Rule the Waves: How the British Navy Shaped the Modern World."*

## Amazon Discovers That Even Paranoids Have Competitors



LIFE SCIENCE  
By Allisia Finley

Former Intel CEO Andy Grove warned in his book "Only the Paranoid Survive" (1988) against the "inertia of success." It's what venture capitalists often refer to as a competency trap. Businesses that succeed at one thing can get swept away by technological and market changes if they don't evolve.

Thus explains Amazon's recent bids for iRobot, maker of the Roomba vacuum cleaner, and One Medical, a network of primary-care and telehealth providers. Contrary to what some of its critics claim, Amazon isn't trying to pry into every nook and cranny of your home and health records. It's merely striving to keep up with fast-moving markets and technology.

Amazon boasts some 170 million Prime subscribers, who pay membership fees for free one-day delivery on many products, video streaming of select TV shows, movies and live sports, and other perks. Despite its enormous reach, Amazon's retail divisions lost \$2.4 billion in the last quarter—a sharp swing from its \$3.5

billion in profit during the same period last year.

Since taking the reins in July 2021, CEO Andy Jassy has been seeking to reverse the earnings slide by streamlining the company's retail operations and closing distribution facilities. Amazon's workforce shrank by roughly 100,000 during the second quarter of this year.

While many progressives cast Amazon as a monopoly, to Mr. Jassy it probably doesn't feel like one. The company has been fast losing ground to Walmart. Profits from Amazon's dominant cloud service are helping support its struggling retail operations, but such internal subsidization can't continue indefinitely as cloud computing grows more competitive.

That Prime members haven't canceled their subscriptions doesn't mean they won't when they discover they could get more value for their buck elsewhere. Walmart's membership service costs about \$40 less a year and also offers free next-day delivery—plus gasoline discounts. The company recently inked a deal to provide its members with a free annual subscription to the Paramount+ streaming service (a \$59 value). If that isn't enough to keep Amazon executives up at night, Walmart is pioneering

drone delivery and launching its own healthcare network.

Then-CEO Jeff Bezos made news on CBS's "60 Minutes" in 2013 when he previewed a delivery-by-drone service that aimed to whisk packages to customer homes within 30 minutes. After nearly a decade and more than \$2 billion in spending, the project is only getting off the ground

**Its bids for iRobot and One Medical aren't an attempt to take over the world but to keep up with Walmart.**

now. Amazon plans to launch a pilot service this year in Lockeford, Calif., population 3,572. Walmart, for its part, is expanding its up-and-flying drone delivery service to up to four million households in six states. Alphabet's drone delivery service is also lapping Amazon's.

Hence Amazon's \$1.7 billion bid for iRobot, which is a naked play for the company's artificial-intelligence and robotics expertise. Amazon's home-monitoring Astro robot—currently available to consumers by invitation

only for \$999—has been widely panned by tech reviewers. Privacy scolds claim Amazon wants to use the Roomba to map people's homes, but that's paranoid.

Amazon simply doesn't want to catch the next big wave in tech innovation late—again. In 2014, the company belatedly launched a relatively primitive smartphone, which it discontinued a year later. The company took a \$170 million write-off on the project. It was similarly late to enter the restaurant-delivery market and struggled to compete with the likes of Grubhub and Uber Eats. It ended its service in 2019, though it recently announced it would provide Prime members free Grubhub subscriptions for a year.

Progressives believe that Amazon and other big tech companies need only plow money into an endeavor to surpass competitors. No doubt they wish it were so.

Earlier this month, Amazon shut down its in-home health and telehealth venture that it launched in 2019, after few businesses signed up for the service. Amazon has apparently realized that it's easier to buy its way into the healthcare market than build its own service from the ground up.

One Medical would provide Amazon a network of 188 primary-care clinics and more than 8,000 employer-customers who pay for their employees' access to the network. Employees can book virtual and in-person appointments within 24 hours for basic medical procedures like Pap smears. Here, too, Amazon seeks to compete with Walmart, which last year acquired a telehealth provider and boasts 27 clinics across four states.

But Amazon also has to contend with its archnemesis in Washington—Federal Trade Commission Chair Lina Khan. Ms. Khan made a name for herself in progressive circles by arguing in a 2017 Yale Law Journal article, "Amazon's Antitrust Paradox," that the company's "aggressively pursuing growth at the expense of profits" was anticompetitive even if it benefited consumers.

The FTC earlier this month launched a review of Amazon's iRobot and One Medical acquisitions. Ms. Khan no doubt realizes it would be very difficult to break up Amazon, but she could instead try to stop it from buying companies that could help it evolve as its competitors do. Maybe that's being too cynical, but only the paranoid survive.

## I Wasn't Never Trump—but I Say Not Again

By Dave Seminara

The media typically divides the GOP into two camps, Trump supporters and Never Trumpers. Many Republicans I know fall into neither one. We oppose Never Trumpers on ideological grounds, but we're also exhausted with Donald Trump, convinced he's damaging our side's chances in the midterms and will lose in 2024 if he's the GOP nominee.

I left the country for nearly a month this summer and came back to find that Democrats were rising in generic polls and President Biden's approval rating had ticked up. That shouldn't be possible given the state of dysfunction in which we now live. If the Republicans can't make big gains in the midterms and recapture the White House in 2024 with the hapless Mr. Biden at the helm, the GOP needs a revolution, starting at the top.

I'm about to turn 50 and can't recall ever feeling so pessimistic about our leaders and the direction of the

country. The stock market had its worst first half of a year in my lifetime, and I don't have the stomach lately to check and see what's left of my investment portfolio. Inflation is higher than it has been since I was in elementary school, and mortgage rates are around 6%.

Under Mr. Biden's watch, disorder reigns. America has lost control of its southern border, drug overdoses have reached an all-time high, and violent crime has increased thanks to soft-on-crime policies and a lack of support for the police. His party's commitment to teachers unions and pandemic school closures have led to declining test scores and an epidemic of chronic absenteeism. Abroad, the U.S. has bumbled into disaster after disaster. We gifted the Taliban billions in weaponry during a chaotic withdrawal in Afghanistan, which—along with other administration ineptitudes—emboldened Vladimir Putin to launch an invasion of Ukraine.

Yet our president blames his failures on "ultra-MAGA" Trump voters,

whom he often likens to domestic terrorists. Consumers of conservative media gorge on clips and coverage of Mr. Biden's every gaffe and wonder how anyone can support him. People still do in large part because the mainstream media keeps the spotlight off the president and on, you guessed it, Mr. Trump. Independents and moderate Democrats should be flocking to the GOP, given Mr. Biden's commitment to radical and haphazard progressive policy. But many voters don't want anything to do with a party that's clueless enough to keep Mr. Trump as the headliner of its show.

The former president's most ardent fans fail to grasp the depths of his unpopularity. Some seem to live in a fantasy land, still believing he won 2020 in a landslide. Many Republicans who should know better continue to indulge these delusions to the detriment of their party and the country.

Only 27% of Americans want Mr. Trump to run again, and there are better options for 2024. While the

former president is fixated on himself, the governor of Florida, my adopted home state, is more focused on policy. A recent Economist/YouGov poll showed that while Mr. Trump's favorability is 17 points underwater, Gov. Ron DeSantis is plus two—despite ferociously negative and misleading press.

**By staying in the spotlight, he makes it hard to hold Biden and the Democrats to account for their mess.**

And yet we've seen no indication that Mr. DeSantis or any other leading Republican with a serious chance of beating Mr. Trump is willing to engage in the brass-knuckle brawl necessary to dethrone him. (Rep. Liz Cheney has a 17% approval rating among Republicans, so she can make lots of noise but won't get anywhere.) And so,

anti-Trump and anti-Never-Trump Republicans like me are stranded in the political wilderness.

This problem extends beyond potential 2024 contenders. Though they have to know Mr. Trump is a liability for the party, many influential conservatives seem afraid to criticize the former president and risk offending his base. This allows Democrats and the media to suggest that the choice for Republicans is between Mr. Trump or someone who can never get the party's support, such as Sen. Mitt Romney or Ms. Cheney. Only 57% of Republicans want Mr. Trump to run again, but that could be enough with a crowded field. On Super Tuesday in 2016 he won 34% of the vote, compared with 29% for Ted Cruz and 22% for Marco Rubio.

If Republicans want to escape the nightmarish conditions Mr. Biden has inflicted on the country, they can't allow Mr. Trump to continue to lead the party. Mr. DeSantis and other conservative leaders don't have to denounce the former president. But they must distance themselves from him and talk Mr. Trump's most ardent supporters off the ledge, making the case that competency and substance are more important than bluster and bravado.

The best-case scenario for the left is for Republicans to succumb to their fears and stick with an unpopular, polarizing candidate who would re-enter the White House at 78 if elected. The Democrats made a similar mistake in 2016, making the unpopular and polarizing Hillary Clinton their candidate, essentially because it was "her turn" and they didn't want to offend her supporters. We all saw how that turned out.

*Mr. Seminara is a former diplomat and author of "Footsteps of Federer: A Fan's Pilgrimage Across 7 Swiss Cantons in 10 Acts."*

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## Notable &amp; Quotable: Schools

Jill Filipovic writing for CNN.com,  
Sept. 6:

Unfortunately, too many progressives who otherwise espouse the value of education have been quick to brush off learning losses as insignificant, and the dearth of pandemic-era in-school education as simply "different learning experiences." Whatever one's view on the wisdom of school shutdowns during Covid—and people can certainly have good-faith disagreements about when and why and for how long shutdowns were appropriate—it is a dereliction of adult responsibility to suggest that the impact

of the shutdowns is no biggie.

The question now is twofold: What can we learn from the past, and how can we move toward a better future for the students we have so badly let down?

The first step for progressives must be acknowledging that there is indeed a problem, even if some believe it was borne [sic] of necessity. And the next step is to seize the narrative from the Republicans who have grasped it, overwhelmingly to their benefit, to argue that liberals are eager to alternately indoctrinate your children or shut their schools down.



## WORLD NEWS

## U.K. Begins Long Goodbye to the Queen

Tens of thousands watch as monarch's cortege travels from Balmoral to Edinburgh

By **STU WOO AND TREFOR MOSS**

EDINBURGH—Queen Elizabeth II's coffin was taken by hearse from her holiday home at Balmoral Castle in northeastern Scotland to this stately Scottish capital on Sunday, as tens of thousands of mourners lined up to pay their respects to Britain's longest-serving monarch.

The journey through the Scottish countryside was the first stage in Britain's long goodbye to its queen, a process that will culminate with a state funeral on Sept. 19.

Balmoral, where the queen died last week, was her beloved residence in northeast Scotland, where she spent summers with her family. It was said that at Balmoral, bought by Queen Victoria in the 19th century, the queen could hang up her crown briefly and enjoy life and family.

The convoy, led by a police escort, made its way through nearby towns and the cities of Aberdeen and Dundee for 174 miles before arriving in Edinburgh on Sunday afternoon.

As the cortege made its way through the city, tens of thousands of mourners jammed the narrow streets, which were festooned with royal banners. Many stood in respectful silence, others clapped to honor the queen. Some wept.

"Life will go on, but it's as if we've all lost our grandmother," said Dave Cullen, a 47-year-old photographer and naval reservist, who waited for hours below the walls of Edinburgh Castle to say farewell to the queen. "You can feel the atmosphere, there's a gloom over the city."

The queen's final journey through Scotland came a day after her son, now King Charles III, formally ascended the throne during a televised Accession Council ceremony held in St. James's Palace on Saturday. Proclamation ceremonies—an ancient tradition of telling the public about a new monarch—were held across the U.K. on Sunday. Churches held services in honor of the late queen and bells tolled.

The queen's hearse had large windows that offered a glimpse of the coffin, draped with the Scottish version of the Royal Standard and



The queen's coffin, draped with the Scottish version of the Royal Standard, was carried into the Palace of Holyroodhouse in Edinburgh on Sunday.

crowned with flowers. It was followed by a car carrying her daughter, Princess Anne.

American Ryan Burns had been vacationing in London but traveled to Edinburgh on Sunday to witness the queen's arrival. "This hasn't happened for 70 years," said Mr. Burns, a 30-year-old truck driver from Pittsburgh. "To see the significance this has for the people here is an amazing thing."

Some mourners had waited most of the day to see the coffin. "It was important to get an opportunity to see her and pay our respects because she's done so much for us over the past 70 years," said Margaret McNeil, a 60-year-old project manager who came from outside Glasgow, about 45 miles away.

After arriving in Edinburgh, the coffin was taken to Holyroodhouse, the British monarch's official Scottish residence. On Monday afternoon, the queen's coffin will be taken along the city's most famous road—a hilly cobblestone street known as the Royal Mile—to St. Giles' Cathedral. King Charles and the royal family will follow the vehicle on foot.

At the cathedral, the crown

### State Funeral to Be First Since Churchill

LONDON—The funeral of Queen Elizabeth II is scheduled for Sept. 19, a Monday, at 11 a.m., marking the main endpoint to the period of national mourning following the 96-year-old monarch's death.

While many details are still under wraps, the state funeral is to be held at Westminster Abbey, the capacious royal church across from Parliament, in a service that will bring the royal family and heads of state from across the world to London to pay their respects to Britain's

longest-serving monarch.

It will be the first state funeral in Britain since the death of Winston Churchill in 1965. The White House said Sunday that President Biden and First Lady Jill Biden will attend the funeral.

Organizers have been preparing for years. Edward Fitzalan-Howard, the Duke of Norfolk and current Earl Marshal who is in charge of organizing the event, said the funeral was an opportunity to give something back to the queen. "I think we can in some way repay that debt by carrying out the last wishes in delivering for Her Majesty the Queen's state funeral," he said.

The service at Westminster Abbey, which can hold roughly

2,000 attendees, is expected to be led by Dean of Westminster, David Hoyle.

After the funeral, a procession will follow in London, before the coffin is transported by hearse to Windsor Castle, the royal residence an hour west of London. There, on the castle's grounds, the queen is slated to be buried near the main royal vault under St. George's Chapel that has been the resting place of royals for centuries. Queen Elizabeth's body is expected to be buried in a section of the chapel beside her father, King George VI, and her husband, Prince Philip.

