

# THE WALL STREET JOURNAL.

## What's News

### Business & Finance

- ◆ **Holiday purchases showed** a split in consumer spending, with gains mostly driven by higher-income households while lower-income Americans were squeezed by higher prices. **A1**
- ◆ **U.S. stocks ended** little changed, with the S&P 500 and Nasdaq falling less than 0.1% and the Dow industrials rising less than 0.1%. **B9**
- ◆ **Initial jobless claims** declined last week, showing the economy has still avoided a big surge in layoffs in the home stretch of 2024. **A5**
- ◆ **Netflix's NFL debut** set a new streaming record for the league, with an average audience of more than 24 million people in the U.S. watching each of the two Christmas Day games. **B1**
- ◆ **Microsoft made its** Copilot artificial-intelligence assistant part of its 365 software service in several markets and raised prices, whether subscribers want the add-on or not. **B1**
- ◆ **Taiwan blocked Uber's** planned \$950 million takeover of Foodpanda's local delivery business on anti-competition concerns. **B2**
- ◆ **Singapore Post fired** its group chief executive and two other senior leaders after finding them negligent in the handling of a whistleblower report. **B3**
- ◆ **The January 2025 deadline** for existing companies to file their beneficial-owner-ship information to U.S. regulators was restored after an appeals court reversal. **B3**
- ◆ **Xiaomi, the Chinese** consumer-electronics specialist, joined the electric-vehicle charging networks of rivals NIO, XPeng and Li Auto. **B4**

### World-Wide

- ◆ **Preliminary results** of Azerbaijan's investigation into the deadly crash of an airliner point to the plane being hit by a Russian anti-aircraft missile, or shrapnel from it, said people briefed on the probe. **A1**
- ◆ **Finland detained** a tanker carrying Russian oil on the suspicion that it had severed undersea power and data cables on Christmas Day. **A7**
- ◆ **Israel escalated** strikes against the Houthis in Yemen, launching attacks that officials said were intended to deter the Iran-backed group from posing a direct threat. **A6**
- ◆ **Israel's leaders said** its military gains against its most dangerous regional adversaries have strengthened its strategic position. **A7**
- ◆ **Syria's new rulers** face challenges to their authority, including clashes with allies of the old regime and protests accusing them of destroying religious symbols. **A6**
- ◆ **China advised** Chinese students in the U.S. against imminent cross-border travel, adding to American universities' counsel to international students to return to campus before Trump's inauguration. **A3**
- ◆ **Drone scares have** prompted police and businesses to call for greater authority to intervene in the flights, including taking down the aircraft. **A5**
- ◆ **Famine has spread** to more areas of Sudan, an international panel said, as hundreds of thousands of people face starvation there. **A9**
- ◆ **Died: Richard Parsons**, 76, corporate troubleshooter. **A1** ... **Manmohan Singh**, 92, former Indian prime minister. **A9**

<b>CONTENTS</b>	Mansion..... M1-10
Arts in Review A10-11	Markets..... B9
Business & Finance B2	Opinion..... A13-15
Business News..... B3	Sports..... A12
Crossword..... A11	Technology..... B4
Equities..... B6	U.S. News..... A2-5
Heard on Street..... B9	World News A6-7/916



## Tsunami Victims Remembered, 20 Years Later



KSATISH BABU/AGENCE FRANCE-PRESSE/GETTY IMAGES

**SAD ANNIVERSARY:** Flowers are scattered on a beach in Chennai, India, to honor victims of the 2004 Indian Ocean tsunami, when an earthquake off Indonesia triggered immense waves that killed around 230,000 people across a dozen countries.

## Era of Turbulent Proxy Battles With Big-Name Activists Ends

By Lauren Thomas

An era of big-name activists with fiery personalities waging noisy proxy battles and wielding brash tactics to win board seats is over. Carl Icahn, facing attacks on how he manages his own publicly traded firm, has slowed his fire. Nelson Peltz, fresh off losing a battle with Disney, is planning to hand his firm to his less-pugnacious son and others. Bill Ackman and Jeff Ubben have walked away

from fights. Dan Loeb hasn't had a big proxy war in years. In their stead is a newer crop of activists who are smaller in size, less well known and often less eager to brawl. The activist shift is coupled with changes on the corporate side. After years of activists hammering the same points over and over, many boards are more alert. They are moving faster in cases of underperformance, firing CEOs, striking deals and more willing to embrace activists who

do come along. The results: The number of proxy fights that go all the way to a vote is down. Settlements with companies are up, and coming faster than ever. And the returns of the activist funds are generally underperforming. With the low-hanging fruit picked, and fundraising difficult, it is unlikely a new activist giant will emerge to strike fear each time it appears in a shareholder roster. "The industry in most cases is becoming much more insti-

tutionalized," said Charlie Penner, a longtime activist investor who launched a new firm with a name purposefully meant to sound anonymous: Anonym. "It's not as personality-driven anymore." For the past two years, nearly two-thirds of agreements between companies and activists have been struck privately, according to an analysis by FTI Consulting. Even when things get heated, they cool quickly. It took only an

Please turn to page A9

## Holiday Shopping Reveals Consumer-Spending Split

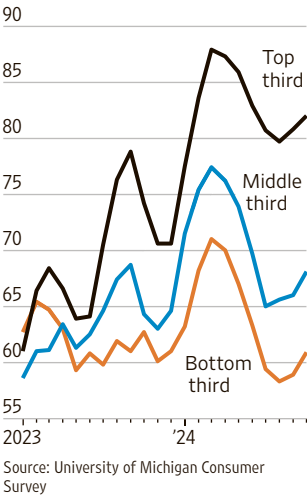
By Natasha Khan and Sarah Nassauer

It was a holiday season of the haves and the have nots. Inflation-weary consumers were projected to splurge this year on holiday gifts, food and decorations—fueled by online purchases, according to industry estimates. But the gains were increasingly driven by higher-income households, those making more than \$100,000 a year. Lower-income Americans were squeezed by higher prices for groceries, child care and other monthly expenses. Not every retailer has navigated the turbulence well. The Container Store and Party City

chains both filed for bankruptcy protection in the days before Christmas. Meanwhile, the founding family of Nordstrom clinched a deal to take the struggling department store private. "We started to notice this trend where there was a real bifurcation in the market between the \$50,000-and-below consumer in the U.S. market and the \$100,000-and-above consumer," said Chris Peterson, chief executive of Newell Brands, which makes Sharpie pens, Graco strollers and Oster kitchen appliances. For example, the company is anticipating stronger demand for its high-end blend-

Please turn to page A2

Consumer sentiment index by income groups, monthly



Source: University of Michigan Consumer Survey

## U.S. Intelligence Review Of Origins of Covid-19 Masked Deep Divisions

By Michael R. Gordon and Warren P. Strobel

A car and driver had been readied to whisk Jason Bannan from FBI headquarters early one morning in August 2021 to brief the White House on a novel virus that was killing hundreds of thousands of U.S. citizens and had stopped the world in its tracks. Bannan had been told by his superiors to be on hand in case the Federal Bureau of Investigation was asked to join a top intelligence community briefing for the president. But the White House summons never came. Bannan, a Ph.D. in microbi-

ology, had joined the bureau after the September 2001 terrorist attacks in New York and Washington when the agency bulked up its expertise to deal with the threat of germ weapons, toxins and other weapons of mass destruction. But for more than a year he had spent most of his waking hours on the Covid-19 virus that had seeped out of China in 2019. Frustrated by China's stonewalling, President Biden had ordered an urgent assessment by the U.S. intelligence agencies and national laboratories on whether the virus had leapt from an animal to a

Please turn to page A4

## Parsons, Go-To Leader Who Rescued Troubled Companies, Dies at Age 76

By Benjamin Mullin

Richard "Dick" Parsons, the affable troubleshooter who helped some of the most beleaguered U.S. companies navigate the 1980s and 1990s savings-and-loan meltdown, the dot-com bust and the 2008 financial crisis, died at age 76. "Dick Parsons resides comfortably on the Mount Rushmore of financial and philanthropic leaders. There is no one comparable," said Ray McGuire, president of Lazard. Parsons died at his Manhattan home. With his preternatural calm, gregarious charm and keen instincts for corporate politics, Parsons ascended rapidly through the ranks of U.S. corporations, ultimately serving as chairman of Citigroup and chief executive of Time Warner, interim chairman of CBS and interim chief executive of the Los Angeles



Richard 'Dick' Parsons at his New York City office in 2022.

Clippers basketball team. He was a board member at Estée Lauder for some 25 years until stepping down this month because of his health. Add it all up, and Parsons was one of the most powerful Black busi-

ness executives in U.S. history. Along the way, he clashed with business titans, including billionaire financier Carl Icahn, served in the White House under President Gerald Ford and

Please turn to page A9

### Flying Was Already the Worst. Now Nobody Uses Headphones.

\* \* \*

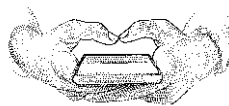
Travelers say a surprising number of people think it's OK to take phone calls on speaker

By Alison Sider

Sitting at Washington Dulles International Airport earlier this year, Ady Beitler overheard both sides of an argument so caustic that "if it was my marriage, it would have been a breakup." For the couple, the culprit was a wet towel left on the bathroom floor. But to Beitler, the problem was a fellow passenger's baffling willingness to have this petty fight on speakerphone, at a volume that was impossible to ignore. "I got emotionally invested in the drama," said the 43-year-old entrepreneur. Eventually, he tore himself away and

went to a quieter gate, having learned the hard way nothing good comes from confronting headphone resisters. "I engaged once with a guy who had a different opinion. He was like, 'I don't think so. I don't think it's bothersome.'" If security lines, flight delays and long layovers weren't enough, there's a new scourge facing holiday travelers: a surprising number of people who think it's totally OK to have phone conversations on speaker, or watch movies and shows without headphones. "At first it irritated me. Then it annoyed me. Then it got me angry. Now I'm just be-

Please turn to page A5



Carry on



U.S. NEWS

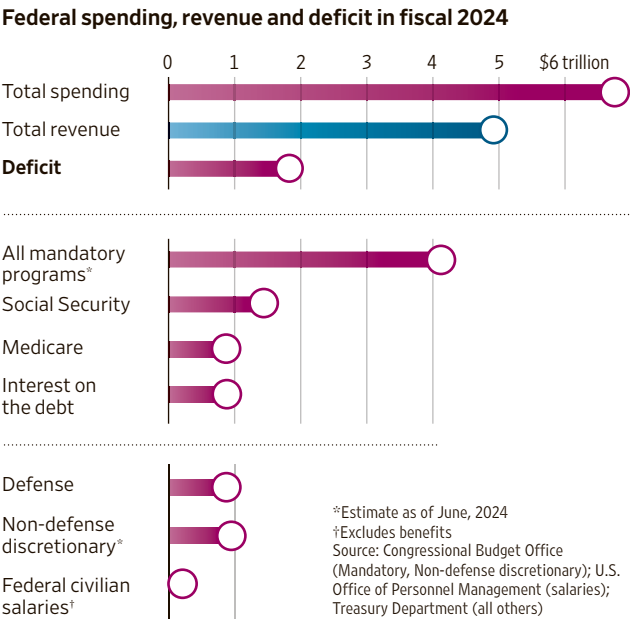


CAPITAL ACCOUNT | By Greg Ip

Cutting Deficit Is Easy—Just Unpopular

Early last week, legislators from both parties agreed on a plan to keep the government funded until March. Then Elon Musk, co-head of President-elect Donald Trump's Department of Government Efficiency (DOGE) demanded that the 1,547-page bill be scuttled. "Either there is massive change or America goes bankrupt," he wrote on X. When Congress passed a slimmed-down 118-page bill Friday, Musk posted to his followers, "Your actions turned a bill that weighed pounds into a bill that weighed ounces!" But slim isn't the same as cheap. The bill still included an eye-watering \$100 billion for disaster relief and \$10 billion for farmers. Separately, last week the Senate, on a bipartisan basis, agreed to boost Social Security benefits for some public-sector employees. The bill was just three pages long but will cost nearly \$200 billion over 10 years. The federal deficit reached \$1.8 trillion, or 6.4% of GDP, last fiscal year, a record outside of war, recession or emergency. Musk and Trump have promised to attack it by cutting federal spending. One simple step would be to stop adding to it. And yet last week neither stood in the way of Congress's largess. Musk posted in favor of the money for disaster victims and farmers. The vice presi-

dent-elect, Ohio Sen. JD Vance, co-sponsored the Social Security expansion. The reason is obvious: Spending is popular with voters and both parties. This is why commissions, think tanks and earnest outsiders have been papering Washington for decades with ideas to cut spending and the deficit—and mostly gotten nowhere. Will this time be any different? Musk certainly brings sizzle and a soapbox that the typical think tank lacks. He claims he can slash federal spending, which was \$6.75 trillion last year, by at least \$2 trillion. And yet to date DOGE's ideas mostly revolve around firing civil servants, closing or merging agencies, and cutting regulations. Whether this makes the government more efficient, it won't save much money. Salaries for all civil servants cost around \$200 billion to \$250 billion a year—or roughly one-eighth of the deficit—and more than 60% of them work for military or security-related agencies, the functions Trump plans to beef up. The reality is that the big money isn't tied up in the people who work for the government, but in the checks they send out. And the checks are much more popular than the people. For example, the Education Department, perennially



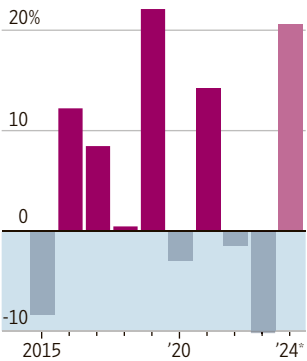
marked for extinction by Republicans, spent more than half of last year's \$274 billion budget on loans and grants to students. The Transportation Department spent half its \$117 billion budget on checks, mostly to state and local governments, for highways, bridges and other infrastructure. Federal spending falls into three categories. First, interest on the debt, at \$882 billion last year. Not much you can do about that without defaulting. Second, discretionary spending, which gets authorized each year by Congress. This is what last week's funding fight was about. It covers defense plus most of the federal services

Americans encounter day to day, from the National Park Service to the National Weather Service. Third, mandatory spending: this is for programs that continue each year without new authorization including Social Security, Medicare, Medicaid, Affordable Care Act subsidies, food stamps, welfare, child tax credits, veterans' benefits and pensions. At \$4.1 trillion, mandatory is more than double discretionary spending and, because of population aging and health costs, growing much faster. Some efficiency evangelists claim mandatory programs can be run much

more cheaply. Medicare, for instance, spent \$12 billion last year on administrative expenses. Can that be reduced? Maybe. But it's just 1% of total costs, compared with 12% or more at private insurers. So taming mandatory spending means reining in benefits. Fundamentally rewriting social programs is mostly a job for Congress, and indeed, Republicans on Capitol Hill are considering a 10-year budget plan that ties mandatory spending cuts of \$2.5 trillion to extending Trump's 2017 tax cut. But Trump can also cut mandatory spending unilaterally. There's a misconception that because such spending is mostly determined by the authorizing law, it's on autopilot. In fact, presidents have a lot of discretion in how they interpret the law. Perhaps no president has exercised this discretion as brazenly as President Biden. He reversed an Obama era interpretation of the Affordable Care Act to expand subsidies to families, at a projected 10-year cost of \$34 billion. In a way, Biden did Trump a favor: The new president can restrain deficits unilaterally by undoing Biden's executive actions. The nonpartisan Committee for a Responsible Federal Budget has identified up to

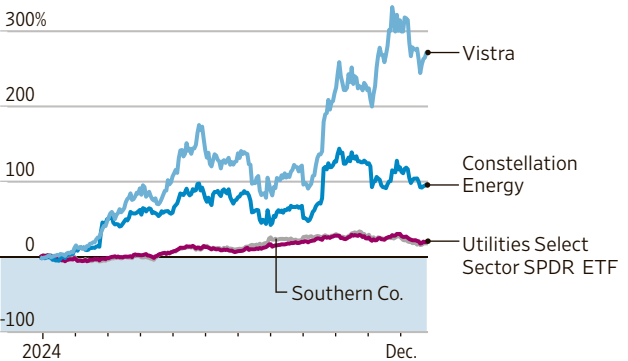
\$1.4 trillion in such potential savings. Some, like student debt cancellation, have already been halted by courts, but plenty of others remain. Last month, Biden handed Trump a golden opportunity when he proposed that Medicare and Medicaid cover anti-obesity drugs. Biden officials say this would cost \$36 billion over a decade, but the nonpartisan Penn Wharton Budget Model puts the cost at \$140 billion based on the big boost to utilization when other drugs gained similar coverage. The rule can't be completed until after Trump's inauguration, which means he can prevent up to \$140 billion in new federal spending by simply not implementing the rule. This wouldn't be popular: Polls show a majority of voters want Medicare to cover anti-obesity drugs, as do 120 legislators from both parties. Trump's nominees have sent mixed signals. Trump has regularly promised not to cut existing Medicare benefits. And during the campaign he promised to make in vitro fertilization free, potentially saddling federal health programs with huge costs. Trump, a populist, has built his economic platform around avoiding unpopular choices. If he's going to make good on his promise of slashing the deficit while cutting taxes, he'll have to do some unpopular things.

Annual performance of Utilities Select Sector SPDR Fund



\*Through December 26  
Source: FactSet

2024 share-price performance of utilities and power companies



How Trump's Support for AI Could Help Jolt Clean Energy

By SCOTT PATTERSON AND AMRITH RAMKUMAR

President-elect Donald Trump's enthusiasm for artificial intelligence and cryptocurrencies could have an inadvertent effect: buoying clean-energy businesses he bashed for years. The giant data centers behind AI models and crypto farms consume so much power that they will require every possible source of electricity generation, including renewables such as solar and wind, industry executives say. Data centers put unique stress on the grid by sucking up energy around the clock on top of short bursts of even more electricity. A new breed of giant data centers each needs as much energy as a midsize city. "We already don't have enough electricity to meet the demands of these server farms, whether it's AI or crypto," said Sen. Kevin Cramer (R., N.D.), who has discussed energy strategy with Trump and his advisers. That is why the U.S. needs as much energy as it can generate including from renewables and fossil fuels, Cramer said. He supports former North Dakota Gov. Doug Burgum, a Republican and Trump's pick for interior secretary who is slated to head the White House's National Energy Council.

A bet on demand

Investors are buying shares of power companies to bet on rising demand from data centers and the all-sources strategy. An exchange-traded fund tracking big utilities has risen more than 20% this year, the second time in the past decade it has climbed that much. Natural gas and renewables

will continue to account for the bulk of new electricity generation, utility executives say. A gusher of solar and wind projects waiting to connect to the power grid likely represent the fastest path to meet electricity demand. New nuclear plants some technology giants are considering would take a decade or more to construct. "Renewables are poised to push and advance what no one else can do, and that growth will be explosive," said Sheldon Kimber, chief executive of renewable-energy developer Intersect Power. Intersect recently said it would join with Google and investment company TPG on renewable-power and battery-storage projects for data centers. The companies are targeting \$20 billion in investments by the end of the decade. Technology behemoths driving AI, including Google and Microsoft, have made ambitious pledges to cut carbon emissions. The companies are plowing billions of dollars into zero-carbon energy sources such as nuclear and geothermal power. "The demand swell that's unfolding is really going to push and advance a lot of clean-energy technologies," said Chase Lochmiller, CEO of Crusoe, a startup that aims to power data centers and AI infrastructure with clean energy. Crusoe recently raised \$600 million from investors including Peter Thiel's Founders Fund, Nvidia and Fidelity. The likelihood that Trump could inadvertently trigger a surge of investment into clean energy runs counter to fears the sector is in for a reckoning. Trump has vowed to pull out of the Paris climate accord, as he did during his first term. The U.S. rejoined under President

Biden. Trump has said he wants to repeal Biden's 2022 climate law. But the law has bipartisan support in Congress. Trump has criticized wind energy and electric vehicles, though he softened his stance on EVs after Tesla CEO Elon Musk began backing his campaign. In a post announcing he was naming venture capitalist and Musk ally David Sacks as AI and crypto "czar," Trump said the two industries are "critical to the future of American competitiveness." Trump has said increasing energy production would be key to winning the AI arms race. He has also proposed accelerated permitting for companies that invest more than \$1 billion in the U.S., which would give a boost to clean-power efforts such as transmission lines across states. Biden. Trump has said he wants to repeal Biden's 2022 climate law. But the law has bipartisan support in Congress. Trump has criticized wind energy and electric vehicles, though he softened his stance on EVs after Tesla CEO Elon Musk began backing his campaign. In a post announcing he was naming venture capitalist and Musk ally David Sacks as AI and crypto "czar," Trump said the two industries are "critical to the future of American competitiveness." Trump has said increasing energy production would be key to winning the AI arms race. He has also proposed accelerated permitting for companies that invest more than \$1 billion in the U.S., which would give a boost to clean-power efforts such as transmission lines across states.

OpenAI 'blueprint'

After the election, OpenAI put out an "infrastructure blueprint" for the U.S. that included streamlined state and federal permitting for solar, wind and nuclear projects as well as a law to speed transmission and gas pipeline construction. Tech and energy executives they need such projects. "We're going to need every kind of resource that's ready and able to get built," said Shank Sane, who leads energy developer Invenery's transmission business. The company is working on a giant transmission project to carry wind and solar power from Kansas to Missouri, Illinois and Indiana. The Energy Department's Loan Programs Office said it would lend Invenery nearly \$5 billion for phase one of the project taking power from Kansas to Missouri.

Holiday Shopping Shows Split

Continued from Page One —those costing \$100 or more—and dwindling demand for its entry-level blenders that fetch \$20 or less, Peterson said. The company is ditching efforts to improve its cheapest blenders and is instead focusing on enhancing its top-of-the-line items for those looking to splurge. "As we head into next year, 100% of our innovation will be at the medium and higher price point," he said. "We're not innovating at all against the lower price points anymore." Overall, consumers spent 3.8% more from Nov. 1 through Dec. 24 than they did in the same period last year, according to Mastercard SpendingPulse, which excludes auto sales. The tally doesn't include the week after Christmas, which is a key shopping period. The gains were boosted by restaurant spending, which increased 6.3% in the period compared with last year. Online retail sales rose 6.7% year-over-year, while in-store sales increased 2.9%.

