

What's News

Business & Finance

- ◆ **Governments are resisting** a plan by OpenAI's Sam Altman to reduce robot risk by scanning the eyeballs of every person on Earth and pay them with Worldcoin, his own cryptocurrency. **A1**
- ◆ **For the largest global** autotakers, profits in China have been hit by falling sales as consumers embrace electric vehicles from homegrown brands such as BYD, which last year supplanted VW as China's bestselling carmaker. **B1**
- ◆ **Discount airlines are** introducing bundle deals that include amenities such as checked bags, alcohol and priority boarding, seeing an opportunity to sell a more premium experience without abandoning their low-cost status. **B1**
- ◆ **Startups promising to** power planes, ships and trucks with clean fuel are sputtering before they get started, showing how hard it will be to wean many industries off oil and gas. **B3**
- ◆ **X said it is closing** its Brazil operations after a clash over a judge's order to remove certain content, escalating friction between Elon Musk and governments about content regulation on his platform. **B4**
- ◆ **Just 9% of U.S.** venture funds raised in 2021 distributed any capital to limited partners three years after launching, according to a new report from financial-software provider Carta. **B9**
- ◆ **Young Americans are** embracing a rent-first lifestyle, preferring to try out goods from furniture to everyday clothing rather than committing to ownership. **B1**

World-Wide

- ◆ **Democratic voters' energy** for Kamala Harris spread to a series of critical races in California, and the party's congressional candidates are hoping to use it to win back the House of Representatives. **A5**
- ◆ **Some Trump allies warn** that he risks squandering his opportunity to return to the White House if the candidate fails to stick to the issues and continues to indulge in personal attacks against his opponent. **A6**
- ◆ **Law-enforcement officials** and protest organizers said they intend to maintain the peace at this year's Democratic National Convention in Chicago, a city that was the scene of widely televised violence at the event in 1968. **A4**
- ◆ **Russian conscript soldiers** taken prisoner during Ukraine's incursion into Russia pose a threat to Putin's credibility after he promised that professionals only would participate in active combat against Kyiv's forces. **A7**
- ◆ **Expelled former congressman** George Santos was expected to plead guilty to criminal charges, according to people familiar with the matter, averting a trial for the New York Republican that was scheduled for next month. **A3**
- ◆ **Vietnam's new leader,** To Lam, is making China the destination of his first foreign visit, signaling the continuing importance Hanoi places on its giant neighbor. **A16**
- ◆ **Died: Alain Delon, 88,** charismatic French film actor. **A16**

JOURNAL REPORT

Cybersecurity: You've got questions. We've got answers. **R1-5**

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Ukraine Incursion Forces Russians to Seek Shelter



SEARCH FOR SAFETY: Russian civilians evacuated from the Kursk region took refuge Sunday in a boxing gym following the incursion by Ukrainian forces. The advance by Kyiv dealt a blow to Putin's image as a guarantor of stability and security. **A7**

A Once-Cautious Harris Is Now The Democrats' Driving Force

In her first months as vice president, Kamala Harris's staff faced a dilemma: When a military officer saluted her as she boarded Air Force Two, should

By *Rebecca Ballhaus, Tarini Parti, Emily Glazer and Annie Linskey*

she salute back?

Harris's predecessors—including Joe Biden when he was vice president—routinely saluted back. But Nancy McEldowney, then her national security adviser, explained that

military protocol didn't require her to do so given that Harris wasn't commander in chief and not in the military chain of command. Doing so could make Harris look like she was trying to inflate her role, former administration officials said.

Boarding one of her first flights on Air Force Two, Harris skipped the salute. Conservative commentators accused her of disrespecting the military. Soon after, aides were told Harris would salute going forward. One wrote up a memo on proper saluting protocol—including pictures of previous presidents

who had gotten it wrong—and the vice president even practiced in private, people familiar with the matter said.

"She really wanted to do the right thing and did not want to be out of step either with military protocol or with perceptions of her role as vice president," McEldowney told The Wall Street Journal, adding that Harris has "deep respect" for military service members.

The deliberations show how a cautious approach to decisions big and small became a defining characteristic of Harris's vice presidency. She also was wary

of offering her own policy views and in building out her political infrastructure. Much of her behavior has been driven by a desire not to overshadow President Biden and to demonstrate loyalty to a man she vigorously attacked during the 2020 Democratic primary.

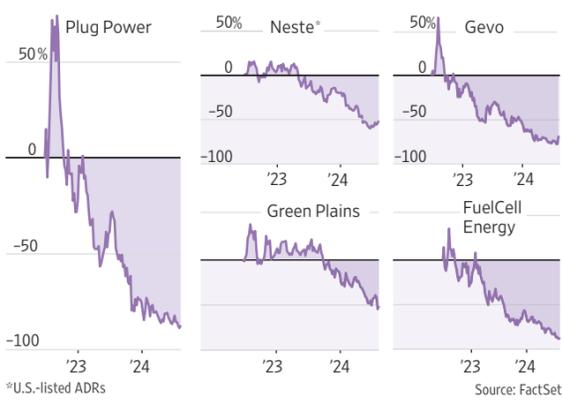
Her caution was exacerbated
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Clean-Fuel Startups Struggle

Companies promising to power planes, ships and trucks with clean fuel are sputtering, showing how difficult it will be to wean many industries off oil and gas. **B3**

Share-price performance of hydrogen and biofuel companies since summer 2022, weekly



Slain Hezbollah Commander Lived an Almost Invisible Life

BEIRUT—Fuad Shukr had eluded the U.S. for four decades, ever since a bombing killed 241 U.S. servicemen in a Marine barracks in the Lebanese capital, which it says he

By *Sune Engel Rasmussen, Adam Chamseddine and Carrie Keller-Lynn*

helped plan. At the end of July, an Israeli airstrike found him on the seventh floor of a residential building not far away.

The militant was one of the U.S.-designated terrorist group Hezbollah's founders

and most senior operatives, a longtime trusted friend of the leader Hassan Nasrallah who played a key role in developing the missile arsenal that has made Hezbollah the world's best-armed nonstate militia. For the past 10 months, he had commanded the group's increasingly intense cross-border skirmishing with Israel.

Yet despite being one of the most important figures in Hezbollah's history, he lived an almost invisible life, appearing only in small gatherings of the group's trusted veterans. He emerged in public early this

year to attend the funeral of a nephew killed fighting Israel—but only for a couple of minutes, an acquaintance said. Shukr was so secretive that Lebanese media outlets reporting on his death published photos of the wrong man.

The commander few people knew spent his last day, July 30, in his office on the second floor of a residential building in the southern Beirut neighborhood of Dahiyeh, a Hezbollah official said. He lived on the seventh floor of the same building, likely to limit the need to move around in the
Please turn to page A7

Hey, Can I Get Your Number? And I Mean Your Credit Score

Financial metric is hot on dating apps for what it might mean about reliability

By *HARRIET TORRY*

Forget about looks and smarts. When it comes to finding a partner, some would-be paramours are most interested in their date's credit score.

Alexander Marks, a lawyer who works in public education and lives in Las Vegas, was flummoxed when potential dates on match-making apps messaged him to ask about his credit score at least a dozen times in recent years.

"It's an odd approach because you're just reducing me to a number," said Marks, 38. "That's an immediate

turnoff for me."

The little three-digit numbers are made when credit bureaus collect information on your payment and debt history from lenders, which credit-scoring companies then use to assign a numerical value ranging from about 300 to 850.

Banks use the scores to decide who gets a loan.

Those on the hunt for love say they're not bad for scoping out romantic partners either—well, except when they are.

Dan Fiscus, 25, said he often messaged with women about credit scores when he

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INSIDE



PERSONAL JOURNAL
Teens' energy-drink habits can disrupt classes and even cause seizures. **A9**



BUSINESS & FINANCE
Budget airlines take a page from big carriers' playbooks by adding premium upgrades. **B1**

CEO Accrued a Fortune As Hospital Chain Failed

By *JONATHAN WEIL*

Steward Health Care System was in such dire straits before its hospital administrators scrounged each week to find cash and supplies to keep their facilities running.

As it was losing hundreds of millions of dollars a year, Steward paid at least \$250 million to its chief executive, Dr. Ralph de la Torre, and to his other companies during the four years he was the hospital chain's majority owner.

Steward filed for bankruptcy in May, one of the biggest hospital failures in decades. Conditions at some of its hospitals have grown dire. In one Florida hospital, a pest-control company last year found 3,000 bats.

Steward's bankruptcy has drawn government scrutiny. A Senate committee launched an investigation and subpoenaed de la

Torre to testify next month. Last month, on the day Steward said it would close two Massachusetts hospitals, de la Torre was in France to attend Olympic equestrian events at the Palace of Versailles.

The former cardiac surgeon owns a 190-foot, \$40 million yacht and a 90-foot, \$15 million sportfishing boat, according to the Senate committee. He owns an 11,108-square-foot Dallas mansion, valued at \$7.2 million by the county.

He paid at least \$7.2 million in 2022 for a 500-acre ranch 45 miles south in Waxahatchee, according to the deed. Two private jets that the same Senate committee valued at \$95 million were owned by a Steward affiliate that is majority-owned by de la Torre.

Massachusetts Gov. Maura Healey called for de la Torre to be federally investigated. "He
Please turn to page A2



U.S. NEWS

Iris Scans Encounter Resistance

Continued from Page One
more than six million people across almost 40 countries. Based on recent prices, the total pool of WLD is theoretically worth some \$15 billion.

The project said its technology is completely private: Orbs delete all images after verification, and iris codes contain no personal information—unless users permit Worldcoin to train its algorithms with their scans. Encrypted servers hold the anonymized codes and images.

However, several authorities have accused Worldcoin of telling Orb operators, typically independent contractors, to encourage users to hand over iris images. Privacy advocates said these could be used to build a global biometric database.

Damien Kieran, the project's chief privacy officer, said any groundbreaking venture like Worldcoin inevitably draws scrutiny, and the initiative is working with regulators to address concerns.

He said the project has paused the image-sharing option for users while it develops a new process, and current training materials don't ask operators in any way to induce users to share biometric data.

"We don't collect data to harvest it," Kieran said in an interview. "We don't sell data. In fact, we couldn't sell it, because we don't know who the data belongs to."

In 2019, Altman conceived the idea of building a technol-



Left, a Worldcoin iris scanner, called the Orb, being built in Jena, Germany; above, the finished product is about the size of a basketball.

ogy that could eventually distribute a form of universal basic income to everyone on Earth whose livelihoods would be disrupted by AI.

The following year, Altman tapped Alex Blania, a former California Institute of Technology researcher. The founders set up a U.S. company, Tools for Humanity, to build the technology, with Blania as CEO. A nonprofit Cayman foundation manages the data, tokens and intellectual property.

Worldcoin was global almost from the get-go, racking up users in less-developed markets like Indonesia, Kenya and Nigeria, and throughout Europe. It hasn't offered WLD coins in the U.S., citing an uncertain regulatory environment.

Critics charged Worldcoin with targeting less technically literate places. Worldcoin said it wanted to test how the Orbs handled different climates and geographies.

In Kenya, Altman's project secured half a million sign-ups within three months, but police launched a criminal inves-

Price of Worldcoin's cryptocurrency



Source: CoinGecko

tigation. Parliament held a public inquiry, with Blania jetting in to testify. He and Altman also met Kenya's president, William Ruto, last year.

The parliamentary report said that Kenya's data commissioner had repeatedly told Worldcoin to stop collecting personal data, citing doubts about user consent, and that a May 2023 cease order wasn't

shared with Orb operators.

After the order, Tools for Humanity addressed the commissioner's concerns in written replies, describing improved operator training, but kept scanning Kenyans.

Kenya closed the criminal case in June, recommending Worldcoin properly register with authorities. Tools for Humanity said it would continue to work with Kenya's government and hoped to resume operations there soon.

Hong Kong banned Worldcoin, finding it was retaining iris images for up to a decade. Argentina launched investigations, citing a lack of information and what they said were abusive user terms. Spain accused Worldcoin of scanning children at a large scale, while Portugal said operators were taught to encourage people to consent to their data's use.

Authorities in Bavaria, where the foundation has a data-processing subsidiary, have led an EU inquiry.

The head of the German

state's data regulator, Michael Will, said his team has focused on ensuring iris codes and images are secure, given that any breach could lead to identity fraud.

Worldcoin has launched a global charm offensive and rolled out new measures. Its operators now check identity cards to deter minors, and the project lets users delete iris codes. A new system breaks up iris codes, with segments held on separate encrypted data stores. Only someone with access to all the servers, and the combination keys, could piece the codes back together, according to Kieran, the privacy chief.

Altman has little day-to-day involvement in Worldcoin, executives said. But people familiar with the matter said he holds equity in Tools for Humanity, which also puts him in line to receive WLD tokens.

Worldcoin has racked up other heavyweight backers, raising \$240 million from investors including Andreessen Horowitz and Khosla Ventures, according to PitchBook.

Blania has said Worldcoin's mission is even more urgent given AI is already reshaping the internet, with bots and fake accounts proliferating on social media.

One challenge for Worldcoin: Much of its success hangs on its cryptocurrency.

WLD is actively traded. But in chat groups where holders gather, the focus centers on using the token to bet on Altman's other ventures.

Worldcoin executives said users also make real-world payments with WLD. They point to a Kenyan who said he bought a goat with the tokens and named it Sam.

—Berber Jin contributed to this article.

U.S. WATCH

EAST COAST

Ernesto Grows To Hurricane Again

Tropical Storm Ernesto became a hurricane again Sunday as it churned away from Bermuda and headed further out in the northeastern Atlantic, sending powerful swells toward the U.S. East Coast, generating rip currents associated with at least one death and prompting many rescues.

The National Hurricane Center in Miami said Ernesto's maximum sustained winds were clocked at 75 mph, just barely Category 1 strength.

More strengthening was forecast over the next 12 hours, with Ernesto then expected to weaken and become a post-tropical cyclone on Tuesday, the hurricane center said. The storm was centered about 520 miles south of Halifax, Nova Scotia, and was expected to pass near southeastern Newfoundland late Monday and early Tuesday.

Swells generated by Ernesto were affecting portions of the Bahamas, Bermuda, the U.S. East Coast as well as the Canadian Atlantic coast. Life-threatening surf and rip current conditions are likely in these areas during the next couple of days, the hurricane center said.

The National Weather Service earlier posted a coastal flood advisory and warned of a high risk for rip currents along the Atlantic Coast through Monday evening.

—Associated Press

GEORGIA

Sheriff's Deputy Killed in Ambush

A Georgia sheriff's deputy was shot and killed while responding to a reported domestic dispute in what police said was an ambush on officers by a suspect who took his own life.

Two deputies responded to a call shortly after 6 p.m. Saturday and immediately were fired upon from a home in Hiram, Ga., Maj. Ashley Henson of the Paulding County Sheriff's Office said. The male suspect also fired "a hail of bullets" at other officers but only one was shot, Henson said.

Deputy Brandon Cunningham, 30, died at a hospital from a gunshot wound, Paulding County Sheriff Gary Gulleddge said. "Tonight, we've lost a hero," he said.

The suspect, who wasn't immediately identified, died of what appeared to be a self-inflicted gunshot wound, Henson said.

A woman who was involved in the domestic dispute had left but returned while police were at the scene. She also had been shot and was transported to an Atlanta-area hospital and listed in stable condition, Henson said.

—Associated Press

Hospitals CEO Made A Fortune

Continued from Page One
basically stole millions out of Steward on the backs of workers and patients and bought himself fancy yachts, mansions and now apparently lavish trips to Versailles," Healey, a Democrat, said.

De la Torre declined to be interviewed. He said in a statement that the two boats are worth less than the Senate committee said. "These values are obviously inflated," he said.

A spokeswoman for de la Torre said "he was regrettably on a family vacation that was planned and paid for last year" when the hospital closures were announced.

Once a renowned surgeon, de la Torre became CEO of Steward's predecessor in 2008 and took over majority ownership of Steward from its private-equity owner in 2020.

De la Torre could have "become one of the most recognized heart surgeons in the world," said Paul Levy, who was CEO at Beth Israel Deaconess Medical Center in Boston when de la Torre worked there. "But he was driven to be something different, and the something different was to be rich and famous and a big commercial success."

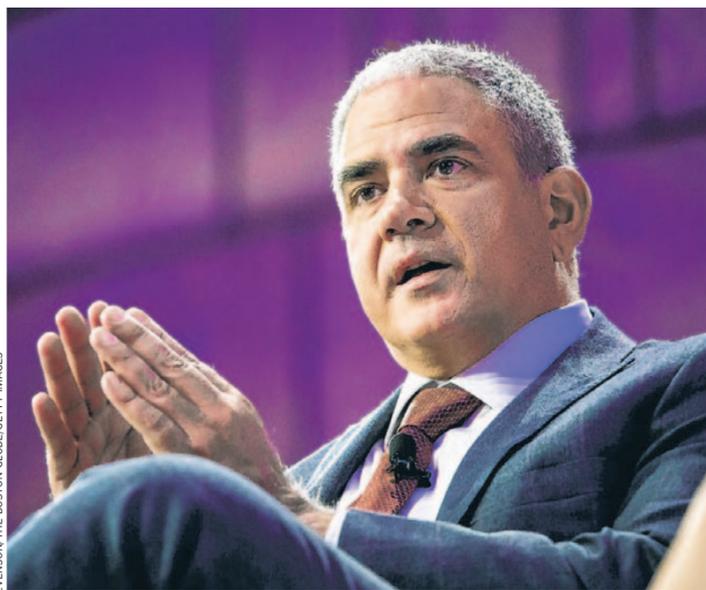
De la Torre's spokeswoman said, "Dr. de la Torre made more money as a heart surgeon than in his first years as a corporate CEO."

Current and former colleagues said de la Torre, a Harvard Medical School graduate, is brilliant and charming but also domineering, demanding absolute loyalty. Some said they witnessed him yelling and cursing at people who disagreed with him. "It would be career suicide to take him on in a public meeting," said a person who has worked for de la Torre at Steward.

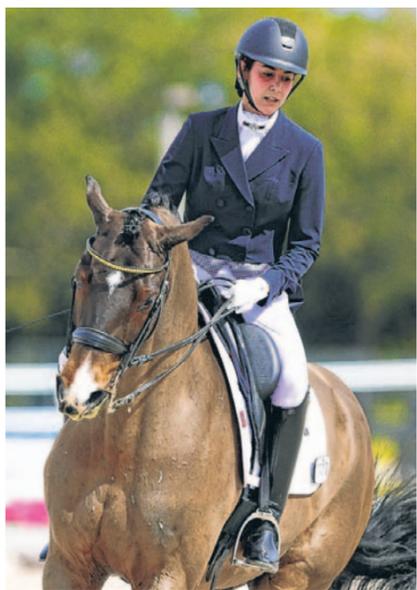
Dr. Michael Callum, a friend of almost 30 years who is a top Steward executive and board member, said de la Torre is hard-charging and passionate but that he never saw him curse at anyone. "I would say I think Ralph has been severely mischaracterized recently," Callum said.

Steward has been trying to sell the 30 hospitals it operated in eight states. The two Massachusetts hospitals flagged for closure had failed to get qualified bids.

The \$250 million in payments from Steward to de la Torre and to his businesses are based on public disclosures. The total likely understates the



Dr. Ralph de la Torre, shown above in 2016, has accrued a fortune as Steward Health Care filed for bankruptcy and said it would close hospitals, including Carney Hospital in Boston, below. Above right, Nicole Acosta and her horse, Dante SPH.



full tally because Steward's bankruptcy-court disclosures in most cases have covered only the 12 months before it filed for chapter 11. Some of the \$250 million was paid to de la Torre directly. Other payments were to companies that did business with Steward where he had big ownership stakes.

De la Torre got his majority stake in Steward in 2020 when the company's private-equity owner, Cerberus Capital Management, transferred its 90% stake to a physician group he led in exchange for a \$350 million promissory note. The next year, as the company struggled during the pandemic, Steward distributed \$111 million to shareholders. Public filings and internal Steward records show de la Torre owned about 73% of the company, implying his share of the distribution was about \$81 million. Later that year, de la Torre bought his \$40 million yacht.

Dr. de la Torre's spokeswoman said he received the cash to partially repay a loan to a Steward affiliate that he had guaranteed personally.

Steward's finances wors-

ened. By the end of 2021, Steward's liabilities exceeded assets by \$2 billion, compared with a \$1.5 billion deficit a year earlier. Steward lost \$365 million in 2021 and \$269 million in 2022, according to previously undisclosed Steward financial statements viewed by The Wall Street Journal.

Another payout came in 2022, when Steward sold a healthcare business it owned to CareMax, a public company, for cash and stock. Steward transferred \$99 million of the shares it got to a company owned by de la Torre, CareMax disclosures show. That was most of the shares CareMax paid. Since the deal, CareMax's stock is down 98%. CareMax filings show de la Torre hasn't sold any shares.

Steward also made payments to two of de la Torre's other companies. It was paying a management-consulting firm majority-owned by him at a

rate of \$30 million a year, a bankruptcy-court filing shows.

Steward said the firm, Management Health Services, employed 16 people, including Steward executives. Steward said they "provide executive oversight and overall strategic directive." Steward effectively paid its CEO's firm, which employed Steward executives, for executive-management services for Steward.

De la Torre's spokeswoman said the only payments he received from MHS were for salary. She called MHS a payroll vendor. But it also owned hard assets including

the two private jets, according to RZJets, which tracks aircraft history. Both jets were sold this year.

Steward also paid \$37 million to a company called CREF from May 2023 to May 2024, a bankruptcy-court filing shows. CREF is 40%-owned by de la Torre, according to people fa-

A Senate panel subpoenaed de la Torre to testify next month.

CORRECTIONS & AMPLIFICATIONS

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U.S. NEWS

University Heads Puzzle Out Strategies

Plans to keep peace include being neutral and steering students to the political system

By Douglas Belkin

Running a high-profile university during a war in the Middle East where students, faculty and alumni are at odds has turned into one of the toughest jobs in America to keep.

The presidents at five Ivy League universities have stepped down since the Israel-Gaza war began last fall. Four of those schools have named interim presidents. Leaders elsewhere spent the summer enacting stricter rules to stave off a repeat of the spring, when colleges across the country were beset by protest, encampments and arrests.

Intense pressures remain. Alumni want protesters to stop diminishing the brand of their alma maters. Faculty want an end to the disruption of classes. Parents want safety for their children. And there is always the potential for Congress to call more school leaders before a committee to ask why their campuses are so chaotic.

Presidents who have held their jobs are quick to acknowledge they have benefited from variables beyond their control. But several presidents, former presidents and advisers point to strategies that have helped leaders navigate recent storms.

Daniel Diermeier, chancellor of Vanderbilt University in Tennessee, described his North Star as an unwillingness to ap-

pease one side or the other through intense protests, arrests and student expulsions on his campus.

"You have to be clear about what your purpose is, and then act accordingly," he said. "If you believe that your purpose is to have a platform where ideas can really flow then you should think twice about taking a position on this issue or that issue because it may undermine" campus debate.

Hewing to the principle of institutional neutrality—or the notion that schools should function as forums for debates and not players in them—clears the path for students and faculty to learn and argue, free from the chilling effect of a university doctrine, Diermeier said. Sticking to a neutral position also removes incentives for either party to lobby the administration.

Rationales for engaging in debate about matters beyond their control and outside their purview come down to two explanations, Diermeier said. Either schools believe it is their place to solve the issues of the day with their pronouncements—a notion he believes lacks humility—or leaders are intimidated by a campus faction demanding action.

The degree of difficulty for university presidents has been growing for years. The business model of traditional higher education is degrading, scrutiny of institutions is rising and faith in the value of college degrees is waning as the cost of those degrees has surged.

Additional constituencies all with different grievances, have



Vanderbilt University Chancellor Daniel Diermeier

turned presidents into comforters-in-chief, said Brian Rosenberg, a former president of Macalester College in Minnesota.

"It's not an accident that these places are sticking with interims because none of them really want to do a search," said Rosenberg. "They're worried

about the fact that whoever they hire will be divisive, and so they better just stall and hope things somehow calm down."

While the job of college president has grown bigger and more complex, the presidents themselves have gotten smaller—less persuasive and

From Conflict To Learning

Another path through the thicket of demonstrations has been directing student energies toward learning and discussion. That isn't always easy when students are screaming at one another and throwing fake blood on administration doors—but it is the superpower of the university.

At Dartmouth College in New Hampshire, President Sian Beilock said she asked herself after Oct. 7, "What are we trying to do here?"

She turned to faculty and asked what education was happening on the topic. It turned out the university had strong resources in both Jewish Studies and Middle Eastern Studies. They had been team teaching on the politics of Israel and Palestine for years. She asked them to stream it so everyone could learn from the debate.

accomplished, said Leon Botstein, president of Bard College in New York for nearly half a century. The war in Gaza presented a tricky problem, Botstein said. But it also acted as "a stress test that exposed the weakness at the position."

If a university had not al-

ready adopted institutional neutrality before Oct. 7, it was in a bind once the war began.

If, for example, presidents had previously condemned Russia's invasion of Ukraine or the murder of George Floyd, they often felt compelled to weigh in when Hamas militants murdered 1,200 Israelis in October or when the Israeli military responded by attacking Gaza. If they didn't, their silence was noted.

What Columbia's former president Minouche Shafik learned over the course of the past year was that making both sides happy is hard. Shafik resigned Wednesday night.

At Wesleyan University in Connecticut, President Michael Roth said the anger among young people on both sides should be understood by academic leaders as an opportunity to get students engaged in the nation's political system. Wesleyan has tried to do that by offering incentives and funding for students to work on political campaigns.

"The real issue is, how are we going to govern ourselves in the next four years? And students can play a big role in that," Roth said. "I'd rather them do that than to turn back just to their books or to their internships or their tests."

Asked if the strategy at Wesleyan would have worked at Columbia, or other schools where presidents stepped down, Roth said he wasn't sure. "I ask myself that question a lot," he said. "I play it out in my mind, what would I have done, you know, what would I have done differently? I don't know."

Santos Expected To Plead Guilty

By Corinne Ramey

Expelled former congressman George Santos is expected to plead guilty to criminal charges, according to people familiar with the matter, averting a trial for the New York Republican that was scheduled for next month.

Santos has been facing 23 felony charges, including that he embezzled campaign contributions, fraudulently obtained unemployment benefits and filed false federal-disclosure forms. The House voted in December to expel him, only the sixth such expulsion from the chamber.

A lawyer for Santos didn't respond to a request for comment. A court hearing has been scheduled for Monday afternoon in Central Islip, N.Y. Santos had previously pleaded not guilty. The expected plea agreement was earlier reported by Talking Points Memo.

The enigmatic Santos was elected to Congress in 2022. Much of his life's story came under question soon after. The former lawmaker made bold fabrications about his work and personal history, including claims of his family's connection to events such as the Holocaust and the Sept. 11, 2001, terrorist attacks.

A bipartisan House Ethics Committee report last year found there was substantial evidence that Santos stole money from donors and filed false disclosures with election officials. Other alleged misdeeds included using campaign funds to pay down personal credit-card balances and buy luxury goods. Santos "sought to fraudulently exploit every aspect of his House candidacy for his own personal financial profit," the report said.

Following the report's release, Santos said he wouldn't run for re-election, but dismissed the document as a "disgusting politicized smear."



George Santos



TALIA HERMAN FOR WSJ (2)

Wine-Country Real-Estate Faceoff Turns Bizarre

By Zusha Elinson

SONOMA, Calif.—Everyone in this wine-country outpost knew someone who had sold property to the out-of-town developer who dressed like an accountant and drove a pickup.

But no one seemed to know his plans.

Kenneth Mattson and his business partner Timothy LeFever amassed more than 100 properties in the Sonoma area in recent years, including town jewels: a beloved cheese shop on the historic square, a Victorian estate doubling as a wedding venue, a chic marketplace and even a funeral parlor.

Initially, local leaders welcomed investment into the sleepy city of 10,000. Yet, as prized properties languished vacant, residents grew wary. "The more property they bought and the less they did, I think people started becoming concerned and suspicious," said Sonoma Mayor John Gurney.

A band of local residents concocted a bizarre theory: The real-estate spree was part of a plan to infiltrate the liberal area with Christian nationalists. Mattson's lawyer dismissed it as "specious" and a spokesman for the firm, LeFever Mattson, called it "baseless and untrue." But the activists uncorked a flood of scrutiny into LeFever Mattson.

Its wine-country empire is now collapsing, besieged by lawsuits from angry investors alleging fraud. The Justice Department is investigating Mattson, according to court filings. Mattson's defense attorney, Randy Sue Pollock, said in court filings she is representing him "in connection

with possible criminal proceedings arising out of his work for LeFever Mattson."

In a recent letter to investors, LeFever Mattson conceded that bankruptcy looms for "certain entities" and that it had engaged a financial adviser to develop a restructuring plan. LeFever and Mattson both deny fraud, according to court filings. The two are trading accusations of malfeasance in dueling lawsuits. The liquidation of their Sonoma collection has begun.

LeFever and Mattson, lifelong friends from the Sacramento area, built a \$400 million real-estate empire starting in 1990. Scott Walker, a dentist-turned-investor, recalled Mattson's charisma, financial acumen and memory. The Walkers invested more than \$4 million in apartments, homes and strip malls with Mattson's firm. It paid off.

"Everything he said came true," said Walker, 68, now retired with his wife in Colorado.

By 2021, Mattson claimed \$250 million in worth, court filings show. He lived in Piedmont, a wealthy Bay Area enclave, and owned a side classic-car business, according to local planning documents and court filings.

Mattson's foray into Sonoma County nearly a decade ago seemed like another savvy move. The area offered vineyards, charm and lower real-estate prices than Napa. Mattson personally bought property, while entities he controlled, and the firm, bought others.

But he soon made enemies. Some residents unearthed antigay Facebook posts by Mattson's wife, Stacy Mattson, in-



Above, Gary Saperstein of Wake Up Sonoma, which picketed a wedding and events venue, top, over infiltration concerns.

cluding one in 2013 stating she was "disgusted" by the Rose Bowl Parade being "high jacked by the gay agenda."

"It just incensed the town," said Gary Saperstein, who organizes the annual Gay Wine Weekend festival here.

Mattson said their Sonoma businesses' "proud history of being inclusive" would continue. But concerned citizens dubbing themselves "Wake Up Sonoma" began to scrutinize LeFever Mattson. They found a filing that said LeFever had chaired the Capitol Resources Institute, whose website says it seeks to advance conservative Christian values, including by removing gay-themed books from school libraries.

Critics dubbed Wake Up Sonoma as cranks and "Woke Sonoma." The group held meetings questioning why many of LeFever Mattson's holdings remained underdeveloped. They picketed a

"Pizza & Pinot" soiree at the wedding venue and protested at other sites. Local news-media coverage intensified, and graffiti began to appear.

The first tremors of financial trouble emerged in January when checks to LeFever Mattson investors became irregular, according to the investors. By April, LeFever announced Mattson's resignation as CEO and paused some monthly distributions. The letter also stated that distributions supposedly being paid by one partnership were actually being paid by Mattson himself. Stunned, the Walkers joined a class-action lawsuit.

"It's starting to look like my understanding of a Ponzi scheme," Walker said. "The newer investors, their cash is going to the older investors until the house of cards collapses."

LeFever blamed his business partner of 34 years, say-

ing Mattson created a "secret division" to funnel at least \$75 million to himself and entities he controlled, according to a June lawsuit. LeFever claimed Mattson "duped" more than 100 investors into giving him tens of millions of dollars for what they falsely believed were interests in the firm's investments. Both investors and LeFever allege in suits that Mattson's risk appetite was excessive.

Micheline Fairbank, Mattson's attorney, denied these allegations, saying, "Mr. Mattson has not stolen money from anyone." Mattson contends the investors had legitimate interests and that any borrowing he did was on reasonable terms, she said. Mattson did advance personal funds to pay investors during times of crisis in the real-estate market, she said, which were "repaid without interest or fees and only when an entity had generated a surplus to allow for that repayment."

Fairbank further alleged that LeFever and his attorney now control the firm, excluding Mattson from recent decisions, and that LeFever is solely responsible for halting payments to investors.

The fate of Mattson's Sonoma properties remains in flux. Wake Up Sonoma has started to move on. At a recent meeting, Lisa Storment, the group's president, told attendees the group was broadening to community organizing and civic engagement. She said she wouldn't be talking much about LeFever Mattson.

"I just want to say that without saying...we were right," Storment said.

U.S. NEWS

Chicago Police Vow No Repeat of 1968

By JOHN KEILMAN

Chicago 2024 won't be like Chicago 1968.

That is the promise of law-enforcement officials and protest organizers alike as the curtain prepares to lift on this year's Democratic National Convention. Each side says it aims to maintain the peace even as thousands are expected to demonstrate against the war in Gaza, abortion restrictions and on other hotly contested issues.

With more than a year to prepare for the event, which starts Monday, the Chicago Police Department says the 11,600-officer force has been trained to respect the free-speech rights of protesters. Organizers of several marches planned for convention week say they are focused on their causes—not '60s-style unrest.

"We understand what it means to fill the streets of a global city like Chicago at a time when the entire world is watching. Our message is going to be heard loud and clear," said Hatem Abudayyeh of the U.S. Palestinian Community Network, which is helping to mount two marches.

Chicago police have long had a hard-nosed reputation—the department is operating under a consent decree imposed five years ago, after federal investigators found a history of abuse and discrimination—but the 1968 Democratic convention remains a notorious lowlight.

Nightstick-wielding officers clashed with Vietnam War protesters in a televised spectacle that an investigative panel later condemned as a "police riot," with some officers committing gratuitous acts of violence. Some historians say many who watched the disorder sided with the police and helped to propel Republican Richard Nixon into the White House later that year.

Michigan State University criminal justice professor David Carter said modern protest management has little in common with the street battles that raged across Chicago 56 years ago.

"We have better planning,

better educated and trained officers, better philosophy on the use of force, greater respect for the right to protest and the First Amendment and civil-rights protections," said Carter, a former police officer. "It's radically different."

Officials typically try to establish a relationship with organizers ahead of a demonstration, Carter said. Once the protest starts, drones, surveillance cameras, social media and on-the-ground observers can monitor potential threats, he said.

Numerous cities have settled lawsuits filed by protesters and media members alleging police brutality during the 2020 demonstrations that followed the murder in Minneapolis of George Floyd.

Still, Brian Higgins, a retired police chief who teaches at John Jay College of Criminal Justice in New York, said police are gentler than they used to be when it comes to handling protests—sometimes to the detriment of public order.

Chicago Police Superintendent Larry Snelling said his officers have been trained in de-escalation, but emphasized that they won't hesitate to stop violence or other criminal acts.

"We have absolutely prepared for the worst possibilities," he said. "We're not necessarily expecting that. We hope that doesn't happen. But if people come here with bad intentions and we have to respond, we're ready to do that."

Chicago police updated their mass-arrest policy ahead of the convention, clarifying the rules officers must follow when ordering a crowd to disperse. Though a coalition of local civil-rights groups applauded some changes, they said the policy still fails to differentiate between a constitutionally protected gathering and unlawful activity such as looting.

As many as 500 officers from outside of the department will supplement Chicago police during the convention, guarding hotels and infrastructure. A similar deployment at the July Republican convention in Milwaukee proved controversial when out-of-town police fatally shot a knife-wielding man.



Protesters near the site of the 1968 Democratic convention.



Michael Thomas, above, is backing Kamala Harris, saying her policies would help 'the most people, not the few.' Julie Oliver, below, isn't impressed by what Donald Trump accomplished but also isn't a fan of President Biden or Harris, citing inflation.

Voters' Economic Concerns Keep a Swing County in Play

By JEANNE WHALEN

SAGINAW COUNTY, Mich.—People in this Rust Belt county know they are fed up with prices and an exodus of manufacturing jobs. What many don't know is who they're voting for in 90 days—or whether they're voting at all.

Some of their financial woes—the cost of milk, gas and housing—track with concerns nationwide. Others, including the collapse of auto manufacturing, are specific to the area. How voters choose to voice their frustrations and respond to the presidential candidates' economic messages matters more here than in many communities, given Saginaw's role as a battleground county in a closely divided state.