—Max Colchester and Eliot Brown

has ushered in kings and queens over the centuries.

Charles became king the moment his 96-year-old mother died, so the proclamation of his new role is now a largely ceremonial process. Historically, it was a way of formally announcing the new monarch to the nation before the era of mass media.

"My mother's reign was unequalled," King Charles said. "I shall strive to follow the inspiring example I have been set."

Later in the day, the king's sons, Prince William, now the Prince of Wales, and Prince Harry, emerged together with their wives outside Windsor Castle to view a sea of flowers placed at the castle gates, and then greeted well-wishers. It was a moment of unity after tension sparked by the decision by Prince Harry and his wife, Meghan, to quit royal duties in 2020 to build a new life in the U.S.

### Watch a Video



Scan this code for a video on what's next for the British monarchy.

## Some Re-Examine Ties to Crown

Queen Elizabeth II's death could hasten efforts by some countries to reassess their relationship with the British crown, and provide momentum to activists who have long argued that their nations shouldn't have a foreign ruler as head of state.

By **Mike Cherney in Sydney and Paul Vieira in Ottawa**

The British monarch, now King Charles III, is the official head of state in 14 countries outside of the United Kingdom. They include Australia, New Zealand and Canada, as well as several Caribbean and Pacific island nations.

Queen Elizabeth was a beloved figure who in her 70 years on the throne provided a sense of stability and constancy to millions of people worldwide, and she established a personal connection with many ordinary citizens in her dozens of state visits overseas. But with the accession of the less-popular King Charles, republican campaigners have an opportunity to argue their position without being seen as insulting a well-liked queen.

"I do think there will be change," said Areti Metuamata, an indigenous Māori from New Zealand who has been active in republican movements and works in academia. "I think people will start to really think more about it now."

Even before the queen's death, some countries had signaled that their time with the monarchy, a relationship that originated with colonialism, should end. Last year, Barbados became the first country in about 30 years to ditch the monarchy.

In an interview published Sunday, the prime minister of



A tribute on the Sydney Opera House. As Australians mourn the queen, some want a republic.

Antigua and Barbuda, Gaston Browne, told British television network ITV News that he wants to hold a referendum on his country becoming a republic, possibly within three years.

A poll published in April from the Angus Reid Institute indicated nearly 60% of Canadians supported moves by countries such as Barbados to cut ties with the British monarchy. And half of Canadians said they didn't think their country should continue as a constitutional monarchy for coming generations.

"Condolences, of course, and credit to her unwavering commitment to duty," Citizens for a Canadian Republic, a group that supports abolishing the monarchy, tweeted after the queen died. "But as Canadian republicans, we must all be ready to present our case for a 21st-century non-monarchical alternative to succession."

The debate has intensified in Australia, where voters in

1999 rejected a constitutional amendment to abolish the monarchy. Recent polls have shown more Australians support establishing a republic than keeping the monarchy, though many are undecided. The center-left prime minister, Anthony Albanese, refocused public attention on the issue when he appointed an assistant minister for the republic after winning an election in May.

In an interview Sunday with Sky News U.K., Mr. Albanese said that now is the time to pay tribute to the queen and that he wouldn't commit to holding a referendum on becoming a republic in his first term, which could run into 2025.

The monarchy's days in Australia appear to be numbered, said Cindy McCreery, an expert in monarchy and colonialism at the University of Sydney. Queen Elizabeth's 1954 visit to Australia, the first by a sitting British monarch, drew massive crowds at

bell located above the Houses of Parliament, will toll as the procession makes its way.

For four days, the queen is slated to lie in state in Parliament's 925-year-old Westminster Hall, where Britons are likely to line up for hours for a chance to pass by the coffin and pay their respects. The coffin is to be draped in a royal flag and will be topped with a scepter and the weighty

Imperial State Crown, which sports a giant diamond nearly 2 inches tall and 2,900 other precious stones.

On Saturday, live television images were beamed from the throne room in St. James's Palace as King Charles oversaw his first Privy Council meeting. For nearly all Britons, it was the first time they had seen the ceremony, giving them a look at time-honored rituals that

## Harry and Meghan Launch Projects

By **ERICH SCHWARTZEL**

LOS ANGELES—The death of Queen Elizabeth II comes as Hollywood watches another monarchy drama play out in its own backyard: the continuing rollout of the media empire of her grandson and his wife.

In recent weeks, Prince Harry and wife Meghan, the Duchess of Sussex, have accelerated efforts to build out Archewell, the media company they founded after leaving their royal duties in 2020. Now the next phase of the couple's ambitions—including a hit podcast and a coming memoir—must contend with the seismic news of the queen's death.

On Thursday, soon after the announcement of the queen's death, Archewell's website presented only a black screen with the simple message, "In Loving Memory of Her Majesty Queen Elizabeth II."

It was in sparse contrast to the activity that has characterized the company in recent months, including the podcast, appearances around the world and more revealing interviews. Yet the queen's death recasts a spotlight on the couple's past as they try to chart out a future, and highlights the tension they face in producing entertainment in Hollywood when so many viewers want more details on the British family they left behind.

Two major deals are the focus of Hollywood's attention: one with Netflix Inc. and another with Spotify Technology SA that are valued at more than roughly \$120 million.

The Netflix deal has yet to produce any releases, though several projects are in develop-

ment and should premiere within the next year, according to a person familiar with the matter. A children's show that Meghan developed was shelved by the streaming service.

But last month, the Duchess of Sussex's podcast "Archetypes" made its debut at No. 1 on Spotify podcast charts.

Meghan's first "Archetypes" episode included a conversation with tennis legend Serena Williams, and later episodes feature guests including singer Mariah Carey and comedian Mindy Kaling.

The question of whether audiences would show up for programming from Prince Harry

### The prince is preparing a memoir and the duchess has a hit new podcast.

and Meghan beyond royal dishing was amplified in a March 2021 sit-down interview with Ms. Winfrey, which drew huge ratings and generated weeks of media coverage after Meghan revealed fresh details on tensions among the royals. That summer, Penguin Random House said it would be publishing the prince's memoir.

The publisher hasn't given a date for the memoir's arrival. A media blitz accompanied Meghan's podcast show.

Now, the funeral plans for the queen offer fresh material for the royal watchers who have followed the couple's relationship with the royal family like a soap opera.





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THE WALL STREET JOURNAL.

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## Oil Slumps Amid Geopolitical Turmoil

Chinese lockdowns, Russian supply issues, recession fears drive traders away

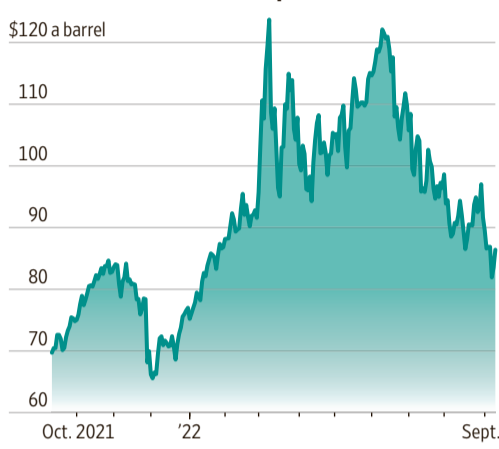
By RYAN DEZEMBER

Another turbulent week in oil markets carried crude prices to their lowest point since January, with thin trading and a blurry outlook for supply and demand driving a 30% decline from this year's highs.

A 5.9% gain since Wednesday notwithstanding, the main U.S. oil benchmark shed about \$35 a barrel since peaking above \$122 three months ago. West Texas Intermediate closed Friday at \$86.79. Brent crude futures, the primary international price gauge, ended at \$92.84.

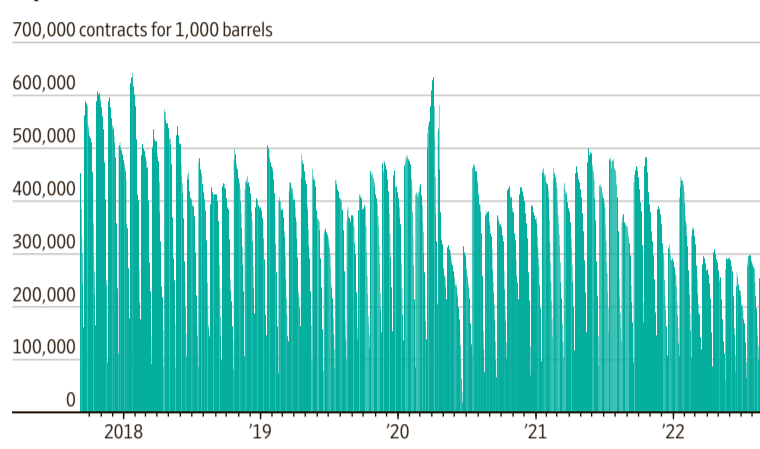
Much like what happened on the way up early this year, the decline in prices was intensi-

U.S. crude-oil futures price



Note: Most-actively traded contract shown

Open interest in U.S. crude-oil futures



Source: FactSet

fied by heightened volatility and diminished liquidity in the futures markets, which are meant to ease the movement of barrels around the world.

Traders and analysts said an overwhelming number of variables—from calculating

how much consumption will be reduced by China's Covid-19 lockdowns to handicapping how many of Russia's barrels will make it to market—has made it unusually difficult to anticipate the direction of prices.

Other examples of uncertainty looming over the market include how long the Biden administration will dip into the U.S. Strategic Petroleum Reserve to boost domestic supply, whether sky-high natural-gas prices in Europe will

prompt utilities to burn oil instead, and to what degree the Organization of the Petroleum Exporting Countries and its market allies are willing to cut output to support prices.

A renewed nuclear deal between the U.S. and Iran could

bring Iranian petroleum back to the market. Lately, fears of recession and reduced consumption have overshadowed concern about inadequate petroleum supplies and pushed prices lower.

BofA Securities analysts laid out cases in a recent note to clients for oil prices to both rise and fall by as much as \$20 over the next few months. "There is simply too much uncertainty around fundamentals going into the winter," they wrote.

The unpredictability boosted volatility, which sent traders to the sidelines. Open interest, a measure of trading activity, has lately been about half what it was five years ago in the most active U.S. oil futures contract and about 30% what it was last year.

The decline in trades has reduced liquidity—the ability to carry out transactions at expected prices without causing

Please turn to page B5

## Strong Dollar Upsets Global Markets

By JULIA-AMBRA VERLAINE

The strong dollar is now one of Wall Street's main concerns. On Main Street, a rising dollar boosts Americans' relative purchasing power by making imports cheaper. But the dollar is at the center of world financial markets and a stronger U.S. currency can have unforeseen consequences.

Investors and policy makers are being forced to consider history's unkind lessons. Currency shifts were behind the 1997 Asian financial crisis and played a role in the Russian financial crisis of 1998, which took down U.S. hedge fund Long-Term Capital Management.

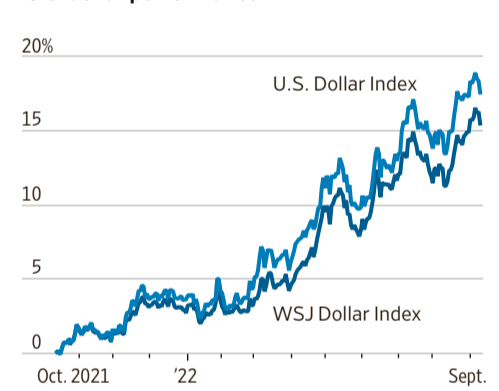
This year has been quite a year for the dollar. With stocks and bonds both falling, investors looking for havens have scooped up the U.S. currency. The dollar gained 17% against the pound so far this year, and it climbed past parity with the euro for the first time in two decades. The WSJ Dollar Index, which measures the dollar against a basket of other currencies, is up 13% year to date.

Here are five main places where the dollar's strength could become a problem.

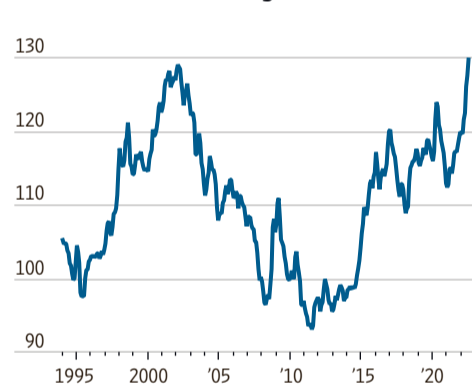
### Emerging Markets

As the world's reserve cur-

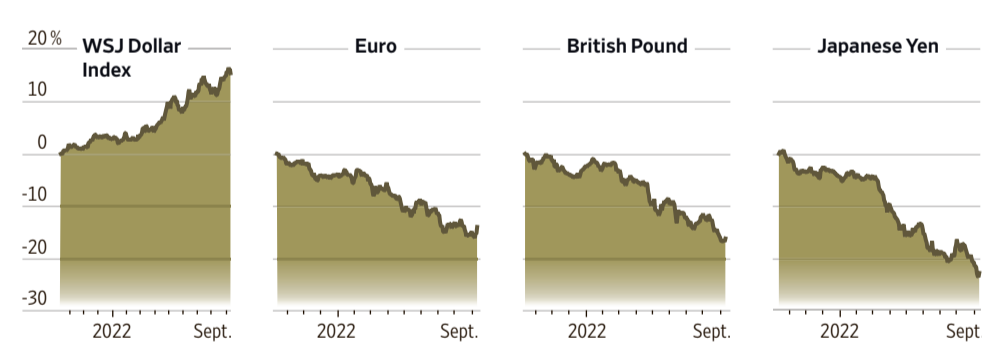
U.S. dollar performance



U.S. real effective exchange rate\*



Performance of select currencies against U.S. dollar in percentage terms



\*REER measures U.S. dollar against a group of key U.S. trade partners, taking into account the changing prices of goods and services. Sources: Dow Jones Market Data (Indexes); FactSet (U.S. Dollar Index); Bank for International Settlements, retrieved from Federal Reserve Bank of St. Louis (exchange rate); Tullett Prebon (currencies)

rency, the dollar is used to trade commodities across country lines. Emerging-market economies are vulnerable to the dollar's strength in part

because they attract money from international investors and often price their debt in dollars.