"This holiday season, we saw consumers motivated by deals and retailers respond with promotions to meet the demand," said Steve Sadove, senior adviser for Mastercard and former CEO of Saks. Williams-Sonoma, the upscale kitchen and furniture retailer, posted strong quarterly sales and said in late November it was having success moving away from promotional fluctuations. Meanwhile, discounters Dollar Tree and Dollar General said in early December that they were suffering from belt-tightening among their core consumers. "It's really hard to know exactly what's going on with the consumer, but our opinion is that [they are] probably a little bit better off than everybody thinks, especially our consumer," Laura Jean Alber, CEO of Williams-Sonoma, told analysts. The company, which also owns Pottery Barn and West Elm, raised its full-year goals to reflect optimism about the final quarter. Consumer sentiment has been climbing in recent months, but the gains have been uneven, according to the University of Michigan's monthly survey. "Those in lower-income and some in middle-income brackets just don't feel like they are thriving," said Joanne W. Hsu, director of the Michigan survey and its chief

economist. "Even though, in other parts of the survey, there are signs of strength." Hsu said people in the higher-income tier have always reported more positive sentiment, but the three tiers converged at the height of inflation and supply-chain woes in 2022. Since then, sentiment among higher-income consumers has improved much faster than it has improved for those in the lower-income tier. The median income across all U.S. households was around \$81,000 in 2023, according to a recent Census Data report. It was about \$55,000 for people 65 or older. Around 40% of U.S. households earned at least \$100,000 in 2023. "Our low-end customer is definitely pressured," said Michael C. Creedon Jr., Dollar Tree's chief executive in an earnings call. "She is clearly focused on consumables." Creedon said that last year people pulled back on big purchases, and earlier this year they stopped eating out and started cooking at home more often. This holiday season, they are saving by cutting back on the size of holiday parties. "They don't invite as many people as they did," he said. Sellers of many discretionary items lowered their prices this holiday season compared with last year to draw price-

sensitive shoppers. Apparel maker L.L. Bean said it recognized that consumers had struggled with inflation and worked with suppliers to reduce the costs of its classic flannel shirts. They were priced at \$49.95, down from \$59.95. Real Flame, a seller of indoor and outdoor fireplaces, lowered prices after some supply-chain costs from the pandemic subsided and consumers pulled back on buying discretionary items, said Aric Melzl, president of the small company based in Union Grove, Wis. Consumers "clearly said I need lower prices," said Melzl, prompting the company to pass along some of its cost savings. The company's modern-style Hollis Electric Fireplace is now around \$600, down from around \$1,000 in 2021. Such sales and discounts matter, even for families with more generous budgets. Shopper Erik Soell splurged more than he intended while visiting stores on a recent Saturday with his daughter—spending hundreds of dollars on gifts in two hours. The family has six children and various deals made purchase decisions easier, said Soell, who lives near St. Louis. "I have a hard time paying full retail price, and have no issue walking away if something is too expensive," Soell said.



Gains were increasingly driven by higher-income households.

**CORRECTIONS & AMPLIFICATIONS**

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

---

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

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

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

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

Letters to the Editor: Fax: 212-416-2891; email: [wsj.letters@wsj.com](mailto:wsj.letters@wsj.com)

Need assistance with your subscription?  
By web: [customercenter.wsj.com](http://customercenter.wsj.com); By email: [support@wsj.com](mailto:support@wsj.com)  
By phone: 1-800-JOURNAL (1-800-568-7625)

Reprints & licensing: By email: [customreprints@dowjones.com](mailto:customreprints@dowjones.com) | By phone: 1-800-843-0088

WSJ back issues and framed pages: [wsjshop.com](http://wsjshop.com)

Our newspapers are 100% sourced from sustainably certified mills.

---

**GOT A TIP FOR US? SUBMIT IT AT [WSJ.COM/TIPS](http://WSJ.COM/TIPS)**



U.S. NEWS

# Biker Rallies Lead to Exodus From City Hall

By Joe Barrett

STURGIS, S.D.—Four years ago, this city seized headlines by holding its annual biker rally, a bacchanal drawing nearly 500,000 people to the Black Hills, while much of the U.S. was on Covid-19 lockdown.

“One of the most iconic celebrations of freedom in the United States of America,” South Dakota Gov. Kristi Noem has called the 10-day event.

But even in a town known for its wild side, someone has to keep the lights on.

Behind the scenes, the nearly unanimous council vote to hold that rally masked divisions that exploded in recent months into battles over how Sturgis should govern itself.

Sturgis City Hall, situated on Harley-Davidson Way, has seen one rumble after another. The longtime city manager relinquished his post about 18 months ago as citizens mounted an effort to eliminate his position. Then came this year’s cascade of departures: the mayor, acting mayor, city attorney and finance director along with other department heads and City Council members.

Sturgis’s tumult mirrors broader struggles in small-town America: the mixed blessings of tourist economies, the challenges of revamping local government, and clashes between newcomers and the old guard.

Council-meeting conflicts spilled into social media, where Sturgis factions faced off and sparked a lawsuit that would reach the state Supreme Court.

“It’s the stuff that movies are made of,” said Angela Wilkerson, 43 years old, an enforcement officer for the state gaming commission who was appointed acting mayor in March and resigned in October.

“Someone needs to do a drama meter for towns,” said Tammy Bohm, 61, co-owner of Sturgis Guns, who helps run a Facebook page called Sturgis Citizens for Change and has been involved in lawsuits against the city and its lead-

ers. “It’s such a mess.”

Many locales across the U.S. have a golden goose—Halloween in Salem, Mass., spring break in Fort Lauderdale, Fla.—that have put them on the map and created headaches.

Tucked in the midst of scrubby hills an hour’s drive north of Mount Rushmore, Sturgis (population 7,000) hosts what is often called the world’s largest motorcycle rally. The annual summer festival of bikers, chrome and rubber floods the town with tax revenue and corporate sponsorships but distorts the local economy. Many downtown storefronts, large bars and concert venues sit empty for much of the year. Real-estate prices on Main Street are so high it is tough to start businesses catering to local needs.

By 2007, some residents had tired of hosting an event that demanded everything from extra police to porta-potties—with little to show for it. So voters approved hiring a city manager, a CEO of sorts, to maximize rally benefits.

In 2011, Daniel Ainslie, then a 31-year-old Californian with an M.B.A., became Sturgis’s second city manager. For years, Ainslie, who started a swim team in town with his wife, thrived as the council backed his efforts to bring professionalism to city government.

But his push for change would ultimately collide with local tradition on a steep red-clay hill outside town. That is where hill-climb competitions are run by the Jackpine Gypsies Motorcycle Club, whose original members founded what became the Sturgis rally in the 1930s. The Gypsies own the large parcel, which also has a motocross track, a flat dirt track and a woodlands trail.

The conflict kicked up after the city moved to annex the Gypsies’ property, arguing that they received Sturgis services without paying city taxes. The Gypsies countered that they paid more than other users for such things as city water, not to mention the



In South Dakota, the Sturgis Motorcycle Rally is considered one of the biggest in the world. Angela Wilkerson, above, was acting mayor until October. Wilkerson and her dog, right, during the Mayor’s Ride at this year’s rally.



taxes brought in by their events. When negotiations failed, the city forced an involuntary annexation.

That is when the Gypsies mobilized, collecting enough signatures to place a referendum on the ballot to reverse the annexation. In August 2020, the Gypsies won, sparking a wider rebellion.

“I think we showed everybody that you can fight City Hall,” said Jackpine Gypsies Chairman Brett Winsell, 56.

In December 2021, Ainslie’s critics took an even bigger swipe at him, pushing for Sturgis to hold a referendum to eliminate his position entirely and return the city’s CEO powers to the mayor.

When city officials rejected the petition, a legal fight ensued, landing before the South Dakota Supreme Court. Ainslie didn’t wait for a ruling.

He resigned in 2023, citing social-media campaigns that made life unbearable for his family and a lawsuit brought by activists—ultimately unsuccessful—to claw back years of his salary.

This past February, the court ordered the referendum on to the ballot. Within days, Mayor Mark Carstensen stepped down, and the council elevated its vice president, Wilkerson, to acting mayor in March.

Wilkerson launched the 84th Sturgis Motorcycle Rally, which featured 470,987 vehicles, 134 DUI arrests in town, around 50 weddings, and a lost-and-found that took in 27 pairs of glasses, a set of false teeth and one prosthetic leg.

Wilkerson’s tenure soon got bumpy. As she and city staff prepared the 2025 budget, they discovered a looming

shortfall. Municipal sales-tax revenue was lower than anticipated, while expenses rose. By August, she requested 10% cuts across all departments.

The budget crisis stirred up simmering tensions. Critics seized on Wilkerson’s outsider status—she’s a New Hampshire native and had been appointed by a council now mostly voted out.

When the city canceled its fall cleanup week, blaming staff shortages, one resident captured the mood in a post on the town Facebook page: “If it don’t have to do with the Rally, it isn’t important to this city.”

In September, Wilkerson got a frantic call while vacationing: The council had convened an emergency meeting.

From her hotel room in Iceland, Wilkerson called in and thwarted a council attempt to oust the city attorney—a

power reserved for the mayor.

But it only delayed the inevitable. Wilkerson, facing a recall petition, resigned Oct. 21, and the city attorney was forced into retirement on Nov. 1. In her farewell letter, Wilkerson condemned the “underhanded tactics” and “toxic environment” that she said had driven away city staff.

Sturgis’s current acting mayor, 57-year-old Kevin Forrester, has moved forward with a \$10.08 million budget that cuts staff positions to help pare \$1.25 million in spending.

One big cut—\$600,000—targets the city team that plans rally events. Forrester said Sturgis re-evaluated its returns from sponsoring events such as the Mayor’s Ride, Mayor’s Poker Tournament and Mayor’s Pub Crawl, and might try to find new benefactors for some.

“We keep jamming money in the Rally Video Lottery Machine and hoping to get more back out than what we’re putting in,” he said. “It just wasn’t paying off.”

Wilkerson counters that most of those events were inexpensive and added to the experience for rally participants.

The city will hold a special election Jan. 7 to fill vacancies, giving Sturgis residents the chance to elect a mayor. Though it isn’t a job many seem to want.

Forrester is the sole candidate.

# China Cautions Its Students in U.S. About Leaving Country

By Liyan Qi

Chinese authorities are advising Chinese students in the U.S. to think twice about leaving the country over the holidays, adding to warnings by a dozen American universities to international students to be back on campus before President-elect Donald Trump’s inauguration.

Students should “try to reduce unnecessary cross-border travel,” China’s Consulate General in Chicago said in a Dec. 14 note on its website.

The visas of Chinese students, particularly in the sciences, were targeted during Trump’s first term, and many Chinese students now studying at U.S. schools are feeling on edge ahead of his return to the White House. Many are now changing travel plans while also thinking about a Plan B if tougher visa rules come into effect next year.

A 26-year-old graduate student who asked to be identified only by her surname, Guo, said she is still going to visit her partner in Europe during the winter break. To make sure she won’t have any trouble returning, she booked a return flight on Jan. 19, just ahead of the inauguration and a few days before the spring semester starts at Columbia University in New York.

She is set to graduate next year and had hoped to stay in the U.S. and find a job. Uncertainty now surrounds those plans as well as those of other Chinese students, who have flocked to Chinese social-media platforms to vent their frustration about not knowing what is ahead.

“I wake up in the middle of the night, worrying about what to do next,” Guo said. “Anxiety is through the roof,



Statistics major Iris Feng

and almost everyone I know feels so lost.”

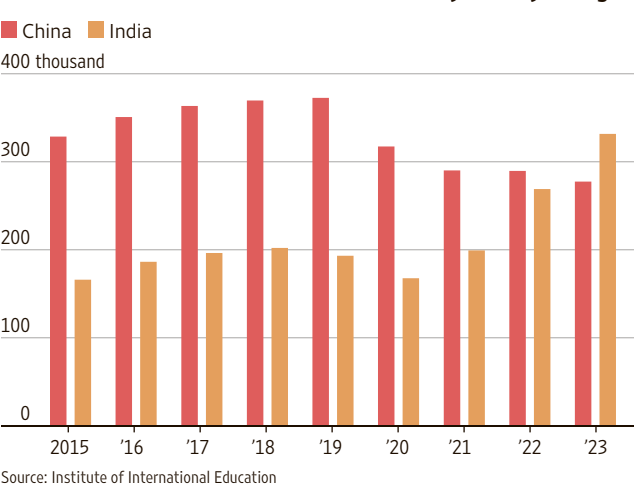
Beyond graduation, the Optional Practical Training program lets international students work for a year in the U.S. while remaining on their student visas. After that, they need an employee sponsor to get a work visa under the H-1B program.

Like many fellow students, Guo said she is now considering pursuing a doctoral degree or moving to Europe as the chance of getting an employer-sponsored visa in the U.S. is getting slim.

While schools’ warnings have generally been directed at all international students, during internal meetings some school officials referred to students from China as facing increased risk, according to students and faculty members. Students said they had been advised by school officials to comply if immigration officers ask to check their electronic devices and to be careful with what they say on social media.

“A travel ban is likely to go into effect soon after inauguration,” Cornell University

Number of international students in the U.S. by country of origin



## University Admission Is Just Step 1

During the first Trump administration, Chinese students were under heightened scrutiny and faced restrictions. The particular focus was Chinese nationals deemed security risks to American scientific research, including Chinese graduate students and postgraduate researchers who had studied at Chinese universities with close ties to the country’s defense industry.

In 2020 alone, more than 1,000 Chinese nationals had their visas revoked over such concerns, according to the U.S. State Department.

When President Biden took office in 2021, he reversed several of Trump’s executive actions, but some Chinese students continued being barred from entering the U.S. or being deported.

Admission to a U.S. university is no guarantee of a student visa. Students say in recent years it has become more common for admitted Chinese students, especially in so-called STEM fields, to be denied visas.

said in a note posted online in November. Apart from countries targeted in the first Trump administration such as majority-Muslim ones, China and India might also be added to the travel ban, Cornell said.

“To avoid any unexpected issues, we advise returning prior to the presidential inauguration,” according to a note posted on the University of Pennsylvania website.

The Chinese consulate in Chicago said its practice has been to issue consular safety reminders before holidays.

The Chinese Embassy in Washington said it was also reminding students to en-



Graduate student Guo

hance their security awareness during entry into the U.S.

Iris Feng, a Columbia statistics major, recently canceled a trip back to China on the advice of her parents, who urged her not to risk running into trouble at the U.S. border on her return.

Feng, who like Guo is graduating next year, said she would try to pursue a work permit through the OPT program. If that doesn’t work, she plans to look for opportunities in Hong Kong.

Others are considering options such as a program known as EB-5, which offers permanent American residency to foreigners who invest in qualified job-creating projects.

A graduate student studying finance in New York said she had been back and forth on whether to seek a green card through the program, which requires a minimum investment of \$800,000 for certain projects. Since the election, she has decided to take the plunge, relying on pooled financial resources from her parents and extended family. She is now working with a

lawyer to get her EB-5 applications ready, hoping that will allow her to stay in the U.S.

She said she felt crushed by China’s stringent restrictions during the pandemic, when lockdowns cooped up her and millions of others indoors.

“I know people who have studied here, returned to China and are perfectly happy,” she said. “I don’t think that’s for me.”

Demand for EB-5 investment has increased since Trump’s re-election, said Sam Silverman, founder of EB5AN, which invests EB-5 capital into U.S. real-estate projects.

“Now that many foreign nationals with children on student visas realize it’s going to be much harder for their sons or daughters to stay in the U.S. after graduation, they are seriously considering an EB-5 investment to eliminate that obstacle,” Silverman said.

India surpassed China as the top country of origin for international students in the latest academic year, with 331,602 students in the U.S., according to the Institute of International Education. China came second, with 277,398 students. India and China combined for over half of all international students in the U.S.

Meanwhile, the number of Americans studying in China has been declining for over a decade amid rising U.S.-China tensions and the tightening of controls on expression under Chinese leader Xi Jinping.

More than 11,000 Americans were studying in China before the pandemic. But during the 2022-23 academic year, only 469 American students studied in academic-credit programs in China, according to the most recent IIE data. The tally didn’t include internships and research work.



U.S. NEWS

U.S. Split Over Covid Review

Continued from Page One  
human or had escaped from a Chinese lab that had been doing extensive work on coronaviruses.

The dominant view within the intelligence community was clear when Avril Haines, the director of national intelligence, and a couple of her senior analysts, briefed Biden and his top aides on Aug. 24. The National Intelligence Council, a body of senior intelligence officers who reported to Haines and that organized the intelligence review, had concluded with “low confidence” that Covid-19 had emerged when the virus leapt from an animal to a human. So did four intelligence agencies.

At the time, the FBI was the only agency that concluded a lab leak was likely, a judgment it had rendered with “moderate confidence.” But neither Bannan nor any other FBI officials were at the briefing to make their case first hand to the president.

“Being the only agency that assessed that a laboratory origin was more likely, and the agency that expressed the highest level of confidence in its analysis of the source of the pandemic, we anticipated the FBI would be asked to attend the briefing,” Bannan recalled in his first on-the-record interview on the subject. “I find it surprising that the White House didn’t ask.”

A spokeswoman for the Director of National Intelligence’s office said that it wasn’t standard practice to invite representatives from individual agencies to briefings for the president and that divergent views within the intelligence community were fairly represented.

“The Office of the Director of National Intelligence and the National Intelligence Council’s work on Covid-19 origins complied with all of the Intelligence Community’s analytic standards, including objectivity,” the spokeswoman said.

But an investigation by The Wall Street Journal shows that the disagreements among intelligence experts over what should be included in the report ran deeper than is publicly known. Nor were the FBI scientists the only ones who believed that the intelligence directorate’s review didn’t tell the whole story.

Three scientists at the National Center for Medical Intelligence, part of the Pentagon’s Defense Intelligence Agency, conducted a scientific study that concluded that Covid-19 was manipulated in a laboratory in a risky research effort. But that analysis was at odds with the assessment of their parent agency, the Defense Intelligence Agency, and wasn’t incorporated in the report presented to Biden.

The DIA Inspector General’s office opened an inquiry in the spring into whether the scientists’ assessment was mishandled or suppressed, people familiar with the matter said. A spokesman for the agency declined to comment on whether this inquiry was continuing, had been completed and what it might have included.

Five years after Covid-19 first emerged, the origin of the virus that killed more than 1.2 million people in the U.S. and over seven million people worldwide has yet to be established. The pace of U.S. intelligence investigation has slackened, as many intelligence analysts who were assigned to the crash effort have shifted to other priorities.

Congressional efforts to establish a national task force to investigate the origin of and response to Covid-19 that would be styled after the 9/11 Commission floundered, a victim of political infighting. Senate and House committees that dug into the pandemic unearthed some significant leads but their work often became mired in partisan attacks.

Now some current and former officials have said a fresh look is needed, including at the analysis that wasn’t included in the 2021 intelligence report.

The U.S. was deep in the grip of the pandemic in May 2021 when Biden, a Democrat,



The origin of the Covid-19 virus that killed more than 1.2 million Americans and over seven million people worldwide has yet to be established. Above, a Covid patient at Kaiser Permanente Baldwin Park Medical Center in Los Angeles on Jan. 1, 2021.

ordered an urgent study by the intelligence community into Covid’s origins, which he said should be completed in 90 days. The effort became known as the “90-day sprint.”

At that point, the question of the virus’s origins was dividing the scientific community. The debate came down to two prominent theories. The zoonotic theory held that the Covid virus, like other deadly pathogens before it, had jumped to humans from an infected animal, possibly as a result of China’s extensive wildlife animal trade. The other scenario, known as “lab leak,” was based on the idea that the virus had escaped from a Chinese lab but insisted the information was too sensitive to disclose. Trump’s critics said the White House was trying to divert attention from its management of the response to the pandemic.



University of North Carolina Prof. Ralph Baric did pioneering work on coronaviruses.

The debate over the virus’s origins was politically divisive. Then-President Donald Trump, a Republican, said in May 2020 that he had evidence the virus had emerged from a Chinese lab but insisted the information was too sensitive to disclose. Trump’s critics said the White House was trying to divert attention from its management of the response to the pandemic.

Scientists divided

Those two theories have also divided the scientific community. In February 2020, more than two dozen scientists published a statement in the medical journal Lancet, calling the lab leak hypothesis a conspiracy theory that would jeopardize global cooperation in the struggle against the virus. One of the authors was Peter Daszak of EcoHealth Alliance, a nonprofit that has worked extensively on coronavirus research with the Wuhan institute.

That statement was followed a month later by a March 2020 paper on the “proximal origins” of Covid-19, in which Kristian Andersen of the Scripps Research Institute and four other scientists argued that the virus wasn’t “purposefully manipulated” in the laboratory and had almost certainly had natural origins.

But the lab theory has gained credibility. Ralph Baric, a professor at the University of North Carolina who had done pioneering work on coronaviruses with Shi Zhengli, the Wuhan institute’s leading bat coronavirus expert, told Congress earlier this year that

the facility’s procedures for carrying out research on bat viruses were “irresponsible” since it was done in a laboratory with inadequate precautions for containing biological agents.

By the time Biden ordered his review in 2021, two U.S. intelligence organizations supported the zoonotic theory, and one, the FBI, suspected a lab mishap. Other intelligence agencies said at the time that they didn’t have enough information to render a judgment.

Many experts

The intelligence agencies that drilled into the issue brought a range of capabilities, from the National Security Agency, which intercepts foreign communications, to

Covid presented unique challenges: the initial outbreak had happened 7,500 miles away in a country that was withholding cooperation.

The inquiry was barely under way when divisions emerged in the initial conference calls among the intelligence-agency experts.

Much of the intelligence community was dismissive of the World Health Organization’s early efforts to investigate the virus’s origins, which many U.S. officials believe was unduly constrained by the Chinese. After traveling to China in early 2021, a team of experts sent by WHO concluded in a joint report with Chinese scientists that the virus most likely moved from bats to humans via another animal.

The FBI was already supporting the lab theory, but Adrienne Keen, a State Department official who had served as a consultant to WHO, advocated for taking the zoonotic theory seriously. She said that the WHO report shouldn’t be completely discounted, according to participants.

Keen, who had a Ph.D. in infectious disease modeling from the London School of Hygiene and Tropical Medicine, left the State Department shortly after the 90-day sprint to become the director for Global Health Security for the National Intelligence Council. The council was given a central role in organizing the report under the supervision of James Murphy, the national intelligence officer for weapons of mass destruction.

With no cooperation from officials in Beijing, much of the debate turned on what was known about previous coronaviruses and work at



The lab-leak theory suggests the virus escaped from a facility such as China’s Wuhan Institute of Virology.

tist, had a doctorate in biomedical engineering and had served on a White House task force on the virus during the Trump administration. Chretien, a U.S. Navy doctor, had worked on biodefense for the White House and had been in charge of the pandemic warning team for the center.

They briefed their counterparts, including one of Bannan’s partners, an FBI agent with a Ph.D., on their initial findings. But in July 2021 they were instructed by a superior at the medical intelligence center not to continue sharing their work with the FBI, which they were told was “off the reservation,” according to people familiar with the matter. That order was earlier reported by The Australian.

Nor were all of their proposed edits to the National Intelligence Council report accepted. Hardham, Cutlip and Chretien also wrote an unclassified May 2020 paper that challenged the “proximal origin” assessment. They weren’t allowed to circulate it outside of the medical intelligence center, but it leaked three years later and was entered into the record by Rep. Brad Wenstrup (R., Ohio) when he chaired a hearing on the pandemic for a House committee investigating the virus’s origin.

Retired Army Lt. Gen. Scott Berrier, the DIA director during the report’s preparation, declined to comment on whether he was aware of the scientists’ work at the time. But he previously said publicly that he supported the zoonotic theory. A spokesman for the DIA didn’t respond to a request for comment.

The intelligence officials who briefed Biden in August 2021 at the White House all wore masks to protect against the still-raging pandemic, as did the president. The participants included Haines, the president’s top intelligence official, and Murphy, from the National Intelligence Council. They were accompanied by another analyst from Haines’s office and a technical expert from the Central Intelligence Agency.

Since the National Intelligence Council was among proponents of the zoonotic theory, and the CIA, like two other agencies, had declined to take a stand either way, the makeup of the briefing meant that no proponents of the lab leak theory were present. A spokesman for Haines’s office said the FBI assessment that pointed to a lab leak was accurately presented.

More than three years after that briefing, the intelligence agencies continue to investigate, though the full-court press that was mounted during the 90-day sprint is long over. In one sign that some government agencies are still looking at the issue, the Energy Department last year joined the FBI in identifying a lab leak as the most likely source.

