

What's News

Business & Finance

The building boom has helped push unemployment to around its lowest level in more than 50 years, perplexing investors who want to see the Fed switch course on interest rates. **A1**

◆ **China's party-state**, long steeped in secrecy, is creating a black box around information on the world's second-largest economy, alarming global businesses and investors. **A1**

◆ **Shares of large U.S. technology companies** are powering the broader market higher again, vindicating many individual investors who placed big bets on growth stocks. **B1**

◆ **Revlon Inc. will emerge** from bankruptcy under new ownership and a new board of directors that includes former executives from Bloomin' Brands, Sephora and Walgreens Boots Alliance Inc. **B1**

◆ **Adidas will focus** on sports, doubling "down on all of the things that are U.S.-centric" to boost its stateside business, the company's North America president said in an interview. **B1**

◆ **Apple, Marriott and Starbucks** are among the companies that will report quarterly results in coming days, offering a closer look at consumer-spending habits in a slowing economy. **B3**

◆ **SpaceX anticipates** spending about \$2 billion on its Starship rocket program this year and might not need to raise additional outside funding, CEO Elon Musk said in an audio chat on Twitter. **B4**

World-Wide

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◆ **The GOP debt-ceiling bill** would raise taxes by more than \$300 billion over a decade, according to official congressional estimates. **A2**

◆ **Texas law enforcement** expanded its search over the weekend for a suspected gunman accused of fatally shooting five people, including an 8-year-old child. **A3**

◆ **Florida Gov. DeSantis** is poised to jump into the Republican presidential primary in the coming months with an \$86 million pot of donor money and a legally questionable strategy for using it. **A5**

◆ **China is resisting** a U.S. push to build more-reliable systems for communicating in a crisis, raising the risk that a miscalculation by either side's military could spill into conflict. **A9**

◆ **Netanyahu said** he is committed to reaching a compromise over a proposed overhaul of Israel's judiciary, even as he comes under increasing pressure from elements within his own government to advance the legislation. **A20**

◆ **Petitioners are arguing** before India's Supreme Court for the expansion of marriage rights to millions of LGBTQ people, but face opposition from the country's socially conservative government. **A20**

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The schedules of Jeffrey Epstein, far right, detail planned meetings with prominent people including, clockwise from top left: Goldman Sachs lawyer Kathryn Ruemmler, CIA head William Burns, banker Ariane de Rothschild, consulting executive Joshua Cooper Ramo, Bard College President Leon Botstein and professor and author Noam Chomsky.

Epstein's Private Calendar Reveals Prominent Names

By KHADEEJA SAFDAR AND DAVID BENOIT

The nation's spy chief, a longtime college president and top women in finance. The circle of people who associated with Jeffrey Epstein years after he was a convicted sex offender is wider than previously reported, according to a trove of documents that include his schedules.

William Burns, director of the Central Intelligence Agency since 2021, had three meetings scheduled with Epstein in 2014, when he was

deputy secretary of state, the documents show. They first met in Washington and then Mr. Burns visited Epstein's townhouse in Manhattan.

Kathryn Ruemmler, a White House counsel under President Barack Obama, had dozens of meetings with Epstein in the years after her White House service and before she became a top lawyer at Goldman Sachs Group Inc. in 2020. He also planned for her to join a 2015 trip to Paris and a 2017 visit to Epstein's private island in the Caribbean.

Leon Botstein, the president

of Bard College, invited Epstein, who brought a group of young female guests, to the campus. Noam Chomsky, a professor, author and political activist, was scheduled to fly with Epstein to have dinner at Epstein's Manhattan townhouse in 2015.

None of their names appear in Epstein's now-public "black book" of contacts or in the public flight logs of passengers who traveled on his private jet. The documents show that Epstein arranged multiple meetings with each of them after he had served jail time in

2008 for a sex crime involving a teenage girl and was registered as a sex offender. The documents, which include thousands of pages of emails and schedules from 2013 to 2017, haven't been previously reported.

The documents don't reveal the purpose of most of the meetings. The Wall Street Journal couldn't verify whether every scheduled meeting took place.

Most of those people told the Journal they visited Epstein for reasons related to his

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Building Boom Sours Hope for Rate Cut

Record employment in construction sector undermines bets that the Fed will soon pivot

By RYAN DEZEMBER AND WILL PARKER

The building boom has helped push unemployment to around its lowest level in more than 50 years. That is perplexing investors who want to see the Federal Reserve switch course on interest rates.

Construction spending and employment have risen to records this year, boosted by government outlays for infrastructure, a domestic manufacturing renaissance and a wave of apartment building that got off to a slow start during the pandemic when prices for building materials, such as lumber, were sky high.

Construction companies with jobs ranging from airport overhauls to bathroom renovations said they have enough work booked to maintain payrolls—for years in some cases. Even home builders, which slowed down last year when rates began to rise, are ramping up into spring.

The persistent strength in a sector that is usually among the first to suffer job loss when borrowing costs rise is undermining investor hopes that the Fed's aggressive interest-rate increases would quickly slow inflation and rejuvenate the stock market.

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◆ Fed's balance sheet gets new focus..... A4

Sudan Exodus Soars Amid Violence



Saudi forces help evacuees in a rescue by sea from Port Sudan on Sunday. A doctor with U.S. citizenship who stayed to help was slain in a stabbing amid the upheaval in Khartoum. **A20**

China Curbs Information Flow, Unnerving Global Businesses

China's party-state, long steeped in secrecy, is creating a black box around information on the world's second-largest economy, alarming global businesses and investors.

By Lingling Wei, Yoko Kubota and Dan Strumpf

Prodded by President Xi Jinping's emphasis on national security, authorities in recent months have restricted or outright cut off overseas access to various databases involving corporate-registration information, patents, procurement documents, academic journals and official statistical yearbooks.

Of extra concern in recent days: Access to one of the most crucial databases on China, Shanghai-based Wind Information Co., whose economic and financial data are widely used by analysts and investors both inside and outside the country, appears to be drying up.

Following recent expansion of China's anti-espionage law, aimed at fighting perceived foreign threats, many foreign think tanks, research firms and other nonfinancial entities are finding they can't renew subscriptions to Wind over what Wind described as "compliance" issues, according to interviews with Western researchers and macroeconomic analysts.

A Wind service representative said in an email that customers who want to renew their contracts need to contact their account managers. The representative didn't elaborate.

The increased restrictions on information come as Beijing has embarked on a campaign to scrutinize and pressure Western management consultants, auditors and other service providers that multinational companies rely on to assess risks in China.

The two-pronged approach is part of a broader effort to tighten the Communist Party's

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◆ Heard on the Street: Beijing's spy law is self-sabotage... B10

Fancy Ultramarathons Include \$11,000 Entry Fee, Butler

Long-distance races roll out luxury amenities to tempt runners

By STUART CONDIE

Danielle Zhao was clawing at rocks and crying as she scrambled up a hillside in the Scottish highlands, battling against her fear of heights to complete her first-ever ultramarathon. One thought kept her going.

"I knew that after that I had a nice, nice coffee waiting for me," said Mrs. Zhao, who competed in the 2022 event alongside her new husband, Ricky Zhao. The hard-running honeymooners were also racing toward a dinner of venison noodles and a couple's massage.

The Zhaos are among a new breed of long-distance runners of founding traditionalists. These competitors want the challenge of running across deserts and up moun-

tains over many miles without having to rough it, and are willing to spend thousands of dollars for the privilege.

The couple will head back to the Highland Kings luxury ultramarathon again this year, joining up to 40 runners aiming to cover 120 miles over four days. An \$11,000 entry fee includes nutritionally tailored food from a Michelin-starred chef, butler service and private sleep pods.

Energetic vacationers can choose from a range of other offerings from specialist travel companies. "Be

prepared for some of the most breathtaking trails you've ever run (due to their beauty and elevation) while being pampered in some of the most luxurious four-star hotels of Sud-Tyrol," urges one such

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INSIDE



SPORTS

Shohei Ohtani can replicate the most vexing pitches he faces. **A16**



BUSINESS & FINANCE

The FDIC is reviewing bids for First Republic Bank and preparing to seize the lender. **B1**

Price Trims at Tesla Test Musk Strategy

By TIM HIGGINS

Tesla Inc.'s recent string of price cuts represent a crucial chapter in the company's near 20-year story.

The moves could suggest the electric-vehicle pioneer has lost its edge and is picking up the bad habits of legacy auto makers.

Or, they could be part of the next industry-changing innovation from Elon Musk.

Price cuts this year sent conflicting signals about customer demand for the company's cars, which have generated fat profits in recent years after more than a decade of heartache as Mr. Musk forged a new path for the auto business.

Then last month, Mr. Musk articulated his strategy behind the moves. He declared Tesla would give priority to continued sales growth at the expense of near-term profitability. That stance unnerved some investors who expected the company to continue massively

increasing deliveries while maintaining enviable profit margins. The combination helped justify its techlike market valuation that far exceeds its 100-year-old competitors'.

Some fear Mr. Musk is picking a page from the industry's dusty old playbooks by chasing a crown of global sales leadership, potentially at the expense of profit margins.

Mr. Musk maintains he is making a 21st-century gamble that he can, over time, profit from future software subscription-style revenue from Tesla owners, including for autonomous-driving capabilities.

"We do believe we're...laying the ground here and that it's better to ship a large number of cars at a lower margin and subsequently harvest that margin in the future as we per-

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◆ Musk outlines plans for Starship rocket program.... B4
◆ Dorsey criticizes sale of Twitter to Musk..... B4

U.S. NEWS

THE OUTLOOK | By Jon Hilsenrath

Past Debt-Ceiling Plans Hint at This One



U.S. regulators have long insisted that financial institutions have contingency

plans for potential crises. A potential crisis now looms: an unprecedented default on Treasury debt. Yet the Biden administration has refused to say how it would respond.

The government spends more than it brings in from tax revenue, causing the national debt to rise over time. But a statutory ceiling on that debt, currently \$31.4 trillion, was reached in January. Treasury is using accounting maneuvers but it is expected to exhaust those options as early as June or later in the summer.

If Congress hasn't raised the ceiling by then, Treasury would start missing federal payments, such as interest on debt, Social Security benefits or military salaries. That could sow chaos by throwing into doubt the integrity of the Treasury debt that underpins financial markets or depriving potentially millions of people of essential income.

"The Treasury Depart-

ment, under both Republican and Democratic administrations, has repeatedly stated that the only solution to this issue is for Congress to raise or suspend the debt ceiling," a Treasury spokeswoman said. "Failure to do so in time would be a self-manufactured crisis that would severely harm our economy, and jeopardize the millions of payments to Americans and businesses, including our military families and seniors who rely on Social Security."

Its refusal to say what it would do is part of the administration's political strategy, similar to one adopted by the Obama administration at similar times in 2011 and 2013. Articulating such a plan would encourage Republicans who control the House to court disaster by refusing to lift the ceiling in time, according to the thinking inside the White House and Treasury.

But planning for a crisis is happening behind the scenes at Treasury and the Federal Reserve, as was the case in 2011.

Officials then prioritized paying principal and interest

on Treasury securities out of available tax revenues, because failure to do so risked mayhem in markets.

The Biden administration hasn't said whether it would prioritize debt service now, but that view is widely held on Wall Street, and the administration has done nothing to dispel it.

Under prioritization, once debt has been serviced, the timing of other payments, including Social Security, would depend on the ebbs and flows of revenue until the debt ceiling was ultimately lifted.

The Brookings Institution estimates outlays would fall by 25% overnight, and up to 35% and beyond when tax inflows are particularly light or if Social Security payments are also given priority.

Congress lifted the ceiling in 2011 just days before cash ran out, an event that led Standard & Poor's to downgrade U.S. government debt. Daleep Singh, a former economic aide to Mr. Biden and now chief global economist for PGIM Fixed Income, says the U.S. is even more vulnerable now.

Debt held by the public

has more than doubled, growing \$14 trillion since, the euro is now a more viable reserve currency, and the U.S. is leading a sanctions campaign against Russia that depends on its financial standing.

"I am worried that this time, it is going to be at least as bad as 2011," Mr. Singh said.

Mr. Singh worked in the Treasury during that episode. Timothy Geithner, then

Planning for a crisis is happening behind the scenes at the Fed and the Treasury.

Treasury secretary, didn't settle on a plan with the Fed chairman at the time, Ben Bernanke, until hours before an actual default threatened to happen. In the lead-up, U.S. officials discovered operational land mines.

Among them, the Fed's payment system, called Fedwire, wasn't programmed for late payments on Treasury

bonds. If a bond matured without being repaid, it would effectively disappear from the Fedwire system. Billions of dollars in assets held by financial institutions around the world would effectively go "poof."

The Securities Industry and Financial Markets Association, or Sifma, has spent the past decade trying to work out a plan to avoid such a calamity. But officials say they need ample warning from the government of a missed payment.

Another unresolved question: What kind of penalty or added interest would the government pay if it missed a payment? There's no stated policy.

Mr. Singh said he sees a 5% probability of a debt default and a 50% probability that the government won't default but will miss some other spending commitment. If Social Security payments are late, that could prevent recipients from paying rent, groceries or other bills. Will Treasury be able to give priority to those politically important payments, too? This is unknown, or unstated.

Treasury makes 80 million payments a month. The plan in 2011 was, once debt service had been met, to only pay a day's worth of obligations when there was enough cash to cover that day, without prioritizing any payment.

A person involved in planning in 2011 and again in the Biden administration said officials are no less worried now that the operational challenges of staggering non-debt payments could cause a financial crisis even if Treasury securities bills get paid. What would make such a crisis different, this person said, would be that the government itself would be hampered in playing its role as a backstop.

In an emergency discussion in August 2011, Janet Yellen, then Fed vice chairwoman, was aghast about the lack of preparedness. "Given that we could face a similar situation somewhere down the road," she said, according to transcripts of the meeting, "I think it's important for us to think about lessons learned so that we and markets will be better prepared if we face such a situation again."



If Rep. Kevin McCarthy alienates his Republican Party in the debt-ceiling process, he could lose his House speakership.

After a Win, McCarthy's Bigger Fight Looms

By NATALIE ANDREWS

House Speaker Kevin McCarthy won the preliminary round in his effort to lead Republicans into debt-ceiling negotiations. Next comes the main event.

For the Californian, this fight will encompass his two mammoth missions as leader of the chamber: balancing demands of different wings of often-chaotic House Republicans, while keeping the government functioning. It comes just months after he squeaked into the speakership after 15 rounds of votes.

Republicans last week narrowly passed a bill pairing an increase in the U.S. borrowing limit with deep cuts in spending. While the two parties are at an impasse, the Treasury is expected to provide new guidance soon on when the U.S. could default on obligations.

If talks begin, Mr. McCarthy will need to weigh the demands of hard-line fiscal conservatives with more moderate members to reach a deal with Democrats. Any debt-ceiling deal would need to clear the House—where the Republicans' opening bid almost failed because it wasn't

sufficiently conservative—and the Senate, where 10 or so Republicans would need to join Democrats. If Mr. McCarthy alienates his party in the process, he could lose the speakership.

Mr. McCarthy "deserves a lot of credit for getting [the bill] through," said Doug Heye, a onetime deputy chief of staff to former House Majority Leader Eric Cantor, but "now the really hard work begins."

The bill's passage has bolstered the speaker's hand for the moment, with members lining up behind him.

"I have full confidence" in Mr. McCarthy, said Rep. Byron Donalds (R., Fla.), a member of the far-right Freedom Caucus who once opposed Mr. McCarthy's speakership. "He has the backing of the Republican members to go and negotiate," said Rep. Carlos A. Giménez (R., Fla.), a member of the more moderate Republican Governance Group.

Democrats said the bill wasn't a real offer. "They produced a ransom note and said, 'Pass our irresponsible Default on America Act or else we're

going to default.' That's not serious," said House Minority Leader Hakeem Jeffries (D., N.Y.).

Behind the scenes, lawmakers and people who have met with Mr. McCarthy say he is adamant that the U.S. won't default, even as he uses the debt limit as leverage to seek spending reductions. Even getting close to a default could rattle financial markets. The president and Mr. McCarthy met in February and haven't engaged on the issue since.

"I sent him a bill that lifted the debt ceiling," Mr. McCarthy told reporters. Asked if negotiations with Mr. Biden or the Senate would water the bill down, potentially losing Republican support, Mr. McCarthy acknowledged likely changes. "You know how Congress works, the House passes a bill, the Senate passes a bill, we go to a conference."

Senate Majority Leader Chuck Schumer (D., N.Y.) pronounced the GOP bill dead on arrival in the Senate. Still, he needs 60 votes to advance any plan of his own, and there isn't enough support for a clean in-

crease at this moment. Senate Republicans have pointed to the House bill as a starting point.

Rep. Garret Graves (R., La.), who played a top role in developing the Republican bill, said House Republicans would wait for a response before looking for alternatives. "Look, we don't negotiate with ourselves. I mean, at this point, it's up to the Senate. It's up to the White House," he said.

The GOP plan would raise the debt ceiling by \$1.5 trillion or until March 31, 2024, whichever comes first. In return, it would set discretionary spending levels for the coming year at fiscal 2022 levels and limit spending growth to no more than 1% a year. It would also claw back unspent Covid-19 relief money, impose new work requirements for government benefits, stop the administration's plan to forgive some student loans and other measures.

For Mr. McCarthy, last week's win was part of a continuation of his grueling battle to win the speakership in January. Mr. McCarthy agreed then to advocate for strict spending cuts in any debt-ceiling increase when he won over detractors.

Some Republicans signaled potential trouble ahead. Rep. Ralph Norman (R., S.C.), a member of the House Freedom Caucus, said Mr. McCarthy promised late Tuesday night that the debt-ceiling bill was a floor, not a ceiling, for negotiations.

A different GOP lawmaker said changes to the bill could prompt unhappy Republicans to try to oust Mr. McCarthy through what is known as a motion to vacate the chair. "If it gets weaker and weaker, you won't get the four that aren't in there now, you're going to lose more and more conservatives, so you're going to have to depend on Democrats, which puts the vacating the chair in jeopardy," the lawmaker said.

GOP Embraces Boosting Taxes On Clean Energy

By RICHARD RUBIN

Republicans finally found a tax increase they can support.

The party, united for decades around the view that net tax increases are unacceptable, on Wednesday advanced debt-ceiling legislation that would raise taxes by more than \$300 billion over a decade, according to official congressional estimates.

The bill, which passed in the GOP-controlled House and won't survive the Democratic-led Senate, would repeal clean-energy tax credits that Congress created last year. The changes would shrink breaks for wind energy, solar power, hydrogen and electric vehicles, effectively raising taxes on some manufacturers, car buyers and others.

Top Republicans see such clean-energy subsidies as more like spending rather than tax reductions, and they say their debt-ceiling bill would end such inefficient, expensive programs created by Democrats. They also promised that any final bill wouldn't include net tax increases. Republicans continue to oppose tax hikes President Biden has proposed for high-income households and corporations, and they are proposing further tax cuts for

The measure would repeal clean-energy tax credits that were created last year.

businesses and individuals.

Still, their willingness to advance a bill that the nonpartisan Congressional Budget Office says would raise tax revenue shows Republicans are less focused on official tax tallies and more determined to reverse Mr. Biden's agenda.

"These green-energy policies that the Biden administration has forced down the throat of Americans is not good for this country," said Rep. Drew Ferguson (R., Ga.).

The House legislation would raise the debt ceiling in exchange for deep government-spending cuts and was aimed at jump-starting talks with Mr. Biden. The White House has insisted that Congress raise the \$31.4 trillion borrowing limit without any other provisions attached.

The House CBO found that the House GOP bill would cut projected government deficits by \$4.8 trillion over 10 years, before a few minor last-minute revisions. The bill contains tax increases that total at least \$515 billion over a decade, ac-

ording to the nonpartisan Joint Committee on Taxation. That estimate is likely low because it doesn't yet include the effect of eliminating electric-vehicle credits, which would likely raise billions of dollars more.

The House bill included one revenue-reducing provision—rescinding new enforcement funding for the Internal Revenue Service. That would lower tax revenue by \$191 billion, so when laid against the energy-tax changes, the bill still raises taxes overall.

In the past, that imbalance might have given Republicans heartburn. The GOP-backed 2017 tax law, for example, repealed or limited many tax breaks, but those were far outweighed by tax cuts. Republicans sparred among themselves in 2011 over whether to curb ethanol tax breaks without cutting taxes elsewhere.

As party leaders rallied votes for the debt-ceiling bill, they promised lawmakers that the final version won't raise taxes.

Rep. Jason Smith (R., Mo.), chairman of the House Ways and Means Committee, wrote in a letter to House Speaker Kevin McCarthy (R., Calif.) that the debt-ceiling bill wouldn't actually raise taxes. He said ending some clean-energy tax credits should be treated as cutting spending. And—citing Biden administration estimates—he wrote that the IRS changes would have a bigger impact in lowering tax revenue than CBO says.

In his reply—which, like Mr. Smith's letter, was posted online—Mr. McCarthy agreed.

Some Republicans who were wavering on the debt-ceiling bill, such as Rep. Nancy Mace of South Carolina, argued that it would raise taxes. But the bulk of House Republicans focused on their objections to Democrats' renewable-energy policies.

The clean-energy tax breaks and IRS expansion that Republicans want to eliminate were established in the climate, health and tax law known as the Inflation Reduction Act. Congress passed the law last year with no Republican votes. Democrats view it as a pillar of their efforts to fight climate change and tax cheating, and say the GOP plan would imperil both efforts.

Targeted tax credits have long been a means for the two parties to find common ground on legislation. Democrats have used them to advance federal policies that would be politically harder to pitch as spending programs, while Republicans could point to them to say they backed tax cuts.

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CORRECTIONS & AMPLIFICATIONS

A present-day artificial intelligence system cannot be held accountable for its actions under any circumstances, because it's a mathematical algorithm and not a person. The Keywords column on Saturday incorrectly attributed to Emily M. Bender the statement that under "current laws" it could not be held accountable for its actions.

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

U.S. NEWS

Authorities Hunt for Gunman In Texas Killings

By GINGER ADAMS OTIS

Texas law enforcement expanded its search over the weekend for a gunman accused of fatally shooting five people, including an 8-year-old child.

The San Jacinto County Sheriff's Office said Sunday it has expanded its manhunt to roughly 20 miles around the home in Cleveland, Texas, where the shooting occurred. Local officials and law enforcement have offered up to \$80,000 for information that will help authorities find the suspect, identified as 38-year-old Francisco Oropesa by the Federal Bureau of Investigation's Houston office.

"This remains a fluid investigation," the agency said.

The five victims were between 8 and 31 years old, the sheriff's office said. Five other people, including three children, were at the home, but escaped injury.

San Jacinto County Sheriff Greg Capers said officers were called to the Cleveland home on Friday around 11:30 p.m. local time for a harassment complaint. Cleveland is about 50 miles north of Houston.

"While en route, the communications center received multiple 911 calls of an active shooter incident at the dispatch location," the sheriff's office said on Facebook.

"Multiple deputies arrived at the residence and located multiple victims deceased in a residence," the department said.

The FBI and the San Jacinto County Sheriff's Office released images of the suspect along with a warning that he is likely armed and considered dangerous. Investigators found clothes and a cellphone in a nearby forest, said Sheriff Capers.

The suspect used an AR-style rifle in the shooting, Sheriff Capers said. Authorities found a weapon matching that description in the suspect's house, he said, along with a hunting rifle, a shotgun and a pistol.

Sheriff Capers said authorities believe the suspect was shooting a weapon in a nearby yard when one of the victims, who lived next door, asked him to stop because of the noise. Authorities believe the suspect instead turned his weapon on the neighbors.

The suspect had a history of firing his weapons in the yard outside his home, according to Sheriff Capers.

Watch a Video

Scan this code to see a video about the Cleveland, Texas, shooting.

Moms Comfort Babies in Withdrawal

By JULIE WERNAU

Thousands of babies are born each year to mothers who are using opioids. The newborns enter the world in withdrawal—some fussy and sweating, others struggling to feed.

The treatment, until recently, was to separate the babies from their mothers, start them on morphine, and keep them isolated for days or weeks of intensive care.

Now doctors have a new treatment: Mom.

Doctors and researchers are encouraging parents to soothe their newborns as they shed their dependence on opioids, and using morphine as a last resort.

The number of newborns in opioid withdrawal has risen in recent years as illicit fentanyl has supercharged the potency of the illicit drug market. About six in 1,000 babies have been born drug-dependent in each year since 2017, according to an analysis from healthcare-data company Truveta. The rate in 2009 was half that, federal data show.

"The patients seem to be sicker," Dennis Hand, an associate professor of obstetrics, gynecology and psychiatry at Thomas Jefferson University in Philadelphia, said. "They're using more potent drugs with fentanyl."

In the world of illicit-drug treatment, caring for mothers using opioids and their babies is particularly fraught. The 2021 National Survey on Drug Use and Health conducted by the Substance Abuse and Mental Health Services Administration indicated that nearly 8% of pregnant women among the 60,000 respondents overall had used illicit drugs in the past month and some 1% of pregnant women had taken illicit opioids.

The American College of Obstetricians and Gynecologists and the World Health Organization recommend treatment medications over detoxification for pregnant women addicted to opioids, because quitting increases the risk of relapse and deadly overdoses. Some public-health officials want to protect infants from the harmful effects of opioids without deterring moms from seeking prenatal care and addiction treatment. Many states require that mothers who test positive for opioids be reported to child services.

"These policies really create a lot of fear," said Anna Austin, an assistant professor at the Gillings School of Global Public Health at the University of North Carolina at Chapel Hill.

Doctors have used a 21-item scoring system to decide whether to treat newborns for opioid withdrawal, typically by tapering morphine or methadone doses over days. Matthew Grossman, associate professor of pediatrics at Yale



Queen Hamilton recently comforted her daughter Tiye, now 18 months old, in their living room. A caregiver, below, feeding a tiny patient at Hushabye, which cares for babies in opioid withdrawal. Most moms stay about a week at Hushabye Nursery in Phoenix.



School of Medicine, developed an alternative method to emphasize caregiving over medication for newborns in withdrawal because their mothers used opioids.

"Treat the baby like a

baby," Dr. Grossman said.

The system called "Eat, Sleep, Console," simplifies the assessment for newborns to three items—whether they are sleeping, feeding and can be consoled quickly—and

raises the bar for administering opioids. To soothe upset babies, caregivers are encouraged to try things such as swaddling, dimming the lights and skin-to-skin contact.

Infants in withdrawal

treated according to the practice stayed in the hospital about half as long as infants treated by older methods, National Institutes of Health researchers reported in a study of 1,305 babies published on Sunday in the *New England Journal of Medicine*. About a fifth of babies treated with "Eat, Sleep, Console" received opioids to soothe withdrawal symptoms compared with half of babies treated with older methods.

"Mom is the treatment," Dr. Grossman said. "Treat the mom with the same respect you would any other mom."

The practice has caught on across the country. Hushabye Nursery in Phoenix has followed the "Eat, Sleep, Console" method since 2020 and houses parents with babies going through withdrawal. Most moms stay about a week, said Michael White, Hushabye's director of community programs.

Queen Hamilton came to Hushabye in 2021. She was six months pregnant and addicted to opioids when a medical emergency landed her in a treatment facility where she learned about Hushabye. Staff at Hushabye helped her prepare a binder of paperwork to present at the hospital, demonstrating that she was taking anti-addiction drugs that are opioids.

The day after her daughter Tiye was born in a Phoenix hospital, Ms. Hamilton, 39 years old, called child protective services, pre-empting the report she knew the hospital would make. She and her newborn stayed at Hushabye for eight days while her baby experienced withdrawal symptoms. "They let me be a mom," she said.

States Crack Down on Wind-Turbine Lights That Flash All Night

By SHANNON NAJMABADI

For pilots flying over rural America, a string of red lights flashing along the horizon is a warning that there might be a wind farm ahead.

But for many residents on the ground, the lights are an eyesore that has ruined their view of the night sky and disrupted the bucolic stillness that defined their counties.

"Imagine...red blinking stoplights...every night, all night long...and not in sync," Gayla Randel, who can see the lights on more than 130 turbines from her Marshall County, Kan., home, told lawmakers this year.

After years of loose regulation, lawmakers in some states are cracking down.

Kansas and Colorado recently passed laws to limit the flashing lights—by turning them on only when aircraft are approaching. North Dakota approved a similar measure in 2017. A Washington state bill requiring light-mitigating technology was passed by lawmakers but hasn't yet been signed by the governor.

Many wind developers and renewable energy proponents have backed the recent efforts.

"Light-mitigation technology is definitely something that can be done to help im-

prove the relationship with the community," said Kimberly Svaty, public policy director for the Kansas Power Alliance, which represents the interests of wind, solar, battery-storage and advanced-power industries.

Aircraft-detection technology approved by the Federal Aviation Administration has been on the market for a half-dozen years. The systems are estimated to cost \$1 million to

\$2 million to install with additional operating expenses each year.

Wind energy projects in the U.S., largely concentrated in a high-wind-speed corridor stretching from North Dakota to West Texas, have been slow to adopt the mitigation solutions. None of the more than 40 wind farms in Kansas, one of the top states for wind-energy producing, use systems that light up only when aircraft

are near. Two projects under construction in Kansas have been approved to use the light-minimizing technology.

Jerry Sonnenberg, a Republican former state senator who wrote the red-light law in Colorado, said the technology isn't cost-prohibitive for most companies, but they haven't been required to use it.

"When they're not forced to spend that money, why would they?" he said.

The new laws come as federal Inflation Reduction Act funding is spurring investment in renewable energy projects—and as wind and solar developments are encountering opposition from some communities.

Towns, counties and states passed some 1,800 ordinances regulating wind energy as of 2022, according to a database compiled by the National Renewable Energy Laboratory. Researchers there found around 250 ordinances in 2018. Officials with **Terma** and **DeTect Inc.**, the two vendors that dominate the market on aircraft-detection lighting systems, said they have seen demand for their technology increase significantly since 2018 and 2019, when counties and states increasingly began to require its use. The companies use radars to activate red lights if a low-flying aircraft comes within 3½ miles of a project.

The Federal Aviation Administration requires that wind turbines be painted a light color and have red lights on top. Developers are required to ask the agency to approve the use of light-mitigating technology for each project under the new laws.

Residents in states that don't regulate the red lights have said the nighttime pres-

ence of the turbines has been more disruptive than they anticipated.

Nakila Blessing and her husband built a house on his family's farm in Schuyler County, Mo., in 2018. Two years later, the 175-turbine High Prairie wind farm project was constructed. Ms. Blessing said their landscape is now cluttered with 500-foot-tall turbines and the night sky is polluted with light.

"They like to say you'll get used to it," said Ms. Blessing. "You don't get used to it."

Carrie March's family keeps the curtains drawn on their home to avoid the sight of turbines "spinning during the day or flashing at night."

"At nighttime, if you have the TV on and there happens to be a gap in the curtain, it will really, really attract your attention," said Ms. March, who also lives in Schuyler County. "It's just something that you can't unsee and you can't ignore."

Ameren Missouri, which operates the project near Ms. Blessing and Ms. March, said that it believes residents appreciate the company's investment in the region, and that company officials will look to be part of conversations on light-mitigating legislation when it comes to Missouri.



Red lights on wind turbines in Allen County, Kan. Some local residents find the lights disruptive.

EVERETT NELSON/THE CAPITAL/JOURNAL/USA TODAY NETWORK

U.S. NEWS

Tornado Carves Path of Destruction on Florida's Atlantic Coast



SMASHED: A man surveys the damage in Palm Beach Gardens on Sunday, the day after a twister crushed homes and overturned cars.

Trump, Judge Have a History In Background

By Joe Palazzolo

New York Supreme Court Justice Juan Merchan was assigned to preside over the hush-money prosecution of former President Donald Trump because he had experience overseeing previous litigation involving the former president and his company, people familiar with the process said, but that history could complicate the proceedings and expose him to more of Mr. Trump's attacks.

Justice Merchan's journey to the precedent-setting case began with an assignment to referee a subpoena dispute between the Manhattan district attorney's office and the Trump Organization in late 2020, the people familiar with the matter said.

The court's administrative judge then tapped Justice Merchan, a 14-year veteran of Manhattan's criminal trial court, to supervise complex grand jury investigations into Mr. Trump and his businesses over the next two years, which led to his assignments to the cases that flowed from them, these people said.

Since 2021, the judge has held the Trump Organization in contempt for failing to turn over documents in one probe by the Manhattan district attorney's office; presided over a trial in which a jury convicted the company of tax fraud; and sentenced former company finance chief Allen Weisselberg to jail for tax and other offenses.