A strong dollar often makes

emerging-market currencies less valuable. That exacerbates inflation in those countries, by making it more expensive to

Please turn to page B2

STREETWISE | By James Mackintosh

## U.S. Innovation Boosts Greenback



The dollar is having a once-in-a-generation surge of supremacy over the

world. After 11 years and a 40% gain on a real trade-weighted basis, some are starting to wonder if it is time for a fall.

In the short run a weaker dollar is plausible, as Europe's governments absorb the financial threat to their economies from energy prices and foreign central banks rush to catch up with the Federal Reserve on rate rises. The burst of optimism in the markets on Friday led the dollar to fall back, as money that had sought it out as a haven left again.

But the long periods of strengthening or weakening in the past haven't obviously coincided with the economic or monetary policy cycles. Something else has been going on, and to try to spot the end of this megacycle in the dollar we need to consider what.

Marvin Barth, a former

U.S. Treasury economist, thinks it is all about innovation. He now runs an independent research firm called Thematic Markets and his basic thesis is that the U.S.'s leading position in academic research, and the close links of universities and business, gave the country a head start in computerization in the 1970s and early 1980s, in the internet in the 1990s and in newer internet applications and artificial intelligence more recently.

Each innovation sparked a wave of investment to take advantage of it. This improved profitability and attracted foreign capital—pushing up the dollar.

Inventions don't stay in one country for long. But in each case America's head start gave it a few years' lead before investments elsewhere looked as profitable. By then, the earnings generated had flowed out into society and funded a consumption boom that eventually turned into a housing boom. To finance housebuilding,

Please turn to page B4

## Apple Satellite Service Kicks Off Space Race

By DREW FITZGERALD AND MICAH MAIDENBERG

Apple Inc.'s new emergency-text feature on its latest iPhones makes it a first-mover in a budding market for low-cost satellite phone connections.

The Cupertino, Calif., technology company last week said its new iPhone 14s will be able to beam short distress messages and location data from places off the cellular grid as soon as November. The service will cover the U.S. and Canada but could expand to more countries.

Apple is among companies, including Google owner Alphabet Inc. and Chinese electronics manufacturer Huawei Technologies Inc., that are racing to integrate new technology so that ordinary smartphone users can stay connected in remote areas.

More complex communications, like voice calls between satellites and smartphones,

are likely years away from reaching mass-market devices, industry analysts say. But the investments reflect a hot sector for tech companies looking to make their products and services stand out.

Satellite-industry executives say Apple was able to clinch an early foothold by approaching satellite companies as early as 2019. The iPhone maker struck an exclusive deal with Globalstar Inc. for 85% of the satellite company's network capacity. That decision blocked rival hardware makers from using Globalstar's infrastructure to launch services.

"They've sort of locked this up, and it's really down to Apple to decide how far they want to take it," said Tim Farrar, president of telecom-industry consulting firm TMF

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## Nikola Founder Faces Trial Over Electric-Truck Promises

By CORINNE RAMEY AND BEN FOLDY

Trevor Milton, the Nikola Corp. founder who enticed auto-industry leaders and investors with his promise for a revolution in electric trucks, faces a securities-fraud trial beginning this week on allegations that he lied about his company's development of environmentally friendly technology.

Federal prosecutors in Manhattan last year accused Mr. Milton of running a scheme to enrich himself and boost his stature as an entrepreneur by falsely hyping Nikola's prospects and duping nonprofessional investors, including stock-market novices. He was indicted on two counts of wire fraud and two counts of securities fraud. Jury selection begins Monday.



Nikola founder Trevor Milton presented new full-electric and hydrogen fuel-cell battery trucks in Turin, Italy, in 2019.

"In order to drive investor demand for Nikola stock, Milton lied about nearly every aspect of the business," then-U.S. Attorney Audrey Strauss said when announcing the charges. Mr. Milton, who is 40 years

old, has pleaded not guilty. He resigned from Nikola in 2020, several days after short seller Hindenburg Research released a report alleging dozens of misrepresentations that Mr.

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The iPhone 14 unveiled at Apple's headquarters last Wednesday.

## Apple Sets Off Phone Space Race

Continued from page B1 Associates, noting only one or two other companies have the right combination of already-launched satellites and access to wireless airwaves to effectively reach smartphones.

Fleets of satellites in orbits near Earth can provide mobile-phone users with basic service options when they are out of reach of cell towers, companies and executives say. The expensive satellite links are unlikely to replace the data-rich internet connections offered by cellular networks on the ground, but with enough improvement, they could help fill in gaps.

It isn't clear how much consumers will pay for these services. Apple said last week that its new feature, called Emergency SOS via satellite, would be free for two years.

Huawei last week said its new Mate 50 smartphones will be able to send short messages in emergencies over the BeiDou Navigation Satellite System, the Chinese government's version of the U.S. Global Positioning System.

Earlier this month, a Google executive said on Twitter that the company was designing its next version of Android to support communications with satellites. "Wild to think about user experiences for phones that can connect to satellites," Hiroshi Lockheimer, a senior vice president at Google, said in a tweet. A spokesman for Google declined to comment.

Satellite operator Iridium Communications Inc. said in July that it had an agreement to develop its technology for use in smartphones. The deal included provisions to recoup earlier costs incurred "for commercializing a similar capability with another party," according to a securities filing. Iridium declined to name the partner in its filing, and a spokesman declined to comment on the company's plans.

"There's over a billion new smartphones a year. There's something like seven billion smartphones out there in the coming years," Iridium Chief Executive Matt Desch told investors in July. "I think it's going to be a sizable market to make any kind of connection to devices like smartphones, and I wouldn't even limit it to smartphones."

Other satellite companies are chasing deals with mobile-

phone network operators. Elon Musk's SpaceX agreed to develop mobile satellite links for T-Mobile US Inc., an arrangement the companies announced last month.

SpaceX would use Starlink satellites that it expects to launch to let T-Mobile users send and receive texts and use messaging apps in remote locations, executives have said. The companies plan to begin with a test of the service next year, though both need to secure approvals from the Federal Communications Commission to move ahead.

Mr. Musk said on Twitter that his company has talked to Apple about SpaceX's Starlink satellite-broadband business. He didn't detail the nature or depth of the discussions. An Apple representative declined to comment.

A spokesman for Space Exploration Technologies Corp., the formal name for SpaceX, didn't respond to a request for comment.

Charles Miller, CEO of Lynk Global Inc.—a company that says it has demonstrated it can connect mobile phones to a satellite to allow for text messaging—said satellite capacity constraints make it challenging right now to provide high speeds to large numbers of users at the same time. That should change over time as operators are able to deploy larger, improved satellites, he added. "That is the key thing to design for: capacity constraints," he said.

AST SpaceMobile Inc., another company working on satellite-to-mobile phone links, hired SpaceX to get a satellite to orbit so it could test connections to cellphones with network operators like Vodafone PLC. "There's been satphone technology for a long time," said Scott Wisniewski, AST's chief strategy officer. "The change is really technology improving so you can offer a service at a more attractive price."

Meanwhile, big telecommunications providers have struck other types of deals with satellite operators or companies planning to roll out a network in orbit. Last year, AT&T Inc. said it would use satellites operated by communications company OneWeb to provide links to remote cell-phone towers. Verizon Communications Inc. agreed to a similar deal with Amazon.com Inc.

### Watch a Video



Scan this code for a video on Apple's latest lineup of phones.

## Nikola Founder Faces Trial

Continued from page B1 Milton made about the business, including rolling an un-drivable truck down a hill to make it appear functional in a marketing video.

During a pretrial hearing last week, lawyers for Mr. Milton said they would argue their client acted in good faith and didn't intend to defraud anyone. Mr. Milton might have used certain terms like "prototype," "functional," and "show car" differently than some investors understood them, defense lawyer Marc Mukasey said. "There is a linguistics aspect to this," he said.

The top charge against Mr. Milton carries a maximum sentence of 25 years, though under federal sentencing guidelines he would likely face a much shorter prison term even if convicted on all charges.

A spokeswoman for Nikola declined to comment. The company, which wasn't charged, has said it has cooperated with the government throughout its inquiry and settled a Securities and Exchange Commission investigation for \$125 million in December. The company didn't admit or deny wrongdoing.

Amid the fallout from Mr. Milton's legal troubles, Nikola continues to attract partners, customers and established executives who are betting on the company's plan for a network of long-haul trucks powered by hydrogen fuel cells. The company began production of its first truck model, powered solely by batteries, in April.

The trial marks the next chapter in the rapid rise and crash of Mr. Milton, who attracted big-name companies like General Motors Co. and Robert Bosch GmbH as potential partners in his vision for a network of zero-emission long-haul trucks.

Mr. Milton was an unconventional executive. He said he didn't finish high school or college but was a serial entrepreneur who started several companies before Nikola. Those ventures often ended up with disputes, litigation and disappointed investors, according to former employees, customers, investors and documents.

Nikola, which Mr. Milton founded in 2015, focused on hydrogen trucks and the fueling stations to support them.

### In the company's early days of trading, its market valuation shot to \$30 billion.

Mr. Milton took Nikola public in the summer of 2020 at a valuation of \$3.3 billion when the company had yet to sell a truck. In the company's early days of trading, its market valuation shot to \$30 billion, briefly overtaking some auto-industry stalwarts like Ford Motor Co. As of Friday's close, Nikola's market valuation was \$2.4 billion.

Prosecutors allege Mr. Milton's lies helped to fuel Nikola's rocketing share price. They say he made false statements about the company's ability to produce hydrogen, which it planned to use to power some vehicles, and its progress toward making products like the Badger, an electric pickup. Nikola scrapped plans for the Badger after Mr. Milton stepped down and a deal to have GM make the trucks was significantly scaled back.

The trial could largely hinge on what Mr. Milton said in television interviews and podcasts and on social media.

On a podcast in 2020, Mr. Milton said that until Nikola came on the market, hydrogen was about \$16 a kilogram. "Now Nikola is producing it well below \$4 a kilogram," he said.

Prosecutors said Nikola had never produced hydrogen, at any price.

Mr. Milton said in interviews that the Badger was a "fully functioning vehicle inside and outside." When he was asked on Twitter when the first prototype would be produced, he wrote, "Already." Prosecutors said Nikola had only renderings of vehicles and concept sketches.

—Mike Colias contributed to this article.

## BUSINESS &amp; FINANCE



As the world's reserve currency, the dollar is used to trade commodities across country lines.

## Wall Street Focuses on The Dollar

Continued from page B1 import goods and services.

Earlier this year, emerging markets remained resilient even as the dollar rallied. But that was largely because commodities prices were rising, boosting countries that export copper, soybeans and coffee. Now commodities prices are falling, and global economists say trouble could lie ahead for emerging markets.

### Corporate Earnings

U.S. corporations involved in international business cut earnings guidance since June, citing the dollar's gains.

Microsoft Corp. was one of the first to raise red flags. Deere & Co., the farm-machinery supplier, warned a stronger dollar would strain future profits.

That has translated into stocks, where companies with large sources of foreign revenue took a hit earlier this year—including Apple Inc., Google parent Alphabet Inc., and chip maker Nvidia Corp.

While the market has rebounded since then, more companies are sounding the alarm,

which could mean extra pain ahead for stock investors.

### The Global Economy

Global central banks are in a race to tighten monetary policy to try to curb inflation—but the rising dollar is complicating their job.

"A stronger dollar makes tackling inflation in Europe very hard for a number of reasons," said Keith DeCarlucci, chief investment officer at London hedge fund Melqart KEAL Capital. "The most important goods they trade, including energy, are priced in dollars."

If central bankers raise rates too quickly, they risk recession. But investors tend to reward the countries whose central banks act most aggressively to curb inflation. The Federal Reserve's swift tightening is one reason the dollar has soared this year.

Policy makers in Australia and Canada increased rates in recent weeks. The European Central Bank raised rates on Thursday by the largest amount since the early days of Europe's currency union.

### Currency Intervention

Some are worried that continued dollar strength might push governments to intervene even more directly to shore up their currencies, perhaps by selling dollars to buy their own currencies or abandoning pegs to the dollar.

That can work, though it is

more likely to do so if the U.S. joins in. In 1985, the U.K., France, West Germany and Japan joined the U.S. in the Plaza Accord, which aimed to bring down a dollar whose gains were perceived as unhealthy. While most Wall Street analysts say such an intervention is unlikely in the current political landscape, some say the option isn't off the table.

Treasury Secretary Janet Yellen has pushed back against this idea, though. "In general our view is that countries like Japan, the United States, the G-7 should have market-determined exchange rates and only in rare and exceptional circumstances is intervention warranted," Ms. Yellen said in July at a meeting in Tokyo with Japanese officials.

### U.S. Dollar Funding

Money managers are closely tracking whether dollars are growing scarce in an arcane funding market known as cross-currency basis swaps. When volatility rises, investors sometimes hoard dollars.

In March 2020, dollar-funding markets seized up, prompting the Fed to launch a lending facility that allows foreign central banks to convert their holdings of Treasury securities into dollars. The so-called swap lines are meant to ensure dollars are available to other central banks during periods of market stress.

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## BUSINESS NEWS

## Deere Invests in Software to Boost Machinery

By BOB TITA  
AND JACOB BUNGE

For decades, Deere & Co. has dominated the hardware that powers the American farm industry with tractors, harvesters and other machinery used to plant seeds and reap crops.

Now, Deere aims to extend its dominance to software to make those machines—and agriculture—more efficient and productive.

The company this year is rolling out self-driving tractors that can plow fields by themselves, and sprayers that distinguish weeds from crops. Deere, which helped make satellite-guided tractors ubiquitous in the U.S. Farm Belt over the past 20 years, is investing billions of dollars to develop smarter machines that the company said will make farming faster and more efficient than it ever could be with just farmers behind the wheel.

“It’s all about doing more with less,” said John May, Deere’s chief executive. By the end of the decade, Mr. May projects that 10% of Deere’s annual revenue will come from fees for using software.