In a June 2023 report requested by Congress, Haines’s office also declassified more information about the Wuhan institute. The report noted that some of the institute’s scientists “have genetically engineered coronaviruses using common laboratory practices.” But it added that the U.S. intelligence community had no information that this work involved the virus that caused the pandemic or a “close progenitor,” or that the institute held such viruses in its stockpiles before the 2019 outbreak.

Now retired from the FBI and working as a consultant, Bannan has kept a low profile. He hasn’t been among the parade of witnesses who have appeared in the often-partisan debates in Congress over Covid-19 origins. Among those who testified was Dr. Anthony Fauci, former director of the National Institute of Allergy and Infectious Diseases, who said he still believes that the virus more likely has natural origins. Fauci has denied ever calling the lab leak a conspiracy theory and has said that scenario can’t be excluded.

While the August 2021 intelligence report suggests that a conclusive assessment about the virus’s origin can’t likely be made without China’s cooperation, Bannan is urging that scientists inside and outside of government take another look at the evidence that was fought over during the 90-day sprint.

“What ended up on the intelligence community’s cutting-room floor needs to be re-examined,” Bannan said.

FROM TOP: ALISSON ZAUCHER FOR WSJ; CHRISTOPHER JAMARCO/BLOOMBERG NEWS; JING HAN GUAN/WAP



U.S. NEWS

Move Grows to Authorize Taking Down Drones

Police, businesses want change in law to allow them to act on airborne threats

By Andrew Tangel

Few Americans can legally take down a drone. Businesses, along with state and local law-enforcement agencies, want to change that. This month's New Jersey drone scare highlighted the potential threat and public nuisance associated with more unmanned aircraft operating in the skies. President-elect Donald Trump and other politicians have called to shoot down suspected airborne menaces flying over the Garden State, but only a handful of federal agencies are allowed to do it. The Federal Aviation Administration in mid-December imposed temporary flight bans

over critical infrastructure in New Jersey and New York, citing a request from "security partners." The Federal Bureau of Investigation's Newark office also told residents not to try to shoot drones, warning of "dangerous and possibly deadly consequences if manned aircraft are targeted mistakenly." "There are certain assets, locations, facilities that are truly critical to our operations, and those need to be defended in real time," said Scott Aaronson, senior vice president for security and preparedness at the Edison Electric Institute. "We have to be able to intervene." The military and law enforcement are finding increased uses for pilotless small aircraft for surveillance or delivering payloads. Companies delivering goods, ferrying medical supplies and inspecting industrial equipment are also helping drive drone

demand, as are hobbyists. Federal officials have said the aircraft spurring concerns among New Jerseyites were likely planes heading to and from airports, or lawful drone flights. Serious drone threats emerged elsewhere in the country weeks earlier, however. In November, federal prosecutors charged a Tennessee man in an alleged attempt to use a drone carrying an explosive device to attack Nashville's power grid. In October, Arizona authorities charged a teenager with planning to use a drone to bomb the Phoenix Pride Festival. Places such as open-air stadiums and other venues where large numbers of people gather are particularly worrisome for drone activity, industry officials said. Drones disseminating chemical sprays, carrying explosives or inducing panic in crowded places are among concerns that have prompted some stadium managers to rethink

risk assessments. In recent years, businesses, airport operators and sports leagues have focused on gaining the ability to detect drones, industry officials said. In many cases, they support giving state and local authorities the legal authority to take down drones. Under current federal law, drones are aircraft, and interfering with their operation could subject offenders to prosecution. Doing so could also run afoul of federal laws against intercepting communications. The FBI and Department of Homeland Security have some authority to take down drones. The Defense Department can generally act against drones deemed a threat to its U.S. bases or nuclear assets. The Energy Department has the authority at certain nuclear sites. A dispute emerged in recent years over whether U.S. Capitol Police can take out drones, ac-

cording to current and former federal and congressional officials. The police agency believes it can, but other federal agencies including the FAA disagree. U.S. Capitol Police Chief Tom Manger said the agency has the constitutional authority to protect members of Congress. "We are not going to take any chances when it comes to their safety and security," he said through a spokesman. Pending legislation in Congress could pave the way for state and local law enforcement to use technology to take down drones. Federal law-enforcement officials testified on Capitol Hill this month to back the proposals, citing threats from domestic terrorists, and criminals on the Mexican border. The Pentagon has also been concerned with mysterious drones that have flown over its bases. In New Jersey, Monmouth County Sheriff Shaun Golden

has been calling for giving state police the power to take out drones, if necessary. "When you look to the war in Ukraine and Russia and see how they're weaponizing drones in that theater of operations, it kind of begs a larger question," Golden said. "Are we prepared for these kinds of public safety challenges?" Downing a drone is easier said than done. When Rob D'Amico ran the FBI's counter-drone unit in recent years, getting the green light from Justice Department lawyers required 50-some pages of paperwork and signoff from the attorney general or deputy attorney general. Federal agents can take over control of drones, jam with radio signals or otherwise interfere with its electronics. "It's just not like you push a button and it happens—a lot of people think that," D'Amico said.

U.S. WATCH



OFF-THE-SCALE CUTENESS: A baby hippo had a neonatal exam five days after her birth at the Metro Richmond Zoo in Moseley, Va., earlier this month. She weighed 15 pounds.

ECONOMY Initial Claims for Jobless Benefits Fall

The number of Americans who made initial filings for unemployment benefits declined last week, showing the economy has still avoided a big surge in layoffs in the home stretch of 2024. In the week through Dec. 21, 219,000 people filed for new jobless benefits, compared with 220,000 a week earlier, the Labor Department said Thursday. Economists polled by The Wall Street Journal were expecting 225,000 new claims. At 4.2%, unemployment remains fairly modest by the standards of the past decade. But it has inched higher during the course of 2024—a sign of a softer labor market that is also reflected in fewer job openings per job searcher, a downtrend in job creation and more industries that have cut back on hiring.

—Matt Grossman

NEW HAMPSHIRE Four Adults Found Dead at Home

Four people died in a New Hampshire home on Christmas Day due to suspected carbon-monoxide poisoning, authorities said. Police were called to the house in the town of Wakefield around 4:20 p.m. for a welfare check, said New Hampshire State Fire Marshal Sean Toomey. He said that when officers arrived, they found the bodies of four adults. "While the investigation remains active and ongoing, at this time, investigators believe the victims died as a result of carbon-monoxide poisoning," Toomey and other officials said in a release. Authorities haven't released the names of those who died pending notification of their next of kin. Temperatures in Wakefield on Christmas Day reached a low of about 13 degrees.

—Associated Press

HAWAII Body Discovered In Jet's Wheel Well

Maui police are investigating the discovery of a body in the wheel well of a United Airlines plane after the aircraft landed in Maui, the airline and police department said Wednesday. The body was found in the wheel well of one of the main landing gears on flight 202, which arrived at Kahului Airport from Chicago on Tuesday, United said in a statement. The airline said that the wheel well of the Boeing 787-10 was only accessible from the outside of the aircraft, and that it was unclear how or when the person accessed it. The Maui Police Department said it was investigating the discovery of the body. Neither United nor the Maui Police Department shared further information.

—Associated Press

Travelers Ditch Their Headphones

Continued from Page One

wildered," said Brennan Smith, 43, who flies across Canada every few weeks for his job as a railway foreman. "I don't know why they don't have signs up. There should be an announcement on the plane." Some airlines have taken that to heart. Flight attendants at American Airlines and Alaska Air make announcements about the need to wear headphones. Delta recently added a plea for headphone usage at the bottom of its in-flight entertainment website. "I will see it probably every single flight," said one flight attendant for a major U.S. airline. Often a pointed glance is enough to shame out-loud movie watchers, he said. "They're embarrassing themselves enough as it is." The boarding gate at San Francisco International Airport is a virtual boardroom, said Sasha Sinclair, 32, who flies monthly for her biotech job. She watches in awe as tech bros pace back and forth taking business calls without any auditory buffer, sometimes broadcasting potential Silicon Valley secrets all the way through the jet bridge. "It's definitely a little alarming," she said. The headphones-optional attitude isn't limited to air travel. Podcasts and sports games blare in open-plan offices. You can catch snippets of conversations on the sidewalk, some phones held aloft for video calls. Transit authorities in big cities have struggled to get passengers to keep their music to themselves on subways and commuter trains. Witnesses say offenders span the generational and socioeconomic spectrum, from grandparents on speakerphone to toddlers on iPads and from first class to coach. Air travel already overloads the senses with a cacophony of boarding announcements, beeping vehicles and crying babies. U.S. airlines generally don't allow voice and video calls in the air. But by takeoff, the damage has been done.

"It's worse in the airport in the gate area," said Tracey Parsons, who said she's heard the sounds of her fellow passengers' phones at every U.S. airport she's passed through in recent years. "I don't want to listen to your phone call. I don't want to listen to both sides. I don't want to watch TikTok with you," she said. "It's gobsmacking to me—we used to have headphones." Cheap wired headphones used to be more ubiquitous—a pair was included with each new iPhone until 2020. Now, Bluetooth headphone battery life is a precious resource to be conserved for a flight. And replacing a forgotten set at the airport can be pricey. Some say people abandoned old norms of public decorum after the pandemic. Listening to your phone sans headphones is the aural equivalent of wearing sweatpants in public. Neil Berger, 52, who works in the pharmaceutical industry in Toronto, thinks some screen watchers are simply oblivious. He attempted an intervention last month at Air Canada's Maple Leaf Lounge in Vancouver, when he could no longer endure short snippets of video blaring nearby. After 10 minutes Berger turned around: "I think you might have forgotten your headphones. I have an extra pair," he said. The listener "literally looked up, didn't say a word, and walked away. Which is honestly a decent outcome," Berger said. Shannon Black, from Vancouver, Wash., has been on the other side. A seatmate chastised her years ago for watching a headphone-free movie on her laptop during a flight. "I was mortified—I didn't realize

she could hear it," Black recalls. "I was so apologetic, and I of course muted it immediately." But last month she couldn't tune out the sound of a woman video chatting on speaker in Delta's Salt Lake City airport lounge. "I said, 'Excuse me, would you mind using headphones? That's louder than you realize, and we can all hear it.'" It backfired. The woman told Black she found the suggestion "incredibly rude." "I didn't expect that," Black said. Joe Rojas and his wife were relaxing at a Delta lounge in Kansas City, Mo., earlier this month when a woman strode in, set down her bags and turned on a TV show. Other patrons traded uncomfortable glances, trying to suss out the source of the high-volume British dialogue. Realizing nobody was going to do anything, Rojas, a 40-year-old attorney in Boston, took charge. He sat down next to the woman, leaned over and started to watch the show with her. "I said, 'since we all have to hear it, I thought we should watch it together.'" The vigilante action earned Rojas a dirty look, but the woman quickly fumbled through her bags to locate her headphones, Rojas said. "Of course I had to go back to my seat right across from her and pretend I hadn't called her out in front of everyone." Rojas said he'd do it again. Still, when he heard a woman playing music from her phone at full blast in a doctor's office waiting room a few days later, he let it go. "I didn't want to push my luck," he said.



Flight attendants at some airlines now make announcements about the need to wear headphones.

### DECADENT DRINKWARE

#### BACCARAT CAVE À LIQUEUR

*Distinguished house. Complex design. Artistic excellence.*

This 19th-century Baccarat ormolu cave à liqueur showcases the firm's enduring legacy. The cut glass doors reveal a mirrored base with a glass rack for four bottles and sixteen glasses. Its intricate hand-cut swirl pattern demonstrates Baccarat's masterful craftsmanship which is exceptionally rare in today's market. Circa 1880. 17<sup>7</sup>/<sub>8</sub>"h x 14<sup>1</sup>/<sub>2</sub>" dia. 31-7239

Learn more about this cave à liqueur

**M.S. Rau**  
FINE ART • ANTIQUES • JEWELS

622 Royal Street, New Orleans, LA • 888-867-9583 • [ws@msrau.com](mailto:ws@msrau.com) • [msrau.com](http://msrau.com)

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



WORLD NEWS

Israel Strikes Airport and Power Stations in Yemen

Netanyahu pledges to stop Iran-backed Houthi militants' missile attacks

By DOV LIEBER AND SALEH AL-BATATI

Israel escalated strikes against the Houthis in Yemen on Thursday, launching attacks on the capital and beyond that officials said were intended to deter the last Iran-backed group to pose a direct threat. Israeli warplanes struck the San'a airport and hit two power stations, pounding infrastructure that the military says the Houthis use to bring Iranian weapons and officials into Yemen. The Houthis have continued to lob ballistic missiles at Israel, even after the Israeli military largely defeated the two main foes on its doorstep— Hamas in the Gaza Strip and Hezbollah in Lebanon—and saw its archenemy Iran retreat from its stronghold in Syria. Now, an emboldened Israel is turning its attention to the Houthis, who have gained legitimacy at home and in the Arab world for missile and drone attacks on Israel and on ships in



Smoke rises from San'a airport after Israeli airstrikes, in San'a, Yemen, on Thursday.

and near the Red Sea. The group says the campaign is aimed at supporting Palestinian militants fighting Israel in Gaza. "We are determined to cut off this terrorist arm of Iran's evil axis," Israeli Prime Minister Benjamin Netanyahu said. The Houthis represent a challenge for Israel because of

how far away they are and because they are a relatively new foe that Israeli intelligence hasn't focused on until now, analysts say. The Israeli military largely controls the Gaza Strip, and its forces moved across the border into southern Lebanon during the fight with Hezbo-

lah. But Yemen is more than 1,000 miles away. For most of the war in Gaza and Lebanon, Israel has relied on a U.S.-backed coalition with forces closer to Yemen to deter the Houthis, but those efforts have fallen short. This was the fourth time since July that Israeli planes

struck targets in Yemen. Previous Israeli strikes in Yemen mostly have targeted energy infrastructure, which Israel says the Houthis use for militant activities. In the past week, the Houthis have fired ballistic missiles at the densely populated Tel Aviv area late at night on four occasions, sending residents fleeing to bomb shelters. Israel has intercepted most of the Houthi attacks in the past year, but recently some projectiles have eluded its defenses. On Dec. 19, a warhead from a Houthi missile hit a school in central Israel, collapsing the building but causing no casualties. Israel then struck Houthi-controlled areas, including ports and energy infrastructure. On Saturday, another Houthi missile hit a park in Jaffa, a part of southern Tel Aviv, injuring 16 people. After a candle-lighting ceremony to mark the first night of Hanukkah on Wednesday night, Netanyahu pledged to address the Houthi threat. "The Houthis will also learn what Hamas, Hezbollah, the Assad regime and others have learned, and this will also take time. This lesson will be learned across the Middle East," he said. A Houthi spokesperson said

the Thursday strike on the airport in San'a hit the control tower and arrival hall minutes before a flight landed. Three people were killed and an assistant captain of a United Nations plane was injured, said Houthi officials. The World Health Organization, a U.N. agency, said a crew member was hurt. The Israeli military said it also hit two power stations and what it said was military infrastructure in ports located on Yemen's western coast. The Israeli strikes occurred while the Houthi militant leader Abdul Malik Al Houthi was speaking about his group's fight with Israel. "Our operations against Israel are ongoing, effective and will not stop until the Israeli aggression stops." Following the Israeli strikes, Houthi spokesman Mohammed Abdul Salam said the targeting of the airport in San'a and other civilian infrastructure "is an act of Zionist aggression against the entire Yemeni population." Israel's military said that while the Houthis rely on Iran for funding and weapons, the group acts autonomously. "This is a further example of the Houthis' exploitation of civilian infrastructure for military purposes."



A Druze man watches as Israeli soldiers leave the border between Israel and Syria in the Israeli-annexed Golan Heights.

Villagers in Syria Bristle at Israeli Incursions

By ANAT PELED AND SUHA MA'AYEH

As the Assad regime collapsed this month, Israel's military swiftly seized control over the border area with Syria—moving to disarm nearby villages to create a security buffer. Now, some of these villages are pushing back against what they fear could become a prolonged Israeli occupation. Protests have broken out in recent days in some southern Syrian villages against the Israeli military presence. Online footage showed crowds carrying Free Syria flags throwing stones on Dec. 20 in the direction of Israeli military vehicles in the border village of Maariyah. Some villages are refusing to turn in their arms to Israeli forces, saying they would hand them over only to Syrian government forces. A young man was shot and wounded in the Maariyah protests as the Israeli military tried to push back the demonstrators. People who took part in the protest said Israeli forces through loudspeakers had warned the demonstrators to back off before opening fire. In another protest in the village of Sweisa on Wednesday, the Israeli military said it fired warning shots toward angry protesters who came close to them, an incident in which locals said several people were wounded. Residents of some villages have complained that their mobility and access to essential goods such as food, water and electricity has been disrupted by Israel's presence. Some have accused Israeli forces of preventing farmers from accessing their fields. The heads of eight villages in Quneitra province signed a shared statement demanding Israeli forces leave. "It is generating fear, upset, anger," said Aymenn Jawad Al-Tamimi, a Syria expert and fel-

low at the Middle East Forum, a Philadelphia-based think tank, referring to the Israeli military presence in Syrian territory. "The longer this goes on the bigger the fear is this will turn into an armed confrontation." Israel seized the buffer zone, including a strategic mountain top, to build a bigger cushion between its citizens and whatever power emerges in Syria following the ouster of Bashar al-Assad as president on Dec. 8. But its incursions in Syrian territory risk an armed confrontation in the area, which could morph into a flashpoint with Syria's future rulers. Israel's moves have already drawn criticism from the United Nations, and European and Arab governments. Israeli Prime Minister Benjamin Netanyahu said the military's presence in Syria is temporary and aimed at securing the border until another arrangement is found. Israeli officials say the objective is to ensure villages near the border are free of weapons looted after the Syrian army collapsed, and that the Israeli forces are trying to negotiate disarmament in a peaceful way and with a limited military presence in populated areas. Israeli forces have entered several villages about a mile beyond the buffer zone, taking over some abandoned Syrian outposts and crisscrossing rural areas with personnel carriers and tanks, according to residents and online images verified by Storyful, which is owned by News Corp, The Wall Street Journal's parent company. Many residents who have closely followed the Israeli military campaigns in Gaza

and Lebanon say they are distrustful of the forces they see in their villages. Israel has established military corridors and extensive infrastructure inside the Gaza Strip following more than a year of war, which began after last year's Oct. 7 attacks by Hamas-led militants in southern Israel that killed about 1,200 people. Israel says its invasion into Lebanon is meant to push Hezbollah from its northern border and safeguard Israel against another potential ground infiltration. Dirar al-Bashir, a former governor of Quneitra and a signatory of the statement by eight border villages calling for Israelis to retreat from the area, said he was summoned to a meeting with the Israeli army in the Israeli-controlled Golan Heights, where military officials tried to negotiate handing over weapons. At the meeting, which Bashir said lasted hours, he noted that an Israeli military official told him that Israel wants peace with Syria. "We told him peace doesn't come through force or invasion but through restoring rights, good neighborliness, and mutual interests," he said. Bashir said Israeli soldiers seized the high ground around the towns, and that barriers now isolate villages, making movement difficult and sometimes impossible. Heavy military vehicles have damaged roads and infrastructure in some areas, temporarily cutting off electricity and phone lines. "Some villages went 10 days without water, as Israel cut off supplies," Bashir said. "There are ongoing clashes

between them and the locals." The Israeli military didn't respond to a request for comment on the protests it is facing in southern Syria or on Bashir's claims. While Israel is concerned about the possibility of anarchy on its border, it "could create a self-fulfilling prophecy if they don't withdraw and or come to some agreement with the new government," said Aaron Zelin, a senior fellow at the Washington Institute for Near East Policy and author of a recent book on Hayat Tahrir al-Sham, the rebel group that led the recent offensive against Assad. HTS leader Ahmed al-Sharaa has been meeting with diplomats from around the world as he attempts to transition his fighting force to a governing power. Sharaa, a U.S.-designated terrorist who shed the nom de guerre Abu Mohammed al-Jawlani, has appeared to avoid friction with Israel, at least for now. Sharaa took more than a week to condemn Israeli attacks on Syrian military installations and its presence inside Syria. "There is no justification for the Israelis to bomb Syrian facilities or advance inside Syria," he said, adding that he doesn't want to go to war against Israel. Israel remains deeply distrustful of HTS and its leaders because of their past ties to jihadist groups, including al Qaeda, Israeli officials say. Sharaa could be pressured to change his views if the situation on the ground deteriorates, analysts warn. Eyal Zisser, chair of contemporary Middle East history at Tel Aviv University, warned that tensions could flare if civilians are hurt in any incident involving Israeli forces. "At a certain point a tank of ours will accidentally run over people there. People will become upset," he said.

Deadly Ambush and Protests Challenge New Syrian Leaders

By OMAR ABDEL-BAQUI

DAMASCUS, Syria—Syria's new rulers are facing challenges to their authority, including clashes with allies of the old regime and protests accusing them of destroying religious symbols. Islamist group Hayat Tahrir al-Sham launched the assault that overthrew dictator Bashar al-Assad and has positioned itself as the country's new government. In the most serious incident since taking over, it said at least 14 members of the new government's security forces were killed Wednesday in an ambush by loyalists of the old regime. The killings happened in Tartus province, along the coast, an area heavily populated by Syria's minority Alawite sect, which included the Assads. The transitional government said it launched an operation to pursue Assad loyalists and restore order. It also set overnight curfews for several areas of the country. More clashes occurred Thursday, according to the transitional government, resulting in two more deaths. Also on Wednesday, protests were sparked after footage circulated showing a famed Alawite shrine burning as armed fighters stood by. HTS said the video is old, from when it took the city of Aleppo in late November, and that it is working to protect religious sites. "The situation in Alawite areas since HTS took power was relatively calm until the events yesterday," said Alaa Khateeb, a resident in Tartus, who said some anti-HTS groups wielded weapons. "It is a very sensitive time now." Separate protests broke out among the country's Christian minority after a video circulated of a Christmas tree that was set ablaze by members of the armed forces. HTS officials subsequently met with religious minorities and said they detained the foreign fighters who burned the tree. The instability highlights HTS's challenges governing various constituencies that weren't under its jurisdiction before toppling Assad, said Nanar Hawach, a senior Syria analyst at

the International Crisis Group, a think tank. It also suggests a lack of discipline among some rank-and-file members of the various armed groups under the HTS umbrella. "HTS doesn't have the manpower to establish control over an entire country that it came to control in a span of two weeks," Hawach said. "And a main issue is HTS is not including local actors enough. The best thing they could do now as a new entity seen by many as foreign is to include local groups to govern and patrol," he added, saying it will be important as the new government goes after Assad loyalists in minority areas accused of committing atrocities. HTS, an offshoot of al Qaeda, has routinely promised to respect the country's diversity and protect religious minorities. But many people worry about how it will govern. The U.S., United Nations and European Union designate HTS as a terrorist organization and say they are waiting to see how the group will approach human rights before deciding to lift that designation and ease Assad-era sanctions. Alawites are particularly concerned, given the Assads' affiliation with the group and the fact that Sunni extremists view them as heretics. "There is a perception that we are rich and that we benefited from the Assad regime and supported him, which is widely not the case," said Firas Maalla, an Alawite living in a Damascus neighborhood that is home to many members of the sect. "For now, fear governs us, and it is too early to judge HTS and how our future will turn out." The tensions raise the risk that Syria could enter a period of new conflict as the celebrations over the downfall of the widely despised Assad regime fade. The country is divided along religious and ethnic lines and is home to many armed rebel groups no longer focused on a common enemy. The Assad government was detested by many Syrians because of its deadly crackdown on demonstrations and its record of human-rights abuses, including the use of chemical weapons.



In Damascus, Syrian Christians protest the burning of a Christmas tree by masked men in the town of Suqaylabiyah.