The Trump Organization has appealed the tax-fraud conviction. If a higher court were to reverse Justice Merchan in that case, it might call into question his impartiality in the current criminal case against Mr. Trump, said Christopher Brennan, a former Manhattan assistant district attorney. "There was not a random selection of a judge in this case, and there should have been," Mr. Brennan said. "He actually should be the last person selected, given the potential conflict."

A former New York judge said assigning Justice Merchan to the case was consistent with a common practice in the Manhattan criminal trial court of grouping related cases with a single judge. The hush-money investigation and earlier probes of Mr. Trump and his business, if not closely related, were at least cousins, the former judge said.

In Justice Merchan's court in April, Mr. Trump pleaded not guilty to 34 felony counts related to allegations that he

falsified records to charge a payment to porn star Stormy Daniels before the 2016 presidential election.

Mr. Trump, who has waged a public campaign against the charges, has targeted Manhattan District Attorney Alvin Bragg, who brought the case—the first prosecution of a former president. But Mr. Trump has also taken several verbal jabs at the judge and his family, arguing Justice Merchan is biased against him and citing the judge's earlier rulings as proof.

Without evidence, Mr. Trump has suggested that Mr. Bragg played a role in Justice Merchan's assignment to the case. A court spokesman said the district attorney has no influence over the selection of judges.

Mr. Trump erupted on his social-media site the day after he was indicted, saying Justice Merchan had treated the Trump Organization "viciously" and "railroaded" Mr. Weisselberg in the tax-fraud case.

"The Judge 'assigned' to my Witch Hunt Case, a 'Case' that has NEVER BEEN CHARGED BEFORE, HATES ME," Mr. Trump wrote.

He met Justice Merchan in court a few days later. "Let's arraign Mr. Trump,"

The ex-president has taken several verbal jabs at the judge and his family.

the judge said. At the hearing, Justice Merchan signaled his reluctance to rein in Mr. Trump's rhetoric, calling a gag order the least-tolerable restraint under the First Amendment, especially for a presidential candidate. Now, he is facing a related issue, after Mr. Bragg's office last week asked the judge to curb Mr. Trump's access to some evidence so that he could view it only in the presence of his lawyers, in hopes of sparing witnesses and others involved in the case from Mr. Trump's attacks. Justice Merchan hasn't ruled on the request.

Before the case ever gets to a trial, the judge will likely have to rule on several expected motions from Mr. Trump's legal team, which has said it would try to get the charges thrown out before they land in front of a jury.

—Corinne Ramey contributed to this article.

Fed's Balance Sheet Gets New Focus

By Eric Wallerstein

For some investors, markets are almost too quiet.

Stocks have regained ground from the beating they took during last year's interest-rate increases. Volatility has subsided to its lowest levels since 2021. That is despite this year's hikes, expectations for another quarter-point increase and worries about turmoil in regional banks.

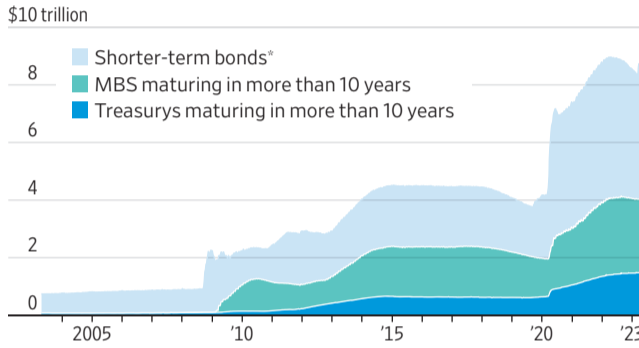
Investors said several factors have suppressed market swings. Those include surprising strength in jobs and consumer spending, robust earnings reports and data showing overall inflation has cooled.

Below the surface, some also point to another factor: The Federal Reserve's balance sheet, loaded with bonds purchased to support the economy during crises, might be insulating Wall Street from the effects of its interest-rate policy. Growth has slowed but inflation remains persistent in key areas, raising concerns that the balance sheet's size—about one-third of U.S. gross domestic product—could force the Fed to take rates even higher, prolonging the pain in markets.

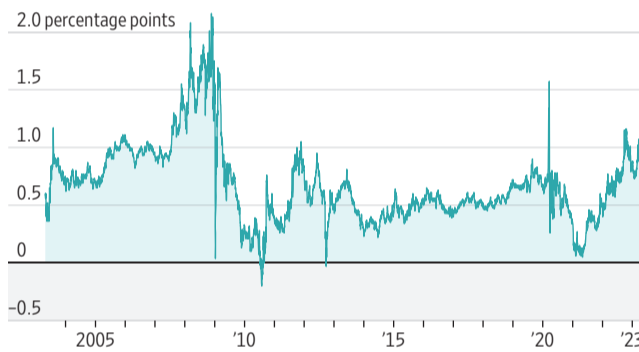
While the Fed has trimmed the balance sheet by allowing some bonds to mature without reinvesting the proceeds into new securities, progress has been slow. The Fed's holdings of Treasuries, mortgage-backed securities and government-agency debt have dropped below \$8.6 trillion from a peak of \$9 trillion a year ago.

Fed officials and economists have acknowledged that shrinking the balance sheet can tighten financial conditions,

Federal Reserve asset portfolio



Spread of yields on mortgage-backed securities to 10-year Treasuries



*Includes small amount of government-agency debt. †Yield-to-worst on Bloomberg US MBS index. Note: Data for asset portfolio as of April 26, data for yield spread as of April 27. Sources: Federal Reserve (asset portfolio); Dow Jones Market Data (spread)

though they have played down the potential impact. The Fed doesn't view its balance sheet as an important tool for tightening monetary policy, and Chair Jerome Powell rejected the idea of using anything other than rate changes at his latest news conference.

But some investors said the slow pace of the rolloff—recently stymied by more than \$400 billion in emergency lending during the March banking panic—has allowed markets to hum along.

"Quantitative easing locked the Fed into a position that is difficult to unwind," said Stephen Miran, co-founder of asset manager Amberwave Partners, who was a senior adviser at the U.S. Treasury Department assisting with the Covid-19 response. "It's made tightening both slower and less effective than it should have been."

The Fed's bondholdings, initially accumulated to support the economy during the 2008-09 financial crisis and later the Covid-19 pandemic,

have absorbed some of the overall market's duration, a Wall Street measure of how much prices swing with interest rates, analysts said. Rising rates dent bond prices, particularly hitting bonds with longer durations—losses that helped facilitate the downfall of Silicon Valley Bank.

Officials decided in May 2022 to shrink the Fed's balance sheet by allowing some maturing debt to roll off. Policy makers in September upped the amount of securities that can roll off its portfolio each month to \$60 billion of Treasuries and \$35 billion of mortgage-backed securities. The so-called caps were half that amount when tightening began a few months earlier.

Mostly shorter-term assets have rolled off. The Fed's Treasury holdings currently have an average maturity above eight years, weighted by the dollar amount invested. More than a quarter of those mature in more than 10 years. By comparison, the full universe of Treasuries has a weighted-average maturity closer to six years, according to the New York Fed.

But the portfolio's lengthy duration has prevented those amounts from being reached many months, particularly for mortgage debt. The duration of the Fed's mortgage book recently breached six years, after hovering around two years in 2020.

"Since the ramping up of quantitative tightening in September, it hasn't really worked at all," said Andy Constan, chief executive and chief investment officer of Damped Spring Advisors, a consulting firm for macro hedge funds.

◆ Bear market taught investors some lessons..... B1

Building Boom Sours Rate Hopes

Continued from Page One

It also threatens to upend bets in the market that recession and lower rates are on the horizon. Investors are trading government bonds as if rate cuts will come within the next year and buying technology stocks, bitcoin and other speculative assets that surged when borrowing costs were near zero.

The issue for investors is that the longer it takes for construction activity and employment to decline, the longer it will be before the central bank can cut rates.

"Through this whole cycle, many have expected a much faster slowdown than has occurred," said Bob Elliott, co-founder and chief executive of

asset manager Unlimited. "Macroeconomic cycles take years to play out."

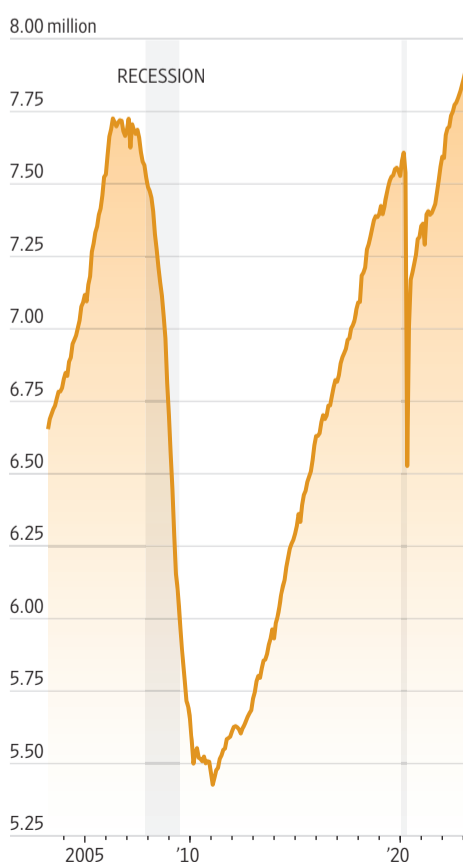
There are signs of slowdown, to be sure. Apartment construction is expected to decline once the latest batch of buildings is finished. Problems at regional banks are drying up financing for some projects. Spending on home improvement and repairs is forecast to decline over the next year, the first contraction since the depths of the foreclosure crisis in 2010, according to a closely watched barometer of the remodeling industry.

"Maybe we're starting to see the effects of higher cost of capital on interest-rate-sensitive sectors," said Anirban Basu, chief economist at trade group Associated Builders and Contractors, which said its measure of construction backlog declined in March to the lowest level since August. "The Federal Reserve raises rates until something breaks and something is starting to break."

Even when construction employment declines, the effects might not be felt immediately in the broader economy. During the 2008 financial crisis, the number of people working in residential construction peaked in April 2006 and had fallen about 15% before overall employment began to drop about two years later, Bureau of Labor Statistics data show.

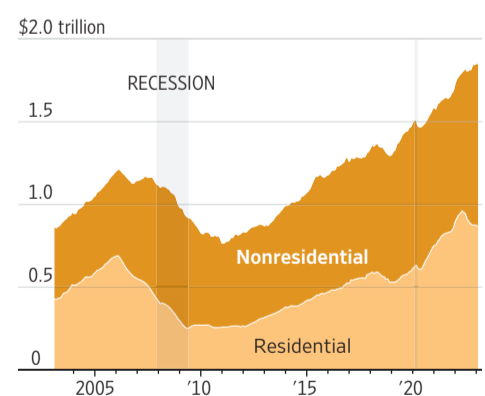
Meanwhile, millions of homeowners are locked into low mortgage rates, which is keeping existing homes off the market and stoking demand for

U.S. construction employment*

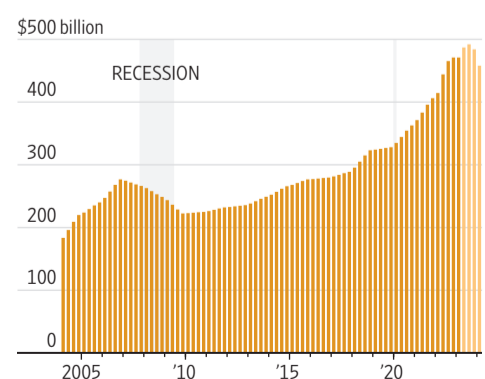


*Seasonally adjusted. Monthly data through March. †Seasonally adjusted annual rate. Monthly data through February. ‡Forecast after first quarter 2023. Sources: Labor Department via St. Louis Fed (construction employment); U.S. Census Bureau via St. Louis Fed (construction spending); Leading Indicator of Remodeling Activity, Harvard Joint Center for Housing Studies (spending)

U.S. construction spending†



Home renovation and repair spending, four-quarter moving total‡



mid-1980s. Apartment projects were delayed after the Covid-19 lockdown because of the budget-straining expense of building materials, such as lumber, which shot to more than twice the pre-pandemic high and added millions of dollars to construction costs.

"People couldn't build their projects, so they kicked the can down the road," said Ivan Kaufman, chairman and CEO of Arbor Realty Trust Inc., which lends to landlords.

Though prices for lumber and other materials have come down, developers now face construction financing that is about twice as expensive as it had been and landlords are unlikely to be able to offset greater borrowing costs with rent increases, which should hinder new projects, Mr. Kaufman said.

So far, the roughly \$50 billion decline in residential construction spending over the past year has been more than made up for by gains in commercial projects, including highways, hotels and hospitals. A record \$108 billion was spent building factories last year, and the amount has risen this year, to a seasonally adjusted annualized rate of \$141 billion in February, according to Census Bureau data.

The 2021 infrastructure bill and last year's climate, tax and healthcare law are pumping money into industrial projects—such as renewable-energy facilities and railroad expansions—that promise to keep workers busy for years.

JOHN CHRISTIAN logo and promotional text for Mother's Day.

new construction, builders and analysts said. New-home sales climbed 9.6% in March, the Census Bureau said.

PulteGroup Inc., the country's third-largest home builder, reported record first-quarter revenue last week after selling 6% more houses at an average

price 9% higher than a year earlier. Executives said they are adding sales and construction staff and building more spec homes, especially those aimed at first-time buyers.

"They don't have a home to sell. And so they are not hampered by the low interest rate,"

said Chief Executive Ryan Marshall. Pulte's shares are up 47% this year and among the leaders of the S&P 500 stock index, which has gained 8.6%.

Employment in residential construction has been buoyed by the biggest burst in apartment building since the

U.S. NEWS

DeSantis Seeks to Unlock \$86 Million for Run

BY JULIE BYKOWICZ
AND ALEX LEARY

WASHINGTON—Florida Gov. Ron DeSantis is poised to jump into the Republican presidential primary in the coming months with an \$86 million pot of donor money—and a legally questionable strategy for using it.

The cash, currently sitting in a Florida political committee, would need to take a circuitous path to help him: It is illegal to use money raised for a state election to run for federal office, meaning Mr. DeSantis can't simply transfer it into a presidential campaign account.

Instead, Mr. DeSantis's allies plan to give the funds to a new super PAC led by some of his closest friends, according to people familiar with the situation.

Several former Federal Election Commission lawyers said such a maneuver would break the law, and the Washington-based election watchdog Campaign Legal Center said if that scenario plays out, it would file a complaint with the FEC.

Two former Republican FEC commissioners said the transfer of money from a committee for state elections to a federal super PAC designed to help that same candidate poses no legal concerns, a position also held by allies of Mr. DeSantis. The FEC has deadlocked on com-

plaints about similar situations.

The fate of that money could be crucial to Mr. DeSantis's hopes of securing the GOP presidential nomination. With primary voting more than nine months away, former President Donald Trump has taken a commanding lead, polls show, with Mr. DeSantis running second.

Mr. Trump had nearly \$14 million cash on hand as of March 31. He then saw his fundraising pick up, spurred by his indictment on hush-money payment charges in New York, pulling in more than \$15 million, according to the campaign. A super PAC supporting him had \$54 million at the end of 2022.

There is also a super PAC

backing Mr. DeSantis. Never Back Down registered with the FEC in February, and one of Mr. DeSantis's closest friends, former Nevada Attorney General Adam Laxalt, serves as its chairman. Super PACs can accept donations of any size from individuals, companies, unions and groups, so long as their spending isn't directed by the candidate. Never Back Down has raised \$33 million already, a spokeswoman said.

Never Back Down has sponsored attack ads against Mr. Trump, seeking to counter more than \$6 million in anti-DeSantis spots run by the Trump-aligned super PAC.

Ahead of an anticipated pres-

idential announcement, Mr. DeSantis will meet in the coming days in Tallahassee with top national GOP donors and political leaders, according to people familiar with the meetings.

As a presidential candidate, one of Mr. DeSantis's first moves would be to register a campaign account with the FEC. That committee is subject to contribution limits of \$3,300 per donor, per election—\$6,600 for the primary and general.

It can't accept any of the money from the Florida account, called Friends of Ron DeSantis. Unlike federal committees, the Florida committee isn't subject to contribution limits and can accept donations di-

rectly from corporations.

Multimillion-dollar donations from billionaires including hedge-fund manager Ken Griffin and shipping executive Richard Uihlein helped Friends of Ron DeSantis raise nearly \$226 million since January 2018, Florida records show. Mr. DeSantis easily won a second gubernatorial term in November. Friends of Ron DeSantis raised \$14.5 million between Dec. 1 and March 31, a Wall Street Journal analysis of Florida records found.

If Friends of Ron DeSantis transfers money to use in a presidential election, some campaign finance watchdogs say it would violate federal election law. "The law is very clear," said

Stephen Spaulding, vice president of policy for Common Cause, which advocates for more transparency in government. Mr. Spaulding served as a legal adviser to a Democratic FEC commissioner in 2016. "You are not supposed to transfer state funds to support a federal fund."

But Bradley Smith, chairman of the Institute for Free Speech and a Republican former FEC commissioner, said Friends of Ron DeSantis—despite bearing the Florida governor's name—is akin to an independent expenditure committee that is free to transfer money to a federal super PAC.

—Anthony DeBarros contributed to this article.

U.S. WATCH

NEW JERSEY

DNA Ties Dead Man To 1984 Teen Killing

Authorities say DNA evidence has proven that a man who died in prison several years ago was responsible for the 1984 killing of a 19-year-old woman whose body wasn't found for more than a decade after she disappeared from her family home in New Jersey.

The state attorney general and the Mercer County prosecutor's office last week announced what they called "the conclusive identification" of Nathaniel Harvey as the person responsible for the sexual assault and murder of Donna Macho.

Ms. Macho went missing from the East Windsor home on or about Feb. 26, 1984. A Boy Scout troop leader found her skeletal remains in a wooded area in Cranbury on April 2, 1995.

Around the time she disappeared, Mr. Harvey was arrested in several sexual assaults as well as an unrelated murder.

DNA tests on evidence from the victim's bedroom couldn't be matched with a specific person, but tests with current DNA technology matched it to Mr. Harvey, authorities said.

—Associated Press

ALASKA

Helicopters Crashed In Mountains: Army

Two U.S. Army helicopters that crashed last week in Alaska, killing three soldiers, collided over a rugged, mountainous area, and there were no weather issues or visibility problems at the time, an Army spokesperson said Sunday.

The two AH-64 Apache helicopters were returning to Fort Wainwright from an aerial gunnery range southeast of Fairbanks when they collided and went down.

Killed were Chief Warrant Officer 3 Christopher Robert Eramo, 39, of Oneonta, N.Y.; Chief Warrant Officer 2 Kyle D. McKenna, 28, of Colorado Springs, Colo.; and Warrant Officer 1 Stewart Duane Wayment, 32, of North Logan, Utah.

A fourth soldier survived and remained hospitalized Sunday, said John Pennell, a spokesperson for the U.S. Army Alaska.

—Associated Press

OHIO

House Roof Collapse Leaves 14 Injured

Part of a house collapsed and 14 people were injured near The Ohio State University when people climbed onto a roof that wasn't designed to hold significant weight, authorities said.

"It appears the roof was overloaded with students," Columbus Division of Fire Battalion Chief Steve Martin said, with estimates ranging from 15 to 45 people on a rooftop "that was not designed to have anybody on it, and it gave way."

—Associated Press

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U.S. NEWS

Pizza Fight Turns Spicy in Chicago

By Joe Barrett

CHICAGO—In a town famous for its deep-dish pizza, Chicago Pizza and Oven Grinder Co. has made its own way since the early 1970s, serving an upside-down concoction created by its founder called the pizza pot pie.

Today, patrons still line up on the sidewalk of the mainstay of Lincoln Park, a busy North Side neighborhood. And the original menu and cozy décor are largely intact—even though the owner died 7½ years ago, and his children, who worked there from a young age, are locked in a messy legal battle with a long-time employee and an ex-wife of their father over control of the business and the building where it is located.

“It’s our entire family legacy. We created this concept, the menu. We built that restaurant,” said Amy Bevacqua, the 58-year-old daughter of the founder, Albert Beaver Jr.

The litigation dates back years, and has come with a host of unexpected turns. The next hearing is in May.

After Mr. Beaver died unexpectedly on Oct. 31, 2015, Ms. Bevacqua said she flew from her home in New York to Wisconsin to begin to untangle his estate. There, she discovered that his computer and all his files had been taken from his home.

“My heart plummeted,” said Ms. Bevacqua. She immediately called Shabbir Chagpar, a for-

mer busser who ran the restaurant and her father’s business affairs and whom she had known since she was a girl.

She says he told her he had taken the files and computer because he was the rightful owner of the restaurant and the three-story building.

The siblings tried negotiating with Mr. Chagpar, but with hardly any documents to bolster their side, they took him to court in Illinois in 2018. Things got even more complicated when Mr. Beaver’s fourth ex-wife, Barbara Beaver, entered the picture, also making claims to the restaurant. Then last summer, Mr. Chagpar died of cancer—but not before transferring his claim to the restaurant’s building to another longtime employee, Catherine Gallanis.

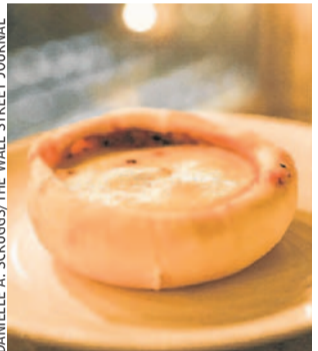
Mr. Beaver was a Chicago lawyer and jazz trumpeter who loved debate and the creative life, said Ms. Bevacqua.

He opened the restaurant in 1972, according to the restaurant’s menu. “He was larger than life, sort of a burly guy,” said Rich Melman, chairman of Lettuce Entertain You, a Chicago-based restaurant chain. He said Mr. Beaver’s creation took some getting used to. “At first I didn’t like it,” he said of the pizza pot pie, which is baked in a bowl with the dough on top of a thick meat sauce and melted cheese, and flipped over to serve.

The siblings’ Illinois lawsuit focuses on 1980s-era documents turned over by Mr. Chagpar showing them relinquishing their interests in a trust. They say the documents were forged.

Mr. Chagpar’s estate argues that Mr. Beaver gifted the children the interests in the trust and that he was within his rights when he ultimately assigned them to Mr. Chagpar.

Ms. Gallanis declined to comment. Barbara Beaver couldn’t be reached for comment. An attorney for Mr. Chagpar’s estate declined to comment.



The famed pizza pot pie

Runners Opt to Go Fancy

Continued from Page One
company specializing in tours of the Dolomites.

Definitions of ultramarathons vary, but it is most commonly understood to involve anything longer than the 26.2 miles of a marathon. Some races take athletes from one point to another, while others involve repeating a single circuit on an hourly basis until the last person standing is declared the winner.

Phil Gore’s idea of a fun run is a backyard ultra, in which runners race a lap a little longer than 4 miles every hour until only one person is left. Thirty-nine hours into his debut, doing loops around a lake in Australia’s remote west, the 36-year-old collapsed in the dark and managed to lift himself off the brick path to complete his final circuit only after his wife dropped to her knees to whisper encouragement into his ear. He has since run loops for 76 hours and refuses to enter a regular marathon because it’s too short.

Mr. Gore compares runners who pay to ease the pain to climbers who hire help to get them up Everest. “All they want to do is get from the base camp to the top of the mountain and get their photos showing that they have done it,” he mused.

Lifelong runner Chris Ord founded a luxury trail-running tour company after letting go of the all-or-nothing mentality almost a decade ago. On assignment as a travel journalist in the Himalayas, Mr. Ord said he overcame his reservations while soaking in a spa overlooking Bhutan’s picturesque Paro Valley.

“I was literally sitting in this blond-wood spa with herbs floating around me,” said Mr. Ord, whose Tour de Trails business offers running holidays in countries including France, Greece and the



FROM TOP: TOUR DE TRAILS; HIGHLAND KINGS

Some ultramarathon runners want the challenge of running many miles without having to rough it, and they’re willing to pay for the privilege.

U.K. “I thought, there’s got to be someone else like me who still loves adventure, still wants to go and hurt themselves during the day, but then wants a really good Shiraz at the end of the night.”

Mr. Ord said most of his clients are professionals aged between their mid-30s and mid-60s. He believes that socializing and sightseeing are at least as important to them as the run.

For Stephen Redfern, an ultrarunning enthusiast who celebrated his 50th birthday last year by grinding his way around one extended New York City block almost 5,000 times over 52 days, hardships are the point. (He took extended leave from his job as an aircraft maintenance worker to run in the event, the Sri Chinmoy Self-Transcendence 3,100-Mile Race—though he ended up at 2,728 miles after losing four days to foot injuries.) Swapping war stories adds to the camaraderie of events often held in the wilderness or dire conditions, he said.

He conceded luxury races could be a gateway to the real thing. “I guess not everyone’s got the inclination to do it on



their own,” said Mr. Redfern.

Kellie Emmerson, a three-time Australian national long-course trail-running champion, said many ultramarathon runners pack in as many events as possible. That’s a significant financial burden, prompting them to cut costs where they can, which adds to the challenge.

One way to keep costs down is to take part in races offering zero perks—just a start line, a finishing post and a chip to automatically log runners’ times.

“At lots of stage races, you actually have to carry your own gear, which is a lot and changes the way that you race,” Ms. Emmerson said. “You’re trying to live in the clothes that you ran in the last three days.”

Others are intrigued by the cushier offerings. “I would definitely consider it,” Enrique Klix, a two-time veteran of the trans-Andes El Cruce multiday race, said of the Highland Kings ultra. “Being with like-minded people in that kind of environment is something I would value. And the novelty factor is appealing.”

Even the most skeptical runner likes the occasional luxury. Mr. Gore said he aims to be as comfortable as possible at backyard events. After completing a lap, athletes can choose to refuel, stretch or rest while waiting to start the next loop at the top of the hour.

“I like to bring in some of the comforts of home: two different chairs,” he said.

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STIHL

WORLD NEWS

Eastern Victories Prove Elusive for Russia

Ukraine has thwarted Moscow's monthslong efforts to advance; 'almost no progress'

By IAN LOVETT

A VILLAGE OUTSIDE AVDIIVKA, Ukraine—The Russian assaults begin at 5 a.m. and last all day, Ukrainian troops in and around the eastern city of Avdiivka say. Inside the city, airstrikes level buildings and drones drop grenades. On the outskirts, Russian artillery pummels Ukrainian trenches, then infantry try to advance. "They send a group of five. They get killed. Then they send two more groups of five, who climb over the corpses of the others," said Yuri, a 22-year-old Ukrainian soldier in the area. "They've gained some territory, but it's not strategically significant."

Months after Russia dialed up its offensive in the eastern Donetsk region, the Kremlin is still searching for something to call a victory.

The Russians' primary target, Bakhmut, has been decimated by eight months of artillery assaults and street battles, but Ukraine still holds a small piece of the city.

A February assault on Vuhledar, 80 miles to the southwest, ended with the loss of 1,000 Russian troops in two days, U.K. defense officials said.

Moscow hasn't captured a major Ukrainian city since summer. Its largest prize this year is Soledar, a town with a pre-war population of 10,000 just outside Bakhmut, which Wagner fighters seized in January.

Even if Moscow takes Bakhmut, it is far short of its goal of taking control of all of



A Ukrainian soldier fires a rocket-propelled grenade toward Russian positions near Avdiivka.

the eastern Donetsk and Luhansk provinces and might have exhausted itself in trying to do so. Russia hasn't achieved the kind of breakthrough that Kyiv is hoping its own forces can achieve in an offensive that is expected to get under way in the coming weeks.

Ukrainian President Volodymyr Zelensky vowed to hold Russia accountable after a barrage of cruise missiles killed more than two dozen people last week.

The missiles unleashed by Russia on Friday struck several regions. Among the strikes was an apartment building in the central city of Uman, where at least 23 people were killed, including sev-

eral children.

Avdiivka, 40 miles south of Bakhmut, is the latest example of Moscow's struggle to gain ground in the east.

Though Avdiivka is surrounded on three sides, Ukraine still controls the entire city, as well as the western road used to resupply it. The Russian assaults have caused heavy casualties on both sides but haven't moved the line much.

"The enemy has made almost no progress," said Col. Oleksiy Dmytrashkivskiy, a spokesman for the Ukrainian armed forces in the area. He said the Russian losses are proof that Ukraine's strategy—to exhaust the enemy before launching its own attack—is working.

However, the fighting has also been brutal for the Ukrainians, who are significantly outnumbered in the area, Col. Dmytrashkivskiy said.

Avdiivka, located on the outskirts of the regional capital of Donetsk, has been a target since 2014, when Moscow first launched a covert invasion of the Donetsk region and neighboring Luhansk region.

Russian forces began a fresh assault on the city in February. Since then, they have nearly flattened it with artillery and missile strikes from jet fighters, trying to knock out any cover for Ukrainian troops.

Since the start of April, more than 5,600 Russian

Battle in the East

Russia has struggled to advance against Ukrainian troops in eastern Ukraine.



Sources: Institute for the Study of War and AEI's Critical Threats Project; Emma Brown/THE WALL STREET JOURNAL

strikes have hit the Donetsk region, Col. Dmytrashkivskiy said. Fewer than 2,000 of Avdiivka's 30,000 prewar residents remain, local officials said.

Russian artillery stocks have dwindled, according to Western intelligence. Last summer, Russians countered superior Ukrainian accuracy by, in some areas, firing 10 times as many shells. Now, the ratio is closer to 3-1, said a lieutenant colonel with an artillery unit in the 110th brigade. Ukraine is also short on shells and is holding back some for the coming offensive.

"If last summer they could shell a whole field, now they're trying to get more intelligence and focus on one place," the

officer said. On any given day, he said, "They're focusing on one area and throwing everything they have at it."

Russian officials say they are making progress. Denis Pushilin, the Russian-installed leader of the occupied parts of Donetsk region, said last week that Russian forces now control almost all of Maryinka, a town near Avdiivka.

Some Western analysts—as well as Ukrainian soldiers—have questioned whether the defense of cities like Bakhmut and Avdiivka has been worth the cost to an army with fewer resources than its enemy.

—Nikita Nikolaienko and Isabel Coles contributed to this article.

Kremlin's Tough Negotiating Style to Test Washington

By DANIEL MICHAELS AND LOUISE RADNOFSKY

Russia's hard-nosed negotiating style, forged in the country's tumultuous past, could prove a stiff challenge to the U.S. during any talks between Washington and Moscow to free detained Wall Street Journal reporter Evan Gershkovich.

Russians can be unrelenting negotiators, often uncomfortable with a Western win-win approach and willing to put counterparts off balance, people experienced in business and diplomacy in the country say.

The practices, they say, developed in response to decades of shortages under communism and the chaotic economic transition since then, were built on an absolutist tradition running from Russia's czarist past through the Soviet Union to President Vladimir Putin's



Reporter Evan Gershkovich at an April court hearing in Moscow.

authoritarian rule.

It is also important to Russia, a world power, that it be treated as an evenly matched adversary, striking a deal that can be por-

trayed at home as balanced.

Russians, meanwhile, often accuse Western counterparts of arrogance and hypocrisy in dealing with them.

Veterans of negotiations with Russian counterparts declined to speculate on the course of talks over Mr. Gershkovich because his case is so unusual and high-profile.

The 31-year-old reporter was detained on March 29 by Russia's Federal Security Service, or FSB, while he was on a reporting trip in the city of Yekaterinburg, and held on an allegation of espionage that the Journal and the U.S. government vehemently deny.

Conviction carries a prison sentence of up to 20 years. It is rare for a court to acquit a defendant.

Biden Urges Release Of Reporter, Others

President Biden and others at an annual Washington dinner called for the release of jailed Wall Street Journal reporter Evan Gershkovich in Russia during a gathering that brought together members of the media and government officials to celebrate press freedom.

Mr. Biden met privately with Mr. Gershkovich's family, who attended the White House Correspondents' Association dinner as Journal guests, as he

Western governments and global news organizations have joined the Journal and the U.S. administration in demanding the journalist's immediate release.

Russia has said it is acting in accordance with its own laws.

The State Department has officially classified Mr. Gershkovich as "wrongfully detained" and President Biden called his detention "totally illegal."

Mr. Gershkovich is the first U.S. journalist to have been arrested on an espionage allegation in Russia since the Cold War, so there is no recent precedent for his situation. But in the dynamics of Mr. Gershkovich's detention, longtime Russia observers see familiar elements, such as esca-

arrived for Saturday's gala and recognized them in his remarks.