Donald Trump and President Biden both made campaign stops here in recent months, knowing that the election could turn on how their economic proposals land in places like Saginaw, which sits between the thumb and index finger of the Michigan mitten. The county is a mix of rural and suburban white voters who lean toward Trump, union members and Black voters who typically favor Democrats, and undecideds.

After decades of alignment with Democrats during the auto-industry heyday, Saginaw County flipped to Trump in 2016 and narrowly swung back to Biden in 2020. Conversations with dozens of local voters suggest the election this time is still either side's to win.

"I have to hear more about what they are offering," said

Julie Oliver, a 65-year-old flower-shop worker who backed Trump in 2016 and 2020 but isn't impressed with what he accomplished. She isn't a fan of Biden or Kamala Harris, either, after several years of inflation that left her struggling to make ends meet.

For much of the 20th century, Saginaw was part of a prosperous automaking corridor stretching north from Detroit. Thousands of General Motors employees cranked out parts for Chevrolets and Oldsmobiles, briefly switching to military production during World War II. Recent decades brought tougher times as GM and others closed factories, cutting the number of manufacturing jobs in the county nearly in half since 2000.

Between 2018 and 2022, the county lagged behind the national average in its share of prime-aged residents with a job—74.9% versus 79%—one of the main yardsticks for measuring economic health, according to Brad Hershbein, an economist with the Upjohn Institute. The county also struggles with an education deficit: A quarter of residents have a bachelor's degree or higher, versus 32% across Michigan and 36% nationwide.

Some green shoots in Saginaw's local economy are emerging, including booming construction of semiconductor- and solar-industry factories



supported by state incentives and Biden's Inflation Reduction Act. But few voters seem aware of those investments, possibly because construction is still under way, Dan Kildee, the region's Democratic congressman, said.

"It's been a very long time since we've seen new manufacturing emerge in this region. To be fair to people who are naturally cynical, they want to see it. They don't want to just hear about it," said Kildee, who grew up in Flint, 40 miles south.

New high-tech factories won't fully replace lost auto-manufacturing jobs, he added.

"We have to be realistic. We had a period from the '30s and '40s till the '70s when we were

dominated by a single industry and everybody could have a job. The reality is we likely will never go back to that...and we don't really want to go back to that. We want to have a much more diverse economy," Kildee said.

Sitting at a bar in Saginaw's Old Town, Renea Mallory, 62, said she's fortunate to have paid off her home and car and is doing fine with a property-management job that pays \$50,000 a year. But she worries how families raising children are coping, and she mourns a time when the region had more manufacturing jobs and a stronger economy.

"Anything that was big and made money when I moved here is all gone," said Mallory, who relocated to Saginaw from Flint in the mid '80s.

Saginaw County is more diverse than many regions that have shifted rightward, which has helped keep it competitive for both parties.

Celebrating her 50th high-school reunion in the center of town, Sandra Lowery, 69, said she's voting for Harris. "They claim the economy is so bad but to me it's not really that bad. But mind you, we came out of the era when we got a pension and Social Security. Our kids are worried about not having that," said Lowery, a retired lab technologist from Dow Corning.

Michael Thomas, a 69-year-old substitute teacher who also attended the reunion, said he's backing Harris, too. "VP Harris and her mate are more in tune with my concerns. And their policies help people, the most people, not the few," he said.

Saginaw County flipped to Trump in 2016, then swung to Biden in 2020.

Blue-Collar Pennsylvania Gets Campaign Focus

By SIOBHAN HUGHES AND AARON ZITNER

WILKES-BARRE, Pa.—Anyone who doubts that the road to the White House runs through this blue-collar city can just ask Donald Trump. His weekend visit marked the fifth rally he has held since 2016 in the spacious Mohegan Sun Arena, drawing big audiences to Wilkes-Barre, a former industrial powerhouse that over the decades has lost about half its population.

The repeated visits are a clear sign that Trump believes the key to winning Pennsylvania, the nation's largest battleground state, is to boost support among the working-class voters in deindustrialized and rural areas. Those voters swung heavily behind him in 2016 and again in 2020, turning many formerly Democratic counties, such as the one that includes Wilkes-Barre, into GOP strongholds.

"There's no more jobs. They're taking jobs away," said Tony Blackwell, a truck driver who lives near Williamsport, Pa., and who attended Trump's rally on Saturday. "You've got these small communities around here that need that. And the farmers are hurting, because they can't afford the fuel to go out and do all the farming, picking all the food and everything."

Democrats aren't ceding

blue-collar communities in Pennsylvania, which has hosted visits from the presidential and vice-presidential candidates in recent days. Vice President Kamala Harris, Trump's Democratic opponent, visited Pennsylvania on Sunday, stopping in Rochester, a borough outside Pittsburgh where few residents hold bachelor's degrees and incomes are well below the national average.

Accompanied by her running mate, Gov. Tim Walz of

Minnesota, Harris dropped in at a campaign phone bank, talking with volunteers and with some of the voters they were calling. Earlier, on their arrival by plane near Pittsburgh, Harris and Walz greeted a crowd of several hundred supporters, including a large group from a Service Employees Industrial Union local that represents janitorial, building-security and other workers.

Pete Schmidt, a western Pennsylvania official with the SEIU, said that many blue-collar workers are angry about their lack of economic progress and that Trump "is able to stir up their ire to make them believe he's a champion

for them." But, he said, Trump showed his true colors last week when he appeared to praise Tesla CEO Elon Musk for firing striking workers. The comments prompted the United Auto Workers to file federal labor charges against Trump and Musk alleging worker intimidation.

While Democrats have been losing support for many years among white, working-class voters—those without a four-year college degree—Joe Biden in 2020 stanching the bleeding.

He drew 37%

of the two-party vote among white, working-class voters, an analysis by the Democratic firm Catalist found. That was a point better than Democrat Hillary Clinton drew against Trump in 2016.

In Luzerne County, where Wilkes-Barre is county seat, Trump's victory margin fell from about 20 points in 2016 to 14 points in 2020.

Wilkes-Barre is a logical place for Trump to try to peel off more Democrats, said Neil Makhija, a Democratic county commissioner in suburban Montgomery County, outside Philadelphia. Makhija said the Wilkes-Barre area has made one of the state's biggest

shifts toward the GOP.

"It's been the prime target for Trump's message when it comes to tariffs, when it comes to immigration, messages against globalization," he said.

Shawn Winders, 48, a registered Republican who had worked at a coal-fired power plant before it was retired, is one example.

"I lost my job," said Winders, who showed up early for Trump's rally. He noted that coal had been a major part of the state's natural-resources economy. Pennsylvania is also rich in natural gas, ranking as the second-biggest producer in the U.S. thanks to fracking. Harris called for banning the technique in 2019 when she was a presidential contender—an unpopular position here that she no longer holds.

Trump, in a rally speech that veered from policy into personal attacks on Harris, cited his opponent's past opposition to fracking. He also told supporters that Harris would raise taxes on the working class and hurt the energy-extraction companies that provide jobs in some blue-collar parts of the state.

Harris said Friday that Trump would raise prices through his trade policies, which include a proposed expansion of tariffs on countries that he says "have been ripping us off for years."

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U.S. NEWS

House Democrats See Path in California

Competitive seats in Harris's home state could help determine control of chamber

By NATALIE ANDREWS

SANTA CLARITA, Calif.—Democratic voters' energy for Kamala Harris has spread to a series of critical races in the Golden State, and the party's congressional candidates are hoping to use it to win back the House of Representatives. Republicans say not so fast, citing Democrats' record on issues including crime and the cost of living.

The July switch from President Biden as the Democratic nominee to Vice President Harris, a familiar name in this state where she served as attorney general and senator, has shifted the dynamic in four highly competitive GOP-held districts in California. The new name at the top of the ticket has renewed hopes from the party that it could win back the House majority—after losing it in part because of defeats in the state two years ago.

"It's almost like this entire change in the mentality of people who are engaging in politics," said Will Rollins, a Democrat who is challenging incumbent GOP Rep. Ken Calvert in a district that encompasses Palm Springs.

California could be make-or-break in determining the fate of the House this year, which Republicans currently control 220-212. Winning a net four seats would bring Democrats in reach of the majority, with a handful of other seats in the state also in play for both parties.

Party-aligned outside groups are preparing for battle. The pro-Democrat House Majority PAC has reserved \$30.3 million in television ads backing House Democrats across the state in the fall. Its affiliated organization, House Majority Forward, has started running ads on Spanish and English television and digital, in a \$4 million ad campaign.

The Congressional Leadership Fund, which defends House Republicans, plans to spend \$30.1 million in competitive California races this year. "The voters that know Kamala Harris the best like her the least," said CLF President Dan Conston. "That bodes the worst for Democrats in California swing districts."

GOP on message

On Thursday, in the first House Republican conference call since Harris became the nominee, GOP leadership acknowledged the excitement around Harris could hurt them in competitive races. Rep. Richard Hudson, chair of House Republicans' campaign arm, told members to step up fundraising and stay on message, according to a person on the call.

Republicans argue that Harris isn't liked in GOP-held areas of California. Some residents grumble about Democratic Gov. Gavin Newsom and housing restrictions that the Democratic legislature has put in place. They say that is contributing to an affordable-housing shortage.

"Everything is kind of running away from working families right now, and I believe there are sets of policies that could reverse them," said freshman Republican Rep. John Duarte, 57, sitting in a Taco Bell in Newman just before taking questions at a town hall down the road. He won his race against Democrat Adam Gray in 2022 by 564 votes, the second-closest race in the country. Gray is trying again this year, and Democrats see the Central Valley district as ripe for a flip.

Along California Route 99, pro-Duarte signs tie Gray to Newsom and Biden, saying that he voted to raise gas prices. In the state legislature, Gray backed an infrastructure bill that raised the gas tax to pay for road improvement projects.

"They're going to try to paint everyone with the same brush," Gray said, sipping an Arnold Palmer on a 106-degree day in his hometown of Merced. He said the GOP-led House has been the least productive in history, while highlighting his work to bring a medical school to Merced to improve the rural community's healthcare.

"This election is going to be about: How did John do in his two years, and how did Adam

do in his 10," said Gray.

Aside from Duarte and Calvert, the other most vulnerable California Republicans are Reps. David Valadao, whose district stretches north from Bakersfield, and Mike Garcia, whose district lies north of Los Angeles.

Base energized

Democratic candidates have gone from feeling as though their presidential candidate would be a drag on the ticket to seeing the pick energizing their base. Internal polls are reflecting that, according to people familiar with the sur-

veys, saying the numbers have shifted from Biden effectively tied with Republican nominee Donald Trump in some GOP-held House districts in California to Harris leading.

"A week before the change, it felt like trench warfare and we were grinning it out, but there was a sense of doom and gloom," said state Sen. Dave Min, the Democrat running for an Orange County seat that Democratic Rep. Katie Porter is vacating. The seat is rated lean Democrat by Cook Political Report. Min faces Republican Scott Baugh, a former state assembly member and local GOP chairman who ran against Porter in 2022.



GOP Rep. John Duarte, left, is facing Democrat Adam Gray in a Central Valley district, while Democrat Will Rollins, above right, is challenging GOP Rep. Ken Calvert around Palm Springs.

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U.S. NEWS

Some of Trump's Allies Sound the Alarm

Personal attacks on Harris overshadow a polling advantage on certain key issues

Donald Trump basked in applause as he entered a \$25,000-a-person fundraiser in Aspen, Colo., more than a week ago. Beneath the glitz, though, was growing concern about his campaign against Vice President Kamala Harris. A longtime friend, the casino magnate Steve Wynn, offered some advice: Focus on the issues and we can't lose.

By Alex Leary,
Vivian Salama
and Rebecca Ballhaus

Trump told him he was right, according to a person in the room.

Then last Thursday, Trump appeared ready, once again, to shift his approach away from lobbing personal insults at his opponent. Standing outside his New Jersey golf club, he blamed Harris for high grocery prices. But when a reporter asked about the criticism he is facing, Trump let loose.

"I think I'm entitled to personal attacks. I don't have a lot of personal respect for her. I don't have a lot of respect for her intelligence," he said, echoing a broad assertion that Democrats have politically persecuted him. "I don't believe she loves our country."

Speaking of his campaign style, Trump said, "I have to do it my way."

Trump has always done it his way: big, loud, unvarnished, combative. He is his campaign's best asset—and its worst enemy. That paradox is on full display as Harris continues to enjoy a hot streak heading into the Democratic National Convention.

Privately and publicly, Trump's allies are warning he is in danger of squandering his opportunity to return to



Some associates of Donald Trump, shown during a campaign rally this month in Atlanta, say he appears obsessed with Kamala Harris's momentum.

the White House. The former president is struggling to adapt to a new, younger challenger after President Biden's departure from the race. Personal attacks on Harris, 59, have overshadowed Trump's polling advantage on voters' biggest issues this year: the economy and immigration.

The race remains tight and Trump's campaign is confident it can define Harris as overly liberal and win over enough swing voters in the battleground states. The campaign also argues that polls aren't accurately capturing his appeal, as shown in 2016.

The challenge for Trump's advisers: The former president's style helped him win in 2016 but cost him in 2020 when he lost to Biden amid the Covid-19 pandemic. Since

his electoral record is split, so, too, are Republicans over whether Trump's unorthodox approach to politics is a stronger asset than a liability.

This dynamic has led donors and friends of Trump to question campaign decisions, including what some view as slowness to respond to Harris and controversies surrounding the selection of JD Vance as Trump's running mate. Trump has been supportive of the 40-year-old Ohio senator and has expressed confidence in Susie Wiles and Chris LaCivita, the de facto campaign managers. At the same time, Trump in recent weeks has quizzed people about how they think his team—specifically Wiles and LaCivita—is doing, according to a Republican strategist.

Donors have also expressed

concerns that Trump is "all over the place," and that he's lacking a message and a robust ground game, the operative said. Trump's campaign says it is prepared for the final sprint to November.

Last week, Trump brought in reinforcements—including Corey Lewandowski, the campaign manager he fired less than five months before the 2016 election—while aiming to settle murmurs of a shake-up of his team.

"We continue to strengthen the team by adding valuable members, which have been ongoing for months," spokesman Steven Cheung said.

The former president has questioned Harris's racial identity and falsely implied that a crowd of supporters gathered to meet Harris on a

tarmac had been digitally altered. Some associates of Trump, including a person who met with him this month, say he appears obsessed with her momentum. Trump also continues to fixate on the 2020 election, repeatedly saying falsely that it was rigged—a process the person described as unhealthy.

Two recent news conferences he has held, including Thursday's, were designed to recapture the spotlight. But they also served to amplify his many false claims and propensity for distractions. At one point Thursday, Trump went off on a tangent about windmills killing birds.

Those close to the Trump campaign described an overconfidence going into the Republican National Convention,

with campaign officials and Trump supporters flying high from Trump's survival from the assassination attempt the Saturday before the convention, as well as his performance at the CNN debate in late June.

People close to Trump say his current state reflects two shifts since the last time he ran for president. He has a lot more time on his hands than in 2020, when he was grappling with a global pandemic, nationwide protests over race and policing, and the daily demands of being president.

He has also thus far done far fewer campaign rallies than in 2016 and 2020, particularly now that he has increased security restrictions in the wake of the assassination attempt.

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WORLD NEWS

Russian Conscript's Mother Seeks Answers

Her son and many other young recruits are now missing after Ukraine's attack

By MATTHEW LUXMOORE

Russian conscript Vitaly Izmailov was sent to Russia's border with Ukraine expecting a calm end to his year of mandatory service. With the main battles happening to the south and east, patrolling the frontier was seen as an uneventful assignment, dull even—the kind of thing a conscript could safely do.

But when Ukraine launched a cross-border attack on Aug. 6, the 19-year-old disappeared.

Izmailov's mother has lodged desperate pleas for information, even appealing directly to Russian President Vladimir Putin in an online petition signed by the mothers of other soldiers who are missing.

"I'm not going to give up until I find him," Yevgenia Izmailova said in an interview from the Russian city of Perm.

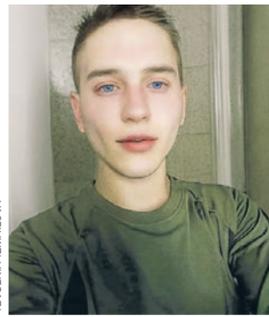
She presumes that her son is likely one of around 2,000 prisoners Ukraine says it has captured since it launched its offensive, many of whom it is now holding in temporary detention facilities.

Sweeping through towns and settlements in Russia's Kursk region, the advance dealt a serious blow to Putin's image as a guarantor of stability and security and brought home the war's consequences to Russian families who thought their sons would be safe.

The capture of dozens of



Conscripts prepare to depart for garrisons from a recruitment center. Right, Vitaly Izmailov.



quate arms or training and being left to fend for themselves when their superiors fled their border posts. "They threw us to the dogs," one 20-year-old conscript said.

Izmailova called the military base where he was enlisted and was told that Izmailov was on a training trip in another region and would be unreachable until the following week.

She reached out to one of Izmailov's fellow servicemen. In an Aug. 9 text exchange she shared with The Wall Street Journal, the young man said he saw Izmailov being taken captive. He said troops of Russia's Akhmat Battalion fled their positions and left the conscripts alone.

"Everything fell apart," the fellow conscript wrote to Izmailov's mother. "If I survive, I'll tell you the story." Her further messages went unanswered. Ukraine's Coordination Headquarters for the Treatment of Prisoners of War didn't answer requests to confirm Izmailov's capture.

By this time, Russia's VK social network was full of posts from mothers searching

undertrained and ill-equipped Russian conscripts, most of whom surrendered to advancing Ukrainian forces after hiding in the forest or hunkering down in the basements of besieged towns, now presents a particular challenge to Putin's credibility.

These are the soldiers who Putin said would be protected from what the Kremlin calls its "special military operation" in Ukraine. "Only professional soldiers will fulfill the tasks we set," he said weeks after he launched his invasion of Ukraine in February 2022. Russia has since relied on a motley force of professional troops, paramilitaries, mobilized soldiers and freed convicts to fight its war.

But each year it also enlists some 150,000 conscripts,

young men mostly fresh out of high school who are called up for 12 months of mandatory service. Their stint in the military normally consists of manning command posts far in the rear, or doing basic jobs from keeping a military base's inventory of equipment to painting its perimeter fence.

Izmailov was called up for conscription in October 2023, and he had been given almost no military training by the time he was sent to the Kursk region last month, his mother said.

Inside Ukraine, Russia was expending huge manpower reserves in its push to seize more land in that country's east, and getting conscripts to guard the border area was a way to alleviate pressure on the force engaged on the battlefield, as well as to protect

against the kinds of short-lived armed raids that Ukrainian-backed troops had previously staged into Russia.

The last time Izmailova spoke with her son was Aug. 4. He told her he was being sent to guard a forested area near a border village. Two days later, Ukrainian tanks and infantry fighting vehicles streamed across the frontier in an attack far larger than any before. Border-guard units that included conscripts were overwhelmed.

Footage soon emerged of dozens of Russian soldiers surrendering to Ukrainian forces, and Ukrainian media began publishing videos of the conscripts being questioned on camera. The conscripts complained of being thrown into the fight without ade-

for information about conscript sons who had gone missing since Aug. 6. A VK page dedicated to the search for missing soldiers was receiving several posts a day.

Izmailova reached out to other Russian mothers searching for sons and soon learned that they were afraid of going public. Russia has been silent about the fate of conscripts captured by Ukraine.

Many mothers have in recent days deleted social-media posts asking for news about their loved ones, after Russian authorities warned against such posts and blocked the page of a prominent search-and-rescue group in Kursk.

Izmailova decided to publish a petition addressed to Putin, so that other mothers could anonymously sign it. Posted on Aug. 12, it criticized Putin for allowing conscripts to serve near the combat zone, ordered a full investigation of what led to the decision and called for an immediate prisoner exchange that would free their sons.

She decided that getting information about her son trumped other concerns. On Aug. 13, she also wrote a post on social media with a description of the events leading up to Izmailov's disappearance.

"Please, if anyone knows anything about the circumstances of my son's capture, get in touch," Izmailova wrote.

Watch a Video

Scan the code for a video on Ukraine's incursion into Russia.

Jailed for Opposing Putin, Forgotten Dissident Dies Alone

By ANN M. SIMMONS

Pavel Kushnir started playing piano at the age of two. Those familiar with his talent considered him a prodigy. Music, he said, was his passion and, after graduating from the Moscow Tchaikovsky Conservatory, he performed as a soloist in orchestras in Kursk and Kurgan as he built what he hoped would be a stellar career.

Instead, he ended up in prison, staging a hunger strike, one of hundreds of Russians locked up for voicing their opposition to President Vladimir Putin and his war in Ukraine.

Kushnir wasn't included in the historic prisoner exchange that saw the wrongly detained Wall Street Journal reporter Evan Gershkovich freed on Aug. 1 along with two other Americans and several of Rus-

sia's best-known dissidents and activists.

Human-rights campaigners calculate that some 700 others, Kushnir among them, were still languishing in Putin's prisons when the handover took place in Turkey, with Russia receiving a smattering of spies and hackers and a notorious hit man in return. Some of those still held in Russia are prominent figures. They include a former Moscow politician, Alexei Gorinov, who in July 2022 became the first person to receive a prison sentence on a charge of disseminating false information about Russia's military. Kremlin watchers say Putin kept some of them back as leverage for future prisoner swaps.

Most, like Kushnir, are relative unknowns, left to serve their sentences in anonymity. Lean, bespectacled and at 39



Pavel Kushnir, pictured in 2022.

still young, he rarely stood out, friends say. Despite being a virtuoso, he didn't crave attention. "The bourgeois life wasn't for him," said Olga Shkrygunova, a fellow pianist and childhood friend of Kushnir. "He simply couldn't live like this, because he had this acute sense of jus-

tice—and injustice."

Kushnir's father had been a pianist, his mother a teacher. He was raised in the city of Tambov, some 250 miles southeast of Moscow. After school he entered the storied Moscow conservatory before moving on to the Kursk Regional Philharmonic and then the philharmonic in Kurgan.

Kushnir said he was elated when he landed a role at the Regional Philharmonic in Birobidzhan in the Jewish Autonomous Region of Russia's Far East. His plan was to remain at the philharmonic and create musical programs until he was 50 years old, he said.

But as Kushnir's career blossomed, so too did his antipathy grow toward Putin.

When Putin ordered Russian troops into Ukraine in February 2022, Kushnir's opposition

stepped up a gear. He attended antiwar rallies and took to writing and posting antiwar leaflets. In January, he told a local Birobidzhan radio station the thing he valued most was freedom, but "to gain freedom, you must first of all feel the value of freedom," he said.

In April, Kushnir participated in a lecture at the Birobidzhan Philharmonic. It would be his last public performance.

In May, he was arrested and remanded at a pretrial detention center in Birobidzhan on charges related to his criticism of the Kremlin and its actions in Ukraine, according to news outlets.

Russia's Investigative Committee didn't respond to a request to confirm Kushnir's arrest, the charges against him and other details surrounding his detention.

Mediazona, an independent Russian news site, reported that Kushnir's mother said she had been informed that he had gone on another hunger strike, this time leading to his death on July 28.

The first news reports of Kushnir's death came on Aug. 2.

Russian authorities haven't issued any statements on his death. Neither the Investigative Committee nor the Federal Penitentiary Service responded to requests to comment.

Svetlana Kaverzina, an opposition politician in Siberia, said human-rights activists were unable to assist Kushnir because they didn't know about him. "There was no one to tell," Kaverzina wrote on Aug. 4. "Relatives, apparently, were afraid to make it public. And the person was left alone with the system."

Hezbollah Figure Was 'Invisible'

Continued from Page One open. Nasrallah said during his eulogy for Shukr that he had been in touch with him until just hours before his death.

That evening, according to the Hezbollah official, Shukr received a call from someone telling him to go to his apartment five floors up. Around 7 p.m., Israeli munitions slammed into the apartment and the three floors underneath, killing Shukr, his wife, two other women and two children. More than 70 people were injured, according to the Lebanese Health Ministry.

The call to draw Shukr to the seventh floor, where he would be easier to target amid the surrounding buildings, likely came from someone who had breached Hezbollah's internal communications network, the official said. Hezbollah and Iran continue to investigate the intelligence failure but believe that Israel beat the group's countersurveillance with better technology and hacking, the official said.

The killing was a major blow to Hezbollah, taking out one of the group's best strategists and exposing the degree to which its operations have been penetrated. Paired with the death hours later of Hamas political leader Ismail Haniyeh in a suspected Israeli attack in Tehran, it also pushed the Mid-



A ceremony honored Fuad Shukr in front of a poster of the late Hezbollah commander in Beirut earlier this month.

dle East to the brink of a regional war that the U.S. is scrambling to head off.

"These targeted killings have a cumulative effect on the operational capability of the organization," said Carmit Valensi, a senior researcher at the Institute for National Security Studies in Tel Aviv and expert on Hezbollah, referring to the Lebanese group.

"He was a source of knowledge," she said of Shukr. "He knew how to work and communicate with Nasrallah. They spoke the same language."

Shukr lived nearly his entire adult life at the heart of

Hezbollah's operations and decision-making and was a key link between the group and its main benefactor, Iran. In 1982, still in his early 20s, he helped organize Shiite guerrilla fighters in Beirut to oppose Israel's invasion of Lebanon.

After Israel laid siege to Beirut that year, the resistance retreated to the Bekaa Valley in eastern Lebanon, where it made contact with about 1,500 members of Iran's Islamic Revolutionary Guard Corps who had arrived through Syria. Shukr at the time worked for Lebanon's intelligence agency.

He was asked to escort a group of Iranian diplomats from the Syrian border to the embassy in Beirut, according to Qassem Kassir, a political analyst familiar with Hezbollah who had known Shukr since the early 1980s. The diplomats were abducted along the way—allegedly by the Lebanese Forces, an armed Christian faction—and never seen again. Shukr, as a state security employee, was let go.

Known by his nom de guerre, Hajj Mohsin, he became the point man between the Iranians and the camp they established in the Bekaa

to train Hezbollah militants, said Kassir, who worked at the Iranian Embassy in Beirut at the time. Shukr later traveled to Iran to oversee the training of elite Hezbollah forces.

Early in the morning of Oct. 23, 1983, a truck bomb containing 12,000 pounds of TNT exploded outside a U.S. Marine barracks in Beirut. The U.S. later said Shukr played a key role in planning and executing the attack.

Hezbollah formally announced its formation in 1985, and Shukr became its first military commander. He continued to wage a guerrilla campaign in

the south until Israeli forces withdrew from the country in 2000 and earned a reputation as a strategic thinker.

"We used to joke with him in our sessions and in our meetings, and say that the engine of his brain was working with terrible force," Nasrallah said in his speech.

On June 14, 1985, hijackers seized TWA Flight 847 after takeoff from Athens, and flew the plane back and forth between Beirut and Algiers for three days demanding the release of prisoners held by Israel. Shukr helped plan the operation, according to Kassir, and shortly thereafter went underground as his notoriety spread.

"He became invisible," Shukr's acquaintance said.

The secretive life took its toll on Shukr, who compensated for the time he lost seeing friends and associates by treating those around him, when he saw them, with extra attention and care, Kassir said. He was fiercely loyal to a close circle of friends, many of whom had come of age with him, including Nasrallah.

Yet, in recent years Shukr appeared to grow more relaxed, Kassir said.

Shukr came into Israel's crosshairs after a rocket landed in a soccer field in the Israeli-occupied Golan Heights in late July, killing a dozen young people. Hezbollah denied involvement, but Israel said the rocket was Hezbollah's.

Early on the day Shukr was targeted, Hezbollah sent out orders for high-ranking commanders to disperse amid concerns they were at risk, the Hezbollah official said.

FROM PAGE ONE

Harris Energizes Democrats

Continued from Page One
by a West Wing that at times showed skepticism about her abilities and assigned her thankless roles, such as addressing the root causes of migration, which became a larger problem during her tenure. The results were so rocky that some Democratic lawmakers and donors questioned keeping Harris on the ticket—and later floated lesser-known governors to replace Biden after his abysmal debate performance against former President Donald Trump.

Now, Harris has unexpectedly emerged as the Democratic Party's potential savior. Unshackled from the pressure to keep the focus on the president, Harris has rapidly ascended—a dynamic that will be on full display at the Democratic National Convention beginning today. Years of learning on the job have made her sharper and more comfortable in the spotlight. And as Biden's own liabilities became untenable, they dwarfed her shortcomings.

Harris is also benefiting from the short window she faces for scrutiny before Election Day—and from a party desperate to rally around a candidate.

Some allies say the difference is simply allowing Harris to enter the spotlight. After a 2022 meeting with Harris on reproductive rights, Patty Pansing Brooks, then a Democratic state senator in Nebraska, said she walked away feeling that the White House had “not really put her out in public as much as they might have.”

Current and former aides said Biden's team didn't actively try to minimize Harris, but also didn't go out of its way to lift her up. The most senior levels of the White House made little effort to elevate Harris, 59, because there was no serious internal discussion that Biden, now 81, wouldn't run again.

They ignored, and in some cases sought to play down, all the signs that emerged as early as 2021 that aging was taking its toll on the oldest president in U.S. history. Harris strongly defended Biden in public against criticisms of his mental acuity and stamina.

This account of how Harris went from one of the most unfavorably viewed vice presidents in decades to the party's energizing force is based on interviews with nearly 50 current and former administration officials, lawmakers, foreign officials, donors and others who know her.

A spokesman for the vice president said she had “fought from day one” to improve Americans' lives, citing her work on child tax credit payments and the removal of lead pipes. To address Harris's cautious approach, the White House referred the Journal to Sen. Mark Warner (D., Va.), who worked with Harris on the Senate Intelligence Committee. “I found her attention to detail to be an asset,” Warner said.

White House spokesman Andrew Bates said the vice presi-



Kamala Harris was known for caution in her role as vice president. Now, she has emerged as the party's driving force.

dent has been a “critical governing partner” and that her “bold leadership and counsel have been central to historic achievements,” including a \$1 trillion infrastructure package and opposition to abortion bans.

Early scrutiny

Biden's treatment of Harris was not so different from how he himself had been treated as vice president during President Barack Obama's administration. But the expectations for Harris had been different. Not only was she the first Black woman to serve as vice president, but Biden had promised during the campaign to be a bridge to a new era of Democratic leaders. Many thought he would start with the vice president.

Harris also made her own missteps, fumbling comments, including on the border, coming off as overly scripted in some meetings with foreign officials and showing little progress on initiatives she asked to take on, such as advancing voting rights legislation. As recently as last fall, a CBS News-YouGov poll found that just 14% said they were enthusiastic about Harris serving as Biden's No. 2.

Over time, Harris notched wins, though they did little to elevate her public standing. Her aggressive campaigning on abortion rights in 2022 helped Democrats outperform expectations in midterm elections that fall. She also worked to bolster her foreign policy bona fides, traveling to more than 20 countries and meeting one-on-one with world leaders, and to establish relationships with business and labor leaders.

A Journal poll in late July conducted after Biden dropped out of the race found Harris's favorability rating had risen to 46%—up 11 points just since the start of that month.

“When you work for an 80-year-old, you know, who's president of the United States, you have to be prepared to be president at any moment. So she was learning on the job,” said Ashley

Etienne, Harris's communications director in 2021. “Now you see her on stage, and you're like, ‘It's all clicking.’”

Harris's staff in the early months was stunned by the amount of scrutiny she received. As the first Black woman in the role, Harris already was facing racist and sexist attacks. Every staff departure drew attention. Conservatives, fueled by Trump's suggestions that Biden would leave office prematurely, suggested she was lying in wait to take over.

The scrutiny fed the caution from Harris, who had spent four years in Washington as a California senator when she was sworn in, and her aides. In preparing speeches and talking points, Harris made a point of ensuring her words would align with Biden's, asking her staff, “How is he talking about that?”

Some former aides also felt Harris's team held back from moves that could emphasize the 22-year age gap between the vice president and her boss. One former aide recalled Harris running the steps of the Lincoln Memorial in February 2021, flanked by Secret Service—a video of which went viral, with TMZ likening her workout to the training montage in “Rocky.” Harris, the aide noted, later took to working out indoors.

For her staff, Harris's cautious approach could mean extensive grilling from the former California attorney general—which some aides said contributed to turnover.

She hand-edits her speeches with a pen and substitutes her favored words, and prefers to understand a policy down to its intricacies before weighing in on it, aides said.

Some longtime Harris allies were surprised by the level of caution she exercised on the job given that she had shown a

sharper edge while serving in Congress. In the first meeting of the Senate Intelligence Committee in 2017, then-Chairman Richard Burr (R., N.C.) was going around the room to introduce new members when he got to Harris. Burr struggled to pronounce her first name, according to people familiar with the meeting. “I know you told me how to pronounce it,” he apologized. “Oh well, I'll just call you Senator Harris.”

Harris, who had been a senator all of a few days at that point, shot back, “No problem. I'll just call you Dick.” Burr didn't respond to a request for comment.

Brewing tension

In March 2021, Biden tasked Harris with diplomatic efforts to address the causes of migration—a similar role to the one he had held as vice president.

But the number of migrants crossing the border illegally was surging. Politically, the issue had grown more contentious since the Obama administration. Harris hadn't expected the as-

signment, people familiar with the discussions said. Her aides sought to define the role as specifically as possible in an effort to avoid Harris being labeled as the border czar. But that didn't keep Republicans from tying Harris directly to the border and using that label.

In June 2021, Harris traveled to Mexico and Guatemala to dissuade migrants from crossing the border into the U.S. “Do not come,” she declared. Progressives and human-rights groups criticized her for discouraging migrants facing instability from legally seeking asylum, and compared the declaration to Trump-era policy.

The episode inflamed tensions between Harris's shop and

the West Wing. Biden advisers had encouraged Harris to make that declaration, people familiar with the discussions said.

Harris focused on asking the private sector for pledges to invest in Central America, an effort that now has \$5.2 billion in commitments.

Doug Emhoff, the second gentleman, complained that year that the border assignment amounted to a “punishment” for the vice president, according to a person familiar with the conversation. A spokesman for Emhoff declined to comment.

There was also baggage left over from the heated 2020 primary, during which Harris had made pointed attacks on Biden over his civil rights record, current and former administration officials said.

Harris had come into the job with extensive expertise on law enforcement, criminal justice, maternal health and other issues, but little foreign policy experience beyond her time on the Senate Intelligence Committee.

In 2021, an exchange between Harris and a student over Israel set off a cleanup effort at the White House. A student asked Harris about the “ethnic genocide” Israel was carrying out against Palestinians, telling her: “I feel like there's a lack of listening.” Harris responded, “Your voice, your perspective, your experience, your truth cannot be suppressed, and it must be heard.” Harris's staff, concerned about any hint of criticism of Israel, immediately began contacting top pro-Israel organizations, seeking to clarify that Harris wasn't endorsing the student's claim of ethnic genocide. Her spokeswoman issued a statement saying the vice president “strongly disagrees” with the characterization.

Some activists now say those comments, showing empathy for Palestinians, are more in line with the views of key Democratic voters who have been frustrated with Biden. Harris has also worked hard to deepen her expertise, meeting with more than 150 world leaders.

“Long-term relationships carry risk,” Rosenfeld said. “One wants to know if the person in question pays their bills or has a tendency to duck out from responsibilities.”

A 2019 survey by the Pew Research Center asked people their reasons for wanting to get married. The top answers were love and companionship. Almost 40% of the respondents who were already living with a partner said finances were a major reason too. Only 14% said it was because they wanted to have children.

On the dating app OkCupid, daters who keep a budget get 25% more matches and have 16% more conversations on the app than those who don't, the company said. In 2022, OkCupid found a third of daters said it was important that their match has a high credit score.

Still, some people find asking about credit scores before a relationship has even started to be distasteful.

On a first date at a Starbucks in Rock Hill, S.C., Patterson Kannon mentioned that he works as an accountant. “I bet you have a really good credit score,” was his date's response.

The 25-year-old does, in the high 700s. He is also now dating someone else.

Harris has rapidly ascended, with sharper skills learned on the job.

Your Credit Score Is So Attractive

Continued from Page One
was single and on apps. Sometimes the women would bring it up; sometimes he would.