WORLD NEWS

# Israelis See a Chance To Remake Mideast

Despite criticism over Gaza war, some see new diplomatic opportunities

By DOV LIEBER

TEL AVIV—Since the Hamas attacks on Oct. 7, 2023, Israel has dealt setbacks to its most dangerous regional adversaries. It has hobbled Hamas in Gaza, severely damaged Shiite militia Hezbollah in Lebanon and fended off missile salvos from Tehran while landing its own blows in Iran.

Israel's military operations—especially its conduct of the war in Gaza, where local authorities say more than 40,000 Palestinians have died—have hurt the country's international standing. The International Criminal Court has issued arrest warrants for its prime minister and former defense minister.

But Israel's leaders say the military gains are worth the trade-off in reputational damage, and argue that the country's stronger strategic position opens the door for

diplomatic gains as Arab countries look for partners to keep Iranian power at bay.

“For the first time in the history of Zionism, there is an opportunity for Israel to be a regional power,” said Avner Golov, a former senior director at Israel's National Security Council, who is now a vice president at MIND Israel, which advises governments on national security.

It won't be an easy feat to pull off, especially as public opinion across the Arab world has soured on Israel because of the Gaza war. But with the world's eyes focused on the horrors emerging from the wreckage of the Assad regime and a Gaza truce potentially on the horizon, Israel might be in a position to repair its international image and diplomatic standing.

Current and former Israeli officials are pushing for aggressive steps to build an Israeli, U.S. and moderate Arab alliance that includes Saudi Arabia and is aimed at checking Iran's influence. The re-election of Donald Trump, who confronted Iran in his first term and is returning to the presidency next

month, has raised hopes for such an alliance, said Golov.

The Gaza war set in motion a sequence of events that has helped lay the groundwork, said Danny Danon, Israel's ambassador to the United Nations. Israel has weakened Iran by largely incapacitating its military allies Hamas in Gaza and Hezbollah in Lebanon. Those successes triggered the recent fall of the regime of Bashar al-Assad in Syria, a key Tehran ally. Israel has also decimated Iran's air defenses in two rounds of tit-for-tat airstrikes, leaving Tehran vulnerable.

Sharren Haskel, Israel's deputy foreign minister, said that, because Israel is on the front lines and has shown its military prowess, “many more countries are realizing that we need to work together in collaboration.” Deepened ties, including normalization with Saudi Arabia, would further isolate Iran, she said.

The two countries were close to such a pact before the war, but Riyadh has since become highly critical of Israel's actions in Gaza and elsewhere. Yet the kingdom has retained



Benjamin Netanyahu, seen in a handout photo, visits the Syrian summit of Mt. Hermon.

its prewar stance that normalization is possible if Israel agrees to resolve the issue of Palestinian statehood.

Israelis overwhelmingly oppose a Palestinian state now, but Israel could give Palestinians a clear road map to self-governance in Gaza and the West Bank, Golov said. It is unclear whether Saudi Arabia would accept such a compromise.

Israeli Prime Minister Benjamin Netanyahu would struggle to pass such measures with his current coalition, analysts say, because it relies on far-right parties that want to tighten rather than loosen Israeli con-

trol over the Palestinian territories. Netanyahu himself has stressed since the current war began that he would oppose a Palestinian state.

Netanyahu recently told The Wall Street Journal that there is optimism for normalization with Saudi Arabia after Israel secures a deal to release hostages held by Hamas in Gaza and pause the fighting there.

Not everyone agrees Israel's military achievements have made itself or the region safer, and there are risks that the war's trade-off could still prove costly to Israel.

The widely televised devas-

tation in the Gaza Strip and the rising death toll there have sowed the seeds for future conflicts between Israel and its neighbors, said Hussein Ibish, senior resident fellow at the Arab Gulf States Institute, a think tank in Washington.

Israel's military victories, Ibish added, have created a situation in which it will need more soldiers to guard its borders with Lebanon, Syria and the Gaza Strip—as well as in the West Bank. “It is really surrounded by bitter enemies who have much more reason to be bitter enemies today than they did on Oct. 7,” he said.

# Russia-Linked Tanker Detained Over Damaged Cable

By BOJAN PANCEVSKI

Finland detained a tanker carrying Russian oil on the suspicion that it had severed undersea power and data cables on Christmas Day, prompting calls for NATO to defend against alleged sabotage of critical European infrastructure by Moscow.

Heavily armed elite units of the Finnish border guard and police dropped from two military helicopters onto the deck of the tanker—part of Russia's sanctions-busting “shadow fleet,” authorities say—and took control of the ship, according to Finnish officials.

The Eagle S tanker traversed the cables connecting Finland and Estonia around the time they ceased to function on Wednesday after 12 p.m., Finnish authorities said. The ship slowed down as it reached the Estlink 2 power cable, then lingered above it before continuing its journey, according to the ship-tracking website Marine Traffic.

Finnish Special Forces raided the ship shortly after midnight on Thursday, and met with no resistance from the crew as they assumed con-

trol of the vessel, officials said.

Four data cables, three linking Finland and Estonia and one linking Finland and Germany, suffered outages at the same time, Finnish authorities said. One of them, known as C-Lion1, had been cut last month in a similar incident involving a Chinese cargo ship. Cinia, the cable owner, said it dispatched a repair team to fix the cable for the second time in weeks.

The Finnish government and private telecom operators said there was little effect for consumers, as there are reserve cables to fall back on to avoid disruptions. However, the power cable operator Fingrid said that fixing the 650-megawatt link could take months, and that the country's power supply could be jeopardized if weather conditions worsen for an extended period.

The Christmas Day cable outages are the latest in a series of incidents involving damage to undersea critical infrastructure belonging to North Atlantic Treaty Organization countries in the Baltics, a region that has become a flashpoint in a shadow war



between Russia and the Western alliance. The incidents have become common since Vladimir Putin ordered a full-scale invasion of Ukraine in 2022 and upended relations with Europe and the U.S.

“We want to take action and put an end to this phenomenon,” Finland's prime minister, Petteri Orpo, said on X.

Orpo said that he had spoken to other NATO leaders about the incident, and that

the issue could be formally raised within the alliance. He said more effort is needed to crack down on the Kremlin's shadow fleet, because such ships are “pumping money into Russia's war chest,” allowing it to continue its war against Ukraine.

The governments of Finland and Estonia both held emergency meetings Thursday to discuss the incident. Estonia's foreign minister, Margus Tsahkna, said the frequency of the incidents means they need to be considered attacks, not accidents. “In addition to circumventing sanctions, the shadow fleet is a security threat in the Baltic Sea, and we cannot just sit and watch,” Tsahkna said.

Immediately after the incident, the Finnish border-guard flagship Turva intercepted the tanker, which is registered in the Cook Islands, and accompanied it toward its current location in Finnish waters. Around midnight Thursday, Finnish authorities boarded the ship and assumed command, detaining all crew members on board, said a Finnish police spokesman. At least one of the ship's anchors was

missing, suggesting the cable could have been cut by anchor-dragging along the seabed, the police spokesman said.

Finnish prosecutors have opened an investigation into a possible criminal charge of grave sabotage but wouldn't comment on whether they regard the incident as accidental or intentional. Finnish authorities established a no-fly zone around the area and will soon investigate the seabed around the damaged cables, a government spokesman said. The Finnish military is assisting, the spokesman said.

Several data cables and a pipeline connecting Finland and other Nordic countries to the European mainland have been severed in the past year in suspected anchor-dragging incidents, but none of the suspect ships has ever been taken over by authorities as the Eagle S was.

Last month, the Chinese bulk carrier Yi Peng 3 cut two data cables—including C-Lion1, which was then damaged again on Christmas Day—by dragging its anchor along the Baltic seabed before being effectively detained in international waters for a month.

# Crash Probe Points to Air Defenses

Continued from Page One

Russia's Federal Air Traffic Agency said the crash followed the plane's running into a flock of birds. When asked about the investigation's preliminary indications of Russian involvement, Kremlin spokesman Dmitry Peskov said it was too early to come to conclusions about the cause of the crash.

Any Russian responsibility for the crash would echo the events around the downing in 2014 of Malaysia Airlines Flight 17, shot down from Ukrainian territory held at the time by Moscow-backed rebels, using an air-defense system employed by the Russian military. All 298 people on board were killed. Russia didn't accept responsibility.

The potential for a flare-up in relations between Moscow and Baku comes at a delicate moment in the Caucasus region, where Russia, Turkey and Iran are vying for influence. Oil-rich Azerbaijan has maintained pragmatic relations with Russia since the Kremlin's invasion of Ukraine, but it has also grown closer in recent years to Israel, which has sought to undermine Iranian influence.

About an hour and 20 minutes into the flight, the pilots appear to have started to lose control of the aircraft, likely the result of puncture holes in the plane's vertical stabilizer, aviation experts said. The crew then battled—for at least 75 minutes—to maintain a constant speed and altitude, with the air-



A passenger injured in the plane crash in Kazakhstan is carried to an ambulance Thursday after arriving in Baku, Azerbaijan.

craft rising and falling by as much as 8,000 feet many times until ultimately crashing, according to data and analysis from tracking specialist Flightradar24.

A passenger on the Embraer 190 aircraft told the Russian television network RT that the plane had tried to descend twice but both times pulled back up. On the third attempt, he said, he and other passengers heard an explosion outside the cabin and pieces of the aircraft's shell flew off.

“Everyone heard the explosion,” said Subkhonkul Rakhiyev, speaking to RT.

Aviation-security firm Osprey Flight Solutions, citing assessments of footage of the crash, the damage to the aircraft, and

recent military activity, said that the flight “was likely shot down by a Russian military air-defense system.” The plane's undulating flight path—and a sudden downward turn at a dangerously steep angle ahead of landing—suggests the pilots were struggling to guide it, experts said.

At the crash site, investigators from Kazakhstan and Azerbaijan pored over the remnants of the plane and were examining the contents of the craft's black box for more details of the flight's final path across the Caspian Sea, Kazakh officials said.

Azeri state media said that representatives from Embraer were on their way to Kazakhstan to examine the crash site.

When it set off from Baku

on Wednesday morning, the Azerbaijan Airlines plane was flying over a part of Russia's North Caucasus that has been targeted by Ukrainian drones in recent weeks. Russia's Defense Ministry said it had shot down 59 Ukrainian drones overnight into Wednesday, most of them in areas bordering Ukraine.

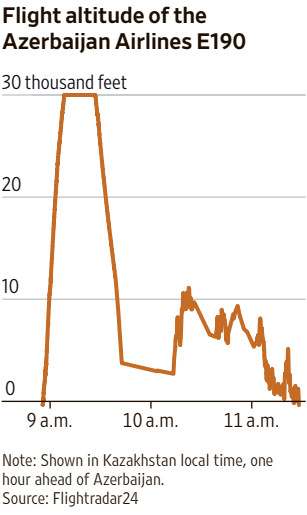
One of them was shot down over Vladikavkaz, west of Grozny, just three hours before the plane crashed on Wednesday, the regional governor there, Sergei Menyaylo, said. On Dec. 15, a drone struck a campus of Russia's National Guard in Grozny, and at least two other drones were shot down by air defenses.

Israel's flag carrier El Al said it was suspending flights be-

tween Tel Aviv and Moscow “in light of the developments in the airspace of Russia.” Azerbaijan has become a large purchaser of Israeli arms and the two countries have boosted security cooperation in recent years, particularly with an eye to stopping Iranian influence in the region.

Neither Azerbaijan nor Kazakhstan has come forward with a definitive version of events, but the growing body of evidence pointing to Russian air defenses had already boosted expectations that Russia should come forward with an official acknowledgment.

“Baku's expectation is not only an apology but also an explanation as to why the pilots' request to land was denied and



why their GPS was jammed over the Caspian Sea—both of which could have saved the plane and its passengers,” said Zaur Shiriyev, a Baku-based nonresident scholar at the Carnegie Russia Eurasia Center, who focuses on the region.

Militaries often disrupt or spoof GPS signals to disguise their own airborne activities or to affect the targeting of enemy drones and jet fighters. GPS spoofing has been deployed across swaths of southwest Russia since the start of the war.

Air-defense missiles, like those that Russia uses against Ukrainian drones, typically explode shortly before colliding with an aircraft, distributing shrapnel similar to that of a grenade that then pierces the metal of an airframe.

—Benjamin Katz  
contributed to this article.

**Watch a Video**

Scan this code for a video on the crash and what experts believe caused it.



For military veteran caregivers,  
caregiving often starts earlier in life  
and lasts longer. **To better care for  
your loved one, you must also  
care for yourself.**



Get a **FREE** military veterans caregiving guide at  
**[aarp.org/caregiving](https://aarp.org/caregiving)**

**AARP**

**ad**  
COUNCIL



WORLD NEWS

Famine Is Spreading in Sudan, Panel Finds

Hundreds of thousands of people face starvation in war-ravaged nation

By GABRIELE STEINHAUSER AND MOHAMED ZAKARIA

Famine has expanded to more areas of Sudan, an international panel monitoring global hunger said Tuesday, as hundreds of thousands of people face starvation in the war-ravaged nation.

At least 638,000 people across five localities in Sudan's Darfur and Kordofan regions are now suffering catastrophic hunger, which is equivalent to famine, according to the Famine Review Committee of the Integrated Food Security Phase Classification system, or IPC.

The IPC, which brings together experts from the United Nations, relief agencies and research groups, projected that another five areas were likely to plunge into famine as soon as this month, while 17 other localities are under

threat of famine.

"This marks an unprecedented deepening and widening of the food and nutrition crisis, driven by the devastating conflict and poor humanitarian access," the IPC said in comments shared alongside the report.

"Starvation and death are evident," it added.

In total, 24.6 million people—half of Sudan's population—are experiencing food insecurity, the IPC said.

That finding cements Sudan's status as the world's worst hunger hot spot, 20 months after a battle for power between two generals plunged the country into an all-out war.

The U.N. and other aid groups have accused both Sudan's military and its rival, the paramilitary-turned-rebel Rapid Support Forces, of obstructing the delivery of life-saving humanitarian aid.

Sudan's Agriculture Ministry, which is controlled by the military, rejected the IPC's findings in a letter that was shared with diplomats and aid agencies ahead of the report's



Mothers with their children at a malnutrition stabilization ward in Port Sudan, Sudan.

publication and which was viewed by The Wall Street Journal.

The ministry said that the panel failed to correctly assess the country's most recent harvest and questioned its ability to collect data in RSF-controlled territories. It also said humanitarian organizations weren't delivering aid to millions of people in areas held by the military that they could easily access.

people. Famine has now spread to several other camps of the displaced in Darfur, as well as parts of the Nuba Mountains in South Kordofan state, the committee said Tuesday.

Formal famine declarations are rare and are based on specific criteria. Those include one in three children being acutely malnourished and at least two out of every 10,000 people dying from hunger-related causes a day. Over the past 15 years, the IPC has confirmed just four famines, including the current one in Sudan.

The situation in Zamzam has deteriorated dramatically since August, with some local activists estimating that the number of dead children has tripled compared with previous years. Aid groups have struggled to deliver food due to heavy flooding during the rainy season and escalating clashes between the military and allies over the nearby city of El Fasher.

In recent weeks, the camp itself has been shelled by the RSF, which grew out of the in-

famous Janjaweed militia that terrorized Darfur in the early 2000s. The shelling has killed dozens of people in Zamzam, including small children, according to local activists.

Thousands of residents who had sought safety in Zamzam from the fighting in El Fasher and attacks on nearby villages are now once again on the run, weakened by months of lack of food and other basic necessities. Many are fleeing to areas that the IPC now says are already at risk of famine.

Haja Ahmed Turko, a 20-year-old mother of three, fled to Zamzam from El Fasher earlier this year. Soon after, her 3-year-old son Adam was diagnosed with malnutrition at a clinic in the camp run by Doctors Without Borders.

In early October, Adam started vomiting and suffering from diarrhea. His mother took him to another hospital, but doctors there weren't able to save the little boy.

"I was sitting next to him until he died," Ahmed told a Journal reporter three days later. "I did not expect him to go so quickly."

OBITUARY

Former Indian PM Singh Dead at 92

Former Indian Prime Minister Manmohan Singh, an economist who steered the opening up of India's economy, has died at the age of 92.

Singh was prime minister of a coalition government from 2004 to 2014, the first member of the Sikh religious community in that role. In his first term, he forged a deal with the U.S. that brought about India's recognition as a de facto nuclear power and helped usher in an era of closer U.S.-India ties. But his biggest political achievement came in 1991, as finance minister. With India in economic crisis, Singh unveiled a landmark budget to deregulate the economy, dominated since independence in 1947 by bloated state enterprises.

—Tripti Lahiri

MOZAMBIQUE

Election Protests Spawn Prison Break

At least 6,000 inmates escaped from a high-security prison near Mozambique's capital of Maputo on Christmas Day after a rebellion, police said, as riots continue to engulf the country. Thirty-three prisoners died and 15 others were injured during a confrontation with security forces, police added.

The escape from the prison, 9 miles southwest of the capital, started at midday after "agitation" by a "group of subversive protesters" nearby, police said, adding that prisoners snatched weapons from guards and started freeing others. Violent protests have followed the Constitutional Council's confirmation of the ruling Frelimo party as winner of the Oct. 9 elections.

—Associated Press

JAPAN

Cyberattack Rattles Operations at JAL

Dozens of Japan Airlines flights were canceled or delayed after hackers flooded its systems with data, the carrier said Thursday.

Network equipment connecting internal and external systems wasn't working properly Thursday morning, JAL said. By the afternoon, it said it had identified the cause and its systems had recovered. No customer data was leaked, it said, and there were no issues with flight safety. It said it resumed sales of tickets for international and domestic flights departing Thursday after having suspended them. An airline spokesman earlier said some airport equipment used for booking and baggage check-in had been affected.

—Kosaku Narioka

WORLD WATCH



EYE-TO-EYE: A young rider and her pony demonstrated a difference of opinion at the annual Fernie Hunt Boxing Day meet in the English county of Leicestershire on Thursday.

FROM PAGE ONE

Corporate Fixer With A Smile

*Continued from Page One*

tried to salvage the biggest merger in corporate history: the ill-fated \$156 billion combination of AOL and Time Warner that he initially blessed, a deal that marked the peak of the dot-com bubble.

Born Richard Dean Parsons in Brooklyn on April 4, 1948, Parsons grew up in Ozone Park, Queens. The son of an electrical technician and a homemaker, he was one of five children and attended public schools in New York. By his own admission, his grades were "fair to partly cloudy." He skipped kindergarten and eighth grade, landing him on the wait list for Princeton University. When asked to list his top three university picks, a college-bound Parsons couldn't think of a third, so he scribbled down University of Hawaii—because an attractive high-school classmate of his was from that state. He ended up attending that university at age 16.

Parsons, who arrived in Hawaii without so much as a hotel reservation, didn't distinguish himself academically in college—he later jokingly called himself "the world's least successful undergraduate student." But he had fun, joining a fraternity, playing cards and going to mixers. "School got lost for a while in that misadventure," he recalled in an interview with the Brooklyn Historical Society.

But he began to get more serious after he met his future wife, Laura Ann Bush, in a sophomore English class. It was Bush who honed his focus, encouraging him to apply to Albany Law School even though he hadn't received an undergraduate degree from the



Richard Parsons appeared before the media in May 2014 as the recently appointed interim CEO of the Los Angeles Clippers.

University of Hawaii. He was accepted and finished first in his class. Parsons said in a 2008 interview that her expectations pushed him to achieve more than he would have if they hadn't met.

"When I got married, it mattered that my wife think well of me," Parsons said during an interview for the book "Beside Every Successful Man: A Woman's Guide to Having It All." "I'm certain I would not have followed the career track that I ended up following if I hadn't been married because I'm actually more of a passive type B personality than a hard-charging type A."

After law school, Parsons worked as an intern with the New York state Legislature. There, he met one of the biggest sponsors of his early career: then-New York Gov. Nelson Rockefeller. Parsons already had a connection to the Rockefeller family: His maternal grandfather was head groundskeeper at Kykuit, the sprawling Rockefeller family estate in Pocantico Hills, N.Y.

Parsons was invited to work

as a lawyer on Rockefeller's staff. He moved to Washington, D.C., after Rockefeller was appointed vice president in 1974 and eventually served as a senior White House aide under President Gerald Ford.

After Ford lost re-election in 1976, Parsons moved back to New York, where he joined the law firm Patterson Belknap Webb & Tyler LLP. There, he worked alongside future New York City Mayor Rudy Giuliani.

His corporate career began in earnest after he was recruited to be president of the Dime Savings Bank of New York in 1988. He helped engineer a financial turnaround at the imperiled savings and loan, which lost about \$92.3 million in 1989. He became chief executive of Dime Bank in 1990, cut costs and merged the company with a rival, Anchor Bancorp, in 1994.

He soon jumped to a media powerhouse, becoming president of Time Warner in 1995. Within a year, Newsweek hailed him as "arguably America's most influential black executive." Asked in 1998 about being a Black man in corporate

America, Parsons said he didn't consider his race a disadvantage throughout his career, comparing it to the weather.

"You know, some days it rains, some days it doesn't," Parsons told the New York Times in a 1998 interview. "You can't let those factors determine what you're going to do with your life."

As the right-hand man to the late Time Warner CEO Gerald M. "Jerry" Levin, Parsons made the fateful decision to endorse the 2000 merger of AOL and Time Warner. The new company, AOL Time Warner, promised investors corporate synergy, selling the deal with a word-salad of new-media buzzwords.

But the combined company soon foundered, reporting a net loss of \$98.7 billion in 2002, including a fourth-quarter charge of \$45.5 billion, mostly to write down the value of its America Online unit.

Parsons stepped down as CEO of AOL Time Warner at the end of 2007. He soon found his next fixer-upper: Citigroup, the embattled banking giant, where he was appointed board chairman in early 2009 during some of the darkest days of the 2008-09 financial crisis.

Citigroup had just been bailed out by the federal government and was still teetering on the edge of failure. Weeks after Parsons took over, the bank struck a third rescue deal with the government. Parsons raced to stabilize the bank's relationships with regulators, including for CEO Vikram Pandit, orchestrated a management shake-up and recruited banking veterans to the company's board.

In business and in life, Parsons said he tried to follow two tenets articulated to him by Army Gen. H. Norman Schwarzkopf during a meeting of Time Warner executives.

"Rule number one: When put in a position of command, take charge, make decisions," Parsons said in the 2018 Hollywood Reporter interview. "And rule number two is: Do what's right. I tend to subscribe to that."

—David Benoit contributed to this article.

Boardroom Activism Is Morphing

*Continued from Page One*

average 34 days for an investor to get a settlement after publicly demanding board seats in 2024, down from 68 days in 2023, FTI found.

Take some of the settlements that happened in recent months with investors: CVS Health quickly settled with Glenview Capital Management. Ancora Holdings took on Norfolk Southern in a proxy fight earlier this year—winning three board seats—and later struck a settlement deal to expand the board and avert a second proxy battle. Engaged Capital struck an agreement last year with burger chain Shake Shack. Sachem Head Capital Management landed a spot on communication-technology firm Twilio's board in April. Anson Funds recently snagged a seat on the board of cloud-software provider Five9.

Penner said he launched Ananym Capital Management this year with Alex Silver, formerly of another firm, P2. An "Ananym" is a pseudonym made by spelling one's name in reverse. Penner said they chose it in part to underscore today's dynamics. They recently found a first target: pushing Henry Schein, a healthcare products distributor, to change its board.

"It shouldn't be about ego or whatever," Penner said. "It should be about having good ideas and a good process."