"Evan went to report in Russia to shed light on the darkness," Mr. Biden said. "Everyone in this hall stands with you. We are working every day to secure his release, looking at opportunities and tools to bring him home."

The Biden administration on Thursday imposed sanctions on the leading security services in Russia and Iran for what it said was a pattern of wrongfully detaining Americans in an effort to use them for political leverage.

The announcement came as Russia's Foreign Ministry rejected a request from U.S. offi-

dials in Moscow to visit Mr. Gershkovich in May in what it said was retaliation for the denial of U.S. visas to Russian journalists.

Also attending the dinner was Debra Tice, mother of the freelance American journalist Austin Tice, who disappeared while reporting in Syria more than a decade ago. U.S. officials say they operate under the assumption that he is alive.

Mr. Biden recognized Mr. Tice as well as Paul Whelan, a former U.S. Marine and corporate-security executive from Michigan who was convicted in Russia of espionage.

—John McCormick

lution and attempts at intimidation.

It comes as Russia is already holding another American, Paul Whelan, in what the U.S. considers a wrongful detention. He was convicted of espionage in 2020.

Russia has recently tightened secrecy laws, but Mr. Gershkovich was charged with gathering information that constituted a state secret, a particularly serious charge. Russia last year leveled heavy drug-possession charges against U.S. basketball star Brittney Griner and, before her, Israeli-American Naama Issachar, both of whom were caught with small amounts of cannabis derivatives.

The infractions might have

drawn lesser charges for a Russian citizen or if prosecutors chose not to pursue them as vigorously, people familiar with Russia's legal system say.

Moty Cristal, chief executive of Nest, a negotiation-strategy consulting firm in Tel Aviv, said he sees Russia as trying to gain an edge by quickly going to an extreme position.

"In Russia, it is 100% legitimate to arrest a basketball player, an innocent girl or a journalist," said Mr. Cristal, who taught negotiating tactics at Skolkovo Business School in Moscow.

"In the West, you're applauded if you achieve a win-win," he said. "In Russia, winning—by definition—means defeating the other side."

U.S. Struggles to Replenish Munitions Stocks

By DOUG CAMERON

More than a year after Russia's full-scale invasion of Ukraine, U.S. plans to increase production of key munitions have fallen short because of shortages of chips, machinery and skilled workers.

Arms makers have added factory shifts, ordered new equipment and streamlined supply chains to boost output of Javelin antitank missiles, artillery shells, guided rockets and much more, which Ukrainian forces are firing by the thousands at the Russian invaders.

Years of stop-start Pentagon funding for munitions led companies to close production lines or quit the industry, while output of many components and raw materials moved overseas. Defense Department chiefs estimate the decline will take five or six

years to reverse.

"We want to get the fragility out of the system, so if this ever happens again, it's six months instead of three years to get a meaningful improvement in capacity," said Jim Tactic, chief executive officer of Lockheed Martin Corp.

The U.S. has committed to giving Kyiv more than \$36 billion in arms to fight the Russians, including hundreds of thousands of rounds of munitions for howitzers, tanks, portable rocket launchers and advanced guided-missile systems. The U.S. arms—and weapons provided by European allies—have kept Ukraine in the fight, enabling it to push Russian forces back to a swath of ground along the Black Sea and in the eastern Donbas region.

The Ukrainians have been firing as many as 3,000 shells a day at Russian positions, and

stocks are low in both the U.S. and its North Atlantic Treaty Organization allies, especially in 155mm howitzer shells, an ammunition that has been crucial to repelling Russian forces.

Meanwhile, the Pentagon and the defense industry are looking at the next major national security challenge: deterring, and if necessary, fighting, China in the Indo-Pacific region.

Howitzer shells are a big focus of the defense industry's push: The major manufacturers plan to boost production sixfold by 2028. The munitions are mainly made in aging, government-owned facilities run by private companies, including General Dynamics Corp. and American Ordnance, a unit of Day & Zimmermann.

The U.S. Army has committed \$18 billion over the next several years, adding \$3 bil-

lion over the past year, to re-vamp bomb-making factories and the facilities that service military equipment, which Army Secretary Christine Wormuth described as "vintage" in a congressional hearing on April 19.

Under pressure from lawmakers and Pentagon leaders, the Army and defense companies hatched broad plans last summer to double output of some of the most widely used munitions over the next two years. Production is rising, but at a slower pace than originally hoped.

The Pentagon is also awarding contracts for items such as steel, alongside efforts to bring back production of raw materials used to make explosives and batteries.

Defense companies said they still need more clarity on future demand.

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WORLD NEWS

Beijing Balks At U.S. Push to Communicate

By BRIAN SPEGELE

BEIJING—China is resisting a U.S. push to build more-reliable systems for communicating in a crisis, raising the risk that a miscalculation by either side's military could spill into conflict.

Rarely since the Cold War have tensions between two global powers risen to the levels that exist between the U.S. and China today. But unlike the Soviets, who embraced crisis hotlines with Washington as a way to defuse tensions, Beijing is resisting the establishment of new communication channels. As Chinese officials see it, hotlines give the U.S. cover to continue what they view as provocative military operations in China's backyard.

The democratically self-governing island of Taiwan, which Beijing claims as part of China, sits at the nexus of the challenge. Concern that a heavy military presence around Taiwan could cause a mishap is a major reason why Washington wants better communication lines with Beijing. Chinese leaders see the U.S.'s increasing support for Taiwan as undermining the foundations of trust needed to establish credible communication between the two powers.

The seriousness of the situation has grown as American and Chinese military jets and naval craft operate in proximity in contested skies and waters. The two militaries regularly brush up against each other as China seeks to ward off the U.S. from operating in the South China Sea, most of which China claims.

China's use of military drills to exert pressure on Taiwan raises the risks of an accident. When China launched military exercises around Taiwan in April in response to a meeting

between House Speaker Kevin McCarthy (R., Calif.) and Taiwan's President Tsai Ing-wen in California, a U.S. aircraft carrier was operating only a few hundred miles away.

"There is a significant reason for concern if the United States and China stumble into a crisis over Taiwan," said Michael Swaine, a senior research fellow at the Quincy Institute for Responsible Statecraft. "I'm not convinced that all sides involved, including the Taiwanese, have what it takes to ensure that the crisis would be resolved successfully."

The Biden administration says it isn't seeking the sort of confrontation with China that the U.S. had with the Soviet Union. For one thing, the U.S. and China are far more interconnected economically than the U.S. and Soviet Union were, despite the recent hostility and efforts by both countries to make their economies less interdependent.

Business executives with interests in stable U.S.-China ties have helped previously to smooth tensions between the countries. With business connections severed by the pandemic slowly being re-established, prospects for improved communication are rising.

Even so, senior U.S. officials are talking openly about taking a page from the previous era and establishing hotlines.

"We built those during the Cold War, and we think they are appropriate now," said Kurt Campbell, the White House's coordinator for the Indo-Pacific, at a think-tank event in March.

So far these efforts, which U.S. officials describe as putting guardrails around the relationship, haven't worked, Mr. Campbell said.

China and the U.S. already



Tensions have risen between the U.S. and China over Taiwan and other issues. Above, a Taiwan jet fighter flies above the Hsinchu air base.

have some hotlines that connect their leaders, including a military link established in 2008. A key problem is that China sometimes refuses to use this hotline in moments of crisis, rendering it an unreliable tool to manage tensions. In addition, meetings through the military hotline can take days or more to set up.

China sees the U.S.'s support for Taiwan as undermining the foundations of trust.

China declined to speak with U.S. Defense Secretary Lloyd Austin in February after the U.S. shot down a suspected Chinese surveillance balloon that had drifted across the continental U.S. At the time, China said the U.S. hadn't created the right conditions for dialogue.

Calls for better communication ring hollow if Washington

violates Beijing's most sensitive areas of concern such as the "One China" policy on Taiwan, said Xu Bu, a former senior Chinese diplomat who is now president of the Foreign Ministry-affiliated China Institute of International Studies.

As part of its deal to establish diplomatic relations with Beijing in the 1970s, the U.S. agreed to sever formal ties with the government in Taipei. While Washington sells Taiwan weapons for defense, the U.S. doesn't officially say whether it would protect Taiwan if China attacked the island.

President Biden has repeatedly said the U.S. military would defend Taiwan if China invaded. Each time, the White House has insisted U.S. policy hasn't changed. But Mr. Biden's remarks, coupled with high-profile meetings between Ms. Tsai and senior U.S. lawmakers, have sowed doubts in Beijing about U.S. intentions.

"If the One China policy is not being abided by, if the One China principle is no longer the policy of Washington, D.C.,

then any guardrail or any kind of floor won't be possible," Mr. Xu said.

In a written response to a request for comment, the Foreign Ministry blamed the U.S. for troubled relations between the countries' militaries. It said it didn't believe in "communicating for communication's sake."

The U.S. "should stop claiming it wants to maintain communication while damaging the political foundations of bilateral relations," China's Foreign Ministry said.

China's Ministry of National Defense didn't respond to requests for comment.

A U.S. Defense Department spokesman said it was troubling that China "appears to view our outreach for improved communication as a point of leverage in the bilateral relationship."

Despite advancements in communication technologies, Adm. John Aquilino, the head of U.S. Indo-Pacific Command, said he worries about not being able to reach his counterparts

in the Chinese military quickly. Soon after taking up the post in 2021, Adm. Aquilino said he sent China a request to speak with the leaders of its eastern and southern theater commands, which conduct operations in the Taiwan Strait and in the South China Sea, respectively. The Chinese never responded, he said.

"It's concerning to me that I don't have the ability to talk to someone should there be a reason to talk," he said in March at an event in Singapore. For other commanders in the region, he said, "I'm on their speed dial, and they're on mine."

Chad Sbragia, who served as the deputy assistant secretary of defense for China during the Trump administration, said China's reticence aims to sow doubts in the minds of U.S. officials.

"If you put a net under acrobats, the acrobats go higher," he said. China wants "to keep people feeling that escalation control is not manageable or that the risk might get out of control."

Marine Unit's Issues Reflect Lack of Ships in Asia-Pacific

By NANCY A. YOUSSEF

The 31st Marine Expeditionary Unit is meant to be a rapid-response force, designed for quick deployment to handle crises anywhere in the Asia-Pacific region. At times, it doesn't have the ships to leave its bases in Japan.

The unit was supposed to be on board the amphibious warship USS Rushmore this year for a training exercise intended to help maintain readiness. Then the Rushmore had maintenance problems, and the mission was scrubbed, defense officials said.

While the immediate impact was limited to a training exercise and temporary after another ship was brought in weeks later, the Marine unit's grounded status illustrates larger obstacles the U.S. faces as it tries to pivot its military to handle challenges from China.

The Rushmore is large enough for helicopters to land and take off, and the lack of such warships, defense officials said, might prevent Marine units from deploying on time. In a crisis, the officials said, the Marines could make do with other types of ships, but going without the aircraft supported by the larger amphibious assault ships means no air cover, hampering troop landings and limiting operations.

Overall, the defense officials said, the Navy doesn't have enough amphibious ships to transport troops—a central part of the Marines' strategy to hop from island to island and harry Chinese forces in the event of a conflict.

The bigger amphibious assault ships are in particularly short supply. Of the 31 such ships in service, roughly a third have undergone sufficient maintenance and training to deploy, according to Marines statistics. If one of those amphibious assault ships has maintenance issues, it can delay a mission, defense officials said.

"We are at the point where any little problem with one of the amphibious ships throws the schedule for the whole



U.S. Marines posed aboard the USS Rushmore in Japan last year.

fleet and affects the Marines' ability to deploy," said Bryan Clark, a senior fellow at the Washington-based Hudson Institute. "If the pivot toward Asia really was a priority, we would ensure that the Pacific-facing amphibious ships were maintained ready."

A Pentagon spokesman referred to Defense Secretary Lloyd Austin's remarks in March pointing to increased investment in forces and training exercises in the Indo-Pacific region. The spokesman declined to address the Marine unit's deployment. The Navy and Marine Corps referred requests for comment to the U.S. Pacific Fleet, which said the Marine unit will soon deploy with other amphibious ships.

Defense strategy documents, starting five years ago, identified China as a primary competitor for the U.S., setting in motion a shift of resources and plans to counter the Chinese military. Adjusting to the new priorities is running into difficulties after decades of fighting insurgents and dealing with threats from countries such as Iran.

The U.S. Air Force is reducing the number of F-15 jet fighters stationed in the Asia-Pacific region, though new replacements won't be fully in place for two years, leaving what some military specialists say is a vulnerable gap. The Army has set up task forces to study its role in any future

conflict in the Asia-Pacific but remains centered on Europe and other parts of the world. Other than adding a submarine in Guam, a front-line base, the Navy has yet to increase its presence, defense officials have said.

The limited number of amphibious ships affects a range of operations, defense officials and military specialists said. Gen. David Berger, the Marine Corps commandant, said this year that the Marines couldn't support earthquake relief in Turkey because there were no ships to transport the troops.

That shortage could become critical if China were to move against Taiwan, a longtime U.S. partner that Beijing has vowed to take control of, by force if necessary. If Taiwan faces a China threat, "time matters," Gen. Berger said in recent congressional testimony.

"Most of the cases, you need a seaborne force," Gen. Berger told the Senate Armed Services Committee. "And you need Marines that can project power ashore."

After the Rushmore broke down, the Navy sent the USS Ashland, which also can launch helicopters, as a replacement, according to the Pacific Fleet, which is responsible for U.S. naval operations in the Asia Pacific region. It wouldn't say how long the 31st waited for the replacement and how long the Ashland stayed in the region.

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FROM PAGE ONE

Calendar Reveals Names

Continued from Page One
wealth and connections. Several said they thought he had served his time and had rehabilitated himself. Mr. Botstein said he was trying to get Epstein to donate to his school. Mr. Chomsky said he and Epstein discussed political and academic topics.

Mr. Burns met with Epstein about a decade ago as he was preparing to leave government service, said CIA spokeswoman Tammy Kupperman Thorp. "The director did not know anything about him, other than that he was introduced as an expert in the financial services sector and offered general advice on transition to the private sector," she said. "They had no relationship."

Ms. Ruemmler had a professional relationship with Epstein in connection with her role at law firm Latham & Watkins LLP and didn't travel with him, a Goldman Sachs spokesman said. Epstein introduced her to potential legal clients, such as Microsoft Corp. co-founder Bill Gates, the spokesman said. "I regret ever knowing Jeffrey Epstein," Ms. Ruemmler said.

A spokeswoman for Latham & Watkins said Epstein wasn't a client of the firm.

Sex offender

In 2006, Epstein was publicly accused of sexually abusing girls in Florida who were as young as 14 years old. The Federal Bureau of Investigation and police investigated, and Epstein reached a deal with prosecutors in 2008. He avoided federal charges and pleaded guilty to soliciting and procuring a minor for prostitution. He registered as a sex offender and served about 13 months in a work-release program.

Epstein's case generated waves of media coverage at the time, with publications in the U.S. and abroad reporting on accusations from underage girls and young women. In 2006, several politicians returned donations from Epstein. Some associates moved to distance themselves from him. His biggest known client, retail billionaire Leslie Wexner, later said he cut ties in 2007. His bank, JPMorgan Chase & Co., later said it closed his accounts in 2013, though some bankers continued to meet with him for years after.

In 2015, Virginia Giuffre publicly accused Epstein of sexually abusing and trafficking her when she was a teen and forcing her to have sex with influential people, including Prince Andrew. Prince Andrew has denied the allegations and last year settled a sex-abuse lawsuit by Ms. Giuffre.



CIA director William Burns, above at a Senate hearing in March, met with Epstein in Washington and New York. Ariane de Rothschild, right, head of a Swiss private bank, negotiated a \$25 million contract with Epstein in 2015, documents show.

Despite the negative press, Epstein's days were filled from morning to night with meetings with prominent people, the documents show. There were dinners at New York restaurants, meetings at luxury hotels and gatherings in the offices of prominent law firms. Many appointments were held at Epstein's townhouse in Manhattan.

Prosecutors alleged in 2019 that the townhouse is where Epstein sexually abused female victims for years, many underage, and that he paid some of them to recruit their friends to engage in sexual activity.

After the Miami Herald reported that dozens of women said they were abused, prosecutors charged Epstein in 2019 with a sex trafficking conspiracy. He died that year in a New York jail while awaiting trial in what the city's medical examiner said was a suicide.

Mr. Burns, 67 years old, a career diplomat and former ambassador to Russia, had meetings with Epstein in 2014 when Mr. Burns was deputy secretary of state.

A lunch was planned that August at the office of law firm Steptoe & Johnson in Washington. Epstein scheduled two evening appointments that September with Mr. Burns at his townhouse, the documents show. After one of the scheduled meetings, Epstein planned for his driver to take Mr. Burns to the airport.

Mr. Burns recalls being introduced in Washington by a mutual friend, and meeting Epstein once briefly in New York, said Ms. Thorp. "The director does not recall any further contact, including receiving a ride to the airport," she said.

The following month, October 2014, Mr. Burns stepped down from his role at the State Department to serve as

president of the Carnegie Endowment for International Peace, a think tank. He ran the Carnegie Endowment until he was nominated in early 2021 by President Biden to serve as CIA director.

The documents show that Epstein appeared to know some of his guests well. He asked for avocado sushi rolls to be on hand when meeting with Ms. Ruemmler, according to the documents. He visited apartments she was considering buying. In October 2014, Epstein knew her travel plans and told an assistant to look into her flight. "See if there is a first class seat," he wrote, "if so upgrade her."

In 2014, Epstein called Ms. Ruemmler within weeks of her leaving the Obama White House. Epstein planned a lunch in August 2014 at his townhouse, followed by a series of meetings to introduce her to a wider circle of his acquaintances.

Ms. Ruemmler first met Epstein after he called her to ask

Mr. Burns met with Epstein about a decade ago, before heading the CIA.

if she would be interested in representing Mr. Gates and the Bill & Melinda Gates Foundation, the Goldman Sachs spokesman said.

A spokeswoman for Mr. Gates said Epstein never worked for Mr. Gates, misrepresented their relationship, and that Mr. Gates regrets ever meeting with him.

Epstein and his staff discussed whether Ms. Ruemmler, now 52, would be uncomfortable with the presence of young women who worked as



FROM TOP: AL DRAGO/BLOOMBERG NEWS; SIMON DAWSON/BLOOMBERG NEWS

assistants and staffers at the townhouse, the documents show. Women emailed Epstein on two occasions to ask if they should avoid the home while Ms. Ruemmler was there. Epstein told one of the women he didn't want her around, and another that it wasn't a problem, the documents show.

Ms. Ruemmler didn't see anything that would lead her to be concerned at the townhouse and didn't express any concern, the Goldman spokesman said.

Several people who visited Epstein during this time period said they noticed young women at his townhouse. One of the visitors, Helen Fisher, an anthropologist who studies romantic love and attachment, had lunch with Epstein in January 2016 to discuss her work.

Dr. Fisher said that after the lunch, Epstein invited her to speak with his staff. "And then, in filed, I would say, six young women," she said. "All of them good looking. All of them young."

Dr. Fisher said Epstein never funded her work, they weren't friends and they didn't stay in touch. "I didn't have anything to do with Jeffrey Epstein," she said. "But I

remembered it because of his spectacular house and because of the six young women."

Over the next few years, Ms. Ruemmler, then a partner specializing in white-collar defense at Latham & Watkins, had more than three dozen appointments with Epstein, including for lunches and dinners.

Business contacts

"In the normal course, Epstein also invited her to meetings and social gatherings, introduced her to other business contacts and made referrals," the Goldman spokesman said. "It was the same kinds of contacts and engagements she had with other contacts and clients."

In 2015, she was scheduled to fly with Epstein to Paris and in 2017 he planned to stop in St. Lucia to take her to his island home in the U.S. Virgin Islands for the day, according to the documents.

Ms. Ruemmler never visited his island and "never accepted an invitation or an opportunity to fly with Jeffrey Epstein anywhere," the Goldman spokesman said.

In addition to her current role as general counsel at

Goldman Sachs, Ms. Ruemmler is co-chair of its reputational risk committee, which monitors business and client decisions for potential damage to the bank's image.

Epstein also connected Ms. Ruemmler with Ariane de Rothschild, who is now chief executive of the Swiss private bank Edmond de Rothschild Group. The bank hired Ms. Ruemmler's law firm, Latham & Watkins, after the introduction to help with U.S. regulatory matters, according to the bank and the Goldman spokesman.

Mrs. de Rothschild, who married into the famous banking family, had more than a dozen meetings with Epstein. He sought her help with staffing and furnishings as well as discussed business deals with her, according to the documents.

In September 2013, Epstein asked Mrs. de Rothschild in an email for help finding a new assistant, "female...multilingual, organized."

"I'll ask around," Mrs. de Rothschild emailed back. She bought nearly \$1 million worth of auction items on Epstein's behalf in 2014 and 2015, the documents show.

Please turn to the next page

Musk's Strategy Is Tested

Continued from Page One
fect autonomy," Mr. Musk said last month.

His argument is akin to Apple Inc.'s with iPhones and App Store sales: The bigger the fleet of Tesla vehicles sold today, the more potential for future higher-margin software profits.

The naked pursuit of scale—and bets that manufacturing-cost savings would come through bigger buying power—has been at the root of some of the industry's gravest stumbles in recent generations.

Among them: the failed marriage of Chrysler Corp. and Daimler-Benz AG in 2007 and the awkward pairing of Renault SA and Nissan Motor Co. in an alliance that has had its troubles.

Volkswagen AG's emissions-cheating scandal, a controversy known as dieselgate, was born out of its efforts to become the world's bestselling auto maker.

Even current global sales leader Toyota Motor Corp. faced struggles with quality and safety recalls after setting a goal more than 15 years ago of being the first car maker to reach 10 million deliveries a



The pursuit of scale has been at the root of some of the industry's gravest stumbles.

year. In that pursuit, the Japanese auto maker eventually became No. 1 globally, overtaking General Motors Co. in an industry shake-up.

GM's collapse into a government-sponsored bankruptcy in 2009 had roots in the Motor City's practice of overproducing cars and then using heavy discounts to stoke sales.

At one point, 25 years ago, GM executives placed such a collective emphasis on market share that they took to wearing lapel pins that read "29."

The number symbolized their goal of holding U.S. market share to 29%, after watching it fall from a peak of more than 50%.

Mr. Musk is betting that his race to develop driverless-car technology will allow him to upend the fundamentals of the car business, saying that losses in margin now will be made up by having more Tesla vehicles on the road in the future and therefore more built-in-customers for the software it sells as downloads.

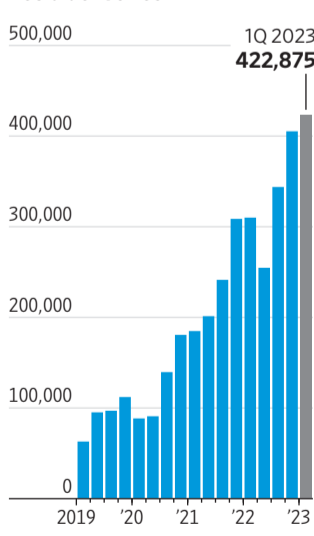
Some analysts are skeptical, especially given that Tesla hasn't yet demonstrated a fully self-driving car. Many car companies have talked about the upside of software sales, which for the industry mostly remain elusive. And investors worry Tesla's price cuts will trigger a broader price war that will hurt

everyone. To accommodate hoped-for growth, Tesla is adding manufacturing output, including a newly announced factory in Mexico, to take it beyond the more than two million units the company said it can make annually now.

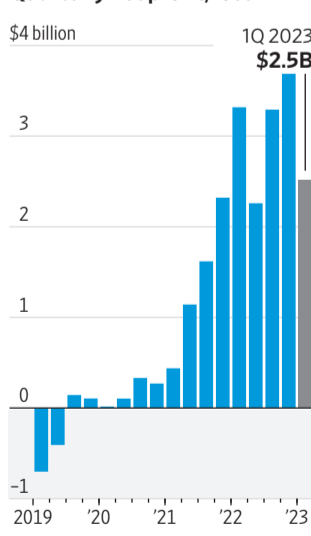
Ultimately, Tesla has already suggested, it could cost nearly \$150 billion to reach its goal of 20 million cars produced annually in 2030.

Some investors are bullish. They are betting that, software sales aside, Tesla's cost advantage in making electric cars will allow it to absorb price cuts and capture volume at the expense of rivals still trying to catch up.

Tesla deliveries



Quarterly net profit/loss



Sources: the company (deliveries); S&P Capital IQ (profit/loss)

FROM PAGE ONE



Leon Botstein, left, president of Bard College and music director for the American Symphony Orchestra, invited Epstein to events at the school. A photo taken in Epstein's townhouse when authorities entered in 2019, above, was later introduced as evidence in court. Epstein's former residence on a private island in the U.S. Virgin Islands, below.



one's. Second is that I knew him and we met occasionally." In March 2015, Epstein scheduled a gathering with Mr. Chomsky and Harvard University professor Martin Nowak and other academics, according to the documents. Mr. Chomsky said they had several meetings at Mr. Nowak's research institute to discuss neuroscience and other topics.

'We looked him up, and he was a convicted felon for a sex crime.'

Two months later, Epstein planned to fly with Mr. Chomsky and his wife to have dinner with them and movie director Woody Allen and his wife, Soon-Yi Previn, the documents show.

"If there was a flight, which I doubt, it would have been from Boston to New York, 30 minutes," Mr. Chomsky said. "I'm unaware of the principle that requires that I inform you about an evening spent with a great artist."

Epstein donated at least \$850,000 to MIT between 2002 and 2017, and more than \$9.1 million to Harvard from 1998 to 2008, the schools have said. In 2021, Harvard said it was sanctioning Mr. Nowak for violating university policies in his dealings with Epstein, and was shutting a research center he ran that Epstein had funded. MIT said it was inappropriate to accept Epstein's gifts, and that it later donated \$850,000 to nonprofits supporting survivors of sexual abuse.

In a 2020 interview with the "dunc tank" podcast, Mr. Chomsky said that people he considered worse than Epstein had donated to MIT. He didn't mention any of his meetings with Epstein.

Mr. Chomsky told the Jour-

MIT said lawyers investigating its ties to Epstein didn't find that Mr. Chomsky met with Epstein on its campus or received funding from him. Harvard declined to comment beyond the report it published on its Epstein ties in 2020. Mr. Nowak has said he regretted his role in fostering a connection between Epstein and Harvard. He didn't respond to requests for comment.

Seeking donations

Mr. Botstein, 76, president of Bard College since 1975, had about two dozen meetings scheduled with Epstein over about four years, which were mostly visits to the townhouse.

"I was an unsuccessful fundraiser and actually the object of a little bit of sadism on his part in dangling philanthropic support," said Mr. Botstein. "That was my relationship with him."

Mr. Botstein said he first visited Epstein's townhouse in 2012 to thank him for unsol-

ited donations to Bard's high schools, then he returned over several years in an attempt to get more donations. In 2015, Epstein donated 66 laptops, the documents show.

"We looked him up, and he was a convicted felon for a sex crime," he said. Bard has a large program providing education to prisoners, he said. "We believe in rehabilitation."

Mr. Botstein, also the long-time music director for the American Symphony Orchestra, invited Epstein to an opera at Bard in 2013, then a concert at the college in 2016, the documents indicate. Epstein planned each time to bring some of his young female assistants and arrive by helicopter.

Mr. Botstein said he was expecting Epstein to support classical music causes and that the school took precautions when he visited. "Because of his previous record, we had security ready," he said. "He did not have any free access to anybody."

At Epstein's home, Mr. Botstein was led to a dining room where they discussed classical music and other causes, he said. "He presented himself as a billionaire, a really, really rich person," he said. "I found him odd and arrogant. And what I finally came to believe, which is why we stopped contact with him, is that he was simply stringing us along."

Despite all his meetings, Mr. Botstein said, Epstein never made another donation to Bard. "It was a blessing in disguise," he said, "that we never got any [more] money."

—Rob Barry
contributed to this article.

Continued from the prior page

Mrs. de Rothschild was named chairwoman of the bank in January 2015. That October, she and Epstein negotiated a \$25 million contract for Epstein's Southern Trust Co. to provide "risk analysis and the application and use of certain algorithms" for the bank, according to a proposal reviewed by the Journal.

In 2019, after Epstein was arrested, the bank said that Mrs. de Rothschild never met with Epstein and it had no business links with him.

The bank acknowledged to the Journal that its earlier statement wasn't accurate. It said Mrs. de Rothschild met with Epstein as part of her normal duties at the bank between 2013 and 2019, and Epstein introduced the bank to U.S. finance leaders, recommended law firms and provided tax and risk consulting.

"In parallel to that, Epstein solicited her personally on a couple occasions for advice and services on estate management," the bank said.

Mrs. de Rothschild had no knowledge of any legal proceedings against Epstein and "was similarly unaware of any questions regarding his personal conduct," the bank said.

After later learning of his behavior, the bank said, "she feels for and supports the victims."

One of Epstein's scheduled meetings with Mrs. de Rothschild, in January 2014, included another of his regular guests: Joshua Cooper Ramo, then co-chief executive of Henry Kissinger's corporate consulting firm.

Epstein scheduled more than a dozen meetings from 2013 to 2017 with Mr. Ramo, who at the time served on the boards of Starbucks Corp. and FedEx Corp., the documents show. Epstein had special snacks on hand because he believed Mr. Ramo was vegetarian, the documents indicate.

Many of Mr. Ramo's appointments with Epstein were in the evenings, typically after 5 p.m., at the townhouse. Mr. Ramo also was invited to a breakfast at the townhouse in September 2013 with former Israeli Prime Minister Ehud Barak, another regular guest, the documents show.

Mr. Ramo, who still sits on the board of FedEx and recently stepped down from the Starbucks board, didn't respond to requests for comment. A spokeswoman for Mr. Kissinger said he wasn't aware

that Mr. Ramo was meeting with Epstein.

Mr. Barak also met Epstein in 2015 with Mr. Chomsky, now 94, a linguistics professor and political activist who has been critical of capitalism and U.S. foreign policy.

Geopolitical talk

Mr. Chomsky said Epstein arranged the meeting with Mr. Barak for them to discuss "Israel's policies with regard to Palestinian issues and the international arena."

Mr. Barak said he often met with Epstein on trips to New York and was introduced to people such as Mr. Ramo and Mr. Chomsky to discuss geopolitics or other topics. "He often brought other interesting persons, from art or culture, law or science, finance, diplomacy or philanthropy," Mr. Barak said.

Epstein arranged several meetings in 2015 and 2016 with Mr. Chomsky, while he was a professor at the Massachusetts Institute of Technology.

When asked about his relationship with Epstein, Mr. Chomsky replied in an email: "First response is that it is none of your business. Or any-

Beijing Walls Off Information

Continued from Page One
control on how the rest of the world forms its views on China, according to business executives who have consulted with Chinese authorities. It is also an effort to essentially close off China from foreign influence, they said.

Behind the push, they said, is a deepening conviction held by Mr. Xi, China's most powerful leader since Mao Zedong, that the West—the U.S. in particular—poses existential threats to the party's hold on power. Mr. Xi presided over a Politburo meeting last week that stressed the need to "better coordinate development and security"—party-speak widely interpreted as a signal that fending off foreign threats takes priority over embracing investment.

China's State Council Information Office didn't respond to a request for comment sent on Sunday. A spokesman at the Chinese Embassy in Washington said Friday that "China is committed to protecting foreign businesses' lawful rights and interests and creating a favorable environment for foreign investment."

The broad Chinese effort is unnerving foreign businesses and investors already grappling with heightened geopolitical risks associated with their investments in China. It comes as U.S. and other foreign companies need even more corporate intelligence to navigate China's increasingly complex business environment, partly due to U.S. sanctions targeting hundreds of Chinese entities and countermeasures by Beijing.

Worsening U.S.-China relations have already caused many C-suite executives to think about moving some operations out of China or otherwise reduce their China exposure.

"The harder the government makes it to understand China, by definition that will make the Chinese market less attractive to capital, especially long-term commitments," said Gary Riesel, a venture capitalist who has invested in China for more than three decades.

In a statement Friday about China's investment climate, the U.S. Chamber of Commerce singled out the intensified government scrutiny of professional-services firms that multinationals use for risk evaluation, warning that the action "dramatically increases the uncertainties and risks of doing business" in China.

Among the firms being targeted by authorities: U.S. consulting firm Bain & Co., which said staff at its Shanghai office were recently questioned by

Chinese police; U.S. due-diligence firm Mintz Group, which said staff members at its Beijing office were detained after a raid; U.K. auditor Deloitte's Beijing office, whose operations have been suspended until June on top of a roughly \$31 million fine over alleged lapses in its auditing of a state-owned asset-management firm. Deloitte has said it respects the penalty decision.