To Fiscus, who works in information technology in Washington, D.C., it seemed normal. In college, it was common for people to ask each other how they were paying their tuition, or how much debt they had. He and his girlfriend, Victoria Gendron, discussed finances from early on in their relationship. Both have credit scores in the mid-700s.

“I feel like we're closer because we had that conversation,” said Gendron, who is 23 and studying to be a nurse. Plenty of critics have problems with credit scores, raising questions about whether they're fair or if they even work.

The formulas tend to shut out people who are new to the U.S. or have used cash all their lives. The things that make a person's credit score go up or

down seem like a black box.

And the Romeos who think a high credit score automatically means their date is rich should reconsider. Credit scores are meant to measure a person's ability to repay a loan, not how much money they have. Research by the Federal Reserve has found only a moderate correlation between income and credit scores.

A survey this year by personal-finance company Credit Karma found that two-thirds of Americans said it's important that their partner has a good credit score. Half of those who have used a dating app, or are open to using one, wish the apps could filter by financial status, according to the survey of roughly 1,000 people.

Another personal-finance company, Neon Money Club, temporarily set up a dating app this year for people with a credit score of 675 or higher. The company said the app, Score, attracted about 18,000 users in the six months it was operating.

When Katherine Lemus heard about Score, she told her single friends to try it out.

“People say ‘You're a gold digger,’ but it's not about that: It's about knowing you're going to not be supporting



Dan Fiscus and Victoria Gendron have scores in the mid-700s.

someone,” Lemus said.

In her 20s, Lemus cosigned a credit card for a then-partner with poor credit. When the relationship ended, she was left with overdue bills. Her credit score dropped into the 500s, she said.

“You make that one little mistake and it just kept on spiraling,” said Lemus, who is now married and lives in Toronto.

Still, scores-as-dating-tool doesn't always work. Yuri Selukoff put his credit score on his profile after reading about an influencer who got multiple dates after she did the same. Selukoff, an app developer in San Francisco, has an excellent score of over 800.

In the message chats that followed, no one mentioned it.

“It was shortly before I got

In June 2022, Harris was on Air Force Two on her way to Illinois to give a speech about maternal health when the Supreme Court overturned Roe v. Wade. The vice president read the decision and immediately began revising her planned remarks, according to White House officials. That marked a turning point in her vice presidency, elevating her public role on behalf of the administration on an issue she was well-versed in.

A payoff in midterms

Polls were showing the economy as the priority issue in the looming midterm elections, where Democrats were bracing themselves for major losses. But Harris continued to campaign aggressively on abortion rights, and her efforts appeared to pay off. In November, Democrats blunted what some had predicted would be a red wave, with abortion widely credited as galvanizing Democrats to head to the polls.

In April 2023, Biden announced that he would seek another term, with Harris as his running mate. In polls, a majority of Americans said they didn't approve of Biden's performance and raised deep concerns about his age and fitness for office. The rematch between him and Trump was shaping up to be one of the lowest-enthusiasm races in recent history.

Then on June 27, in a debate with Trump, Biden repeatedly lost his train of thought, confusing his words and staring with his mouth agape. The performance set off a panic across the Democratic Party.

Harris immediately got on TV to defend the president. “Joe Biden is extraordinarily strong,” she said on CNN.

Some Democrats saw a well-spoken, vigorous Harris, ably deflecting questions about her boss's health and pivoting to attacks on Trump—precisely what Democrats had hoped to see Biden do in the debate.

As Democratic lawmakers called for Biden to withdraw, Harris's allies scrambled to make the case for her, describing her as a “strong and capable messenger on our single most-important issue: abortion,” according to a document reviewed by the Journal.

Biden's advisers were privately expressing skepticism about Harris's ability to win as they sought to justify the president staying in the race, according to people familiar with the discussions.

On July 21, Biden announced he would withdraw and endorsed Harris as the nominee. He had told her the news hours before he went public.

Some allies said they felt Biden's endorsement vindicated her approach to the job, believing her caution throughout the years to showcase her loyalty to Biden had likely made it easier for the president to back her.

In a memo circulated that day, her allies said Harris's relative youth “can make the issue of age and fitness a liability for Trump.” She began holding rallies that turned out thousands of supporters. Harris clinched the Democratic nomination two weeks later.

—Siobhan Hughes, Laurence Norman, Daniel Michaels and Andrew Restuccia contributed to this article.



◀ **Jacqueline Rogers relies on energy drinks when classwork piles up. She cut back over the summer but thinks she may go back to them again.**

Terri Daniels, principal of Folsom Middle School in Folsom, Calif., says at least a quarter of her school's 1,500 students regularly consume them. Two to three students in each of the last three years have had seizures at school. In most cases, the students mentioned having energy drinks earlier. "It's a silent crisis," she says.

A recipe for trouble

Energy drinks aren't regulated by the Food and Drug Administration the way soda and other beverages are. A typical 12-ounce cola can have a maximum of 70 mg of caffeine. Energy drinks, considered dietary supplements, often contain more than twice that. And there's no packaging requirement to tell kids and parents how much caffeine is in there—or in any other caffeinated beverages kids are drinking.

A study last year of adverse health events in teens who consumed energy drinks found a link to seizures.

Torree McGowan, an emergency doctor in rural Oregon and a spokesperson for the American College of Emergency Physicians, says caffeine can cause teens with no history of seizures to have one. And teens' late-night, social-media-scrolling lifestyle can make them more susceptible, says McGowan.

"If I wanted to try to induce seizures in someone, I would sleep-deprive them, show them a bunch of flashing lights and give them a bunch of caffeine," she says.

There are other serious health effects of caffeine over-consumption, including high blood pressure and even fatal heart attacks.

'Heart racing'

Jacqueline, the Missouri teen, started drinking energy drinks two years ago, then added caffeine pills when her course load got more rigorous. Last year, she had five AP classes, was involved with the student council and had either tennis practice or figure skating after school.

She would drink an Alani Nu in the morning, have another in the afternoon and then take two caffeine pills at night. When she had a big test or project, she'd have four drinks, plus the pills, pushing her total daily caffeine intake to more than 1,000 mg.

Her father, James Rogers, says he didn't know the extent of her caffeine habit. Alani Nu didn't comment.

She cut back over the summer. She says she won't go back to the pills but worries about what will happen when school pressures mount again.

"I wish I could say I'd stop drinking energy drinks completely," Jacqueline says, "but if I'm being honest, I think I might go back to two to four drinks per day."

Teens' Energy-Drink Habit Causes Seizures, Disrupts Class

Young people are staying up late, consuming excess caffeine and crashing during school



FAMILY & TECH
JULIE JARGON

Middle- and high-school students across the country are chugging energy drinks like water.

Teens often begin the day with a can after staying up late studying, gaming or texting, teachers and principals say. They drink more throughout the day to stay alert in class, and still more in the evening to grind through homework. Students often pound them before class or hide them in other containers.

It can hinder learning, disrupt class and, in some cases, cause seizures. Students regularly visit the school nurse, complaining of rapid heart rates and anxiety attacks after consuming several energy drinks, administrators say. Caffeine consumption is linked to heightened feelings of anxiety and depression.

"I think every single kid is drinking some form of energy drink at my school," says Jefferson City, Mo., 17-year-old Jacqueline Rogers. Herself included. "We use caffeine because we overwork ourselves with activities and classes."

The American Academy of Pediatrics recommends teens consume no more than 100 mg of caffeine daily—about what's in an 8-ounce cup of coffee. Many students are drinking several times that amount. One 12-ounce can of Alani Nu, a brand popular with young people, contains 200 mg of caffeine. Other ingredients in energy drinks, such as guarana and Ginkgo biloba, have stimulating effects, doctors say.

"Kids already have problems focusing, with all the distractions from phones and Chromebooks. Now these teens are constantly sipping energy drinks," says Randy Freiman, a science teacher at Massena High School in Massena, N.Y. "Their hearts are racing, and they can't sit still."

Over the past few years, several students have had seizures at his school. They all share one connection, Freiman says: They consumed multiple energy drinks the day of their seizure.

Seizure starters

At Elkhorn Valley View Middle School near Omaha, Neb., Principal Chad Soupir estimates 70% of



▲ **Jacqueline Rogers was consuming more than 1,000 mg of caffeine a day at times, including through pills.**

the 700 students regularly consume energy drinks.

Many students drink them outside in the morning and sneak them into their lockers. So many students come into the front office with rapid heart rates after consuming high levels of caffeine—about 14 in the past year—that administrators now keep water and snacks on hand to rehydrate students and fill their stomachs.

Two years ago, an eighth-grader came to the school's year-end cele-



▲ **Jacqueline likes Alani Nu, an energy-drink brand that's popular with young women.**

bration amped up on energy drinks and started having spasms. He collapsed in the cafeteria. "I sat there and held him and he gritted his teeth and tried to relax his muscles but he couldn't," Soupir recalls.

Teachers sometimes have to wake students who have fallen asleep after the caffeine has worn off. "You'd think we'd see some behavioral problems, but we don't," Soupir says. "We just see unengaged students. They're lethargic and unmotivated."

PERSONAL TECHNOLOGY

Screen Time You Should Not Feel Bad About

By **CORDILIA JAMES**

One look at the number of hours we spend on our devices each week can make some of us do a double take. But don't panic. Not all screen time is bad.

Doomscrolling at 2 a.m. or watching four straight hours of TikTok is different from filling out a crossword puzzle or using Google Maps to navigate a new city. Calling your mom or exchanging a few texts with your best friend is less concerning than time spent on social media, says Andrew Roth, founder of dcdx, a research firm focused on Gen Z. "It's not one that you're getting sucked into," he says.

When you pick up your phone to text someone, you're probably only using the device for a minute, according to dcdx data. But each "quick" TikTok check is really about 13 minutes, he says. Add that up over the day, and you end up with hours of social-media screen time.

Gen Z users, on average, spend seven hours a day on their phones, according to a 2023 report from dcdx.

Excessive screen time has come under scrutiny, with venues and schools locking up gadgets and psychologists linking prolonged social-media use with mental-health issues. But understanding what actually counts toward your screen-time total can help you make smarter adjustments where necessary. It can turn your phone into a helper and make you a better partner and parent.

Apple's Screen Time tool can help. It tracks total device usage across iPhones, iPads and Macs. It also breaks that time into categories or by app to help us figure out what actually accounts for our screen time.

How Screen Time works

Screen Time measures how long your iPhone, iPad or Mac screen is on. The tool doesn't factor in time you spend using your device with the screen off, such as listening to music or talking on the phone.

Screen Time has flaws, such as bugs that allow children to bypass web and time restrictions. Still, those looking to find healthy ways to cut back can start by reviewing the usage tally in iPhone settings.

► **Turn it on.** You can check your daily average screen time for your iPhone or iPad by opening Settings, then Screen Time. Turn on the tool for the first time by tapping App & Website Activity.

On a Mac, click the Apple icon in the top left of the screen, System Settings, then Screen Time in the sidebar. Click App & Website Activ-



ity, then Turn On App & Website Activity to start tracking.

Be warned: Setting up Screen Time for your work Mac could confirm that, yes, you spend virtually your entire workday staring at a screen.

► **Share data across devices.** To get a complete picture of your usage across devices signed into iCloud, scroll down on the Screen Time page and make sure Share Across Devices is toggled on. Select See All App & Website Activity, then Devices, then choose to view screen time for one device at a time, or all of them at once.

► **Compare usage over time.** The App & Website Activity page shows your latest stats, and it refreshes by the minute. You can view stats up to four weeks in the past.

► **View by different app categories.** Screen Time categorizes each app and website into one of 13 categories, such as Social and Entertainment. You can see your most-used categories at the top of your screen. Scroll and press Show Categories to see a breakdown of the rest.

These categories give you a better sense of what you're actually doing on your device. You can see how much time you spent using Productivity & Finance apps versus Entertainment apps, for example.

► **Monitor your web browsing.** Screen Time breaks down your stats by each app in the Most Used section, including which websites you visit in Safari.

What counts

The time you spent on your calculator at dinner struggling to split a

check? It counts. That time you spent two hours watching TikTok videos before bed? It counts. Even the time you spent eyeballing the Screen Time app in Settings counts. If your screen is awake, the counter's a-ticking. If your screen is off, the counter stops.

Talking to a friend on a FaceTime call with the screen off doesn't count, but when you turn on video, it does. Listening to a song on Spotify with the screen off doesn't count. Listening to the song with the screen on does.

If you add up the time you spent using each app and website listed under the Most Used section, however, the total doesn't always match the big number at the top. Some of your total time gets categorized, while some isn't labeled.

Say you're watching YouTube picture-in-picture as you shop online for an hour. When you look at the app breakdown, your YouTube time and your web-browser time will each go up by an hour and get assigned to the proper categories—in this case, Entertainment and Shopping & Food. Your daily total only goes up by one hour because you were performing both tasks at the same time.

If you hit pause on the YouTube video and hide the window off to the side instead of closing the app, it still counts as Entertainment screen time. Because of that, it might seem like you spent more time watching video than you actually did.

So yes, you probably have been spending that much time on your iPhone. But remember: It isn't all bad.

PERSONAL JOURNAL.

Diversity vs. Merit Issue Affects Us All

After my column, readers provided insightful feedback on the DEI or MEI debate being raised in some business circles

By CALLUM BORCHERS

If only you'd all talk to each other as candidly as you write to me—our workplaces might be better for it.

My inbox swelled recently after I chronicled the debate over whether companies should put diversity, equity and inclusion or merit, excellence and intelligence at the center of personnel decisions. Some emails argued that MEI is a racist dog whistle. Others insisted DEI is code for sidelining white men. Between the poles, I received thank-yous for a "willingness to work near the hot wire," as one reader put it.

No matter where readers stood, the prevailing sentiment was that companies should hire the best workers they can find without holding people's identities against them.

I'm convinced that people on opposite sides of this hot-button issue aren't as far apart as they appear. Mutual suspicion—particularly in this political climate—gets in the way of discussion and understanding. Still, there are reasonable people capable of changing their minds or developing more nuanced views.

Take the assistant city manager in Texas who wrote to me saying he aspires to be a city manager but has gotten fewer than 10 interviews out of 200-plus job applications in the past six months.

He was one of four finalists for a city-manager position in Kansas



but said he was rejected before the hiring committee interviewed the last candidate, a woman. The timeline made him wonder whether he had been a real contender or if the process was preordained to end with a woman or person of color getting the nod.

Had he followed up to find out who ultimately landed the job, I asked. When he did, he discovered it was a fellow white man who was clearly the most qualified candidate.

"Proof that sometimes when you think the narrative is one thing, it might not be so," he said.

He would never say any of this publicly because he fears criticizing, or even questioning, DEI efforts would hurt his career prospects.

Sweeping conclusions

Remaining silent is understandable but regrettable, says Fayruz Kirtzman, a senior client partner at Korn Ferry who advises companies on DEI. She wrote to me, lamenting what she considers a false choice between merit and diversity.

The way she sees it, DEI done right is about giving everyone a fair shot to show their excellence, not elevating underqualified candidates to hit demographic targets.

Reality sometimes falls short of that ideal, but it's hard to improve hiring and promotions if people stew in their frustrations instead of sharing them constructively, she told me on a Zoom call.

"People really want to have a dialogue, and I encourage anyone

to ask questions in a respectful manner," Kirtzman said.

A lot of DEI critics tell me they've sat through staff meetings where human-resources leaders assert that diversity is good for the bottom line, even though a study that helped form the basis of that belief has come under new scrutiny. And they're weary of the refrain that a rising tide lifts all boats.

That may be true in the big picture, they say. But when a job or promotion is on the line, only one person wins.

Bad personal experiences sometimes lead to sweeping conclusions.

Francis Driscoll, a 29-year-old recruiter turned oyster farmer, suggested in a LinkedIn message that the goal of DEI efforts was to shove white men like him out of the workforce.

In a follow-up phone call, he explained he had been told by a manager in a previous job that the company needed to hire "fewer Brads and Chads."

He had understood that to mean fewer white men.

"I genuinely don't think it's coming from a place of contempt for white people or anything like that," he said. "I think it's coming



▲ Southside Blooms President Quilen Blackwell encourages his 30 employees to give people the benefit of the doubt.

from a place of wanting to make up for past wrongs, but sometimes it leads to discrimination the other way."

Quilen Blackwell, president of Southside Blooms, a Chicago florist, told me DEI initiatives help him win contracts for fancy events at venues like the Ritz-Carlton and Field Museum of Natural History. His organization is a nonprofit

that hires mostly people of color, generally 16- to 25-year-olds at risk of gang violence.

Some clients are eager to give his group opportunities. Others doubt his employees' skills. He encourages his 30 team members to quiet skeptics with excellent work and consider that customers' qualms might be rooted in the young workers' inexperience, rather than racism.

"When you just assume someone's racist, it shuts everything down and is a missed opportunity for both you and that person to learn and grow," said Blackwell, 39.

Word choices

Labels and acronyms can be useful shorthands, but simplicity invites multiple interpretations. A vague phrase like "gun control" generates strong, opposing reactions while a specific policy proposal like universal background checks produces more than 90% agreement, for example.

DEI and MEI likewise mean different things to different people, said Alexander Heffner, host of "The Open Mind" on PBS and "Breaking Bread With Alexander" on Bloomberg TV.

"The perception that merit or equity is exclusionary is mind-boggling, but misinterpreting each other's language is a huge part of the problem," he told me. "Maybe we need a new lexicon."

Or a new willingness to seek the intent behind people's word choices.

Several readers wrote to me because my column included human-resources consultant Seena Hodges, who calls herself the Woke Coach.

They assumed she must have adopted the moniker as a deliberate provocation.

Hodges started calling herself the Woke Coach in 2018, before the term was so polarizing. She picked the name partly as a reference to the Wide Awakes, a group of Republicans who worked to elect Abraham Lincoln president in 1860. Her use of woke was meant to be more of an olive branch than a jab. Yet it's easy to misunderstand the gesture if you get hung up on the word.

"To be woke, for me, means each of us is the sum of our own lived experiences, and we have to awaken to the experiences of other people," Hodges said.

That's a sentiment many of us can likely agree on if we take time to talk and listen to each other.



▲ Fayruz Kirtzman, a senior client partner at Korn Ferry, says corporate DEI efforts would be more successful if employees had open, respectful conversations about sensitive issues.

MY RIDE | BY A.J. BAIME

Driving Around N.Y.C. In a 1925 Rolls-Royce

Matt Moran, 60, a manager at the Metropolitan Opera who lives in the Jackson Heights neighborhood of New York City, on his 1925 Rolls-Royce Twenty, as told to A.J. Baime.

My godfather, Harry O'Connor, was a stockbroker and, in 1953, he decided he wanted the best car in the world, which for him, and many others, meant a Rolls-Royce. He found this one in Tenafly, N.J., and it was being used on the owner's property to haul firewood. It was a real beater. My godfather bought it and had it restored.

He was a motorhead, and he went on tours all over in this car. Whereas others trailered their cars to far-off places, he drove this car all the way to the West Coast and into the South.

The Rolls-Royce Twenty was the first model the British carmaker built to be driven by its owner. It was not designed for a chauffeur, but a professional, like a doctor or a barrister, who would drive himself. [The British carmaker launched the Twenty in 1922; it was designed by Henry Royce himself.] It's beautiful, but it's not a showy car. This one is yellow, much like the Rolls-Royce that Jay Gatsby drives in F. Scott Fitzgerald's "The Great Gatsby"—"terraced with a labyrinth of windshields that mirrored a dozen suns." That was the aura of luxury and status in the "roaring '20s."



Rolls-Royce calls the hood ornament the 'Spirit of Ecstasy.' Matt Moran and his son, Harry, driving their 1925 Rolls-Royce Twenty through New York City at sunrise.

I acquired the car about 15 years ago from my godfather's son, and in that spirit, I drive it as often as possible. I showed up at a Rolls-Royce event in Louisville, Ky., and everyone was shocked because I was covered in oil, grease and road dirt. I'd driven from New York, over the Appalachian Mountains. I have driven this Rolls-Royce to Vermont and Maine—all over New England.

I also drive it in New York City, where I live. In "The Great Gatsby,"



Fitzgerald describes Gatsby driving over the 59th Street Bridge, which I did in this car the day the pictures for this article were taken.

I drove it to Stowe, Vt., on the

same day. That is what this machine is for.

The car is not powerful; the Twenty in the name refers to its 20 horsepower [3,127-cubic centimeter

six-cylinder] engine. I have to be very aware driving it, especially in New York, because people take pictures and don't always stay in their lanes. The brakes are not much stronger than a bicycle's. It has two brakes—a foot brake and a hand brake, and, to slow down, I sometimes use both alternately so they do not overheat.

The interior is comfortable, like you're driving while sitting on a sofa. Working on the car is like working on an IWC watch. It is so finely tuned, it barely

makes any noise, and sometimes I have to step on the throttle to make sure it's running. I know some things about cars, and I am a good curator of this one. But I also know what I am not capable of, and I have good people who help me.

Rolls-Royce owners sometimes name their cars after the chassis number. My godfather called this car GNK32. That didn't feel quite right, as I don't take things quite so seriously. When I got the car, my mother got in it and said, "Let's name it Buttercup." I said, "Bingo!"

I park it in a garage in New York with about 40 of my neighbors' modern cars. I don't worry about it getting stolen, because nobody knows how to start it and operate it. Starting it is like cracking a safe. It's a fancy car, but it's not a glory piece. It's not an ego thing. It's about having fun with a fun car and being a good curator.

FROM TOP: CARL GODFREY; SOUTHSIDE BLOOMS; FAYRUZ KIRTZMAN

MARY INHEA-KANG FOR WSJ (3)

ARTS IN REVIEW

By PETER PLAGENS

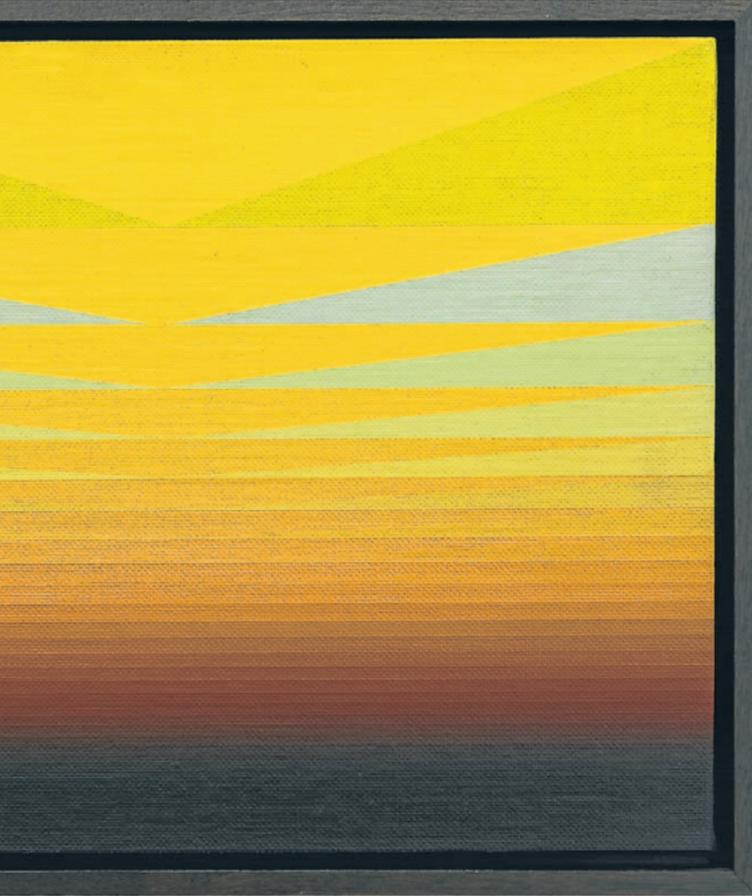
The odds against Norman Zammitt (1931-2007) becoming a significant Southern California artist—especially a painter of gigantic hard-edge abstractions—were fairly great. He was born in Toronto and raised on the Caughnawaga Indian Reservation in Canada. The possibility that his work would be the subject of a museum retrospective was even slimmer. But Zammitt accomplished both these things. “Norman Zammitt: Gradations” (at the Palm Springs Art Museum, curated by Sharissa Iqbal, through Oct. 7) contains 47 works that reveal him to be an artist whose large horizontal-stripe paintings are at least the equal of Kenneth Noland’s, and whose sense of color, if not quite the equivalent of Ellsworth Kelly’s, is at least a worthy neighbor to it.

Zammitt moved to California in his teens; after high school he joined the Air Force, which deployed him to Korea as a photographer. Afterward, he attended Pasadena City College and the Otis Art Institute, where he earned a master of fine arts degree. Diploma in hand, he then taught at several schools, including the University of New Mexico, the University of Southern California and the University of California, Los Angeles. Early on, Zammitt exhibited landscape paintings (with ventures into surrealism and semi-abstract), at the Felix Landau Gallery—in those days one of the best in Los Angeles. Soon, however, he began exploring Minimalism, using plexiglass and molded acrylic resin as his materials. In 1968—before he started making the work that got him on the contemporary art scoreboard, so to speak—he was awarded a Guggenheim Fellowship. That Zammitt nevertheless remained a bit of an outsider throughout his career is indicated by his receiving a Pollock-Krasner grant—a fellowship for artists with demonstrated financial need—as late as 1991.

Always open to employing current technology, Zammitt purchased an early desktop computer and had a program made especially for him that helped create ultra-fine gradations of color. This, in addition to his developing loga-



rithmic progressions of chroma (he weighed the pigments he put into his paints with calculations derived from a graph), ultimately led to the huge horizontal-band paintings in “Gradations.” As the artist himself wrote in a 1972 notebook entry: “The banded paintings were a very disciplined



other. The bands in the two outside panels proceed, top to bottom, from sky blue to white, then to yellow and hot orange down to, at the very bottom, black. The center canvas is seascape-like, descending from a foggy gray through faint pinks and oranges to black at the bottom. The subtle disjunction between the center and wings of the work gives it some needed crackle, and it intimates something about the distinctive light in Southern California.

On the long museum walls to either side of Zammitt’s gigantic are single, widely spaced rows of paintings about the size of a premium paperback book, with equal-height horizontal stripes. Although they lack the grandeur of the painter’s larger work, because the viewer is drawn in rather than stunned, the small panels demonstrate the delicious musicality of color somewhat more effectively.

This retrospective includes one large painting, “Triptych XI” (1992), that’s a product of Zammitt’s perhaps inevitable late diversion into fractals—geometric figures containing an infinite number of repetitions of themselves, which have fascinated artists from multiple cultures since ancient times. Seen from a distance, the work suggests a vague landscape with a brackish night sky

blending downward into blue before turning brown. Up close, however, “Triptych” contains rough whitish outlines of interlocking fractal shapes. “Triptych” is an outlier, and not a particularly illuminating one.

“Gradations” makes not only its intended point that Zammitt is an underrated artist, but also another, unintended one: However fascinating the mathematical scaffolding an art-

ist leans on to support abstract work, all that matters in the end is how it looks. Zammitt’s luminous paintings have looked good enough for long enough for him to be considered a major California painter. Afterthought: I wish that there had been a much needed and deserved catalog to make that point more permanent.

Norman Zammitt: Gradations
Palm Springs Art Museum, through Oct. 7

Mr. Plagens is an artist and writer in Connecticut.

ART REVIEW

Zammitt Dammit!

A show makes the case for Norman Zammitt as a major California painter



Clockwise from top: ‘Blue and Yellow Elysium’ (1977); ‘Triptych XI’ (1992); and ‘North Wall 12’ (1976).

adventure into the fundamentals of color and design. It was a reductive process to try to show color on a grand scale without introducing subject matter, shapes, or figurative or descriptive shapes and images but would by color itself, represent an abstraction or abstract statement of the basics of life and our perception of reality.” (Yes, it reads a bit grandiose and hokey, but artists don’t think or

write like accountants or lawyers.)

Zammitt’s best paintings—and the work for which he’s generally remembered—are his enormous (up to 20 feet across) horizontally striped canvases. The progress of stripes in “North Wall” (1976), for example, runs from the top downward through the hues of white, yellow, orange and red, alternating with black and then, near the bottom, blue. The painting is chromatically raucous in its particulars yet somehow pleasingly restful as a whole. “Caly-forny-ay” (1987), the biggest work in the show, is a triptych with the panels abutting each

CULTURAL COMMENTARY

A Scottish Valentine to Soul Turns 50

By MARC MYERS

Like the Beatles, the Average White Band was luckless on its first record label—the Beatles on Polydor and AWB on MCA. Both also found enormous success in the U.S. shortly after their letdown. The band began to come together in London in the summer of 1971. AWB released its first album, “Show Your Hand,” in 1973. It failed to chart.

That same year, the band moved to Los Angeles and recorded songs for a second album. MCA rejected the tapes, so AWB played them for Jerry Wexler, who signed them to Atlantic. The LP, “AWB”—also known as “The White Album”—was released 50 years ago this month and climbed to No. 1 on the Billboard 200 chart and No. 2 on the Soul LPs chart. It sold a half-million copies by January 1975.

Though most of the music tapped into funk and the bump, a pre-disco dance craze, the songs were well-crafted and sophisticated. As for the band’s name, Alan Gorrie, in a 1973 interview with London’s Beat Instrumental magazine, said: “We’d be listening to a track and say, ‘Not bad for an average white band.’ I guess it just stuck.”

AWB was hardly average. The musicians were the unofficial house band at London’s Island Studios in 1970 and opened for Eric Clapton in 1973 to rave reviews. In addition to the tight instrumentals on “AWB,”

nine of the 10 songs were written and arranged by band members. The 10th was a cover of the Isley Brothers’ “Work to Do.”

In the 1960s, white artists such as the Righteous Brothers, Janis Joplin, Tom Jones, Dusty Springfield, Joe Cocker and Felix Cavaliere of the Rascals sang in a soulful style. The success of “AWB” would inspire Michael McDonald, Hall & Oates, Bobby Caldwell, Rick Astley and Mayer Hawthorne, among others.

AWB’s members were Scottish: bassist Alan Gorrie and guitarist Hamish Stuart on co-lead vocals, Roger Ball on keyboards and alto and baritone saxophones, Malcolm “Molly” Duncan on tenor saxophone, Onnie McIntyre on guitar and Robbie McIntosh on drums. Seven additional sidemen were added on the LP, including percussionist Ralph MacDonald, who was black.

At Atlantic, AWB re-recorded their songs and added two new ones—all using a slick, streamlined approach outlined by producer Arif Mardin and Wexler. Of note were the band’s co-lead vocals, rock guitar solos and hard, crisp drumming. McIntosh would die of a drug overdose at age 24 just weeks after the album’s release.

Taken together, the record’s lyrics can be viewed as an autobiographical song cycle of tenuous love—from the start of a relationship to regrets over being dumped. All the songs are from the male perspective.



The opener, “You Got It,” serves as a jazzy, horn-charged overture backing a come-on: “If I can be your man / I would beg, borrow / I would steal for you, honey.” A wah-wah guitar ignites “Got the Love,” with Mr. Stuart taking the lead vocal on verses. Theoretically, the song is a plea to stay together: “So come on girl, let’s work it out / C’mon and take my hand / ‘Cause I got the love.”

The instrumental “Pick Up the Pieces” was the album’s biggest hit single, reaching No. 1 on Billboard’s Hot 100 chart. Mr. Ball takes a saxophone solo, and the only lyrics are a chant of the song’s title, with “uh-huh” added.

By now, cracks have formed in the

Members of the Average White Band circa 1974, the year they released their sophomore album.

long-distance relationship. “Person to Person” tries to gain sympathy for being on the road: “Working hard on the other side of the world / Might as well be on the moon.”

“Work to Do” is a blunter articulation: “I’m taking care of business, baby can’t you see / I’ve gotta make it for you and gotta make it for me.” McIntosh’s drums on the track are a high point, along with Mr. McIntyre’s guitar solo and Mr. Gorrie’s jagged bass line.

“Nothing You Can Do” starts with Mr. Ball’s sultry Fender Rhodes

chords and a yearning guitar but quickly slides into a smooth, midtempo ballad. Commitment is professed: “Nothing you can do / Could make me stop / Lovin’ you baby.”

On “Just Wanna Love You Tonight,” the road warrior phones his lover and lays it on thick, with a pinch of anxiety: “Even if I’m not your only man / You make me feel as if I am.”

Mr. Duncan’s tenor sax wails on the opening of “Keepin’ It to Myself,” and McIntosh creates a proto-hustle dance beat. Here, the guy’s luck has run out: “But you’re the last in a long line of mistakes I’ve made / I’m tired of giving my heart and soul to a masquerade.”

Another strong guitar solo crowns “I Just Can’t Give You Up,” an attempt to win back his lover. Sly & the Family Stone’s influence turns up in Mr. Gorrie’s loping bassline on “There’s Always Someone Waiting.” Our male protagonist has been dumped.

White artists who covered black records from the early 20th century through the 1950s were rightfully chastised by black musicians, since the white versions received much more mass-market radio airplay. In the 1960s and early ‘70s, a shift occurred as radio became integrated. “AWB” was a valentine to soul and won the admiration of black and white audiences alike.

Mr. Myers is the author of “Rock Concert: An Oral History” and “Anatomy of 55 More Songs” (Grove Press).

SPORTS

College Football Transfer Portal Creates a Divide

By Jared Diamond and Laine Higgins

When the concept of free agency came to baseball in the mid-1970s, the leader of the players' union took a surprising position. Marvin Miller, the most influential labor leader in the history of American sports, opposed an owner's proposal to have every player become a free agent every offseason. He believed it would lead to an oversaturated market and ultimately cause chaos.

Half a century later, the structure Miller resisted has become the reality in college football. The NCAA used to require players to obtain permission from their coaches to transfer and then sit out for a season before playing for their new team. Now, relaxed rules have enabled players to switch schools every season without penalty, upending the landscape of the sport in unprecedented ways.

Every December, rosters convulse as 30,000-some players across Division I football become free agents, to say nothing of the thousands more playing in lower rungs of the NCAA ladder or at junior colleges. Coaches are no longer just trying to entice high-schoolers to come play for their teams—they have to convince their current players to stick around, too.

"You don't just go to the portal and get everybody and nobody comes and gets your guys," Ole Miss coach Lane Kiffin said in July. "It's free agency."

Players move in all sorts of directions. Benchwarmers on top teams look for less heralded programs where they might earn

more playing time. Late bloomers who landed at smaller schools jump ship for bigger stages with better odds of drawing attention from NFL scouts and earning money from deep-pocketed booster collectives.

The Wall Street Journal reviewed the 2023 first-team all-conference selections for the five smaller leagues that compete the top tier of Division I. These conferences are the American Athletic, Conference USA, the Mid-American, the Mountain West and the Sun Belt, known collectively as the "Group of Five."

After eliminating those who graduated or departed for the NFL, a whopping 40% of the remaining players with all-conference honors switched to another program. The vast majority of them bolted to a team in the Power Four (the Atlantic Coast, Big 12, Big Ten and Southeastern conferences). Even when adding second- and

third-team all-conference picks, 36% wound up transferring. The data shows the extent to which the balance of power has shifted in college football. The smaller conferences have always had a disadvantage compared with their larger peers. Now, they have effectively become a farm system—developing talented players only to lose them to their wealthier competitors. Competing against the likes of Alabama and Michigan was always hard, even before those juggernauts could just snatch up players like books in the campus library.