Deere’s equipment rivals, **CNH Industrial NV** and **Agco**



A demonstration of a John Deere See &amp; Spray Ultimate crop sprayer in Keiser, Ark., on Aug 23.

Corp., agribusinesses such as **Bayer AG** and **Corteva Inc.**, and venture-capital investors have collectively invested billions of dollars to buy and build systems for predicting crop performance and lowering farmers’ costs with more precise operations.

Despite that investment, some startups have struggled to break into the agriculture industry, and big companies have

yet to turn significant profits from their technology investments, analysts have said. Widespread use of software subscriptions for operating equipment hasn’t been tried before in the farm industry.

While farmers have said they are open to test-driving new technology, many are struggling with the cost of necessities including fertilizer and fuel, which have surged in

price over the past year.

Moline, Ill.-based Deere, which generated \$44 billion in sales in 2021, sells around 60% of the high-horsepower tractors used in the U.S. and Canada. Deere has been guiding farmers toward a bigger leap into technology for almost 20 years, starting with an autopilot system on tractors and harvesters that is now a standard feature on nearly all

Deere’s large farm machinery.

By 2026, Deere wants to connect 1.5 million machines in service and a half billion acres in use to its cloud-based John Deere Operations Center, which will collect and store crop data, including millions of images of weeds that can be targeted by herbicide. Deere last year acquired California-based startup Bear Flag Robotics for \$250 million to provide software for turning older tractors into autonomous-capable vehicles.

Selling farmers subscriptions to the software is expected to yield higher profit margins than sales of Deere’s signature green and yellow machinery, which will continue to make up the bulk of Deere sales. A 2021 report from Bernstein analysts estimated the average gross margin for farming software at 85%, compared with 25% for equipment sales.

Deere’s technology expansion could deepen some farmers’ distrust of the equipment maker. For years, some farmer organizations and consumer advocacy groups have accused Deere of using proprietary software on its equipment to restrict repair work to Deere’s own dealers, which farmers said raises their costs and sometimes leaves equipment

out of commission for weeks. Deere has said it provides tools and repair manuals enabling private repairs, but has pushed back against what it says are attempts by farmers to modify software that controls machinery operations.

Deere is betting it can lower farmers’ anxiety by offering software as a service on an as-needed basis for specific jobs, such as tilling fields or applying fertilizer. Deere said it is considering charging a per-acre fee for fields where the software is deployed. The company hasn’t yet released a fee schedule. Deere said it would be responsible for fixing any problems. Farmers would need to buy the newest crop sprayers to use the software.

Nebraska farmer Taylor Nelson said he uses an enhanced version of Deere’s AutoTrac guidance system, which collects and shares information about the whereabouts and work being done by people operating machinery on his 12,000-acre farm. Mr. Nelson said the system has cut down on costly mistakes, such as spraying a field twice with fertilizer.

“You can use this technology to stick people in with less experience and still get optimal results,” Mr. Nelson said.

## Major Credit Cards Track Gun Shops With New Code

By ANNAMARIA ANDRIOTIS

**Visa Inc.**, **Mastercard Inc.** and **American Express Co.** will add a new merchant category for firearms retailers, a victory for gun-control advocates who pressed the financial industry to do more to help curb mass shootings.

The new merchant-category code was recently approved by an international entity that sets standards for the payments industry.

Merchant-category codes, or MCCs, are four-digit numbers that networks use to identify types of merchants by the goods and services they sell. Card networks assign specific codes to many kinds of specialty merchants, such as fast-food restaurants, bars and bicycle shops.

Until now, gun shops were often categorized as specialty retailers or durable-goods sellers—categories that include a much broader collection of companies. The new code is for retailers whose primary business is firearms sales; big-box retailers that sell guns have different MCCs.

Card networks and banks have been discussing ways to monitor gun sales off and on for years. But gun-rights advocates have long resisted such efforts, saying they could unfairly prevent legal gun purchases.

It isn’t clear if or how information gleaned from the new code would be shared with law enforcement. One challenge for payments companies will be determining what kind of gun purchases would be deemed suspicious.

The card networks said they would work to implement the new code while supporting lawful purchases and protecting consumer privacy.

Gun-control advocates recently stepped up their long-running campaign to get banks and credit-card companies to do more to track and flag suspicious firearms sales.

Earlier this month, Democratic lawmakers wrote to Visa, Mastercard and Amex

pushing for the implementation of a new MCC for gun and ammunition sellers, citing recent examples of credit cards being used to buy guns that were later used in mass shootings.

A new code for gun retailers would be “an important step towards ending financial system support for gun trafficking, gun violence, and domestic terrorism,” Massachusetts Sen. Elizabeth Warren and Pennsylvania Rep. Madeleine Dean wrote in a letter signed by dozens of other lawmakers.

The attorneys general of New York and California recently asked the card networks to begin tracking gun sales and flagging suspicious purchases to law enforcement.

## The new merchant code is for retailers whose primary business is firearms.

Financial companies already report potential money laundering and other kinds of criminal activity, they wrote in letters to the three companies, and should do the same for suspicious gun sales.

Banks and other card issuers keep tabs on all sorts of transactions to manage risk and to prevent illegal activity. They have blocked consumer card purchases considered risky or prone to fraud or in a legal gray area. They also act as agents of the government in monitoring payments for suspicious activity, including transactions that could finance terrorism.

The payments industry has long been divided on whether to assign MCCs to gun shops. Some executives in private discussions have flagged concerns that it could lead to the creation of more codes that could be used to crack down on controversial businesses such as abortion providers.



Until now, gun shops were often categorized as specialty retailers or durable-goods sellers.

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## TECHNOLOGY &amp; FINANCE

## India Edtech Startups Retool

Companies are cutting costs and investing in brick-and-mortar tutoring centers

By SHEFALI ANAND  
AND KRISHNA POKHAREL

NEW DELHI—The hottest thing in India's online-education industry is going offline.

After two years of blistering growth, sparked by one of the world's longest Covid-19 school shutdowns, India hosts a crowded field of education-technology unicorns. Six have hit the \$1 billion valuation milestone since the March 2020 nationwide lockdown. They joined Byju's, now the world's most valuable edtech startup, with a \$22 billion price tag after a funding round in March, according to PitchBook Data Inc.

But the revival of in-person teaching as schools reopen and the drying up of cheap capital as monetary authorities move to curb inflation have forced a change of course. Byju's, operated by **Think and Learn Pvt.**, and other Indian edtech companies are cutting jobs and marketing costs—and, in their search for growth, investing in brick-and-mortar centers.

Byju's has opened about 200 tutoring centers catering to schoolchildren in recent months, and plans up to 500 in all. Unacademy, Vedantu Innovations Pvt. and Physics Wallah Pvt., all valued at \$1 billion or more, have also ventured into offline teaching.

That puts them in direct competition with India's vast and well-established network of cram schools and private tutors that help students prepare for intensely competitive

exams to get into top universities or win government jobs.

India's school-going population—more than 260 million students—and the failure of its schools to meet the aspirations of the swelling ranks of middle-class parents are what make the country so attractive for edtech, analysts say.

By putting lessons online, edtech's promise was that students anywhere could access teaching talent at affordable prices, rather than relying on neighborhood private tutors and cram schools.

The government's decision in March 2020 to shut schools turned the sector into a one-way bet. Armed with cheap cash as interest rates hovered near zero, investors poured \$4.86 billion into Indian edtech startups over two years, PitchBook data show—15% of what was then a rapidly swelling

global pool of venture-capital funding for the sector.

Byju's recently had seven million paid subscriptions, and says it has around 150 million registered users worldwide.

Byju's recently fired 500 employees. The company is coming off a two-year acquisition spree during which it spent over \$2 billion on more than a dozen companies, according to Venture Intelligence. Byju's declined to comment.

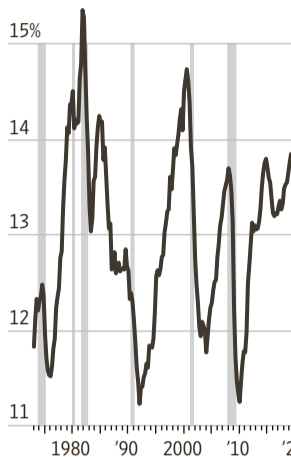
Unacademy, operated by **Sorting Hat Technologies Pvt.** and the world's No. 3 edtech startup by value at \$6 billion, according to PitchBook, has axed staff and next year will stop sponsoring the Indian Premier League cricket tournament. It opened its first offline center in June, and plans more.

It didn't respond to requests for comment.

Inflation-adjusted trade-weighted dollar\*



Private non-residential fixed investment share of GDP



Research and development spending, share of GDP



\*Fed real broad dollar index until 1994, then Bank for International Settlements index; through July 2022. Source: Federal Reserve Bank of St. Louis

## Innovation Fuels the Greenback

Continued from page B1  
the U.S. sucked in capital even after losing its competitive advantage—so the dollar had to fall to make it attractive to foreign money.

The story is a nice one, and helps explain how the dollar's long-run trends can carry on even through the temporary interruption of recessions.

As evidence, Mr. Barth studied the length of cycles for various economic variables by using a frequency-analysis technique from engineering.

The cycle for the share of capital spending in gross domestic product matches that of the dollar, at about 17 years, while things important in the short term, such as monetary policy, have little influence at such a long horizon.

There's nothing magical about past cycles having been 17 years long, and no reason to think future ones will be the same length. This latest dollar uptrend already has run longer than each of the periods of multi-year gains since the greenback was taken off the gold standard by President Richard Nixon in the early 1970s.

Mr. Barth thinks it could run much longer still, because something interesting has happened with capital spending. U.S. private fixed investment, excluding housing, has stabilized at a

fairly high share of GDP, avoiding the boom-and-bust of past dollar cycles. Despite frequent complaints that the private sector doesn't invest enough, the 10-year average is now the highest since Ronald Reagan left office.

Research-and-development spending is also at all-time highs as a share of GDP.

Also potentially extending the cycle is deglobalization, which will both require more capital to be deployed domestically to replace international supply chains and hinder the spread of new inventions.

Even investors who don't buy the innovation story can't deny that the U.S. has done a far better job than the rest of the developed world in rebuilding its economy since the financial crisis. It now has the advantage of being an energy powerhouse too, thanks to

## The U.S. now has the advantage of being an energy powerhouse too.

another U.S.-led innovation, fracking.

"This cycle is very much about U.S. economic supremacy," says Kit Juckes, head of FX strategy at Société Générale, who thinks it might be nearing its top.

In the short term, the usual issues of interest rates and recession fears will swing the dollar around.

But if the U.S. can maintain its economic vitality relative to the rest of the world, the dollar could stay high for a long time yet.

## Singapore Reins In Crypto Ads at Formula One Race

By ELAINE YU

Crypto.com paid millions to sponsor Formula One. When the event comes to Singapore later this month, that could mean a lot of empty space.

The company has been part of a drive by cryptocurrency firms to plaster their logos across F1, a high-octane sport whose audience has grown in recent years.

Crypto mogul Sam Bankman-Fried's **FTX Trading Ltd.** has a deal with Mercedes, Binance has signed on with Alpine, and Bybit has teamed up with Red Bull.

But Crypto.com appears to have taken pole position. The Singapore-based company is a sponsor of Aston Martin, the title sponsor of the new Miami Grand Prix and a global partner of F1.

That spending spree won't mean as much when F1 comes to Crypto.com's hometown. The Singapore Grand Prix is returning over the Sep. 30 weekend after a two-year pandemic-related break. Although Singapore has become a popular destination for crypto and blockchain firms, wild price swings and a series of brutal selloffs over the past year have made the city's financial regulator increasingly skeptical. In January, it clamped down on the advertising of crypto services to the general public.

At the F1 Grand Prix, that ban won't apply to cars or to drivers' uniforms but it will apply to advertising around the venue. The blue and white Crypto.com ads typically lining the track as cars whiz past won't be visible in Singapore.

The city's rationale is that the teams' equipment is used around the world and logos on it are seen as advertising to F1 fans globally, while branding on the track itself is more directly aimed at locals, and so in breach of the rules.

While a single race represents just a fraction of Crypto.com's sponsorship costs—the company paid \$700 million to rename the arena formerly known as the Staples Center in Los Angeles and \$100 million to sponsor the new F1 Sprint races—the ban shows the uncertainties around advertising for an industry facing increasing regulatory pressure.

The current guideline is the same as that given in March by the Monetary Authority of Singapore, the city-state's central bank and financial regulator, said Chia Hock Lai, co-chairman of Blockchain Association Singapore. But the March clarification came before the worst of a crypto rout that included the implosion of sister tokens TerraUSD and Luna and the collapse of crypto hedge fund Three Arrows Capital, which both had links to Singapore. Ravi Menon, managing director of the MAS, has since used more aggressive language about cryptocurrencies, calling them "highly hazardous."

That led to uncertainty among F1 teams and their crypto sponsors, which range from some of the world's largest exchanges to a meme coin named after Elon Musk's dog. The MAS hasn't made a public statement on how the ban applies to the race—although it

did tell the F1's organizers—and with weeks to go, some teams don't seem sure about the rules.

France adopted advertising restrictions on crypto firms, but while some F1 teams removed their crypto sponsors' logos for the French Grand Prix in July, others kept them. Crypto.com said it adjusted its branding at the race after considering local requirements.

The crypto-ad issues are reminiscent of those that arose when governments and global



The Miami Grand Prix in May was a showcase for Crypto.com.

sports organizations, including F1, imposed restrictions on tobacco marketing. Marlboro was one of F1's most prominent sponsors for decades. Over the years, to work around the tobacco ad ban in various countries, F1 teams came up with ways to hide the cigarette

sponsors on their cars.

In Singapore, crypto companies can advertise only to professional investors, and their ads are outlawed in areas such as public transportation, shopping malls, websites, or third-party platforms that could target retail customers.

## ADVERTISEMENT

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## CLASS ACTION

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

CITY OF PITTSBURGH COMPREHENSIVE MUNICIPAL PENSION TRUST FUND, Individually and on Behalf of All Others Similarly Situated,  
v.  
BENEFITFOCUS, INC., et al.,  
Plaintiff,  
Defendants.