In addition, Chinese police in recent months paid a surprise visit to the Shanghai office of Capvision, a provider of expert consultations and research services based in New York and Shanghai, according to people close to the firm. The police questioned Capvision's local employees about the names of

Chinese experts in its network, the people said. Shanghai police and Capvision didn't respond to requests for comment.

While foreign executives operating in China said meetings with or visits by authorities aren't necessarily unusual, the detentions and general intensity of the current campaign have been notable, especially as the push has been paired with tightening access to databases like Wind.

"On the grounds of national security, foreign access to various databases has been restricted," said Gerard DiPippo, a China expert at the Center for Strategic and International Studies, a Washington think tank. "The net effect will be less to improve China's national se-

curity and more to isolate China from overseas researchers trying to understand the country."

The current campaign signals that Beijing feels confident that companies rely too much on China to pick up and leave. Many foreign companies still see China as a crucial market, and companies including those that sell to Chinese consumers have sought to boost their footprint in the country. A string of senior foreign executives have paid visits in recent months to check in with local offices and attend government-backed conferences.

But recent surveys also show more U.S. and European companies are shifting priorities to countries other than China when making their in-



Surveillance cameras were seen along a river in Shanghai in March.

vestment decisions.

The continuing move to wall off China has been years in the making. Beijing started to beef up laws and regulations aimed at guarding what it broadly defines as state secrets since 2010, under Mr. Xi's predecessor, Hu Jintao.

Over the past decade, that effort has gained urgency under Mr. Xi.

In years past, Chinese authorities had mainly targeted speech by political dissidents while commentary about the economy and reporting on business had been left relatively unfettered.

Since 2014, China has passed laws aimed at safeguarding national security. For instance, a data-security law and new rules restricting shipment of data overseas, put in place in 2021, have made it hard for foreign companies and investors to get information such as that on supplies and corporate financial statements. Chinese databases, ranging from academic ones like China National Knowledge Infrastructure to corporate ones, have become much harder to access from overseas.

Business executives said they worry that the expanded anti-espionage law passed by China's legislature last week could criminalize everyday business activities like gathering intelligence on local markets and business partners by sweeping them up into a widened definition of espionage.

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WORK & LIFE
RACHEL FEINTZEIG

The email in Caroline Kim's work inbox was long, and from an address she didn't recognize. She started to read, and was bombarded by someone sharing a lot of feelings.

"Within the first two sentences I was, like, oh my gosh, it's a love letter," she says.

The crush confession was meant for somebody else: Carol Kim, a co-worker with a nearly identical work email address. Realizing the mix-up, Caroline felt mortified by association, slightly amused and completely relieved to have scored the coveted 'ckim' email address.

"Thank God, I got here first," Caroline says she thought. (She's since married, become Caroline Kim Oh and switched jobs.) "I don't want people getting my emails."

Having a name doppelgänger at the office can be perilous business. Back in elementary school, where so many of us were used to being one of three in the class, sharing a name was mostly a minor annoyance. (Couldn't you have picked something cool, mom?)

Then the Jens and Mikes of the world grew up, joined companies and started receiving sealed envelopes containing excruciatingly detailed performance reviews. And instant messages demanding to know why they weren't in the meeting. (What meeting?) And offers of sky-high salaries from recruiters on LinkedIn. None of it is meant for them.

"You're kind of, like, is this me? Is this about me?" says Chris Smith, once one of seven Chris Smiths at a media company where he worked as a software engineer. There, the Chris Smiths formed an instant-message group to swap mysterious calendar invites. Who was actually supposed to go to this week's Lunch and Learn?

Mr. Smith, of Burbank, Calif., suspects he was once passed over for an employee award because he split the votes with another Chris Smith in the running. While working in Hong Kong for a large tech company, he received a call in the middle of the night berating him for spending \$3,000 on...what? (It was another Chris Smith's fault.)

Most painful might be the good-news emails meant for someone else: the Chris Smith in New Jersey who was making plans to rent an entire castle in England, the co-worker being promoted to manager.

"I felt like I was getting a promotion," Mr. Smith says wistfully, recalling the congratulatory note



Kaylan Vrana, in glasses, and Kaylan Eastepp work at the same company. Startup co-founders, right, Zuhayeer Musa, in glasses, and Zaheer Mohiuddin.



CLOCKWISE FROM TOP: PHOTO ILLUSTRATION BY ELENA SCOTT/THE WALL STREET JOURNAL; ISTOCK (2); SANIYA SVEDY; SCHELLMAN

For Goodness' Namesakes!

The trials and tribulations of having an office doppelgänger: Ask Chris Smith and Chris Smith

in his inbox. The comedown from those fleeting feelings is similar to the envy induced by scrolling through someone's seemingly perfect life on social media, he adds—but worse. "A guy with the same name as me seems to be doing really well right now," he says.

Hey, that's my name

Our names are anchors of our identity, says David Zhu, a professor of management and entrepreneurship at Arizona State Univer-

sity who's studied how chief executives' names affect their decisions at work.

"When you have another person who shows up in your social circle or workplace with the same name, the uniqueness disappears," Dr. Zhu says. "That is, indeed, threatening."

Anyone can have a name twin—even you. During Chandler Perry's first day at McKinsey & Co., she was inundated with texts from colleagues who informed her that a guy on the introductory Zoom call was using her name.

"Maybe you should have them get that fixed," they told her. There was nothing to fix. He was Chandler Perry, too, a white man based in the consulting firm's

Denver office. Ms. Perry, a Black woman, was based in Atlanta.

Long the lone Chandler everywhere, Ms. Perry relished finally having someone to commiserate with over a lifetime spent fielding jokes about Chandler Bing, played by Matthew Perry in the show "Friends."

One day last spring, she flew to the company's New York office for meetings and was held up by security. They informed her that someone with her name had already checked into the building. A couple of days later, the Chandler Perrys finally united in the office.

"We just couldn't stop hugging. When people walked past, we were, like, we have the same name!" says Ms. Perry, who recently departed McKinsey.

We're two people, really

While reporting this column, I joined a video chat with two Kaylans, trying, futilely, to keep them straight in my notes with labels such as "glasses" and "contacts." I connected with an Allison Jackson at a tax firm, only to realize 10 minutes into the conversation that she wasn't the Allison

Jackson I'd spotted on LinkedIn.

Yep, she said. She keeps getting credit for that Allison's sales in an online dashboard.

Startup co-founders Zaheer Mohiuddin and Zuhayeer Musa spend the beginning of nearly every call with customers clarifying that they are, in fact, two different people.

"They see the Zs. They see the Ms. They see the 'eers,'" Mr. Mohiuddin says.

Mr. Musa once got banned from a Reddit group where he posted an announcement about the company, after Mr. Mohiuddin posted, too. The moderator thought they were one person trying to game the system with multiple usernames. They explained the situation, but the moderator didn't buy it.

Some people are just resigned to being someone else at work.

When Mike Sander showed up for a past job as a commodities broker, he was unsurprised to find that his boss was named Mike.

"What are you going to go by?" his colleagues asked. The last guy in his job, they explained, was named Mike, too—so, naturally, he had gone by Rick.

Mr. Sander changed his work name to "The Senator," a nickname he used in college after being elected to student government to distinguish himself from the other eight Mikes in his fraternity.

When someone called out, "Mike!" in the office, he wouldn't even turn his head.

Men Embrace Status Of Being a #girdad

BY ALLIE JONES

Appearing last month on "Late Night With Seth Meyers," Chris Pratt spoke effusively about raising his daughters, Lyla and Eloise, with his wife, Katherine Schwarzenegger Pratt. "I love it, man," he said.

"My daughter Lyla is so girlie," he continued. "I picked her up yesterday, she goes, 'Oh, Daddy, cute outfit! Look at those cute pockets!' His son, Jack, never made comments like that as a toddler, he said. The actor has described himself as a "total girl dad."

Across social media, there are millions of posts carrying the hashtag #girdad.

Mr. Pratt is one of several A-list alpha males to proudly claim girl-dad status. Movie superheros, sports legends and male pop stars are flooding social media with photos of their sparkly toddler-drawn makeovers and princely dress-up parties, reflecting an evolved approach to parenting that eschews masculine gender stereotypes. Across social

media, millions of posts carry the hashtag #girdad, and companies have cranked out merchandise to capitalize on the phenomenon.

"THAT'S A DAD RIGHT THERE!" a commenter wrote on a March photo of Dwayne "The Rock" Johnson covered in magenta body paint applied by one of his three daughters. Actor Norman Reedus recently posted a selfie in which his face was covered in pink and blue makeup. "Any beauty salons want to hire my daughter?" the caption read. Derek Jeter, no longer constrained by a career that required him to wear gloves, says he now sits for manicure sessions with his daughters Story, Bella and River. Those girl dads couldn't be reached for comment.

Maroon 5 frontman Adam Levine wears matching dresses with his daughters Dusty and Gio. And the perpetually chiseled actor Channing Tatum often posts photos of himself dressed up like a fairy princess for his daughter, Everly.

Mr. Tatum has taken his girl-dad status a step further by writing a series of children's books titled "The One and Only Sparkella," about a girl who loves to dress up and her dad who encourages her. The latest comes out May 31. Variety reported last year that the actor will star in a live-action film adaptation of the series from MGM.



Social-media creator Mason Smith posts videos of him with his daughters.

Through a representative, Mr. Tatum declined to comment.

Identifying as a girl dad has become a way for those with otherwise macho brands to signal that they, too, are sensitive, progressive and confident enough to wear pink nail polish. Unlike the defensive phrase that so many actors deployed during the #MeToo movement to signal allyship with women—"as a father of daughters"—"girl dad" feels light and celebratory.

Sean Williams, the founder and CEO of The Dad Gang, an organization that seeks to build community among Black fathers, said he first

heard the term "girl dad" during a broadcast reporter's remembrance of Kobe Bryant in 2020. In a clip that went viral, the reporter said the late NBA star had once told her he didn't worry about not having a son to "carry on his legacy" because he proudly identified as a "girl dad."

Mr. Williams, 40, who has two daughters, was touched by the phrase and encouraged other dads to share photos of themselves with their daughters with the hashtag #girdad. "It gave dads with daughters a chance to show up and be extra prideful at the fact that we only have girls, and

we're fine with that," he said.

The hashtag remains popular on Instagram and TikTok, where creators like Mason Smith, 30, post videos of themselves with their young daughters that regularly go viral. Mr. Smith, who has 2.4 million TikTok followers as @dadsocial, shares updates almost daily of him styling his daughters' hair with the hashtag #girdad. He said he thought these kinds of videos take off on the platform "because for so long it wasn't a masculine thing to do to be a girl dad, and now it's getting so normalized, and it's so cool to see dads stepping up and doing their daughters' hair and getting their daughters ready."

Mr. Smith added that vocal celebrity girl dads have inspired him and other dads to share this kind of content as well. "Ryan Reynolds is my hero," he said. The actor had three daughters between 2014 and 2019; he and his wife, Blake Lively, recently had a fourth child whom they have yet to introduce to the public.

Even girl dads without social media have new ways to proclaim their status: A search for "girl dad" on Etsy returns over 220,000 items, including T-shirts, hats and mugs bearing the label. The styles tend toward rugged blues, greens and grays; especially patriotic dads can purchase a camo-green "girl dad" T-shirt emblazoned with an American flag.

Just last year, Mr. Williams published a children's book titled "Girl Dad" with HarperCollins, which details all the fun things dads can do with their daughters.

And if fathers of sons start to feel left out? Its companion volume, "Boy Dad," arrives in May.

PERSONAL JOURNAL.

By Allison Pohle

Hotel Guests Overextend Stays at Charging Spots

More electric vehicles vie for limited stations during overnight stops

Most hotel guests know to keep their voices down at night and refrain from smoking in the room. But guests are struggling over proper etiquette when it comes to electric-vehicle charging.

More Americans are buying and renting electric vehicles, and factoring charging stops into their travel. At many hotels, guests expect EV chargers.

These EV travelers often have detailed itineraries from one city to the next. Still, even the best-laid route plans can go awry when the hotel's charger doesn't work or when other travelers break the basic rules of charging etiquette.

Guests say some drivers leave their cars plugged in for hours on end after they're fully charged, hogging the only available charger. Some hotel chargers don't work or have capabilities different from what is advertised. And no matter which EV they drive, these travelers unite on the ultimate annoyance: ICEing. (For non-EV drivers: That's when a vehicle with an internal combustion engine parks in a space meant for charging EVs.)

When these complaints happen, it is often up to the hotel to step in. Hotel staff are encouraged to tell guests with EVs to move their cars when they finish charging, says Brian McGuinness, senior vice president of global guest experience for IHG Hotels & Resorts. They can also suggest that guests leave their phone numbers at the desk so staff can text them when charging finishes.

Taking charge

Sergio Rodriguez, a 42-year-old military housing advocate from Monterey, Calif., says he has taken six cross-country road trips in the four EVs he owns, including a Tesla.

Mr. Rodriguez says charging stations by the front of hotels are often blocked by non-EVs whose drivers just see an empty parking spot. He prefers stations in the back of hotels for this reason, but

says many aren't clearly marked or maintained.

He says he once pulled into a Westin at 4 p.m. with 5% charge remaining on his 2021 Mustang Mach-E, and found a Tesla charging in the spot. It remained there all night. Mr. Rodriguez says he awoke at 4 a.m. and checked the car. It was still plugged in but showed it wasn't charging. So he made a decision: He unplugged the charger.

"Some people will tell you that it's inappropriate for you to touch other people's cars," he says, pointing out that he technically grabs the charger, not the car. "It's using a communal plug. There's no absolute right to it for anybody."

Level playing field

There are more than 50,000 charging locations in the U.S., according to the Alternative Fuels Data Cen-

Some drivers leave their cars plugged far longer than needed, hogging the only charger.

ter. Data on the number of hotel chargers varies, as some hotels claim nearby chargers that aren't on-site, industry analysts say.

Having reliable access to chargers at hotels is essential as the EV market moves from enthusiasts to everyday drivers, says Nick Nigro, founder of the research group Atlas Public Policy.

Charging speeds vary and include Levels 1, 2 and 3. Level 1 gets about 5 miles of range per one hour of charging, and Level 2

gets about 25 miles of range per hour. Level 3 is fastest, but the most expensive to install.

Level 2 chargers aren't practical for drivers hoping to power up quickly as they would with a gasoline-powered car. They do make sense for hotels, where travelers park and can charge overnight, Mr. Nigro says.

"But one or two chargers is not going to be enough," he says.

More than 20% of Hilton's global properties now have EV chargers, an increase of more than 10 percentage points from a year ago, and that number is accelerating rapidly, says Matt Schuyler, the company's chief brand officer. IHG recently launched a search filter on its app to allow guests to find hotels with EV chargers, and says more than 1,000 of its hotels have charging capabilities.

EV drivers say they often plan hotel stays based on available chargers. But many hotel apps don't display the number or types of chargers at a certain location. Executives from Hilton and IHG say this capability will expand in the future. Some hotels provide free charging. Others require guests to unlock chargers with a room key.

Tony Booth, founder and chief executive of Stay-N-Charge, which installs chargers at hotel properties, says many clients charge between 25 cents and 55 cents a kilowatt-hour, for an average cost of between \$11 and \$20.

Hilton works with several charging companies, and owners choose whether to install Level 2 or faster chargers, Mr. Schuyler says.

Needing a backup plan

Rob Miller took his 2022 Chevrolet Bolt EUV on a road trip this winter. Mr. Miller, a 61-year-old real-estate researcher, primarily uses the car for driving around Oakland, Calif., where he lives.

He booked a stay at a resort in Rockaway Beach, Ore., because it advertised EV charging. When he arrived, he found an outlet that didn't work for his car. He had to drive 15 miles off-site with a low-battery warning.

When he and his wife returned more than an hour later, the hot tub and pool were closed.

Bill Ferro, founder of EVSession, a software company that tracks fast-charger reliability, has driven electric vehicles exclusively for 12 years.

He often plans stays at hotels with free chargers—as long as the room cost doesn't negate the charging cost—and has recently taken successful trips in his Tesla. He says he often encounters Superchargers at hotels along his routes.

He says hotels might benefit from reservation systems. If he only needs 20% more charge, he feels guilty staying plugged in all night. "I'm not going to get up at 2 in the morning and move my car," he says. "But if somebody asked me to, I would."

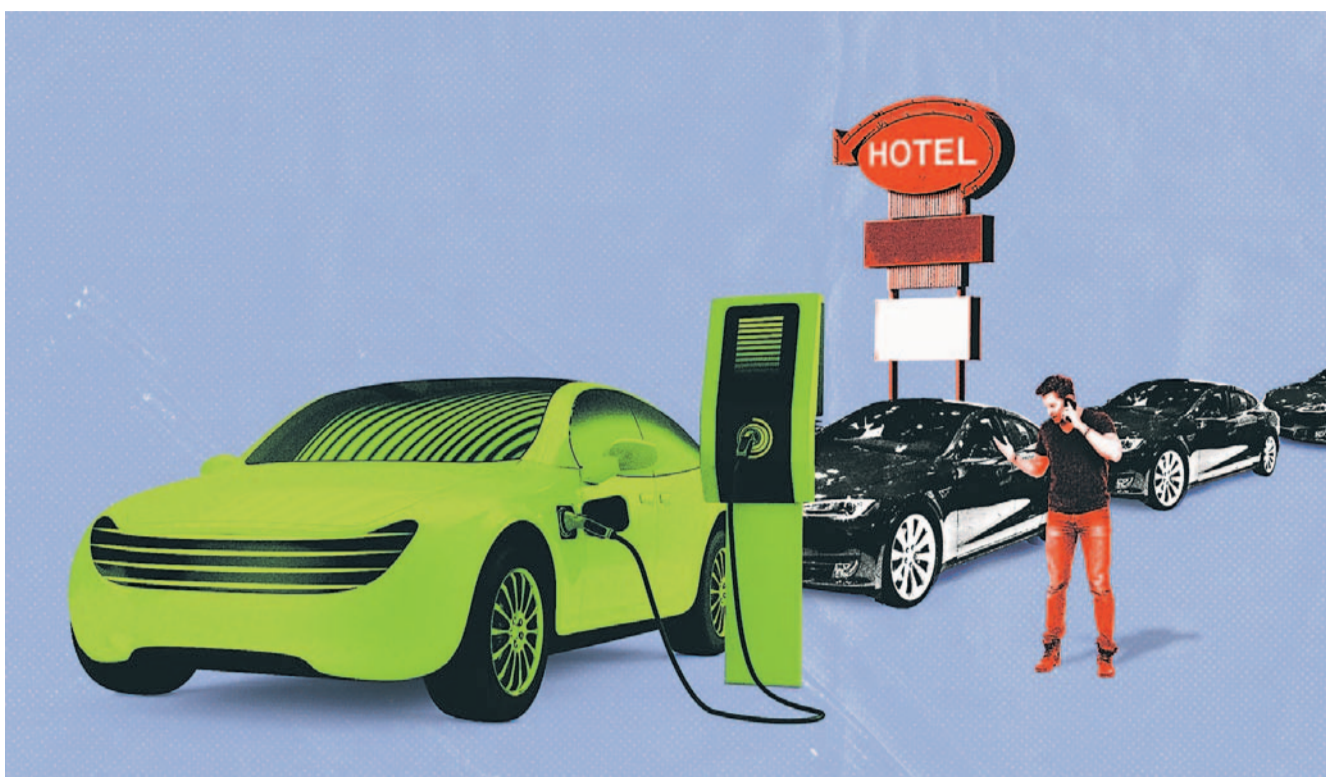


PHOTO ILLUSTRATION BY RACHEL MENDELSON/THE WALL STREET JOURNAL (STOCK © GETTY IMAGES)

WHAT'S YOUR WORKOUT? | JEN MURPHY

For CEO, Home-Court Advantage Offers Exercise, Networking Ties

Some executives network over cocktails or golf. Mitchell Rudin prefers to schmooze while shooting hoops.

The 70-year-old chief executive and chairman of commercial real-estate advisory firm Savills North America hosts weekly pickup games at his Scarsdale, N.Y., home or at nearby gyms. Trash talking isn't allowed, only business.

The 80-plus participants range from the company's veteran professionals and entry-level brokers to a colleague's teenage granddaughter looking for career advice.

"The objective of these games is more than just to get a sweat and workout in, but to use basketball to connect people," he says. "I think it's important to form bonds between young and old, and perhaps learn a thing or two about relationships and business in the process."

Mr. Rudin transformed his home tennis court into a basketball court, so it is shorter than a standard court.

Full-court games are typically 4-on-4 or 5-on-5. The team that scores seven points first remains on the court to play the next team.

Men and women both play, and the oldest player is in his mid-80s. Depending on who shows up, Mr. Rudin tries to organize a 45-plus game for older players. Occasionally, he jumps in with the younger players.

Mr. Rudin has played basketball since his teen years. He competed in recreational leagues while attending law school at Boston College and in the New York Lawyers Basketball League while starting his career.

These days, he doesn't jump a lot to block or shoot, but he says he is still agile enough to make an impact, particularly on defense. Mr. Rudin relies on experience to defend his opponents. "I can

still force players to take a shot by outwitting them, and I'm spry enough to make offensive rebounds," he says.

The pickup games, which are by invitation, are more about mentoring than cutting deals, he says.

His two sons, now grown, often brought friends such as Kevin Dudley over to play when they would come home from college. Those

He warms up with a series of hip, hamstring and shoulder stretches and does a circuit of exercises, including squats and push-ups, with a TRX band—a piece of equipment used for body-weight workouts. That builds his core strength and improves his balance.

Before games and throughout the week, he runs for 10 to 15 minutes. He does sets of sprints on



NET PROFIT: CEO Mitchell Rudin uses pickup games at his house to help the young and the old form bonds.

on-court sessions paved the way for career advice.

Mr. Dudley, 36, says Mr. Rudin helped him get an internship at CBRE Group Inc., the commercial real-estate company where he now serves as executive vice president. "I look back and realize so many opportunities and connections presented themselves on Mitch's court," he says.

Mr. Rudin still has his competitive edge. "If I can limit the person I'm guarding to a point or less, I've done my job," he says.

The workout

Mr. Rudin plays basketball two to three days a week. He says a rigorous stretching routine keeps back pain caused by an old injury at bay.



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BRYAN BANDUCCI FOR THE WALL STREET JOURNAL

ARTS IN REVIEW

ARCHITECTURE REVIEW

A Building's Expression Of the Earth

By MICHAEL J. LEWIS

IS THERE A MUSEUM anywhere that has not just built an addition? If not, it soon will. Ours is a museum-enlarging age. An architect can build a lucrative practice on that fact (one thinks of Renzo Piano or Annabelle Selldorf).

But additions are a tricky business. You tamper with a landmark at your peril, as Michael Graves learned with his radical proposal of the 1980s to absorb the Whitney Museum within a postmodern colossus. It's much safer to design a neutral box that offers no visual competition. Or to practice museological social distancing, as when Mr. Piano set his 2013 addition to the Kimbell Art Museum away from Louis Kahn's sublime building.

It is nonetheless possible to enlarge a museum in a way that is expressive of the present moment, that is poetically evocative of its purpose and content, and that does not stick out like a sore thumb. Such is the lesson of the Richard Gilder Center for Science, Education and Innovation, Studio Gang's \$465 million addition to the American Museum of Natural History in New York, which opens May 4.

The AMNH is a patchwork of a building, a four-block sprawl along the west side of Central Park and more than a century in the making. It was envisioned as a four-square citadel in red granite, with round towers at the corners and a burly Romanesque portal at the center of each side. Only the south wing was fully realized, and while monumental entrances were eventually built to the east and north,

the west side languished.

In 2014 Studio Gang was commissioned to design a 230,000-square-foot addition that would provide exhibition and classroom space and also serve as a new entrance pavilion. But it had to do still more. Because the Romanesque master plan had never been completed, many of the passages were dead ends, which the addition was expected to open—with no fewer than 33 connections. A tall order, like expecting the missing piece of a jigsaw puzzle not only to fit but to transform the rest of the puzzle.

The new pavilion is an essay in free-form design, fluidly curved within and without, and is not so much biomorphic as geomorphic. Jeanne Gang, the founder of Studio Gang, told me that she was inspired by the image of "a canyon, worn down by wind, weather and water." Instead of a literal facsimile of nature, she wanted to evoke it abstractly, through the gentle contours that come from living processes acting over deep time.

Free-form design can be a breach of architectural good manners, but Ms. Gang's canyon inspiration works better than expected. It is aligned with the museum's crucial east-west axis on West 79th Street, which is itself a canyon of tall buildings, and it opens itself to the street grid in a way no other part of the museum does.

Yet at every step it defers to the older buildings, and not only by matching their height. To either side of the cleft, the facade swells outward in a nod to the Romanesque towers; meanwhile the same pink granite is used as the entrance



on Central Park West.

The interior, a five-story well of light and space, is a rhapsody of flowing structure. Its walls billow and swell, and then abruptly pucker into an opening; it suggests what it would feel like to be inside a Henry Moore sculpture. Its curved surfaces are composed of shotcrete, concrete hosed at high pressure onto a steel rebar cage, forming both the structure and the visible surface. The treatment of the surfaces has been carefully studied to give them a fine-grained handmade texture, one of those subtle tactile refinements that one senses but does not consciously notice. Another is the light, which pours in from the full-height curtain wall of the entrance and from three circular skylights, and which takes on a superb and gentle softness as it reflects off the irregular curves.

This ceremonial hall is not the only great space in the Gilder Center. The fourth-story reading room

is a cozy tent of a space, its hefty central column carrying a great spread of structural ribs; one might as well be reading under a mighty oak tree, which feels continuous with the canopy outside the oversized window. Ms. Gang worked to make sure all her windows were treated to be visible to flying birds (she spoke movingly of her distress at "the small songbirds whose long journey of migration ends on a sheet of glass").

Where necessary, the architecture recedes into invisibility, as in—appropriately enough—"Invisible Worlds," an immersive and interactive experience that takes place in a 5,800-square-foot oval space. But this is a windowless exception in a building that is otherwise conspicuously, even extravagantly, lavish with sunlight.

It was not long ago that museums arranged their collections to depict a system of order, either an evolutionary sequence (as with

Clockwise from top: the exterior, library and atrium of the new Richard Gilder Center for Science, Education and Innovation

natural history or art) or a structure of interrelationships (as with anthropology). To endorse any sort of systematic order has increasingly come to be seen as arrogantly elitist, and many exhibitions, in the U.S. and elsewhere, have been reconfigured to express a multiplicity of interpretations. The consequence is a distressing sense of uncertainty.

But there is nothing uncertain about the Gilder Center. Its structure and space celebrate nature, in all its splendor and complexity, and not—miracle of miracles—the architect who designed it.

Mr. Lewis teaches architectural history at Williams and reviews architecture for the Journal.



EXHIBITION REVIEW

Reordering Natural History

The Gilder Center highlights the connections among all living things

By EDWARD ROTHSTEIN

When you enter the atrium of the Richard Gilder Center for Science, Education, and Innovation—the \$465 million addition to the American Museum of Natural History that is opening May 4—you are not fully prepared for the effect.

Jeanne Gang, whose firm, Studio Gang, designed the center, has suggested a resemblance to the stone formations of the American Southwest. You stand in an enclosed canyon gazing at land bridges, cavernous hollows and curves that appear to have been shaped by erosion from wind and water. Here, light beams down from skylights, five stories above. It is the largest open space in the entire museum complex. Elsewhere in the museum, such spaces were designed to house things: enormous dinosaur specimens or a giant blue whale. Here, nothing is on display—only pseudo-natural forms under sprayed concrete.

This entrance is certainly not paying tribute to the human agency of the place—to the enormous enterprise of collecting, research and presentation that shaped this institution. That is what the Romanesque stolidity and castle-like ornaments of other buildings proclaim: pride and permanence. But here, the museum seems intent on evoking the untrammelled natural world—not permanence but ever-continuing transformation.

This emulation of nature has some benefits. The library reading room and 18 new classrooms are bathed in outdoor light. The same sense of openness makes its way into the now-permanent living butterfly vivarium.

But I also think these benefits are incidental to the main point. The center's complete rejection of its museum surroundings makes a challenge; it has an edge. It may also be a reflection of transformations in the

museum itself.

First, though, tribute should be paid to the more traditional museological business in exhibits designed by Ralph Appelbaum Associates and the museum staff. A new 5,000-square-foot insectarium—the first permanent exhibition devoted to insects here in more than 50 years—is marvelous. These creatures that mostly, well, bug us now fascinate us. Insects play dead, mimic other insects, and are camouflaged to look

like leaves. We see them on touch screens, pinned to display boards, and as living specimens. In a display that adds creepiness to wonder, we walk under a translucent "skybridge" through which leafcutter ants pass, bearing leaf-snips to transparent glass spheres where they build their homes with the help of masticated fungus.

The museum has also moved 12% of its wide-ranging collection to the new center, offering windowed walls through which we see cabinets and staff. Each window also displays samplings of the museum's holdings, including butterflies caught by the novelist Vladimir Nabokov, wasp nests and African Maasai beadwork. The only misstep is in a display of "Chinese housewares": The Cultural Revolution (1966-1976) is described as "a sweeping campaign" to reshape Chinese society; more accurately, the housewares, which include mugs celebrating an oil refinery and a bowl illustrated with a girl reading Mao Zedong, provided kitschy propaganda for a movement that may have led to a million deaths and destroyed a generation of intellectuals and artists.

Otherwise, these displays are excellent and could have appeared in any part of the museum. But another exhibition, "Invisible Worlds," is much more attuned to the new center and the transformation it reflects. "All life on Earth is related," we are told at the start. "Your hand resembles a bat's wing. Your cells have the same structure as the cells of a pine-apple." And "You share ancestors with every living thing on Earth."

"Which are you more closely related to?" asks a touchscreen. A mouse, say, or an opossum? The mouse. Because mice are placental; their young develop in wombs. Humans and mice have a common an-

cestor some 65 million years ago; the opossum connection was 130 million years ago.

The human is thus deeply inserted into the natural world, with connections to every other living creature, knit into an ecological system of interdependence, even affecting the food we eat (as other touchscreens demonstrate). In 1853, when a natural history museum was being planned for Oxford University, one advocate suggested that the placement of each object should correspond to the place it had in "God's own Museum." Nature's order was to be replicated. By the end of the 19th century, that order had to be rethought because of the theory of evolution. Static Linnaean categories of genus and species would give way to a history of life forms. Within the past few decades, other kinds of connections—as in these examples—have developed, expanding evolutionary perspectives by exploring habitats and relationships among species. Natural history becomes even less human-centric and more subject to revision—which is why the new center's design pays tribute to the natural world rather than the human one. And this exhibition demonstrates that world's character.

Its climax is in a space with a 23-foot-high wall circling a floor the size of a hockey rink. For 12 minutes every surface becomes a projection screen and we are immersed in swirling webs of interactions within the ocean, the forest and the human brain. The presentation is sensational. You don't learn much, but you get a visceral feeling: There are connections to be made, and our natural history museums are just beginning to take their measure.

Mr. Rothstein is the Journal's Critic at Large.



An interactive exhibit on bees at the Gilder Center, which opens May 4

SPORTS

Don't Throw Shohei Ohtani Your Best Pitch

The star's skill as an elite hitter allows him to replicate the most vexing pitches he faces

By Lindsey Adler

Pitchers around Major League Baseball were buzzing the morning after Shohei Ohtani used baseball's newest and trendiest pitch—the devastating “sweeping slider”—to strike out Angels teammate Trout to win the World Baseball Classic for Japan last month.

There was Ohtani on the biggest stage of his career yet, facing the most feared hitter in the game, throwing a breaking pitch with extreme horizontal movement that he had only started using in earnest a year earlier.

They marveled at his temerity to come out of the bullpen and use it against Trout in that situation. In recent years, Ohtani has built a multi-pitch pitching arsenal akin to a supergroup, but the use of his sweeper in that situation was both unsurprising and remarkable to them.

Ohtani began his MLB career with four pitches. He now draws from as many as seven different pitch profiles. The sweeper is one of three pitches he has added to his arsenal or augmented in recent years, with his sinker and cutter rounding out the new additions. Collectively, these pitches have given Ohtani both north-south and east-west movement, making him capable of exploiting any hitter's weaknesses with his own strengths.

Ohtani has drawn fame for his unprecedented ability to be an All-Star caliber pitcher and an All-Star caliber hitter at the same time. But he has also drawn admiration—and bewilderment—from the very people who make up his pitching cohort for his ability to outdo them at that, too.