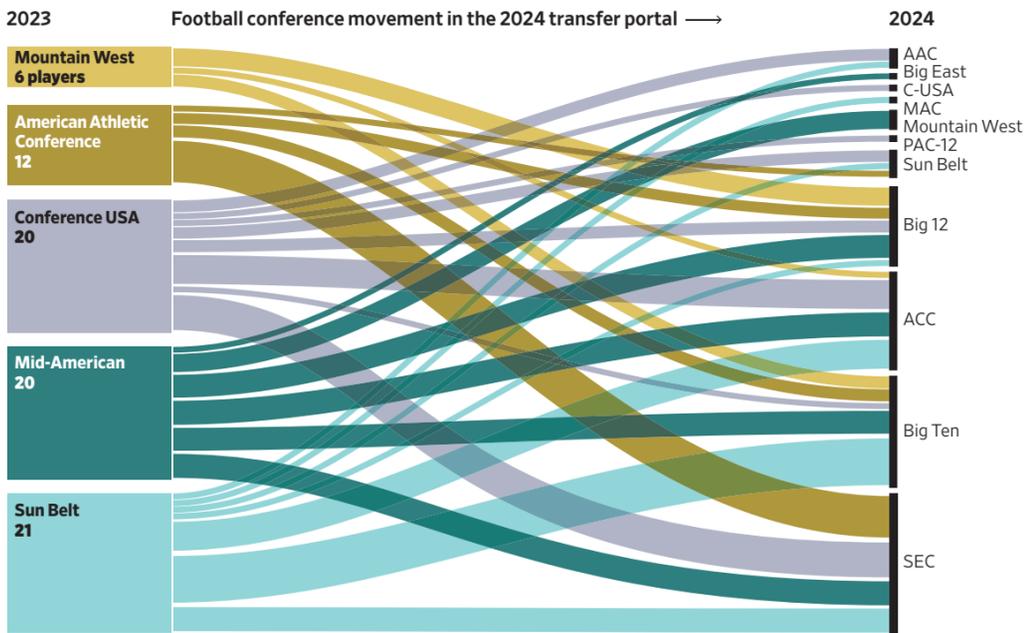
"Some of those leagues," former Texas A&M coach Jimbo Fisher said in a radio interview earlier this year, "they're becoming glorified junior colleges."

Aug. 24

No. 10 Florida State and Georgia Tech kick off the season in Dublin.



Quarterback Dequan Finn, the Mid-American Conference MVP in 2023 for Toledo, transferred to Baylor.



Note: Pac-12 only has 2 teams in the conference. Sources: On3; 247Sports

ROSIE ETTENHEIM/WSJ

The WSJ Daily Crossword | Edited by Mike Shenk

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RUNAROUND | By Dena R. Witkes & Andrea Carla Michaels

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1 Sail supporter	39 Symphony known as "Eroica"	70 Hush-hush govt. org.	26 New York "river" that's really a tidal strait
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21 Match, as a poker bet	57 Shrewdness	7 Group twice as big as a quartet	
23 Pulitzer-winning author Jennifer	62 "Hello!" in Hilo	8 Org. for a 55-Across	
24 Incredibly brief moment of time	64 Stay in contact, and a hint to the ends of 17-, 24-, 39- and 50-Across	9 Anticipate	
27 Skeptical glance	66 "___ Pyle, USMC"	10 Juicy tropical fruit	
31 Stayed on the bench	67 Approves, briefly	11 Indian, for one	
32 Gumbo veggie	68 "The Cat in the Hat" author	12 Where taxis wait	
33 Sign before Taurus		14 Good to have around	
		18 Guessing game on a road trip	
		22 Curvy letters	

- 36 River past Phoenix
- 37 Exam that doesn't require a pencil
- 38 Some emailed documents
- 40 "Go no further!"
- 41 Creeps out, in a way
- 42 Rockets, on scoreboards
- 46 Robin Hood, for one
- 48 Computer that might be checked at the Genius Bar
- 49 Genius Bar staffers
- 50 Obtains, slangily
- 51 Hawk's gripper
- 52 Bakery whiff
- 53 Betray to the cops
- 54 Catchy parts of pop songs
- 58 Lyft alternative
- 59 Haleakala National Park setting
- 60 Brand that "put a tiger in your tank"
- 61 It may be out on a limb
- 63 Boat full of beasts
- 65 Olympics chant

An Epic 600-Mile Race Decided by 4 Seconds

By Joshua Robinson

Second by second, Kasia Niewiadoma could feel the Tour de France slipping away from her.

She was on the second-to-last climb of the race, the punishing Col du Glandon in the Alps, and her legs could no longer do what they were supposed to do. Every pedal stroke was miserable. The gap to the leaders was growing. And Niewiadoma feared that the yellow jersey on her back wouldn't be hers for much longer.

Only on the downhill did her outlook begin to change. Surrounded by strong riders, she wasn't out of it yet. If she could keep the leaders close enough, Niewiadoma's advantage in the overall standings might just hold. So she wolfed down every snack in her pockets, gritted her teeth, and set off up the legendary Alpe d'Huez—8.5 miles of twisting uphill pain.

"I hated every moment of that climb," she said. But at the top, the 29-year-old from Poland claimed the ultimate prize:

with the grittiest ride of her life, Niewiadoma became a women's Tour de France winner. Her final margin of victory was just 4 seconds. Not even 121 years of the men's race had seen anything so close—the smallest margin there remains Greg LeMond's 8 seconds in 1989.

On Sunday, defending champion Demi Vollering had spent all day chipping away at Niewiadoma's 1 minute 14 second advantage in the overall standings. And for long stretches of the afternoon, it seemed as if Vollering would simply leave her behind. Vollering is probably the top rider in women's cycling today. Niewiadoma hadn't won a top-tier stage race of any kind in seven years. Her most impressive results had been a pair of third places in the past two Tours.

Yet Vollering, who had crashed heavily on Thursday, was never able to land the knockout punch. After Niewiadoma crossed the finish line, both women had to wait for several agonizing seconds, sitting exhausted on the ground, as officials double-checked the

clock and factored in the time bonuses. Once Niewiadoma heard that she had won, she burst into tears.

This is the strange math of professional cycling. Some days are about squashing the competition with dizzying displays of raw power. (That's how Anemiek van Vleuten won the first modern women's Tour by nearly four minutes in 2022.)

But some races are also won through the painful art of damage limitation. It's one thing to feel superhuman and pedal away from the peloton. It's another to feel horrific and stay just close enough. Which is exactly what Niewiadoma did.

Had the race ended at the foot of the Alpe, Vollering would have won for a second consecutive time. Only Sunday turned out to be one of the hardest stages ever to feature in a major women's race with nearly 13,000 feet of vertical gain—and Niewiadoma wasn't done.

"I just knew I had to give as much as possible in the last five kilometers," she said. "It was such a roller coaster."



Kasia Niewiadoma celebrates after holding on to win the women's Tour de France.

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

Previous Puzzle's Solution

U	R	G	E		O	A	K	I	N	E	N	U	I
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A	S	T	O		D	O	N	N	E	R	P	A	S
G	U	S			H	E	R	A		M	A	N	T
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N	E	D			R	A	I	S	P	S		C	E

The contest answer is **NURTURE**. As hinted at by 33-Across (MOM AND POP, clued as "Initial owners of many a small store"), seven answers have clues with initials M-O-M (like HERA's "Mount Olympus matriarch"); crossing them are seven answers with clues with initials P-O-P (like O LORD's "Prayer opening, perhaps"). The letters where they cross, in grid order, spell the contest answer.

LON HORNE/USA TODAY SPORTS/REUTERS

JULIEN DE ROSA/REUTERS IMAGES

OPINION

The Convention Games



INSIDE VIEW
By Andy Kessler

The circus known as the Democratic National Convention rolls past the Michael Jordan statue and into Chicago's United Center on Monday. The Windy City will be filled with enough hot air to change the climate. Conventions long ago stopped being about selecting a presidential candidate, especially this year. Instead, they are finely scripted, slick Hollywood-style productions of preening, posturing, peacocking, pomposity and propaganda. More coronation than deliberation. Hence, boring as all get out. You might as well watch reruns of "The Golden Girls."

It's time for a change. Over the years, new technology has driven political influence. Newspapers drove convention coverage until radio and television could broadcast messages in real time. Social media bypassed editors and producers and turned the snark volume up to 11. Artificial intelligence is now sneaking into politics with made-up crowd sizes and authentic voice (and soon video) fakes.

Speaking of peacocking, I spent way too much time watching the Olympics using NBC's Peacock streaming app. It was terrific. In addition to the highly produced prime-time coverage with silky-

voiced Mike Tirico running us through the major events and up-close-and-personal profiles of athletes, streaming allowed viewers to watch anything and everything. Every sport, all 329 medal events, was available live. Peacock's Gold Zone, patterned after the NFL's Red Zone channel, offered bite-size pieces of the games. Octoboxes let you watch eight sports at a time. I devoured chunks of water polo (do the horses hold their breath?) and archery and canoe slaloms that I might not have ever watched.

We should be making the event in Chicago as entertaining as the Paris Olympics.

Political conventions could do the same. Coverage is too much like syrupy Olympic prime time, with TV producers cutting away for often meaningless interviews. Give us an octobox. Even better, tap every iPhone in the United Center as a TV camera. I want to know what the Pennsylvania delegation thinks about fracking bans, or what Minnesota thinks about tampons in boys' school bathrooms. I'd watch. As always, when technology exists, it will eventually be used.

And stop making conventions a foregone conclusion.

People love a little mystery. Allow delegates to vote after every speech on candidates and issues and post the tallies. Bring back the smoke-filled rooms, where power brokers livestream their arguments. Have the Ohio delegation debate the Michigan delegation about football. Ratings gold! The Democrats introduced superdelegates in 1982 so that party insiders would have more of a say. Get rid of superdelegates so that the best candidate, not the chosen one, can rise to the top.

And during the painfully dull Tuesday night slot, mix it up. Have Tim Walz, perhaps in full National Guard uniform, belay into the United Center, jump on a motorcycle and do wheelies around the convention floor similar to Tom Cruise at the 2024 Olympic closing ceremony. And offer a word bingo game during the Kamala Harris address, with boxes for "burden," "seriously" and "together."

Give us a Snoop Dogg-like roaming celebrity who magically shows up when anything cool is happening. I would've suggested Deadpool's Ryan Reynolds, who is everywhere, but then I learned he's Canadian. Maybe Simone Biles would do it—appropriate given all the flip-flopping that takes place. Or maybe an AI robot skinned as Walter Cronkite talking to delegates and then calmly explaining the issues to viewers.

And please provide multiple live streams from outside the United Center. Like the polluted Seine, protesting irritants in Chicago will try to disrupt the games. Gonzo journalist Hunter S. Thompson wrote in "Fear and Loathing in America" that protesters in 1968 "stood and fought, and took incredible beatings. I witnessed at least ten beatings in Chicago that were worse than anything I ever saw the Hell's Angels do." In 2024, expect similar coverage on Twitter or TikTok from new enterprising correspondents far away from network television.

So yes, I'm suggesting that we make the conventions more like the Olympics. Sadly, we're headed in the opposite direction. Los Angeles Mayor Karen Bass declared that her city's 2028 Olympics will be "a no-car games" and that she's "working to ensure that we can build a greener Los Angeles." This is the same performative nonsense that political conventions traffic in. Good luck skateboarding from Pasadena to Long Beach when the trains and buses break down or unionized transit workers inevitably strike. What's next? Unisex teams? Trigger warnings for contact sports? Safe spaces for nonmedalists? Please don't make the Olympics as boring and trite and predictable as political conventions, or else interest will drop to the level of Australian breakdancing.

Write to kessler@wsj.com.

BOOKSHELF | By Christoph Irmscher

An Incisive Natural History

Bite

By Bill Schutt
Algonquin, 320 pages, \$31

Teeth can be vital to evolutionary success, notes the vertebrate zoologist Bill Schutt in "Bite: An Incisive History of Teeth, From Hagfish to Humans." Which doesn't mean that the more teeth you have, or the stronger your bite is, the more likely you are to rule the world. Still, there are some perks to being an alligator, for example, among them a near-infinite supply of spare teeth (more than 50 sets over the animal's lifetime), as opposed to the measly two sets we humans are given.

Current crocodylian diversity—the group includes crocodiles, alligators and caimans—is the result of, in Mr. Schutt's words, "tweaking the attachments" to the ferocious biting machine that goes back to the age of the dinosaurs. And that machine still works to perfection today. Mr. Schutt quotes Greg Erickson, an intrepid crocodile researcher at Florida State University, who spends his workday inciting alligators to bite into sensor-equipped metal bars so that he can measure their "bite force" (about 3,000 pounds). Mr. Erickson has some sound advice for all those who think they can wrestle their way out of an alligator's grasp: If you can bench press a small car, "you are good to go. . . . If not, you're lunch."

Mr. Schutt, whose books include "Dark Banquet: Blood and the Curious Lives of Blood-Feeding Creatures" and "Cannibalism: A Perfectly Natural History," is an unabashed fan of horror films. "Bite" doesn't disappoint in that regard. Not that Mr. Schutt wants us to believe any and all horror stories about ferocious chompers. The notorious *candiru*, for example, a parasitic Brazilian catfish adorned with toothlike structures on its head, does not slither into the "excretory openings" of unsuspecting human swimmers, as an early naturalist warned (though it will not hesitate to weasel its way into other fish). And the vampire bat, despite its name, doesn't suck blood after biting; rather, it laps it up.

Readers who don't find that last bit of news particularly comforting will have even more trouble with the venomous northern short-tailed shrew (*Blarina brevicauda*), which hooks its incisors into its prey (insects, voles, maybe a small mouse). Paralysis follows within seconds, and the shrew proceeds to eat its meal alive while administering more toxic bites, just to be on the safe side. For me, the book's most squirm-inducing section isn't about the pain caused by teeth but about the pain inflicted on them, the work of thousands of microbes that camp out inside our mouths. Mr. Schutt, not averse to self-experimentation, had his dental hygienist make a slide of the creatures she found on one of his molars, a sight he compares to a battle scene from "The Lord of the Rings."

Given Mr. Schutt's insistence on evolutionary "tweaks" (one of his favorite terms), "Bite" is not a neatly chronological, step-by-step account. When it comes to teeth, nature's motto is often "two steps ahead, one step back." In fact, the book's unpredictable structure—in its first 80 pages alone, we hustle from bats to fish to horses to narwhals to snakes

The crocodile uses its extraordinarily powerful jaws without concern for losing a few teeth along the way. It has many more in reserve.

and back to fish—perfectly reflects its subject. Some animals once had teeth—frogs and baleen whales, for example—but, as they developed alternative feeding habits, lost all or most of them. And how's this for a tweak: A bat's baby teeth are not "smaller versions of bats' adult teeth" but hooks with sharp points allowing the bat-in-training to hold on tight to its mother while she is flying.

Somewhat surprisingly for someone who has spent his life working with vertebrates, Mr. Schutt is adamant that one doesn't need to have teeth to get by on this planet. Half of the creatures in "Bite" don't in fact bite. My own non-dental hero is the seahorse. Drifting upright through the water, it seems like a small miracle of semi-translucent fragility. But there's nothing fragile about the way a seahorse eats: It uses its oral cavity to create a powerful suction flow that hoovers up everything nearby, spelling doom to many an unsuspecting shrimp or copepod.

Humans appear at the end of Mr. Schutt's book, but not because they are the crowning glory of dental Darwinism. Like most mammals, we have only two sets of teeth to work with; unlike most mammals, we'll eventually lose a considerable number of them, forcing us to rely on all sorts of remedies, from implants to dentures. George Washington, father not just of our country but of our dental woes, was fully tooth-bereft by 1796, the result likely of genetics, bad hygiene and poor diet. He blazed a trail for future dentally challenged leaders with the unwieldy set of dentures he popped into his mouth so that he wouldn't have to face his fellow citizens slack-jawed. Since the upper and lower portions were held together by springs, Washington must have had to keep his jaw muscles permanently contracted so that his mouth wouldn't suddenly open. Speaking in public must have been excruciatingly painful. On the upside, Washington's speeches were mercifully short.

Washington saved some of his former unreliable teeth in a drawer in his desk. When the last one still attached also gave up the ghost, he passed it on to his dentist, John Greenwood, who carried it around on his watch chain. Which makes me think of Peter the Great, not mentioned in "Bite," who loved to pull the teeth of his non-consenting subjects and collected them, along with notes on whom they'd come from, "a singer," "a person who made tablecloths," "a bishop of Rostov." Today Peter's dental harvest is at the Nelson-Atkins Museum in Kansas City, Mo.: The wooden box, filled with ripped-out teeth, each given its own numbered niche, is a sad monument to human frailty and monarchical folly.

Dental science has fortunately come a long way since then, offering us multiple chances to undo the sins of soft living. And more opportunities might be in the offing: Mr. Schutt reports that researchers in Japan think they have located a "third batch of tooth buds" in humans, moving us just a mite closer to, yes, alligators.

Mr. Irmscher is the author, most recently, of "The Poetics of Natural History."

Mexico Flirts With Dictatorship



AMERICAS
By Mary Anastasia O'Grady

Some of the world's most notorious dictatorships were born during violent social upheaval, like Cuba in 1959 or Iran in 1979. But many others became police states when elected leaders used their popularity to demolish the rights of political minorities and eliminate institutional checks designed to limit executive power. Venezuela, Bolivia and Nicaragua are in this category.

Knowing this history, Mexicans who want to live in a pluralistic and free republic are on edge about September.

President Andrés Manuel López Obrador's Morena party candidate, Claudia Sheinbaum, won the presidential election on June 2. Morena also won majorities in both chambers of Congress. But while the new legislators will take their oath of office on Sept. 1, Ms. Sheinbaum won't be sworn in until Oct. 1.

This may give Mr. López Obrador, over the course of 30 days, power that he hasn't enjoyed thus far in his presidency. If the National Electoral Institute rules on Aug. 23 that Morena and its allies won a supermajority in the lower house, the electoral tribunal upholds that ruling, and the president can "negotiate" the few votes he's short of a Morena supermajority in the Senate, he plans to pass a set

of radical constitutional amendments.

How radical? Let's put it this way: If AMLO, as the president is known, relies on the hard-left Ms. Sheinbaum to tackle them once in office, they may not get done according to his plan. She wants to succeed, and annihilating legal certainty and the separation of powers—as Mr. López Obrador's reforms would do—may not be on her immediate to-do list.

AMLO, on the other hand, is term-limited and vengeful about how independent institutions stopped him from centralizing power. As he exits, he's making one last try to stick it to the "neoliberals" who believe in the rule of law. His close intellectual ally, sociologist Armando Bartra, says the package of reforms is similar to constitutional changes Hugo Chávez promoted in Venezuela.

If he succeeds, Mexico will return to a one-party state, such as it was during the most repressive days of the 71-year rule of the Institutional Revolutionary Party—only worse. Things could get a whole lot uglier considering the power of Mexican cartels.

Mexico's diversified manufacturing economy makes it very different from Venezuela. But it isn't impervious to a power grab. Mr. López Obrador already has given the army brass key roles in operations and customs at ports and airports and in infrastructure projects, inviting corruption. He also granted the armed forces federal policing

responsibility, effectively militarizing law enforcement.

Among the most pernicious of the president's 20 proposed constitutional amendments is the overhaul of the judiciary. It would remove all 7,293 sitting jurists in the country: 11 Supreme Court justices and all circuit court, federal district and state judges.

To replace the Supreme Court, the Morena-controlled legislature and the executive branch would nominate a list of candidates. You don't have to be a conspiracy nut to surmise that there will be a polit-

A plan to amend the constitution would end hopes of freedom and prosperity.

ical litmus test to qualify. Or that academic credentials, writing for scholarly journals and judicial experience would be secondary considerations, at best. Lawyers and judges who view the job on the nation's highest court as an obligation to uphold the law are unlikely to present themselves for consideration. AMLO says that any lawyer in the country can self-nominate for lower court vacancies.

Nominees from the Supreme Court on down would then be elected by popular vote. Most voters, having little knowledge of jurisprudence or the resources to study the qualifications of the many candidates on the bal-

lot, will be hard-pressed to make informed decisions. Turnout is likely to be low and the vote controlled by single-issue groups or lobbyists, be they organized crime, government officials or even entrepreneurs. Mexico's bench will be employed by special interests. An amendment to allow the government to jail citizens suspected of tax fraud would do away with due process.

Another of AMLO's initiatives would get rid of the 200 seats in the lower house of Congress (out of 500) and the 64 seats in the Senate (out of 128) that are filled using proportional representation. That would silence minority parties, which currently have a voice because with at least one-third of votes, they can challenge the constitutionality of laws. There would be no more re-election, removing incentives for responsible stewardship.

The reforms would abolish the autonomy of the country's election watchdog. It would be put under the executive, as would the government agencies that regulate competition in telecom, energy and the wider market. This would violate Mexico's obligations under the U.S.-Mexico-Canada Agreement and scare away capital.

If the reforms go forward, a nation that relies on greater integration with the global economy will go backward. And with it, Mexican hopes of living in peace, freedom and prosperity.

Write to OGrady@wsj.com.

With Biden Gone, Delaware Could Flip

By Mike Ramone

Dover, Del.

Joe Biden was elected vice president 16 years ago. It's the same year I was first elected to Delaware's House of Representatives, where I currently serve as minority leader. It was also the year that Delaware became known in the American imagination as "Joe Biden's home state." He had been elected to the Senate 36 years earlier.

I have always believed that everyday Delawareans are independent-minded, and the state was a presidential bellwether between 1952 and 1996. But coincidentally or not, Delaware's shift to the left has correlated with Mr. Biden's own leftward pivot as his national prominence has risen. Now, as the proclaimed hometown hero takes his name off the November ballot, Delaware may be on track to become one of this election's biggest upsets.

Today, with an increasingly dissatisfied electorate, registered independents back up to the historic peak of 2014, and the absence of the "Biden bump," Delaware might be poised for a party flip.

This summer, polls in states as blue as New Jersey and Minnesota showed the presidential race closer than anticipated. With Mr. Biden's exit, his party's ticket no longer has to carry the weight of his terrible debate performance. But it loses, particularly for my state, an important name. And Kamala Harris still has the administration's record on the economy, foreign policy and the border to explain—along with her past radical policy statements.

I think Delaware could flip. In 2016, Donald Trump came within 12 points of Hillary Clinton in my state. John McCain lost by almost 25 and Mitt Romney by nearly 19. Notably, 2016 was the only election since 2004 that Mr. Biden

didn't appear on the presidential ticket.

This year, as the Democratic Party scrambles to manufacture enthusiasm for a candidate they largely dismissed only weeks ago, it's likely that margin will be much closer.

Inflation, crime, immigration, education—these are the

The First State was long a bellwether. It could be one again.

issues that matter to voters. Focusing on them will push Republican candidates over the finish line in November. In Delaware, education is one of the top issues. Despite having the seventh-highest spending per student, my state ranks 45th in quality of education.

When I opened my first business 42 years ago, Delaware was a much different place. We had a working econ-

omy, schools that prepared our children for success, and infrastructure that supported commerce and investment.

I can't say the same now. Our economy ranks low for business, and entrepreneurs are leaving for states with less regulation.

Talking about kitchen-table issues is how we can turn states like Delaware, Pennsylvania and Virginia red. In 2020, even though my legislative district voted for Mr. Biden by 23 points, I won by 4. Two years later, I was re-elected by 35 votes in a district no one thought we could win.

In November, keep your eyes on Delaware. With the hometown hero off the ballot, the cracks in the establishment's armor will be clearer than ever.

Mr. Ramone is minority leader of the Delaware House and the Republican nominee for governor.

OPINION

REVIEW & OUTLOOK

Joe Biden's Sad Presidential Legacy

The hosannas will ring from the rafters for President Biden in Chicago on Monday, as Democratic convention-goers hail him as another FDR with a touch of George Washington for “voluntarily” giving up power. Then they will drop him like a passing fad.

Such is the fate of a President most Americans regard as a failure, and who was headed for defeat in a rematch against Donald Trump. It's a sad exit for a Presidency that could have been so much better had he honored his campaign promise to unite the country and be a “transition” from the Trump era.

Recall that Mr. Biden won the White House, on his third try, as the last, best alternative to defeat Bernie Sanders, Elizabeth Warren and his party's left. He campaigned against Mr. Trump as a national unifier who would shun the extremes and govern from the center.

In office he has done the opposite. After winning control of a 50-50 Senate in Georgia's 2021 runoffs, Democrats saw a historic opportunity to pass, well, everything. To keep progressives on side, Mr. Biden struck a Faustian bargain to pursue much of Mr. Sanders's agenda. To Ms. Warren he gave veto power over his financial regulators. Above all, he subtlet his Presidency to Nancy Pelosi, Chuck Schumer and Democrats in Congress, who sought the greatest expansion of government since LBJ's Great Society.

This began with a \$1.9 trillion spending bill in March 2021 in the name of Covid relief, though the pandemic was all but over and the economy was recovering fast. This planted the seeds of the worst inflation in 40 years that hit 9.1% in June 2022 and has reduced the real incomes of Americans.

This was the Biden pattern across his half-century political career. Show him where the party was going and he'd follow. Ron Klain, his first White House chief of staff, advised Mr. Biden to unite his party on Capitol Hill rather than seek compromise with Republicans. His approval rating suffered for it.

Most of his Build Back Better plan died in a narrowly divided Congress. And the giant bills that did pass on party-line votes—the Covid relief extravaganza and the Inflation Reduction Act—have produced record peacetime debt and deficits.

The results of the IRA will play out over many years, but its drug price controls will limit medical cures, and \$1 trillion in green subsidies are leading to a vast misallocation of capital. The bipartisan Chips Act and infrastructure bills will yield some new plants and bridges, but at enormous cost.

Mr. Biden followed the left on border security, and the main result has been poisoning the chance for any immigration compromise. His

failure to adapt on the border may be the mystery of his term.

His foreign policy legacy won't be complete until we see how the wars play out in Ukraine and the Middle East. But we know his ignominious withdrawal from Afghanistan was a sign of national weakness that encouraged adversaries around the world. He wasn't able to deter Vladimir Putin from invading Ukraine, nor Iran and its proxies from threatening the very existence of Israel.

Mr. Biden did better in the Pacific, notably in building an architecture of allies willing to resist Chinese domination. The Aukus pact, expanded military ties with Japan, and closer ties with the Philippines are examples.

But history's harshest verdict may be that, with adversaries on the march, Mr. Biden proposed cuts in U.S. defense spending after inflation every year of his Presidency. This will haunt the next President, whoever it is, if the new axis of adversaries in China, Russia, Iran and elsewhere seek to exploit a U.S. military without the means to meet its global commitments.

Far from transitioning from Donald Trump, Mr. Biden sought to keep the former President in the political spotlight. He defined all Republicans as MAGA, and he declared that even modest voting-integrity bills in Georgia and elsewhere were the racist equivalent of “Jim Crow 2.0.” He said voters had to choose between “the side of Abraham Lincoln [Democrats] or Jefferson Davis [Republicans].”

Perhaps most damaging as a norm-breaking precedent, Mr. Biden made clear he wanted Mr. Trump to be prosecuted as a criminal. His Justice Department obliged. This made Mr. Trump a martyr to Republican primary voters and helped him win the GOP nomination. Mr. Biden didn't want Mr. Trump to fade away; he wanted to sustain his career long enough to run against him as the Republican easiest to defeat.

Mr. Biden's selfish plan to run for a second term was undone by a growing senescence he was unwilling to admit. Had he announced early in 2023 that he wouldn't run again, both parties might have reset their primaries with younger nominees better able to address America's growing challenges at home and abroad.

In the end Mr. Biden was forced out of his re-election ambitions by Mrs. Pelosi and his fellow Democrats lest he take down the entire party this year. His last-minute departure has left America with a choice between an untested Vice President who never had to seek a single primary vote and a former President who is disliked by more than half the public.

Democrats will call this a triumph if Ms. Harris manages to win, but she or Mr. Trump will inherit a country more divided and dispirited than when Joe Biden was elected. That is the unfortunate legacy of the Biden Presidency.

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A ‘Dangerous Time’ for Jews

Donald Trump often deals in hyperbole, but he wasn't too far off with his comments on Saturday about the threats to Jewish Americans these days. “If you see what's happening with Israel and Jewish people right now, there has never been a more dangerous time since the Holocaust if you happen to be Jewish in America,” he said.

Nothing compares to the Nazi slaughter of six million Jews, but it is shocking to hear chants on U.S. college campuses celebrating Hamas and calling for the destruction of Israel. Jewish students have been ostracized on elite campuses and Jews harassed on city streets. Worse is that such behavior has too often been tolerated, or even justified by opposition to Israel's defensive actions in

Gaza and elsewhere in the Middle East.

Mr. Trump added that Kamala Harris had rejected Pennsylvania Gov. Josh Shapiro as her running mate because he is Jewish. There's no evidence to support that claim, but it is plausible that Mr. Shapiro was rejected because his pro-Israel views might have raised the chances of anti-Israel protests at the Chicago convention this week. Ms. Harris doesn't want to upset the pro-Palestinian Democratic left.

We'll see this week if that bet paid off for Ms. Harris and the Democrats. But it would help if she denounced the anti-Israel voices in her party that are increasingly antisemitic. This dangerous time for Jews will become more so unless leaders stand up against the haters.

The Chicago Model for Democrats

Welcome to Chicago, esteemed delegates to the 2024 Democratic National Convention, and please look around while you're here, but maybe not too long after dark. The city hasn't had a Republican mayor in nearly a century, making it a showcase for progressive governance. So how do Democrats explain its high crime, fiscal woes, and failing public schools?

These problems are interrelated, but start with the crime rate, which would spook Al Capone. Chicago led the U.S. in homicides for the 12th year in a row in 2023, and this year violent crime is at a six-year high. Changes to the city's policing strategies, including engaging in fewer foot chases, have contributed to a rise in petty crimes and a growing sense of disorder.

This has afflicted the city's businesses and retail, from vacancies on Michigan Avenue to drug-store chains that now lock up shampoo to keep it from walking out the door. Shoplifting is at a 22-year high, according to CWB Chicago, which makes it hard to run a business profitably. On the city's South and West sides, major retailers and grocers have closed.

Rather than call law enforcement to action, Mayor Brandon Johnson sees another progressive opportunity. This month Mr. Johnson proposed to open three city-owned grocery stores to “tackle food inequity” and “lead the way with a new approach to fighting food insecurity.” This boondoggle could cost \$27 million upfront, a consultancy report says. Why not simply fix what's driving out private retailers?

The Chicago metro area's unemployment rate,

6.2%, is the highest of any big city in the country, according to the Illinois Policy Institute. Boeing and Citadel have fled. “The truth is, it's more difficult today for me to convince a promising McDonald's executive to relocate to Chicago,” the burger chain's CEO said in 2022.

The city budget has a \$538 million hole, and there's a \$51 billion pension debt that siphons off municipal revenue. Chicago has a boat-mooring tax, a fountain-drink tax, a parking tax and an amusement tax, on top of a 10.25% combined state and local sales tax. Mr. Johnson has called for adding another \$800 million in new levies. In a March referendum, voters rejected a hike to the real-estate transfer tax for properties over \$1 million, a defeat for the Mayor.

Driving the fiscal imbalance is an alliance between politicians and government unions. Chicago schools are notoriously awful, and only 21% of 8th graders in 2022 were proficient in reading. Yet the Chicago Teachers Union runs the schools and politicians. CTU was a top donor to Mr. Johnson, and in current contract negotiations it's asking for 9% annual raises, plus other benefits.

Chicago Schools CEO Pedro Martinez has resisted, and a district official recently argued that CTU's proposals would drive the deficit to new heights. Local media now say Mr. Johnson is “working to oust” Mr. Martinez. This is the Chicago public union political machine at work. Oh, and Mr. Johnson's approval rating is under 30%, among the lowest in city history. Enjoy your visit, delegates.

He promised to be a unifier but governed as a divisive progressive.

LETTERS TO THE EDITOR

Asking for an Olympic Games Without Politics

Caroline Aiken Koster has it wrong. Instead of bringing us together (“A Summer Break From American Disunity,” op-ed, Aug. 12), the Olympics added to our disunity.

The mocking of Christianity in the opening ceremony, basketball players endorsing a presidential candidate and nonwomen beating up women in boxing certainly didn't help. Because of the International Olympic Committee's actions, I refused to watch the competitions. I'm sorry for the athletes, but I won't be renewing my financial support for the Olympics either.

Sports are supposed to unite us, but the continuing infusion of politics into the Olympics leads to the opposite.

TERRY W. DONZE
Wheat Ridge, Colo.

Ms. Koster recalls memories of a lovely 1972 Summer Olympics in Munich. There's the remarkable Mark Spitz and his gold medals. She cuddles her “canine Mark Spitz” as a child and sings the American anthem.

Cast aside as a footnote to Olym-

pics history is my own memory. That was when the Israeli athletes were taken hostage and murdered by terrorists. This is what is most salient to me about the 1972 Munich Olympics.

I am not really surprised that this tragedy is separate from the writer's memories. But then, we American Jews are no longer a favorite flavor, and attacks on Israelis are consistently deemed justified by chanting, agitating mobs across the country. Those who don't remember history are destined to repeat it.

EILEEN POLLOCK
Baltimore

In her touching article, Ms. Koster states that her husband's Eagle Scout troop “would have long ago buried the faded, tattered and singed” flag she saw at the shore earlier this summer. Surely, Ms. Koster meant to add that as good Eagle Scouts, they would have ceremonially burned such a flag first, reducing it to ashes, making it unrecognizable as a flag, before burying it.

DAVID L. NICANDRI
Tumwater, Wash.

737 MAX Crashes Weren't Merely Mechanical

I don't have a doctorate in engineering, but I have over 9,000 hours flying Boeing's 737-800 and the 737 MAX. As an instructor pilot for a major U.S. airline, I fly with new captains and first officers, evaluate their performance and certify their qualifications. So, I was surprised by the omissions in Javier de Luis and Najmedin Meshkati's letter “Boeing, Not Pilot Error, Is to Blame for Crashes” (Aug. 15).

First, the crews in both 737 MAX crashes had raised the flaps after receiving a stall warning during takeoff. This was a gross error. The Maneuvering Characteristics Augmentation Sys-

tem, or MCAS, wouldn't have been activated had they not made this error.

Second, while MCAS is a new device, the problem facing the crew was not. Both crews encountered a pitch trim runaway of the sort that pilots have trained for since before the jet age. Pilots are trained on this malfunction and provided a procedure to correct it. The procedure is so critical that it is required to be performed from memory.

The mechanical malfunction caused by MCAS didn't make the airplanes unflyable. The crews' errors did.

GREG ROSS
Boynton Beach, Fla.

Changing Fields of Education and Medicine

The rush of colleges adding courses on artificial intelligence reflects pressure on educators to meet employer and student demands (“Colleges Race to Add Courses Offering AI,” Personal Journal, Aug. 6). But the skills graduates need today won't serve them tomorrow. We must look past the immediate needs of employers and seek the core principles that will serve graduates for decades.

A century ago, the world was transformed by the invention of the assembly line. It greatly increased the reach of human action by making people part of the machine. AI promises a similar increase in our reach—but by bringing machines onto the human team.

As we teach the technology and technique of AI, we must also teach students to think critically about the human values that inform the design of technology. We should teach how human motivation and group dynamics affect team performance and how AI can be used to enhance our creativity and our relationships.

Colleges should teach an AI literacy that balances technical expertise with an understanding of its human and ethical dimensions. By learning and teaching how to merge AI capabilities with human creativity and empathy, we can prepare our students to create a future where technology serves human flourishing.

SHLOMO ENGELSON ARGAMON
Assoc. provost for AI, Touro
University
New York

As a practicing general surgeon, I can say that “As AI Assists Older Workers, Who Trains the New Ones?” (Journal Report, July 29) hits the nail on the head. Most of us have become employees, as private practice is no longer a viable business model. That means productivity-based employment contracts. Produce more and there may be a bonus in it for you. Miss your target and down goes your salary until the employer makes it back. We have been reduced to “piece workers”—a buck a shuck.

Then, there is the issue of the students. One announced that he would be absent for several days to attend a bachelor party in another country. A young lady failed to show up for the

second day of her rotation. She didn't answer my calls or texts. I notified the dean's office. Silence. Six weeks later, from another surgeon, I found out she had asked to be reassigned.

I terminated my relationship with both schools. They are more trouble than they are worth.

In my experience, young surgeons are overconfident, and, for the very reasons cited in the article, under-trained. They aren't general surgeons anymore. They are specialists. So, when your colon bursts at 3 a.m., they're useless. They haven't mastered the large catalog of procedures that general surgeons must master. The young are the “specialists,” and the old guys are on emergency-department call while the “junior” doctors are home having quality time.

JEFFERSON R. VAUGHAN, M.D.
Palm Beach Gardens, Fla.