Shareholder activism traces its roots back to the 1980s, when investors started to buy up stakes in companies and agitate for changes ranging from management shake-ups to strategic breakups. Into the 1990s, the investors were commonly referred to as "corporate raiders."

In the last few decades, they have worked to shed their

negative stigma. Peltz, founding partner of Triun Fund Management, has waged some of the biggest proxy fights ever, including at Procter & Gamble in 2017 and Disney in 2023. He is also among those labeling themselves as "constructivists," for being helpful rather than antagonistic.

They pitch complex plans for turnarounds and corporate shifts, not only financial moves aimed to juice the stock immediately. By proving they do their homework, firms like Elliott Investment Management, Starboard Value and Jana have won more allies.

Company attitudes have also helped reduce big activist brawls. Management teams are now more cognizant about the possible threat and are working to stay ahead of it by swapping directors and executives and pursuing deals.

In 2024, a number of companies including Boeing, Under Armour and Intel have ousted their CEOs without the known presence of an activist.

"There were many sleepy C-suites and passive boardrooms, and it took an activist waging a public campaign to shift the mindset" in years past, said Mary Ann Deignan, head of Capital Markets Advisory at Lazard.

Companies also have grown more fearful of losing because of a change in the proxy voting procedures, leading them to quickly accept the activists.

Activist hedge funds as a group saw net outflows in four out of the past six years, though they are seeing a slight bump in 2024, said HFR, a hedge-fund data tracker.

Activist-focused hedge funds also tend to underperform the broader market. Through early December of this year, activists were up 6.4% versus the S&P 500's rise of more than 30%, according to HFR.

There remain exceptions and big fighters—including Elliott and Icahn. But Icahn had his own Icahn Enterprises hit by short-seller accusations that he was overvaluing some positions. Icahn has denied the claims, but he has dialed back his activity.



# ARTS IN REVIEW



FILM REVIEW | KYLE SMITH

## An Audacious Portrait Of Bob Dylan

Timothée Chalamet stars in ‘A Complete Unknown,’ which follows the singer-songwriter during his rise to stardom as a folk-rock revolutionary

Mr. Chalamet in James Mangold’s film, above; Monica Barbaro and Mr. Chalamet, below.

The world may be divided between those who do and do not still feel a little thrill from hearing the drum lick that launches Bob Dylan’s “Like a Rolling Stone.” It was the starting gun on what we now think of as the ’60s. After that June 16, 1965, recording, the culture flipped from black-and-white to color.

“A Complete Unknown” luxuriates in that moment and re-creates the first public performance of the song weeks later at the Newport Folk Festival. Dylan is the revolutionary of the gathering, provocatively playing the electrified and electrifying rock number and stunning the folkie reactionaries gathered for the acoustic orthodoxy of the likes of the toxically mild Pete Seeger, who is so angry that he contemplates shutting down the act by taking an ax to the soundboard.

All of this plays out delightfully in writer-director James Mangold’s exhilarating biopic covering Dylan from 1961 to 1965, with a beguiling Timothée Chalamet and an endlessly amusing Edward Norton starring as Dylan and Seeger, a memorable pair of friends turned ideological adversaries.

I’m told that Dylan’s name (unlike Mr. Chalamet’s) means nothing to young people today, and I have no idea whether the movie will renew his legend for the next generation. But I can’t imagine a better cinematic effort to remind all of us who are Boomers or Gen X why we adore the man.

Even more so than “No Direction Home,” Martin Scorsese’s documentary, “A Complete Unknown” recaptures the heady days when the world seemed on the verge of being turned upside down. Dylan may have been anonymous when he slouched into New York from Minnesota, age 19, in January 1961, but he didn’t stay that way for long. He became a fixture in Greenwich Village clubs, and it was only eight months after his arrival that a rave review in the New York

Times made his name and got him a record deal.

Later and memorably dubbed “the unwashed phenomenon” by Joan Baez (played here by Monica Barbaro), Dylan is utterly secure in who he is (a troubadour fraud with a fictitious identity and background) and where he is going. As he noted in his memoir, “Chronicles,” he perceived that “destiny was about to manifest itself. I felt like it was looking

right at me and nobody else.”

Early girlfriends Baez and Suze Rotolo (here renamed Sylvie Russo and heartbreakingly played by Elle Fanning) keep noticing that he’s a jerk, and tell him so. The obvious rebuttal goes unspoken: “Yeah, but I’m a genius.” He tells Baez, hilariously and not inaccurately, that her lyrics are like the oil paintings at the dentist’s office.

Mr. Chalamet, who sings all of Dylan’s vocals (as Ms. Barbaro

does Baez’s), expertly recaptures Dylan’s nasal mumble, the slight spaciness and the supercilious air of the rascal-poet. (Though it’s jarring that the brown-eyed Mr. Chalamet isn’t supplied with Dylan’s famous blue irises). One is never entirely sure to what extent Dylan is joking, and Mr. Chalamet nails that aspect too. I couldn’t stop smiling at the actor’s perfect audacity.

Mr. Mangold doesn’t waste time

trying to show where the songs came from. As Dylan puts it in the film, people who ask that are really asking why the songs didn’t come to them. Nor does the script try to penetrate to the essence of Dylan by giving him a pithy speech. We simply watch in wonderment as he comes up with a generational anthem, then an even better one, then an even better one still.

Seeger—aggressively recessive, insistent on his humility—is integral to Dylan’s success, but he proves unwilling to grow like his protégé and his act becomes shtick. “This machine kills fascists,” reads a slogan on Dylan’s guitar, borrowed from his and Seeger’s idol, Woody Guthrie (poignantly played in his final months by Scoot McNairy). When Dylan picks up an electric instrument, it might as well read, “This machine kills boring old codgers.”

In a year heaving with \$200 million blockbusters, I’m not sure any scene is as spectacular as the one in which Baez, despite being utterly exasperated with Dylan, joins him onstage for a duet of “It Ain’t Me Babe.” Baez adores him and can’t stand him; he knows it. The song acts as a kiss-off to her and yet it honors her with its cleverness.

Mr. Mangold’s previous great success was “Walk the Line,” about Johnny Cash (a friend to Dylan who, played by Boyd Holbrook, keeps popping up here as drunken comic relief). That film focused on its subject’s personal demons so much that it disrespected the artistry, but “A Complete Unknown” simply celebrates brilliance. Dylan was the idol of an era; many weedy intellectuals have sought to explain why. Mr. Mangold and Mr. Chalamet don’t expound on the man’s talent; they simply, exuberantly, show it.

TELEVISION REVIEW | JOHN ANDERSON

## Sara Bareilles’s Fizzy Fan Service

Those who love Sara Bareilles will really, really love “Sara Bareilles: New Year’s Eve With the National Symphony Orchestra & Friends,” and there is a lot to love, even if the show turns itself inside out doing a hard sell on the singer-songwriter while presuming a deep, existing devotion on the part of its audience. The crowd at this “Next at the Kennedy Center” concert, by every indication, knew all the songs and hung on every word, of which there are many. But those approaching with anything less than love may find their reservations confirmed.

The problem certainly isn’t Ms. Bareilles’s voice, which can soar spectacularly, or her endearing stage persona, or even her material, though few of the compositions stray very far from either generic Broadway or the work of our more emotive singer-songwriters. To paraphrase Vito Corleone, it’s not business, it’s personal: Ms. Bareilles shares so much about the intimate origins of her songs that they never

manage to transcend the singer; the interviews, with herself and others, provide us volumes about her emotional-artistic magnificence, but it’s isolating. A live performance is supposed to be about connection, and the entire program is too Sara Bareilles. And this is coming from a fan.

Different audiences may know her from a variety of different arenas—the Tony-nominated score for the Broadway musical “Waitress”; her Mary Magdalene in the NBC broadcast “Jesus Christ Superstar Live in Concert”; her work as an actor-comedian on the series “Girls5Eva,” or her solo work as a Grammy-winning recording star. The Kennedy Center program dips here and there into her catalog, including the early hits “Love Song” and “Gravity,” as well as “King of Anything” and the “Waitress” song “She Used to Be Mine,” which is done as a duet with Rufus Wainwright and is probably the highlight of the evening. “Once Upon Another Time,” the title of her 2012



Ms. Bareilles (center) in her New Year’s Eve special with the National Symphony Orchestra on PBS.

EP, is one of several numbers on which she is joined by singers David Ryan Harris and Emily King, who are terrific, though “why them?” is never explained.

Although it is standard operating procedure for the “Kennedy Center” series, Ms. Bareilles might have done better without the gushing interviews with her friends and col-

leagues, or the philosophizing about art and connections. Her talents sell themselves, and she deserves to celebrate the holiday like everybody else, with or without the National Symphony Orchestra. Ms. Bareilles seems to remember just in time to say “Happy New Year” before the performers leave the stage. Mr. Wainwright wearing a wry look that

says, “Oh right . . . it’s New Year’s Eve.” On TV, anyway.

**Sara Bareilles: New Year’s Eve With the National Symphony Orchestra & Friends**  
Tuesday, 8 p.m., PBS

Mr. Anderson is the Journal’s television critic.



ARTS IN REVIEW

THEATER REVIEW | CHARLES ISHERWOOD

# A Vaccination Conflagration

Jonathan Spector’s Broadway comedy ‘Eureka Day’ follows a California private school that is thrown into crisis by an outbreak of the mumps



Thomas Middleditch, Amber Gray, Bill Irwin, Chelsea Yakura-Kurtz and Jessica Hecht.

**T**o vax or not to vax? That is the question roiling a meeting of a committee assembled in a school library in the piquant comedy “Eureka Day,” by Jonathan Spector, being presented on Broadway by Manhattan Theatre Club after an earlier run off-Broadway.

The play is set in 2018, so it is not intended to directly reflect any current discourse about the efficacy or, as some see it, the potential dangers of vaccines. But in the wake of the pandemic it inevitably feels freshly and discomfitingly topical.

The title is the name of a private elementary school in Berkeley, Calif., a city well-known as a flag-waving bastion of progressive liberalism. (Interestingly, the play was commissioned and first staged there.) The library’s walls are plastered with posters encouraging the kids to heed the words of Maya Angelou and Michelle Obama.

But the head of the committee, Bill Irwin’s Don, and its most vocal longtime member, Jessica Hecht’s Suzanne, are white, as is Eli (Thomas Middleditch), who made a fortune in Silicon Valley (“like the tenth employee at Google,” Suzanne says, or is it Facebook?), and whose voice has the power of a bulging bank account behind it. They are joined by the Asian-American Meiko (Chelsea Yakura-Kurtz) and the new member, Carina (Amber Gray, formerly of “Hometown”), who is black.

At the first meeting we see, they tangle over the knotty issue of what terms to include on the expansive list of identities families applying to the school are allowed to choose from. Should “Transracial Adoptee” be listed alongside “First Nations comma Indigenous and Aboriginal comma Native American heritage”?

With light-fingered mercilessness, Mr. Spector writes dialogue embellished with the pious phrasing the characters use to project their social and cultural bona fides as upstanding champions of equality. “I just think why not err on the side of *more* inclusivity right?” says Eli, who supports the new term. “It’s our diversity which is the source of our strength,” Don later says, unaware of its hackneyed sound.

And yet even as they stumble

over each other to announce their welcome to Carina, the new black member, the white members of the committee tend to cut off or talk over the nonwhite ones, and condescend to them, as when Suzanne assumes (falsely) that Carina’s is not a “full pay family.”

“Eureka Day,” directed with brisk efficiency by Anna D. Shapiro, is a scorchingly funny satire of the well-meaning but often ludicrous excesses of the liberal elite. As Carina says, hilariously, “My friend Margot says you can always spot a Eureka Day kid because at soccer games they’re the ones who cheer when the other team scores.” (“Go, other team!” is a yell

one doubts has ever been yelled, to borrow an old New Yorker magazine gag.)

Later, at an emergency meeting, angst about the expense of all-gender bathrooms gives way to a greater concern: a letter from a health authority announcing that a student has the mumps, and children who haven’t been vaccinated—“quite a few,” Don says nervously—cannot attend class.

But Suzanne objects to sending the letter to parents—couching her

opposition in wispy clouds of verbiage about how “we don’t want anyone to feel pressured or shamed.” All hell breaks loose when the matter is opened to an online “community activated discussion” for parents, who proceed to flay each other with the happy disregard of decorum that the internet encourages.

The play is elevated into a dizzying comic stratosphere when we watch on a large screen a “live stream” as the parents plant their flags—or stab them, digitally speaking, into one another’s backs—as either pro- or anti-vaccination. Recommendations of natural remedies (“Apple cider vinegar,

garlic, raisin all good for reducing fever”) are swamped by vicious arguments about Big Pharma and the “mainstream media”; it’s not long before someone chimes in about—yep—the Nazi death camps.

Brilliant as the scene is—it’s the funniest 10 minutes I have witnessed on Broadway in a long time—it was a bit dispiriting to see a play thoroughly hijacked by a display of scrolling text commentary, particularly when the actors onstage, who might as well sit filing their nails, are such an A-plus group of talents.

As the tenor darkens and the news of more ill children reverberates, Ms. Gray impresses as her initially accommodating Carina becomes more confident in pushing back against ideas she disagrees with. Ms. Yakura-Kurtz likewise brings a sharpened edge to her character, whose adulterous affair with Eli (acknowledged to his wife by him, ever-considerate of others’ feelings!) is a thinly developed subplot. Nevertheless, Mr. Middleditch, as the eager-to-please Eli, exudes puppyishness in an effective comic turn.

And the veteran stage actors Mr. Irwin and Ms. Hecht are superb. Mr. Irwin’s celebrated gift for clowning allows him to bring wonderfully dithery humor to his role as the would-be peacemaker Don, whose frantically fidgety face indicates that this innocuous school library has become a minefield. And Ms. Hecht, in the most complex role, is deliciously good at illustrating the subtle hypocrisies of her character, as a nouveau hippie with a self-generated saintly aura, but also affecting when Suzanne reveals the dark story of a child’s death and how it altered her perceptions of vaccines.

Funny as it is, “Eureka Day” makes the significant point that vaccine skepticism—largely now associated with far-right conservatives—is a nonpartisan belief (or delusion, depending on your view), with those who espouse it coming from both poles of the political spectrum.

**Eureka Day**  
Samuel J. Friedman Theatre, 261 W. 47th St., \$39-\$249, 212-239-6200, closes Feb. 2, 2025

Mr. Isherwood is the Journal’s theater critic.

## The WSJ Daily Crossword | Edited by Mike Shenk

1	2	3	4		5	6	7	8	9		10	11	12	13
14					15						16			
17					18						19			
20									21	22				
			23				24	25						
26	27	28		29		30						31	32	33
34			35			36					37			
38						39				40				
41					42					43				
44				45					46			47		
			48						49		50			
51	52	53						54				55	56	57
58					59	60	61							
62					63						64			
65					66						67			



- 27 Pitcher Hideki
- 28 Cleansers may unclog them
- 30 Atoll’s interior
- 31 Went to the polls
- 32 Eschew wedding invitations
- 33 Doesn’t own
- 35 Parisian’s “Isn’t that so?”
- 40 Frat figure
- 42 Joseph Conrad protagonist
- 45 In need of replenishing
- 46 Italy’s third-largest city
- 50 Sporty car
- 51 Try for a fly
- 52 Sub’s kin
- 53 Equestrian handful
- 54 Blue, in Bogotá
- 55 Good place to fish
- 56 City with a skiing museum
- 57 Some end 7-5
- 60 That girl, in Guatemala
- 61 Immigrant’s subj., often

## OPENING ACT | By Matt Gaffney

The answer to this week’s contest crossword is a noted entertainer.

### Across

- 1 Buggy version, maybe
- 5 Wells works
- 10 Mani’s counterpart
- 14 Shepard in space
- 15 “\_\_\_ your life!”
- 16 Press
- 17 Author of 1902’s “To Build a Fire”
- 19 Utah national park
- 20 Pit-digging insect
- 21 Like a brand-new odometer
- 23 Antlered animal
- 24 Iraq neighbor
- 26 Bills on the table

- 29 Miss Havisham in “Great Expectations,” e.g.
- 34 University of Maine town
- 36 Pair that hugs
- 37 Burrowing critter
- 38 Singer Carpenter
- 39 “Never thought of it that way before!”
- 40 Put money behind
- 41 Fivers, informally
- 42 Bread you want back
- 43 Bumbling
- 44 Unlikely to buy anything
- 47 \_\_\_ Moines
- 48 Woes on toes
- 49 It airs “Shark Tank”
- 51 Canny

- 54 With respect to
- 58 Turn on the faucets
- 59 Exasperated utterance
- 62 Diva delivery
- 63 Concern
- 64 Hit hard, as with a snowball
- 65 A bunch
- 66 Amazon reduced their traffic
- 67 Flying god

### Down

- 1 Cabo location
- 2 Verve
- 3 Boor’s lack
- 4 Bracelet spot
- 5 “Jersey Shore” personality
- 6 Mass. neighbor
- 7 “\_\_\_ be my pleasure”
- 8 Rock’s \_\_\_ Fighters
- 9 Entrails

- 10 Place for pies
- 11 Great Lakes port
- 12 Way out, often
- 13 \_\_\_ way (not at all)
- 18 “Snap Yo Fingers” rapper
- 22 Up to the point that
- 24 Series of victories
- 25 Like the people of Sana’a
- 26 Hungarian wine city

Previous Puzzle’s Solution														
H	E	A	P	T	A	S	T	E	R	H	I	S		
A	C	R	E		H	U	M	A	N	E		O	D	E
T	H	A	T	F	I	G	U	R	E	S		L	O	X
S	O	B	E	R	S		M	E	R	E	L			
			R	O	B	S		D	Y	N	E	S		
T	H	E	S	S	W	E	E	T	E	S	T	F	I	G
A	A	R	O	N		C	H	A	P	S		N	A	T
G	R	I	N		F	A	I	R	Y		H	O	B	O
S	E	C		D		U	N	E	S		S	O	N	O
S	T	R	E	E	T	F	I	G	H	T	E	R	S	
			H	A	L	L	S		R	O	O	S		
E	Y	E	F						W	R	A	C	K	S
C	U	R				G	I	F	T	R	E	T		
O	L	E				E	N	A	M	E	L		C	A
N	E	D				S	E	R	I	A	L		E	M
T	S													

► Email your answer—in the subject line—to [crosswordcontest@wsj.com](mailto:crosswordcontest@wsj.com) by 11:59 p.m. Eastern Time Sunday, Dec. 29. A solver selected at random will win a WSJ mug. Last week’s winner: Garrett Aronin, Acton, C.A. Complete contest rules at [WSJ.com/Puzzles](https://www.wsj.com/puzzles). (No purchase necessary. Void where prohibited. U.S. residents 18 and over only.)

Now through January 4

# NEWYORKCITYBALLET

FINAL WEEK

[nycballet.com](https://nycballet.com)  
212-496-0600



# The Best Sports Moments of 2024

These are the top memories of the year as witnessed by the WSJ Sports staff

By WSJ Sports Staff

## The Caitlin Clark Effect

Last March, I met with David Levy. A former president of Turner, Levy was an architect of the network's and CBS's massive rights deal to broadcast the NCAA men's basketball tournament. That deal put the NCAA men's title game on TBS every other year—including in 2024. But since the deal's 2010 start, cable TV had bled viewers as subscribers cut the cord. The NCAA women's final, meanwhile, would be on a major network—ABC. So I asked Levy: If Caitlin Clark's Iowa team went the distance, could the women's final outdraw....

"No way," he said.

Three weeks later, the early numbers came in: The women's final had outdrawn the men's by 4 million. Levy texted: "18.7 million viewers...uncle...or should I say aunt!!"

—Rachel Bachman

## Baseball's (Almost) Worst Nightmare

For a few chaotic days in late March, baseball was on the verge of utter catastrophe. That's not an overstatement. Shohei Ohtani is the most important player to come along in generations, and now he was the subject of an explosive gambling scandal that threatened to end it all.

Federal investigators would quickly conclude that Ohtani had done nothing wrong. His longtime interpreter, Ippei Mizuhara, had stolen \$16 million from Ohtani's bank account in order to place bets with an illegal bookmaker. Mizuhara has pleaded guilty to bank and tax fraud charges.

The incredible part is how little all of this seemed to affect Ohtani. He hit 54 home runs, drove in 130 runs and stole 59 bases this season, leading the Los Angeles Dodgers to a World Series championship.

Ultimately, 2024 further emphasized Ohtani's greatness—and highlighted the extent to which the specter of gambling looms as a threat.

—Jared Diamond

## Playing for Third

The first-ever Super Bowl played in Las Vegas was an epic night capped by a questionable decision.

With the Chiefs and 49ers tied at 19 at the end of regulation, the NFL's new postseason overtime rules, in which both teams were guaranteed a possession, came into play. San Francisco won the overtime coin toss and elected to take the football, with 49ers coach Kyle Shanahan explaining afterward: "We just wanted the ball third."

The 49ers went on to kick a field goal, but Patrick Mahomes then led the Chiefs on a 13-play, 75 yard drive capped by a 3-yard touchdown pass to Mecole Hardman to win the Lombardi Trophy for Kansas City.

"I assumed you just want the ball because you score a touchdown and win, but I guess that's not the case," 49ers fullback Kyle Juszczyk said.

The game ended without a third possession in overtime.

—Jim Chairusmi

## Riviera Tourist

For the most part, cycling is considered a noncontact sport. But what Tadej Pogacar did to the rest of the Tour de France peloton this summer constituted nothing short of a beatdown.

I had watched him do this before, up close, at the 2020 and 2021 Tours. Only his performance this July felt somehow more impressive to me, as he closed out the race with three consecutive stage wins on the French Riviera. The reason: I knew those steep, twisting roads by heart. I was born just up the coast. And riding my bike over the years, I had struggled up those roads and thought I would pass out on those roads.

Pogacar, already one of cycling's all-time greats at 26, made them look flat, like he was ambling to the boulangerie. Only at the end of the day, it wasn't a *pain au chocolat* waiting for him—it was the Tour's yellow jersey.

—Joshua Robinson



Clockwise from top left: Caitlin Clark, Simone Biles, Shohei Ohtani, Patrick Mahomes and Travis Kelce, Tadej Pogacar, Stephen Curry, Raygun, and Jude Bellingham. Below: León Marchand during the 2024 Paris Olympics.

## Kick Heard Round the World

When you've spent half a lifetime watching England's national soccer team at major tournaments, there are a few things you come to expect. Things like agonizing near misses. Agonizing terrible misses. Almost goals. Disallowed goals. Own goals. Late collapses. Early collapses. Blowups. Breakdowns. Faceplants. Meltdowns. Traumatically bad penalty kicks, obviously. And the faint sense that the rest of the world is pointing and laughing at you.

Here's what you definitely do not expect. Spectacular overhead kicks in the final minute of stoppage time that double as do-or-die equalizers, averting certain calamity and propelling England toward a stunning knockout-round win.

Yet that is exactly what Jude Bellingham delivered when he launched himself into mid-air and swung his right leg above his head in the 95th minute of a Euro 2024 round-of-16 encounter against Slovakia.

It was moment of such supreme artistry, audacity and intestinal fortitude that I briefly knew what it must feel like to be Brazilian.



ian. Or Italian. Or Argentine. Or Spanish.

—Jonathan Clegg

## Improbable Olympic Legend

My beloved wife and daughter came to Paris and saw the Eiffel Tower, the Arc de Triomphe—and Raygun. As in the earnest Ph.D. from Australia who mesmerized the Summer Olympics breakdancing competition with a baffling routine of awkward poses and footwork. The performance you've seen ridiculed a trillion times across the internet—my spouse and second-born saw her do it live.