The reason is that, on the mound, Ohtani has found a way to

use his advantage as an elite hitter to copy the most vexing pitches he faces.

“Shohei will see another pitch, as a hitter, and just try to replicate it,” Angels catcher Logan O’Hoppe said recently.

Ohtani declined to be interviewed for this story, and the Angels don't allow major-league coaches to speak on the record to reporters.

A moment last August showcased this unique skill and shocked other pitchers. Ohtani batted against Yankees closer Clay Holmes and faced a 100 mile per hour sinker. Ohtani made a face in the batter's box that seemed to convey a mix of confusion and intrigue. In his next start—in September—he was throwing the very sinker that had vexed him as a hitter.

“I've always kind of wondered if he saw something in that sinker,” Holmes said, noting he knew Ohtani had been experimenting with a sinker leading up to their at-bat.

This appears to be the case.

“Last year, there was a sinker that he had faced and said, ‘I like that,’” fellow Angels pitcher Patrick Sandoval recalled. “I think he got the movement numbers on it and just tried to see if he could develop a pitch with those same numbers.”

Sandoval said his understanding was that Ohtani had taken the publicly available movement data from Holmes' sinker, and had experimented in a bullpen session until he was able to closely replicate its horizontal and vertical movement profile.

The 2021 AL MVP is off to a strong start this season, his final under contract with the Angels before he is eligible to become a free agent. He is hitting .292/.350/.519 (average, on-base, slugging) with



Nobody else gets the perspective on baseball that Shohei Ohtani gets as both an accomplished hitter and hurler.

six home runs across 27 games so far this season, and has pitched to a 1.85 earned-run average across 34 innings and six starts this year. The sample sizes at this point in the season are small, but when it comes to Ohtani, the potential for a spectacular season is big.

So what exactly is this skill that allows Ohtani to add elite pitches to his arsenal, seemingly at his choosing? It seems to be a holistic ability that, like many other things Ohtani has done since coming to MLB in 2018, is hard to describe in existing baseball terminology. Aptitude—or, to use baseball jargon, “feel”—doesn't quite describe Ohtani's ability to develop, refine, and execute

extremely difficult pitches seemingly overnight.

Angels general manager Perry Minasian said the internal term for this skill is “hand talent,” but that's hardly a common colloquialism in baseball at this point. Others use the term “good hand action” to describe it. The more academic term for the ability may be “proprioception,” or the subconscious ability to get your body to perform, with precision, the intentions of your mind.

“It astounds me the way he's able to manipulate the baseball,” said Angels manager Phil Nevin.

Ohtani, say those around him, is confident enough to work out a pitch in a bullpen session then

quickly debut it in a real game.

“He's a special one for a lot of reasons, but one thing I've really noticed is his ability to make adjustments pitch-to-pitch,” O’Hoppe said.

Nobody else in the game gets the perspective on baseball that Ohtani gets as both an accomplished hitter and hurler. Ohtani's sweeper has already become one of the most valuable pitches in baseball. Add a contrasting sinker and cutter to the mix, and he becomes one of the toughest pitchers to predict. There's an uncomfortable, implied warning that comes along with Ohtani's expanded arsenal: Anything you can do, he can do better.

The WSJ Daily Crossword | Edited by Mike Shenk

1	2	3	4	5	6	7	8	9	10	11	12
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- 28 Unpleasant effect of some diet sodas
- 29 Long-plumed heron
- 30 Candy counter purchase
- 31 French article
- 35 Really impress
- 36 Peculiar
- 38 They lead nowhere
- 39 Jared of “House of Gucci”
- 40 Squeaks (by)
- 42 Sound of a jet engine
- 43 Data-thieving computer program
- 44 Checkout option
- 45 Asks a favor from
- 46 TV's Longoria
- 47 Rugby formation
- 48 Justice Kagan
- 52 Preschool types
- 53 Heist take
- 54 Jazz singer James
- 55 Filmmaker Buñuel
- 59 Recyclable container
- 60 Over trains?

SETTING ASIDE | By Sean Ziebarth

Across	33 Party invitee	62 Prima ballerina's wear	10 General assemblies?
1 Questionable	34 Helper: Abbr.	63 Like some pools and waves	11 Shower sponge
5 Paltry pencil	35 Some fishing bait	64 Chess victory	12 Failed car of the '50s
9 Store event	37 Not busy	65 High-five sound	14 Smiling smugly
13 Takes a risk	41 Wear away	66 Nine-digit IDs	21 Filming location
15 “Buh-bye!”	43 Glossy and smooth	Down	22 Soul, Sportage and Sorento
16 Trampled	44 Get cozy at home to swing at that outside pitch	1 State between Ore. and Wyo.	23 “Dancing Queen” group
17 Widely accepted statement	47 Major mattress maker	2 Send, like it's 1999?	24 Mardi ___
18 Some nest eggs	49 It's creepy and clingy	3 Doughnut shop treats	
19 He's “Famous” for his cookies	50 Two, in Tijuana	4 “That hurt!”	
20 Inflict further pain	51 What people are likely to do in response to 20-, 27- and 44-Across?	5 Bit of embroidery	
23 Deal negotiator: Abbr.	56 Cincinnati team	6 Like Granny Smith apples	
25 Word with room or center	57 Feed for a filly	7 State southwest of Wyoming	
26 Picture-perfect	58 Pound part	8 It might be stolen by a runner	
27 Access a fire alarm	61 Pound or pint	9 Gridlock	
32 “The Family Circus” dog			

Previous Puzzle's Solution

T	I	L	E	F	L	A	S	K	H	A	U	L		
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The contest answer is **GLUE**. The four longest Across answers each begin and end with the same three- or four-letter chunk, and the middle letters spell a word (like ASK in ETCH A SKETCH) that begins the clue for another answer. The middle letters of those answers, in grid order, spell the contest answer.



China's Ding Liren beat Ian Nepomniachtchi to win the title at the chess world championship.

Ding Liren Wins Chess Title

By Joshua Robinson and Andrew Beaton

After three weeks and 18 contests, the chess world championship came down to the final minute of the tiebreaker on Sunday as China's Ding Liren defeated Ian Nepomniachtchi in Astana, Kazakhstan.

The pair played a speed-chess tiebreaker on Sunday to break a deadlock in their competition to replace Magnus Carlsen, who announced last year that he wouldn't defend the crown he had won on five successive occasions. Ding, 30, had less than 60 seconds remaining on the clock as he pounced all over Nepomniachtchi in the fourth game of the tiebreaker, despite playing with the disadvantage of the black pieces.

Once Nepomniachtchi realized the situation and time wound down, he quickly resigned and left the board.

Ding, meanwhile, sat motionless with his head in hand, freshly anointed as the game's first ever male world champion from China. His victory capped a remarkable recovery from a tumultuous series of events that looked like they might doom his chances at victory after he trailed at several points during the match.

“Quite relieved,” said Ding, who took home \$1.2 million with the title. “The moment when Ian resigned the game was a very emotional moment. I can't control my mood, my feelings. I know myself. I will cry, I will burst into tears.”

The title, however, comes with an unusual rub. Ding may now rule chess, but he can't fully claim to be the world's best player. That distinction still belongs to Carlsen, the highest rated player of all time.

Carlsen's decision to step away left Nepomniachtchi, the world No. 2, who had lost to Carlsen in 2021, to take on world No. 3 Ding, who had to scrap to qualify for the second spot in this world championship, instead. His arrival could hardly have made the match more dramatic.

One of the curious consequences of having a world championship without the best player on the planet is that there was actual intrigue about who might win, as opposed to past affairs where it was simply a question of who would get slaughtered by Carlsen. And Nepomniachtchi and Ding delivered with a series of exhilarating games.

With months spent in preparation for this one match, and so much time on the clock, mistakes in the world

championship are typically rare and the games can sometimes turn into a listless series of draws. But Ding and Nepomniachtchi aren't Carlsen, so both made their share of miscalculations, and that produced some thrilling outcomes.

Of the 14 games during the classical portion of the competition, six ended with a decisive result and not a draw—which, for chess at this level, is the equivalent of Ali and Frazier trading haymaker after haymaker.

From aching five-hour grinds of classical chess, Ding and Nepomniachtchi moved into four games of rapid chess with just 25 minutes on the clock apiece.

Nepomniachtchi held the historical edge in shorter formats. But Ding had grown into the match.

On Sunday, the first three rapid games ended in fairly predictable draws. But the fourth saw fireworks from the start and Ding played fiercely accurate chess under pressure.

Before the pandemic upended traditional, over-the-board competitions, Ding was seen as the strongest threat to Carlsen. Now he's the champion—raising the question of whether Carlsen will come back to try to dethrone him.

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

OPINION

Sherlock Diverts the Fire Hose



INSIDE VIEW
By Andy Kessler

We all drink from a fire hose of information, an unfiltered stream that blasts facts and photos and figments of truth, bloating and overloading us. Phones buzz with updates. Breaking news. Snarky tweets that demand a peek. Kardashian sibling fashion faux pas. Amazon deals, Instagram hamming, TikTok twerks and daily BeReals—these torrential rains strain brains.

When Elon Musk bought Twitter, President Biden remarked, “There’s no editors. How do we expect kids to be able to understand what is at stake?” Great question. And the fire hose refuses to be turned off. But there is a way to slow the flow, at least to a manageable trickle. Ask Sherlock Holmes.

Trusty assistant Dr. Watson expressed astonishment that Holmes was “ignorant of the Copernican Theory and of the composition of the Solar System.” Holmes replied, “Now that I do know it I shall do my best to forget it.” He explained further, “I consider that a man’s brain originally is like a little empty attic, and you have to stock it with such furniture as you choose. A fool takes in all the lumber of every sort that he comes across, so that the knowledge

which might be useful to him gets crowded out.”

We all remember the stupidest things. Holmes’s advice is to forget. But what to keep? “Now the skillful workman is very careful indeed as to what he takes into his brain-attic. He will have nothing but the tools which may help him in doing his work, but of these he has a large assortment, and all in the most perfect order.” Here are some tips:

- **Filter.** Search engines and social media bypass newspaper and TV editors. This helps free us from bias and censorship, but we’re all editors now, perusing the water blast to find what’s important. The trick is to filter almost everything—start with Meghan and Harry. If it isn’t in your wheelhouse or meaningful for your friendships, career or personal development, let that fire hose soak someone else.

- **Favor the right topics.** A college friend moved to Oregon to study the effects of Mount St. Helens’s volcanic eruption on nearby forestry. I presumed the simple answer was “not good.” He ended up becoming an expert on a very narrow topic. Same for experts on world-wide pandemics and Chicago Cubs parades, who may have to wait another century until their expertise is needed.

- **Ignore the feed.** When I met with JPMorgan CEO Jamie Dimon in 2019, I asked if it could see his office. I have

a thing about checking out a CEO’s view. His was terrific, and it wasn’t even on the top floor. I asked if he had the bank’s profit-and-loss statement, with minute-by-minute updates, on his computer screen. He looked at me like I had two heads and said, “Of course not.” I admit I was disappointed, but then I real-

The detective’s advice for those who feel bombarded by information: Forget.

ized he shouldn’t. Instead, I suspect, Mr. Dimon has honed the art of delegating fire-hose duty to others so he could think and lead.

- **Focus on facts.** I’m fascinated by conspiracy theories, which often have some tincture of truth that implies plausibility. But until real facts emerge, I quickly file them in the “forget” file. Strangely, Sir Arthur Conan Doyle attended seances.

- **Fire and forget.** Holmes explains, “It is a mistake to think that that little room has elastic walls.” The only way to forget things is not to hear them again. Not easy. His method: “For every addition of knowledge you forget something that you knew before.” Of planetary science, he asked “What the deuce is it to me?” If the Earth “went round the moon it would not

make a pennyworth of difference to me or to my work.”

Most trivia isn’t worth a deuce. But how to get rid of them? Elementary: Turn off notifications. Don’t open stupid emails. Ignore your friends’ Facebook-posted vacations. You won’t miss anything important. Don’t cancel subscriptions, but do learn how to skim. Trampoline out of internet rabbit holes you find yourself burrowing into. Abandon things quickly: topics, movies, books (but never op-eds). Don’t put on blinders, but learn to glance and not stare. Distraction is a curable affliction.

And now good news: With generative AI, help is here. For three decades, search engines have cut through the fire hose. Everything is there if you know how to look for it, so you don’t have to remember so many things. I’m convinced our brains have been reconfigured to use Google as a repository for backup storage.

Meanwhile, ChatGPT has swallowed more than a trillion inputs from a billion fire hoses. But it seems to work better as a summarizer and explainer, as a tool to get plot points, rather than storage. AI isn’t sentient, not even close, but it is definitely a useful tool. Learn how to harness it. You can’t stop the fire hose of information, no quit Sherlock, but maybe with a little discipline, you can tame it.

Write to kessler@wsj.com.

BOOKSHELF | By Sally Satel

When the Body Is a Battleground

Good Girls

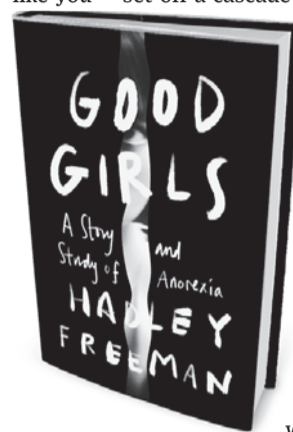
By Hadley Freeman

(Simon & Schuster, 271 pages, \$27.99)

Anorexia is not a desire to be thin—it’s a desire to look ill, an esteemed psychiatrist told Hadley Freeman many years after she’d left the hospital. Why young girls, why Ms. Freeman herself, would want to be ill is the gripping question at the heart of “Good Girls: A Story and Study of Anorexia.”

Ms. Freeman tells us that she and her family moved from New York to London in 1989, when she was 11. Though she adjusted well to the move, soon after her 14th birthday she underwent a change. She “suddenly stopped eating, that most basic of human activities that even infants can do.”

The impetus was a stray remark by a thin classmate. The young Ms. Freeman had asked her if she had trouble finding clothes, and the classmate’s response—“I wish I was normal like you”—set off a cascade of devastation. “A black tunnel



yawned open inside me,” Ms. Freeman writes. “Normal was average. Normal was boring. Normal was nothing.” From that moment on, she became hyper-attuned to messages in the media “telling me to make myself as small as possible”—that is to say, to make herself not normal, exceptional.

Next came a run of hospitalizations, consuming more than two years of her life. She was constantly tired, cold and ravenously hungry. In the hospital, where anorectic girls were housed together, they

competed to see who ate the slowest, weighed the least and burned the most calories. At one point Ms. Freeman weighed 70 pounds; her bones were porous; and her hair fell out in clumps. Her doctor told her mother to prepare for her death. “I didn’t die,” she writes, “but I didn’t recover for a long time.”

The anorexia epidemic, as we may remember, reached the height of its public awareness not long before Ms. Freeman’s experience in the mid-1990s. “Good Girls” is a renewed attempt to make sense of the condition—and a reminder that it has never really gone away, though these days other forms of body-centered disorders and alterations capture the headlines. Social contagion—that is to say, the influence of peers—plays a role in all such maladies, but there is much more to it than that, as Ms. Freeman makes clear.

The remark by the skinny classmate was a catalyst, not a cause. “Anorexia was a bomb inside,” Ms. Freeman writes, “just waiting for the right time, the single flame, the trigger.” But what set the stage? A craving to be special was part of it. Deep into her illness she told herself that if she starved herself to death, people would be “a bit sad,” but they would “also feel some awe.” Her final diagnosis, concerning her own case, is this: Anorexia was about “trying to stay a child, running away from the terrifying complications of adolescence.”

Ms. Freeman is struck by the mythology swirling around anorexia: that it is supposedly a self-indulgence limited to the daughters of the wealthy; that it can be cured by just feeding the patient; that it is a response to social pre-occupations, such as pressure to excel academically. All wrong, she says, refuting each claim with data. She was herself given scores of reasons for her problem, among them: Her parents were too strict, or too lenient; they cared too much about her academic achievements, or too little; her school was too rigid, or too flexible.

The disease is better understood now than it once was. There are plausible hypotheses, Ms. Freeman says, that link anorexia to metabolic factors, to hormones that control appetite, to insulin, to serotonin. Personality traits may play a part, too, such as introversion, perfectionism and

Other body-related disorders and alterations are now in the headlines, but anorexia has never gone away—and deserves a re-examination.

obsessive-compulsive impulses. There may be a link to autism.

In a fascinating passage, Ms. Freeman quotes an expert who believes that gender dysphoria is the latest manifestation of “self-loathing” among teen girls, part of a sequence that begins with anorexia, which was itself followed by bulimia, which was followed by self-cutting—not that each subsequent stage obliterated the one before it. “There’s a golden thread between all these conditions: punishment to the body, sexual repression, self-loathing and a rejection of self,” Ms. Freeman writes. “These kids feel all wrong, and they want to be someone different. Anorexic and gender dysphoric kids were always good kids.”

And the solution? No one seems to know. Nor can they predict who will recover. What is known is that anorexia is among the most lethal of all psychiatric conditions, with a mortality rate of up to 10%. For Ms. Freeman, the path out winked open during her last year in the hospital, when she witnessed a 32-year-old patient melt down over buttered (too calorific!) toast. “I will not be having temper tantrums over toast when I’m thirty-two years old,” Ms. Freeman thought. “This will not be my life.”

Fortunately, she liked schoolwork, which she had maintained in the hospital. This affinity, paired with her revulsion at the woman’s outburst, “made me think that there might be a little more to me, maybe.” A year later, at age 17, she went off to boarding school.

It still took years for her to get free of anorectic ideas and habits, but she ate, went to Oxford, became a journalist, used too much cocaine to help her socialize (she felt she had lost a decade of social maturation thanks to anorexia), had three children—and eventually wrote “House of Glass,” a multi-generational account of her Jewish family’s fraught history.

Though there is no shortage of memoirs about anorexia, the sharp storytelling, solid research and gentle humor in “Good Girls” make it especially appealing. And Ms. Freeman has some good advice for parents. “Get professional help as soon as you can, and don’t become her caregiver.” Do not allow the family’s life to be swallowed up by a child’s anorexia. She reminds us that anorexia has to do with unhappiness and anxiety. Body image is simply “the way it’s expressed.” Most important: No matter how hopeless life may seem in the depths of misery, “things can get unimaginably better.”

Dr. Satel is a senior fellow at the American Enterprise Institute and a forensic psychiatry fellow at St. Elizabeths Hospital in Washington.

The Oldest Mistake in Economics



AMERICAS
By Mary Anastasia O'Grady

developing countries rich in natural resources continually repeat the mistake.

In Latin America, it’s as if abundant blessings from above come with instructions prohibiting their productive use. For the latest example, see Chile’s socialist President Gabriel Boric’s April 20 announcement that his government will nationalize the lithium industry.

Chile has one of the world’s largest lithium reserves and in 2021 it was the second-largest producer of the mineral, after Australia. This “white gold” is a key component in rechargeable-battery technology.

In an address to the nation, Mr. Boric called the country’s vast reserves “the best chance we have at transitioning to a sustainable and developed economy.” He added: “We can’t afford to waste it.”

The implication of Mr. Boric’s remarks is that Chile has an enviable supply of something the world will want for years to come and that the only way to ensure that the nation captures its maximum value is to make the state its owner. Both suppositions deserve scrutiny.

It’s tempting to call the Boric declaration the top of the market, but that may have already happened. Lithium prices have retreated some 70% since November, mostly due to falling demand in China. The mineral remains important in today’s battery market, but it’s by no means the surefire future of rechargeable technology.

No one knows where the search for reliable, low-cost energy storage will lead, but the hunt is on to replace lithium. A November piece—in the North American industrial-sourcing platform Thomas—titled “7 Lithium Battery Alternatives” noted that industrial demand combined with “issues surrounding lithium extraction and safety are forcing markets to find batteries independent of the alkali metal.”

Among these, the report says are “sodium-based battery technologies,” through which “several ventures are threatening to kick lithium out of the battery equation entirely.” Solid-state technology is also gaining ground, with Toyota Motor Corp. “on track to roll out solid-state EVs by 2025.” If that technology is successful, the report said, it could “propel the industry beyond its lithium-based constraints that are currently causing low EV adoption rates.”

As the Thomas report notes, the development of energy storage to replace lithium has to be both feasible and scalable. Science isn’t yet there. But the idea that man-

kind will be satisfied with the limits of lithium production goes against experience.

“Human beings are intelligent animals who innovate their way out of shortages, real and imagined,” the Cato Institute’s Marian Tupy wrote in 2018 in reference to alarms set off by China’s dominance of rare-earth minerals. The national-security crisis predicted

Chile nationalizes its lithium reserves, in another sign of Latin America’s left turn.

by New York Times columnist Paul Krugman and others hasn’t happened because the market has produced searches for new deposits and substitutions, Mr. Tupy explained.

But let’s suppose that lithium is the silver bullet for humanity that Mr. Boric describes. A second problem is the unlikely assumption that state ownership is the best way to capitalize on it.

There are currently two companies mining lithium in Chile: Sociedad Química y Minera de Chile (SQM) and Charlotte, N.C.-based Albemarle Corp. (ALB). Mr. Boric has said that their concessions—expiring in 2030 and 2043, respectively—will remain in place. But he also said that he hopes the companies will work with the state before those expiration dates, which sounds like they’ll be

pressured to do so.

When those concessions expire, and for any new entrants in lithium, only minority ownership by private investors will be permitted. The state will become the 51% owner of the business. The day after the Boric speech, SQM shares lost nearly 20% while ALB was off almost 10%.

The government says that minority partners will put up capital and know-how to explore and exploit Chile’s lithium reserves and the Chilean state will provide “financing.” But the Associated Press reported on April 21 that “it remains unclear whether the government would contribute capital in direct proportion to its ownership stake.”

How excited will investors be about risk-taking with a government partner that has final say over management and keeps a majority of the profits? Perhaps China will take the bait. But for private capital much will depend on alternatives. Shares in Australian lithium miners rallied on the Boric announcement; neighboring Argentina also has large reserves and allows private mining concessions.

Mr. Boric thinks Chile is so special that investors will go along with his plan to increase their risk and decrease their returns. He’s also licking his chops at the prospect of a new state company whose patronage jobs and budgets will increase his power. Clearly, it’s a moment he doesn’t want to “waste.”

Write to OGrady@wsj.com.

Michael Milken says the BEST IS YET TO COME from an astonishing medical revolution.

“An extraordinary and inspiring book.”

—DEAN ORNISH, MD

“Faster Cures gives us all hope for a brighter future.”

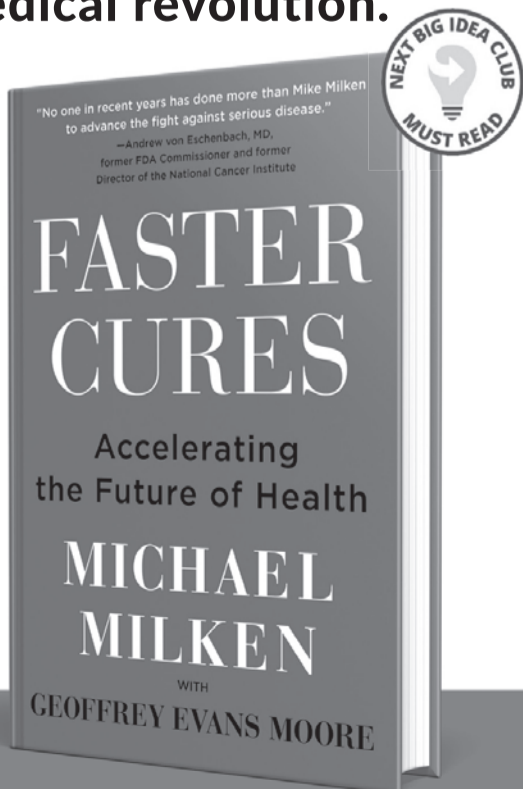
—JO ANN JENKINS, CEO, AARP

“It should encourage everyone to find their own higher purpose.”

—DEEPAK CHOPRA, MD

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OPINION

REVIEW & OUTLOOK

The Fed Failed but Wants More Power

An iron law of the modern administrative state is that the solution to regulatory failure is always to give regulators more power. That's the key to understanding Federal Reserve Vice Chair for Supervision Michael Barr's autopsy, released Friday, of Silicon Valley Bank's (SVB) failure.

The report offers a token mea culpa for not having responded fast enough to troubles at the bank. But that's mainly a deflection from the report's main purpose, which is to protect the Fed and bolster the Biden Administration's financial regulatory agenda. It concedes that examiners at the San Francisco Fed flagged numerous problems at SVB well before its failure, but it says they were handcuffed by higher-ups in Washington and a 2018 law that eased regulations on mid-sized banks.

"The supervisory approach at Silicon Valley Bank was too deliberative" and "consensus-driven," the report says.

That's a kind way of stating that bank examiners were slow to act on glaring problems, including SVB's failure of its own internal liquidity stress tests. Bank examiners had "31 open supervisory findings when it failed in March 2023, about triple the number observed at peer firms," the report says. These included a November 2021 red flag on its liquidity risk management plan.

Yet SVB's liquidity was rated "satisfactory" last August, and bank examiners dallied in escalating their warnings. Why? The report says that "the root cause of these delays around supervisory actions is difficult to ascertain." Nonetheless, the report blames the emphasis by Mr. Barr's predecessor Randal Quarles on easing compliance burdens. In time-honored bureaucratic fashion, blame it on your predecessor.

"In the interviews for this report, staff repeatedly mentioned changes in expectations and practices, including pressure to reduce burden on firms, meet a higher burden of proof for a supervisory conclusion, and demonstrate due process when considering supervisory action," the report says, adding that this may have "in some cases led staff not to take action."

But ensuring due process for banks and regulating them for safety and soundness needn't con-

flict. In any event, Mr. Quarles stepped down in October 2021, and Mr. Barr took his job last July. In the subsequent eight months before SVB's failure, bank examiners acted with no more dispatch even as deposit outflows surged and interest rates rose.

As a result, SVB had to sell long-dated securities at a loss to redeem deposits. The report claims the bank would have been in a stronger position to manage large deposit outflows and rising rates were it not for a bipartisan banking law in 2018 that eased capital and liquidity requirements for banks with less than \$250 billion in assets.

Yet the report concedes that "higher supervisory and regulatory requirements may not have prevented the firm's failure." SVB had a higher capital ratio than big banks that are subject to more stringent regulation. Its huge portfolio of long-dated "high quality liquid assets," such as Treasuries and government-backed mortgage securities, also turned out to be a vulnerability.

Nonetheless, Mr. Barr recommends applying such "enhanced prudential standards" to mid-sized banks. This would extend the too-big-to-fail umbrella to more banks and probably increase risk-taking by bank management. Complying with inordinately complicated regulation could also distract from safety and soundness.

The report says the Fed's regulatory "framework is quite complicated." You don't say. SVB and bank supervisors spent "considerable effort seeking to understand the rules and when they apply, including the implications of different evaluation criteria, historical and prospective transition periods, cliff effects, and complicated definitions," and SVB "regularly engaged consultants."

In other words, SVB seems to have been more focused on complying with financial regulation than prudently managing its balance-sheet risks. When regulators mess up, the response from regulators is always to call for more regulation. See the 2010 Dodd-Frank Act, which was supposed to prevent big bank failures. Wouldn't it be nice if regulators took responsibility for their failures for a change?

As expected, Michael Barr blames Congress and his predecessor.

* * *

Incredible Covid Memory Loss

Much still needs to be learned about the long-term health effects of Covid-19, but we already know one of the clear long-term political effects: memory loss. That's the only way to explain why long-time advocates of pandemic lockdowns are now denying they ever supported the school and economic shutdowns that did so much harm to so many.

Leading the amnesia parade is Randi Weingarten, the American Federation of Teachers president who attempted to erase two years of Covid history in testimony last week to the House of Representatives that was, literally, unbelievable.

"We spent every day from February on trying to get schools open. We knew that remote education was not a substitute for opening schools," she told the House. "We know that young people learn and connect best in person, so opening schools safely—even during a pandemic—guided our actions, which I will describe in detail."

Alas, her "detail" omitted a few things. Such as her description in July 2020 of the Trump Administration's push to reopen schools for in-person learning that autumn as "this reckless, this callous, this cruel." That summer she also endorsed teacher "safety strikes" if unions deemed local reopening protocols to be inadequate. Hundreds of private and charter schools did open that fall

without the surge of illness that Ms. Weingarten claimed to fear.

She also left out the detail that local union affiliates were the most aggressive opponents of school reopening throughout 2021 and even into 2022. "We are practically begging [the Chicago Teachers Union] to come to the table so we can get a deal done," Chicago's Democratic Mayor Lori Lightfoot said in February 2021.

Even a year later, in January 2022, the Chicago union again voted against in-person learning. The union said it wouldn't relent until the surge in Covid-19 cases subsided, or the school district signed an agreement "establishing conditions for return" approved by the Chicago union.

After Gov. Ron DeSantis ordered Florida schools to reopen in autumn 2020, the Florida Education Association sued the state to keep them closed. The schools opened—much to the benefit of students who learn far better in person according to all the evidence. We could cite many other union quotes and efforts.

Ms. Weingarten and others are trying to rewrite history because they realize now, far too late, that their lockdowns are unpopular. The public can see the damage in lost learning and livelihoods. The lockdown lobbyists want everyone to forget it all happened, but it's important for democratic accountability that they don't get away with it.

Randi Weingarten tries to rewrite pandemic history on lockdowns.

Women in Science Are Doing All Right

The toy maker Mattel recently honored International Women's Day by making "role model dolls" of women in science, tech, engineering and math jobs, while lamenting that "girls are systemically tracked away from STEM." It's a cliché that these fields are rife with sexism, but at least in academia the data disagree, according to a new paper in the journal *Psychological Science* in the Public Interest.

"The literature on women in science, both scholarly and popular, portrays academic sexism today as an omnipresent, pervasive force in the daily lives of tenure-track women in science, technology, engineering, and mathematics (STEM) fields," write Stephen Ceci and Wendy Williams of Cornell and Shulamit Kahn of Boston University. Yet their review of the evidence from 2000 to 2020 shows that women in scholarly sciences are doing fine.

Tenure-track women are at parity with their male counterparts in grant funding, recommendation letters and having research accepted by journals, the authors say. In hiring, women have an advantage over men: "Women are less likely than men to apply for tenure-track jobs, but when they do apply, they receive offers at an equal or higher rate than men do."

Male scientists receive higher pay, the authors say, "although gender gaps in salary were much smaller than often claimed," and the

story is complicated. For one thing, "women and men are unevenly represented in fields that are remunerated the highest."

Another factor could be "women's work discontinuities for family leave." Some of the "relatively small remaining pay gap may be due to women's lower likelihood of negotiating higher salaries or their lower likelihood of pursuing more lucrative job offers."

The authors did find some evidence of gender bias in teacher evaluations. But they "supplement this conclusion" by quoting Pennsylvania State University's Angela Linse. Her 2017 paper on gender and student ratings found that while biases "definitely exist," they "rarely, if ever, fully explain the student ratings results." She also found that the effects "are neither uniform nor consistent across all disciplines, nor do they apply to all women."

Executives often decry a shortage of STEM workers, which persists even though such jobs can pay handsomely. Mr. Ceci, Ms. Williams and Ms. Kahn rightly note that there are "costs of believing that sexism in academic science is pervasive when it is not—key among them that women will be discouraged from choosing academic careers in science, and resources will be wasted in combatting nonexistent bias claims." At some point maybe PR campaigns by the likes of Barbie do more harm than good.

A new study challenges the notion that sexism is rampant in the sciences.

LETTERS TO THE EDITOR

What Do We Want Out of Youth Sports?

Jason Gay does an excellent job raising the alarm about low participation rates in recreational sports ("The Real Issue in Youth Sports," *Sports*, April 25). As a parent, pediatric surgeon and the president and CEO of a children's health system, I know that 80% of health has nothing to do with medical care. Getting regular physical activity, in nature and with peers, is one of the most potent prescriptions for child health. Playing sports promotes physical, mental and emotional development. Physically active children are less likely to be obese, use drugs or experience depression.

Community-led youth sports programs are critical to the health and well-being of today's children and tomorrow's adults. Every dollar invested in the drivers of child health is returned a thousand times over in the form of greater prosperity for all. When America fully embraces this reality, we'll be batting a thousand.

R. LAWRENCE MOSS, M.D.
Jacksonville, Fla.

More kids playing organized sports at younger ages can actually contribute to premature professionalization by shifting the entire sports-development timeline to the left. If a boy plays on a baseball team at 5, then by 10 he might think sports are either "for little kids" or restricted to those with future scholarship potential. It is better to save formal leagues for middle or high school. Less structure at early ages may be more conducive to fostering an enduring love of sports,

which would lead to more participation overall. More kids would then reap the benefits of learning collaboration and teamwork.