Schools of Civic Leadership Are Coming to U.S. Colleges

We are grateful for your editorial's recognition of the new School of Civic Life and Leadership at the University of North Carolina (“Liberal Thought Returns to Campus,” Aug. 14). The time is right for a renewal of respectful debate, civil discourse and teaching of the American political tradition in our universities. Civic-leadership schools like the one at UNC are among the most promising reforms in higher education today.

UNC's School of Civic Life and Leadership joins a growing list of similar schools and departments at public universities, including the Hamilton Center at the University of Florida, the School of Civic Leadership at the University of Texas at Austin, and others in Arizona, Tennessee, Ohio, Mississippi and Utah. These public institutions are reclaiming their civic missions and helping a new generation of college students to prepare for the responsibilities of leadership in our free society. In a time when higher education seems adrift, these emerging programs offer reasons for hope.

HANS ZEIGER
President, Jack Miller Center
Bala Cynwyd, Pa.

Pepper ... And Salt

THE WALL STREET JOURNAL



“I'd love to but my phone and I are having dinner that night.”

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OPINION

Vance Flips The ‘Fact Check’ Script

By Sierra Dawn McClain
And Nicholas Tomaino

Even a blind squirrel finds a nut once in a while, and so it goes with journalistic “fact checkers.” Sen. J.D. Vance made a slip of the tongue last week, which prompted CBS News to reveal the truth unwittingly.

In an Aug. 11 “Face the Nation” interview with Margaret Brennan, Mr. Vance said that Donald Trump is “trying to find some common ground” on abortion. Meanwhile, “you have Democrats who supported abortion right up to the moment—and sometimes even beyond the moment—of birth, which is just sick stuff.”

His slip of the tongue leads CBS’s Margaret Brennan to reveal Kamala Harris’s radical view on abortion.

“That’s not accurate,” Ms. Brennan admonished him.

“It is accurate,” he replied. “In fact, the Born Alive Act, multiple members of the current Democratic administration, including our vice president, supported that legislation—they have supported taxpayer-funded abortions up to the moment of birth.”

The screen, moments later, cuts to the studio, where Ms. Brennan reads from a script: “We want to clarify what Sen. Vance said about the Born Alive [Abortion] Survivors Protection Act and his claim that Vice President Harris supported the legislation. A CBS News fact-check finds that Harris voted against advancing the bill twice when she was a senator, and has previously called it extreme and a setback to reproductive rights in America. We found no evidence that anyone who currently serves in the Biden administration voted for it either.” Then the interview continues.

It’s true: Ms. Harris opposed the bill, which would have required medical professionals to “exercise the same degree of professional skill, care, and diligence to preserve the life and health” of a child who survived an abortion procedure as a “reasonably diligent and conscientious health care practitioner would render to any other child born alive at the same gestational age.” In 2020 she and almost all Senate Democrats killed the bill on a procedural vote. When Rep. Ann Wagner (R., Mo.) introduced it last year in the House, it passed 220-210, with only one Democrat, Henry Cuellar, in favor.

Democrats argue that the bill is unnecessary because Congress passed the Born-Alive Infants Protection Act in 2002, and every state forbids murder. But the 2002 law establishes no penalties for failing to provide care and merely states that children who survive attempted abortions are, legally speaking, persons. As of January 2023, according to the Charlotte Lozier Institute, “only 18 states have laws offering robust protections to babies who survive abortions.” That number declined by one when Gov. Tim Walz signed a law repealing Minnesota’s requirement that medical personnel “preserve the life and health of the born alive infant.”

The encounter raises an interesting question: What’s more tempting for the press, the urge to catch a Republican in a falsehood or the desire to conceal a Democrat’s radical positions?

Perhaps Mr. Vance could test it by intentionally misspeaking about Ms. Harris’s views. “The vice president voted to ban abortion after infants can feel pain,” he could say. *No she didn’t!* “Ms. Harris doesn’t believe taxpayers should fund elective abortions.” *Yes she does!* Tactical denial might be an effective way for Mr. Vance to get out truths the media finds inconvenient.

Ms. McClain and Mr. Tomaino are assistant editorial features editors at the Journal.

How Kamala Harris Sees the Economy

By Michael J. Boskin

Voters need to know much more about Kamala Harris’s economic policies. What would she do on spending, taxes, deficits, regulation and trade? What are her views on monetary policy, and would she back the Federal Reserve if it again had to wring inflation out of the economy?

These issues deserve more than banal generalities, a few poll-tested specifics, and Democrat nostrums about greedy corporations and the rich not paying their “fair share” of taxes. (In fact, America has the most progressive tax system in the Organization for Economic Cooperation and Development.)

Voters have three sources of insight to her thinking: her positions when running for president in 2019, the Biden-Harris economic policies, and the economic program she rolled out Friday.

Start with the new policies. They have a \$2 trillion deficit-financed cost, mostly to expand health subsidies and Biden-Harris child and earned-income tax-credit proposals. Ms. Harris wants to give first-time home buyers a \$25,000 government check, which is more than the typical down payment on a starter home and would likely drive up home prices. She favors subsidies to developers of low-income housing and price controls on groceries. Joe Biden proposed national rent controls. Although perhaps briefly popular, price controls from ancient Rome to Richard Nixon’s era have had disastrous consequences such as shortages and black markets.

The current administration’s policies and proposals also are enlightening, unless Ms. Harris repudiates them. Of note is the March 2021 \$1.9 trillion American Rescue Plan, which led to the worst inflation in 40 years. The result: years of declining living standards for tens of millions of working families as wage hikes failed to keep up with price increases.

John Maynard Keynes said inflation is how government steals



Kamala Harris and Joe Biden in Upper Marlboro, Md., Aug. 15.

wealth from citizens. Deflecting blame, then taking credit for subsidies and price caps to help people pay for some things they can’t afford, is shameless.

As vice president, Ms. Harris cast the tie-breaking Senate vote for the misnamed Inflation Reduction Act of 2022, a potpourri of green-energy subsidies now estimated to cost

Her proposals would lead to slower growth, more inflation, and no relief from the debt crisis.

more than \$1 trillion, or three times the original estimate. If these policies somehow remained in place until 2100, global temperature would be lower by 0.03 degree.

The infrastructure bill addresses some federal needs but was so loaded with special-interest favors that it will get far fewer highway miles built and bridges repaired than advertised. In almost three years, only eight of the half-million promised charging stations have been built. Meanwhile, electric-vehicle sales have stalled and automakers are scaling back.

Mr. Biden and Ms. Harris seek to raise business and personal tax rates, tax unrealized capital gains,

and even help foreign countries raise taxes on U.S. companies. They would let key provisions of the 2017 tax reforms expire. They dismiss these as mere taxes on the rich, but the measures would also prevent millions of Americans from becoming richer and hinder economic growth.

The Biden-Harris budgets ran America’s largest peacetime low-unemployment deficits ever. Bill Clinton was the last president to have a surplus. Like Donald Trump, Mr. Biden and Ms. Harris ignored Social Security’s and Medicare’s impending insolvency. Unlike Mr. Trump, who increased military spending, they proposed real cuts every year despite growing threats from Russia, China and Iran. While Mr. Trump talks about reducing deficits and debt, he also has some explaining to do. Other harmful Biden-Harris policies include those on illegal immigration, which has destabilized even nonborder communities. In states such as New York, the economy would benefit from more legal immigration. The Biden-Harris administration has usurped Congress’s power of the purse for regressive student-debt cancellation. It has blocked pipelines and natural-gas export terminals that are cleaner than the alternatives.

In her 2019 presidential run, Ms. Harris said she would ban fracking, which has made America into an en-

Here Comes Kamala’s Mortgage Forgiveness



LIFE SCIENCE
By Allysia Finley

The plan goes as follows: Subsidize Americans to take out bigger mortgages. If they can’t repay them, no worries—Ms. Harris will simply wave the payments away. The Biden administration is already doing this on the sly, which is a major reason housing prices have grown at more than twice the overall inflation rate since the start of the pandemic.

About 70% of single-family mortgages are guaranteed by federal agencies or government-sponsored enterprises such as Fannie Mae and Freddie Mac, which are regulated by the Federal Housing Finance Agency. Ms. Harris wouldn’t need Congress to subsidize home buyers. The Obama and Biden administrations have done so merely by easing credit standards and reducing costs to borrowers for government-backed mortgages.

The Federal Housing Administration—which insures homes for lower-income and first-time buyers with down payments as low as 3.5%—cut mortgage premiums in 2015 and 2023. This increased buyers’ purchasing power by a combined 10.5%, according to the American Enterprise Institute’s Ed Pinto. It also pushed up home prices.

The feds have also enabled riskier buyers to qualify for bigger mortgages. The Consumer Financial Protection Bureau in 2013 effectively barred lenders from issuing mortgages to those whose total debt payments would exceed 43% of income. Yet the CFPB rule exempted government-backed mortgages.

As home prices rose, lenders issued mortgages to buyers with in-

creasingly more debt. About 70% of recent Federal Housing Administration loans and 40% of mortgages backed by Fannie and Freddie have debt ratios that the bureau considers risky. That’s up from 30% and 16%, respectively, in 2012, according to an analysis by Mr. Pinto.

Meantime, Fannie and Freddie have allowed buyers to take out mortgages with down payments as low as 3%. Harking back to the bubble days of the mid-2000s, personal gifts, lender assistance and government grants can count toward the amount. Some lenders are letting buyers take out second mortgages to make down payments.

An increasing share of buyers have little equity in their homes, which increases the risk of default. Ms. Harris’s plan for \$25,000 in down-payment assistance for “first-time” buyers would magnify that risk. It would also fuel inflation in housing prices.

The reported improvements in home buyers’ credit scores offer little consolation. Three-fourths of recently delinquent Fannie and Freddie homeowners have “good” or better credit scores. Call it grade inflation for credit scores.

A series of events have led home buyers to appear more creditworthy on paper. Credit bureaus have removed most medical debt from reports since 2022. Student-loan defaults were also almost entirely

wiped out with the Biden administration’s forbearance. At the same time, abundant Covid stimulus payments allowed borrowers to pay down credit-card debt.

Now, however, many homeowners are struggling with high inflation and debt payments. Hence the Biden administration game of “extend and pretend,” the suspect practice of modifying mortgages to avoid defaults and foreclosures.

Her plan to make housing more ‘affordable’ via subsidies will raise prices and create moral hazard.

The FHA rolled out a “home retention” plan last winter that covers the late payments of delinquent borrowers and up to 25% of the principal and interest on monthly payments for three years. Not to be outdone, the FHFA in May instructed Fannie and Freddie to extend the duration of mortgages and cut principal and interest payments by 20% for homeowners facing “hardships.” According to Freddie, that includes “reduction in income,” “unemployment” and an “increase in housing expense due to circumstances outside the Borrower’s control (e.g., uninsured losses, increased property taxes, or an HOA

special assessment).” No documentation required.

In other words, after enabling riskier borrowers to qualify for mortgages they can’t afford, the Biden administration is writing down monthly payments to stop defaults. This is mortgage forgiveness by another name. The FHFA reports some 1.4 million “home retention” actions by lenders since 2021.

The Veterans Affairs Department has extended its foreclosure moratorium through December and directed loan servicers to reduce interest rates for struggling borrowers to 2.5%. Such actions “helped more than 145,000 Veterans and their families avoid foreclosure in 2023 alone,” the VA boasts.

The result of such programs is a tighter housing market, jacked-up prices and moral hazard. Buyers don’t have to worry about taking on larger mortgages since the government has told servicers to reduce payments if anyone runs into trouble.

Ms. Harris brags that she “took on the big banks” as California’s attorney general after the housing meltdown. Their alleged transgression? Foreclosing on delinquent homeowners without providing sufficient “modification” options. The ballyhooed mortgage settlement she helped negotiate forced banks to write down government-backed mortgages for underwater borrowers. Expect more of the same from a President Harris.

Mr. Boskin is a Hoover Institution senior fellow and economics professor at Stanford. He served as chairman of the president’s council of economic advisers, 1989-93.

Biden Can Support Ukraine’s Offensive

By Jake Auchincloss

Ukraine has the initiative. After months of trench warfare, it has launched a lightning invasion of Russia that has rattled the Kremlin. To capitalize, it now needs President Biden’s help. He can do three things: work with President Volodymyr Zelensky to define victory; authorize strikes and sanctions that would deflate Russian oil revenue; and strengthen Ukraine’s war economy by securing long-term funding, financed by Russia’s frozen assets.

Messrs. Biden and Zelensky should define victory in clear and compelling terms: a secure eastern border, freedom of navigation in the Black Sea, and imminent Ukrainian accession to the European Union. These mutually reinforcing objectives would herald a Ukraine whose sovereignty, economy and democracy were stronger than before the invasion. That would be a strategic defeat for Vladimir Putin and a victory worthy of Ukrainians’ heroism.

For Ukraine to achieve that victory, Mr. Biden must authorize the use of U.S.-made fighter jets and ballistic

missiles to disable Russian oil-refining sites. This would undercut Mr. Putin’s most important revenue source without raising global prices. In an essay for Foreign Affairs, three international energy experts explained why: “These strikes reduce Russia’s ability to turn its oil into usable products; they do not affect the volume of oil it can extract or export. In fact, with less domestic refining capacity, Russia will be forced to export more of its crude oil, not less, pushing global prices down rather than up.”

Earlier this year, Ukraine destroyed about 14% of Russia’s oil-refining capacity with drones. Imagine what it could do with F-16s and tactical missiles. Mr. Biden should let us find out—and also greenlight Ukrainian strikes on launch, logistics and troop-staging sites in Russia.

Additional sanctions would complement those strikes. Treasury officials have advocated tougher maritime sanctions to reduce Russian oil revenue. The White House has thus far resisted such efforts. That’s a mistake. Higher shipping costs from Western sanctions, paired with reduced refining capacity from Ukrainian strikes, would be a one-two

punch to Mr. Putin’s petro state.

Meanwhile, Ukraine’s economy could use a shot in the arm. Treasury Secretary Janet Yellen reports that she is close to a deal with Group of Seven and European Union leaders to lend Ukraine \$50 billion, serviced by interest on the \$300 billion in frozen Russian assets held by wealthy democracies. The linchpin will be getting the EU—which holds most of the money—to guarantee that the assets will stay frozen long enough to generate the proceeds.

A deal with Brussels would help MAGA-proof Ukraine’s defenses. Funding Ukraine with Russian money is popular even among Republican lawmakers. By investing long-term capital, Ukraine could turbocharge its defense industrial base.

This is Mr. Biden’s nightmare: Ukraine, stronger by the day, hitting hard at Russia’s war economy and fighting toward clear war aims. It’s the stuff victory is made of, and Mr. Biden can deliver it before he leaves office.

Mr. Auchincloss, a Democrat, represents Massachusetts’ Fourth Congressional District.

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WORLD NEWS

Bangladesh Protester Hailed as a Martyr

Young English major, killed in unrest, is symbol of fight for more opportunity

In May, 23-year-old English major Abu Sayed was looking forward to graduating. He posted nostalgic Facebook photos of himself and his classmates at their last class, in a message dotted with colorful heart emojis.

By Krishna Pokharel,
Shan Li and Syed Zain
Al-Mahmood

"Praise God, after many ups and downs, uncertainty," Sayed wrote in another post.

Two months later, his killing was captured by local journalists in videos that inflamed Bangladesh and galvanized students from around the country to participate in demonstrations that forced Prime Minister Sheikh Hasina to resign on Aug. 5.

A video snippet shows a solitary young man, his arms spread wide, facing a phalanx of police in riot gear outside the gates of Begum Rokeya University in Rangpur, the city in northwestern Bangladesh where he studied. Shots ring out and he stumbles, then flings his arms out once more. The police raise their shotguns and fire.

Sayed's death on July 16 turned a protest over recruitment for government jobs into a fight for a more democratic Bangladesh, protesters and political experts say. He has been likened to other lone protesters who faced off against authoritarian regimes—the country's own version of Tank Man, who stood defiant at the 1989 pro-democracy protests in Beijing.

Nobel Peace laureate Muhammad Yunus, who took over as head of an interim government formed after Hasina's ouster, said Sayed's death inspired other Bangladeshis to win "a second liberation." Sayed was among the first demonstrators to be killed in protests that have claimed at least 500 lives since mid-July.



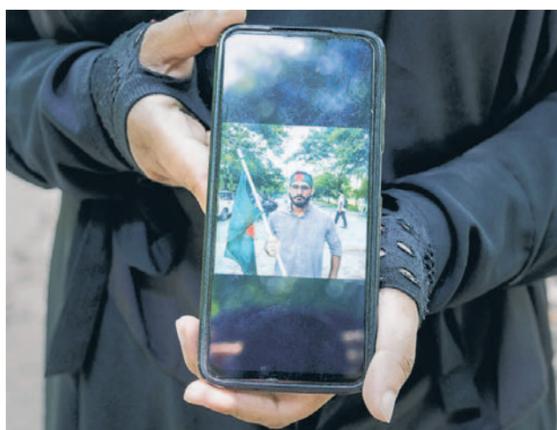
Abu Sayed's parents, front, at their home earlier this month. Below, a friend shows a photo of the 23-year-old slain student.

Protesters saw in Sayed the core of the protest movement: millions of young people with a hard-won education who nevertheless find themselves shut off from economic opportunity and a voice in Bangladesh. The country's economy was growing but with unemployment in double-digits, many pin their hopes of a better life on a government job.

"He was initially motivated to make something of himself and help his family," Mohammad Ibrahim Khalil, a 24-year-old sociology student who lived with Sayed, said. "But it became something bigger. There was something standing in the way, and he wanted to dismantle those barriers."

One of nine children, Sayed was the only one of his siblings to attend university. He grew up in a mud and bamboo house in a village near Rangpur. He completed high school on a scholarship of 48,000 taka, or about \$400.

His father, Mohammad Mokbul Hossain, a farmer, sold a cow and mortgaged a



piece of land to give Sayed a few hundred dollars for university. His son financed his education mostly by tutoring children, Hossain said.

"He struggled," his father said. "He earned his own money and made his own way in the world."

Sayed was a mild-mannered young man who never expressed an interest in politics, friends and family said. He vol-

unteered at a youth-run charity and collected blankets to distribute during the winter.

His desk in the room he shared with another student was a mess of books, including American novelist Toni Morrison's "The Bluest Eye" and Indian writer Arundhati Roy's "The God of Small Things."

Friends at Begum Rokeya University recalled seeing social-media posts from stu-

dents in the capital, Dhaka, calling for protests, after a court in early June reinstated unpopular government job quotas.

Sayed took up the cause and started a Facebook group to coordinate with other students. Many expressed fury over the quota system, which they viewed as unfair and likely to favor followers of Hasina's Awami League, in power since 2009.

The protests at Rangpur were initially peaceful, but tensions flared as the Awami League's student wing confronted protesters. Things became more heated after Hasina made a remark on July 14 that appeared to diminish the protesters, using the word *razakar*, a term associated with traitors during Bangladesh's independence struggle.

On July 16, armed police officers stopped a large group of students at the university gate. Some students began throwing stones and suddenly, without warning, the police opened fire, students said.

Sayfuzzaman Faruki, a senior Rangpur police official who is heading an inquiry into Sayed's death, said the police official responsible for the area has been suspended since the interim government took power. The Hasina government, before it fell, suspended two policemen involved in the shooting.

The video shows Sayed flinching after at least one bullet hits him. Moments later, he is crouched on the ground with his head down. Another student runs over and pulls him away.

A few protesters put Sayed into a rickshaw and tried to take him to the hospital. But a mob of Hasina supporters attacked the rickshaw with sticks and machetes, students who were present said.

"We think they wanted to finish him off," said 23-year-old Belal Hossain, Sayed's classmate, who was shot in the hand at the protest.

Zannatun Nayeema Shefa, another classmate, rushed to the hospital along with a few friends.

Sayed was dead on arrival. "There were so many holes in his body, it looked like a sieve," Shefa said.

A few students grabbed the stretcher holding Sayed's body and wheeled it out of the hospital for fear police might take it to conceal the cause of death. On the way, a contingent of police blocked their path, pointed guns, and loaded Sayed's body into a truck, multiple students who were present said. The police took the body back to the hospital.

After a closed-door meeting with police, doctors emerged to declare the cause of death was rubber bullets.

Someone showed his mother, Mossamat Monoara Begum, the video. "I felt like people were shooting him like a bird or an animal," she said.

In the weeks since, Sayed has become for many in Bangladesh the everyman hero whose death helped free the country.

The road leading to Sayed's family home has a new sign: "First national martyr, Abu Syed road."

Argentina's President Takes Pragmatic Approach to China

By RYAN DUBÉ
AND SILVINA FRYDLEWSKY

BUENOS AIRES—China surprised many here in June when it renewed a multibillion-dollar portion of a currency swap, alleviating concerns that Argentina would need to pay back the funds from its depleted reserves.

Argentine President Javier Milei, who often derided China during his campaign, calling its leaders "assassins," thanked Beijing, saying the extension provided financial relief. His office said mutual respect with China is vital to Argentina's development and prosperity.

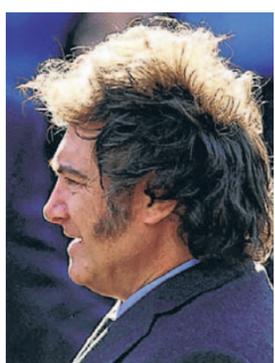
Milei, an unshakable opponent of communism, has taken a more pragmatic approach to Beijing, saying Chinese investments and trade are essential to Argentina's future, while maintaining closer relations with the U.S. China has deepened its ties with Argentina in key economic sectors, from the lithium mining companies in the arid north to the agricultural industry on the farm

belt's vast open plains.

"He's incredibly undisciplined in foreign policy, but he's been on his best behavior with China since taking office," said Benjamin Gedan, director of the Woodrow Wilson Center's Latin America program in Washington. "What we're seeing in that calculation is Milei the economist understanding the importance of China."

China is Argentina's second biggest trade partner, after neighboring Brazil, racking up about \$20 billion in commerce last year, compared with \$14 billion for the U.S. Argentina's exports to China have increased eightfold over the past two decades, as the Asian country invested in mining, oil and gas, finance and construction. China's stock of foreign direct investments is up 500% since 2015, to more than \$3 billion, said Sergi Lanau, an economist and expert on Argentina at consulting firm Oxford Economics.

"Initially there were concerns because the Argentine government said it wouldn't



President Javier Milei says the U.S. is his top foreign ally.

have bilateral or government ties with China," said Gustavo Idigoras, head of a group that represents Argentina's biggest grain processors and exporters. "But there's been a change in attitude, and it is now much more pragmatic."

Milei says the U.S., long a major investor, is his top foreign ally. And while much of Washington has soured on free trade, the U.S. still holds influence here. The Biden administration has accepted

Milei's overtures, deploying Secretary of State Antony Blinken and Gen. Laura Richardson, commander of U.S. forces in Latin America, to Buenos Aires.

Milei's government said it won't join BRICS, the group led by China and Russia. It asked instead to be a North Atlantic Treaty Organization partner. Argentina recently bought U.S.-made jet fighters, forgoing an offer to purchase Chinese ones. A Chinese company, Shaanxi Coal & Chemical Industry Group, reached a deal in 2022 with officials in the province of Tierra del Fuego to build a port in Argentina's far south, giving Beijing a strategic location for accessing Antarctica and a crucial shipping route through the Strait of Magellan. That project has now been shelved, an adviser to the Milei government said.

But China remains a crucial economic power, forcing Milei to balance his geopolitical preferences with the West and Argentina's commercial interests with Beijing. Maintaining eco-

nom ties with China is vital if Milei is to turn around Argentina's economic crisis, which he inherited from his left-wing predecessor, economists say. Argentina's inflation is at 263% and about 56% of the population lives in poverty.

"There is a necessity for countries like ours to maintain a balance," Dante Sica, a former minister in a previous government, said of Argentina's relationship with China and the U.S. "There's going to be tension."

In July, Argentina's foreign minister, Diana Mondino, celebrated alongside Chinese diplomats the start of an \$800 million lithium project partially owned by Chinese company Tsingshan. Chinese firms Zijin Mining and Ganfeng Lithium also have lithium projects that are expected to boost production of the metal.

In the country's heartland, farmers who already export vast amounts of soybeans and beef to China are now preparing to send their first shipments of wheat to the Asian country and resume corn shipments suspended 15 years ago.

Chinese firms have built South America's largest solar park in Argentina and have a contract to build a \$5 billion hydroelectric project in Patagonia, one of China's biggest investments in the region.

Particularly worrisome to Washington has been a Chinese space station in the windswept plains of Neuquén that has little oversight from the Argentine government. U.S. military officials worry the remote base, which has a 35-meter-wide antenna, could be used for global surveillance by targeting U.S. satellites.

China has been an important source of financing for Argentina, a serial defaulter that has been unable to tap international markets since a 2018 financial crisis. Argentina is the biggest recipient in Latin America of Chinese commercial loans, according to the Inter-American Dialogue policy group in Washington. Most of the loans come from the Industrial and Commercial Bank of China, which has its local headquarters in a sleek Buenos Aires skyscraper.

OBITUARY

Acclaimed Actor Alain Delon, 88

French actor Alain Delon, who embodied both the bad guy and the policeman and made hearts throb around the world, died at age 88, French media reported. With his looks and tender manner, the prolific actor was able to combine toughness with a vulnerable quality that made him one of France's memorable leading men. He first drew acclaim in 1960 with "Plein Soleil," directed by René Clément, in the role of a murderer trying to take on the identity of his victims.

French President Emmanuel Macron paid tribute on X to "a French monument." French film producer Alain Terzian called him "the last of the giants."

—Associated Press

YEMEN

Famine Projected In Four Districts

Famine is looming in four Yemeni districts as instances of hunger surged among children in areas controlled by the internationally recognized government, a report by international experts said.

"Serious" levels of acute malnutrition are expected in all 117 districts in government-controlled areas. Four of them—Mawza and Mocha in Taiz province, and Hays and Khawkah in Hodeida province—are projected to slip into famine by October, according to the Integrated Food Security Phase Classification.

Yemen, the poorest Arab nation, plunged into civil war in 2014, when Iran-backed Houthi rebels took control of much of the country's north.

—Associated Press

VIETNAM

New Leader Takes A Trip to China

Vietnam's new leader, To Lam, is making China the destination for his first foreign visit, signaling the continuing importance Vietnam places on its giant neighbor even as it strengthens ties with the U.S. and others.

Lam landed Sunday morning in Guangzhou, a manufacturing and export hub near Hong Kong, China's state media reported. He later flew to Beijing, where he will meet Chinese leader Xi Jinping. His three-day visit comes about two weeks after Lam was confirmed as general secretary of Vietnam's Communist Party, the country's top political position. He succeeded Nguyen Phu Trong, who died last month after 13 years as leader.

—Associated Press

WORLDWATCH



BRIDGE TOURNAMENT: A diver propelled himself off Kosovo's 72-foot-high Sacred Bridge toward the White Drin River on Sunday during an annual competition dating back decades.

How China Became Car Money Pit

Foreign brands lose their grip on market as Chinese buyers embrace local EVs

By Stephen Wilmot

China was a gold mine for global automakers a decade ago. Not anymore.

"Very few people are making money" in China, General Motors Chief Executive Mary Barra told investors in July.

A jarring new data point came earlier this month when Germany's Volkswagen reported its first quarterly loss in at least 15 years from joint ventures and associates. These include its big Chinese JVs and have long been seen by investors as a proxy for its business in the country.

For the largest global automakers, profits in China have been hit by falling sales as consumers embrace electric vehicles from homegrown brands such as BYD, which last year supplanted Volkswagen as China's bestselling carmaker.

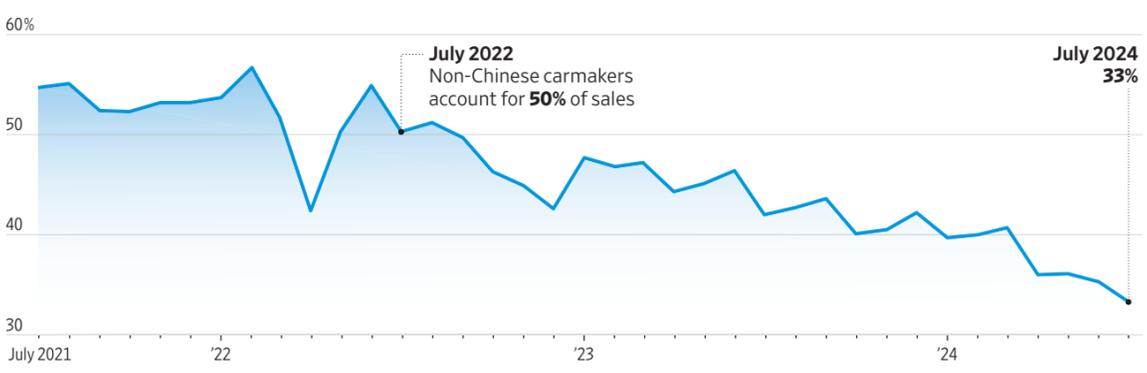
In July, EVs and plug-in hybrids accounted for over half of all cars sold in the country for the first time, while the share shipped to dealers by non-Chinese brands slipped to 33%, down from 50% two years earlier.

Another problem is falling prices in a marketplace besieged by new entrants. Like for like, Chinese vehicle prices in June were more than 6% lower than a year before, according to brokerage Bernstein.

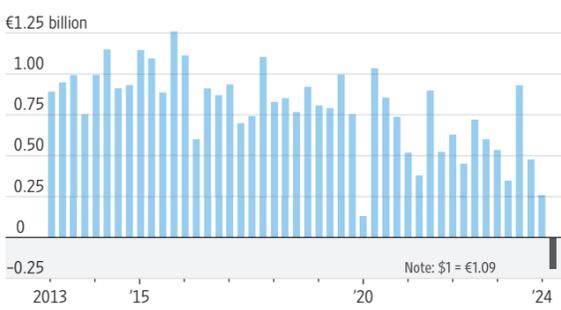
Volkswagen has been spending heavily to regain ground, with a focus on local partnerships under the strategic banner "in China, for China."

GM was another giant of the Chinese car market, selling more than four million vehicles at the 2017 peak,

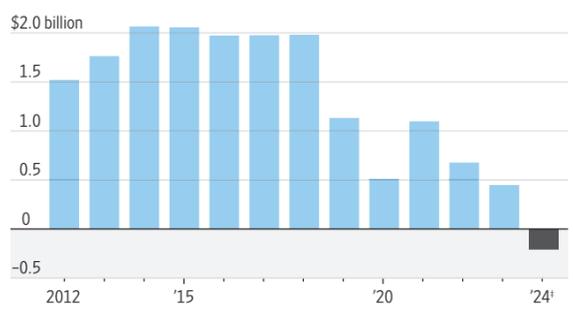
Non-Chinese automakers' share of Chinese auto sales*



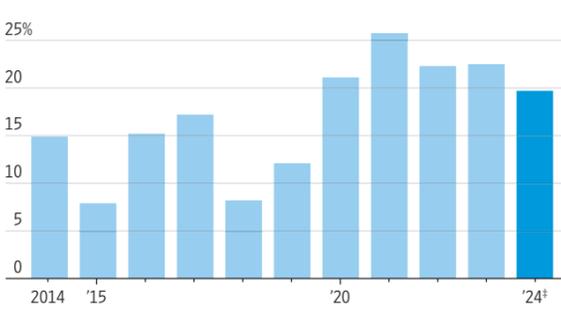
Volkswagen's equity income, quarterly†



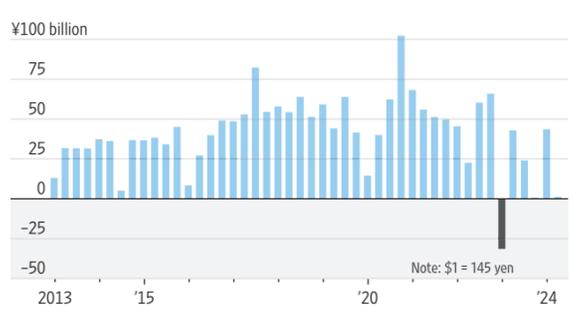
GM's equity income from Chinese joint ventures†



Share of Tesla's revenue made in China



Honda's equity income, quarterly†



*Wholesale data †Equity income is the company's share of profit from joint ventures and associates ‡2024 data is for the first half Sources: China Passenger Car Association (Non-Chinese automakers' share); FactSet (Volkswagen, Tesla's 2014-2023 revenue, Honda); the company (GM, Tesla's 2024 revenue)

similar to Volkswagen. By 2023 GM's annual sales had almost halved, and this year its JVs have reported their first consecutive quarterly losses since its 2009 bankruptcy.

Having pulled out of Europe, India and other countries, Barra has earned a reputation

for cutting losses in global markets where GM couldn't make money. Its troubled JV with Chinese automaker SAIC, which makes Buicks, Chevrolets and Cadillacs locally, expires in May 2027.

GM has said it is working with its partners to restructure

its China business, which it says is profitable. "I don't necessarily accept the notion that we're struggling to make money there," Chief Financial Officer Paul Jacobson said at an investor conference this month.

It is tougher for global manufacturers to leave China

than other markets because it is the global hub for making and, increasingly, exporting EVs.

"You don't exit China lightly. It's not just your business there; it is also about the influence of Chinese suppliers and consumers," said Philippe

Please turn to page B2

Extreme Renters Own Nothing, Not Even Jeans

By Kailyn Rhone

Brittany Catucci rents everything she can.

Like lots of 20-somethings, she doesn't own the place where she lives, a three-story townhouse in Emeryville, Calif. But she and her boyfriend, Eric Markley, rent their queen-size bed, Catucci's work clothes and repair tools from Home Depot or AutoZone.

"My friends don't even blink at the fact that I'm constantly renting stuff," said Catucci, a 27-year-old account director at a public-relations agency. "It's my parents who were like, 'Oh my gosh, you guys are still living in a place where you don't own any of the furniture?'"

Their townhouse came with the furnishings, and they pay around \$1,100 each in rent. They figured they could find something a little cheaper that didn't have furniture, but it would have cost at least \$5,000 to bring their own stuff during their cross-country move from North Carolina.

Catucci spends about \$100 to \$200 a month on renting



Brittany Catucci and Eric Markley rent their bed, Catucci's work clothes and repair tools.

other items, including about \$100 a month for clothes. The rest varies, like a short-term hiking backpack for a month.

Americans are embracing a rent-first lifestyle, preferring to try things out rather than

committing to ownership. More than one in four Americans say they rent or lease their car, clothing, electronics or furniture, according to a new survey commissioned by the personal-finance firm

Credit Karma.

Some extreme renters say they can save money by not owning their high heels, hand drill or sofa. With prices for so many things much higher than they were a few years ago, it

can feel like a cost saver to pay for maternity clothes for a few months or camping equipment for a weekend instead of buying them.

A lot of people say they just prefer the flexibility—even if they end up spending more money over time. After all, it is a lot easier to pick up and move if you don't have to take the kitchen table with you.

The rent-it-all ecosphere isn't limited to daily necessities. Baby equipment, art pieces and even caskets are available. Potted Christmas trees are up for rent; they are returned to a forest nursery when the holiday season is over.

The agreements range from standard leases, such as a two-year plan for a rented iPhone, to short-term deals such as monthlong ownership of a sweater.

Many funeral homes now offer casket rentals, through which the casket is used for the viewing and funeral service. Then the deceased is placed into another container for cremation.

Catucci and Markley actu-

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INSIDE



TECHNOLOGY
The Gospel according to Musk involves a higher birth rate and more free speech. **B4**



HEARD ON THE STREET
Apple Pay competitors vie for larger share of digital checkouts. **B10**

Berkshire Likes Ulta Beauty. Should You?

By Jinjoo Lee

Berkshire Hathaway's Warren Buffett has famously advised investors to be greedy when others are fearful. This past week, the company scooped up shares of Ulta Beauty, which landed in the discount bin after spooking the market. The stock still looks cheap.

Ulta Beauty is an off-mall, large-format retail chain (a typical store is about 10,000 square feet) that sells everything from mass-market beauty products to luxury cosmetics and fragrances one might expect to see at department stores. Its shares have jumped 15% since Berkshire Hathaway disclosed in a filing post-market close on Wednesday that it held about \$266 million of the retailer's shares at the end of June.