Index No. 651425/2021  
IAS Commercial Part 53  
Hon. Andrew Borrok

## SUMMARY NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT, AND MOTION FOR ATTORNEYS' FEES AND EXPENSES

To: All persons and entities that purchased or otherwise acquired publicly traded common stock pursuant and/or traceable to the Offering Documents issued in connection with Benefitfocus, Inc.'s ("Benefitfocus") or the "Company") March 1, 2019 secondary public offering and/or who subsequently purchased or otherwise acquired Benefitfocus publicly traded common stock from March 1, 2019 through November 5, 2020, inclusive (the "Class Period"), and who were damaged thereby.

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the Supreme Court of the State of New York, New York County, that Lead Plaintiff City of Pittsburgh Comprehensive Municipal Pension Trust Fund, on behalf of itself and the proposed Settlement Class,<sup>1</sup> and Benefitfocus and the other Defendants in the Action, have reached a proposed settlement of the above-captioned securities class action (the "Action") in the amount of \$11,000,000 that, if approved, will resolve the Action in its entirety (the "Settlement").

A hearing will be held before the Honorable Andrew Borrok, on December 1, 2022, at 11:30 a.m. EST, before the Court, either in person at the Supreme Court, New York County, Courtroom 238, 60 Centre Street, New York, NY 10007, or remotely using directions that will be posted in advance on the Settlement website, in the Court's discretion (the "Settlement Hearing") to, among other things, determine whether the Court should: (i) approve the proposed Settlement as fair, reasonable, and adequate; (ii) dismiss the Action with prejudice as provided in the Stipulation and Agreement of Settlement, dated April 11, 2022; (iii) approve the proposed Plan of Allocation for distribution of the Net Settlement Fund; and (iv) approve Lead Counsel's Fee and Expense Application. The Court may change the date of the Settlement Hearing without providing another notice. You do NOT need to attend the Settlement Hearing to receive a distribution from the Net Settlement Fund.

IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, YOUR RIGHTS WILL BE AFFECTED BY THE PROPOSED SETTLEMENT AND YOU MAY BE ENTITLED TO A MONETARY PAYMENT. If you have not yet received a Notice and Proof of Claim and Release form ("Claim Form"), you may obtain copies of these documents by visiting the website dedicated to the Settlement, www.BenefitfocusSecuritiesSettlement.com, or by contacting the Claims Administrator at:

Benefitfocus Securities Settlement  
c/o A.B. Data, Ltd.  
P.O. Box 173114  
Milwaukee, WI 53217

Inquiries, other than requests for the Notice/Claim Form or for information about the status of a claim, may also be made to Lead Counsel:

Alfred L. Fatale III, Esq.  
LABATON SUCHAROW LLP  
140 Broadway  
New York, NY 10005  
www.labaton.com  
settlementquestions@labaton.com  
(888) 219-6877

If you are a Settlement Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must submit a Claim Form postmarked or submitted online no later than December 27, 2022. If you are a Settlement Class Member and you do not timely submit a valid Claim Form, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will nevertheless be bound by the Settlement and all judgments or orders entered by the Court in the Action, whether favorable or unfavorable.

If you are a Settlement Class Member and wish to exclude yourself from the Settlement Class, you must submit a written request for exclusion in accordance with the instructions set forth in the Notice such that it is received no later than November 10, 2022. If you properly exclude yourself from the Settlement Class, you will not be bound by any judgments or orders entered by the Court in the Action, whether favorable or unfavorable, and you will not be eligible to share in the distribution of the Net Settlement Fund. If you are a Settlement Class Member and do not timely and validly exclude yourself from the Settlement Class, you will remain in the Settlement Class and that means that, upon the Effective Date of the Settlement, you will release all Plaintiff's Released Claims against the Defendant Releases.

Any objections to the proposed Settlement, the proposed Plan of Allocation, and/or Lead Counsel's Fee and Expense Application must be mailed to the Court and counsel for the Parties in accordance with the instructions in the Notice, such that they are received no later than November 10, 2022.

## PLEASE DO NOT CONTACT THE COURT, DEFENDANTS, OR DEFENDANTS' COUNSEL REGARDING THIS NOTICE.

DATED: SEPTEMBER 12, 2022

BY ORDER OF THE SUPREME COURT OF THE STATE OF NEW YORK, NEW YORK COUNTY

<sup>1</sup> All terms not defined herein shall have the definition assigned to them in the Stipulation and Agreement of Settlement, dated April 11, 2022.

## THE TICKER |

## MARKET EVENTS COMING THIS WEEK

## Monday

## Short-selling reports

Ratio, days of trading volume of current position, at Aug 15  
NYSE 3.6  
Nasdaq 2.4

## Earnings expected

Estimate/Year Ago  
Oracle 1.08/1.03

## Tuesday

## Consumer price index

All items, July up 8.5%  
Aug., expected up 8.0%  
Core, July up 5.9%  
Aug., expected up 6.0%

## Treasury budget

Aug., '21 \$171 bil. deficit  
Aug., '22 exp \$220 bil. deficit

## Wednesday

## EIA status report

Previous change in stocks in millions of barrels  
Crude-oil stocks up 8.8  
Gasoline stocks up 0.3  
Distillates up 0.1

\* FactSet Estimates earnings-per-share estimates don't include extraordinary items (Losses in parentheses) ♦ Adjusted for stock split  
Note: Forecasts are from Dow Jones weekly survey of economists

## Mort. bankers indexes

Purch., previous down 1.0%  
Refinan., previous down 1.0%

## Producer price index

All items, July down 0.5%  
Aug., expected down 0.1%

## Core, July

up 0.2%  
Aug., expected up 0.3%

## Thursday

## Business inventories

Jun., previous up 1.4%  
July, expected up 0.7%

## Capacity utilization

July, previous 80.3%  
Aug., expected 80.3%

## EIA report: natural-gas

Previous change in stocks in billions of cubic feet  
up 54  
Empire Manufacturing  
Aug., previous -31.3  
Sep., expected -15.0

## Import price index

July, previous down 1.4%

## Aug., expected

down 1.3%

## Industrial production

July, previous up 0.6%  
Aug., expected up 0.0%

## Initial jobless claims

Previous 225,000  
Expected 225,000

## Philadelphia Fed survey

Aug., previous 6.2  
Sep., expected 2.0

## Retail sales, ex. autos

July, previous up 0.4%  
Aug., expected up 0.0%

## Retail sales

July, previous up 0.0%  
Aug., expected down 0.1%

## Earnings expected

Estimate/Year Ago  
Adobe 3.34/3.11

## Friday

## U.Mich. consumer index

Aug., final 58.2  
Sep., prelim 59.3



# Oil Slumps Amid Fears Of Recession

Continued from page B1

ing big moves in prices or disorderly trading—in markets that were already hampered by thin trading and prone to wild swings, traders said.

Bernard Drury, chief executive of Drury Capital Inc., a commodities-trading firm that uses momentum-investing strategies that follow prices up and down, said between oil

that is about twice as expensive as it was before the pandemic and the added risk of elevated volatility, speculators including him can't take nearly as many positions in the futures market.

"We'll trade maybe a third of the number of contracts we traded a couple of years ago and still get the same kind of risk exposure," Mr. Drury said. "If everyone on the speculative side of things is acting like us, they might be participating more or less fully, but they're trading fewer contracts."

That has made it harder for businesses involved in producing, transporting and consuming actual barrels of oil to find counterparties in trades that

help them manage their own risk.

Traders cautious of tipping their hands or making big ripples in thin markets have been breaking trades into smaller transactions, making it harder to determine prices, said Shankar Narayanan, head of research at Quantitative Brokers LLC, which uses algorithms to trade on behalf of hedge funds, banks and asset managers.

So-called quote size in U.S. crude futures trading has shriveled by about 50% from a year ago and is down more than 70% over the past three years, which has resulted in wider gaps between offers to buy and sell. Bigger spreads

have helped boost volatility and reduced liquidity by more than half since 2019, Mr. Narayanan said.

"Oil prices have been scrapping the skies since February

## So-called quote size in U.S. crude futures trading fell by about 50% from a year ago.

but on a very poor foundation of liquidity," he said. "The price is not sustainable."

Over the past two weeks, price-trend-following hedge

funds and trading algorithms that dominate the speculative side of the oil market have piled into short bets, or wagers that prices will fall, according to Peak Trading Research.

The Swiss firm created a mathematical model to gauge the direction that momentum traders are betting, and it hit a rare perfect bearish score this past week for the first time since the emergence of the Omicron variant of Covid-19 rattled energy markets in late 2021. Peak's gauge in late August registered a perfect bullish score, meaning that momentum traders were basically all positioned for rising prices two weeks ago.

"Big hedge funds have been

layering on shorts, and they're now playing for lower prices," said Dave Whitcomb, who runs Peak. "This is a definitive sign that the bull market is over. You can stick a fork in it."

At a recent energy-industry conference in New York, the chief executive officer of rig owner Patterson-UTI Energy Inc. told investors that whip-sawing crude prices haven't shaken demand for drilling equipment among the Houston firm's customers.

"None of them were really planning on \$110 oil; I mean, that was just bonus for them," CEO Andy Hendricks said. "The volatility has not changed the discussions at all in the U.S. for our services."

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### BANKRUPTCIES

#### UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

In re:  
Lumileds Holding B.V., et al.,  
Debtors.<sup>1</sup>

Chapter 11  
Case No. 22-11155 (LGB)  
(Jointly Administered)

#### NOTICE OF (A) COMMENCEMENT OF CHAPTER 11 CASES, (B) COMBINED HEARING ON DISCLOSURE STATEMENT, CONFIRMATION OF JOINT PREPACKAGED CHAPTER 11 PLAN, AND RELATED MATTERS, AND (C) OBJECTION DEADLINES AND SUMMARY OF DEBTORS' JOINT PREPACKAGED CHAPTER 11 PLAN

To: All Holders of Claims Against, and Holders of Equity Interests in, Lumileds Holding B.V. and Its Affiliate Debtors and Debtors in Possession and All Other Parties-in-Interest in the Above-Captioned Chapter 11 Cases.  
**PLEASE TAKE NOTICE** that on August 29, 2022 (the "Petition Date"), Lumileds Holding B.V. and its affiliate debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors") filed voluntary petitions for relief under chapter 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").

On August 27, 2022, the Debtors commenced solicitation of votes to accept the Plan from Beneficial Holders of First Lien Loan Claims (Class 3), each Beneficial Holder of record as of August 25, 2022 (the "Voting Record Date") via physical and/or electronic mail. Only Beneficial Holders of Claims in Class 3 are entitled to vote to accept or reject the Plan. All other Classes of Claims and Equity Interests are either deemed to accept or reject the Plan and, therefore, are not entitled to vote.

The hearing to consider approval of the Disclosure Statement and confirmation of the Plan (the "Combined Hearing") will begin on **October 14, 2022, at 10:00 a.m. prevailing Eastern Time**, in the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Courtroom 601, New York, New York 10004-1408, before the Honorable Lisa G. Beckerman, United States Bankruptcy Judge, which hearing shall be conducted by videoconference via Zoom. The Combined Hearing may be continued from time to time by the Bankruptcy Court or the Debtors without further notice other than by such adjournment being announced in open court or by a notice of adjournment filed with the Bankruptcy Court and served on such parties as the Bankruptcy Court may order. Moreover, the Plan may be modified or amended, if necessary, pursuant to Bankruptcy Code Section 1127, prior to, during or as a result of the Combined Hearing, without further notice to parties in interest.

#### Critical Information Regarding Voting on the Plan

On the Petition Date, the Debtors also filed a prepackaged joint plan of reorganization (Docket No. 24) (the "Plan") and proposed disclosure statement (Docket No. 25) (the "Disclosure Statement") pursuant to Sections 1125 and 1126(b) of the Bankruptcy Code. Copies of the Plan and the Disclosure Statement can be viewed or downloaded at no charge by visiting the website of the Debtors' voting and claims agent, Epic Corporate and Financial Restructuring, LLC (the "Voting and Claims Agent" or "Epic"), at <https://dm.epiq11.com/Lumileds>. Copies of the Plan and Disclosure Statement may also be obtained by calling the Voting and Claims Agent at 800-497-9116 (Toll Free U.S./Canada) or +1 503-520-4495 (international) or emailing [lumiledsinfo@epiqglobal.com](mailto:lumiledsinfo@epiqglobal.com) and requesting copies. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee at <https://www.nysb.uscourts.gov> or at no charge at <https://dm.epiq11.com/Lumileds>.

In accordance with Bankruptcy Code sections 1122 and 1123, the Plan contemplates classifying Holders of Claims and Equity Interests into various Classes for all purposes, including with respect to voting on the Plan, as follows:

Summary of Claim Status and Voting Rights				
Class	Claim/Equity Interest	Status	Voting Rights	Opt-Out Rights <sup>3</sup>
1	Other Secured Claims	Unimpaired	Deemed to Accept	N/A
2	Other Priority Claims	Unimpaired	Deemed to Accept	N/A
3	First Lien Loan Claims	Impaired	Entitled to Vote	Opt-Out Included with Ballot
4	General Unsecured Claims	Unimpaired	Deemed to Accept	N/A
5	Intercompany Claims	Unimpaired / Impaired	Deemed to Accept / Deemed to Reject	N/A
6	Intercompany Interests	Unimpaired / Impaired	Deemed to Accept / Deemed to Reject	N/A
7	Existing Interests in Luminescence Cooperatief U.A.	Impaired	Deemed to Reject	Receives Opt-Out Form
8	Existing Co-Investment Interests in Aegletes B.V.	Impaired	Deemed to Reject	Receives Opt-Out Form
9	Subordinated Claims	Impaired	Deemed to Reject	N/A

Voting Record Date: The Voting Record Date is August 25, 2022. The Voting Record Date is the date by which it is determined which Holders of Claims in Class 3 are entitled to vote on the Plan.