You can't believe how much they've dined out on this since. My son and I saw the U.S. men's basketball team roar back to beat Serbia. Nobody cares. Everyone wants to hear about Raygun. It's like saying you were at Belmont for Secretariat—that is, Secretariat on two hooves, strangely bouncing around like a kangaroo. I'll never forget what my wife said that day when I asked her how she enjoyed the breaking. "It was...interesting," she said. She wasn't wrong.

—Jason Gay

## Marchand Mania

As a former collegiate swimmer, I've spent something like 7% of my waking hours at a pool. Few chlorinated things surprise me. For instance, I thought everyone knew that Olympians pee in the pool until my editor informed me otherwise (that "breaking news" became the most-read story of the Games.)

But I've never heard thousands of people scream in unison for one swimmer like the French fans did for León Marchand. Every time their hometown hero took a breath while swimming breaststroke—one of the few times athletes can hear the crowd while racing—some 17,000 shouted "Allez!" I get chills just thinking about it.

The first Olympic swim meet I covered in Tokyo took place without fans. Experiencing the energy of the feral Parisian crowds made these games much more memorable.

—Laine Higgins

## Biles Is Golden, Again

Simone Biles competed in the Olympics, and nothing too wild happened. That's it. That's the

memory.

The back story is pretty familiar. Biles came to the Tokyo Games in 2021 as the greatest of all time. Suddenly, she wasn't able to twist in the air, pulled out of the team final mid-event, and couldn't defend her three individual Olympic titles. Improbably, she put back on a competition leotard in 2023 to qualify for Paris. For a day or two at these Games, it looked as if a calf injury could hold her back, and that was briefly dramatic. Then she led the U.S. women to team gold, and fought for the all-around crown and won it. She looked exactly like the new normal version of Simone Biles.

The rest of the competition didn't go entirely to plan: gold on vault, a fall on beam in a messy final, silver on floor in an even messier final. None of it was comparable to the chaos three years earlier.

—Louise Radnofsky

## Steph Saves the Day

It was supposed to be a coronation. LeBron James, Stephen Curry and Kevin Durant were teaming up for the first time in Paris—three longtime rivals buddying up to cruise to a gold medal and sip Merlot.

Then, in the medal round, things got hairy. In the semifinals, Serbia led the U.S. by as many as 17 points, when Curry caught fire. He poured in 36 points, making nine 3-pointers, many of them—still, after 15 years of NBA heroics—hard to believe.

In the final, the host nation made another charge at the Americans, and Steph did it again. This time he made four 3-pointers in the last three minutes. The last of them was a leaning, double-teamed, entirely inadvisable and totally unforgettable heave.

Even for someone who has seen every triple Curry has ever taken, the moment stood out. "I impressed myself," Curry said.

—Robert O'Connell

## Freed From Desire

Anyone who spent a second at the Olympics left with one thing stuck in their head:

NA NA NA NA NA NA NA NA NA NA NA NA NA NA

The 1996 song "Freed from Desire" by Gala has long been adopted and adapted by European sports fans inside the stands at soccer matches and galleries at the Ryder Cup. A famous version from English fans swaps the song's title with "Vardy's on Fire" in honor of striker Jamie Vardy.

Then it became the unofficial anthem of the Paris Games, with the earworm blaring everywhere from the Grand Palais to the steps of the Eiffel Tower. And it didn't need any translation for fans from across the globe when they could belt out the na-na-na-nas that follow the chorus.

For some who became obsessed with the tune, the end of the Games had a tremendous payoff: They could sing along with Gala herself when she performed the track live at events such as the soccer finals.

—Andrew Beaton

## Blades of Glory

Yes, there was León Marchand and Simone Biles and Stephen Curry night-nighting the entire nation of France. But I am here to tell you that the most electrifying sports moment of 2024 was another highlight of the Paris Olympics: the women's individual foil gold-medal fencing match.

*Mais oui!*

Lee Kiefer, the U.S. legend and defending Olympic champion who also happens to be a medical student. Lauren Scruggs, the college senior on a completely incredible run that guaranteed she would be taking a medal back to school. The night two Americans with swords battled each other for gold inside the majestic Grand Palais—that's what I will always remember from this year.

Mahomes? Ohtani? Caitlin Clark? Amazing. But not fencing.

—Ben Cohen



OPINION

Tariffs Will Refill the Swamp

By Merrill Matthews

During his first term, Donald Trump promised to “drain the swamp.” That didn’t happen. Now he may actually do the opposite. If Mr. Trump succeeds in imposing across-the-board tariffs, the swamp will grow.

Mr. Trump borrowed the drain-the-swamp mantra from Ronald Reagan, who invoked it in the 1980s to describe his efforts to shrink government bureaucracy. But Mr. Trump gave the mission new urgency and broader application,

be giving more strength to the swamp monsters he’s supposed to be defeating.

When Washington wants to impose new taxes, including tariffs, the companies and people who would be affected rush to trade associations, public-relations firms and lobbyists for help. These outfits then encourage their clients to make sizable donations to elected officials and their political-action committees. That doesn’t ensure the elected officials will take the company’s side, but it can often open their doors for access.

Lobbyists then set up meetings and expensive meals with congressmen, their staffs, high-ranking bureaucrats or those who know them—especially former congressmen or Hill staffers now working for other lobbying firms. The supplicants plead their cases at these swanky dinners, explaining why they should be exempted from new tariffs or why their competitors shouldn’t be.

The higher the stakes, the more time and money the companies are willing to spend. With Mr. Trump’s proposed tariffs—10% to 20% on all imports, 25% on Canada and Mexico, and up to 60% on China—the stakes have never been higher.

Regardless of whether companies get what they want from their meetings,



Trucks at the Mexican border.

they usually conclude that they need to keep the messaging and money flowing for a while. We have only a vague idea how much money is actually changing hands, who is spending it, where it’s going, and whom it’s helping. We do know, however, that it’s hurting the American consumer.

Don’t blame the businesses. They’re understandably trying to avoid paying higher taxes, most of which would be passed on as higher prices to their customers.

We saw this play out in response to Mr. Trump’s tariffs during his first term. When he imposed strict steel and aluminum tariffs in 2018, thousands of U.S. companies lobbied the Commerce Department to end the tariffs or

exempt their operations. Some companies exempted from the tariffs lobbied the Commerce Department to keep them in place on their competitors.

As his tariff regime expanded, the number of companies deploying lobbyists in Washington tripled. According to the Journal, there were roughly 100 groups lobbying on tariff issues when Mr. Trump took office. By June 2018, there were nearly 450. Imagine how many more there will be if his second-term tariff program is as expansive as he’s promising.

There is still a chance Mr. Trump is using these threats as bargaining tools to get Mexico, Canada, China and other countries to make concessions. But no one knows for sure. It may also be that he will use tariffs to extract concessions from some countries and impose them arbitrarily on others.

What we do know is that if Mr. Trump moves forward with his blanket tariff proposals, the Washington swamp will be bigger and slimmer than ever.

Mr. Matthews is co-author of “On the Edge: America Faces the Entitlements Cliff.”

Kimberley A. Strassel is away.

Levies on imported goods produce more business for lobbyists and interest groups.

pledging to counter bureaucrats and Washington elites—corrupt lobbyists and other big-moneyed interests that make government work for the privileged to the detriment of average Americans. That message still resonates with millions of voters.

The problem is that Mr. Trump’s tariff program would energize and empower these elites. By directing government to impose levies on allies and adversaries alike, he’d

Make Hanukkah Bright, but Do It Right

HOUSES OF WORSHIP By Mark Oppenheimer

Every year, there are those who urge their fellow Jews to put Hanukkah in its place: Keep presents small, emphasize the holiday’s distinctive Jewish character (it celebrates a second-century uprising against Greek overlords who wanted Jews to assimilate), and try not to let it be “Christmas Jr.,” materialistic and showy. This year that’s an especially tall order, since the first of Hanukkah’s eight nights began at sundown on Christmas Day.

I sympathize with this effort to tone down Hanukkah, especially the gift-giving. God save us, too, from the inflatable lawn displays—an innovation our non-Jewish neighbors might have spared us. But I would like to push back. Hanukkah, though liturgically a minor holiday, is a big deal. It isn’t a party holiday; nor is it concerned with the world to come. Rather, it’s a holiday that poses a unique question: How are Jews to relate to the non-Jewish world?

From the beginning, the sages emphasized that one of the most important aspects of Hanukkah was *pirsumei nisa*, “publicizing the miracle.” In other words, it isn’t enough to light candles in a *hanukiah*, a special Menorah, to commemorate the miracle: that the jug of oil, found in

the Jews’ defiled temple, burned for eight days, despite having enough oil for only one. One must also display the hanukiah so that people outside can see the candles burn. With this display, this publicizing of the miracle, Jews not only identify themselves as Jews but bear witness to their relationship to God and history.

In Christian lands, such a public display historically took tremendous courage. Yet the Jewish tradition is unambiguous about its importance. “It is a mitzvah”—a commandment, or good deed—“to place the Hanukkah lamp at the entrance to one’s house on the outside, so that all can see it,” says the Talmud, the sixth-century compilation of Jewish teachings. If one forgets to light candles at sunset, that’s OK, according to the 16th-century Sephardic sage Joseph Karo in his code of Jewish law. “He should go ahead and light until people stop passing through the marketplace, which is approximately half an hour,” Karo wrote, “because then the people are passing and coming home and thus the miracle is publicized.”

What about Jews who can’t afford ground-floor dwellings, or who don’t own shops or houses? The Talmud doesn’t exempt them from the work of publicizing the miracle. A man who “lives upstairs . . .

places it at the window adjacent to the public domain.”

What about Jews even poorer than the apartment dwellers—beggars or the homeless, who might struggle to get money for oil? The commandment still applies. “Even a poor man living off charity must lend or sell his clothes, and buy oil to kindle with,” Karo wrote. Better to be naked and celebrate Hanukkah than to be a clothed apostate.

It isn’t about the gifts but about ‘publicizing the miracle,’ the light God gave the Jews.

The rabbis’ instructions seem absurd: Can they really have intended for a pauper to pawn or sell his clothes simply to have enough oil to light the Hanukkah candles? One imagines a naked Jew, crashing in a barn or abandoned building, huddling in the cold, lighting his candles and placing them outside for all to see. Surely this can’t be right.

Sometimes, rabbinic literature dwells in the land of the hypothetical. We don’t really know if any Jew ever sold his clothes so as to afford oil for eight wicks. I’m willing to bet that even the most traditional rabbi would have given the

poor man a wink and a nod, tell him to keep his threadbare clothes, and invite him to light candles with the rabbi’s family.

Yet the underlying point is eminently sensible. Namely, the work of proclaiming the miracle—not only that of Hanukkah but the miracle of the Jews, who continue to live and spread the message of ethical monotheism to all the world—isn’t only for the rabbis, the sages, the elders. It is the work of all Jews.

The rabbis don’t expect Jews to be heroes. They make exceptions for times of lethal antisemitism or when Jewish practice has been outlawed. “And in a time of danger,” the Talmud says, “when the Gentiles issued decrees to prohibit kindling lights, the Jew places [the hanukiah] on the table, and that is sufficient to fulfill his obligation.” In some parts of the world today, Jews may not feel safe putting candles in their windows.

But insofar as we feel able, we can make this holiday about more than latkes, donuts and presents. For most Jews, it is our job to give our Gentile neighbors something bright and showy to look at for eight consecutive nights. And I’m not talking about inflatable lawn displays.

Mr. Oppenheimer is editor of the online magazine *Arc: Religion, Politics, Et Cetera*.

I See Through Your Calls for ‘Transparency’

By Joseph Epstein

Words, like clothes, can lose their elegance, come to seem inappropriate, sometimes even no longer quite fit. They can also wear out from overuse. Think “consumer society,” think “lifestyle”—vogue words of yesteryear. Think “tipping point,” think “outlier”—more recent vogue words now no longer altogether in vogue.

“Every now and then a word emerges from obscurity, or even from nothingness or a merely potential and not actual existence, into sudden popularity,” wrote H.W. Fowler, one of the small number of gods in my cultural pantheon. “Ready acceptance of vogue-words seems to some people the sign of an alert mind; to others it stands for the herd instinct and lack of individuality.” Then there are “cant” words deployed in “parrot-like appeal to principles, religious, moral, or scientific, that the speaker does not believe in or act upon or does not understand.”

A word now very much in vogue that is also a cant word is “transparent,” or, in its noun form, “transparency.” In congressional hearings, in city councils, no doubt in psychotherapy sessions, transpar-

ency nowadays is regularly requested, even though many of the various people requesting surely must know that it isn’t really available.

At the moment, with hundreds of drones flying over New Jersey and New York, and with no one knowing quite what they are doing there or whose they are, one hears from every quarter—

Like all other vogue words, it will gradually lose its appeal and fall out of common use.

senators, representatives, city officials, local citizens—the call for transparency about these flying objects. None has been forthcoming, and so the calls continue, with transparent and transparency, at least for now, lodging themselves more firmly in the language.

Transparent, it turns out, has several shades of meaning, and various synonyms, among them pellucid, diaphanous and translucent. Transparent has itself become a baggy-pantsed synonym of sorts for “the truth.” Politicians nowadays regularly call for transparency, though the

majority of them are barred from delivering or even receiving it by their ideological blinders.

“I’ve been very transparent about my position on capital punishment as a form of justice,” said Indiana Gov. Eric Holcomb recently about his choosing not to commute the death sentence of a man who has been on death row since 1999. The governor should be sent to linguistic jail (with time off, of course, for good grammar) for qualifying the word transparent, which, like unique and some other positive words, allows of no qualification.

As Paul Valéry has his character Monsieur Teste say, in connection with Teste’s distrust of words: “The swift-moving person uses them and is safe; but let him pause the tiniest bit and that little bit of time breaks them, and everything falls into the abyss. The one hurrying has understood; one must not slow down; one would soon find that the clearest statements are woven from obscure words.” Not that transparent is an obscure word. Instead it is an inexact one.

Words can glimmer, glow, dance and sing, but they don’t always obey their users. Transparent is such a word.

By now discerning people should be avoiding the word not like the plague (a cliché this discerning writer can’t allow himself) but sedulously.

Yet we may confidently look for the words transparent and transparency to get an impressive workout during the various hearings on President-elect Trump’s cabinet nominations. Like as not, senators will call for transparency. Just as likely, nominees will fail to deliver it. But then, hypocrisy and not transparency is the chief mode of discourse for all but a minority of politicians.

One might expect both transparent and transparency, like many a vogue word before them, gradually to go out of style and hence out of use and thereby all but disappear. Yet the words may well turn up in a radically different context. Given the slow but steady rise of young people claiming to be transgender, words will be needed to describe their parents and their role in bringing them up.

Lo, we already have such a word: transparent. Ah, the genius of language—never at a total loss.

Mr. Epstein is author, most recently, of “Never Say You’ve Had a Lucky Life.”

BOOKSHELF | By Eric Felten

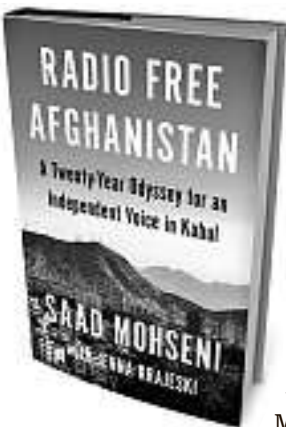
Making Airwaves

Radio Free Afghanistan

By Saad Mohseni with Jenna Krajeski  
Harper, 320 pages, \$32

Almonds. Maybe that would do the trick. Afghanistan, after all, is known for its almonds. And Saad Mohseni’s family had once owned orchards. But as practical as the idea was, it didn’t exactly thrill Mr. Mohseni. He and his siblings had grown up in exile. They were among the millions of Afghans who in 1979 fled Soviet invasion. Countless others followed when the Taliban took over in 1996. Following the Sept. 11 terrorist attacks, after the U.S. military, along with tribal fighters, drove the Taliban from Afghanistan, President George W. Bush called for the country’s reconstruction. Would there be, Mr. Mohseni wondered, development aid that could be put to use building a robust international almond export business?

An old friend of his father’s persuaded Mr. Mohseni that an independent media enterprise would make the most difference



to Afghan society. In “Radio Free Afghanistan,” Mr. Mohseni recounts his years building a small Kabul radio station into a national television network. From a modest beginning playing bootleg mixtapes of traditional Afghan music, Mr. Mohseni’s enterprise eventually became Moby Group, providing Afghans with news and entertainment. Early on, the broadcaster’s biggest challenges came from bureaucratic red tape. “I endured the endless meetings needed for us to get a broadcast license,” Mr. Mohseni recalls. Later, it would be a

resurgent Taliban that posed the most significant threat.

Arman FM launched in 2003 with a grant from the U.S. Agency for International Development (USAID) and money from Mr. Mohseni and his family. Moby Group’s TV station, TOLO, went on the air the next year, also supported by a grant from USAID. Moby’s TV news network, TOLONews, began broadcasting in 2010. Arman FM’s popular morning call-in show, “Cleaning Up the City,” focused on life in Kabul in a way that the international broadcasters couldn’t. As Mr. Mohseni tells it, listeners stuck in traffic would call in to suggest alternate routes. They would complain of deteriorating roads, government paperwork, dry wells and unreliable trash collection. Even in the middle of a war-fractured country, the locals valued local news.

Among the perennial issues reported on was corruption. Afghans are all too familiar with the itchy palms of petty officials. But Mr. Mohseni writes that there was a broader sort of hustle going on. By way of example, he points to the media consultants paid handsomely to teach Moby’s staff their own business. International media experts would be contracted by foreign governments to fly into Kabul and present workshops on subjects as mundane as “how to report on women’s issues.” “Their advice offended our correspondents who had been on the ground since the war started,” Mr. Mohseni tells us. But after a day peddling coal to Newcastle, the international experts would write white papers justifying their endeavors. The money the contractors collected, the author feels, was every bit as wasted as the cash surrendered to grubby local office-holders. Meanwhile, the programming that gave women the most attention among Afghans was TOLO’s version of “American Idol,” a singing contest called “Afghan Star.”

In October 2015, TOLO’s reporters received a tip that Taliban fighters, having taken the city of Kunduz, had raped and murdered multiple young women at a local hostel. According to Mr. Mohseni, TOLO suspected the story might be fabricated but ran with it anyway, only to discover later that the alleged

A popular morning call-in show focused on life in Kabul. Even in the middle of a war-fractured country, locals valued local news.

victims had in fact left town weeks before. The story was false, Mr. Mohseni writes, and TOLO offered a correction. “Surely that would be enough.” But surely it was not. The station had given the Taliban a propaganda victory. It denounced TOLO as a “satanic network” and announced it would no longer spare the station from being targeted. No “employee, anchor, office, news team or reporter of TOLO news channel holds any immunity,” read a Taliban statement. In January 2016 the Taliban made good on their threat: A suicide bomber detonated his car beside a bus carrying nearly three dozen members of the Moby staff, killing seven.

Not long after retaking Afghanistan in the summer of 2021, the Taliban exerted its power over the media in the country. Managers of the various TV channels were called on the carpet. “Your television shows do not comply with our cultural values,” a Taliban factotum told them. “You have to cancel them all, now.” But what would replace the Turkish TV dramas and Indian soap operas that were suddenly verboten? Among the Taliban’s practical solutions: “Why not broadcast some nice scenery?”

One might consider it a measure of how little the Taliban understood the people they now controlled that they thought Afghans would sit in front of their TVs for hours watching rippling mountain streams. On the other hand, the Taliban were savvy enough to recognize that viewers would be unhappy with whoever took their favorite shows away. Media managers were forced to sign a document guaranteeing not only that the offending foreign programming would disappear, but that no one would say a word about what had happened to the shows. Moby’s radio and TV music programs were the first to be axed. “No surprise there,” Mr. Mohseni writes. After all, the Taliban had put the kibosh on any and all music, whether writing, playing or listening.

“Radio Free Afghanistan” ends in August 2021, with Mr. Mohseni’s anxious account of Moby’s staff fleeing the fall of Kabul. “Everything felt grotesquely improvised,” he writes. Even so, enough of those working for Moby stayed to keep its stations on the air. They still do, if in a fashion sufficiently bowdlerized so as not to unnecessarily provoke the Taliban. There are topics that are more or less safe. The Taliban don’t seem to get worked up if there’s a report on climate change.

Mr. Felten has been an international broadcaster for Voice of America.

Coming in BOOKS this weekend

The art of predicting the future • Getting old in America • Winston Churchill at Chartwell • War and the rise of the West • A history of the cello • Rereading Jane Austen • Picturing early Hollywood • & much more



OPINION

REVIEW & OUTLOOK

The Fed Gets Its Own Stress Test

Regulators rarely concede mistakes, but that’s essentially what the Federal Reserve did Monday by announcing it will open up bank stress tests to public comment. Consider this another victory for the conservative judicial project.

“In view of the evolving legal landscape, the Federal Reserve Board will soon seek public comment on significant changes to improve the transparency of its bank stress tests and to reduce the volatility of resulting capital buffer requirements,” said a Fed press release, adding that “the framework of administrative law has changed significantly in recent years.” It sure has, and the bank lawsuit is a welcome example.

Thanks to the Supreme Court’s *West Virginia v. EPA* (2022) and *Loper Bright* (2024) precedents, courts no longer must defer to regulators’ interpretations of supposedly vague laws, especially those involving major questions. Judges are slapping down agencies when they make law by regulatory fiat.

That’s what the Fed has been doing with its capital stress tests, as banking groups argue in a lawsuit filed Tuesday. Banks say the Fed is violating the Administrative Procedure Act by dodging notice and comment on its models. Our sources say the Fed sought to head off the lawsuit by agreeing to change its testing process.

The banking groups welcomed the Fed announcement, but their lawsuit notes that “the deadline for a court challenge to some of the government actions undergirding the current stress test process is February 2025.” And they can’t be certain the “recently-announced reforms will provide a timely remedy to the harms arising under the current system.”

Fed stress tests arose from the 2010 Dodd-Frank Act, which requires regulators to evaluate balance sheets of big banks every year to ensure they can “absorb losses as a result of adverse economic conditions.” In practice the tests arbitrarily punish banks based on flawed Fed models and impose costs across the economy.

Behind closed doors, regulators design models of hypothetical economic shocks, including their effect on GDP, unemployment, inflation and asset values, among other things. Regulators then run bank data—e.g., lending portfolio, capital, reserves—through their models to project how banks would withstand the hypothetical shock.

Bank performance on these tests is used to set a “stress capital buffer,” which is a de facto penalty. Banks must hold more capital if they score lower on the test. The penalty varies from year to year depending on the Fed’s model design and is layered on top of myriad other bank capital requirements. UBS’s required stress capital buffer doubled between 2022 and 2024.

The tests do a lousy job of measuring whether banks can withstand actual economic risks. Consider the Fed’s 2022 test, which projected short-term interest rates would remain near zero and the 10-year Treasury would drop to 0.75% in the first quarter of 2022 from roughly 1.5% and remain unchanged during the next two quarters.

Yes, the Fed stress-tested banks for lower interest rates even as it prepared to increase rates. Many regional banks scored well, though they faced large unrealized losses when the Fed raised rates. The panic in spring 2023 among mid-size banks was one result.

Early in the first Trump Administration, the Fed proposed opening up the design of its test models to public comment, which would make them more useful in gauging the strength of bank balance sheets. Because banks can get dinged under Fed models for making certain business loans, it’s only fair to let affected business weigh in.