Ulta Beauty, which was founded in 1990, and LVMH-owned Sephora, which opened its first U.S. store in 1998, changed the way customers shopped for makeup. Before their entry, shopping for beauty products typically happened at department stores, where a lot of items were locked up behind counters and trying anything on involved an interaction with a store em-

ployee, says Simeon Siegel, equity analyst at BMO Capital Markets. Ulta and Sephora freed up that experience, opening up samples so that customers could try everything without needing to ask for help, though employees can provide assistance if shoppers need it.

The retailer certainly has the business fundamentals that value investors would like. Despite being a relatively mature business, it has increased its top line at a compound average growth rate of 11% over the past five years. It also has an attractive margin profile, largely thanks to lower rents and operating costs that come

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Five-year average return on invested capital by retailer



Source: FactSet

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'Alien: Romulus' Takes Off



The sci-fi/horror-thriller is the latest of the 'Alien.'

Estimated Box-Office Figures, Through Sunday

Film	Distributor	Sales, In Millions		
		Weekend*	Cumulative	% Change
1. Alien: Romulus	20th Century Studios	\$41.5	\$41.5	—
2. Deadpool & Wolverine	Disney	\$29.0	\$545.8	-46
3. It Ends with Us	Sony	\$24.0	\$97.8	-52
4. Twisters	Universal	\$9.8	\$238.4	-35
5. Coraline 15th Anniversary	Fathom Events	\$8.6	\$11.8**	—

*Friday, Saturday and Sunday in North American theaters **Opened 8/15/24 Source: Comscore

Berkshire Likes Ulta Beauty

Continued from page B1
with its off-mall presence, according to Siegel. Its operating margins are close to 15%—roughly double that of a composite of retailers that are part of the S&P 500 and comparable to off-price retailers such as TJX Cos.

Ulta has a healthy balance sheet and has been an effective capital allocator: Its return on invested capital has averaged over 26% over the past five years, above Costco's 18% average. It has a fairly diversified product range, both in terms of price and category, which means it isn't as vulnerable to one-off beauty trends or a change in economic conditions.

While the company's shares soared in the self-care obsession-fueled postpandemic years, they took a big hit in March after Ulta gave full-year earnings guidance that fell just a touch below Wall Street expectations. They edged even lower after Ulta lowered guidance again in late May. But the market reaction did seem outside compared with the actual numbers: Before Berkshire's disclosure, Ulta's shares had dropped 42% since its March earnings call. Yet earnings-per-share expectations for the current fiscal year have only declined about 5% and revenue expectations are just 1.4% lower, according to analysts polled by FactSet.

The tricky part, of course, is figuring out how much fear is actually warranted. Ulta does have some real threats on the

horizon: The retailer said in its late-May earnings call that it lost market share in prestige brands, noting that "more than 1,000 new points of distribution" have opened in the past two years. Much of this is probably referring to Sephora, which has opened inside more than 900 Kohl's department stores since 2021 and will end the year in more than 1,000 Kohl's stores. Another emerging threat is Amazon.com, where luxury cosmetic brands have been broadening distribution.

Ulta's heady growth days are probably behind it: In the 2010s, the retailer added about 100 stores every year, but that has slowed to 30-50 in recent years. The company sees a runway for 1,500 to 1,700 more stores in the U.S.

Nevertheless, the format seems to have a built-in moat against online and direct-to-consumer selling: Makeup and fragrance is a category that shoppers want to try out. Ulta's supply-chain scale, relationships with vendors and a good pipeline of exclusive partnerships (its latest includes a Kylie Jenner fragrance) are difficult to replicate, according to a recent report from Oliver Chen, equity analyst at Cowen. It has a very loyal base of customers. The sales headwind from the aggressive Sephora additions should subside somewhat by 2025, when Kohl's is expected to have opened a Sephora in all of its 1,100-plus locations.

Even after the recent bump, the company's shares trade at about 14 times forward-12-month earnings, 44% below its 10-year average. It is among the cheapest retailers in the S&P 500 on that measure.

That is a very attractive price for a still-growing retailer with a lot of inner strength and a few surface-level blemishes.



Makeup is a category that shoppers want to try out.

Discount Carriers Add Perks

Continued from page B1
considered making its flight attendants sport a Bud Light ad on their uniforms to offset costs to customers.

Spirit's marketing has also leaned into offbeat humor. In a 2014 commercial, it responded to Spirit-bashing social-media posts in a song that included lyrics "It's a cheap seat, for a cheap ass. Flying lighter saves on gas."

John Ryan, a 17-year-old travel writer in Las Vegas, regularly flies on Spirit. While the staff is friendly, he said, if a flight is delayed or canceled, "you're pretty much out of luck." Spirit offers to rebook passengers on another Spirit flight if flights are canceled or significantly delayed, and covers various expenses if the disruption was in its control.

For years, the minimalist strategy paid off for Spirit and Frontier. In 2019, before airports emptied at the onset of the pandemic, both airlines boasted annual net profits in the hundreds of millions.

Legacy competition

As travelers crowded back into airports over the past few years, legacy airlines have sought to cater to a range of budgets. With bigger planes outfitted with more premium seats, airlines such as United, Delta and American can better afford to sell some rows at prices that are competitive with the cheap fares that discounters offer.

United Airlines, which is upsizing its planes, is betting that its seat-back screens, in-seat power outlets and frequent-flyer program can sell

BUSINESS & FINANCE



Frontier's CEO said the airline's bundle model gives passengers the total price up front.

basic economy tickets that don't include a carry-on bag.

"When United offers basic fares for sale at competitive rates, we believe customers will always choose United first," United Chief Commercial Officer Andrew Nocella said on an investor call last month.

With the number of available seats dwarfing demand due to airlines adding capacity too quickly, competition is fierce, capping the fares that carriers can charge. While all airlines face rising costs, budget airlines, with their bargain-seeking customers, have a particularly tough time raising fares to cover expensive new labor contracts and fluctuating fuel prices.

Spirit's Christie said on the investor call earlier this month that intense competition to win price-sensitive leisure travelers made the time right for Spirit to introduce new, premium options that "allow guests to choose an elevated experience at an affordable price."

Biffle said industry seat capacity needs to decrease for Frontier to completely restore

profit margins. "The model's not broken," Biffle said of the ultra-low-cost airline industry.

Business bundle

Frontier fliers traveling nonstop from Los Angeles to Denver on certain dates can now pay an extra \$99 for its Business Bundle: checked bags, an extra-legroom seat with no middle-chair neighbor, and more. The price is cheaper on other flights, such as a nonstop from Cincinnati to Orlando, Fla., where the bundle goes for \$69.

Spirit has previously offered a "big front seat," and charged for it—an option some observers have held is one of the best travel deals out there. Starting this month, the airline will package that option with snacks, drinks, Wi-Fi and more. The "Go Big" bundle goes for \$200 on a flight from Chicago to Orlando in mid-September.

University of Miami marketing professor Uzma Khan said the bundle deals can reduce the "pain of payment" that can pile up in an a la carte system—a model that ul-

tra low-cost airlines helped pioneer.

Frontier's Biffle said fliers have purchased Frontier's premium bundles, and he has seen encouraging signs that the options will attract new passengers. "It shows customers of legacy airlines that they can get the options they want at a ULCC, but a much lower price," Biffle said.

Spirit executives have said that the changes should bring new customers to the airline, though they may take time to adopt the changes. Spirit's Christie said during the investor call that he didn't expect his airline to serve as the first choice for business travelers.

Rob Britton, a former American Airlines executive who now teaches at Georgetown University, said budget carriers are "under siege, and you see that in their financial results." Appealing to premium travelers, he said, will be an enormous challenge as customers will say, "sounds like the same old yellow airplanes," he said, referring to Spirit's trademark livery.

—Alison Sider contributed to this article.

Market share of BYD in China



Source: China Passenger Car Association

China Is a Money Pit For Cars

Continued from page B1
Houchois, an analyst at brokerage Jefferies.

Chrysler owner Stellantis pulled out of manufacturing cars in China in 2022 after its joint venture that made Jeeps filed for bankruptcy. But it returned to the country a year later by buying a roughly 20% stake in Chinese EV startup Zhejiang Leapmotor Technology. Last month a new JV between the two companies shipped a first batch of Leapmotor EVs to Europe.

Tesla's China business, which took off in 2020 after Beijing gave it permission to open a wholly-owned factory near Shanghai, is also suffering.

Because it wasn't required to hook up with a local automaker, the company doesn't report equity income from joint ventures as its peers do, and it doesn't disclose regional profit. However, Tesla's share of revenue from China slipped to less than a fifth in the first half of 2024, down from more than a quarter at the 2021 peak.

Manufacturers from China's Asian neighbors aren't faring better, according to the latest results. Toyota's Chinese JV income fell 73% in the quarter through June compared with the same period of 2023, while Honda's equity income was all but wiped out.

"Global automakers in China still haven't found a bottom," said Tu Le, managing director of industry research firm Sino Auto Insights.

—Clarence Leong contributed to this article.

How the Sparkles Emoji Became a Symbol of AI

By JAZPER LU

The sparkles emoji has become a near-ubiquitous symbol that applications are powered by artificial intelligence. Even ChatGPT doesn't know how it started.

If you've searched something on Google, written an essay on ChatGPT or used the AI features on Slack, Spotify or dozens of other apps, you've seen a version of the small stars used to indicate magic. Of the top 10 software companies by market capitalization, at least seven use a sparkles emoji in conjunction with their AI applications.

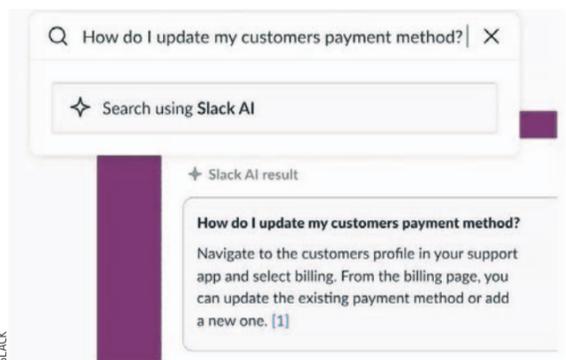
"This is the biggest example of an entire industry effectively saying, 'OK, this symbol is our representation of this kind of feature,'" said Keith Broni, editor in chief of Emojipedia, a website that documents the meaning and usage of emojis.

Symbols and icons play an integral role in the user experience on computers, acting as shortcuts for communication. Magnifying glasses represent search, for example, while a floppy disk icon still means "save," decades after the technology went extinct.

The first known use of the sparkle in software dates back to 1990, when Adobe debuted the pixelated icon on Photoshop's wand tool, according to Paul Hunt, typeface developer and font designer at the company.

An updated version emerged in one of the first emoji sets to see widespread use, released by Japanese mobile-phone company NTT in 1999. The sparkles emoji then spread to consumer devices like the iPhone and has remained one of the 10 most popular icons for nearly a decade, Broni said.

The sparkles emoji surged



Slack integrated an AI-powered search function in its app.

in popularity starting in mid-2020 after people on TikTok and other social-media platforms began using it to bookend certain words for emphasis or sarcastic purposes, according to Emojipedia.

One of the earliest examples of the sparkles emoji's use in AI came in early 2021, when AI marketing startup Jasper featured it in a content-creation tool and promotional materials, according to Stephanie Mencarelli, the company's vice president of design.

"From a design perspective, the sparkle in my mind is meant to feel like magic, and that is what AI feels like," she said. Jasper, which was previously called Jarvis—named after the AI assistant featured in "Iron Man"—used to revolve its marketing around a space robot in the starry sky, which inspired the use of sparkles.

The symbol has since spread in the Silicon Valley hive mind. Design and marketing executives at software companies said they started using sparkles because everyone else was doing it, helping customers widely understand that the symbol meant AI.

When freelance multimedia specialist Steven Brown was helping a medical-software

company develop AI products, he needed a simple visual icon. His desire to express something new ultimately landed him at the sparkles emoji.

"In the beginning, it was like a little brain," he said. "But that's a bit too on the nose, right?"

Big players like Google and Samsung have featured the symbol prominently in their new AI products. Microsoft has included the emoji in offerings across LinkedIn and Copilot. The company found it essential to have a symbol that could differentiate AI-driven functionalities from traditional ones, said Jon Friedman, corporate vice president of design and research.

Zoom, which uses the emoji for its new AI assistant, conducted heavy internal discussion and research on what icon to use and whether to create a new one. Staffers ultimately concluded the sparkles emoji provided a sense of familiarity critical to usability, according to Chief Design Officer Mark Kawano.

More recently, companies have begun to tweak the emoji, shaving off two smaller stars next to the main one. Google's Gemini AI chatbot uses a single four-sided star.



NASA's Plan B: SpaceX to Finish Boeing's Mission?

Scan this code for a video on what went wrong and what a SpaceX rescue could mean for Boeing's Starliner spacecraft.

BUSINESS NEWS

Clean-Fuel Startups Begin to Fizzle Out

Some projects have turned into money pits, threatening climate progress

By Amrith Ramkumar

Startups promising to power planes, ships and trucks with clean fuel are sputtering before they get off the ground, showing how hard it will be to wean many industries off oil and gas.

A company backed by **United Airlines** that raised hundreds of millions of dollars to turn trash into jet fuel appears to have shut down. Another, backed by **Airbus**, **Jet-Blue** and **GE Aerospace**, that was working on using hydrogen to power planes went bust. **Chevron**, **BP** and **Shell**, meanwhile, are scaling back projects to make biofuels from cooking fats, oils, greases and plant material.

"The excitement of the early days has not lived up to the hype," said Andy Marsh, chief executive of **Plug Power**, a startup that recently opened one of the country's first plants making green hydrogen, a potential replacement for fossil fuels in industries such as steel making and chemical production.

Shares of Plug Power have fallen more than 90% since the passage of the U.S. climate law two years ago. Shares of biofuels startup **Gevo**, where Marsh is a board member, are down about 80% in that span.

The failures and delays are all but extinguishing the early optimism after the climate law passed. Rising costs have pushed out project timelines and made it more difficult for companies to raise money. The government's delays in completing tax credits are adding to the challenges.

Without clean fuels, emissions at many companies are expected to keep climbing, threatening U.S. and global climate targets. Industries in-



Plug Power shares fell more than 90% since the U.S. climate law's passage two years ago.

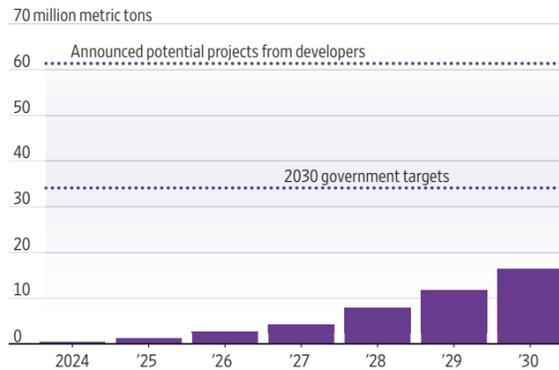
cluding aviation and shipping are counting on the new fuels because wind and solar power and batteries can't meet their huge energy needs.

Shipping company Maersk recently said it would order up to 60 new ships that could run on liquefied natural gas and bunker fuel, in part because of uncertainty about the development of green fuels. Air New Zealand withdrew its 2030 emissions target, citing the limited availability of alternative jet fuels.

"It's really challenging to get new technology to do what the fossil-fuel industry has been doing for 80-plus years," said Jimmy Samartzis, CEO of **LanzaJet**, a startup backed by **Shell**, **Southwest Airlines** and **Microsoft**.

LanzaJet will soon start production at a Georgia plant, one of the first for sustainable aviation fuel in the U.S. Construction ended up being a lot more expensive than the company expected. The company's

Global projected clean hydrogen supply capacity versus government and company goals*



*Data as of May 10

Source: BloombergNEF

fuel, which is made from ethanol, costs about twice as much as conventional jet fuel without subsidies.

At United, one of the biggest backers of biofuel and hydrogen startups, the pace of investments has slowed this year. That reflects policy uncertainty going into the No-

ember presidential election and cash-flow and fundraising challenges for many companies, said Andrew Chang, managing director at United's venture arm. "If you can't find money, there is nothing to talk about," he said.

Many clean-fuel projects have become money pits, in

part because of the great amounts of power they need. High interest rates, supply-chain disruptions and expensive power-grid upgrades have driven up electricity prices.

Clean-fuel producers are also competing for renewable electricity with big technology companies that operate artificial-intelligence data centers and can often pay higher prices for power.

"The only way to fix it is by lowering the cost of green electricity," said Andrew Forrest, one of the most vocal advocates of hydrogen.

Forrest, the billionaire founder of Australian iron-ore giant **Fortescue**, said his company's 2030 hydrogen production target now looks unrealistic. Fortescue is planning to produce its own clean power to make hydrogen in Australia and is considering doing the same in Arizona.

In the U.S., the slow rollout of domestic subsidies and weak demand is pushing Plug

Power and competitors such as **Electric Hydrogen** to expand overseas, upending expectations from when the climate law passed. Air Products and Chemicals, a big hydrogen and gas company, has said it is waiting for tax-credit rules to be completed before making an investment decision on a \$4 billion hydrogen project in Texas.

Falling credit prices for many clean fuels under California and Environmental Protection Agency regulatory programs are squeezing finances.

One casualty appears to be **Fulcrum BioEnergy**, the startup backed by United that said it could turn trash into jet fuel. The company had developed the process for more than 15 years and operated a plant in Nevada before missing bond payments. Its website appears to no longer be up. Efforts to reach executives were unsuccessful. United declined to comment.

Universal Hydrogen, a startup that worked on using hydrogen in aviation, was attempting to solve logistical and engineering problems that became too difficult because hydrogen prices have remained stubbornly high.

In some cases, the problems are internal. **Alder Fuels**, a startup turning biomass into fuel, is continuing to work on its technology after founder and CEO Bryan Sherbacow was found guilty of embezzling, then replaced, a spokesman said.

The key to survival is finding business models that can reduce costs long enough to outlast the rocky conditions, executives said.

At **Cemvita Factory**, a startup backed by **Occidental Petroleum** and United that uses microbes to produce fuel feedstocks, CEO Moji Karimi said generating cash is the priority over climate outcomes. That means remaining flexible about the fuel products it makes. "We have to not die to be able to create that climate impact," he said.



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In re UNDER ARMOUR SECURITIES LITIGATION) Civil No. RDB-17-388
 This Document Relates To:) CLASS ACTION
 ALL ACTIONS.)

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TO: ALL PERSONS AND ENTITIES WHO PURCHASED OR OTHERWISE ACQUIRED CLASS A AND CLASS C COMMON STOCK OF UNDER ARMOUR, INC. ("UNDER ARMOUR") BETWEEN SEPTEMBER 16, 2015, AND NOVEMBER 1, 2019, INCLUSIVE (THE "CLASS PERIOD")

YOU ARE HEREBY NOTIFIED that pursuant to an Order of the United States District Court for the District of Maryland, a hearing will be held on November 7, 2024, at 11:00 a.m. ET, before the Honorable Richard D. Bennett, United States District Judge, at the U.S. Courthouse, 101 West Lombard Street, Baltimore, MD 21201, for the purpose of determining: (1) whether the proposed Settlement of the Action for the sum of Four Hundred Thirty-Four Million Dollars (\$434,000,000.00) in cash and additional non-monetary terms should be approved by the Court as fair, reasonable, and adequate, which would result in this Action being dismissed with prejudice against the Released Persons as set forth in the Settlement Agreement, dated as of July 12, 2024; (2) whether the Plan of Allocation of settlement proceeds is fair, reasonable, and adequate and therefore should be approved; and (3) the reasonableness of the application of Lead Counsel for the payment of attorneys' fees and expenses in connection with this Action, together with interest thereon, and the application of Lead Plaintiff and Class Representatives for an award pursuant to 15 U.S.C. §78u-4(a)(4) in connection with their representation of the Class.

If you purchased, acquired, or sold Under Armour Class A and/or Class C common stock during the Class Period, your rights may be affected by this Action and the Settlement thereof. If you have not received a detailed Notice of Proposed Settlement of Class Action and a copy of the Proof of Claim and Release form, you may obtain copies by writing to *Under Armour Securities Litigation*, Claims Administrator, c/o Gilardi & Co. LLC, P.O. Box 301135, Los Angeles, CA 90030-1135, or by downloading this information at www.UnderArmourSecuritiesLitigation.com. If you are a Class Member, in order to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim and Release form by mail or electronically via the website (**no later than November 12, 2024**), at www.UnderArmourSecuritiesLitigation.com, establishing that you are entitled to a recovery. You will be bound by any judgment rendered in the Action unless you excluded yourself from the Class, in writing, on or before November 27, 2023, pursuant to the requirements set forth in the Notice of Pendency dated August 24, 2023.

Any objection to any aspect of the Settlement must be filed with the Clerk of the Court **no later than October 17, 2024, and received no later than October 17, 2024** by the following:

ROBBINS GELLER RUDMAN & DOWD LLP
 ROBERT R. HENSSLER JR.
 655 West Broadway, Suite 1900
 San Diego, CA 92101

Counsel for Lead Plaintiff

FRIED, FRANK, HARRIS, SHRIVER & JACOBSON LLP
 JAMES D. WAREHAM
 801 17th Street NW
 Washington, DC 20006

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP
 DANIEL J. KRAMER
 1285 Avenue of the Americas
 New York, NY 10019

Counsel for Defendants

PLEASE DO NOT CONTACT THE COURT, THE CLERK'S OFFICE, OR DEFENDANTS REGARDING THIS NOTICE.

DATED: July 22, 2024

BY ORDER OF THE UNITED STATES DISTRICT COURT DISTRICT OF MARYLAND

¹ Proofs of Claim, objections, and other correspondence that are legibly postmarked will be treated as received on the postmark date. Please be advised that the U.S. Postal Service may not postmark mail which is not presented in person.

NOTICE OF SALE

NOTICE OF UCC PUBLIC AUCTION SALES

PLEASE TAKE NOTICE, that in accordance with the applicable provisions of the Uniform Commercial Code of the State of New York, FORTRESS CREDIT CORP., a Delaware corporation (the "Secured Party"), will sell at two separate public auctions: (1) at the first of the two public sales (the "CRE Public Sale"), first (a) individually, in separate sales, each of the following (i) the 100% limited liability company interest (the "DCOTA Interest") held by Cohen Realty Enterprises LLC ("CRE") in DCOTA COHEN HOLDINGS LLC, a Delaware limited liability company ("DCOTA Holdings"); (ii) the 100% limited liability company interest (the "Le Meridien Interest") held by CRE in COHEN DANIA BEACH HOTEL HOLDINGS LLC, a Delaware limited liability company ("Cohen Dania Beach"); (iii) collectively, (i) the 99% limited liability company interest (the "Doral Westchester Project Interest") held by COHEN WESTCHESTER PROJECT LLC, a New York limited liability company in COHEN ANDERSON HILL LLC, a New York limited liability company ("Cohen Anderson Hill"), and (ii) the 1% limited liability company interest (the "Doral Westchester Management Interest"), and together with the Doral Westchester Project Interest, collectively, the "Doral Interest" held by COHEN WESTCHESTER MANAGEMENT LLC, a New York limited liability company in Cohen Anderson Hill; (iv) the 100% limited liability company interest (the "Curzon Interest") held by CRE in COHEN INTERNATIONAL EXHIBITION COMPANY LLC, a Delaware limited liability company ("Curzon"); and (v) the 100% limited liability company interest (the "Landmark Interest") and together with the DCOTA Interest, the Le Meridien Interest, the Doral Interest and the Curzon Interest, collectively, "Subsidiary LLC Interests" held by CRE in COHEN INTERNATIONAL EXHIBITION COMPANY LLC, a Delaware limited liability company ("Landmark"); then, (2) subsequently, in the second of the two public sales (the "BevCo Public Sale"), the 100% equity interest (the "BevCo Equity Interest") held by CINEMA BEVERAGE HOLDCO LLC, a Delaware limited liability company (the "BevCo Pledgor"), in VSH HOLDCO, INC., a Texas corporation (the "BevCo Pledged Entity"). The Subsidiary LLC Interests secure indebtedness owing by CRE and affiliates of CRE to Secured Party in an amount of not less than \$577,183,691.44 plus unpaid interest and fees, attorneys' fees and other charges including the costs to sell Subsidiary LLC Interests (the "CRE Debt"). The BevCo Equity Interest secures indebtedness owing by BevCo Pledgor to Secured Party in an amount of not less than \$1,485,536.11 plus unpaid interest and fees, attorneys' fees and other charges including the costs to sell the BevCo Equity Interest (the "BevCo Debt").

1. With respect to the CRE PUBLIC SALE, both the individual sales and Bulk Sale, upon information and belief of Secured Party, without any official representations or warranties, the principal assets of the Subsidiary LLC Interests are more generally described as follows:

- (a) DCOTA Holdings: A 100% interest in The Design Center of The Americas ("DCOTA"). DCOTA is located at 1855 Griffin Road, Dania Beach, FL 33004, which is, pursuant to its website, "the leading design resource center serving design professionals in South Florida and the region. DCOTA consists of three four-story buildings, originally constructed in 1988 and 2000, collectively comprising approximately 777,330 square feet and sitting on approximately 21.28 acres.
- (b) Cohen Dania Beach: A 100% interest in Le Meridien Dania Beach at Fort Lauderdale Airport ("Le Meridien"). This Marriott-branded hotel is located at 1825 Griffin Road, Dania Beach, FL 33004, just steps from Fort Lauderdale Airport and DCOTA. Le Meridien consists of one twelve-story building containing approximately 196,412 square feet and 245 guestrooms, in addition to various amenities including meeting rooms, a business center, fitness center, restaurants, bar areas, a conference room and ballrooms. Le Meridien was originally constructed in 1986 and sits on approximately 11.26 acres.
- (c) Cohen Anderson Hill: A 100% interest in a real property development site located at the former location of the now-closed Crownwood Golf Club and Resort at 975 Anderson Hill Road, Royal Palm Beach, FL 33411, 10573 acres in King Street, Greenwich, CT 06830 (the "Doral Site"). The Doral Site consists of approximately 89 acres according to the current owner, and the structures on the site are in the process of being demolished.
- (d) Landmark: A 100% interest in Landmark Theatres ("Landmark Theatres"), which is one of the largest U.S. theatre chains dedicated to exhibiting independent and foreign films and operates approximately thirty leased and owned movie theatres throughout the United States. Specifically, Landmark Theatres owns three (3) movie theatres: (i) Nickelodeon Theatre (currently closed), located in downtown Santa Cruz, CA, at 210 Lincoln Street, Santa Cruz, CA 95060; (ii) film distribution to cinemas, retail and TV stations in the UK; and (iii) operating an on-demand digital channel showcasing day-and-date and exclusive films online.
- (e) Curzon: A 100% interest in Curzon Cinemas ("Curzon Cinemas"), which is a well-respected cinema brand that operates in the United Kingdom, with 17 leased cinemas across London, the surrounding suburbs, and other cities. Curzon Cinemas is engaged in three core business lines: (i) exhibition of film productions across its cinema network; (ii) film distribution to cinemas, retail and TV stations in the UK; and (iii) operating an on-demand digital channel showcasing day-and-date and exclusive films online.

2. With respect to the BEVCO PUBLIC SALE, upon information and belief, without any official representations or warranties, the principal asset of the BevCo Pledged Entity is the concession business of Landmark Theatres.

The two Public Sales will be held consecutively on November 8, 2024, starting at 12:00 p.m. Eastern Time, by virtual bidding via Zoom and in-person in the offices of Kirkland & Ellis LLP located at 601 Lexington Ave., New York, NY 10022. The URL address and password for the online video conference will be provided to all confirmed participants that have properly registered for any of the Public Sales. The Public Sales will be conducted by auctioneer Matthew D. Mannion of Mannion Auctions, LLC, New York City Division of Consumer Affairs Licensed Auctioneer, License No. 143494.

At the Public Sale, Secured Party reserves the right to: (i) as to the Subsidiary LLC Interests, in both the individual sales and the Bulk Sale, credit bid up to the amount of the CRE Debt, and as to the BevCo Equity Interest, credit bid up to the amount of the BevCo Debt; (ii) set minimum price(s) for the BevCo Equity Interest; (iii) reject bids, in whole or in part; (iv) cancel or adjourn the Public Sales, in whole or in part; and (v) establish and modify from time to time the terms and conditions of the Public Sales ("Terms of Public Sale") which shall comply with all restrictions and obligations pursuant to (1) with respect to the CRE Public Sale: (i) that certain Loan Agreement, dated as of September 15, 2022, by and among the Secured Party, CRE, and the other parties party thereto, as amended by that certain Amendment No. 1 to Loan Agreement and Carry Shortfall Guaranty, dated as of May 12, 2023, as amended by that certain Amendment No. 2 to Loan Agreement and Payment Guaranty, dated as of July 24, 2023, as amended by that certain Amendment No. 3 to Loan Agreement, dated as of September 14, 2023 and as further amended by that certain Amendment No. 4 to Loan Agreement and Carry Shortfall Guaranty, dated as of November 15, 2023; (ii) that certain Guaranty and Security Agreement, dated as of September 15, 2022, by and among the Secured Party, CRE, and the other parties party thereto, and (iii) that certain Debenture, dated as of September 16, 2022, by and among the Secured Party, Cohen Curzon Media Group Limited, a private limited liability company incorporated in England and Wales with registered number 12349129 and the other parties party thereto, and (2) with respect to the BevCo Public Sale: (i) that certain Loan Agreement, dated as of September 15, 2022, by and among the Secured Party, the BevCo Pledgor, the BevCo Pledged Entity and the other parties party thereto and (ii) that certain Guaranty and Security Agreement, dated as of September 15, 2022, by and among the Secured Party, the BevCo Pledgor, the BevCo Pledged Entity and the other parties party thereto.

Prospective and winning bidder(s) will be required to represent in writing to Secured Party that they will adhere to the Terms of Public Sale and are purchasing the applicable Subsidiary LLC Interests or BevCo Interests for their own account, not acquiring them with a view toward the sale or distribution thereof and will not resell the Subsidiary LLC Interests or BevCo Interests acquired unless pursuant to a valid registration under applicable federal and/or state securities laws, or a valid exemption from the registration thereunder. The Subsidiary LLC Interests or BevCo Interests have not been registered under such securities laws and cannot be sold by the winning bidder(s) without registration or application of a valid exemption. The Subsidiary LLC Interests or BevCo Interests will be offered for sale at the Public Auctions "as-is, where-is," and there are no express or implied warranties or representations relating to title, possession, quiet enjoyment, merchantability, fitness, or the like as to the Subsidiary LLC Interests or BevCo Interests. THIS NOTICE DOES NOT CONSTITUTE AN OFFER TO SELL, NOR THE SOLICITATION OF AN OFFER TO BUY, THE DISPOSITION ASSETS TO OR FROM ANYONE IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED.

Pursuant to the Terms of Sale for each Public Sale, an earnest money deposit (the "Deposit") in the form of a money order, certified or cashier's check or wire transfer will be required pursuant to the instructions provided by escrow agent identified by the Secured Party prior to the Public Sale date (the "Escrow Agent"), equal to the following amounts: (a) in the case of a prospective bid on the Subsidiary LLC Interests, the Deposit amount or Deposit amounts assigned to the respective Subsidiary LLC Interest or Subsidiary LLC Interests on which the prospective bidder intends to bid, (b) in the case of a prospective bid in the Bulk Sale \$16,050,000, and (c) in the case of a prospective bid on the BevCo Equity Interest, \$41,000. Each Public Sale will conclude when Secured Party determines that it has received the highest or otherwise best bid from a qualified bidder (the "Successful Bid") for each Public Sale. Within three (3) business days of being determined the "Successful Bidder" for each Public Sale, the Successful Bidder shall increase the Deposit amount so that it equals ten percent (10%) of the Successful Bid by wire transfer to the Escrow Agent. Not sooner than twenty (20) days and not later than thirty (30) days (or at such later date as Secured Party may determine) after the Secured Party's acceptance of the Successful Bid, the Successful Bidder (other than Secured Party) shall pay the full amount of the Successful Bid minus the Deposit (as increased pursuant to the foregoing sentence) by wire transfer to an account specified by the Escrow Agent, as directed by the Secured Party.

Parties interested in bidding on the Subsidiary LLC Interests or BevCo Interests must contact Secured Party's advisor Brock Cannon or member of the Loan Sale Advisory Group ("Advisor"), via email at Brock.Cannon@mtm.com. Upon execution of a standard non-disclosure agreement, additional documentation and information will be available. Interested parties who do not contact Advisor and do not register by November 1, 2024 at 5:00 p.m. Eastern Time will not be permitted to participate in bidding at the Public Sales.

NOTICE OF SALE

NOTICE OF PUBLIC SALE OF COLLATERAL BY SECURED PARTY

Water for Commerce Fund Management ("Secured Party") will offer for sale, at a public auction, substantially all assets (the "Collateral") of Gel Blaster, Inc. (the "Debtor"). The Collateral includes, without limitation, the accounts, inventory and intellectual property of Debtor. The auction for qualified bidders will convene on September 16, 2024 at 2 p.m. eastern time and will be conducted via videoconference. Secured Party may sell the Collateral in a single lot or multiple lots, all without representation or warranty, to the highest qualified bidder. Secured Party reserves the right to credit bid for the Collateral. Any purchaser of the Collateral other than Secured Party must pay the full purchase price in immediately available funds. Potential bidders interested in obtaining additional information regarding the Collateral or the auction, including access to the videoconference, may contact by email Britt Terrell (btterrell@palmtreecl.com) or Alex Savitt (asavitt@palmtreecl.com) of Palm Tree LLC or call 310.636.2015. Secured Party reserves the right to cancel or postpone the auction.

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TECHNOLOGY

TIM HIGGINS

Religion Becomes Talking Point for Musk



Elon Musk is publicly offering his own interpretation of

Jesus' teachings with an Old Testament twist.

"Christianity has become toothless," he posted recently on his X social-media platform. "Unless there is more bravery to stand up for what is fair and right, Christianity will perish."

As Musk tweeted about Christianity, a friend of his, Jason Calacanis, replied jokingly: "If you're going into your born again era we're so here for it."

Responded Musk: "I believe in the principles of Christianity like love thy neighbor as thyself (have empathy for all) and turn the other cheek (end the cycle of retribution)."

For all of his pursuits, Musk isn't generally thought of as theologian.

With the Tesla and SpaceX chief executive's recent political transformation, we are seeing Musk invoke religion as he discusses his worldviews on topics ranging from parenthood to freedom of speech. He has talked about his core beliefs several times this summer, including this past week when describing how he defines empathy and its place in governing.

Raised Anglican in South Africa, young Musk got an early taste of differing religious views attending a Jewish preschool. "I was just singing 'Hava Nagila' one day and 'Jesus I Love You' the next," he jokes.

As he grew older, Musk has said, he turned to the great religious books—the Bible, Quran, Torah, some Hindu texts—to deal with an existential crisis. And he looked to philosophers such as Arthur Schopenhauer and Friedrich Nietzsche. But not until the boy discovered science fiction, he says, did he begin to find what he was looking for. In particular, he says, it was the less he took away from the "The Hitchhiker's Guide to the Galaxy" that the purpose of life wasn't so much about finding the big answers but asking the right questions.

"The answer is the easy part," Musk said during a public event this year. "The question is the hard part."

Physics has long been almost a religion for Musk, with the First Principles approach to problem solving infusing



Elon Musk during Israeli Prime Minister Benjamin Netanyahu's speech to a joint session of Congress in July.

his businesses and guiding his approach to entrepreneurship.

In 2022, a spiritual side began to emerge publicly as he acquired Twitter-turned-X. He turned more political, airing worries about liberal policies becoming too extreme.

"A new philosophy of the future is needed," Musk tweeted that summer. "I believe it should be curiosity about the Universe—expand humanity to become a multi-planet, then interstellar, species to see what's out there."

After taking over Twitter a few months later, Musk turned to invoking Jesus as he dealt with the artist formerly known as Kanye West, who appeared to be testing just how far the new owner was willing to go with pledges of defending free speech.

That December, the rapper, known as Ye, gave a rambling interview that included praising Adolf Hitler and during which he tweeted: "I love the first amendment! Long live Ye! I pray to Jesus that Elon is for real..." He followed that up with a tweet that included a photo of that original message and a new one that read: "Jesus is King."