**Voting Deadline.** The deadline for voting on the Plan is **September 16, 2022, at 5:00 p.m. prevailing Eastern Time** (the "Voting Deadline"). If you hold a First Lien Loan Claim in Class 3 as of the Voting Record Date, you are entitled to (i) vote to accept or reject the Plan and (ii) opt out of the Third-Party Release provided under the Plan, you should have received a Ballot and corresponding voting instructions. For your vote to be counted, you must: (a) follow such voting instructions carefully, (b) complete all of the required information on the Ballot, and (c) sign, date and return your completed Ballot so that it is **actually received** by the Voting and Claims Agent according to and as set forth in detail in the voting instructions on or before the Voting Deadline. A failure to follow such instructions may disqualify your vote.

#### Critical Information Regarding Objecting to the Plan and Disclosure Statement

**ARTICLE IX OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS. YOU ARE ADVISED TO REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE IT MAY AFFECT YOUR RIGHTS.**

**Objection Deadline.** The deadline for filing objections to the adequacy of the Disclosure Statement or confirmation of the Plan is **October 3, 2022, at 4:00 p.m. prevailing Eastern Time** (the "Objection Deadline").

**Objections.** Any objection to the adequacy of the Disclosure Statement or the confirmation of the Plan must: (a) be in writing; (b) conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York; (c) state the name and address of the objecting party and the amount and nature of the claim or interest of such entity; (d) state with particularity the basis and nature of any objection to the Plan or Disclosure Statement and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed with the Bankruptcy Court (contemporaneously with, and be served upon the parties identified below (the "Notice Parties") so as to be **actually received** by each of them on or before the Objection Deadline.

OBJECTIONS NOT TIMELY FILED AND SERVED IN THE MANNER SET FORTH HEREIN MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT AND MAY BE OVERRULED WITHOUT FURTHER NOTICE.

#### Notice Parties

- The Debtors, Lumileds Holding B.V., 370 W. Trimble Road, San Jose, California 95131, Attn: Jan Paul Teuwen (jan.paul.teuwen@lumileds.com);
- Counsel to the Debtors, Latham & Watkins LLP, 127A Avenue of the Americas, New York, New York 10020 (Attn: George A. Davis (george.davis@lw.com); George Kildonas (george.kildonas@lw.com); Anupama Yerramilli (Anu.yerramilli@lw.com); Liza L. Burton (liza.burton@lw.com); and Misha E. Ross (misha.ross@lw.com));
- Counsel to the Ad Hoc Term Loan Lender Group, Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, New York 10166, Attn: Scott J. Greenberg (sgreenberg@bsdoddunn.com); Michael J. Cohen (mcohen@bsdoddunn.com); Keith R. Martorana (kmartorana@bsdoddunn.com); and
- United States Trustee, U.S. Department of Justice, Office of the U.S. Trustee, 201 Varick Street, Room 1006, New York, New York 10014 (Attn: Andrea B. Schwartz, Esq. (Andrea.B.Schwartz@usdoj.gov)).

#### Summary of the Plan<sup>4</sup>

The Debtors commenced solicitation of votes to accept the Plan before the Petition Date. The following chart summarizes the treatment of each class of Claims and Equity Interests under the Plan.

Treatment of Claims and Equity Interests Under the Plan			
Unclassified Non-Voting Claims			
Class	Claim/Equity Interest	Plan Treatment	
n/a	Administrative Claims	On the Effective Date, each holder of an Allowed Administrative Claim shall receive treatment in a manner consistent with section 1129(a)(9)(A) of the Bankruptcy Code.	
n/a	Priority Tax Claims	On the Effective Date, each holder of an Allowed Priority Tax Claim shall receive treatment in a manner consistent with section 1129(b)(9)(c) of the Bankruptcy Code.	
n/a	DIP Facility Claims	Except to the extent that a holder of an Allowed DIP Facility Claim agrees to less favorable treatment of its Allowed Claim, in full satisfaction, settlement, discharge and release, and in exchange for its Allowed DIP Facility Claims, on the Plan Effective Date, each holder of an Allowed DIP Facility Claim shall receive its Pro Rata share of the Exit First Lien Converted Term Loans; provided that, in the event that the amount of DIP Loans received by the Debtors exceeds the difference between the New Money Commitment and the aggregate committed amount of the Exit Revolving/Factoring Debt Facility, any such excess DIP Loans shall be repaid in Cash on the Plan Effective Date; provided, however, that in no event shall less than \$175 million of the DIP Loans convert into Exit First Lien Converted Term Loans.	

Classified Claims and Equity Interests			
Class	Claim/Equity Interest	Plan Treatment	
1	Other Secured Claims	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, in full and final satisfaction, settlement, discharge and release, and in exchange for each Allowed Other Secured Claim, on the Plan Effective Date, each Holder of an Allowed Other Secured Claim shall receive the following, at the option of the applicable Debtor with the reasonable consent of the Required Consenting First Lien Lenders: (i) payment in full in Cash, (ii) delivery of the collateral securing its Allowed Other Secured Claim, (iii) reinstatement of its Allowed Other Secured Claim, or (iv) a cash payment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	
2	Other Priority Claims	Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed Other Priority Claim, on the Plan Effective Date, each holder of an Allowed Other Priority Claim shall receive treatment in a manner consistent with section 1129(a)(9)(A) of the Bankruptcy Code.	
3	First Lien Loan Claims	Except to the extent that a holder of a First Lien Loan Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed First Lien Loan Claim, on the Plan Effective Date, each holder of an Allowed First Lien Loan Claim shall receive its Pro Rata share of (i) 100% of the New Common Equity, subject to dilution by the MIP, the Participation Fee, the Exit Commitment Fee, and the Backstop Fee, and (ii) the PLAN.	
4	General Unsecured Claims	Subject to Article V.C of the Plan and except to the extent that a holder of a General Unsecured Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim against a Debtor shall receive payment in full in cash on the date due in the ordinary course of business in accordance with the terms and conditions of the particular transaction giving rise to such Allowed General Unsecured Claim.	
5	Intercompany Claims	On the Plan Effective Date, at the option of the applicable Debtor, Intercompany Claims shall be either: (a) Reinstated; or (b) set off, settled, distributed, contributed, merged, canceled, or released, in each case, in the discretion of the Debtors with the consent of the Required Consenting First Lien Lenders, not to be unreasonably withheld, conditioned, or delayed.	
6	Intercompany Interests	On the Plan Effective Date, at the option of the applicable Debtor, Intercompany Interests shall be either: (a) Reinstated; or (b) set off, settled, distributed, contributed, merged, canceled, or released, in each case, in the discretion of the Debtors with the consent of the Required Consenting First Lien Lenders, not to be unreasonably withheld, conditioned, or delayed.	
7	Existing Interests in Luminescence Cooperatief U.A.	On the Plan Effective Date, all Existing Interests in Luminescence Cooperatief U.A. will be canceled and extinguished (in accordance with the Transaction Steps which will incorporate the requirements of applicable law) and will be of no further force or effect. No distribution shall be made on account of Existing Interests in Luminescence Cooperatief U.A.	
8	Existing Co-Investment Interests in Aegletes B.V.	On the Plan Effective Date, all Existing Co-Investment Interests in Aegletes B.V. will be canceled and extinguished (in accordance with the Transaction Steps which will incorporate the requirements of applicable law) and will be of no further force or effect. No distribution shall be made on account of Existing Co-Investment Interests in Aegletes B.V.	
9	Subordinated Claims	On the Plan Effective Date, all Subordinated Claims will be canceled, released, and extinguished and will be of no further force and effect. No Holders of such Subordinated Claims will receive a distribution under the Plan.	

#### Non-Voting Status of Holders of Certain Claims and Equity Interests

As set forth above, certain Holders of Claims and Equity Interests are not entitled to vote on the Plan. As a result, such parties did not receive any ballots to vote on the Plan. The holders of Claims in Class 1 (Other Secured Claims), Class 2 (Other Priority Claims), and Class 4 (General Unsecured Claims) are Unimpaired under the Plan because such Allowed Claims will be paid in full. Pursuant to section 1126(f) of the Bankruptcy Code, Holders of Unimpaired Claims are conclusively presumed to have accepted the Plan and thus are not entitled to vote.

Finally, because the Holders of Claims or Interests in Class 7 (Existing Interests in Luminescence Cooperatief U.A.), Class 8 (Existing Co-Investment Interests in Aegletes B.V.), and Class 9 (Subordinated Claims) are Impaired (that is, among other things, Holders of Equity Interests in Classes 7 and 8 will have their Interests canceled, released, and extinguished, and Holders of Claims in Class 9 will receive no distributions on account of their Class 9 Claims under the Plan), these Holders are also not entitled to vote because they are deemed to reject the Plan.

**Notwithstanding their Non-Voting Status, Holders of Equity Interests in Class 7 and Class 8 will receive an opt-out form (the "Opt-Out Form") solely for the purpose of allowing them to affirmatively opt out, and not be subject to, the Third-Party Release set forth in Article IX of the Plan. Accordingly, if you hold a Claim or Equity Interest in Class 7 or Class 8 and you do not want to be bound by the Third-Party Release and wish to opt out of this Plan provision, then you must either (a) affirmatively indicate your election to opt out on your Opt-Out Form by checking the box and submit it to Epic in accordance with the instructions on your Opt-Out Form so that it is actually received on or before September 16, 2022, at 5:00 p.m., or (b) file an objection to the Plan before the Objection Deadline set forth above.**

The relevant defined terms and full text of the release, excupation, and injunction provisions contained in the Plan are set forth below.

#### Release, Exculation, and Injunction Provisions in the Plan

PLEASE BE ADVISED THAT ARTICLE IX OF THE PLAN CONTAINS CERTAIN RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, INCLUDING THE THIRD-PARTY RELEASE DISCUSSED ABOVE, AS FOLLOWS:

#### A. Released Definitions

"**Excipated Parties**" means, collectively: (a) the Debtors; (b) the Reorganized Debtors; (c) the Consenting First Lien Lenders; (d) the Consenting Investors; (e) the First Lien Agent; (f) the DIP Agent; (g) the DIP Lenders; (h) the Exit Facility Agents; (i) the Exit Facility Lenders; (j) the DIP Funding Coordinator; and (k) each of the parties to the Plan.  
"**Related Parties**" means, with respect to an Entity, each of, and in each case in its capacity as such, such Entity's current and former Affiliates, and such Entity's and such Affiliates' current and former members, directors, managers, officers, proxyholders, control persons, investment committee members, special committee members, members of any governing body, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, and all Holders of Interests; (m) each Releasing Party; and (n) each Related Party of each Entity (including the Debtor), and (o) each of the parties to the Plan.  
"**Released Party**" means collectively, each of, and in each case in its capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each Non-Debtor Affiliate; (d) each of the Debtors' and Non-Debtor Affiliates' current and former directors, officers and proxyholders; (e) the First Lien Agent; (f) the Consenting First Lien Lenders; (g) the DIP Agent; (h) the DIP Lenders; (i) the DIP Funding Coordinator; (j) the Exit Facility Agents; (k) the Exit Facility Lenders; (l) the Disbursing Agent; (m) the Consenting Investors; (n) all Holders of Interests; (o) each Releasing Party; and (p) each Related Party of each Entity (including the Debtor); (q) provided that, in each case, an Entity shall not be a Released Party if it: (x) elects to opt out of the Releases; or (y) timely Files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the Releases that is not resolved before Confirmation.  
"**Releasing Parties**" means, collectively, each of, and in each case in its capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each Non-Debtor Affiliate; (d) each of the Debtors' and Non-Debtor Affiliates' current and former directors, officers and proxyholders; (e) the First Lien Agent; (f) the Consenting First Lien Lenders; (g) the DIP Agent; (h) the DIP Lenders; (i) the DIP Funding Coordinator; (j) the Exit Facility Agents; (k) the Exit Facility Lenders; (l) the Disbursing Agent; (m) the Consenting Investors; (n) each Holder of Interests; (o) each other Holder of Claims that is entitled to vote on the Plan and

either (i) votes to accept the Plan, (ii) abstains from voting on the Plan and does not elect to opt out of the Releases contained in the Plan, or (iii) votes to reject the Plan and does not elect to opt out of the Releases contained in the Plan; and (p) each Related Party of each Entity in clause (a) through (o), provided that, if there is a dispute as to whether an Entity is a Released Party, the dispute shall not be a Releasing Party. The term "Released Parties" shall not be construed to include any Entity that is not a Released Party contained in the Plan; or (y) timely Files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the Releases contained in the Plan that is not resolved before Confirmation; provided further, that, for the avoidance of doubt, any opt-out election made by a Consenting First Lien Lender or Consenting Investor will be void ab initio.