A delayed approach won't stifle the late bloomer: After a short-lived stint at organized football ended in fourth grade, I stuck to playing catch and pickup games until high school, and still ultimately played at a major Division I program in college.

NICK POSSLEY
Powell, Ohio

In 1961, I ran the 50-yard dash for St. Joseph School in the South Bronx in New York. I never won—not even close. At the end of the school year, I received a trophy, as did all of my teammates. I was happy to receive it, it felt good, but it didn't give me the false impression that I was fast. In the Super Bowl, the worst player on the winning team gets a ring.

JOHN FALLON
Kings Park, N.Y.

Sports participation trophies aren't only for kids. As a recreational runner for many years before my hips and knees gave out, I proudly collected countless participation trophies without ever coming close to winning a race. Most memorably, I received a medal in 1994 for finishing the New York City Marathon behind more than 15,000 other runners. What's wrong with recognizing participation without winning at any level?

TOM SCHLAFLY
St. Louis

Banking System's Incentives Are All Wrong

Regarding your editorial "The Easy-Money Lesson of First Republic" (April 26): Why do governments still allow banks to use depositor money to fund investments that have become increasingly risky and opaque, and are for the benefit of bank shareholders? Bank depositors take on significant risk, which they are not equipped to understand, with limited to no upside. They do so because there is an implicit guarantee that taxpayers will bail them out.

Each rescue reinforces this, which leads to reckless risk-taking by banks. To unwind this bad incentive, governments shouldn't allow banks to use depositor money as a source of funding. Governments can offer deposit insurance as a quid pro quo.

If depositors want a return on their money, they could forego this insurance and choose from an array

of bank-offered investment options. Risks could range from low, such as a basket of government-issued debt, to as high as a customer wants. That investment should be owned by the customer, not the bank, which can charge fees for the service.

This would turn federally insured banks into custodians of their customers' money instead of speculators with it. Banks that don't agree to these restrictions could continue with the status quo, but should be required to disclose to its depositors that their money is uninsured, and therefore at risk, and will be used to fund the banks' investment portfolios.

Surely depositors would move away from the latter, with the bad incentives removed. The taxpayer would certainly appreciate it.

TRENT HUDSON
Houston

Spies Who Cried Wolf Should Lose Clearance

A justified response to those intelligence officials who misrepresented Hunter Biden's laptop as Russian disinformation ("Joe Biden and the 51

Spies of 2020," *Review & Outlook*, April 24) would be to revoke their continuous security clearances. The officials disregarded their commitment to put the nation before politics; how can they be trusted to properly interpret classified information in the future? Not one of the people I know who have had security clearances would have behaved so dishonorably.

JOSEPH VRANICH
McKinney, Texas

When "Russian disinformation" becomes simply another trope to be used by partisans to gain political advantage, who will believe it when something really is dangerous Russian disinformation? See: Aesop, "The Boy Who Cried Wolf."

DARRYL MAY
Johns Island, S.C.

More Crime, More Firearms

How ironic that progressives are inadvertently pushing more citizens to arm themselves ("Progressives Convinced Us To Get a Gun" by Gerard Leval, op-ed, April 24). You may be "anti-firearm," like Mr. Leval's family, but "reluctantly in possession of one" anyway, due to a "crime wave" and a diminished "sense of safety on the streets." How long will it take for more to realize this sensible approach?

ROZLYN PATTERSON
Naperville, Ill.

'Land for Peace' in Israel Blew Up in the Left's Face

Elliot Kaufman begins with Ze'ev Jabotinsky in 1935 to explain "Israel's 75-Year Odyssey From Left to Right" (op-ed, April 26). But from my own observations and those of many Israelis I have spoken to, much of the reason for the shift dates only to 2005. That was when Israel, under pressure from the U.S., European Union and United Nations, made the difficult decision to unilaterally leave the Gaza Strip and turn it over to the Palestinians.

The IDF dismantled every settlement and forcibly dragged Israelis out of their homes. The unexpected result was that Hamas took over. To this day, it uses Gaza to fire rockets at Israeli civilians, who must run to air-raid shelters. Most Israelis are pragmatists, and the major cause of their political shift was the realization that "land for peace" was an impossible dream.

SUMNER WEISMAN
Framingham, Mass.

Counterattack to Negotiate

Mark Kimmitt provides an excellent overview in "What Ukraine Needs to Do in Its 2023 Counteroffensive" (op-ed, April 27). But what if the offensive fails or doesn't meet Gen. Kimmitt's criteria? Ukraine is betting its future on some measure of success. Or is it?

That leads to another possible rationale. In October 1973, Egypt's President Anwar Sadat launched Operation Badr against Israel, knowing he couldn't win. His aim was to force a negotiation and redeem the Sinai. He lost the war and won the peace. One wonders if President Volodymyr Zelensky is also a keen student of history.

HARLAN ULLMAN
Washington

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Pepper ... And Salt

THE WALL STREET JOURNAL



"I'm only a peasant, but a really good listener."

OPINION

Don't Count Ron DeSantis Out

By Mark Penn

Can Ron DeSantis beat Donald Trump? In the game of presidential politics, well-known front-runners often falter and up-and-comers often win—Barack Obama beat Hillary Clinton, and Jimmy Carter came from nowhere to beat establishment figures such as Rep. Mo Udall and Sen. Henry “Scoop” Jackson. When Mr. Trump was the challenger, he polished off Jeb Bush, the Florida governor who once led the pack.

The DeSantis ship is clearly listing and must right itself. I wouldn't normally give advice to a Republican candidate, but someone has to stop Donald Trump from regaining the presidency, and I wouldn't count on President Biden to do it given his low job-approval rating and widespread doubts about his fitness. Mr. Trump leads Mr. Biden in the RealClearPolitics polling average. A Trump-Biden rematch is a risky proposition, and with the Democrats consolidated around Mr. Biden, the only way to avoid it is through the Republican primary.

To get back in the game, Mr. DeSantis has to put cultural issues to the side and run on character, competence and common sense. He has the strong character of a family man who cares for his wife, a cancer survivor; the energetic competence of an accomplished governor; and the common sense to campaign on such issues as a balanced budget, a workable immigration system, crime policies that target criminals and improve policing, and programs that reduce the size of government. The major issues facing the country, according to Mr. DeSantis's supporters in the latest Harvard/CAPS Harris poll, are inflation (36%), immigration (29%), and the economy and jobs (28%). Eighty-one percent of all voters back a plan to balance the



KOBAL WOLF/REUTERS

budget, including majorities of Republicans, Democrats and independents. This could be the cornerstone of a smart economic plan.

Challenger presidential campaigns always have at least one near-death experience, so a dip isn't unusual. Mr. DeSantis has been swinging for social conservatives,

If he wants to win, he has to ease up on the culture war and start appealing to moderate primary voters.

which has alienated centrist and liberal voters while failing to take any voters from Mr. Trump. Conservative Republicans have, in the face of Mr. Trump's indictment, rallied behind the former president. How long this supports lasts or how it might hold up in the event of other indictments isn't clear, but Mr. Trump definitely has gained strength in recent weeks.

For Mr. DeSantis to make prog-

ress, he has to realize he can't get the “ultra-MAGA” voters that are Mr. Trump's base and should go instead after more-moderate voters who are looking for someone who can cure the economy and stand up for their interests. While his attacks on Disney are popular among some, and a six-week abortion ban plays to part of the Republican base, these positions have damaged Mr. DeSantis's chances at courting the middle. As with Mr. Biden in 2020, the core of the DeSantis argument is that he is more electable than Mr. Trump because he can attract the votes of moderate suburban women and Latinos. The more rightward Mr. DeSantis shifts, the more he loses primary support. There are plenty of moderates among Republican primary voters. They nominated John McCain and Mitt Romney, after all.

Older, suburban and educated Republicans have the greatest potential to become DeSantis voters, according to the Harris poll. Most aren't ready to vote for Mr. DeSantis yet, but they still regard him more favorably than Mr. Trump. While more voters in every age group would

vote for Mr. Trump, Mr. DeSantis has a 19-point favorability edge among those over 50. The same kind of pattern is true of education: Mr. Trump dominates those without college degrees but among graduates, Mr. DeSantis has a favorability advantage that is 23 points larger. And in the suburbs, while a slim majority of voters would pick Mr. Trump, Mr. DeSantis's net favorability is 15 points more.

Clearly Mr. Trump knows Mr. DeSantis is winning older voters and has decided that hitting the governor on Social Security can erode his base. Mr. DeSantis has to defend himself and prove that Mr. Trump is a big spender who will drive more inflation and increase the national debt, and that he fumbled the Covid-19 response by pushing lockdowns.

Swayable Republican voters are internationalists, not isolationists. Mr. DeSantis's recent characterization of the Ukraine war as a “territorial dispute” landed badly, prompting him to walk it back quickly. According to the Harris poll, DeSantis supporters back Ukraine more than Trump supporters do. Fifty-eight percent of DeSantis supporters consider the U.S. investment of more than \$27 billion in Ukraine to be justified.

There will be many twists and turns in this race, and Sen. Tim Scott could become the consensus moderate Republican choice if Mr. DeSantis fails to get back on track. The governor needs to shift from being the king of antiwoke pro-lifers to a responsible leader of character and competence who can fix the budget and right the economy. If he doesn't, he will soon end up on the wannabe-challenger list.

Mr. Penn was a pollster and adviser to Bill and Hillary Clinton, 1995-2008. He is chairman of the Harris Poll and CEO of Stagwell Inc.

Politico Aims At Gorsuch And Misses

By Nicholas Tomaino

A Senate Judiciary subcommittee didn't get much attention when it held a hearing in May 2022 titled “An Ethical Judiciary: Transparency and Accountability for 21st Century Courts.” ScotusBlog.com reported that “the primary topic of discussion” ended up being the leak of the Supreme Court's draft opinion on abortion.

The full committee plans to revisit the original topic Tuesday, this time cast as “Supreme Court Ethics Reform.” Press outlets have helped tee up the inquisition by presenting what Chairman Dick Durbin calls “a steady stream of revelations regarding Supreme Court Justices falling short of the ethical standards expected of other federal judges and of public servants.”

That quote is from a statement Mr. Durbin gave to Politico's Heidi Przybyla, who last week added her own trickle to the stream. She re-

Another ‘ethics’ hit on a conservative justice turns to dust when you dig into the specifics.

ported that Brian Duffy, CEO of a law firm “with a robust practice before the high court,” in 2017 bought a Colorado house in which Justice Neil Gorsuch held an interest.

“Such a sale would raise ethical problems for officials serving in many other branches of government, but the Supreme Court sets its own rules,” Ms. Przybyla writes, though she never makes clear what “ethical problems” she has in mind. In fact, in disclosing the transaction, Justice Gorsuch followed applicable federal law, which applies to justices as well as other federal officers and employees.

Justice Gorsuch didn't own the property directly. Rather, he held a 20% share in Walden Group LLC, a company he and two partners formed when they bought the house in 2005, before Mr. Gorsuch was a judge. The company listed the property for sale in 2015, asking \$2.495 million, and sold it to Mr. Duffy two years later for \$1.825 million.

On his AO-10 disclosure form for 2017, “Gorsuch did not disclose the identity of the purchaser,” Ms. Przybyla writes. “That box was left blank.” The implication is that Justice Gorsuch was hiding something. Yet on the first page of that form, under “Positions,” Justice Gorsuch lists himself as a “Member” of “Walden Group LLC (mountain property).” Then, under “Investments,” he lists Walden Group LLC again, as “Sold” on Dec. 31, 2017, for between \$250,001 and \$500,000.

This is entirely proper. The federal financial-disclosure statute requires filers to report “a brief description, the date, and category of value of any purchase, sale or exchange during the preceding calendar year which exceeds \$1,000,” both in “real property” and in “stocks, bonds, commodities futures, and other forms of securities.”

The confusion arises because Justice Gorsuch didn't sell real property; Walden Group did. As Ms. Przybyla's story acknowledges, the company's sole purpose was to hold the Colorado house. After Mr. Duffy bought it, the partners distributed the money proportionately among themselves and dissolved the company. It was *that* transaction, not the property's sale, that Justice Gorsuch was required to report, and did. The closest description for taking a distribution from the group is “sold,” which is why he described it as such. It would have been false to list Mr. Duffy as the buyer.

Does Justice Gorsuch's compliance with the law conceal something nefarious? That seems implausible. “I've never spoken to him,” Ms. Przybyla quotes Mr. Duffy as saying of Justice Gorsuch. “I've never met him.” Nor has Mr. Duffy argued a case before Justice Gorsuch. Ms. Przybyla searched Mr. Duffy's political contributions and found “that they went primarily to Democrats,” including Sen. Kirsten Gillibrand and Hillary Clinton. Lawyers in Mr. Duffy's firm have been involved in several cases before the justices, as counsel to either litigants or friends of the court. Justice Gorsuch sided with the firm's clients in some cases and against them in others.

One openly partisan website characterized this revelation as a “bribery scandal.” Given that the purchase price was \$670,000 less than the sellers had sought, it's unclear who's supposed to have bribed whom.

Mr. Tomaino is an assistant editorial features editor at the Journal.

Joseph Ladapo Bucks the Covid Vaccine Orthodoxy

LIFE SCIENCE
By Allysia Finley

Justice Clarence Thomas isn't the only black conservative target of a recent media drive-by. Last week Politico published a hit piece on Florida Surgeon General Joseph Ladapo, who has long resisted the left's

Covid orthodoxies.

The story, by Arek Sarkissian, claims that Dr. Ladapo “personally altered” a state study last year to show that mRNA vaccines posed a significantly higher cardiac health risk for young men “than had been established by the broader medical community.” In reality, he simply reviewed a study conducted by lower-level staff before publication.

Nowhere in Politico's piece will you find an explanation of what's supposed to be wrong with Dr. Ladapo's edits. It merely quotes people who denounce it, such as Matt Hitchings, an assistant biostatistics professor at the University of Florida, who asserts without elaboration: “I think it's a lie.” Politico does include a link to the pre-published study, which indicates Dr. Ladapo's edits and shows how Mr. Sarkissian is making a Matterhorn out of a molehill.

Dr. Ladapo's study found a doubled risk of cardiac death for men 18 to 39 in the 28 days after vaccination. His offense appears to be that he removed a “sensitivity analysis” in the draft study that showed a statistically insignificant increase in cardiac mortality among young men after the second dose.

A sensitivity analysis uses different assumptions to assess an outcome. But when a study is considering a rare outcome, a sensitivity analysis may yield a statistically insignificant result even when an association actually exists. That was the case here. These technical details appear to have eluded journalists who have piled on Dr. Ladapo.

A staff dispatch from the Miami Times—which describes itself as “South Florida's leading Black-owned media company”—harrumphs that “the question now is not whether

Ladapo has a credibility problem, but why Governor Ron DeSantis chose him for this job, why the governor has not yet fired him, and what DeSantis intends to do now in response to revelations such as these.” Perhaps commend Dr. Ladapo for doing his job?

Liberals aren't merely lying; they're being hypocrites. The Centers for Disease Control and Prevention's studies undergo multiple levels of review before being published, and you can bet agency leaders edit them to ensure their findings don't conflict with the official public-health guidance. Many of its studies also don't include sensitivity analyses.

Unlike the CDC, whose school-reopening guidance was shaped by a powerful Democratic donor—teachers unions—Dr. Ladapo based his recommendation against young men getting vaccinated on science. That includes his study and many others that have found an increased risk of myocarditis among young men after vaccination.

A study in Hong Kong found that about 1 in 2,700 adolescent males were hospitalized for myocarditis or pericarditis after their second Pfizer dose. A Kaiser Permanente study in

the U.S. found that these cardiac problems occurred in about 1 in 6,800 men 18 to 39 after vaccine boosters.

These risks aren't enormous, but they aren't trivial either. And while experts stress that postvaccine myocarditis is usually “mild,” most young men get hospitalized and the longer-term health effects haven't been well-

The Florida surgeon general's critics ignore the science and resort to personal attacks.

studied. A Lancet Child & Adolescent Health study of 12- to 29-year-olds with postvaccine myocarditis found that 26% were still receiving medication at least 90 days after their diagnoses and 20% reported difficulties with usual activities.

Some myocarditis cases are also “subclinical,” meaning patients don't experience physical symptoms. These risks also haven't been well-studied, but it may in rare cases result in death: The Connecticut Office of the Chief Medical Examiner and the Michigan Institute of Forensic Sci-

An Old Tape Brings Back an Old Friend

By Allan Ripp

I recently shipped some old jazz cassettes to my son in California to enjoy in his retro Range Rover. But I held back one tape, marked “Blues for Ripp,” dated April 1986. Although I'd long forgotten the cassette, as soon as I picked it up I recognized it as a homemade recording of my friend John playing the piano.

While waiting for an Amazon-ordered cassette player—something I hadn't owned in years—I revisited my friendship with John, going back to 1972 when we were college freshman bonding over a love of jazz. The halls of our dorm echoed with Cat Stevens, James Taylor and Joni Mitchell. But John and I huddled in his room listening to pia-

nists Oscar Peterson, Barry Harris and Red Garland, whom John revered for his rich block chords harmonizing a tune's melody. He schooled me on Phineas Newborn, a prodigious keyboard talent who was also hospitalized for mental breakdowns.

A Scarsdale, N.Y., native, John was haunted by his trust-fund inheritance and perpetually fretted over a heart murmur. He was an avid mountain climber but walked on the tips of his hiking boots like a dancer. John had the gentle voice of a late-night DJ and often murmured to himself. He and his roommate studied to the soothing, un-'70s strains of the Mantovani Orchestra and the Ray Conniff Singers.

John had studied piano with the great Roland Hanna and continued playing while pursuing an economics degree. I sat with him in student lounges and practice rooms as he instructed me on bebop licks. At the keyboard, he had a heavy touch, bellying “Hah!” when he found a chord he liked, followed by a trance-like silence. He described every jazz musician's grail of locking into a rhythmic groove, known as being in the pocket.

We saw each other intermittently after graduation. John became a lawyer and moved to Boston, struggling with depression but performing with a singer at clubs on Cape Cod. We hit the Village Vanguard and Blue Note on his trips to New York. When I began taking piano lessons, he gave me his spiral-bound “fake” book—pages of simple charts for playing standards like

“Stella by Starlight” and “Autumn in New York.” He carried a perpetual sadness and was beset by romantic longings, but couldn't convert his Charlie Brown crushes into real relationships.

I last saw him over Thanksgiving 1997. He was excited about a woman he'd met hiking, but it had fizzled when we spoke months later. Then he put the phone down and played me a ballad on his upright piano, clunky but full of feeling. Sadly, we didn't connect again. In November 2000, he jumped from his apartment balcony, ending his life at age 45.

When my tape player arrived, I popped in John's cassette and was immediately back beside him on a campus piano bench. “Ain't Misbehavin',” take four,” he announced, setting a crisp pace and keeping time with his shoe. He had more command of the instrument than I recalled, though the familiar doubt was there, as when he paused during a song to remark, “That was stupid, wasn't it?” He laughingly introduced a mash-up of “I Want to Hold Your Hand” with “White Christmas” and somehow pulled it off.

Adding an unnamed bassist, he then called out, “‘It Could Happen to You,’ take two,” turning in a swinging, joyous foot-tapping performance that would have pleased his mentor, Mr. Hanna. “You did it, man!” I said aloud to John, even if many years too late. “You really could play in the pocket.”

Mr. Ripp runs a press relations firm in New York.

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WORLD NEWS

Netanyahu Vows Compromise on Judiciary

Premier faces push from his government to move forward even without a deal in place

By DOV LIEBER

TEL AVIV—Israeli Prime Minister Benjamin Netanyahu said he is committed to reaching a compromise over a proposed judicial overhaul that has sharply divided the country, even as he comes under increasing pressure from elements within his own government to advance the legislation.

Mr. Netanyahu agreed at the end of March to delay a vote on a key piece of the legislation and engage in negotiations with the opposition until after Israel's parliament, or

Knesset, reconvened after Jewish and national holidays. The bill would have been the first piece of a broader effort to weaken the power of the Supreme Court and give greater control to elected lawmakers. The Knesset reconvened on Sunday, adding urgency to the talks with the opposition as the coalition can now advance pieces of the overhaul for the first time since negotiations began.

"We have a fundamental debate between us regarding the legal reform, but we are making an effort to solve this debate through dialogue," said Mr. Netanyahu at the start of the weekly cabinet meeting on Sunday. "With the goodwill of both sides, I am confident that we can arrive at agreements, and I give this my full support."

Mass protests against the legislation have continued weekly, drawing hundreds of thousands around the country. On Thursday, proponents of the overhaul, including senior members of the government, held a rally in Jerusalem, drawing an estimated 200,000. Israel's population is around 9.3 million.

Yariv Levin, the justice minister from Mr. Netanyahu's Likud party, who is the driving force behind the overhaul, lashed out against the Supreme Court during the rally, accusing it of abetting terrorism and criminals. He accused the opposition of "saying no to every proposal" during the previous month of negotiations. Mr. Netanyahu didn't attend the rally.

"We hope to get to wide

agreements but we are also determined to do what we promised and that will happen," said Shlomo Karhi, the communications minister from Mr. Netanyahu's Likud party, in an interview Sunday morning with Army Radio.

Opposition officials have expressed wariness over the negotiations, saying the coalition isn't serious about compromise.

Mr. Levin's charges against the Supreme Court "raise doubts over the ability to achieve a compromise," said Benny Gantz, head of the center-right National Unity Party, the second-largest party in the opposition, on Friday.

Other top priorities on Mr. Netanyahu's agenda include passing a national budget and a law that would anchor the

ultra-Orthodox community's exemption from the mandatory military draft before a deadline at the end of May. Failing to pass a budget would result in the government being automatically dissolved.

Some analysts said the challenge facing Mr. Netanyahu now is whether he can prevent talks over the judicial overhaul from becoming mixed up with budget negotiations and the military draft law.

Mr. Netanyahu's Likud party has been dropping in the polls since the overhaul was proposed and so has the premier's own rating. Polls show opposition parties now have a majority of support from the public. They also show Mr. Gantz, a proponent of reaching a compromise on the judicial overhaul, enjoying wider backing

to serve as prime minister than Mr. Netanyahu.

A sticking point in negotiations between the two sides concerns how judges should be appointed, opposition and coalition representatives said.

Proponents of the overhaul argue that the ruling coalition should be given an automatic majority in the committee that makes judicial appointments. The opposition wants the committee that appoints judges to be balanced between professional and political appointments, with no group having a majority.

The crux of the debate, some analysts said, is the question of whether judicial appointments should be political, as they are in the U.S. but increasingly less so in other Western countries.

India Grapples With Gay-Marriage Case

By SHAN LI

NEW DELHI—In landmark hearings before India's Supreme Court, a series of petitions are arguing for the expansion of marriage rights to millions of LGBTQ people in the world's most populous nation, but are facing opposition from the country's socially conservative government.

The closely watched proceedings, which began in mid-April, come five years after the court decriminalized gay sex. Its other rulings over the past decade have brought rights of gay, lesbian and transgender people to the forefront, including one in 2014 that recognized transgender people as a third gender. In 2017, the court said privacy, including a person's sexual orientation, is a constitutional right for all.

A ruling recognizing same-sex marriage would make India only the second place in Asia to legalize such unions, after Taiwan. The hearings, taking place before a five-judge panel, are expected to wrap up next week and a decision could take a few months.

Lawyers for dozens of petitioners, including same-sex couples, have argued in the day-long hearings that marriage is a fundamental right that should be granted to all consenting adults, regardless of their sexual orientation.

Barring same-sex couples from marriage violates their rights to equality and privacy, they have said.

"We have a fundamental right to be treated as identical, as equal, to our other brethren," Mukul Rohatgi, a former attorney general of India and one of the lawyers, said last week. "We cherish and desire the same institution, between two people, as is available to others."

Prime Minister Narendra Modi's government has vigorously opposed legalizing same-sex unions, saying in a court filing that defining marriage is the job of elected representatives in Parliament, not the courts. The government also argued that the couples petitioning the court reflect "urban elitist views" that are at odds with the beliefs of most of the country.

In a 2020 Pew Research

Center poll, 37% of people surveyed in India said homosexuality should be accepted by society, up from 15% in 2013.

"Heterosexual union is responsible for the perpetuation, the very existence, of the human race," Solicitor General Tushar Mehta argued in court. "Without it, society itself will not live. Nations will not be there."

The court is navigating tricky legal terrain in India where religion-based laws, called personal laws, often govern marriage and other aspects of family life, including inheritance and adoption. The Hindu Marriage Act, for example, regulates the nuptials of Hindus, and the Christian Marriage Act does the same for Christians. All of them limit marriage to between a man and a woman.

In court, lawyers have largely focused on reinterpreting a law known as the Special Marriage Act of 1954—which covers unions of interfaith and intercaste couples—to include same-sex couples.

"Fundamental rights cannot be trampled," Menaka Guruswamy, a lawyer representing several petitioners, said in court. There are certain basic rights that can't be subject to the majority's "whims and vagaries," she said.

Preventing gay couples from marrying, she said, also bars them from accessing "a bouquet of rights" that heterosexual couples enjoy in areas such as insurance, pensions and mortgages. Ms. Guruswamy, who is in a same-sex relationship, said she is unable to buy medical insurance for her family or nominate her partner as a beneficiary to her life-insurance policy.

"This is the reality of how rights are exercised," she said. "The rights are exercised when you are able to protect your relationships."

In a court filing, the government said people have the right to decide their own sexual orientation and seek companionship with any consenting person. But marriage, it said, is a social concept, and the democratically elected legislature should reflect "societal values" of the country as a whole. In India, all major religions define marriage as between a biological man and a biological woman, the filing said.



A power struggle between Sudan's top two generals has unleashed heavy fighting in Khartoum, the country's capital.

Slain Doctor Stayed in Sudan to Help

By NICHOLAS BARIYO

When bombs started dropping near his home in Sudan's capital Khartoum in April, Sudanese-American doctor Bushra Ibnauf Sulieman waived the promise of an escape to safety offered by his U.S. passport. Instead, Dr. Sulieman, a gastroenterologist and director of the Faculty of Medicine at the University of Khartoum, stayed to look after his aging parents and patients at one of the city's last functioning hospitals.

On Tuesday morning, Dr. Sulieman was stabbed during an apparent street robbery amid the desperation and lawlessness unleashed by a lethal battle for power between Sudan's top two generals.

He died soon after in the hands of doctors he had trained, in the hospital where he had spent the previous 10 days trying to save dozens of patients wounded in the war that has engulfed Sudan.

He was 49 years old. Dr. Sulieman's life, from his birth in Iowa to his death in Khartoum this week, was intertwined with the turbulent history of the country of his parents and its recent struggles to leave behind decades of military rule for a democratic future. It was also emblematic



Bushra Ibnauf Sulieman, left, with a colleague in Khartoum this year, returned to Sudan in 2014 after stints at U.S. hospitals.

of the agonizing choices now faced by many of an estimated 16,000 Americans—the bulk of them dual nationals—who remain stuck in the fighting between Sudan's military and its Rapid Support Forces militia.

Born to Sudanese parents who arrived in the U.S. as part of a crush of refugees from their country's postcolonial civil wars, Dr. Sulieman moved to Khartoum in the mid-1990s to attend medical school. He returned to the U.S. for a master's degree at the University of Iowa and worked in hospitals in Brooklyn, N.Y.; Wichita,

Kan.; and Iowa City, Iowa.

He married and had four children, but by 2014, Dr. Sulieman felt the pull to move to Khartoum, where his father had developed kidney disease.

He landed in a country mired in economic crisis after oil-rich South Sudan had declared independence. Four years later, discontent over rising prices, a lack of opportunities and the iron grip of Sudan's long-term dictator, Omar al-Bashir, burst into mass protests.

From his position at the university and as a senior member of the Sudanese American Phy-

sicians Association, Dr. Sulieman raised funds for the protesters and Sudan's creaking healthcare system from colleagues in the U.S., according to colleagues. He volunteered in secret clinics treating young men and women injured in the brutal crackdowns directed first by Mr. Bashir, and, after the strongman's ouster in April 2019, by his successors.

When months of tension between Lt. Gen. Abdel Fattah al-Burhan, the commander of the military, and Lt. Gen. Mohamed Hamdan Dagalo, the commander of the RSF, erupted into warfare on April 15 and the violence cut off water and deliveries of new medical supplies at the university's teaching hospital, Dr. Sulieman told younger doctors to keep improvising.

Thronges of patients streamed into the clinic, located in an area that saw some of the city's heaviest fighting. On April 18, shelling hit the hospital's entrance. Stray bullets peppered the wards.

When other expatriate workers joined convoys heading to Sudan's Red Sea coast, Dr. Sulieman decided to stay.

"He told me, 'Doctor, I cannot abandon my parents, I am staying around,'" said Mohamed Fath Alraham, a gynecologist. "He was very committed to his work and family."

WORLD WATCH

CHINA

Consumers Drive April Economic Upturn

Services-sector activity grew at a healthy pace in April, a sign Chinese consumers continue to drive an economic rebound as its factory sector quickly decelerates.

China's official purchasing managers index for the nonmanufacturing sectors of the economy came in at 56.4 in April, a weaker reading than March's 58.2 level but still comfortably above the 50 mark that separates expansion from contraction, according to data released on Sunday by China's National Bureau of Statistics.

A similar gauge of activity in manufacturing fell unexpectedly in April.

The figures point to a decent if lopsided recovery in the world's second-largest economy.

—Jason Douglas

VATICAN CITY

Pope Says He Had Severe Pneumonia

Pope Francis said on Sunday that he had suffered from a "sudden, strong illness," which he described as pneumonia, when hospitalized in late March, and acknowledged that aging was slowing him down, but said he still hoped to continue his international travel.

The pope was speaking to reporters on his flight back to Rome after a three-day visit to Hungary.

"I had severe acute pneumonia in the lower part of the lung," accompanied by "a very high fever," but never lost consciousness, Pope Francis said of the condition that sent him to a Rome hospital for a three-night stay. At the time, the Vatican described the pope's condition as "infectious bronchitis."

—Francis X. Rocca

INDIA

Gas Leak Leaves 11 Dead, 4 in Hospital

Eleven people died and four more were hospitalized after a gas leak Sunday in northern India's Punjab state, local media reported.

The source of the gas leak at an industrial area in Ludhiana city is still unclear, police told the Press Trust of India news agency. India's National Disaster Response Force sealed off the densely populated area and evacuated residents.

Authorities were trying to ascertain the type of gas in the leak, PTI quoted disaster response officials as saying.

Ludhiana Deputy Commissioner Surabhi Malik told the news agency it was possible that the gas may have spread from manholes.

—Associated Press



OH, MY GOTH: Hundreds of people over the weekend flocked to Whitby, Yorkshire. Bram Stoker found inspiration for 'Dracula' in the seaside U.K. town after staying there in 1890.

FROM TOP: AGENCE FRANCE PRESSE/GETTY IMAGES; MOHAMED EISA/ASSOCIATED PRESS

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BUSINESS & FINANCE

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THE WALL STREET JOURNAL.

Monday, May 1, 2023 | B1

Last Week: S&P 4169.48 ▲0.87% S&P FIN ▼0.17% S&P IT ▲2.43% DJTRANS ▼2.72% WSJ IDX ▲0.21% 2-YR. TREAS. yield 4.064% NIKKEI 28856.44 ▲1.02% See more at WSJ.com/Markets

Tech Feeds Growth-Stock Wagers

By HANNAH MIAO

Shares of large U.S. technology companies are powering the broader market higher again, vindicating many individual investors who bet big on growth stocks.