To which Musk responded uncharacteristically: "Jesus taught love, kindness and forgiveness," he posted. "I used to think that turning the other cheek was weak & foolish, but I was the fool for not appreciating its profound wisdom."

Last month, author Jordan Peterson got the chance to ask Musk directly about religion during an interview streamed on X. "While I'm not a particularly religious person," Musk said, "I do believe that the teachings of Jesus are good and wise."

Musk again pointed to the New Testament teachings of

forgiveness, but with a caveat from a man who has described being bullied as a kid that strength is sometimes needed in a way that sounded very much like the Old Testament's eye-for-an-eye.

"With respect to bullies at school, I think you shouldn't turn the other cheek—punch them in the nose," Musk said. "And then thereafter, you know, make peace."

Describing himself as "cultural Christian," Musk indicated his guiding belief goes back to that of seeking greater understanding. "That is my religion, for the lack of a better way to describe it, it's really a religion of curiosity," he said. "The religion of greater enlightenment."

And applying his First Principles mindset, Musk extrapolated that what follows from that goal is to have "consciousness expand in scale and scope" by increasing population and allowing differing perspectives. Put differently, more babies and free speech.

The topic of faith came up again this past week when Musk on X interviewed Donald Trump, whom he endorsed last month shortly after a would-be assassin opened fire on the former president at a rally. During the livestreaming event, the two men discussed how Trump averted death by turning his head to look at a chart related to immigration. "For those people who don't believe in God, I think we got to all start thinking about that," Trump said. "I'm a believer, now I'm more of a believer."

Musk, who shares concerns about illegal immigration, replied: "Maybe it's a sign." They both laughed.

X to Close Operations in Brazil Amid Clashes Over Content

By GINGER ADAMS OTIS

X Corp. said it is closing its Brazil operations after a clash over a judge's order to remove certain content, escalating friction between Elon Musk and global governments about content regulation on his platform.

The move, announced Saturday, doesn't affect users' ability to access the platform in Brazil, where authorities have been clamping down on content on social-media and messaging platforms that they say is linked to attacks on the leftist government.

It shows how Musk's more hands-off approach to speech on the service he acquired nearly two years ago is colliding with concerns of officials on multiple continents who fear it is enabling hate speech and other content they say is dangerous.

X said in a post that it decided to close operations to protect the safety of its staff in the face of what it said were threats from a Supreme Court justice. Musk said X felt it had to make the move after the judge issued orders "that would require us to break (in secret) Brazilian, Argentine, American and international law." Musk and X didn't elaborate on what exactly closing operations in the country would entail.

Brazil's Supreme Court

didn't respond to requests to comment on X's statement.

Musk has been wrangling with Supreme Court Judge Alexandre de Moraes for months over content-moderation restrictions in a showdown over free speech in Latin America's biggest nation.

In April, de Moraes ordered X to remove several accounts amid a broader crackdown by Brazil on accounts deemed to be propagating hate speech and false information. The move was part of a probe by the Supreme Court into members of the political right who stormed Congress in January 2023, an attack President Luiz Inácio Lula da Silva has described as a coup attempt.

Musk initially said he would risk closing X's Brazil office to refuse the order, though the company later that month struck a less confrontational tone, saying it was "dedicated to preserving our Brazilian office and operations" while also protecting free speech.

De Moraes opened an investigation into Musk over possible obstruction of justice, and included him in an existing inquiry into online disinformation campaigns. The Supreme Court justice is on what he says is a quest to clean up the internet in the name of safeguarding democracy.

In recent years, de Moraes

has slapped fines and bans on social-media companies and ordered police to investigate some of the country's most powerful conservative bloggers, businessmen and politicians over what he deemed offensive online posts.

Musk, who has called himself a free speech absolutist, dismantled much of Twitter's infrastructure around content moderation after he took over the company in October 2022.

Musk enjoys tremendous popularity across swaths of Brazil, thanks partly to his satellite service Starlink, which has connected the country's vast rural and jungle expanses to the internet.

Starlink's expansion has come as officials in da Silva's administration have raised concerns about Musk's influence. After getting regulatory approval two years ago, Starlink eclipsed competitors in May to become the country's biggest satellite internet provider.

Brazil's federal audit court is investigating Starlink's use by public authorities, threatening to place restrictions on the service. Anatel, the telecoms regulator, has opened a separate inquiry into Starlink, saying that its rapid growth in subscribers could crowd out new players.

—Samantha Pearson and Alexa Corse contributed to this article.

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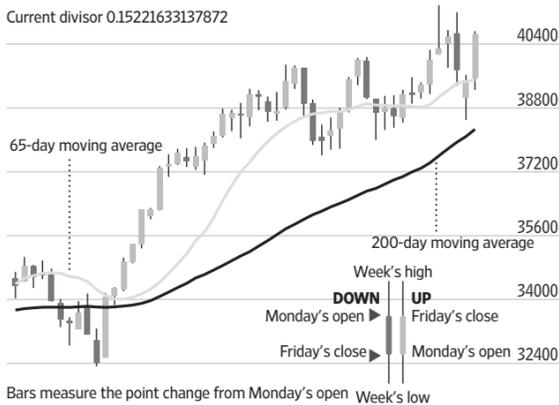
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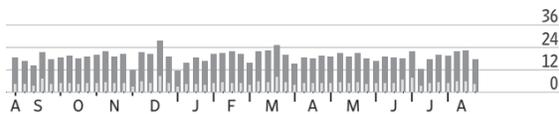
MARKETS DIGEST

Dow Jones Industrial Average

40659.76 ▲1162.22, or 2.94% last week
 Trailing P/E ratio 25.28 25.13
 P/E estimate * 19.95 19.04
 Dividend yield 2.09 2.10
 All-time high 41198.08, 07/17/24



NYSE weekly volume, in billions of shares



*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; †Based on Nasdaq-100 Index

Major U.S. Stock-Market Indexes

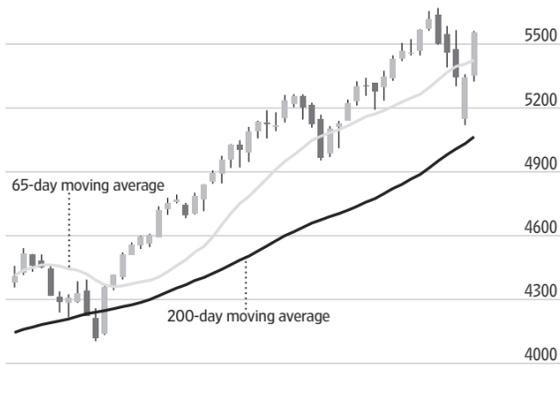
	High	Low	Close	Net chg	% chg	Low	52-Week Close (●)	High	% chg	YTD	3-yr. ann.
Dow Jones											
Industrial Average	40726.03	39251.72	40659.76	1162.22	▲2.94	32417.59	●	41198.08	17.9	7.9	4.5
Transportation Avg	15824.83	15214.58	15672.77	338.24	▲2.21	13556.07	●	16298.98	-0.2	-1.4	1.5
Utility Average	1007.83	991.72	1004.25	6.92	▲0.69	783.08	●	1018.46	14.4	13.9	2.1
Total Stock Market	55013.67	52677.63	54936.61	2039.57	▲3.86	40847.04	●	56206.02	26.0	15.0	5.9
Barron's 400	1176.99	1135.59	1174.77	31.19	▲2.73	907.97	●	1212.12	19.4	9.5	4.3
Nasdaq Stock Market											
Nasdaq Composite	17674.65	16699.39	17631.72	886.42	▲5.29	12595.61	●	18647.45	32.7	17.5	6.0
Nasdaq-100	19561.24	18433.61	19508.52	995.42	▲5.38	14109.57	●	20675.38	32.8	15.9	8.8
S&P											
500 Index	5561.98	5324.37	5554.25	210.09	▲3.93	4117.37	●	5667.2	27.1	16.4	7.4
MidCap 400	3020.94	2911.25	3011.38	75.83	▲2.58	2326.82	●	3115.02	16.8	8.3	3.4
SmallCap 600	1377.70	1316.25	1370.44	34.11	▲2.55	1068.80	●	1435.83	14.1	4.0	0.7
Other Indexes											
Russell 2000	2149.84	2058.12	2141.92	61.01	▲2.93	1636.94	●	2263.67	15.2	5.7	-0.9
NYSE Composite	18769.86	18177.31	18753.77	486.61	▲2.66	14675.78	●	18781.22	19.1	11.3	3.7
Value Line	611.05	574.86	597.87	17.42	▲3.00	498.09	●	620.59	6.8	0.7	-3.3
NYSE Arca Biotech	5793.04	5641.45	5766.06	94.96	▲1.67	4544.40	●	5788.17	11.8	6.4	0.1
NYSE Arca Pharma	1107.55	1072.66	1100.85	20.12	▲1.86	845.32	●	1105.8	20.5	21.0	11.1
KBW Bank	110.76	105.72	110.70	4.12	▲3.86	71.71	●	115.45	35.4	15.3	-5.0
PHLX [®] Gold/Silver	153.69	143.09	153.53	11.32	▲7.96	102.94	●	157.7	37.5	22.1	4.6
PHLX [®] Oil Service	83.77	81.38	83.21	1.113	▲1.36	76.90	●	98.76	-9.6	-0.8	17.2
PHLX [®] Semiconductor	5190.17	4690.21	5170.25	460.80	▲9.78	3185.18	●	5904.54	49.3	23.8	15.9
Cboe Volatility	21.19	14.65	14.80	-5.57	▼27.24	11.86	●	38.57	-14.5	18.9	-2.8

[§]Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

S&P 500 Index

5554.25 ▲210.09, or 3.93% last week
 Trailing P/E ratio * 24.17 22.43
 P/E estimate * 22.54 20.15
 Dividend yield * 1.34 1.56
 All-time high 5667.20, 07/16/24

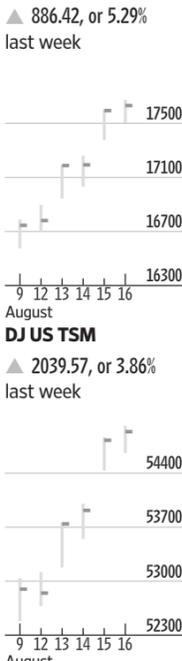


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Nasdaq Composite



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

Expected pricing date	Filed	Issuer/business	Symbol/primary exchange	Shares (mil.)	Pricing Range(\$)	Low/High	Bookrunner(s)
8/19	7/26	WeRide Software Publishers	WRD Nq	6.5	15.50/18.50		Morgan Stanley, JPMorgan, China International Capital Corp

Lockup Expirations

Below, companies whose officers and other insiders will become eligible to sell shares in their newly public companies for the first time. Such sales can move the stock's price.

Lockup expiration	Issue date	Symbol	Offer price(\$)	Offer amt (\$ mil.)	Through Friday (%)	Lockup provision	
Aug. 19	Feb. 22, '24	Vocodia Holdings	VHAI	4.25	6.2	-98.8	180 days

Sources: LSEG; Dow Jones Market Data

IPO Scorecard

Performance of IPOs, most-recent listed first

Company	SYMBOL	IPO date/Offer price	Friday's close (\$)	Offer price	1st-day close	% Chg From Offer	Company	SYMBOL	IPO date/Offer price	Friday's close (\$)	Offer price	1st-day close	% Chg From Offer
YXT.COM Group Holding	YXT	Aug. 16/\$11.00	10.02	-8.9	LINEage	LINE	July 25/\$78.00	83.98	7.7	4.0	4.0
Actuate Therapeutics	ACTU	Aug. 13/\$8.00	8.70	8.7	1.0	12.5%	Orangecloud Technology	ORCT	July 25/\$4.75	4.60	-3.2	-19.3	-19.3
Cantor Equity Partners	CEP	Aug. 13/\$10.00	10.00	...	-0.1	-1%	BloomZ	BLMZ	July 24/\$4.30	1.16	-73.0	-52.7	-52.7
Voyager Acquisition	VACHU	Aug. 9/\$10.00	9.99	-0.1	-0.1	-1%	OneStream	OS	July 24/\$20.00	28.71	43.6	6.9	6.9
EQV Ventures Acquisition	EQV.U	Aug. 7/\$10.00	9.95	-0.5	0.2	2%	Primega Group Holdings	PGHL	July 23/\$4.00	6.13	53.3	45.3	45.3
AA Mission Acquisition	AAM.U	Aug. 1/\$10.00	10.00	...	0.1	1%	Artiva Biotherapeutics	ARTV	July 19/\$12.00	11.70	-2.5	-2.5	-2.5
M3-Brigade Acquisition V	M3V	Aug. 1/\$10.00	10.02	0.2	-0.3	-3%	QMMM Holdings	QMMM	July 19/\$4.00	4.00	...	-1.7	-1.7
OS Therapeutics	OSTX	Aug. 1/\$4.00	3.48	-13.0	38.6	38.6%	Arden Health	ARDT	July 18/\$16.00	16.94	5.9	5.5	5.5
Concentra Group Holdings	CON	July 25/\$23.50	23.41	-0.4	4.1	17%	TWFG	TWFG	July 18/\$17.00	24.54	44.4	11.5	11.5
DT Cloud Star Acquisition	DTCS	July 25/\$10.00	10.06	0.6	0.3	3%	Launch One Acquisition	LPAU	July 12/\$10.00	9.97	-0.3	0.2	0.2

Sources: Dow Jones Market Data; FactSet

Public and Private Borrowing

Treasuries

Date	Auction of	Settles on
Monday, August 19	Auction of 13 and 26 week bills; announced on August 15; settles on August 22	Thursday, August 22
Wednesday, August 21	Auction of 20 year bond; announced on August 15; settles on September 3	Wednesday, August 21
	Auction of 4 and 8 week bills; announced on August 20; settles on August 27	
	Auction of 17 week bill; announced on August 20; settles on August 27	

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 1,162.22 points, or 2.94%, on the week. A \$1 change in the price of any DJIA stock = 6.57-point change in the average. To date, a \$1,000 investment on Dec. 31 in each current DJIA stock component would have returned \$32,528, or a gain of 8.43%, on the \$30,000 investment, including reinvested dividends.

Pct chg (%)	Stock price	Point chg	Company	Symbol	Close	\$1,000 Invested (year-end '23)	
						Close	\$1,000
11.96	8.89	58.40	Nike	NKE	\$83.23	772	772
8.78	3.99	26.21	Cisco	CSCO	49.46	1,003	1,003
8.09	5.50	36.13	Walmart	WMT	73.45	1,411	1,411
7.19	12.08	79.36	Boeing	BA	179.99	691	691
6.06	10.12	66.48	Amazon.com	AMZN	177.06	1,165	1,165
5.89	1.16	7.62	Intel	INTC	20.87	421	421
5.83	13.86	91.05	American Express	AXP	251.71	1,356	1,356
4.54	9.81	64.45	Apple	AAPL	226.05	1,179	1,179
4.11	10.38	68.19	Salesforce	CRM	262.91	1,002	1,002
3.97	8.17	53.67	JPMorgan Chase	JPM	213.97	1,280	1,280
3.95	10.58	69.51	McDonald's	MCD	278.49	951	951
3.85	13.42	88.16	Home Depot	HD	362.06	1,058	1,058
3.58	3.09	20.30	Walt Disney	DIS	89.30	994	994
3.39	18.92	124.30	UnitedHealth Group	UNH	577.68	1,106	1,106
3.07	12.45	81.79	Microsoft	MSFT	418.47	1,119	1,119
2.93	7.62	50.06	Visa	V	267.38	1,033	1,033
2.86	14.00	91.97	Goldman Sachs	GS	504.26	1,324	1,324
2.37	1.25	8.21	Dow	DOW	53.91	1,008	1,008
2.32	2.88	18.92	3M	MMM	127.05	1,423	1,423
1.92	4.09	26.87	Travelers	TRV	216.57	1,148	1,148
1.57	2.28	14.98	Chevron	CVX	147.27	1,008	1,008
1.54	5.22	34.29	Caterpillar	CAT	343.48	1,176	1,176
1.22	2.33	15.31	IBM	IBM	193.78	1,218	1,218
0.73	0.50	3.28	Coca-Cola	KO	69.18	1,193	1,193
0.14	0.27	1.77	Honeywell	HON	198.50	962	962
-0.33	-1.05	-6.90	Amgen	AMGN	321.44	1,141	1,141
-0.34	-0.14	-0.92	Verizon	VZ	40.61	1,131	1,131
-0.77	-1.23	-8.08	Johnson & Johnson	JNJ	159.39	1,033	1,033
-0.77	-0.88	-5.78	Merck	MRK	113.67	1,056	1,056
-1.55	-2.65	-17.41	Procter & Gamble	PG	167.89	1,167	1,167

*Based on Composite price. DJIA is calculated on primary-market price. Source: Dow Jones Market Data; FactSet

International Stock Indexes

Region/Country	Index	Close	Latest Week % chg	Low	52-Week Range Close	High	YTD % chg
World	MSCI ACWI	817.41	▲3.84	629.46	●	831.25	12.4
	MSCI ACWI ex-USA	336.80	▲3.62	276.65	●	343.01	6.4
	MSCI World	3584.19	▲3.96	2731.99	●	3642.95	13.1
	MSCI Emerging Markets	1093.65	▲2.84	910.91	●	1124.86	6.8
Americas	MSCI AC Americas	2085.43	▲3.74	1557.56	●	2130.18	15.0
Canada	S&P/TSX Comp	23054.61	▲3.33	18737.39	●	23110.81	10.0
Latin Amer.	MSCI EM Latin America	2315.89	▲2.93	2078.94	●	2675.33	-13.0
Brazil	Bovespa	133953.25	▲2.56	112531.52	●	134193.72	-0.2
Chile	S&P IPSA	3499.78	▲2.16	3048.00	●	3714.61	0.9
Mexico	S&P/BMV IPC	54083.78	▲1.95	48197.88	●	58711.87	-5.8
EMEA	STOXX Europe 600	511.45	▲2.46	429.58	●	524.71	6.8
	STOXX Europe 50	4453.29	▲2.35	3783.73	●	4577.60	8.8
Eurozone	Euro STOXX	498.07	▲3.01	420.65	●	527.81	7.0
	Euro STOXX 50	4840.52	▲3.53	4014.36	●	5100.90	7.1
Austria	ATX	3627.33	▲1.847	3020.72	●	3775.49	5.6
Belgium	Bel-20	4075.78					

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-ends 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, August 16, 2024

Table with columns: Fund (SYM), NAV, Close/Disc, Prem, Ttl, Ret. Includes General Equity Funds like JRS, SPXX, BXMX, etc.

Table with columns: Fund (SYM), NAV, Close/Disc, Prem, Ttl, Ret. Includes Specialized Equity Funds like AWP, AIO, AIO, etc.

Table with columns: Fund (SYM), NAV, Close/Disc, Prem, Ttl, Ret. Includes World Equity Funds like AEF, AGD, AOD, etc.

Table with columns: Fund (SYM), NAV, Close/Disc, Prem, Ttl, Ret. Includes U.S. Mortgage Bond Funds like BKT, BKT, etc.

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 August 16, 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 with columns: Date(s), Company, Symbol, Insider, Title, No of shrs in trans (000s), Price range (\$ in transaction), \$ Value (000s), Close (\$), Ytd (%)

Buyers

Table with columns: Date, Company, Symbol, Insider, Title, No of shrs in trans (000s), Price range (\$ in transaction), \$ Value (000s), Close (\$), Ytd (%)

Sellers

Table with columns: Date, Company, Symbol, Insider, Title, No of shrs in trans (000s), Price range (\$ in transaction), \$ Value (000s), Close (\$), Ytd (%)

* Half the transactions were indirect ** Two day transaction p - Pink Sheets

Insider Buying and selling by sector

Based on actual transaction dates in reports received this past week

Table with columns: Sector, Buying, Selling

Table with columns: Fund (SYM), NAV, Close/Disc, Prem, Ttl, Ret. Includes High Yield Bond Funds like ACP, ACP, etc.

High Yield Bond Funds

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Other Domestic Taxable Bond Funds

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World Equity Funds

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U.S. Mortgage Bond Funds

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MARKETS & FINANCE



Tyla Harrington, a photographer and videographer, rents camera gear once a month. Melanie and James Adams rented a wet tile saw, a jackhammer and an angle grinder to fix wood stairs.



Extreme Renters Own Nothing

Continued from page B1

ally do own their 2014 Subaru Outback. They bought it last year for about \$10,000, figuring it would be cheaper in the long run to cough up the cash than to rent a car each time they wanted to go on a weekend trip. They own a standing desk and a couple of surfboards and road bikes. For them, it is less about money and more about the ability to move around without worrying. “Where are these items going to go?” said Catucci.

A super-expensive housing market has changed the way that many Americans think about all types of ownership, especially young Americans. Members of the Greatest Generation might have burned the mortgage note when they paid off their houses; lots of Gen Zers feel as though they will never be able to buy.

“Over the last decade, we’ve seen the rental economy

gain popularity as more opportunities to rent goods and services have flooded the market,” said Courtney Alev, consumer financial advocate at Credit Karma.

While the types of items for rent have multiplied, they all have the same obvious drawback: You are making payments for something you don’t get to own.

Tyla Harrington, a freelance photographer and videographer, used to rely on a Sony camera that she bought secondhand for about \$1,100. Almost as soon as she got it, a newer version came out. Then, at a wedding about five years ago, a client requested a higher resolution than the Sony could deliver. “So I started renting almost right away,” said Harrington, 36.

Latest camera gear

Renting camera gear can cost a hefty \$500 a week, and Harrington does that about once a month, before a big gig. She estimates this method has saved her thousands of dollars. The latest new cameras and gadgets, like tripods, lenses and lights, can easily cost as much as \$10,000 and have to be upgraded regularly

to stay up to speed.

Jami Jackson-Cole, an elementary-school teacher in Oklahoma, started renting her work outfits last year from Nuuly. The company, which is owned by **Urban Outfitters**, mails her six items each month for about \$100, then another six after she mails those back.

Valentine sweater

Cole learned about clothing rentals from her 26-year-old daughter, Keely, after seeing her sporting a pink heart sweater around Valentine’s Day last year.

Recently, a fellow teacher complimented Cole on her dress, a pink-and-green number with a horse print. When she confessed it was rented, the colleague replied that she rented clothes too.

“We get tired of wearing the same thing over and over,” said Cole, 53.

She does purchase the occasional irresistible item from her Nuuly delivery, such as a tiered dress from Anthropologie for about \$75—a 50% discount from the retail price.

The clothing-rental old-timer, **Rent the Runway**,

launched in 2009, offering the chance to borrow high-end gowns and evening wear. Nuuly and other companies such as Pickle now use similar models for everyday wear, letting people rent even their jeans and T-shirts.

Nuuly’s sales jumped more than 51% in the first quarter from the previous year, driven by a 45% rise to 224,000 average active subscribers.

Rent the Runway subscribers remained flat in the first quarter from the prior year, at almost 136,000 average active subscribers.

Berkley Brooks feels as though she was raised to rent. Her parents told her never to buy anything that would lose its value within five or so years.

So she rents her phone, an iPhone 13 Pro, as do her three siblings. And while she doesn’t currently need a car because she lives in New York City, leasing is all she has ever known. When she turned 16, her parents got her a Mercedes-Benz CLA 250—sort of

They gave her a three-year lease on one.

For her phone, Brooks is on a plan under which she pays \$28 a month. Buying it outright would easily cost \$900 or more up front, plus she likes the excitement of being able to upgrade to a new model every few years.

“Maybe one day that will change, but I think it’s more realistic for me,” said Brooks, 23. “Life is just unpredictable.”

In Houston, Mason Choate is a car guy, but he doesn’t want to own one. He and his wife lease a Tesla Model 3 and a Ford Explorer for a total of about \$1,600 a month. Choate, who is 28 and works at a Ford dealership, said he witnesses daily how a car’s value drops the moment it is driven off a lot.

“It’s a hard pill to swallow, to throw \$25,000 in something that’s obviously going to depreciate,” he said.

Choate recently saw a deal on a Ford F-150 Lightning, for a lease of \$487 a month. He

and his wife now lease three vehicles.

Fixer-uppers

Melanie and James Adams bought a fixer-upper in Denver in 2018—and then moved into a bigger fixer-upper four years later. That means they have needed lots of tools in their lives.

So over the past few years, the millennial couple rented a wet tile saw, a jackhammer and an angle grinder to fix their wooden stairs.

They also rented a garden tiller for about \$100 for two days to loosen the soil before planting. Sure, they could have bought a cheap one for about the same price, but they didn’t see the point of cluttering up their garage with something they only need once.

Still, they have also been adding to the collection of tools they own, including a snowblower they inherited from Melanie’s parents, and embracing more of an “ownership mindset” for tools they plan to use regularly. They rent a gas chain saw twice a year to clean up their shrubs and trees. That, Melanie said, is something they will buy next time they need one.

Nuuly and other companies let people rent even their jeans and T-shirts.

Many 2021 Venture Funds Have Had Zero Distributions

By YULIYA CHERNOVA

Money is stuck in venture funds. Just 9% of U.S. venture funds raised in 2021 distributed any capital to limited partners three years after launching, according to a new report from financial-software provider Carta. That compares with 16% of 2020 funds and almost a quarter of 2019 funds that had distributions at the same point in their life cycle, per Carta.

Carta analyzed data from its customers, which use its software for fund administration purposes. A majority of the 1,803 funds in its report are sub-\$25 million in size, which means they are mostly

smaller funds from emerging managers, said Peter Walker, the company’s head of research. There were at least 120 funds in the Carta set for each vintage year, which is the year when a fund began investing. Carta looked at vintage years 2017 through 2022.

“It drives home the point that vintage year, the time in which the fund begins investing, is a huge input to eventual returns, and that is mostly out of the hands of the fund manager,” Walker said.

U.S. venture funds that were raising at the top of the market in 2021 and 2022 collected about \$368 billion, more than double the amount

raised in the prior two years, according to the PitchBook-NVCA Venture Monitor, an industry tracking report.

Now, the limited partners that backed these funds are in for a long holding period.

The illiquidity of the 2021 vintage isn’t surprising. Venture funds return capital to their limited partners primarily through sales of their portfolio companies, and the number of startup acquisitions dropped significantly in the past couple of years.

Some 771 startups were acquired in the U.S. last year, down from more than a thousand the prior year, and a peak of 1,302 in 2021, accord-

ing to the latest PitchBook-NVCA Venture Monitor report.

The lack of deals is weighing heavily on the venture market—especially on the investors that back venture funds.

“For smaller LPs, it could be a very meaningful input on whether or not they are even able to invest in future funds,” Walker said.

Younger and smaller fund managers, many of which rely on individual and family-office investors rather than large institutions, have had an especially hard time raising capital recently.

Not only are more recent

venture vintages locked into illiquid assets, the value of their portfolios assets has declined as well.

Carta shows that both the 2021 and 2022 vintage years are underperforming prior ones, both to date and at the same point in their life cycle.

The median net investment rate of return for the 2021 vintage three years after inception was negative 1.5%, per Carta. All the vintages before that had generated positive returns by that point in their lives.

Earlier vintages performed better because they backed startups at lower valuations

and, then three years later, hit a booming market where valuations and the exit environment were much frothier. For more recent vintages, the situation is the reverse.

Vintage 2022 funds are doing even worse than 2021. The 2022 funds had a median net IRR of negative 5.8%, two years in, per Carta.

There is reason to believe that the tide is turning, Walker said. The declines in returns quarter over quarter are getting less steep, he said. There were fewer down rounds in the second quarter than in the first one among startups on the Carta platform, as well.

THE TICKER | MARKET EVENTS COMING THIS WEEK

Monday

Crude-oil stocks	up 1.4	July, expected	3.95 mil.
Gasoline stocks	down 2.9		
Distillates	down 1.7	Freddie Mac mortgage survey	
		Previous weekly averages	
Mort. bankers indexes		30-year fixed	6.49%
Purch., previous	up 35.0%	15-year fixed	5.66%
Refinan., prev.	up 3.0%		

Earnings expected

Estimate/Year Ago		Initial jobless claims	
Estee Lauder	0.26/0.07	Previous	227,000
Palo Alto Networks	1.41/1.44	Expected	230,000

Tuesday

Earnings expected		Earnings expected	
Estimate/Year Ago		Estimate/Year Ago	
Coty	0.05/0.01	Agilent Technologies	1.26/1.43
Keysight Technologies	1.35/2.19	Analog Devices	1.51/2.49
Lowe’s Cos	3.96/4.56	Snowflake	0.16/0.22
Medtronic	1.20/1.20	Synopsys	3.28/2.88
Toll Brothers	3.31/3.73	Target	2.19/1.80
		TJX Cos	0.92/0.85

Wednesday

EIA status report		Thursday	
Previous change in stocks in millions of barrels	down 6	EIA report: natural-gas	
		Previous change in stocks in billions of cubic feet	down 6
		Friday	
		New-home sales	
		June, previous	617,000
		June, expected	625,000

* FactSet Estimates earnings-per-share estimates don’t include extraordinary items (Losses in parentheses) ♦ Adjusted for stock split

Note: Forecasts are from Dow Jones weekly survey of economists



Target is expected to post per-share earnings of \$2.19 on Wednesday.

JOE RAEBLE/GETTY IMAGES

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Apple Pay Rivals Look to Lure Users

Payment companies and banks might be able to vie for more digital checkouts in stores

Apple is letting competitors in on some of the technology that has powered Apple Pay. But they will still need to make their case to consumers.

The iPhone maker on Wednesday said it will soon allow app developers in Australia, Brazil, Canada, Japan, New Zealand, the U.K. and the U.S. to make use of its devices' near-field communications and certain security features to enable activities including in-store tap payments. This follows an earlier move to offer NFC access in Europe. So consumers in many markets might in the future be able to "tap" their iPhones at checkout counters and subway turnstiles using other wallets besides just Apple Pay.

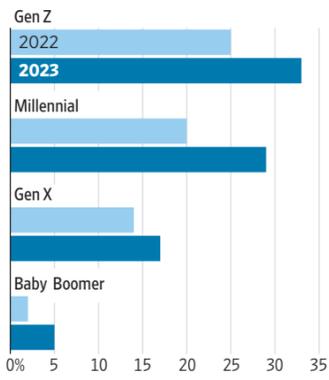
With Apple previously not allowing this, many digital wallets turned to things like QR codes or other workarounds to turn their iPhone apps into in-store payment tools.

PayPal, for example, has long sought to become "omnichannel" by crossing the threshold from digital online and mobile payments to in-store payments. Being able to tap with PayPal's iPhone app might be game-changing for that effort, particularly with younger consumers who have been faster to adopt in-store digital payments.

"Where there are locations where NFC opens up, that obviously becomes a very easy opportunity for us to provide a wallet in an Android or iPhone operating system, and we will be ready," PayPal Chief Executive Alex Chriss told analysts earlier this year.

But before investors start drastically rereating digital wallet and payment companies for a bigger addressable market, consider a few things. First, a competing tap-to-pay app on an iPhone would need to get the customer to go

Percentage of generation who used digital wallets for in-person purchases over the past 12 months



Note: Survey of about 2,000 U.S. adults
Source: Federal Reserve Financial Services

through the trouble of switching from the default option when the phone is tapped to pay.

It is also not an end-run around Apple. Apple said it would require the developers to have a "commercial agreement" with Apple and "pay the associated fees." So for example, while Apple Pay typically charges credit-card issuers a fee when their cards are used in the wallet, whether having customers tap a card via the card issuer's own app is ultimately cheaper, or otherwise more advantageous, might depend on those terms.

Nor is it necessarily a new pathway to cheaper, non-card payments. On paper, it seems like a phone tap could be funded with any payment instrument, not just a stored credit or debit card. In practice, though, it is not so simple. For one, the payment type would need to be set up for secure tap payments. And then it would need to be accepted by the payment terminal at the merchant's end. Plus, many neobanks will still earn interchange revenue associ-



The company is continuing to press for Apple Pay to take share in mobile and web payments.

ated with card swipes.

And more generally, while in-store might be a growth opportunity for many online-payment players, they must watch their flank, too. Apple Pay is continuing to press to take share in mobile and web payments, including via some recent enhancements to make it easier to use across browsers other than Apple's Safari.

Still, there are big rewards to those who increasingly go omnichannel. Giving users potentially another reason to engage with a payment app via tap-to-pay could

give a big lift to services like PayPal that are trying to do much more than just online checkout payments. They want to be a digital financial hub for consumers, and a broader commerce partner to merchants.

"The impacts we see aren't necessarily with the payments process, but rather the newfound ability for the likes of PayPal, a bank, etc. to drive consumer engagement by replacing Apple Wallet as the default payments app," equity analysts at Financial Technology Partners wrote in a note this week.

Using the app more might prompt users to do a variety of higher-value things, too, such as borrowing money via installment payments, accessing merchant offers, storing money, and so on. Apple, too, has sought to pack its wallet app with services such as a cash account, balance information and other kinds of things you might find in a physical wallet, like IDs and event tickets.

Apple has opened a new door for competing wallets. It is up to others to show consumers why they should walk through it.

—Telis Demos

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JOURNAL REPORT CYBERSECURITY



JOHN KRAUSE

How Safe Am I?—and Other Questions Readers Asked About Cybersecurity

BY BART ZIEGLER

Should I use incognito mode? How risky are public Wi-Fi networks? Should I use a VPN? And more.

CYBER THREATS are everywhere—stolen passwords, hacked accounts and identity theft to name a few. Experts offer all sorts of suggestions on what we can do to guard against them.

But the advice can sometimes seem impractical, confusing or excessive.

That's what we heard from Wall Street Journal readers when we asked them what questions they have about online attacks and how to prevent them. Here are some of the most frequently asked questions—and the answers.

Please turn to page R4

Those Online Accounts You No Longer Use? For Your Own Safety, Get Rid of Them

You've forgotten about 'zombie' accounts, but their servers haven't

BY SEAN CAPTAIN

REMEMBER THE Myspace page you crafted in 2005? Or the Tumblr blog from 2009? What about the Ticketmaster account you created to go to that concert four years ago?

Most of us have online accounts we no longer use but that still exist—zombies that live on

long after we need them. We may forget about them, but these accounts pose a risk. They make us more vulnerable to criminals who want to steal the personal data stored there, from our passwords to our contact information to even our credit-card numbers.

The danger might be greatest for those who tend to use the same logins on multiple sites, experts say. That's because hackers who breach a service with little or no valuable information—say, an old photos app with a handful of cat pictures—could apply your credentials on more-important

sites, such as your bank's. Indeed, a 2021 study by MIT unearthed a cache of stolen data for sale on the dark web that included more than three billion usernames, many paired with passwords.

The more online accounts you have, the bigger the target on your back—and you may have more accounts than you realize. A 2024 survey by password-manager company NordPass suggests the average internet user has around 168.

"If it's a company that I am still using regularly, that I have an active relationship with—maybe I like being part of their loyalty program—this isn't a company where I should be deleting my data," says Ginny Fahs, director of product R&D at the Consumer Reports Innovation Lab. "But for companies [such as] social-media sites I tried out when I was a teenager, there's

Please turn to page R2

Inside



WHAT COULD GO WRONG?

Giving fake personal info to websites can shield you—or backfire. **R5**

Scan this code to learn how California lawmakers are considering AI-safety measures that might have a national impact.



THE EXPERTS SAY...

Excerpts from the WSJ Tech Live: Cybersecurity forum, on the healthcare system's vulnerability, the 'pig butchering' scam (you're the pig) and a threat assessment from the Justice Department **R2-5**



What Regulators Can Learn From the Change Healthcare Hack

Two experts explain why the cyberattack was so devastating—and what's needed to protect the healthcare system

THE HEALTHCARE industry's vulnerability to cyberattacks was vividly demonstrated earlier this year.

Change Healthcare, a **UnitedHealth Group** unit that operates the largest U.S. clearinghouse for insurance billing and payments, shut down its services following a cyberattack in February. The outage threw the healthcare sector into crisis.

Many medical providers, unable to bill their insurance providers, couldn't collect revenue for months, threatening their ability to continue operating. The attack also compromised the personal and health data of possibly one-third of the U.S. population, UnitedHealth Chief Executive Andrew Witty said at a congressional hearing May 1.