Yet the Fed in 2019 walked back its proposal for more openness owing to supposed worries that this would cause “model monoculture” and banks would build their balance sheets to game the tests. The banks dismantled this concern in public comments to the Fed proposal and again in this week’s lawsuit.

Banks can’t improve their performance without making long-term changes in their portfolio, which is impractical since the Fed’s models change every year. What’s more, “if models accurately identify the relevant risks, conformance with the model (and thus better performance on the stress tests) should in fact reflect a lower risk profile,” the lawsuit notes.

If the Fed is truly worried about herd behavior, it could revisit its risk-weighted capital rules. The stress tests are redundant given the Fed’s other capital requirements, and they may encourage moral hazard. But if Congress won’t eliminate them, the least the Fed can do is make them more open and useful.

grancy, drug use and other offenses that degrade quality of life in Kensington. But the mayor and police can’t address those without the DA’s help. Mr. Krasner, a progressive prosecutor elected with funding from George Soros, favors a soft-on-crime approach.

In a report last year, Mr. Krasner touted his record of “reducing wildly excessive incarceration” and probation sentences for “convicted Philadelphians who are mostly Black and brown.” As of last week, he’d charged 4,645 drug offenses in 2024, down from more than 13,300 the year before he became the DA.

“Larry Krasner’s lack of prosecutions for theft, drug-related offenses, and quality-of-life crimes has made Philadelphia less safe overall, with Kensington being the most tragic example in our city,” says state Rep. Martina White, a Philadelphia Republican. “A District Attorney’s office unwilling to hold criminals accountable continues to undermine public safety and hinders community revitalization efforts in places like Kensington.”

The Democratic primary election for D.A. is in the spring. Mr. Krasner has hinted at seeking a third term, in which case voters will have to decide whether to keep a prosecutor who tolerates lawlessness in Kensington and beyond.

four years. This is the cost of making the state a laboratory for progressive government with climate mandates and subsidies, and multiple new healthcare subsidies such as long-term care insurance. When the Democrat took office the two-year state budget was \$38 billion. As he walks out the door he wants \$79 billion.

A wealth tax is the dream of Bernie Sanders and the Democratic left, but it fails even cursory examination. Countries like France that have imposed one have repealed it because it doesn’t raise nearly as much tax revenue as estimated. Wealth is mobile, and people leave for low-tax climes. Amazon founder Jeff Bezos announced last year he was relocating from Seattle to Miami, Fla., which will save him hundreds of millions in taxes that could have filled Olympia’s coffers.

Businessman Nick Hanauer, though on the political left, opposes the wealth tax and posted on the X social-media site that “Thoughtful taxes don’t actually drive people away, boneheaded taxes do.” Mr. Hanauer didn’t object to imposing the capital-gains tax on aspiring entrepreneurs, perhaps because he was already rich. But now the Inslee Democrats are coming after him.

Progressives never think taxes are high enough because they always have more wealth they want to redistribute.

Under a lawsuit threat, the regulator agrees to change its bank tests.

The new mayor’s work is being undermined by DA Larry Krasner.

What’s Thwarting Philly’s Crime Cleanup

Philadelphia’s Democratic Mayor Chelle Parker took office a year ago with a law-and-order mandate from voters, and a priority has been cleaning up the troubled neighborhood of Kensington. The local press is complaining that crime persists there, but blame progressive District Attorney Larry Krasner for undermining the mayor’s and police department’s work.

The day after she was sworn in, Ms. Parker issued an executive order to shut down the open drug markets in Kensington. Her office soon published a strategy to “attack the decades of open-air narcotics trade, addiction, homelessness, violence, and criminal activity” that plague the neighborhood. As part of an enforcement push that began in June, 75 officers assigned to Kensington have worked to shut down homeless encampments, make narcotics arrests and promote public order.

The effort is yielding results on gun crime. During the pandemic, the northern half of Kensington was the second-worst neighborhood in the city for shootings and murders. This year it’s on track for the fewest shootings in a decade, city statistics show.

Ms. Parker’s critics complain that the cleanup hasn’t made enough of a dent in va-

Inslee’s Last Tax Insult to Washington

When Jay Inslee ran to be Washington state Governor 12 years ago, he was categorical about taxes. “I do not believe tax increases are the right path for the state of Washington.” That was a whopper for the ages. Mr. Inslee will leave office in January having undermined the state’s competitiveness with a new 7% capital gains tax, and now he thinks the state should impose a tax on wealth.

“This wealth tax would put a modest 1% tax on the wealth of residents that exceeds \$100 million,” Mr. Inslee told (of course) National Public Radio. The tax would hit an estimated 3,400 people—at least until many of them fled to other states.

A wealth tax is a levy on assets, not income. Washington state has no income tax, though it has a slew of other taxes on sales and businesses. The 7% capital-gains tax Mr. Inslee signed into law in 2022 is the tenth highest in the nation.

The Tax Foundation now ranks Washington 45th in the 2025 State Tax Competitiveness Index, slightly ahead of fellow bottom dwellers Maryland, Connecticut, California, New Jersey and New York. It ranked sixth when Mr. Inslee took office.

Mr. Inslee wants the wealth tax because he is leaving office with another legacy—a budget shortfall of some \$16 billion over the next

The departing Governor now wants a wealth tax as his deficit balloons.

LETTERS TO THE EDITOR

How to Think About the U.S. National Debt

Regarding David Malpass’s op-ed “Trump and the Fake Debt Limit” (op-ed, Dec. 23): Why should debt be assessed relative to gross domestic product? If—and it’s a big “if”—government spending reflects, in part, investments, what matters is whether the return on these assets over a certain time horizon exceeds the interest payment on the debt.

If it does, it means the U.S. creates more collateral, and it can borrow more (all in a stable dollar). If, however, the spending doesn’t create assets, but digs deeper holes, assets are being destroyed rather than created, and there are no returns. This is true even if bureaucrats define the spending as “investment”; see the so-called “educational institutions” for decades. Debt incurred assuming the creation of assets, while assets are actually being destroyed, is the problem.

Debt limits and balanced budgets are political gimmicks, misleading jargons. The issue is whether the government creates assets when spending and borrowing—implying matching brains with capital and holding all sides accountable—or not.

Does more and more spent on education and defense bring about better educated citizens and better defense? Or are U.S. citizens paying more in taxes and getting less returns from these presumed government-defined “investments”?

PROF. REUVEN BRENNER  
McGill University  
Montreal

Mr. Malpass argues that the debt limit is antiquated, ineffective and costly. He says it should be replaced.

While he may be correct on the first three counts, periodic debt-limit crises provide economists the opportunity to remind voters of the dangers associated with our increasing debt.

That financial obligation now stands at \$36 trillion, or 123% of GDP and 13% of the national budget. Those latter payments limit the nation’s ability to allocate funds for defense and provide other basic services. Yet politicians benefit from a rising debt. They get to provide generous government services and low taxes.

To control the rising debt, it is necessary to make politicians responsible for it. A simple way to do this is to follow Mr. Malpass’s advice, abandon the debt limit, but place accountability for government spending on politicians by replacing the limit with a bill that would raise taxes when the debt rises above 125% of GDP.

RICHARD MORRIS  
Williamsport, Pa.

In writing about the problem of so-called mandatory spending (“How to Avert the Coming Debt Avalanche,” op-ed, Dec. 20), Rep. Tom Cole concludes with a head-scratching suggestion: “We might consider consulting our most important resource: the American people.” We already do this, in a periodic process known as elections. The American people speak loudly and consistently, endlessly voting themselves money apparently until the end of the republic. The process creates a giant vacuum of leadership in Washington. This is not going to end well.

JERRY BAUCK  
Tempe, Ariz.

What My California Campaign Was All About

As a federal prosecutor, I took on gangs, traitors selling military-grade technology to China and conspirators who laundered millions of dollars for Iran. I quit a job I loved to run for Congress after Rep. Ken Calvert (R., Calif.) voted to overturn the 2020 election and called for dropping charges against some of the same Jan. 6 insurrectionists that I had helped prosecute. I ran because the people I worked for in Riverside County deserve a representative who puts country over party.

In “Hollywood Targets Rep. Ken Calvert and Misses” (op-ed, Dec. 7), Ken Khachigian implies that my candidacy instead boiled down to the fact that I’m gay. He argues that I lost because of “out-of-touch woke” support from “Hollywood”—omitting his own donation to support Mr. Calvert and mischaracterizing a court case rejecting the GOP’s absurd attempt to hide my counterterrorism experience from voters.

I campaigned on reducing costs, expanding access to job training, tax cuts for the middle class, and term limits. I brought together Democrats, independents and Republicans, earning endorsements from the former Republican Assembly leader in California, firefighter and police-officer associations, and 700 former military and national-security officials who served presidents in both parties. Our race was hardly what Mr.

Khachigian describes as a “box-office flop.” In 2022 I was the only California Democratic challenger to win among independent voters. In 2024 I received the highest vote total ever against Mr. Calvert, significantly outperforming the top of the ticket by winning up to 5,300 more votes than Vice President Kamala Harris did in a district that President-elect Trump won by 6%. I also earned the support of up to 9,600 voters who chose a Republican for U.S. Senate. Our campaign scared Mr. Calvert—who was so publicity shy that he refused to debate me—enough for Mr. Trump to hold a massive rally in Coachella, Calif., and for Elon Musk to spend millions rescuing the congressman.

Voters didn’t split their tickets because I’m gay and pushed a “woke” ideology. They supported me because they believe America is about more than one party. They respected that I started my career with Republican Gov. Arnold Schwarzenegger; that I helped the Secret Service protect Donald Trump, even though I didn’t vote for him; and that I wanted to fight corruption in both parties to lower the cost of housing.

America needs patriots to step up and run for the right reasons. I hope my campaign inspires others to enter the arena and build broad coalitions that will fix our political polarization.

WILL ROLLINS  
Palm Springs, Calif.

When Will the Press Notice the African Jihad?

Regarding Jason Riley’s “All the News That’s Suddenly Fit to Print After the Election” (Upward Mobility, Dec. 18): It is our great hope that the news the New York Times now deems fit to print might include the continuing African jihad. Islamic terrorists in more than eight countries are doing to innocent Africans, mostly Christians, what Hamas did to Israelis on Oct. 7, 2023. Jihadists storm African villages, murder and torture villagers, rape and then kidnap young women and girls as sex slaves.

Reporting this would reveal that the assault on the Jewish state is only one dot in a wider jihadist pattern. Dare we hope that a concept that so centrally threatens progressive doctrine would appear in the Grey Lady?

CHARLES JACOBS AND SIMON DENG  
African Jewish Alliance  
Boston

Deny the Shooter Publicity

Regarding your editorial “Luigi Mangione’s Senate Explainers” (Dec. 12): In 1999 I boycotted my local newspaper and corresponded with its editor to protest printing the names and pictures of the Columbine shooters on Page 1. I feared such publicity would stimulate copycats and maintained that showing their pictures was unnecessary.

The recent Wisconsin shooter wore a shirt similar to the Columbine shooters’ shirts. Might we have had fewer than 426 school shootings since Columbine if the press publicized shooters less? Now the media is publicizing the name and picture of the person who shot the insurance executive. Will we see more such murders because of this media behavior?

CLAUDE THAU  
Overland Park, Kan.

Letters intended for publication should be emailed to wsj.letters@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

A Treat for Each Christmas

I’ve read your editorial “In Hoc Anno Domini” (Dec. 24) yearly since 1982. Just by itself, it is worth the annual subscription.

TICO MORENO  
Pompano Beach, Fla.

Pepper ... And Salt

THE WALL STREET JOURNAL





OPINION

# A U.N. Reform Plan for Trump and Stefanik

By John Bolton

Elise Stefanik, Donald Trump's nominee for U.S. ambassador to the United Nations, has her work cut out for her. Fortunately, she's already aware of the U.N.'s flaws. In a September op-ed for the Washington Examiner, she applauded Mr. Trump for withdrawing from the "corrupt and antisemitic" Human Rights Council and defunding the U.N. Relief and Works Agency, the U.N.'s permanent refugee organization for Palestinians, during his first term. She also praised House Republicans for voting to impose sanctions on the International Criminal Court.

The new administration should reject mandatory 'assessments' and fund only programs that work.

Ms. Stefanik joins a long line of U.S. officials dismayed by the U.N.'s profound failings, including its deep-seated bias against Israel. As one of those officials, my contributions to U.N. reform include implementing President George W. Bush's decision to remove America's signature from the treaty establishing the ICC, advising Mr. Bush to vote against creating the Human Rights Council and then casting the vote, and leading the effort to repeal the U.N.'s infamous "Zionism is racism" resolution. Years later, in 2018, I recommended that Mr. Trump withdraw from the Human Rights Council and defund Unrwa. But the job is far from over. No one should underestimate the difficulties that lie ahead or the effort that will be required to achieve real, lasting

U.N. reform. A major obstacle is our own State Department. Its bureaucracy historically has been unwilling to do the heavy lifting required to muster support for transforming the U.N. That burden will fall not only on U.S. missions to U.N. components but also on the State Department's regional bureaus, which are responsible for bilateral relations with the other 192 members. For decades, the regional bureaus have found reasons not to engage, pleading that innumerable bilateral issues be given higher priority. Secretary of State-designate Marco Rubio will need to crack the whip for reform to succeed.

The new administration should prove to U.N. members that its goal of reform isn't merely rhetorical. Washington's most important weapon will be its wallet—decisions about how much it financially contributes, or doesn't contribute, to the U.N. Current spending is out of control. In 2022, the most recent year for which we have accurate data, the U.S. contributed more than \$18 billion, accounting for roughly one-third of total U.N. funding. As the Heritage Foundation reported, "the U.S. provided more funding to the U.N. system than 185 other U.N. member states combined." That year we forked over 8.5 times the amount that China, the second-largest donor, contributed.

Funding for U.N. components falls into two categories: mandatory "assessed" contributions and voluntary contributions. Assessments are calculated by opaque "capacity to pay" formulas, which have historically made America the largest contributor. After decades of negotiation and legislation, U.S. assessments are capped at 22% for most contributions and 25% for peacekeeping operations. On a one-nation-one-vote basis, bodies like the General Assembly decide agency



Rep. Elise Stefanik is Trump's nominee as U.S. ambassador to the U.N.

budgets, and members then pay their percentage shares.

Assessments therefore amount to taxation of America by other U.N. members. A majority of member governments tells us what we owe, on pain of losing our vote in U.N. governing bodies if we don't pay up. That alone is sufficient reason to reject the concept of assessments, since it isn't our votes in these bodies that matter. The only vote that matters is our Security Council vote (and veto), our main shield against one-nation-one-vote majorities U.N.-system-wide. Our permanent seat in the council and its vote are written into the U.N. Charter, and we can veto changes to the charter. The potential negative consequences of ending assessed contributions, then, are essentially nil.

U.N. bureaucrats, U.S. officials and nongovernmental organizations assert without evidence that America gets enormous credit for its contributions to the U.N. and warn that America's influence would diminish worldwide if those contributions were significantly reduced or eliminated.

These assertions are false. Special-interest advocates simply take our current level of funding for granted, complain that it's inadequate and demand more. It's time they get their comeuppance.

The U.N. Charter doesn't require assessed contributions. The charter says merely that the organization's expenses shall be "apportioned by the General Assembly," but requires no specific approach. The assembly could make contributions entirely voluntary, as is the case already with some U.N. agencies and programs. The Trump administration simply needs to resolve against the U.N. system's longstanding reliance on assessments until the totally voluntary approach prevails and other members acquiesce.

Shortly after taking office, Mr. Rubio and Ms. Stefanik should announce that the U.S. no longer accepts the concept of assessed contributions. Henceforth, we will pay only voluntary contributions, which we will decide by evaluating the performance of each U.N. agency

and program. We may zero out some programs; we may voluntarily fund others at or near our current assessed level; we may even increase funding for others. But we will decide. And every other U.N. member will have the same prerogative.

This approach rests on the revolutionary assumption that we fund the U.N. based on its performance, paying only for what we want and insisting that we get what we pay for. U.N. agencies that are funded entirely by voluntary donations, such as the World Food Program, generally tend to outperform those funded by assessments. Because they have to prove their worth annually, they have an incentive to sustain and even boost their performance. If voluntarily funded programs fail or falter, we should reduce their funding accordingly.

Ultimately, some agencies will prove unreformable, and America should simply withdraw from them. The U.N. Educational, Scientific and Cultural Organization immediately comes to mind, as it did for President Ronald Reagan, who withdrew the U.S. from Unesco in 1984. The country rejoined in 2003 under Mr. Bush. Mr. Trump withdrew in his turn, and Joe Biden rejoined. Doubtless Mr. Trump will withdraw again—and rightly so.

Using America's money as an existential threat will rock the U.N. system. While many other reforms are possible, they won't match the power of unilaterally controlling our contributions. Besides, we need a much larger defense budget; reducing contributions to the U.N. is a good start to find the necessary funding.

Mr. Bolton served as White House national security adviser, 2018-19, and ambassador to the U.N., 2005-06. He is author of "The Room Where It Happened: A White House Memoir."

## Why We Still Need to Talk About Liz Truss



POLITICAL ECONOMICS  
By Joseph C. Sternberg

London Britain's economy is in the doldrums and its public finances are a mess. Economic growth is anemic and inflation is likely to prove unpleasantly durable. A recent budget proposal from the new Labour government threatens to kill private investment and jobs and won't raise anywhere near the promised revenue, spiking borrowing instead.

So could the country's political and media classes at long last admit it's time for a reappraisal of some recent history? Pretty please?

That history concerns Prime Minister Liz Truss, whose brief and tumultuous tenure in autumn 2022 is widely and misleadingly blamed for all the country's economic ills since then. The failure by politicians and many journalists to understand what actually happened during her premiership is emerging as one of the biggest factors holding back the U.K. today.

The conventional wisdom holds that Ms. Truss and her friend, Chan-

cellor of the Exchequer Kwasi Kwarteng, rode into office fired by a fanatical belief in Thatcherism. They recklessly proposed a tax-slashing budget so fiscally irresponsible that it crashed the sovereign-bond market and the pound within days of its introduction on Sept. 23, 2022. As a result, Britons' mortgage interest rates soared.

The bond vigilantes having delivered such a crushing rebuke to supply-side economics, the theory continues, Mr. Kwarteng and then Ms. Truss were hounded out of office. Yet the damage has proved irreversible. Her Tory successor, Rishi Sunak, and now Labour Prime Minister Keir Starmer have been forced to implement painful tax increases, and now the public must suffer through economic stagnation for the foreseeable future.

Readers of this column will recall that very little of this conventional wisdom is true. The real story is one of hidden financial fragility and tussling between sometimes inept politicians and an obstreperous bureaucratic class. Now my colleagues and I are recounting this saga in a new way, with a documentary film recently released on our website. The film expands on many of these

themes, with exclusive interviews with Ms. Truss and Mr. Kwarteng and an elegant visual explanation of the market panic to boot.

A fair question would be, why keep relitigating a faraway political fiasco? There are two reasons.

The first is that the events of Ms. Truss's premiership are interesting, period. She was the first prominent European politician in years to attempt a fundamental break from the

Though her tenure was brief, the falsehoods around it are proving a lasting economic problem.

stale economic consensus entrenched across Europe. Her rise, brief reign and fall were dramatic because of the conflicts she provoked with a political and bureaucratic class hostile to her ideas, and her and her supporters' mistakes and foibles along the way. (No one should mistake the film for a hagiography.)

The surprise isn't that we at the Journal keep covering this story, but that Britain's own media seem patho-

logically incurious—and unserious—about doing so. Representative is a snuffy post on X from a prominent elderly journalist describing the film as "a load of old bo\*\*ocks" but not engaging in any substantive discussion of the content.

He and others might instead pursue some of the serious questions this episode raised about the role of the Bank of England in politics, the role of bureaucrats in hemming in elected politicians, whether British economic policy before Ms. Truss or since has delivered prosperity and why not, and so on. The general refusal across much of the media to do so starts to look either like laziness or an unseemly codependence with the political and bureaucrat clerisy Ms. Truss criticizes so vehemently.

In that way, the media does a disservice to the public owing to the second reason this story remains relevant: Those events are proving to have a long political tail. The misleading conventional wisdom about what happened in autumn 2022 has been weaponized to defend the otherwise politically indefensible policies of her critics.

Mr. Starmer deflects charges that his tax increases on businesses will stifle investment by pointing to the

Truss record as the unpalatable alternative to his own unpalatable plans. Big-government Tories excuse their lackluster 14-year record by blaming Mr. Sunak's humiliating election defeat this year on Ms. Truss's less-than-seven-week stint in office.

This echoes across the Atlantic, where economists and politicians on the left and populist right try to warn President-elect Trump off of growth-stimulating tax reforms with dire threats about recent British history repeating itself in America. It's impossible for voters anywhere to judge all these excuses—and to apportion democratic accountability in the right places—without assessing the truth or otherwise of all these claims about Ms. Truss's record.

Voters in Britain, America and elsewhere are noticing that the big-government alternative to supply-side ideas is a flop. Conspicuously, British Tories recently chose a supply-sider in the Truss mold, Kemi Badenoch, as their party leader. A more honest assessment of what actually happened in Britain in 2022 would shed some light on the challenges voters and politicians will face as they try to change course. We'll keep covering that story even if no one else will.

## The AI Boom May Be Too Good to Be True

By Josh Harlan

Investors rushing to capitalize on artificial intelligence have focused on the technology—the capabilities of new models, the potential of generative tools, and the scale of processing power to sustain it all. What too many ignore is the evolving legal structure surrounding the technology, which will ultimately shape the economics of AI. The core question is: Who controls the value that AI produces? The answer depends on whether AI companies must compensate rights holders for using their data to train AI models and whether AI creations can themselves enjoy copyright or patent protections.

The current landscape of AI law is rife with uncertainty. The New York Times, Getty Images and individual artists have challenged AI companies over their use of copyrighted material

in training data sets. How these cases are decided will determine whether AI developers can harvest publicly available data or must license the content used to train their models. Should courts decide in favor of rights holders, AI companies will face increased costs that could reduce profit margins and put many current valuations into question. Investors shouldn't underestimate the risks.

Equally significant are the questions surrounding intellectual-property rights for AI-generated creations. Can a novel invented by AI be copyrighted? Can a discovery guided by an AI model be patented? Recent rulings have denied such protections, emphasizing that only human creators can claim IP rights under current laws. This creates ambiguity for companies using AI in creative or inventive processes. Without clarity on whether AI-generated works can be defended

as proprietary, what those companies produce may lack the legal protection necessary to secure a competitive advantage, undermining a key element of investor confidence.

Critics argue the legal framework will catch up with technology, and that lawmakers will adapt to accommodate AI's evolving role in society. They also claim the value of AI lies primarily in its functional capability—its ability to analyze, generate and innovate—and that legal questions around copyrights and patents are a secondary concern. Those arguments underestimate the complexity and the slow-moving nature of legal systems, especially in areas involving fundamental shifts in technology and human rights.

Media giants and global artists looking to protect their IP rights have deep pockets and a vested interest in ensuring they aren't left behind by AI's march. The results of

these disputes will shape AI's economic potential, from cost models to go-to-market strategies. Investors can't afford to dismiss these risks as merely bureaucratic obstacles that will be sorted out eventually.

Pending copyright-infringement lawsuits could derail the industry's economic potential.