#### B. Release by the Debtors

EXCEPT AS HERETOFORE EXPRESSLY SET FORTH IN THE PLAN OR THE CONFIRMATION ORDER, PURSUANT TO SECTION 1123(B) OF THE BANKRUPTCY CODE, AS OF THE PLAN EFFECTIVE DATE, IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION, THE ADEQUACY OF WHICH IS HEREBY CONFIRMED, EACH RELEASED PARTY, IN EACH CASE ON BEHALF OF ITSELF AND ITS RESPECTIVE SUCCESSORS, ASSIGNS, AND REPRESENTATIVES, AND ANY AND ALL OTHER ENTITIES WHO MAY PURPORT TO ASSERT ANY CLAIM OR CAUSE OF ACTION, DIRECTLY OR DERIVATIVELY, BY THROUGH, FOR, OR BECAUSE OF THE FOREGOING ENTITIES, IS AND IS DEEMED TO BE, FOREVER AND UNCONDITIONALLY RELEASED, ABSOLVED, ACQUITTED, AND DISCHARGED BY EACH DEBTOR, REORGANIZED DEBTOR, AND THEIR ESTATES FROM ANY AND ALL CLAIMS AND CAUSES OF ACTION, WHETHER KNOWN OR UNKNOWN, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS OR THEIR ESTATES, OR THE REORGANIZED DEBTORS THAT SUCH ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM AGAINST, OR INTEREST IN, A DEBTOR OR OTHER ENTITY, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, (I) THE MANAGEMENT, OWNERSHIP, OR OPERATION OF THE DEBTORS OR THE NON-DEBTOR AFFILIATES (INCLUDING ANY DIVIDENDS OR OTHER DISTRIBUTIONS), (II) THE PURCHASE, SALE, OR RECISSION OF ANY SECURITY OF THE DEBTORS OR THE NON-DEBTOR AFFILIATES, (III) THE SUBJECT MATTER OF, OR THE TRANSACTION, EVENTS, CIRCUMSTANCES, ACTS OR OMISSIONS GIVING RISE TO, ANY CLAIM OR INTEREST THAT IS TREATED IN THE RESTRUCTURING TRANSACTIONS, INCLUDING THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE RESTRUCTURING TRANSACTIONS, (IV) THE BUSINESS OR CONTRACTUAL ARRANGEMENTS BETWEEN ANY DEBTOR OR NON-DEBTOR AFFILIATE AND ANY OTHER ENTITY, (V) THE DEBTORS' AND NON-DEBTOR AFFILIATES' IN- OR OUT-OF-COURT RESTRUCTURING EFFORTS, (VI) INTERCOMPANY TRANSACTIONS, (VII) THE RESTRUCTURING SUPPORT AGREEMENT, THE DEFINITIVE DOCUMENTS, THE MANAGEMENT AGREEMENTS, THE CHAPTER 11 CASES, OR ANY RESTRUCTURING TRANSACTION, (VIII) ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE RESTRUCTURING SUPPORT AGREEMENT, THE DEFINITIVE DOCUMENTS, OR THE RESTRUCTURING TRANSACTIONS, INCLUDING THE ISSUANCE OR DISTRIBUTION OF SECURITIES PURSUANT TO THE PLAN, (IX) THE DISTRIBUTION, INCLUDING ANY DISBURSEMENTS MADE BY A DISBURSING AGENT, OF PROPERTY UNDER THE PLAN OR ANY OTHER RELATED AGREEMENT, OR (X) ANY OTHER ACT OR OMISSION, TRANSACTION, AGREEMENT, EVENT, OR OTHER OCCURRENCE RELATED TO THE PLAN, INCLUDING ANY ACTION ARISING OUT OF OR RELATED TO THE PLAN EFFECTIVE DATE; PROVIDED, THAT THE DEBTORS DO NOT RELEASE ANY PARTY OR ENTITY UNDER THE PLAN, THE CONFIRMATION ORDER, ANY OTHER DEFINITIVE DOCUMENT, ANY RESTRUCTURING TRANSACTION, ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE SET FORTH IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN, OR ANY CLAIM OR OBLIGATION ARISING UNDER THE PLAN OR (B) ANY CAUSES OF ACTION SPECIFICALLY RETAINED BY THE DEBTORS PURSUANT TO THE SCHEDULE OF RETAINED CAUSES OF ACTION.

ENTRY OF THE CONFIRMATION ORDER SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE DEBTOR RELEASE, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS CONTAINED IN THE PLAN, AND, FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE DEBTOR RELEASE IS: (I) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY EACH OF THE RELEASED PARTIES, INCLUDING THE RELEASED PARTIES' SUBSTANTIAL CONTRIBUTIONS TO FACILITATING THE RESTRUCTURING TRANSACTIONS AND IMPLEMENTING THE PLAN; (II) A GOOD FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE DEBTOR RELEASE; (III) IN THE BEST INTERESTS OF THE DEBTORS AND ALL HOLDERS OF CLAIMS AND INTERESTS; (IV) FAIR, EQUITABLE, AND REASONABLE; (V) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (VI) A BAR TO ANY OF THE DEBTORS, THE REORGANIZED DEBTORS, OR THE DEBTORS' ESTATES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE DEBTOR RELEASE.

#### C. Releases by Holders of Claims and Interests (the Third Party Release)

EXCEPT AS HERETOFORE EXPRESSLY SET FORTH IN THE PLAN OR THE CONFIRMATION ORDER, AS OF THE PLAN EFFECTIVE DATE, IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION, THE ADEQUACY OF WHICH IS HEREBY CONFIRMED, EACH RELEASING PARTY, IN EACH CASE ON BEHALF OF ITSELF AND ITS RESPECTIVE SUCCESSORS, ASSIGNS, AND REPRESENTATIVES, AND ANY AND ALL OTHER ENTITIES WHO MAY PURPORT TO ASSERT ANY CLAIM OR CAUSE OF ACTION, DIRECTLY OR DERIVATIVELY, BY THROUGH, FOR, OR BECAUSE OF THE FOREGOING ENTITIES, HAS AND IS DEEMED TO HAVE, FOREVER AND UNCONDITIONALLY, RELEASED, ABSOLVED, ACQUITTED, AND DISCHARGED EACH DEBTOR, REORGANIZED DEBTOR, AND RELEASED PARTY FROM ANY AND ALL CLAIMS AND CAUSES OF ACTION, WHETHER KNOWN OR UNKNOWN, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, THEIR ESTATES, OR THE REORGANIZED DEBTORS THAT SUCH ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM AGAINST, OR INTEREST IN, A DEBTOR, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, (I) THE MANAGEMENT, OWNERSHIP, OR OPERATION OF THE DEBTORS OR THE NON-DEBTOR AFFILIATES (INCLUDING ANY DIVIDENDS OR OTHER DISTRIBUTIONS), (II) THE PURCHASE, SALE, OR RECISSION OF ANY SECURITY OF THE DEBTORS OR THE NON-DEBTOR AFFILIATES, (III) THE SUBJECT MATTER OF, OR THE TRANSACTION, EVENTS, CIRCUMSTANCES, ACTS OR OMISSIONS GIVING RISE TO, ANY CLAIM OR INTEREST THAT IS TREATED IN THE RESTRUCTURING TRANSACTIONS, INCLUDING THE NEGOTIATION, FORMULATION, OR PREPARATION OF THE RESTRUCTURING TRANSACTIONS, (IV) THE BUSINESS OR CONTRACTUAL ARRANGEMENTS BETWEEN ANY DEBTOR OR NON-DEBTOR AFFILIATE AND ANY OTHER ENTITY, (V) THE DEBTORS' AND NON-DEBTOR AFFILIATES' IN- OR OUT-OF-COURT RESTRUCTURING EFFORTS, (VI) INTERCOMPANY TRANSACTIONS, (VII) THE RESTRUCTURING SUPPORT AGREEMENT, THE DEFINITIVE DOCUMENTS, THE FIRST LIEN CREDIT AGREEMENT (AND ANY RELATED OR AFFILIATED DOCUMENTS), THE MANAGEMENT AGREEMENTS, THE FIRST LIEN CREDIT AGREEMENT (AND ANY RELATED OR AFFILIATED DOCUMENTS), THE MANAGEMENT AGREEMENTS, THE CHAPTER 11 CASES, OR ANY RESTRUCTURING TRANSACTION, (VIII) ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE RESTRUCTURING SUPPORT AGREEMENT, THE DEFINITIVE DOCUMENTS, OR THE RESTRUCTURING TRANSACTIONS, INCLUDING THE ISSUANCE OR DISTRIBUTION OF SECURITIES PURSUANT TO THE PLAN, (IX) THE DISTRIBUTION, INCLUDING ANY DISBURSEMENTS MADE BY A DISBURSING AGENT, OF PROPERTY UNDER THE PLAN OR ANY OTHER RELATED AGREEMENT, OR (X) ANY OTHER ACT OR OMISSION, TRANSACTION, AGREEMENT, EVENT, OR OTHER OCCURRENCE RELATED TO THE PLAN, INCLUDING ANY ACTION ARISING OUT OF OR BEFORE THE PLAN EFFECTIVE DATE; PROVIDED, THAT THE RELEASING PARTIES DO NOT RELEASE CLAIMS OR CAUSES OF ACTION ARISING OUT OF, OR RELATED TO, ANY ACT OR OMISSION OF A RELEASED PARTY THAT IS DETERMINED BY FINAL ORDER OF THE BANKRUPTCY COURT OR ANY OTHER COURT OF COMPETENT JURISDICTION TO HAVE CONSTITUTED ACTUAL FRAUD, GROSS NEGLIGENCE, OR WILLFUL MISCONDUCT (IT BEING AGREED THAT ANY RELEASED PARTIES' CONSIDERATION, APPROVAL OR RECEIPT OF ANY DIVIDEND OR OTHER DISTRIBUTION DID NOT ARISE FROM OR RELATE TO ACTUAL FRAUD, GROSS NEGLIGENCE, OR WILLFUL MISCONDUCT), NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING. THE RELEASES SET FORTH ABOVE DO NOT RELEASE (I) ANY POST-PLAN EFFECTIVE DATE OBLIGATIONS OF ANY PARTY OR ENTITY UNDER THE PLAN, THE CONFIRMATION ORDER, ANY OTHER DEFINITIVE DOCUMENT, ANY RESTRUCTURING TRANSACTION, OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE SET FORTH IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN, OR ANY CLAIM OR OBLIGATION ARISING UNDER THE PLAN OR (II) ANY CAUSES OF ACTION SPECIFICALLY RETAINED BY THE DEBTORS PURSUANT TO THE SCHEDULE OF RETAINED CAUSES OF ACTION.

ENTRY OF THE CONFIRMATION ORDER SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE THIRD-PARTY RELEASE, WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS CONTAINED IN THE PLAN, AND, FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE THIRD-PARTY RELEASE IS: (1) CONSENSUAL; (2) ESSENTIAL TO THE CONFIRMATION OF THE PLAN; (3) GIVEN IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY EACH OF THE RELEASED PARTIES, INCLUDING THE RELEASED PARTIES' SUBSTANTIAL CONTRIBUTIONS TO FACILITATING THE RESTRUCTURING TRANSACTIONS AND IMPLEMENTING THE PLAN; (4) IN THE BEST INTERESTS OF THE DEBTORS AND THEIR ESTATES; (5) FAIR, EQUITABLE, AND REASONABLE; (6) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (7) A BAR TO ANY OF THE RELEASING PARTIES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE THIRD-PARTY RELEASE.

#### E. Excupation

EFFECTIVE AS OF THE PLAN EFFECTIVE DATE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE EXCULPATED PARTIES SHALL NEITHER HAVE NOR INCUR ANY LIABILITY TO ANY PERSON OR ENTITY FOR ANY CLAIMS OR CAUSES OF ACTION ARISING PRIOR TO OR ON THE PLAN EFFECTIVE DATE FOR ANY ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR RELATED TO, FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING, ADMINISTERING, CONFIRMING OR EFFECTING THE CONFIRMATION OR CONSUMMATION OF THE PLAN, INCLUDING ANY DISBURSEMENTS MADE BY A DISBURSING AGENT IN CONNECTION WITH THE PLAN, THE DISCLOSURE STATEMENT, THE DEFINITIVE DOCUMENTS, THE MANAGEMENT AGREEMENTS, THE FIRST LIEN CREDIT AGREEMENT (AND ANY RELATED OR AFFILIATED DOCUMENTS), THE MANAGEMENT AGREEMENTS, THE FIRST LIEN CREDIT AGREEMENT (AND ANY RELATED OR AFFILIATED DOCUMENTS), THE DIP FACILITY FRONTING AGREEMENT, THE EXIT FACILITY LOAN DOCUMENTS, OR ANY CONTRACT, INSTRUMENT, RELEASE OR OTHER DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN OR ANY OTHER POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH OR IN CONTEMPLATION OF THE RESTRUCTURING OF THE DEBTORS, THE APPROVAL OF THE DISCLOSURE STATEMENT OR CONFIRMATION OR CONSUMMATION OF THE PLAN; PROVIDED, THAT THE FOREGOING PROVISIONS OF THIS EXCULPATION SHALL NOT OPERATE TO WAIVE OR RELEASE: (I) ANY CLAIMS OR CAUSES OF ACTION ARISING FROM WILLFUL MISCONDUCT, ACTUAL FRAUD, OR GROSS NEGLIGENCE OF SUCH PARTY; (II) ANY CLAIMS OR CAUSES OF ACTION ARISING FROM THE PLAN, THE CONFIRMATION ORDER, ANY OTHER DEFINITIVE DOCUMENT, INSTRUMENT, RELEASE, INDEMNITIES, AND OTHER AGREEMENTS AND DOCUMENTS DELIVERED UNDER OR IN CONNECTION WITH THE PLAN OR ASSUMED PURSUANT TO THE PLAN OR FINAL ORDER OF THE BANKRUPTCY COURT; PROVIDED, FURTHER, THAT EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING ITS RESPECTIVE DUTIES PURSUANT TO, OR IN CONNECTION WITH, THE ABOVE REFERENCED DOCUMENTS, ACTIONS OR OMISSIONS.

THE EXCULPATED PARTIES HAVE, AND UPON CONSUMMATION OF THE PLAN SHALL BE DEEMED TO HAVE, PARTICIPATED IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE LAWS WITH REGARD TO THE SOLICITATION OF VOTES AND DISTRIBUTION OF CONSIDERATION PURSUANT TO THE PLAN AND, THEREFORE, ARE NOT, AND ON ACCOUNT OF SUCH DISTRIBUTIONS SHALL NOT BE, LIABLE AT ANY TIME FOR THE VIOLATION OF ANY APPLICABLE LAW, RULE, OR REGULATION GOVERNING THE SOLICITATION OF ACCEPTANCES OR REJECTIONS OF THE PLAN OR SUCH DISTRIBUTIONS MADE PURSUANT TO THE PLAN.