WSJ Pro Cybersecurity reporter James Rundle discussed the implications of the attack at the WSJ Tech Live: Cybersecurity forum in June with Stacey Hughes, executive vice president for government relations and public policy at the American Hospital Association, and Erik Decker, chief information security officer at Intermountain Health. Decker is also the chairman of the Health Sector Coordinating Council's Cybersecurity Working Group, which advises the federal government on cybersecurity issues in the healthcare industry.

Here are edited excerpts:

All hands on deck

◆ **WSJ:** What were the conversations like in the days following the attack when this all started to happen and you realized that this wasn't going to

be a quick flash in the pan, that things were going to roll on for a while?

■ **HUGHES:** It was literally 24/7, all hands on deck. It took at least 72 hours to really unpack "What does this mean?"

For example, even if you were



pitals and other healthcare providers from this?

■ **DECKER:** Change Healthcare itself having an issue was not a surprise. We've been seeing ransomware attacks happening in healthcare ad nauseam.

What Change brought out was that we are an ecosystem of interconnectivity and there are chokepoints inside of our ecosystem. The challenge is when you don't have good resiliency plans around what to do if that thing

on instituting minimum mandatory cybersecurity standards?

■ **DECKER:** In working with Health and Human Services and building the strategy concept paper—where they outline there are going to be voluntary cybersecurity performance goals, there's going to be incentives, there's going to be enforcement and mandates, and more work on the Health and Human Services side—our role is to advise them on what is palpable and



Stacey Hughes and Erik Decker at the WSJ Tech Live forum.

a hospital and you didn't have Change Healthcare as your clearinghouse, let's say Cigna was your main payer, and they used Change Healthcare to both remit and pay claims, you couldn't get paid.

And there's a patient impact. You can't do prior authorization without Change's functionality. You couldn't check on clinical integration and do clinical tests. You couldn't do prescription disbursements. And not just hospitals, but every physician office, social worker. You couldn't get Medicare claims. It was immense.

◆ **WSJ:** Erik, from a healthcare provider's perspective, what lessons can be learned for hos-

goes down for a 30- to 60-day window, then you're going to be on your heels and you're going to have a lot of challenges.

◆ **WSJ:** There have been a few suggestions from lawmakers around what can be done for this—minimum cybersecurity standards being one of them that's been proposed.

Erik, in your role at the Health Sector Coordinating Council you were part of the team that wrote the cybersecurity performance goals (CPGs) released recently by Health and Human Services, which are voluntary. What are your thoughts

how can we do this, and how can we do it right?

We understand the reason for getting to the minimums. But you can't just bring that in, slap it down, an unfunded mandate, and then assume the small, critical-access hospitals, the people that are already underwater, are going to be able to achieve that. They're not.

So within the White House's budget proposal for 2025, they have a two-year ramp-up period for the enhanced cybersecurity performance goals.

And that comes with a \$1.3 billion stimulus to assist those organizations. It might not be the end all, be all. It might not be the full amount of money that's necessary, but it's the right step

It Is Time You Got Rid Of Those Old 'Zombie' Accounts

Continued from page R1
really no value to me of that data anymore."

You may not remember all of your accounts, but you can rediscover many of them in web browsers, apps and even your inbox. The process of deleting these accounts has gotten easier, thanks to new privacy laws requiring companies, at least in some states, to honor deletion requests, and to a tool Fahs's team developed.

Here is a strategy to find and delete zombie accounts.

Find stored logins

Many login credentials for online accounts are stored in web browsers, operating systems and password-manager apps, so you can start your hunt for zombies there.

If you are on Chrome (the most popular web browser) on a desktop computer, click the three vertical dots in the upper right of the window, then navigate to Passwords and autofill > Google Password Manager to see a list of the accounts the browser has stored. (While there, press "Check Passwords" to learn if any have been involved in a data breach and/or been reused on multiple accounts.) In Apple's Safari browser, click Safari > Settings > Passwords in the upper left.

You also should search your device's operating system for any account credentials that may be stored there. For Android phones, go to Settings > Search and search for "Password Manager." For iPhones, go to Settings > Passwords. On Apple's Mac com-

puters, search for "Keychain Access" then press "Open Passwords." Microsoft Windows doesn't have a built-in password manager.

Finally, some people use password-manager apps such as 1Password, Bitwarden or Dashlane to store logins, so be sure to look there for a list of accounts, if applicable.

Some of your accounts may have fallen prey to breaches already. You may be able to identify them using the Chrome "Check Passwords" tool mentioned above, or with monitoring services such as the free "have i been pwned?" site, or with the paid Dark Web Monitoring tool in Dashlane. This lets you focus on closing or updating logins for breached sites, and for other sites that use the same logins.

Check apps

You might unearth more forgotten accounts by checking for apps or services you have linked to other networks. For example, you might rediscover an Expedia account when you see you authorized it to share information with Google; or perhaps you authorized Pinterest and Twitch to do the same with Facebook.

To check for linked apps or services in Google, for instance, log in, click your user icon in the upper right, then click Manage Your Google Account > Security, and scroll to "Your connections to third-party apps & services." In Facebook, click your profile picture in the top right, click Settings & privacy > Settings, then scroll way down on the left-side menu and click "Apps and websites."

It's also a good idea to check mobile apps for accounts associated with them. On Android phones, go to the Play app home screen, tap your avatar at the top

right, then tap Payments & Subscriptions > Subscriptions to see both current and expired ones. With iPhones, go to Settings, click your name up top, and click Subscriptions. You may also check apps on devices such as smart TVs and smart speakers.

Finally, check your email for messages from services you have signed up for, such as welcome messages, instructions to verify your email address or alerts about

other cases it doesn't, and you must specifically select the delete option to remove your information from the site. It's also important to remember that disconnecting a service from your Facebook account or deleting an app from your phone doesn't delete the account. That has to be done separately, either in the app or on the company website.

The process of deleting accounts got a lot easier in 2022



privacy-policy changes. Some terms you might search for include: "welcome," "free trial," "unsubscribe," "changes to," "privacy policy," "log in," "login," "update," "your account," "sign in," "sign-in," and "verify."

Delete accounts

Once you have your list of zombies, it's time to delete them.

In some cases, deactivating an account also sets in motion the process of deleting your data. In

when Consumer Reports released Permission Slip, a free iOS and Android app that points you to the "delete account" webpage for almost 350 sites. For about half, Permission Slip can automatically send the requests on your behalf. According to Fahs, Consumer Reports plans to significantly increase the total number of sites included in the app, as well as those with automatic deletion, by the end of the year.

You have to create an account

to take.

What won't work

◆ **WSJ:** Stacey, minimum standards are something the American Hospital Association has traditionally opposed. What are your thoughts?

■ **HUGHES:** I think it's a little more nuanced than that. We want smart regulation.

I think that the proposal that Erik just mentioned was only applying to hospitals. If that proposal was in place, law of the land, [at the time of the attack on Change Healthcare], it would have done nothing. Sen. Mark Warner (D., Va.) has a bill which would have essentially put the onus on hospitals to ensure their vendor has appropriate cyber hygiene and is following all the CPGs. Again, that would have done nothing.

So what we want is smart regulation that actually adopts what Erik worked hard on, and some of our colleagues, on these minimum standards. Putting all this on the backs of just hospitals is a very knee-jerk reaction. We really want the whole infrastructure to be part of these types of increased CPGs.

You're not going to solve anything by just having a mandate on hospitals. It may make you feel good, but it's not going to work, in terms of having any real outcomes.

■ **DECKER:** Stacey's right. This is not just about hospitals.

We need to know we have a bunch of critical functions that exist. Claims processing is one of those critical functions. Imaging is a critical function. Laboratory ordering and resulting is a critical function. Getting medical supplies is a critical function. And in order for that to work, you place orders. It goes through a system, it goes through an exchange.

So the thing that Change highlighted is there's an ecosystem here that's in place, and there's an ecosystem that the transactions are flowing through.

WSJ TECH LIVE
CYBERSECURITY

to use Permission Slip, and while Consumer Reports says that it doesn't use personal data for targeted advertising, it reserves the right to use some usage information for its own marketing of products and services or to track the effectiveness of ads. One option is to delete your Permission Slip account after you get confirmation that all your zombie accounts have been deleted.

For sites not included in the Permission Slip app, try searching the company's privacy policy for instructions on how to close or delete an account. Some companies also link to this information from the bottom of their home page. If all that fails, try a web search for the company name and terms such as "close account" or "delete account."

Deletion of your data may take days or weeks, and some companies may ignore requests. (Consumer Reports in some cases is filing complaints with state attorneys general to enforce laws that require companies to honor these requests.)

If a zombie site has information that you value, such as photos or messages, you may be able to download it before you delete the account.

Google and Facebook, for instance, both offer the ability to do comprehensive downloads of all your data, such as emails, calendars, messages, posts, photos and videos.

Just make sure you have your data in hand before you begin the deletion process. Some zombie sites may still hold your valuable memories, even if your memory of the site itself has faded.

Sean Captain is a journalist in New York. He can be reached at reports@wsj.com.

Why ‘Pig Butchering’ Scams Are Proliferating—and Successful

It starts with an unsolicited text message. And then it's all about gaining the victim's trust.

DO YOU GET unsolicited text messages from people you don't know? Be forewarned: If you respond, you could be falling for a particularly dangerous online scam that has found victims around the world. Some unfortunate individuals have lost millions of dollars.

There is even a name for it. Pig butchering. Victims are fattened up, made to trust the scammer and think they are making tons of money, until they are mercilessly taken—sometimes for everything they have.

On June 6, at the WSJ Tech Live: Cybersecurity conference in New York City, two cybercrime experts sat down with Wall Street Journal reporter Robert McMillan to discuss how pig butchering works and what is being done about it. The participants were Troy Gochenour, an investigator with the Global Anti-Scam Organization, a non-profit that helps victims and raises public awareness of scams, and Jamil Hassani, a supervisory special agent with the Federal Bureau of Investigation. An edited transcript of their conversation follows.

How the scam works

◆ **WSJ:** Why “pig butchering”?

■ **GOCHENOUR:** It's not our term. In Chinese, it is *shā zū pán*, or pig-killing plate. What makes this scam so effective is they want to build trust so that you might think they could be a potential love interest or a business partner. Then they will start talking about how they've made a lot of money in cryptocurrencies and how the victim could, too.

◆ **WSJ:** It's a variation on the romance scam. Instead of asking for money to buy a plane ticket, they propose to make money together?

■ **HASSANI:** Absolutely. The rise in cryptocurrency has opened the door for these scammers to take your money instantaneously. There are no third parties doing the reconciliation. If you do a regular wire transfer and you contact the FBI within 72 hours, chances are we can get that money back for you. But with crypto, it's almost immediate and it's gone.

◆ **WSJ:** Are you seeing more pig butchering because of the rise of crypto?

■ **HASSANI:** Absolutely. The rise since 2019 for victimization is almost 2,000%.

◆ **WSJ:** Why does it work?

■ **GOCHENOUR:** The social-engineering aspect is very powerful. I have stories that are very sad: folks who have been warned that they're getting scammed, and yet, because they've been socially engineered so much, they actually continue to invest.

They're looking for everybody, but they prefer people with titles—doctor, dentist, IT professional, CEO. I follow them on the communications platform Telegram, so I have a lot of their training documents, manuals on how they build those relationships. This is an entire industry tied to largely Chinese organized crime.

The victim's psychology

◆ **WSJ:** Jamie, psychologically speaking, why does this work?

■ **HASSANI:** I remember arresting a hacker out of Tunisia. A 19-year-old kid that was able to bypass levels of security within the Department of Defense, took down a few banks and was



Investigator Troy Gochenour, left, and the FBI's Jamil Hassani discuss 'pig butchering' scams.

wreaking havoc across the world. He explained to me: “Hackers are stupid. They go after the systems, when human beings have way more vulnerabilities. They have the keys to the treasure chest. And it's so easy to turn off their mental firewall.”

Try to think of a time you were in a relationship where the threat of your spouse or significant other leaving caused you to do pretty much anything to keep them around. Every scam evokes an emotion. It could be love, fear, panic. Your ability to critically think is shut off.

◆ **WSJ:** Sometimes when I've talked to scam victims, it's like the more they have invested, the harder it is for them to believe they have been taken.

■ **HASSANI:** It's the stigma. The victims can't fathom that they could have been so stupid, quote unquote. So they hold on to this hope that it had to have been real. The scammers use information they glean from your communications and social media to validate you in a way that no one else can.

◆ **WSJ:** If you suspect or know somebody is a victim, is there something you can say that will snap them out of it?

■ **GOCHENOUR:** Unfortunately, people are people. We've had victims we've warned more than once, and they continued to give.

The United Nations Office on Drugs and Crime says there could be as many as a couple hundred thousand of these scammers operating throughout Southeast Asia.

■ **HASSANI:** A lot of these scammers are trafficked human beings. When a human being is subjected to that kind of circumstance, their will to succeed is intense, because their life, or their family's life, depends on it. They are constantly fine-tuning strategies, and trying to stay one step ahead of whoever is closest on their tail. These scammers contribute something like half of their country's GDP, so the local government's not going to do much.

◆ **WSJ:** The FBI knows who's running these scams, largely?

■ **HASSANI:** Yes, absolutely.

◆ **WSJ:** Can you get them?

■ **HASSANI:** There are no treaties between those specific countries and the U.S. We've taken steps. We work with multiple organizations, including the Secret Service, Department of Homeland Security, and we're applying pressure on these countries to start to take action.

◆ **WSJ:** There are different layers of operators; some do the texting, others do the talking and then there are the video calls.

■ **GOCHENOUR:** Sure. So if you get that wrong number, the text

nese. At the top, it would say your first name, maybe your age, two homes, 401(k).

As you continue to chat, you're actually being sent to multiple people chatting with you on this one account. They are all in the compound. Everything they do is monitored. So if that person is there against their will, if they don't chat with you to lure you in, they could get beaten.

What can be done?

◆ **WSJ:** This scam involves legitimate organizations as well, right? Cryptocurrency companies, the messages come on legitimate

apps. What can be done to mitigate this?

■ **HASSANI:** Until a collective strategy is put together, you need to be aware of the red flags. And the first one is unsolicited contact. We've all gotten that text message, “hi.” That message has a fundamentally different feeling to somebody who is elderly and widowed and lonely. When they see “hi,” that has a profound impact on them.

If you get an unsolicited contact, ask questions. If they want you to invest in cryptocurrency, do a little research on the site. Is this website legit? Some are legitimate and registered with, say, the Treasury Department's Financial Crimes Enforcement Network or the Securities and Exchange Commission.

◆ **WSJ:** Some of the scam sites actually register.

■ **HASSANI:** True. Most of them aren't registered with the SEC, but a lot are.

■ **GOCHENOUR:** In 2021, 2022, they were using apps like MetaTrader 5 or 4, a foreign-exchange trading app. It's legitimate. You could go on this app and think you're doing something legitimate, but you're sending money to their scam broker website.

◆ **WSJ:** Why can't you stop these guys?

■ **HASSANI:** They'll have one major domain with multiple subdomains, so to speak. So as soon as we take that website down, another one pops up. Our strategy is to go after the kingpin.

◆ **WSJ:** Have you hit any kingpins yet?

■ **HASSANI:** We have. The indictments, a lot of them are still under seal. But tech-support scams are a big part of this. We took down three tech-support buildings near Kolkata less than a year ago.

◆ **WSJ:** All connected to pig butchering?

■ **HASSANI:** Yes, and they do the same thing—traffic human beings to scam.

◆ **WSJ:** Scammers use services like WhatsApp, and the money gets sent to them often through a legit crypto company. Could the tech companies be doing more here?

■ **GOCHENOUR:** The tech companies and the exchanges are doing more. When I follow the scammers on their chats, they talk about, “Why can't I get this money? The victim put it in the account, but I can't get it. What's going on?”



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JOURNAL REPORT | CYBERSECURITY

Questions From Readers About Cybersecurity

Continued from page R1

Overall risks

◆ **How much risk does the average person face?**

There's little dispute that online attacks are a growing and costly problem. Nearly a third of Americans, 31%, say they have been the victim of a cybercrime, according to a December survey by the polling company Ipsos, with 64% of them citing credit-card fraud, followed by data breaches at 32%, account hacking at 31%, online banking fraud or scams at 23% and phishing at 14%.

In 2023, the Federal Bureau of Investigation received a record 880,418 complaints from the public about cyber fraud, with potential losses exceeding \$12.5 billion—a 10% increase in complaints and a 22% rise in losses from 2022. Meanwhile, the Federal Trade Commission received more than a million reports of identity theft the same year.

◆ **I already use two-factor authentication, make sure not to click sketchy links or phishing emails and regularly update my passwords. What should I do specifically to my computer to prevent hacks?**

Check that your computer is running the latest version of its operating system. Microsoft and Apple issue frequent updates that include enhanced security features—something many consumers ignore or delay installing. To avoid that, make sure the operating system's automatic-update setting is turned on.

And check that your operating system has its built-in firewall enabled. Firewalls serve as a barrier to certain threats that can come over the internet. They examine incoming and outgoing traffic, blocking suspicious data. They can control which of the connections, or ports, on your computer can be used, and regulate what pathways certain programs have access to, both of which limit the ability of hackers to enter your system.

With Windows 10 and 11 the firewall likely is on by default, but make sure under the Update & Security settings for Windows 10 or Privacy & Security settings for Windows 11. With a Macintosh you can turn on the firewall by going to System Settings and then clicking Network.

◆ **Do you really need to buy a third-party antivirus program if you keep your computer's security features up-to-date?**

Today's computer operating systems, such as Microsoft's Windows and Apple's MacOS, come with an array of protective features built in, mimicking what you once could obtain only by installing third-party cybersecurity software. Some experts say these systems, such as Microsoft Defender, are adequate. And they point out that additional security software could slow down your computer, particularly when these programs perform a periodic scan of your machine to look for viruses and other issues.

But the built-in security has limitations. For example, testing by some experts found that Defender doesn't do as good a job as some third-party programs at preventing ransomware attacks, where a hacker locks your computer and demands money to unfreeze it.

Using a third-party program is akin to installing a security system at your home in addition to strong locks on your doors. In this world of ever-multiplying cyber threats, that could be a smart move. Some security software is free, while others can cost \$16 and up for a year. You can find reviews and ratings of these programs at sites including PC Magazine, CNET and PC World.

◆ **Does using "incognito mode" or "private mode" on my browser protect me from cyber-criminals?**

No. These settings generally mean

that the computer and browser aren't storing such things as what websites you visit, to keep your browsing private if someone looks at the history feature. But your internet service provider and your employer, if you're using a company network, can still track your online behavior. And these modes don't prevent a hacker from trying to enter your computer, or shield it from viruses and other malicious programs.

Wi-Fi risk

◆ **What about security in my home Wi-Fi network? I've heard that it can be an entryway for hackers.**

Yes, it can be a path into all your devices connected to Wi-Fi. But you can take preventive steps:

- Don't use the default password that came with your router—the manufacturer may have used the same one for hundreds or thousands of devices.
- Turn on the router's WPA3 encryption, if offered, to block unauthorized users. Just make sure your connected devices are able to handle this latest security feature; if not, you may have to revert to the older WPA2.

missions, meaning a hacker would see nothing but garble.

VPNs have a downside: Their encryption can slow the speed of your internet connection. And a VPN can cost up to \$12 or so a month. While there are free VPNs, many experts advise avoiding these due to their limitations, such as a cap on how much data you can use a day.

◆ **What if I don't want to go to the expense or bother of getting a VPN? How can I avoid the risks of public Wi-Fi?**

Use your phone's cellular data network to connect to the web. Cellular internet access is much more secure than public Wi-Fi, experts say, chiefly because it encrypts your transmissions. But to ensure you're not accidentally on public Wi-Fi—some phones default to Wi-Fi instead of the cell network—first shut off your phone's Wi-Fi access.

If you want to go online with a laptop or tablet, use the mobile hot spot feature offered by many phones and cellphone plans. These are private, encrypted Wi-Fi networks generated by your phone that just you and others who have the password can tap in to—you're not sharing the sig-

whether your name is being used to impersonate you on social media or appearing (falsely) on change-of-address lists or court records. And they might look for information about you being sold on so-called dark websites used by hackers.

Both types of services may offer help in repairing the damage if you are a victim of identity theft, and insurance to cover the costs of those repairs, including charges run up by identity thieves.

◆ **Are there downsides to using these monitoring services?**

They can cost hundreds of dollars a year and sometimes set off false alarms. And they don't block identity theft from occurring in the first place, though the early warning they may provide could mean you can stop the fraud from spreading. So you still need to be vigilant about protecting your identity.

Before paying for a monitoring service, check whether you might have been given free access to one for a limited time. For instance, you may have received an email from a company with which you have an account, such as a retailer, offering a free

ernment forms. Privacy experts also advise consumers to push back when asked for their birth date—another valuable piece of information for hackers. Ask if you could use another type of identifying information.

Passwords and biometrics

◆ **What makes a password hard to crack? And how can you remember your passwords without writing them down, which poses a security risk?**

Experts say the strength of a password is determined by its length, complexity and unpredictability. Longer passwords are harder to crack because their length alone increases their complexity. To make them unpredictable, don't create a password from things connected to you, such as your address, alma mater or pet's name, since these things may be gleaned online.

For the strongest passwords, don't include words at all; use a random mixture of capital and lowercase letters, numbers and symbols to create gibberish, such as k5&cH72%eo#55.

Because such gobbledygook logins are hard to memorize, store them in a device called a password manager. Free ones include Google Password Manager, which works with that company's Chrome browser and Android devices, and Apple's iCloud Keychain, for Apple devices. There also are many third-party ones, including Dashlane and 1Password. Almost all these password managers not only securely hold your passwords but can create a unique and complex one for each online account, and automatically fill them in when you log on to a website.

◆ **What else should I do to protect my passwords?**

- Don't use the same password for more than one website. Last fall, someone broke into 14,000 accounts of DNA test-kit company 23andMe because the account holders had used the same passwords elsewhere and they had been stolen. The company said the breach exposed personal information belonging to approximately 6.9 million people.
- If a website or device allows you to create your own username, come up with a unique one. Don't use your email address as the login if the website lets you create an alternative—email addresses can be easily found online. And avoid using the same login name on multiple accounts—otherwise you may be giving hackers one of the two pieces of information they need to break in.
- Use two-factor authentication when websites offer it. This means when you sign on you'll need to type in a code the site sends to your phone or email. This step, while a bit annoying, dramatically limits the possibility someone could use one of your passwords that was stolen.

◆ **What are the pros and cons of biometrics such as face ID or fingerprint readers? It seems they would be LESS secure because it's harder to pry a password from someone vs. using their face or finger to unlock their phone if they're incapacitated.**

Experts say biometric security measures, such as facial scanning, iris scanning or fingerprints, generally are much more secure than passwords. These unique biological features can't be hacked or guessed like a password.

The scenario you suggest—someone taking a phone from an intoxicated, drugged or otherwise incapacitated person and then scanning their face or finger to unlock the phone—is possible, but apparently rare. But there *have* been hundreds of cases of thieves in places such as bars watching a person unlock his or her iPhone, memorizing the passcode, then stealing the phone and using the passcode to drain money from the victim's bank or other accounts. An iPhone feature called stolen-device protection can help thwart such crooks.

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• Set up a separate guest Wi-Fi network that many routers offer. These networks are isolated from your main Wi-Fi network, so visiting friends can use them to go online without accidentally introducing viruses or malware from their phones or laptops.

◆ **What are the risks of using public Wi-Fi networks?**

Using public Wi-Fi in places such as airports, restaurants and hotels raises your chances of being a cybercrime victim. While many websites now use encryption to boost security once you connect to them, most public Wi-Fi networks themselves don't encrypt their signals.

Hackers can use devices called network analyzers, also known as packet sniffers, to read the traffic traveling over public networks. Since anyone can join these networks, bad actors could see what websites you visit, and potentially capture your passwords and possibly your credit-card numbers if you purchase something online.

◆ **Can using a VPN when connected to public Wi-Fi increase your security?**

It certainly can. With a virtual private network, or VPN, your phone or computer links to a server that acts as an intermediary between your device and the website you're visiting. That means your online activity can't be traced back to you, including by advertisers. More importantly, VPNs encrypt your trans-

nal with potential snoops.

Again, just make sure your phone is connected to your cellphone carrier, not public Wi-Fi. And if you don't have an unlimited data plan, be mindful that you may be running up your monthly bill.

There's another option for safer public Wi-Fi: hot spots that incorporate technology called Passpoint. These systems, found in some airports, hotels and other places, are offered by some cellular networks and hot-spot access providers including Boingo. They encrypt the transmissions and provide other security measures, but using them may incur a fee.

Security-monitoring services

◆ **Given the news about identity thieves obtaining credit cards or loans under someone else's name and ruining the person's credit, should I subscribe to a credit-monitoring or identity-protection service?**

Credit-monitoring services alert you to changes in your credit report and use of credit that could indicate suspicious activity. Some also provide services such as tracking whether your Social Security number is being used by someone else.

Identity-theft protection services also monitor your credit report, but go beyond that to look for people misusing your identity in other ways. For instance, they might check

service after its data has been hacked. You also can check the websites of state attorneys general, which may list such offers.

◆ **Are there no-cost ways to lower your risk of credit damage?**

Yes. For one, you can freeze or lock access to your credit reports by going to the websites of the three major U.S. credit-reporting companies: Equifax, Experian and TransUnion. In most cases this prevents anyone—legitimate or not—from tapping into your credit report to obtain a credit card or loan. Moreover, each of these companies allows you to see an updated report on your credit once a week on their websites. Checking weekly could allow you to catch fraud.

Some credit cards also monitor your credit report free of charge and alert you when your credit rating changes or a new card appears on your record.

But beware of online solicitations from unfamiliar sources offering free credit monitoring or "credit repair" services. This ruse has been used to lure people into giving personal information to disreputable or even criminal services.

◆ **What else can you do to protect your identity?**

Be careful about what information you provide when filling out forms or ordering products and services. Don't give your Social Security number unless it's mandatory, such as for certain gov-

How the Justice Department Is Changing Its Tactics on Cybercrime

The assistant attorney general for national security outlines where the biggest threats are coming from—and what kinds of attacks are most worrisome

CYBER THREATS from nation-state adversaries against U.S. targets are growing, and it is Matthew Olsen's job to stay on top

of them.

Olsen, who has been the assistant attorney general for national security since 2021, leads the Justice Department's efforts to fight terrorism, espionage, cybercrime and other threats to U.S. national security.

In an interview with Dustin Volz at The Wall Street Journal's Tech Live: Cybersecurity conference in June, Olsen talked about the threat from China, why cyberattack-disclosure rules are sometimes waived and the challenges posed by ransomware, among other things.

Edited excerpts follow.

Disclosure delays

◆ **WSJ:** How has the cyber-threat landscape evolved over the past three years or so, and how have law enforcement's attempts to tackle those problems also evolved?

■ **OLSEN:** What I've seen are very concerning trend lines continue in terms of nation-state-sponsored cyber threats. Those trends are increasing sophistication, increasing capability, persistence, and really just a determination and intent to use cyber-enabled means to carry out a range of threats.

We're most concerned about China, Russia, Iran and North Korea. The range of threats extends from traditional espionage—going after classified information on government systems—to seeking to obtain trade secrets from some of our leading technology companies. It also includes foreign-malign-influence activities, or using cyber-enabled means to influence policies and elections and to really

exploit divisions in American society. Probably the most concerning are the threats to our critical infrastructure.

As for our response, there is an increasing focus on being victim-centric. Our goal is to be very much a partner to the private sector, to treat companies that have been attacked or threatened as victims that we want to work with, to limit the damage to them and to work with the broader community to

national-security case and it turns out it might be China?

■ **OLSEN:** Pretty much all the time. There is no country that's more capable and with more determination and intent than China. And the resources they're putting into their malicious cyber activity are second to none.

◆ **WSJ:** Late last year, the Securities and Exchange Commission adopted a rule that

waiver, or the capacity to delay disclosure if it would impose substantial risks on national security or public safety. There are occasions where simply disclosing an attack might actually reveal a vulnerability that hasn't been fully remediated, say a zero-day type attack [in which hackers exploit a hardware or software vulnerability before a patch is available].

And we have in fact on a number of occasions delayed disclosure to take the steps necessary to protect national security. It's a very compressed timeline. So if a company identifies a



Matthew Olsen, right, discusses cyber threats, at WSJ Tech Live

prevent further potential damage. That sort of goal is very much what I see every day when we talk to the FBI leadership, when we get the threat briefing, when we talk about the nature of the threats we're facing.

And barely a day goes by, maybe a couple of days, where we're not talking about some sort of cyber activity that's affecting a major American company or a government department or agency.

◆ **WSJ:** How often are you investigating some sort of cyber

requires publicly traded companies to disclose cybersecurity breaches no later than four business days after determining the attack will have a material impact on their business. They can delay disclosure, however, if the government determines there could be some national-security-related impacts or considerations. How has that played out in practice?

■ **OLSEN:** There have been dozens of disclosures since the SEC adopted the rule in December. But the rule also includes a

breach, my strong encouragement would be to work very quickly and closely with the FBI, because once you determine that there's a material breach, four days isn't a long time to make the judgment about whether to seek a delay in disclosure.

Ransomware challenge

◆ **WSJ:** After the Colonial Pipeline attack in 2021 shut down a critical gasoline pipeline to the

East Coast for days, ransomware was elevated to a national security threat. It is usually criminal groups that engage in ransomware attacks, but they largely emanate from a certain part of the globe—Russia, Eastern Europe, Russian-speaking places—where they seem to be given a haven. How do we solve this problem?

■ **OLSEN:** It's a very significant challenge. Colonial Pipeline is really the pre-eminent example of a ransomware attack carried out by a Russian-based group. It was a huge wake-up call for both the government and the private sector because of its impact.

One of the key challenges you touched on is that these criminal organizations are often given safe haven. Even when Russia is aware that they're operating with impunity, they're taking no steps to prevent those groups from being able to effectively operate.

In the Colonial Pipeline case, however, the government was able to recover a majority of the funds that were paid as part of that ransom using the very specific and high-end authority that the U.S. government has that the private sector doesn't to understand the nature of that threat, to identify the threat actors and ultimately recover some of the funds.

At the end of the day, though, I do think many of the ransomware attacks we often see could have been prevented with some basic cybersecurity actions.

■ **WSJ:** How are you thinking about and gearing up for the election season from your perch?

■ **OLSEN:** We're seeing increasing sophistication and capability and intention, especially from Russia and China, to exploit divisions in our society, to go after our democracy.

Our goal is to identify those threat actors and where they're violating the criminal law, hold them accountable.

Sometimes they're outside of our reach, at least at the moment. That doesn't stop us from investigating and charging them and someday maybe arresting them or at least exposing their activities. Through that exposure, we can better inform the public about the nature of the threats and better defend our country.

Should You Make Up Personal Information When Signing Up With Websites?

The more you share, the greater the security and privacy risk. But lying can also cause problems.

BY SEAN CAPTAIN

IT SEEMS LIKE every site out there wants to get personal.

When you sign up with a social network, e-tailer or other service, you often have to give your name, email or phone number, and birthday. Some sites ask for a street address and more personal or private items, such as gender or mother's maiden name.

The demands can feel intrusive, and giving sites all that information means that hackers could get access to it.

So, a lot of people just sidestep the issue: They lie. When websites ask for information, they make up names, birthdays, street addresses and anything else you can think of.

"It's a common technique for individuals to use false or pseudonymous contact information and birthdays and other personal details," says John Davisson, senior counsel and director of litigation at the nonprofit Electronic Privacy Information Center.

"So that in the event of a breach, or in the event that the company you're providing information to wants to use it in some way, like targeted advertising or to sell to a data broker, you're protected because the information is not high-fidelity information and not going to be of use."

There are good reasons to give a website fake information, users and

experts say. But the practice also can get you into trouble. Here are some pros and cons to consider.

PROS: It's easy and low-risk

As it turns out, lying to sites is fairly easy. Based on tests of the most popular web destinations in the U.S., you can open accounts with mostly bogus information: Facebook, Google, Microsoft and Yahoo, for instance, all accepted fabricated names and birth dates.

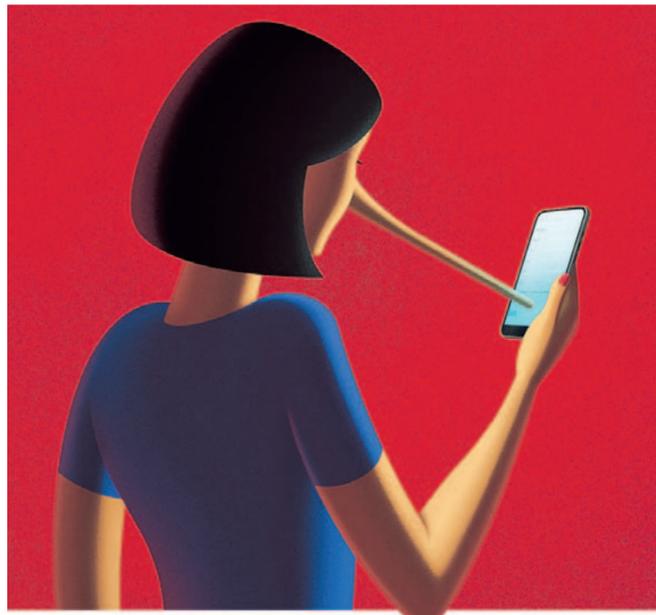
"I usually do not use my name, if it is something that is not required or [it is] public facing," says Thorin Klosowski, a security and privacy activist at the nonprofit Electronic Frontier Foundation. As for birth date, "I'll just kind of randomly spin the wheel and [use] whatever it lands on—January 1, 19 whatever. I don't think too deeply about it."

Leah Taylor, a corporate-communications consultant in the Denver area, uses a bogus email whenever possible. She gives out her main business email only to companies she wants to have a relationship with, such as providers of research reports related to her business. She also considers her cellphone number too private to hand out.

At the same time, "If something is really required that I think is absolutely necessary, for my taxes or my benefits or things like that, then I don't have a problem giving some of those personal details out," says Taylor.

You probably won't face official repercussions if you give out false information. Both Yahoo and Microsoft reserve the right to sus-

pend or terminate an account for violating their terms of service against lying, but the companies say that is unlikely: They aren't taking steps to verify if information people provide is accurate. They emphasize that these terms are to benefit users so they can



recover a lost account, or to comply with laws that restrict some content for younger users.

For Microsoft, investigating users' information would go against its privacy policies, says the company's vice president of identity security, Alex Weinert.

"We don't want to be looking into accounts and looking to any kind of personal information," he says. "Microsoft has very, very

strict rules against monitoring content, unless there's evidence of criminal activity."

(Some other popular online companies, such as Amazon, Google and Meta, either declined to comment or didn't respond to requests for comment on users giving false information. Reddit quoted its privacy policy, beginning, "At Reddit, we believe that privacy is a right." Signing up requires only an email address and one interest area or favorite meme type.)

Likewise, violating a company's

ing the site after the company not only caught them but chose to "expressly revoke authorization."

Intent is also key when it comes to lying online. "If a person misrepresents him or herself online with the intent to harm or defraud another, such as a phishing scam, then yes, one can be prosecuted for online impersonation," says Michael P. Heiskell, an attorney and past president of the National Association of Criminal Defense Lawyers. "The key to said prosecutions is the 'intent' element. If their intent is to avoid being defrauded and to protect their privacy and security, then no law violation occurs."

CONS: You could get locked out

Still, users do run risks if they give out phony personal details. Let's say a swindler took over your account. To get back in, you will likely have to provide personal details to prove it is you—and you're stuck if you can't remember what phony information you gave in the first place. You may also have to present a photo ID that matches what you entered online.

So, lying can cost you access to your account and all the valuable information stored there, be it work documents, photos and videos, emails or chats with friends and family.

Lying could also cause problems if you need a matching ID in real life. For obvious reasons, all car-rental companies require a driver's license for picking up your car. Retailers may require an ID for in-store pickups.

The pros and cons of lying online are ultimately something each person has to weigh, whoever they are, or claim to be.

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