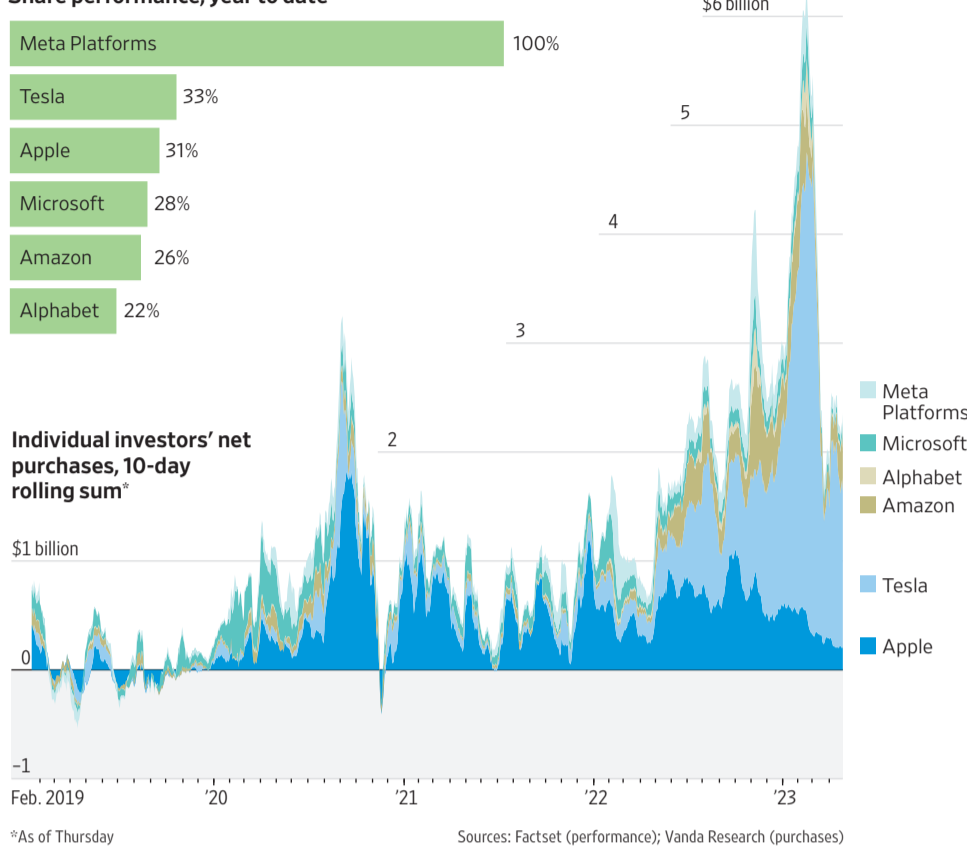
Together, **Advanced Micro Devices Inc.**, Google parent **Alphabet Inc.**, **Amazon.com Inc.**, **Apple Inc.**, **Meta Platforms Inc.**, **Microsoft Corp.**, **Netflix Inc.**, **Nvidia Corp.** and **Tesla Inc.** comprise roughly a quarter of the S&P 500's market cap, according to FactSet. That means they have an outsize influence on the direction of the major stock index.

They represent an even bigger share of the average individual investor's portfolio at about 50%, according to Vanda Research.

Many of those investors got burned last year when tech stocks tumbled as the Federal Reserve aggressively raised interest rates to tame inflation. But this year's rebound in the shares, punctuated by some stronger-than-expected earnings reports last week, is comforting those who have stuck with growth-oriented plays.

Meta shares, for instance, jumped 13% last week when the company reported its first sales increase in nearly a year; the stock has doubled this year. Microsoft rose 7.5% last week after reporting faster-

Share performance, year to date



Individual investors' net purchases, 10-day rolling sum*

than-expected sales growth, extending its year-to-date gains to 28%.

"I'm not a millionaire and I don't have an enormous portfolio," said Jeronimo Oliva Velez, a 43-year-old web developer in Buenos Aires. "I

have to take some risk in investments to get the money I want."

Mr. Velez said he only invests in stocks, and roughly 35% of his portfolio is in Microsoft. He has big positions in Nvidia and Meta, too.

For many individual investors, the stakes ramp up Thursday when Apple is on deck to report its earnings. The company makes up about 19% of the average individual investor's portfolio, according to Vanda, and around 7% of

the S&P 500's market cap, according to FactSet.

Plus, all eyes will be on the Fed's policy meeting Wednesday as investors await the central bank's interest-rate decision and look for clues about when officials might be done raising rates. The April jobs report, due Friday, will offer additional insights into the health of the economy.

Tech stocks have climbed this year in part because investors are betting the Fed will soon pause its interest-rate-raising campaign or even cut rates later this year. They even rallied last month during the crisis in the banking sector, helping to keep the broader market afloat. The S&P 500 is up 8% in 2023, but without the contribution of eight megacap tech companies, it would be down for the year, according to Bianco Research data through Wednesday.

"Tell me where Big Tech is going and I'll tell you where the market's going," said Sandy Villere, portfolio manager at Villere & Co. Mr. Villere said his firm is orienting client portfolios more toward growth stocks but plans to buy more value stocks, as he expects recessionary pressures to hit the market later this year.

Even with this year's gains, *Please turn to page B2*

FDIC Prepares To Seize First Republic

The Federal Deposit Insurance Corp. is reviewing bids for **First Republic Bank** and preparing to seize the lender, according to people familiar with the matter, weeks after a \$100 billion deposit run shattered its business model.

Big banks including **JPMor-**

By Andrew Ackerman, David Benoit, Rachel Louise Ensign and Nick Timiraos

gan Chase & Co. and **PNC Financial Services Group Inc.** submitted offers for the troubled lender Sunday, the people said, and the FDIC went back to the bidders with questions in the evening. The agency was expected to name a winner before First Republic opens Monday morning, the people said.

The March 10 failure of Silicon Valley Bank sent First Republic's stock down sharply, spooking well-heeled customers with balances exceeding the FDIC's \$250,000 insurance limit. The stock has lost more than 90% of its value since early March.

The First Republic fire sale is an astonishing comedown for a lender that was long the *Please turn to page B9*

Bear Market Taught Investors Some Lessons

By GUNJAN BANERJI



One silver lining of the stock market's fluctuations in recent months: Individual investors say they learned a thing or two about investing along the way.

The S&P 500 has been stuck in a bear market—down more than 20% from its high—for 221 days. That is the longest such stretch since 1973, surpassing the selloffs that coincided with the bursting of the dot-com bubble in 2001 and the 2008 financial crisis.

For many investors, it was a painful journey. Those who rode the momentum in big technology stocks higher and higher

were burned last year when the Federal Reserve began raising interest rates. Stocks including **Tesla Inc.** and **Amazon.com Inc.**, favorites of individual investors, fell more than 45%.

Some investors say they are in wait-and-see mode. They breathed a sigh of relief when stocks rallied to begin 2023 but were caught off guard in March when Silicon Valley Bank collapsed, sparking contagion worries across the banking industry.

Although markets calmed in recent weeks and stocks bounced from their lows, many investors remain on edge, watching for signs that something else might break as a re-

sult of the Fed's tightening campaign. We checked in with four individual investors to see how they are navigating markets and what lessons they learned.

Bottom-fishing

Amit Desai, a 43-year-old information-technology manager in Houston, says he was swept up in the speculative frenzy that dominated markets in 2020 and 2021, partly because he had time on his hands during the pandemic. He chased hot stocks and looked to ride the momentum in shares that seemed only to go in one direction: up.

With an undergraduate degree in aerospace engineering,

Mr. Desai decided to double down on **Virgin Galactic Holdings Inc.** He envisioned jetting off into space would become as common as trips to amusement parks. Even as the shares plumbled new lows last year, he kept buying more, convinced the stock would rebound. Mr. Desai accumulated a stake of tens of thousands of dollars.

Shares of Virgin Galactic surged as high as around \$60 in 2021 as the company became a favorite among individual investors, often trending on social-media platforms. They have since lost almost all of their value to trade at \$3.64, lagging *Please turn to page B9*

Hollywood Braces For Potential Writers' Strike

By JOE FLINT

Hollywood is running out of time to script a happy ending.

The entertainment industry's writers and the major networks, streamers and studios are struggling to agree on their next contract. If a deal isn't reached by the end of Monday, the writers are expected to go on strike for only the second time in four decades.

This is the labor dispute that streaming has wrought. As the major players of the entertainment industry charge ahead in their efforts to build successful streaming services, writers say they are being

shortchanged by the new rulebooks that studios, networks and streamers are using when it comes to compensation.

The coalition representing the major content providers privately counters that the growth of streaming has boosted opportunities for work and pay for writers, and that residuals—the money coming from licensing and syndication—have grown exponentially in recent years.

Fans of late-night television such as NBC's "Saturday Night Live" and ABC's "Jimmy Kimmel Live" could be the first to feel the effects of a strike. In a letter to Wall Street analysts and media investors, the Writ-



Striking writers outside Paramount Studios in 2007, during the most recent strike by the guild.

ers Guild has warned that those shows and other talk shows, including HBO's "Real Time with Bill Maher," would likely go dark without writers.

During the most recent

strike, in 2007-08, some late-night shows eventually returned to the air before a deal was reached, trying to make do without the writers who crafted material such as open-

ing monologues and skits. That strike helped fuel the growth in so-called reality and unscripted shows, which aren't part of the Writers Guild.

Please turn to page B4

INSIDE



EARNINGS

Apple, Starbucks and other marquee names are set to report results this week. **B3**



BUSINESS NEWS

Indeed's switch to a pay-per-application model leads to surprising charges. **B6**

Adidas Targets Basketball, Soccer for Rebound

By TREFOR MOSS

Adidas AG has a plan to boost its U.S. business: focus on sports.

"We want to double down on all of the things that are U.S.-centric, particularly around sport," Rupert Campbell, the company's North America president, said in an interview.

The German sportswear brand said it has recently spent hundreds of millions of dollars on a newly opened facility in Los Angeles, where it will base its basketball product team, and on upgrades to

its main U.S. hub in Portland, Ore. The company also plans to open more U.S. stores and forge new partnerships with athletes and has recently renewed a longtime partnership with Major League Soccer.

The heightened focus on basketball and soccer in the U.S. comes as new Adidas Chief Executive Officer Björn Gulden, a former professional soccer player, seeks to play to the brand's strengths in sports to recover from recent difficulties.

Adidas is smarting from the failure of some of its most high-profile celebrity ventures, including the loss of its lucra-

tive Yeezy partnership with rapper Kanye West, while having also suffered setbacks in Russia and China.

"We have to be focusing on sports—that's where the root of Adidas is," said Mr. Campbell.

Sales of the company's sportswear and equipment grew last year, while its fashion sales declined as its celebrity partnerships struggled to deliver.

Adidas terminated its Yeezy collaboration with Mr. West, who is now known as Ye, in October over his antisemitic remarks. The demise of the partnership—estimated by analysts to account for about 8% of the

company's annual revenue—pushed Adidas into the red in the final quarter of 2022.

Meanwhile, Adidas and pop star Beyoncé are due to end their Ivy Park collaboration later this year after sales fell short of the company's targets, The Wall Street Journal has reported.

Another marquee collaboration with Pharrell Williams's Humanrace fashion label has underwhelmed, with sales last year down roughly 70% compared with their peak five years earlier, according to people familiar with the ven- *Please turn to page B2*

BUSINESS NEWS

Earnings to Offer Consumer Snapshot

Apple, Ford Motor and other marquee names are set to offer clues on spending habits

By SABELA OJEA

Apple Inc., Marriott International Inc. and Starbucks Corp. are among the companies that will report quarterly results in coming days, offering a closer look at consumer-spending habits in a slowing economy.

Ride-hailing company Uber Technologies Inc., auto maker Ford Motor Co. and pharmacy chain CVS Health Corp. also are scheduled to report, as consumers face steady price increases and inflation shows few signs of retreating.

The companies are among 162 in the S&P 500 slated to report during a busy earnings week as investors weigh signals about the direction of the broader economy.

U.S. economic growth slipped in the first quarter, with gross domestic product up a seasonally adjusted 1.1%,



Starbucks on Tuesday is scheduled to post quarterly results that are expected to shed light on the health of consumer discretionary spending in Laxman Narasimhan's first report as chief executive.

which was down from the 2.6% growth reported in the fourth quarter. Many economists expect the economy to lose more steam as the year progresses, predicting a recession in the second half.

Companies have so far re-

ported a 3.7% decline in earnings for the first three months of year, marking the second straight quarter that the index has reported a drop in profits, according to FactSet.

Still, those results have broadly topped Wall Street ex-

pectations. According to FactSet, roughly halfway through earnings season, 79% of S&P 500 companies have reported per-share earnings above analyst estimates, the best performance since the end of 2021.

The coming week will pro-

vide insights on an array of sectors, including food and travel. Airlines have already indicated they expect a busy summer travel season. Norwegian Cruise Line Holdings Ltd. reporting Monday, Marriott reporting Tuesday and Priceline.com owner Booking Holdings Inc. on Thursday will look to show how current demand stacks up for them.

Starbucks, issuing results Tuesday, is expected to shed light on the health of discretionary spending in Laxman Narasimhan's first report as chief executive.

Results for Kraft Heinz Co. on Wednesday and Kellogg Co. on Thursday will offer further insights into how consumers are reacting to higher prices in the grocery aisle.

Hershey Co. recently said grocery sales continue to do well compared with some other categories. "It's a much more affordable option for consumers versus dining out," Chief Executive Michele Buck said last week.

Real-estate marketplace Zillow Group Inc. will report Wednesday amid a sputtering

start to the peak home-selling season, with U.S. existing-home sales posting their biggest annual decline in 11 years.

Results for car maker Ford, reporting Tuesday, will provide another indication of the health of auto sales. In March, the company said it expects to lose \$3 billion on its electric vehicles business this year.

Ride-hailing companies Lyft Inc. and Uber—scheduled to report on Monday and Tuesday, respectively—could clue investors in on the pace of services-related spending. Lyft said it is cutting more than 1,000 jobs.

Apple is set to report its results on Thursday, following better-than-expected reports from Amazon.com Inc., Microsoft Corp. and other large tech companies recently.

Results from healthcare behemoth CVS on Tuesday will be watched closely ahead of President Biden's move to end the Covid-19 national emergency. Investors are also watching for updates on Pfizer Inc.'s acquisition of Seagen Inc. for \$43 billion, as well as on cancer vaccines being produced by Moderna Inc. and Merck & Co.



The Chevy Bolt still has ardent fans despite negative publicity.

GM's Bolt Heads To Scrapyard With Mixed Legacy

By MIKE COLIAS

General Motors Co. rolled out its Chevrolet Bolt electric vehicle in 2016 to nab a foothold in the nascent EV market and give consumers an affordable plug-in option.

Now, the diminutive snub-nosed SUV is headed to the scrap heap.

The Detroit car company said Tuesday that it will phase out the Bolt—GM's first mainstream EV—at the year's end, concluding a choppy run marked by sluggish sales and costly recalls for battery fires.

GM is retiring the battery technology that powers the Bolt in favor of an in-house configuration that underpins a new crop of EVs now rolling out. GM executives have said the new technology is more efficient,

the mid-\$30,000s before a \$7,500 federal tax credit, it was billed as the industry's first relatively affordable EV that could travel a significant distance on a single charge, about 240 miles.

The EV earned critical praise and some high-profile endorsements. Motor Trend awarded it the magazine's Car-of-the-Year honors for 2017. Apple Inc. co-founder Steve Wozniak took to social media in 2016 to say he was dumping his Tesla for a Bolt.

The Bolt went on sale several months ahead of the Model 3 compact sedan, which had roughly the same price and electric range. But Bolt lacked the cachet and sportiness of Tesla, dealers and analysts have said. In 2019, the Model 3 outsold the Bolt in the U.S. by about 10 to 1, according to data from research firm Wards Intelligence.

Reports of Bolt fires began popping up in 2020. GM eventually advised owners to keep their EVs parked outside and away from homes. In summer 2020, GM expanded an earlier recall to include all of the roughly 142,000 Bolts it had made since the car's launch, and halted sales.

U.S. Bolt sales resumed last year and have accelerated, especially after GM cut the starting price by \$6,000, to \$25,600. This month, sales notched their third straight quarterly record.

GM and battery supplier LG Energy Solution pinned the cause on a manufacturing flaw at LG's factories. The Korean company eventually agreed to reimburse GM for most of the \$1.9 billion in recall costs.

Bolt owners still will be able to get parts and service from Chevy dealers after production ends, GM said.

The Bolt's phaseout will remove one of the least expensive EVs on the U.S. market at a time when affordable options are lacking. According to research firm J.D. Power, in March the average EV in the U.S. sold for around \$56,000, roughly double the Bolt's starting price.

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NOTICE OF SALE

SUPREME COURT - COUNTY OF NEW YORK
MICHAELANGELP GIK FLATIRON LLC, NEW TRIPLE CROWN LLC, FLATIRON NEWMARK PARTNERS LLC and FLAT IRON ACQUISITION LLC, Plaintiffs -against- NRS FLATIRON ACQUISITION LLC, Defendant. Pursuant to an Interlocutory Judgment entered herein and dated January 6, 2023, the undersigned Referee will sell at public auction to be held at the portico located at the top of the front steps of the New York County Courthouse located at 60 Centre Street, New York, New York or such other space in said Courthouse as the Court may designate on May 23, 2023 at 2:30 p.m. the real property located at 175 Fifth Avenue, New York, New York being the building known as The Flatiron Building and described as follows: Block 851, Lot 1 on the tax map of the Borough of Manhattan, and more particularly described as follows:
ALL that certain plot, piece or parcel of land, lying and being in the Borough of Manhattan, County City and State of New York, and being more particularly bounded and described as follows:
BEGINNING at the corner formed by the intersection of the northerly side of East 22nd Street and easterly side of Fifth Avenue.
THENCE easterly along the northerly side of East 22nd Street, 85 feet 8 inches to the westerly side of Broadway.
THENCE northerly along the westerly side of Broadway, 214 feet 6 inches to the southerly side of Madison Square South;
THENCE westerly along the southerly side of Madison Square South, 2 feet to the easterly side of Fifth Avenue;
THENCE southerly along the easterly side of Fifth Avenue, 197 feet 6 inches to the point or place of BEGINNING.
The Premises will be sold subject to the provisions of the said Interlocutory Judgment and Terms of Sale, which may be reviewed on the New York County Supreme Court's electronic docket under Index Number 654176/2021. Each bidder must satisfy the referee that, if it is the high bidder at the auction, it has a bank check or money order in the amount of \$100,000 that it can tender as a deposit to the referee immediately after the conclusion of the auction, and that it will have the financial capability of closing the purchase of the property within the time frame set by the Interlocutory Judgment and Terms of Sale. The purchaser shall pay the charge for recording the deed to be given by the Referee, any charge or tax (excluding any applicable real property transfer taxes) upon the delivery or recording of said deed, and the reasonable costs of the Referee for drawing the deed. The reasonable costs of the Referee's actions are expenses of the sale and shall be paid by the Referee from the proceeds of the sale. At the conclusion of the auction sale, the successful bidder will be required to (i) tender a deposit of \$100,000 in the form of a bank check or money order made payable to "PETER A. AXELROD, ESQ., REFEREE", (ii) satisfy the referee that it has the financial capability to close the purchase of the property within the time frame set by the Interlocutory Judgment and Terms of Sale, and (iii) agree to be bound by the terms of the Interlocutory Judgment and Terms of Sale, including but not limited to the terms specifying the successful bidder's liability for damages in the event of a default; and to pay a down payment of ten percent (10%) of the amount of the successful bid as detailed in the Interlocutory Judgment and Terms of Sale. Please consult the Interlocutory Judgment and Terms of Sale for other conditions applicable to this auction.
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PUBLIC NOTICES

FDIC PUBLICATION NOTICE TO CREDITORS AND DEPOSITORS OF SIGNATURE BRIDGE BANK, N.A. NEW YORK, NY

On March 20, 2023 (the "Closing Date"), the Office of the Comptroller of the Currency closed SIGNATURE BRIDGE BANK, N.A., New York, NY (the "Failed Institution") and appointed the Federal Deposit Insurance Corporation (the "FDIC") as Receiver (the "Receiver") to handle all matters relating to the Failed Institution.

TO THE CREDITORS OF THE FAILED INSTITUTION

All creditors having claims against the Failed Institution must submit their claims in writing, together with proof of the claims, to the Receiver on or before July 17, 2023 (the "Claims Bar Date"). You may submit your proof of claim form via our interactive FDIC Claims Portal at <https://resolutions.fdic.gov/claimsportal/s/>, the FDIC website at <https://www.fdic.gov/resources/forms/deposit-claims-and-asset-sales/index.html>, or by calling 972-761-8677.

Claims may be submitted through the FDIC Claims Portal, or mailed to the following address:

FDIC as Receiver of
Signature Bridge Bank, N.A.
600 Pearl Street, Suite 700, Dallas, TX 75201
Attention: Claim Agent 10541

Under federal law 12 U.S.C. Section 1821(d)(5)(C), failure to file a claim on or before the Claims Bar Date will result in the Receiver disallowing the claim. The disallowance is final.

NOTE TO CLASS CLAIMANTS: By law, the Receiver will not accept a claim filed on behalf of a proposed class of individuals or entities or a class of individuals or entities certified by a court. EACH individual or entity must file a separate claim with the Receiver.

TO THE DEPOSITORS OF THE FAILED INSTITUTION

The FDIC, which insures your deposits in its corporate capacity, arranged for the transfer of all deposits ("Deposits") - including the uninsured amounts - at the Failed Institution to another insured depository institution, **Flagstar Bank, N.A., Hicksville, NY** (the "New Institution"). This arrangement should minimize any inconvenience from the closing of the Failed Institution.

The vast majority of deposits, with the exception of those related to the digital banking business, were transferred to **Flagstar Bank, N.A.** with full ownership rights and capacities, and those accounts will continue to be insured by the FDIC up to the insurance limit. Digital banking business depositors, though, had until April 5, 2023, to close their accounts by contacting **Flagstar Bank, N.A.** If you are a depositor with accounts related to the digital banking business and you have not received any funds due, please contact the FDIC at (972) 761-2112.

If you disagree with the FDIC's determination of your insurance coverage as represented by the account(s) made available at the New Institution, you may request a review of the FDIC's determination in the United States District Court where the Failed Institution was located. You must request this review no later than 60 days after the date on which your deposits became available to you at **Flagstar Bank, N.A.** Requesting a review will not prevent you from using the funds in your new account.

Unless you have deposits related to the digital banking business, you may leave your Deposits in the New Institution, but you must take action to claim ownership of your Deposits. Under federal law (Unclaimed Deposits Amendments Act of 1993 (12 U.S.C. Section 1822(e)), you must claim ownership of your deposits at **Flagstar Bank, N.A.** within eighteen (18) months from the Closing Date, which is **September 20, 2024. Official Items issued by the Failed Institution, such as, cashier's checks, dividend checks, interest checks, expense checks, and money orders are considered Deposits and must also be claimed within 18 months from the Closing Date.** You may claim your deposits at **Flagstar Bank, N.A.** by taking any one of the following actions. If you have more than one deposit account, your action will automatically claim your deposits for all accounts.

1. Make a deposit to or withdrawal from your account(s), including writing a check on any account, automatic direct deposits, or automatic withdrawals.
2. Execute a new signature card on your account(s), enter into a new deposit agreement with the New Institution, change the ownership on your account(s), or renegotiate the terms of your certificate of deposit account(s).
3. Provide the New Institution with a completed change of address form.
4. Write to the New Institution at the address below and ask that your account(s) remain active. In your letter, include the type of the account(s): checking, savings, money market, etc., the name(s) on the account(s), the account number(s), and the signature of an authorized signer on the account(s), with your name and address.

102 Duffy Avenue, Hicksville, NY 11801

If you do not claim ownership of your Deposits at the New Institution by **September 20, 2024**, federal law requires these unclaimed deposits be transferred to the State's Unclaimed Property Division, according to your address listed with the Failed Institution. If your address is outside of the United States, the FDIC will deliver your deposits to the State in which the Failed Institution had its main office. According to the Unclaimed Deposits Amendments Act of 1993 (12 U.S.C. Section 1822(e)), **you will have ten years to claim your deposits from the State's Unclaimed Property Division according to the state's unclaimed property laws. If you do not claim your deposits from the State within the ten-year period, federal law prohibits you from claiming your deposits.**

If the State does not take custody of your Deposits, after the 18-month period, you may claim your Deposits from the FDIC until the receivership is terminated. A receivership can be terminated at any time. Once the receivership terminates, you will not be able to claim your deposits.

If you have a loan with the Failed Institution, and you would like to discuss offsetting your insured and/or uninsured Deposit(s) against the loan, visit the FDIC Claims Portal (<https://resolutions.fdic.gov/claimsportal/s/>), or call 972-761-2112.

FDIC PUBLICATION NOTICE TO CREDITORS AND DEPOSITORS OF SIGNATURE BANK NEW YORK, NY

On March 12, 2023 (the "Closing Date"), the New York State Department of Financial Services closed SIGNATURE BANK, New York, NY (the "Failed Institution") and appointed the Federal Deposit Insurance Corporation (the "FDIC") as Receiver (the "Receiver") to handle all matters relating to the Failed Institution.

TO THE CREDITORS OF THE FAILED INSTITUTION

All creditors having claims against the Failed Institution must submit their claims in writing, together with proof of the claims, to the Receiver on or before July 17, 2023 (the "Claims Bar Date"). You may submit your proof of claim form via our interactive FDIC Claims Portal at <https://resolutions.fdic.gov/claimsportal/s/>, the FDIC website at <https://www.fdic.gov/resources/forms/deposit-claims-and-asset-sales/index.html>, or by calling 972-761-8677.

Claims may be submitted through the FDIC Claims Portal, or mailed to the following address:

FDIC as Receiver of
Signature Bank
600 Pearl Street, Suite 700, Dallas, TX 75201
Attention: Claim Agent 10540

Under federal law 12 U.S.C. Section 1821(d)(5)(C), failure to file a claim on or before the Claims Bar Date will result in the Receiver disallowing the claim. The disallowance is final.

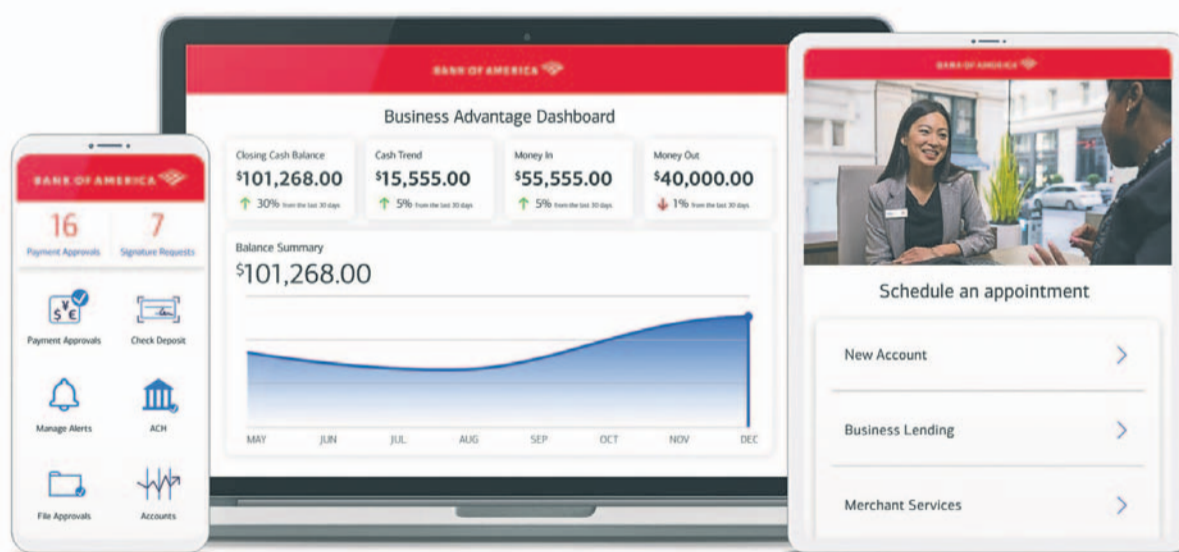
NOTE TO CLASS CLAIMANTS: By law, the Receiver will not accept a claim filed on behalf of a proposed class of individuals or entities or a class of individuals or entities certified by a court. EACH individual or entity must file a separate claim with the Receiver.

TO THE DEPOSITORS OF SIGNATURE BANK

On March 12, 2023, the FDIC, which insures your deposits in its corporate capacity, arranged for the transfer of all deposits ("Deposits") - including the uninsured amounts - to SIGNATURE BRIDGE BANK, N.A. On March 20, 2023, the Office of the Comptroller of the Currency closed SIGNATURE BRIDGE BANK, N.A., New York, NY and appointed the Federal Deposit Insurance Corporation as Receiver to handle all matters relating to the Failed Institution. Please see the Signature Bridge Bank, N.A. publication notice for information about your deposits or visit www.FDIC.gov.



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BUSINESS & FINANCE

Indeed's Changes Sting Small Businesses

Job-search site's switch to pay-per-application model led to surprise charges

By RUTH SIMON

The largest job-search site has run afoul of the small-business community.

Indeed.com began changing how it charged employers for connecting them with job seekers, pitching the shift as better for small businesses because they could choose which applications to review and pay only for the ones they liked. Instead it created confusion and unexpected costs for many business owners, and now Indeed is trying to minimize the fallout.

Bonanno Concepts, a Denver-based restaurant group, said it cut spending on Indeed by roughly 90%, largely because of the new pricing strategy. One pain point: Indeed gives employers 72 hours to reject applications they don't like—or incur a fee for each application. For some employers, those charges have added up to hundreds or thousands of dollars.

"I don't have someone who is checking that inbox seven days a week," said Jennifer Frye-Brunner, who leads the two-person human-resources team at Bonanno, which has nine restaurants and about 250 employees. A chef or general manager who posts a job Friday morning may not have time to review applications until the following Tuesday, she said. "It's really terrible if you need one line cook and get 500 applicants overnight."

New Approach

Indeed formally rolled out the new approach in October, when the company said it planned to shift all small businesses to the new pricing over time and relegated the option to choose its longstanding pay-per-click pricing option to the fine print. After customers complained, the company changed course, and next month it will begin a test of the



Left, Mizuna restaurant is owned by Bonanno Concepts, which said it cut spending on Indeed by roughly 90%. Right, Bonanno Concepts' Vesper Lounge.



new and old models side by side instead of making pay-per-application the default choice.

The company said the new model is part of an effort to help employers hire quality candidates more quickly, while providing job seekers with more immediate feedback. A related offering, aimed at larger employers, will charge companies for each started application.

Raj Mukherjee, an executive vice president and general manager at Indeed, acknowledged the company made missteps in the rollout and said Indeed is working out the kinks. "This is still a product in evolution," he said. "We are taking feedback from customers."

Mr. Mukherjee said the new approach provides value to small-business owners because they aren't charged for applications they reject and can set minimum requirements for the applications they receive. He said the company has been offering refunds and credits to employers who complained on a case-by-case basis.

The changes come as hiring has slowed and large companies such as **Meta Platforms Inc.**, **Walt Disney Co.** and **McDonald's Corp.** are laying off

employees. In March, Indeed, a unit of **Recruit Holdings Co.**, said it expects to lay off about 2,200 employees, or 15% of its workforce, citing a decline in job openings that it expects will last for two to three years.

Rivals Mull Changes

Competitors also are rethinking their strategies. **LinkedIn** this year raised the fees it charges recruiters for subscriptions. A LinkedIn spokeswoman said the company periodically adjusts pricing for improvements made to its products. "We built new features to help hirers find skilled candidates faster and improve talent representation," the spokeswoman said.

Indeed has coupled the new pricing model with a service that lets small businesses set "deal breaker" questions to winnow the pool of potential candidates. Yoon Choi, co-owner of **Infinia Dental Inc.**, a maker of dental prosthetics in Germantown, Md., said the new feature saves him time and money. The 72-hour window for rejecting candidates helps limit costs, he added.

Nearly 40% of small-business hiring managers say post-

ings on Indeed and other major job boards are a key source of new hires, according to market-research firm IDC.

Buckeye Innovation, a software engineering and design firm in New Albany, Ohio, said it was hit by more than \$1,000 in credit-card charges when an employee missed the fine print explaining Indeed made pay-per-application the default option. Indeed refunded nearly half of the charges after Buckeye complained, said Buckeye President Brad Griffith. He continues to use Indeed but said he would no longer share his credit-card information.

The Better Business Bureau said it received 105 complaints about Indeed between Jan. 1 and April 10 this year, compared with 44 for the same period last year. Many complaints came from small-business owners. A doctor's office said it was charged roughly \$2,500 for a month and a week of listings. Another small business was charged \$8,000. "This morning after a weekend away, I woke up to a \$5,000 bill!" a third small-business owner said.

Mr. Mukherjee said in addition to offering refunds and credits, the company added a feature

that allows employers using the pay-per-application model to set a limit on how much they want to spend. In February, Indeed capped charges at \$1,000 per job posting for employers who don't set their own limit.

Some employers say another source of confusion is the per-application charges, which can range from less than \$10 to \$95 or more.

Mary Jo Finley, HR and recruitment lead for **Partner Forces**, a government contractor, said she was charged \$30 per applicant for a posting for a cybersecurity consultant and \$77 per application for a senior analyst. The position with the lower per-applicant charge required fewer years of experience but called for an additional certification and carried a slightly higher salary range.