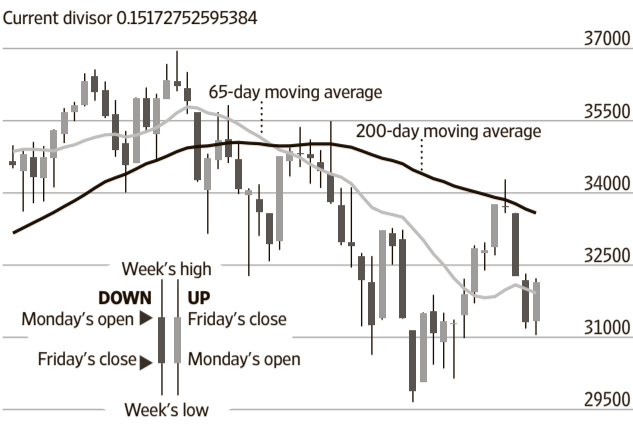
THE FOREGOING EXCULPATION SHALL BE EFFECTIVE AS OF THE PLAN EFFECTIVE DATE WITHOUT FURTHER NOTICE TO OR ORDER OF THE BANKRUPTCY COURT, ACT OR ACTION UNDER APPLICABLE LAW,



MARKETS DIGEST

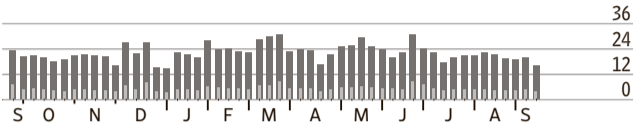
Dow Jones Industrial Average

32151.71 ▲ 833.27, or 2.66% last week
Trailing P/E ratio 18.93 23.52
P/E estimate \* 17.04 18.94
High, low, open and close for each of the past 52 weeks
Dividend yield 2.23 1.84
All-time high 36799.65, 01/04/22



Current divisor 0.15172752595384
Bars measure the point change from Monday's open

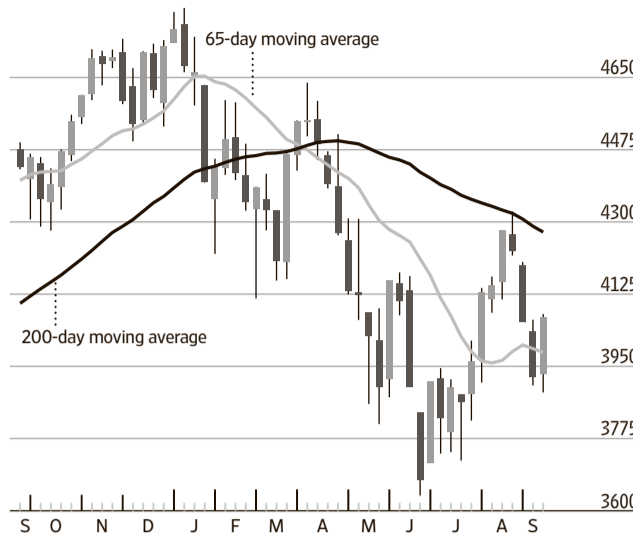
NYSE weekly volume, in billions of shares



\*Weekly P/E data based on as-reported earnings from Biriini Associates Inc. †Based on Nasdaq-100 Index

S&P 500 Index

4067.36 ▲ 143.10, or 3.65% last week
Trailing P/E ratio \* 21.80 31.41
P/E estimate \* 17.63 22.10
High, low, open and close for each of the past 52 weeks
Dividend yield \* 1.66 1.31
All-time high 4796.56, 01/03/22



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New to the Market

Public Offerings of Stock

IPOs in the U.S. Market

Initial public offerings of stock expected this week; might include some offerings, U.S. and foreign, open to institutional investors only via the Rule 144a market; deal amounts are for the U.S. market only

Table with columns: Expected pricing date, Filed, Issuer/business, Symbol/primary exchange, Shares (mil.), Pricing Range(\$), Low/High, Bookrunner(s)

Lockup Expirations

Below, companies whose officers and other insiders will become eligible to sell shares in their newly public companies for the first time. Such sales can move the stock's price.

Table with columns: Lockup expiration, Issue date, Issuer, Symbol, Offer price(\$), Offer amt (\$ mil.), Through Friday (%), Lockup provision

IPO Scorecard

Performance of IPOs, most-recent listed first

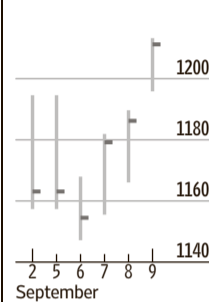
Table with columns: Company, SYMBOL, IPO date/Offer price, Friday's Close (\$), % Chg From Offer price, % Chg 1st-day price, % Chg 3-yr. ann.

Major U.S. Stock-Market Indexes

Table with columns: Index Name, High, Low, Latest Week Close, Net chg, % chg, 52-Week Range, High, % chg YTD, % chg 3-yr. ann.

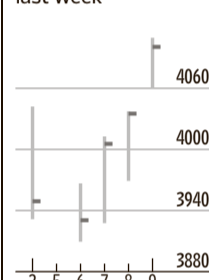
Nasdaq Composite

▲ 481.44, or 4.14% last week



DJ US TSM

▲ 1515.16, or 3.84% last week



International Stock Indexes

Table with columns: Region/Country, Index, Close, Latest Week % chg, Low, 52-Week Range, High, YTD % chg

Commodities and Currencies

Table with columns: Commodity/Currency, Last Week Close, Net chg, %Chg, YTD %Chg

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Table with columns: Country/currency, Fri in US\$, Fri YTD chg per US\$, Fri YTD chg (%)

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year

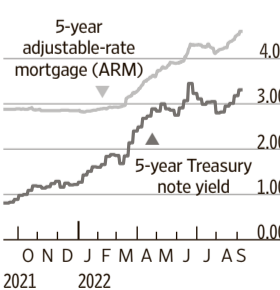


Table with columns: Interest rate, Yield/Rate (%), Last, 52-Week Range, 3-yr chg

Selected rates

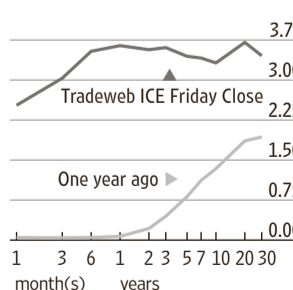
Five-year ARM, Rate

Table with columns: Bankrate.com avg, Florence Savings Bank, Raymond James Bank, NA, East Cambridge Savings Bank, Clinton Savings Bank, RTN Federal Credit Union

Benchmark Yields and Rates

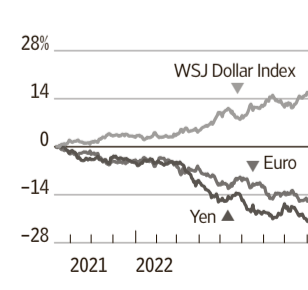
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Corporate Borrowing Rates and Yields

Table with columns: Bond total return index, Yield (%), Spread +/- Treasuries, Total Return

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CLOSED-END FUNDS

Listed are the 300 largest closed-end funds as measured by assets. Closed-end funds sell a limited number of shares and invest the proceeds in securities. Unlike open-end funds, closed-end generally do not buy their shares back from investors who wish to cash in their holdings. Instead, fund shares trade on a stock exchange. NA signifies that the information is not available or not applicable. NS signifies funds not in existence for the entire period. 12-month yield is computed by dividing income dividends paid (during the previous 12 months for periods ending at month-end or during the previous 52 weeks for periods ending at any time other than month-end) by the latest month-end market price adjusted for capital gains distributions. Depending on the fund category, either 12-month yield or total return is listed.

Source: Lipper

Friday, September 9, 2022

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes General Equity Funds like Adams Diversified Eq Inc, Central Secs, and EVTAxAdvDivInc.

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Specialized Equity Funds like abrdn Glb Prem Prop, Adams Natural Resources, and BR Enh Csl.

A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA gained 833.27 points, or 2.66%, on the week. A \$1 change in the price of any DJIA stock = 6.59-point change in the average. To date, a \$1,000 investment on Dec. 31 in each current DJIA stock component would have returned \$26,970, or a loss of 10.10%, on the \$30,000 investment, including reinvested dividends.

Table with 10 columns: Stock Name, Pct change, Week's Action, Pct change, Inverage, Company, Symbol, Close, \$1,000 Invested, % Ret. Lists top movers like salesforce.com, American Express, Nike, and Walmart.

\*Based on Composite price. DJIA is calculated on primary-market price. Source: Dow Jones Market Data; FactSet

Insider-Trading Spotlight

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by Refinitiv on September 9, and year-to-date stock performance of the company.

Table with 10 columns: Date(s), Company, Symbol, Insider, Title, No. of shares in trans, Price range (\$), \$ Value in transaction, \$ Value (000s), Close (\$), Ytd (%). Lists trades for Ashland, Medpace Holdings, and Terns Pharmaceuticals.

Biggest weekly individual trades

Table with 10 columns: Date(s), Company, Symbol, Insider, Title, No. of shares in trans, Price range (\$), \$ Value in transaction, \$ Value (000s), Close (\$), Ytd (%). Lists large trades for Ashland, Medpace Holdings, Terns Pharmaceuticals, and New York City REIT.

Sellers

Table with 10 columns: Date(s), Company, Symbol, Insider, Title, No. of shares in trans, Price range (\$), \$ Value in transaction, \$ Value (000s), Close (\$), Ytd (%). Lists sales for Dollar Resources, Ashland, Microsoft, and PTC.

\*Half the transactions were indirect \*\*Two day transaction p - Pink Sheets

Buying and selling by sector

Table with 6 columns: Sector, Buying, Selling, Sector, Buying, Selling. Lists sectors like Basic Industries, Capital Goods, Consumer durables, and Energy.

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes NuV Real Est JRS, Nuven RI Assst Inc & G, and NuVSP500BuyInFd.

Income & Preferred Stock Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Calamos Strat Tot, CohenStrLtdDurPrefInc, and CohenStrSelfPrefInc.

Convertible Sec's Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes abrdn CntrlBndFnd, Adm CntrlBndFnd, and Calamos ConvHl.

World Equity Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes abrdn Emk Eqlnc AEF, abrdn Tot Dvn Div AOD, and Japan Smaller Cap JOF.

U.S. Mortgage Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes BlckRnk Income BKT, Invesco HI 2023 Trd Int, and Investment Grade Bond.

Investment Grade Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Angel Oak FS Inc Trm, BlRck Core Bond BHK, and BR Credit Alloc Inc.

Loan Participation Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Apollo Senior Floating, BR Debt Strategy, and BR F/R Inc Str.

High Yield Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes AllianceBemGHIInc, Allspring GI Div Oppty, and Barrings Glb SD HY Bd.

Single State Municipal Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes BRMH CA Mun, CliffwaterEIFdA, and CNR Strategic Credit.

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Nuven Global High Inc, PGIM Global High Yield, and PGIM High Yield Bond.

Other Domestic Taxable Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Allspring Multi-Sector, Apollo Tactical Income, and Ares Dynamic Crd Alloc.

International Equity Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes abrdn AP Inc Fd, BNY Mellon Strat Mun, and Del Int Natl Mun Income.

Income & Preferred Stock Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Alpha Alternative Assets, Calamos US Eqty and Bd, and Flat Rock Opporty.

Convertible Sec's Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes World Conv and Inc, ACAP StrategicCA, and ACAP StrategicW.

World Equity Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes ACAP StrategicCA, ACAP StrategicW, and Alphas Global Tot Ret.

Loan Participation Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes AWS Credit IncomeA2, AWS Credit IncomeInst, and AlphaCntrlPrime Merid.

National Muni Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Blackstone FREI D, Blackstone FREI E, and Blackstone FREI F.

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes BR MH NJ Qly, BR MH NY Qly, and BR MH Yld MI Qly.

Other Domestic Taxable Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Allspring Multi-Sector, Apollo Tactical Income, and Ares Dynamic Crd Alloc.

International Equity Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes abrdn AP Inc Fd, BNY Mellon Strat Mun, and Del Int Natl Mun Income.

Income & Preferred Stock Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Alpha Alternative Assets, Calamos US Eqty and Bd, and Flat Rock Opporty.

Convertible Sec's Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes World Conv and Inc, ACAP StrategicCA, and ACAP StrategicW.

World Equity Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes ACAP StrategicCA, ACAP StrategicW, and Alphas Global Tot Ret.

Loan Participation Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes AWS Credit IncomeA2, AWS Credit IncomeInst, and AlphaCntrlPrime Merid.

National Muni Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Blackstone FREI D, Blackstone FREI E, and Blackstone FREI F.

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Eagle Point Instl Income, Equalize Community Dev, and FedProjTrFinanceTendr.

High Yield Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Apollo Diversified CdA, Apollo Diversified Cdf, and Apollo Diversified Cdl.

Other Domestic Taxable Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes AFA MMClnst, AFA MMClnv, and Atlantic Credit IncA.

Income & Preferred Stock Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Alpha Alternative Assets, Calamos US Eqty and Bd, and Flat Rock Opporty.

Convertible Sec's Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes World Conv and Inc, ACAP StrategicCA, and ACAP StrategicW.

World Equity Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes ACAP StrategicCA, ACAP StrategicW, and Alphas Global Tot Ret.

Loan Participation Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes AWS Credit IncomeA2, AWS Credit IncomeInst, and AlphaCntrlPrime Merid.

National Muni Bond Funds

Table with 5 columns: Fund (SYM), NAV, Close, % Disc, % Ret. Includes Blackstone FREI D, Blackstone FREI E, and Blackstone FREI F.

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Table with 4 columns: Inflation, U.S. government rates, Other short-term rates, U.S. consumer price index. Shows rates for July index, Chg From (%), and Latest/High/Low.

Money Rates

Table with 4 columns: Prime rates, Treasury bill auction, Policy Rates, Overnight repurchase. Shows rates for U.S., Canada, Japan, Euro zone, Switzerland, Britain, Australia, and U.S. rates.

Notes on data:

U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective July 28, 2022. Other prime rates are not directly comparable lending practices vary widely. Discount overnight financing rate is as of September 8, 2022. DTCC GCF Repo Index is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. Federal funds rates are Tullett Prebon rates as of 5:30 p.m. ET.

Cash Prices | wsj.com/market-data/commodities

Table with 3 columns: Commodity Name, Friday, Friday. Lists prices for Energy (Iron Ore, Shredded Scrap), Metals (Batteries, Bismuth, Gold, Silver), Food (Wheat, Beef, Broilers), Fibers and Textiles (Burlap, Cotton), Grains and Feeds (Barley, Bran), and Fats and Oils (Degummed corn oil).

KEY TO CODES: A=ask B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra, Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; na=not quoted or not available; P=Soiland Public Financing; R=S.N. Energy; S=Platts-TSI; T=Outlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=Yominating (after Organization); Z=not quoted. \*Data as of 9/8

Source: Dow Jones Market Data



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