Indeed says it uses dynamic pricing to set per-applicant charges, weighing job title, location, experience, demand and other factors. Requiring more years of experience typically reduces the number of job seekers, resulting in a higher per-application cost, Mr. Mukherjee said. Roles in healthcare and technology tend to be the most costly, the company said.

Matt Matone, co-founder of **Matone Counseling & Testing** in Charlotte, N.C., said he likes the idea of paying per application, but is frustrated by the cost because of the high number of no-shows.

Paying \$95 per application for a Ph.D. psychologist is particularly painful because the number of people who show up for interviews and are hired is so low, said Mr. Matone, whose most recent Indeed bill totaled \$600.

Looking at Concerns

Mr. Mukherjee said Indeed doesn't guarantee that candidates will show up for an interview regardless of the pricing model customers choose. He said he reviews about 10 customer complaints each morning to get a better feel for pain points and other concerns. "We have not fixed everything," he said.

Peter M. Zollman, founding principal of **AIM Group**, a recruiting-marketplace consultant, said Indeed's changes are a step in the right direction, but the way they were implemented wasn't ideal. He said he gives the company credit for changing course. "They got hammered and they took that to heart," he said.

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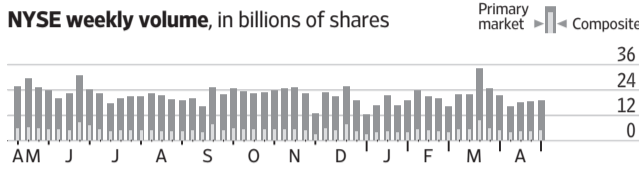
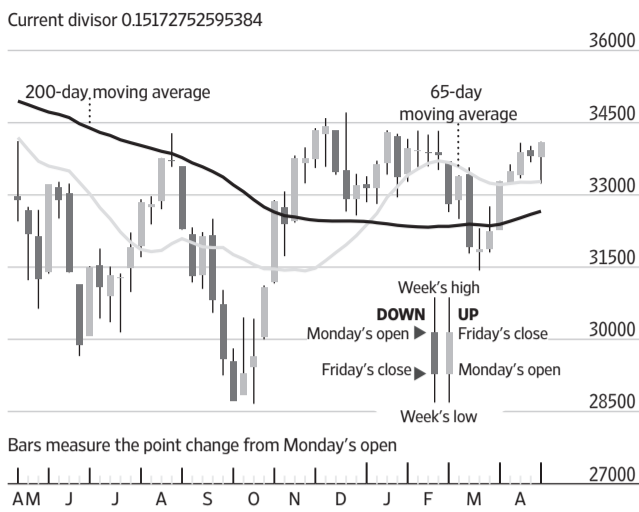
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MARKETS DIGEST

Dow Jones Industrial Average

34098.16 ▲289.20, or 0.86% last week Trailing P/E ratio 22.75 18.98
High, low, open and close for each of the past 52 weeks

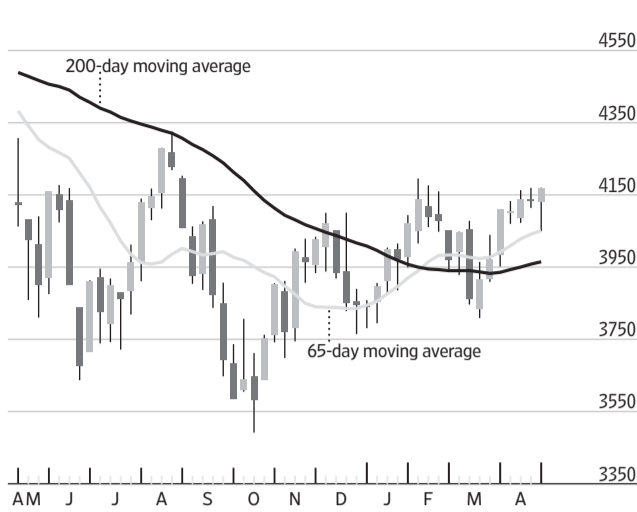


Major U.S. Stock-Market Indexes

Table listing various stock market indexes including Dow Jones, Nasdaq Composite, S&P 500, and Russell 2000 with their latest values and percentage changes.

S&P 500 Index

4169.48 ▲35.96, or 0.87% last week Trailing P/E ratio* 18.61 24.14
High, low, open and close for each of the past 52 weeks



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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 of IPO offerings including Kenvue Inc, Golden Heaven Grp Hldgs, ARBIOT Grp, etc.

Lockup Expirations

None expected this week

IPO Scorecard

Table showing performance of IPOs, most-recent listed first, with columns for company, symbol, price, and % change.

Public and Private Borrowing

Treasuries Monday, May 1 Wednesday, May 3 Auction of 13 and 26 week bills; announced on April 27; settles on May 4 Auction of 17 week bills; announced on May 2; settles on May 9

Borrowing Benchmarks

wsj.com/market-data/bonds/benchmarks

Money Rates

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Table of money rates including Inflation, Federal funds, U.S. consumer price index, and International rates.

International Stock Indexes

Table of international stock indexes by region/country, including MSCI ACWI, Euro STOXX, FTSE 100, etc.

Commodities and Currencies

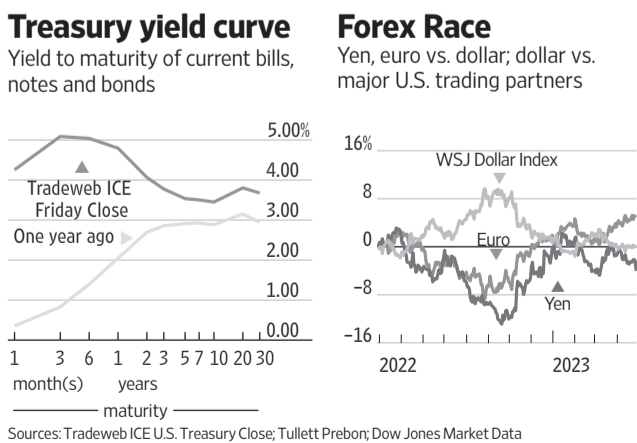
Table of commodity and currency prices including DJ Commodity, Crude oil, Natural gas, Gold, U.S. Dollar Index, etc.

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Consumer Rates and Returns to Investor

Table of U.S. consumer rates including 30-year mortgage, 10-year Treasury note yield, and various bank rates.

Benchmark Yields and Rates



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 289.20 points, or 0.86%, on the week.

Table showing the performance of individual DJIA component stocks over the past week.

Bankrate.com rates based on survey of over 4,800 online banks. *Based rate posted by 70% of the nation's largest banks. † Excludes closing costs. Sources: FactSet; Dow Jones Market Data; Bankrate.com

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 funds 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, April 28, 2023

Table of closed-end funds with columns: Fund (SYM), NAV, Close, Disc, Prem, Ttl, Ret. Includes sections for General Equity Funds, Specialized Equity Funds, and Convertible Sec's Funds.

Table of closed-end funds with columns: Fund (SYM), NAV, Close, Disc, Prem, Ttl, Ret. Includes sections for U.S. Mortgage Bond Funds, Investment Grade Bond Funds, and Loan Participation Funds.

Table of closed-end funds with columns: Fund (SYM), NAV, Close, Disc, Prem, Ttl, Ret. Includes sections for High Yield Bond Funds, Other Domestic Taxable Bond Funds, and World Income Funds.

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Table of closed-end funds with columns: Fund (SYM), NAV, Close, Disc, Prem, Ttl, Ret. Includes sections for High Yield Bond Funds, Other Domestic Taxable Bond Funds, and World Income Funds.

THE TICKER

MARKET EVENTS COMING THIS WEEK

Monday

Construction spending
Feb., prev. down 0.1%
March, exp. up 0.0%
ISM mfg. index
March, previous 46.3
April, expected 46.7
Earnings expected
Estimate/Year Ago
Arista Networks 1.34/0.84
NXP Semiconductors 3.02/3.34
Stryker 2.01/1.97
Vertex Pharma 3.01/3.52
VICI Properties 0.60/0.35
WEC Energy 1.58/1.79

Tuesday

Fed 2-day meeting starts
Factory orders
Feb., prev. down 0.7%
March, exp. up 1.2%
Earnings expected
Estimate/Year Ago
AMD 0.56/1.13
Eaton 1.79/1.62
Illinois Tool Works 2.23/2.11
Pfizer 0.98/1.62
Starbucks 0.65/0.59
Uber Technologies (0.09)/(3.04)

Wednesday

Fed rate-policy meeting
Current target rate 4.75%-5.00%
EIA status report
Previous change in stocks in millions of barrels
Crude oil down 5.1



CVS Health is scheduled to report its quarterly earnings on Wednesday.

Gasoline down 2.4
Distillates down 0.6
Productivity 4th qtr. prev. up 1.7%
Mort. bankers indexes 1st qtr. prelim. exp. up 0.0%
Purch. prev. up 5.0%
Refinanc. prev. up 2.0%

Earnings expected
Estimate/Year Ago
CVS Health 2.10/2.22
Equinix 2.19/1.62
Estee Lauder 0.51/1.91
MercadoLibre 2.81/1.30
Public Storage 2.69/2.63
Qualcomm 2.15/3.21

Friday

Nonfarm payrolls
March, prev. 236,000
April, expected 180,000
Unemployment rate
March, previous 3.5%
April, expected 3.6%
Consumer Credit
Feb., prev. up \$15.3 bil.
March, exp. up \$16.8 bil.

Thursday

EIA report: natural gas
Previous change in stocks in billions of cubic feet
up 79
Initial jobless claims
Previous 230,000
Expected 240,000

Earnings expected
Estimate/Year Ago
Apple 1.43/1.52
Becton, Dickinson 2.74/3.18
Booking Holdings 10.67/3.90
ConocoPhillips 2.06/3.27
Regeneron Pharma 9.56/11.49
Zoetis 1.25/1.32

Earnings expected
Estimate/Year Ago
Cigna 5.28/6.01
Dominion Energy 0.97/1.18
Johnson Controls 0.73/0.63
Liberty Media (0.08)/(0.15)
Mettler-Toledo 8.60/7.87
Warner Bros. Discovery (0.12)/0.69

Currencies

Table showing U.S.-dollar foreign-exchange rates in late New York trading. Columns include Country/currency, US\$/per US\$, and YTD Chg (%).

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 April 28, and year-to-date stock performance of the company.

KEY: B: beneficial owner of more than 10% of a security class; CB: chairman; CEO: chief executive officer; CFO: chief financial officer; CO: chief operating officer; D: director; DO: director and beneficial owner; GC: general counsel; H: officer, director and beneficial owner; I: indirect transaction filed through a trust, insider spouse, minor child or other; O: officer; OD: officer and director; P: president; UT: unknown; VP: vice president; Excludes pure options transactions.

Biggest weekly individual trades

Based on reports filed with regulators this past week

Table showing the biggest weekly individual trades. Columns include Date(s), Company, Symbol, Insider, Title, No. of shrs in trans (000s), Price range (\$), \$ Value (000s), Close (\$), and Ytd (%)

Sellers

Table showing the biggest weekly individual trades for sellers. Columns include Date(s), Company, Symbol, Insider, Title, No. of shrs in trans (000s), Price range (\$), \$ Value (000s), Close (\$), and Ytd (%)

* Half the transactions were indirect ** Two day transaction p - Pink Sheets

Buying and selling by sector

Based on actual transaction dates in reports received this past week

Table showing buying and selling by sector. Columns include Sector, Buying, Selling.

Cash Prices | wsj.com/market-data/commodities

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

Table of commodity prices for Friday, April 28, 2023. Categories include Energy, Metals, Fibers and Textiles, Grains and Feeds, and Fats and Oils.

Source: Refinitiv; Dow Jones Market Data

Source: Dow Jones Market Data

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra, Torrella & Brookes; H=American Commodities Brokerage Co; K=B=benchmark; M=month; N=nominal; na.=not quoted or not available; P=Standard Publishing; R=S&L Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. ** Data as of 4/27

MARKETS

Chinese Drillers Step Up Activity

Moves are put of push for energy security, rising trade with U.S.-sanctioned nations

By WEILUN SOON

China's biggest oil companies are increasing their drilling at home and signing big deals overseas, part of a push for energy security that has also led to rising trade with countries that are subject to U.S. sanctions.

China's demand for crude oil is likely to hit 15.6 million barrels a day this year, around 5% higher than last year, according to a forecast from the Organization of the Petroleum Exporting Countries. The country is the second-largest consumer of oil after the U.S., so any change in its behavior could have a big impact on global prices.

The reopening of China's economy after recurring lockdowns and tight pandemic restrictions has allowed people to travel freely again and let factories reopen, leading to more demand for crude oil. But Beijing is increasingly seeking alternatives in the global oil market, including expanding its drilling at home and signing deals with foreign countries including Brazil, Qatar and Afghanistan.

China's domestic oil companies produced 18.2 million tons of crude in March, the highest level since December 2014, according to the National Bureau of Statistics. Also in March, **Cnooc** Ltd., one of the largest state-owned oil majors, said it discovered an oil field in the Bohai Sea, in the country's northeast, that would add a hundred million tons of reserves to China's oil supply.

China records its crude production and imports in metric tons, a weight measure. The conversion to barrels, a volume measure more commonly used around the world, isn't straightforward because it depends on various factors including the density and composition of the oil.

The emphasis on domestic production partly reflects China's nervousness about energy security, which became a strategic priority for many countries following Russia's invasion of Ukraine in February 2022. Zhang Jianhua, head of China's National Energy Administration, said in mid-April that "increasing oil and gas exploration and development, while increasing reserves and production" was crucial to China's energy security.

China's strategic petroleum reserves are part of this push for greater energy security. The country topped up its reserves during the middle of the Covid-19 lockdown, when oil prices were low, said Ricardo Leiman, chief investment officer and founding partner of KLI Asset Management, a commodities-focused firm. But China has never published how much oil it has in reserve.

"In an increasingly polarized world, security of crude supply is paramount," said Kelvin Yew, a senior oil trader at Ocean Leonid Investments, a hedge fund. He said China is always motivated to import oil, as there is a big gap between the country's own output and its refining demand.

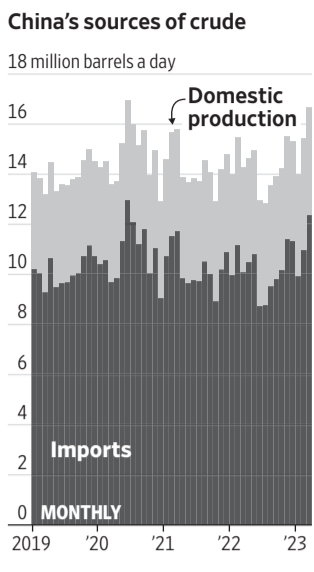
"Increasing domestic production helps, but the shortfall versus demand is huge," he added.

In March, China imported 52.3 million tons of crude oil, the most since June 2020, according to its General Administration of Customs. Analysts expect imports to meet about 70% of China's total oil demand this year.

"China's domestic demand for oil is going to grow ahead of its ability to increase the domestic supply," said KLI's Mr. Leiman.

China also has struck deals with countries that are subject to Western sanctions, including Russia and Iran. That helps it buy oil at a discount to global market prices. After the Trump administration pulled out of a nuclear agreement and reimposed sanctions on Iran, China became a crucial source of oil revenue for the country.

—Serena Ng contributed to this article.



*Front-month contract Sources: BMI (crude sources); FactSet (futures price)

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—Serena Ng contributed to this article.

Leak in Canada Hits Exxon Affiliate

By VIPAL MONGA

TORONTO—Exxon Mobil Corp.'s Canadian affiliate, Imperial Oil Ltd., is struggling to contain the environmental and social effects of a continuing leak of toxic wastewater at one of its projects in the oil sands of western Canada.

The full extent of the leak went unreported to nearby indigenous communities and Canada's federal government for nine months, according to indigenous leaders, Imperial Oil and government officials.

Imperial, in which Exxon Mobil owns a 69.6% stake, said Wednesday that it is trying to control the leak, which has spilled an unknown amount of iron, arsenic and hydrocarbons into the bog around the site in northern Alberta.

During Imperial's first-quarter earnings call Friday, Chief Executive Brad Corson said 200 people are working on fixing the leak, and work is expected to be completed by the end of May. "We are deeply apologetic," he said.

The leak has sparked a firestorm in Ottawa and the oil-rich province of Alberta, whose industry-funded energy regulator has been criticized for failing to reveal details of the seepage to the public.

Canada's minister of environment and climate change, Steven Guilbeault, called Imperial's communication failures unacceptable. In March, the Canadian government declared the seepage harmful to fish and ordered Imperial to take immediate action to prevent the sludge from entering waters that contain fish.

An Imperial spokeswoman said the company has installed water pumps and drilled wells around the 2.5-acre area of the seepage, among other measures. Imperial plans to build a barrier at the mouth of a lake to stop the waste from Imperial's oil operations from flowing into nearby rivers.

Imperial said its testing shows that drinking water is safe and that the leak hasn't hurt fish or wildlife.

The seepage was first discovered by Imperial in May 2022, the company said. Workers noticed water pooling near the northern boundaries of its Kearn oil sands project, an open pit mine where giant diggers claw thick, tar-like bitumen crude out of the ground. Kearn is one

of the largest oil sands projects in Canada.

Imperial told the Alberta Energy Regulator and seven indigenous communities near Kearn that there was discolored water near the project. Over the next several months, Imperial and the regulator discovered that the water contained carcinogenic chemicals, according to indigenous groups and a timeline of events from the Alberta Energy Regulator.

That information wasn't shared during environmental-management meetings that Imperial staff held with local indigenous groups in the months after the leak, according to the Athabasca Chipewyan First Na-

tion, a local indigenous group. The incident has soured Imperial's relationship with the indigenous communities that live downriver from the leak, where they drink and fish from waters fed by a river system flowing hundreds of miles north through Canada's Northwest Territories and into the Arctic.

"We gave them the trust to operate in our region" said Chief Allan Adam, leader of Athabasca Chipewyan First Nation, during a hearing in mid-April at the Canadian House of Commons. "To withhold information?...It is absurd and appalling."

At a hearing in Ottawa a



Members of the Athabasca Chipewyan First Nation attending a March town hall on the leak.

few days later, Imperial's Mr. Corson denied the company had been engaged in a coverup. Mr. Corson said Imperial wanted to wait until it knew exactly what was happening in an examination that took several months. He apologized many times during his testimony.

The communities, Alberta's provincial government and Canada's federal government learned more about the leak in February 2023, when the Alberta Energy Regulator sent an environmental-protection order to Imperial after a separate accident spilled 1.4 million gallons of tainted water from a drainage pond.

—AnnaMaria Andriotis contributed to this article.

Market Offers Lessons

Continued from page B1 behind the market even during this year's nascent rebound.

"I kept buying the dip, but it kept dipping," Mr. Desai says. He learned how tough it is to time the bottom for any investment and says the value of his stake tumbled more than 50%.

Now he says he is paying more attention to how companies are valued, and whether they generate profits. He recently invested in Occidental Petroleum Corp. and Hanesbrands Inc.

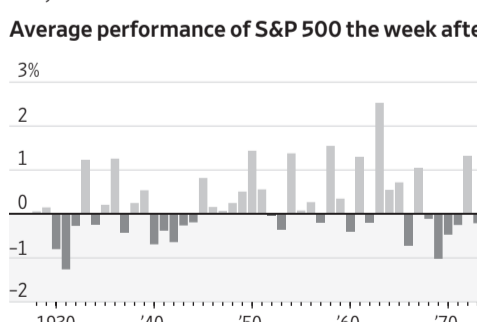
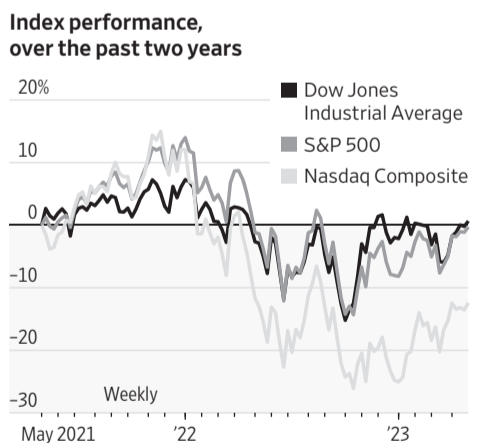
Virgin Galactic hasn't been profitable, and Mr. Desai says he wishes he had dug into its finances before jumping into the stock. "I would've been patient," Mr. Desai says. "I could've used that capital to make money in other areas before I invested in my passion."

Don't put all your eggs in one basket

Do Kim, a 46-year-old accountant in Bucks County, Pa., was all-in on stocks such as Nvidia Corp. and Tesla, building up a combined position in the two companies of more than \$2 million, he says.

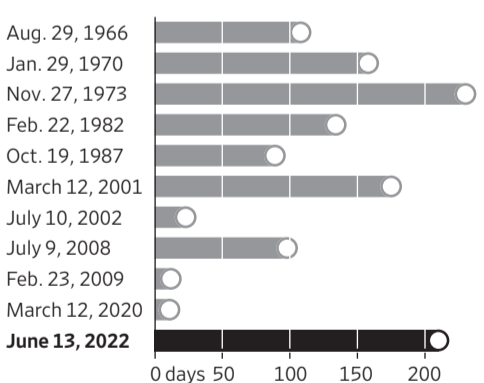
He enjoyed tracking the companies and hung on everything Elon Musk and Nvidia Chief Executive Jensen Huang said. He dove into the other stocks, including those of the insurer Lemonade Inc. and Palantir Technologies Inc., while trading options in a bid to juice his returns.

He says he still believes in



*A bear market is defined as a drop of 20% from a recent high. Sources: FactSet (index performance); Dow Jones Market Data (historical bear markets, average performance)

Historical bear markets for the S&P 500, based on date the index dropped 20% from its high*



tech but has tried to diversify his holdings. He has taken stakes in companies that promise steady cash flows for investors, including shares of energy companies such as Devon Energy Corp. and Chevron Corp. and banks including Goldman Sachs Group Inc.

He accumulated positions in metals through exchange-traded funds such as SPDR Gold Shares because he is concerned about a recession later this year.

He hopes the diversification brings some peace of mind and better shields his portfolio from volatility. "My portfolio looks quite different from last year," Mr. Kim says.

Mr. Kim isn't alone. Investors

yanked more than \$2 billion from technology equity and mutual funds this year after pulling a record \$18 billion from such funds in 2022, according to data from Refinitiv Lipper.

In contrast, investors added money to funds tracking financials and banking companies.

Keeping your profits

Simrath Sangha, an individual investor in her 30s, has been trading frequently since the start of the pandemic. Ms. Sangha, who worked in law enforcement, says she enters dozens of stock and options trades a week while dispensing investing tips with a group on the game platform Discord. Many of

these traders pay more than \$100 a month for trading tips and the chance to chat with Ms. Sangha while listening to her break down her trades.

Ms. Sangha says one of her biggest losses still stings. She placed a risky put options trade tied to the S&P 500 index that she thought would pay out if stocks kept tumbling over the next few days. Some surprising economic data stoked a brief market rally, and the trade turned against her. She says she ended up with a loss of more than \$50,000 in a single session, representing a big chunk of her portfolio. Put options give traders the right, though not the obligation, to sell shares at a stated price by a certain date. Call options grant the right to buy.

She says she used to allocate more than a third of her entire portfolio to big bets. This year, she is more cautious, often choosing to take less risk in a market that has been tricky to navigate. She is being more careful when holding trades overnight, wary that the market can quickly flip-flop in the morning when the opening bell rings. Her biggest lesson? Keeping your profits is more important than making them.

"The real game—it's really about capital preservation," Ms. Sangha says. "It's how much can I make and how much can I keep."

Buy the dip amid chaos

Chris Soltis, 50, braved last year's steep selloff to buy stocks. He is glad he did.

Initially, the computer programmer was discouraged when the big stock indexes kept sliding after he pounced. Unlike in 2020 and 2021, he wasn't quickly rewarded by his

FDIC Set to Seize First Republic

Continued from page B1

envy of finance. With some \$233 billion in assets at the end of the first quarter, it would be the second-largest bank to fail in U.S. history, behind Washington Mutual Inc. in 2008. Rounding out the top four are Silicon Valley Bank and Signature Bank, a New York-based lender that also failed in March.

Analysts said exactly how regulators resolve First Republic will be important in shoring up confidence in the broader banking system. Some said they don't expect a First Republic failure to kick off a new round of turmoil in the industry.

First Republic lost so many deposits so quickly that its business model no longer had much value, making it harder for the bank to raise capital, said Steven Kelly, a senior researcher at the Yale Program on Financial Stability.

"This is the last stages of that initial panic. First Republic's problems started as a result of SVB and Signature. It was a run on the business model," Mr. Kelly said. "This isn't the story of 2008, where one bank went down and investors focused on the next biggest bank, which would wobble."

First Republic's business model was built around gathering big deposits from rich customers and paying little or no interest on them. The bank, in turn, offered low-interest mortgages to those very same customers.

The strategy began to fray after the Federal Reserve started raising rates to quell inflation. March's customer panic doomed it.

A group of the nation's biggest banks, including JPMorgan and PNC, came to the rescue with a \$30 billion deposit. First Republic hired outside advisers to craft a plan to shore up its finances, but buyers and investors were unwilling to pump money into the bank absent government support.

The deposit run cost First Republic dearly. In its first-quarter earnings report last week, the bank said it filled the \$100 billion hole left by fleeing depositors with expensive loans from the Federal Reserve and Federal Home Loan Bank.

Only a handful of banks could easily absorb First Republic's assets and deposits. Some of those, such as Wells Fargo & Co., face regulatory hurdles to expansion. Others are still digesting recent deals for other banks.

—AnnaMaria Andriotis contributed to this article.

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Makers of Consumer Staples Stay Strong

Demand proves resilient despite inflation

Makers of everyday household goods say consumers are sticking with them despite double-digit price increases.

A raft of American and European companies producing packaged food and other staples such as tissues and cleaning products have reported results over the past week or so, and the results are encouraging.

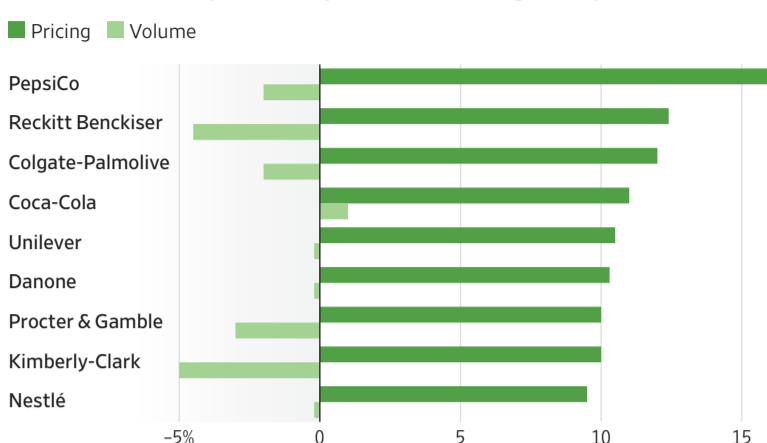
The latest was **Colgate-Palmolive** on Friday, which said organic sales—a key industry metric that strips out the impacts of currency fluctuations, acquisitions and divestitures—increased 10% from a year earlier in the first quarter. Analysts had expected the consumer-products company to log growth of 6.9%, according to *VisibleAlpha*.

Colgate's overall organic pricing was 12% higher, meaning underlying sales volume fell 2%. But that is an encouraging figure. It suggests that elasticities, or the degree to which consumers respond to price increases by reducing purchases, were mild in the first quarter, and indeed improving: In the fourth quarter, Colgate's sales volume fell 4% on 12.5% higher prices.

The picture was much the same across the sector. At **Unilever**, the European consumer giant behind brands such as Dove soap and Hellmann's mayonnaise, sales volume was down just 0.2% on 10.7% higher prices.

At **Coca-Cola**, volumes were actually up 1% even as pricing was up 11%, delivering 12% organic

Breakdown of first-quarter comparable sales, change from year earlier



Source: the companies

sales growth.

"Every quarterly result feels the same in Q1," remarked Bernstein analyst Bruno Monteyne, who covers European staples companies, in a note.

There are differences between how the various companies report sales metrics, and differences between accounting standards used by European and American companies.

But using broadly comparable figures, for nine major companies on both sides of the Atlantic that have reported results since April 21, pricing was up 11.3% from a year earlier while volumes fell just 1.8%.

This suggests consumers worldwide have been able to absorb price increases, and have yet to trade down significantly to cheaper options such as private-label products.

Tight labor markets and increasing wages, especially in the U.S., are likely a factor supporting consumers at the low end of the income spectrum who might be expected to adjust shopping habits first.

What is more, private-label competitors have been forced to raise prices as well in response to cost to inflation, companies said.

There were some exceptions. In a conference call with analysts, Unilever said elasticities have been higher for highly discretionary foods such as ice cream. As was the case last year, elasticities were

generally higher for household goods than packaged food, perhaps in part because the perceived quality gap with private label isn't as great.

The two companies with the biggest volume declines were Kleenex-maker **Kimberly-Clark** at 5%, and **Reckitt Benckiser**, the U.K. company that produces Lysol cleanser, at 4.5%. But in both cases the pace of decline moderated significantly from the fourth quarter. This is encouraging because it suggests investors are adjusting to sticker shock after a lag. And, in the case of Lysol, sales were coming off an inflated base from the first quarter last year, when the Omicron Covid-19 variant was prevalent.

On average, shares prices of the nine companies are up around 7% so far this year—in line with the S&P 500's performance.

The four major European companies in the group have fared better, climbing by an average around 12%, perhaps because they faced lower expectations going into the year.

Of course, should a U.S. or global recession come that hits consumer incomes, a different set of challenges will emerge for these companies.

However, recent track records suggest their stocks are still fulfilling their traditional role as a source of resilience in investor portfolios.

—Aaron Back

Beijing Raid, Spy Law Are Self-Sabotage

China's economy is bouncing back quicker than expected. So are the sort of heavy-handed policies that spooked investors during China's last big expansion in 2021.

On Wednesday China updated its counterespionage statute to cover all "documents, data, materials or items related to national security," a considerably wider remit than the previous "state secrets and intelligence." Recent weeks also brought a raid of **Bain & Co.**'s Shanghai offices, the detention of Beijing staff at New York due-diligence firm **Mintz Group**, and the arrest of a Japanese pharmaceuticals employee for alleged spying. The statute's vagueness is alarming, but authorities already had enormous wiggle room.

More important is the overall signal: Independent information gathering in China, even of relatively mundane types such as due diligence, is getting much riskier. A chilling effect on foreign investment seems very likely, and Chinese shares not directly backed by the state at the highest level could suffer a permanent discount.

Investors who choose to stay in the Chinese market will become even more dependent on tea leaves dropped by state media and official policy organs, combing news reports for coded catchphrases like "supply-side structural reform" or "the disorderly expansion of capital." And fewer foreign staff, including top executives, will visit China, further restricting the two-way flow of information—and making investors more likely to be wrong-footed by abrupt policy shifts like the tech crackdown of late 2020, or by corporate scandals like the Luckin Coffee saga.

The most immediate impact will probably be to magnify a market trend readily apparent this year: the marked outperformance of state enterprises, especially ones directly linked to policy priorities such as becoming more self-reliant in semiconductors, biotech, and aviation. Given

that China is in the midst of a post-pandemic bounce driven by services and consumption, the underperformance this year of the country's consumer shares—particularly relative to those of state-owned enterprises—has been remarkable.

Hong Kong shares of **Semiconductor Manufacturing International**, China's state-owned chip champion, are up over 30% in 2023, according to FactSet, despite a pressure campaign from the U.S. and its allies. On the mainland the China CSI 300 Consumer Staples and Consumer Discretionary indexes are down about 2%. And Hong Kong's Hang Seng Index, with its heavy consumer-tech weighting, is up 1%. That is despite Jack Ma's return to China, a declaration by a top regulator that the campaign against tech giants is "basically completed," and the rise last month in the official nonmanu-

facturing purchasing-managers index to its highest level since 2011.

To be sure, there are other factors at play. China's auto industry suffered this year as electric-vehicle tax credits expired. Many companies benefiting from the country's reopening are small, unlisted service businesses like restaurants. The market may be awaiting more definitive progress on jobs.

But the very mixed policy signals don't help. At the very least, investors are likely to conclude that a significant portion of the added risk premium created by Beijing's policy missteps of the past two years should be considered permanent.

—Nathaniel Taplin

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