A historical analogy offers a stark warning. In the 1990s, the music encoded on compact discs wasn't encrypted, leading to a piracy crisis in the music industry. The movie industry learned from those mistakes and pursued a strategy to protect its IP that was primarily legal rather than purely

technological. The Motion Picture Association of America pushed for a provision in the Digital Millennium Copyright Act of 1998 that made it unlawful for hardware or software developers to circumvent copyright-protection systems. This legal threat created far more protection from piracy for owners of movie rights than technological innovation alone could have provided.

AI investors take note: Technological strength alone doesn't suffice when the regulatory and legal environment is left unattended.

For investors paying attention to the legal battles around AI, opportunities will abound. If the New York Times and Getty Images win their copyright-infringement lawsuits, AI companies will be required to pay for access to training data. Companies with large libraries of hard-to-obtain data and content—such as high-definition video, medical information, financial and legal datasets, and geospatial information—could see significant increases in the value of their assets. Some may become gatekeepers in the future AI ecosystem. Entrepreneurs and investors are already buying up licensing rights to training data and content, positioning themselves to profit from a potential surge in demand.

The excitement surrounding AI is understandable, but investors must pay close attention to how courts rule on cases involving copyright infringement in training data, and to legislative developments around AI-created intellectual property. These decisions will ultimately determine who profits and who loses in the AI age.

Mr. Harlan is founder and managing partner of Harlan Capital Partners.

### THE WALL STREET JOURNAL.

PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

Lachlan Murdoch  
Executive Chairman, News Corp

Rupert Murdoch  
Chairman Emeritus, News Corp

Emma Tucker  
Editor in Chief

Liz Harris, Managing Editor  
Charles Forelle, Deputy Editor in Chief  
Elena Cherney, Senior Editor; David Crow, Executive Editor; Chip Cummins, News wires;  
Taneth Evans, Digital; Brent Jones, Culture, Training & Outreach; Alex Martin, Print & Writing; Michael W. Miller, Features & Weekend; Prabha Natarajan, Professional Products; Bruce Orwall, Enterprise; Philana Patterson, Audio; Amanda Wills, Video

Paul A. Gigot  
Editor of the Editorial Page

Gerard Baker, Editor at Large

Robert Thomson  
Chief Executive Officer, News Corp

Almar Latour  
Chief Executive Officer and Publisher

DOW JONES MANAGEMENT:

Mae M. Cheng, EVP, General Manager, Leadership; David Cho, Barron's Editor in Chief; Jason P. Conti, General Counsel, Chief Compliance Officer; Dianne DeSevo, Chief People Officer; Jared DiPalma, Chief Financial Officer; Artem Fishman, Chief Technology Officer; David Martin, Chief Revenue Officer, Business Intelligence; Dan Shar, EVP, General Manager, Wealth & Investing; Ashok Sinha, Chief Communications Officer; Josh Stinchcomb, EVP & Chief Revenue Officer, WSJ / Barron's Group; Sherry Weiss, Chief Marketing Officer

EDITORIAL AND CORPORATE HEADQUARTERS:  
1211 Avenue of the Americas, New York, N.Y., 10036  
Telephone 1-800-DOWJONES



WORLD NEWS | A YEAR IN PICTURES

A Divided World Finds Hope Amid Pain

From wars to natural disasters to the freeing of a WSJ reporter, here are some highs and lows of 2024

By William Power, Johnny Simon and Joe Fornabaio

**JAN. 2 AND 5  
NARROW  
ESCAPES**  
Passengers and crew escape with minutes to spare from a burning Japan Airlines jet, right, after it collides with a Japanese coast guard plane. Five of the six people on the coast guard plane perish. Three days later, passengers and crew survive after a door panel blows out from an Alaska Airlines jet at 16,000 feet.



**FEB. 16 | PUTIN CRITIC DIES AT 47**  
Alexei Navalny, a fierce anticorruption campaigner who galvanized Russia's political opposition, dies in a Siberian prison colony.



**APRIL 7 | SAHARA DUST STORM**  
A dust cloud from Northwest Africa blows across Europe.



**JUNE 3  
FIRST WOMAN  
TO LEAD MEXICO**  
Claudia Sheinbaum wins election in a landslide to become Mexico's first female president, inheriting a security crisis and tight government coffers.



**AUG. 1 | A HISTORIC PRISONER SWAP WITH RUSSIA**  
Wall Street Journal reporter Evan Gershkovich, ex-Marine Paul Whelan and a dozen others are released by Moscow, in a sweeping deal that involves 24 prisoners. It is the largest East-West prisoner swap since the Cold War.

**OCT. 17 |  
HAMAS CHIEF  
SINWAR IS  
KILLED**  
Israeli forces kill Hamas leader Yahya Sinwar—a U.S.-designated terrorist and architect of the Oct. 7, 2023, attack on Israel—in a major blow to the militant group. His death achieves one of Israel's top objectives for the war.



**DEC. 3 | SOUTH KOREA'S MARTIAL LAW EFFORT**  
South Korean President Yoon Suk Yeol, under fire politically, takes a desperate measure. But it takes just six hours for martial law to be declared, enacted, nullified and lifted. Lawmakers impeach him.



**NOV. 9-17 | SPAIN'S FLOOD AFTERMATH**  
After catastrophic flash floods in southeastern Spain kill more than 200 people, the country assesses the damage.



**DEC. 7 | NOTRE DAME CATHEDRAL REOPENS**  
The restoration of Notre Dame in Paris comes five years after a fire swept across the masterpiece of Gothic architecture, nearly destroying it.



**DEC. 8 | ASSAD FALLS IN SYRIA**  
Bashar al-Assad's regime is toppled as Syrian rebels take Damascus. Assad flees to Russia. Ahmed al-Sharaa, leader of rebel group Hayat Tahrir al-Sham, is welcomed by supporters.



# BUSINESS & FINANCE

© 2024 Dow Jones & Company. All Rights Reserved.

\*\*\*

THE WALL STREET JOURNAL.

Friday, December 27, 2024 | **B1**

**S&P** 6037.59 ▼ 0.04%   **S&P FIN** ▲ 0.21%   **S&P IT** ▲ 0.08%   **DJ TRANS** ▲ 0.25%   **WSJ\$IDX** ▲ 0.15%   **2-YR. TREAS.** yield 4.331%   **NIKKEI** 39568.06 ▲ 1.12%   See more at [WSJ.com/Markets](https://www.wsj.com/markets)

## Netflix Scores NFL Streaming Record

By Joe Flint

**Netflix's** NFL debut set a new streaming record for the league, with an average audience of more than 24 million people in the U.S. watching each of the two Christmas Day games, according to preliminary Nielsen data.

The Kansas City Chiefs' victory over the Pittsburgh Steelers averaged 24.1 million viewers, while an average of 24.3 million people watched the Baltimore Ravens defeat the Houston Texans, a game that featured a Beyoncé performance at halftime.

Most of that audience came from Netflix, though a small percentage of viewers watched the games on local television stations in the markets of the four teams playing or on the league's NFL+ streaming service.

The previous record audience for a streamed NFL game was 23 million on NBC-Universal's Peacock for a January playoff game between the Chiefs and Miami Dolphins.



Beyoncé performed at halftime during Wednesday's game between the Ravens and the Texans.

In another win for the streaming giant, there were no major technical issues like those that marred its cover-

age of last month's boxing showcase featuring social influencer-turned-boxer Jake Paul and former heavyweight

champion Mike Tyson.

Carrying NFL games is a significant next step in Netflix's efforts to establish itself

as a live-event platform and grow its advertising business.

Global numbers for the Netflix Christmas games weren't immediately available. The audience is expected to grow to about 30 million a game when final U.S. numbers and international audiences are factored in, people familiar with the matter said.

"Bringing our members this record-breaking day of two NFL games was the best Christmas gift we could have delivered," said Bela Bajaria, Netflix's chief content officer in a statement.

The NFL, which signed a three-year deal with Netflix for Christmas games, said it is pleased with Wednesday's results.

"The quality of the stream was fabulous, the production went off tightly," said Brian Rolapp, the NFL's chief media and business officer.

Under the terms of the NFL's deal with Netflix, the streamer could carry one or two games next Christmas, when the holiday falls on a Thursday.

## Microsoft Wraps AI Into Package

Tech company has made Copilot part of its 365 subscription in several markets

By Tom Dotan

**Microsoft** is trying a new approach to build excitement for its artificial-intelligence assistant Copilot: Give it to customers whether they want it or not.

The tech company recently added Copilot to its consumer subscription service for software including Word, Excel and PowerPoint in Australia and several Southeast Asian countries. Along with the AI feature, it raised prices for everyone who uses the service, called Microsoft 365, in those countries.

What about people who don't want to pay for an AI assistant to spruce up their documents and summarize emails? They are out of luck.

Alistair Fleming uses Word to write scripts for his YouTube channel about 1990s Japanese wrestling. The Australian noticed that every time he finished a line, Copilot's rainbow logo would pop up on screen and ask if it could help with his writing.

"It was very keen to be used, and this was irritating to me as a user," Fleming said.

Fleming also noticed his monthly bill for 365 increased to 16 Australian dollars (about US\$10) from A\$11.

Some users said on social media that Copilot pop-ups reminded them of Clippy, Microsoft's widely derided Office helper from the late 1990s, that would frequently offer unsolicited help.

A Microsoft spokesman declined to comment on the strategy behind the forced addition of Copilot in certain regions and whether the company plans a similar approach in other markets.

The change demonstrates the lengths to which Microsoft is going to try to profit from its huge investments in AI. Copilot, which is built with technology from OpenAI, is a key part of Chief Executive Satya Nadella's plan to keep expanding Microsoft's software business for consumer and corporate customers.

Microsoft is OpenAI's biggest investor, having plowed close to \$14 billion into the ChatGPT maker.

Microsoft has been trying since early 2023 to use generative AI to gain ground in the market for consumer apps, where it has long struggled. It first integrated the tech into its Bing search engine as a chat

Please turn to page B4

## Technology Is Shaping New Buying Trends

By Katie Deighton

Companies pore over consumer behaviors to better foresee their needs and interests as they evolve—often in step with the internet and now touched by the newer specter of AI.

Fake product reviews, AI-generated errors and search results cluttered with ads are driving people to forums like social platform Reddit and subscription network Substack for information seen as more trustworthy.

Shoppers are also becoming hesitant, less eager to click "buy" on a site or use chatbots or provide email addresses lest a site turn out to be fake.

"Trust has come up repeatedly for the last 10 or 15 years, but what we're hearing this year is, 'I'm not sure about clicking,'" said Mark Curtis, head of innovation at Accenture Song, the creative services division of consulting giant Accenture.

Just over half of consumers say they have been scammed for personal information or money in the past year, while 39% said they have seen fraudulent product reviews online, according to Accenture.

"If at every given stage of the marketing funnel click-through rates decline, there is an actual cost," Curtis said. "We're going to have to combine a focus on trust alongside that focus on facility, or ease."

Some advertisers are buying space on Reddit to burrow closer to increasingly skeptical



TikTok Shop has seen strong consumer uptake, but some shoppers are still wary.

audiences: The platform's third-quarter ad revenue vaulted 56% higher from the year-ago period. And more agencies are snapping up influencer-management companies to get a better grip on the paid-for-but-personal recommendation machine.

The pervasive online distrust, however, will likely make tried-and-true household names more valuable.

"It's going to lead to a re-

vival and a resurgence in the importance of brands as symbols of authenticity," Curtis said.

Food has become as much a status signifier as clothes, as seen in a flood of social-media posts featuring branded produce, the \$12 strawberry platter, the rise of the Resy-bots and Erewhon's hip \$20 smoothies.

So designer brands are trying to capitalize on that hun-

ger, building eateries to encourage free publicity on Instagram and TikTok, and offering those who might not be able to afford their nonedible products a literal taste of their brands.

**LVMH's** Louis Vuitton and the owner of Le Coucou, a refined French restaurant in New York City, opened a posh eatery in the designer's Manhattan store in November. In March, Coach opened its first

restaurant, choosing Jakarta for its debut; Armani earlier this month replicated its European Ristorante on Madison Avenue; and Alaïa, also in December, opened a cafe and bookstore at its flagship in London.

On the flip side, restaurants and food and drink brands continue to churn out merchandise as if they were sports teams, with Vogue de-

Please turn to page B2

## Trump Ally Wants To Be Crypto King

By Vicky Ge Huang

President-elect Donald Trump's newest ally in the cryptocurrency markets is a Chinese-born entrepreneur who has been accused of fraud by U.S. regulators and recently spent \$6.2 million on a banana.

Justin Sun, founder of the Tron blockchain, invested \$30 million in the Trump family-backed crypto project World Liberty Financial in November. Sun stepped in when the project appeared to struggle to meet its fundraising targets, imperiling a potential payout for the Trump clan. The Trumps now stand to get paid, and Sun serves as an adviser to World Liberty.

Sun could use more friends in Washington. The Securities and Exchange Commission sued him and three of his businesses in 2023. The agency alleges he sold unregistered securities, manipulated token prices and paid Lindsay Lohan and other celebrities to promote his schemes.

Sun's businesses and antics have been a persistent presence in the crypto world for the past seven years. Volatile price swings and epic scandals may have taken out some of his contemporaries, but Sun carries on unfazed by past controversies and legal skirmishes.

Just days before his investment in World Liberty, Sun spent more than \$6 million in a Sotheby's auction for an art piece that consisted of a banana taped to a white wall. He later held a news conference to showcase himself eating the fruit. An article on the stunt by **CoinDesk**, and the pressure Sun's team applied to take down the story, touched off a debate over the news outlet's editorial independence.

In courting publicity, Sun said he draws inspiration from another figure who has already found his way into the president-elect's inner circle.

"I want to be the Elon Musk of the crypto world," he said in an interview. "Even though

Please turn to page B4

## INSIDE



### BUSINESS NEWS

Taiwan blocks Uber's deal to take over Foodpanda's local delivery unit. **B2**



### HEARD ON THE STREET

Is a productivity boom in store for the U.S.?

**B9**

## Will 2025 Be the Watershed Year for Return-to-Office?

By Jennifer Williams

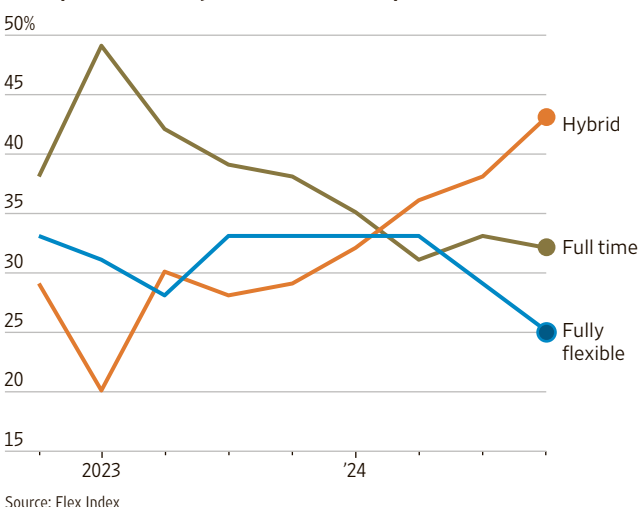
**Chipotle Mexican Grill** has settled on a remote-work policy. But that could change.

The burrito chain requires staffers to be in four days a week, Monday through Thursday, a policy the company announced in May of last year. The mostly in-office policy helps preserve the company's culture and has worked well for Chipotle, said Chief Financial Officer Adam Rymer, who is often at his desk five days a week.

But the company's end-of-the-week flexibility could vanish if productivity slips, according to Rymer. "Our execution on Friday is on point, people are available," he said. "If that ever comes into question, I can see us switching back quickly."

Chipotle's decision to hold at four days in the office comes as large companies are cracking down on back-to-office policies, which will be in the spotlight again for C-suite

### Workplace flexibility trends in U.S. companies



leaders in the year ahead. **AT&T**, **Amazon.com** and **Dell Technologies** in recent months have called certain staffers back to offices five days a week. **Starbucks** in October warned employees they risk termination if they don't comply with the company's existing three-days-a-week

mandate.

And with President-elect Donald Trump set to return to the White House in the coming year, federal workers too could soon see a push to return to the office under the new Department of Government Efficiency advisory

Please turn to page B2



INDEX TO BUSINESSES

These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.

<b>A</b>		
Accenture.....B1	E-mart.....B4	Sekisui Chemical.....B3
Alibaba.....B4	<b>K</b>	Sharp.....B3
Amazon.com.....B1,B2	KKR.....B3	Shinsegae.....B4
Apple.....B2	<b>L</b>	Starbucks.....B1
AT&T.....B1	Li Auto.....B4	Sweetgreen.....B2
<b>B</b>	LVMH Moët Hennessy.....B1	<b>T</b>
Banco Santander.....B3	Louis Vuitton.....B1	Target.....B2
Berkshire Hathaway.....B4	<b>M</b>	Tencent.....B4,B9
<b>C</b>	Mastercard.....A2	Tesla.....B4
Chipotle Mexican Grill.....B1	Meta Platforms.....B4	Toyota Motors.....B9
Citigroup.....A1	Microsoft.....A2,B1	<b>U</b>
Coca-Cola.....B2	<b>N</b>	Uber Technologies.....B2
Coinbase Global.....B4	Netflix.....B1	<b>W</b>
CoinDesk.....B1	Newell Brands.....A1	Walmart.....B2
Credit Agricole.....B3	NIO.....B4	Walt Disney.....A1
<b>D</b>	Nissan Motor.....B9	Williams-Sonoma.....A2
Deckers Outdoor.....B2	Nordstrom.....A1	<b>X</b>
Delivery Hero.....B2	Nvidia.....B4	Xiaomi.....B4
Dell Technologies.....B1	<b>P</b>	XPeng.....B4
Despegar.com.....B9	Prosus.....B9	<b>Y</b>
Dollar General.....A2	<b>S</b>	Yelp.....B2
Dollar Tree.....A2,B9	Salesforce.....B4	<b>Z</b>
<b>E</b>		Zoom.....B2

INDEX TO PEOPLE

<b>A</b>		
Alber, Laura Jean.....A2	Frommer, Dan.....B2	<b>R</b>
Araki, Guto.....B2	<b>K</b>	Rymer, Adam.....B1
<b>B</b>	Kelleher, Dennis.....B4	<b>S</b>
Bajaria, Bela.....B1	Kimber, Sheldon.....A2	Sacks, David.....A2
Bankman-Fried, Sam.....B4	Kimmelman, Doug.....B3	Sadove, Steve.....A2
Bezos, Jeff.....B4	<b>L</b>	Sane, Shashank.....A2
Buffett, Warren.....B4	Lochmiller, Chase.....A2	Schulze, Jeff.....B9
Buterin, Vitalik.....B4	<b>M</b>	Schwarzbach, David.....B2
<b>C</b>	Mah, Isaac.....B3	Silverman, Sam.....A3
Carr, Andrew.....B4	Malek, Mark.....B9	Spataro, Jared.....B4
Carpenter, Ray.....B2	Musk, Elon.....A2,B1,B4	Sun, Justin.....B1
Clark, Jack.....B4	<b>N</b>	<b>T</b>
Creedon, Michael C. Jr.....A2	Nadella, Satya.....B1	Thiel, Peter.....A2
<b>D - F</b>	Nobe, Vance.....B3	<b>Y</b>
Davidson, Peter.....B3	<b>P</b>	Yardeni, Ed.....B9
Denman, Anne Marie.....B3	Peron, Matt.....B9	Yik, Vincent.....B3
Draho, Jason.....B9	Peterson, Chris.....A1	Yu, Li.....B3
Fasching, Steve.....B2	Phang, Vincent.....B3	<b>Z</b>
	Proulx, Mike.....B2	Zhilin, Yang.....B4

Executives Monitor RTO Plans

Continued from page B1

group, the latest sign of leaders wrangling with RTO mandates.

Years after the Covid-19 pandemic normalized remote work, the recent developments have executives wondering which companies will pull staff back to the office next—and who will benefit. Finance chiefs, who tend to be involved in setting remote work policies, continue to evaluate how often workers should be at their desks and whether their companies are getting the right mix of productivity and flexibility. Some see others’ retreat from remote work as a competitive edge for them.

Many employers continue to see the benefits of hybrid working schedules, from the ability to attract employees to retaining top talent. But the degree of flexibility at the workplace is shifting.

One-third of U.S. employers mandate that employees be in an office five days a week, down 16% from a year ago, according to Flex Index, which tracks workplace strategies.

Twenty-five percent of U.S. companies offer fully flexible arrangements, down from 33% a year ago.

And hybrid arrangements, when companies require a certain number of days in the office but leave at least one for remote work, are growing in popularity. Forty-three percent of U.S. companies have hybrid office policies, compared with 29% a year ago, Flex Index data shows.

Some executives are still working out what the best policy is. At footwear and apparel maker **Deckers Outdoor**, some workers are encouraged to come in often, particularly those on the creative side of the business, said Chief Financial Officer Steve Fasching.

The owner of UgG footwear and Hoka sneakers hasn’t set

a required number of days at a desk for any employees—“We haven’t gotten to that yet”—the CFO said.

One reason is office space. Deckers increased the number of workers to 4,800 as of March 31, a 14% jump from 2023.

With many, including Fasching, choosing a hybrid work routine, the company hasn’t expanded its square footage to meet a full return to office.

“We want to make sure we don’t overdo it, so we don’t want to commit to too much space,” he said. “But at the same time, we want to make sure that we’re offering options that allow people to connect and collaborate.”

DirecTV executives are sticking with the call made in 2021 to be a remote-first workplace, said Chief Financial Officer Ray Carpenter. Some were initially concerned that productivity would suffer. The opposite happened; in fact, the company’s roughly 7,000 employees are more productive now—increasing DirecTV’s share of new customers and adding to the offered services, for instance—he said.

Consequently, DirecTV has cut costs by shedding around 30% of its physical space, according to Carpenter. And the flexibility gives the company an edge when hiring and retaining workers.

The recent push by some companies for five days in the office adds to the advantage, the CFO said. “It makes it more current and relevant for us to discuss and ensure we’re not being complacent,” he said. “But it also means someone from one of these companies may look for a remote alternative.”

At **Yelp**, staffers left offices in 2020 and have remained fully remote since. Initial challenges such as figuring out how to onboard people, maintaining a collaborative culture and measuring the performance of a workforce scattered primarily across the U.S., U.K. and Canada have been worked out, said CFO David Schwarzbach. The reviews platform has seen millions of dollars in savings.

The company has cut its office space by over 90%, to around 60,000 square feet, since going fully remote. Yelp is down to just two office floors in the U.S., according Schwarzbach. “We have saved tens of millions of dollars doing this,” he said. Yelp reported net income of \$38 million for the quarter ended Sept. 30, down 34% from a year earlier.

The move by some away from looser workplace policies hasn’t shaken Yelp executives’ resolve on the subject, Schwarzbach said. “Remote work works for Yelp,” he said. “We don’t see a need to revisit that.”

BUSINESS & FINANCE

Taiwan Blocks Uber Delivery Deal

By KIMBERLEY KAO

Taiwan has blocked **Uber Technologies’** planned \$950 million takeover of Foodpanda’s local delivery business on anticompetition concerns, thwarting the U.S. company’s efforts to expand in Asia.

Taiwan’s Fair Trade Commission said Wednesday that competition pressure on Uber’s food-delivery unit in Taiwan stems mainly from Foodpanda, and that eliminating that dynamic would incentivize Uber to raise prices for consumers and eateries on its platform.

The merger also would make it more difficult for other potential competitors to enter the market, the agency said.

Uber said that it was disappointed by the decision and that it had previously made proposals to address Taiwan’s competition concerns. It said it would nonetheless continue to invest in Taiwan, which it described as one of the world’s fastest-growing markets for food delivery.

**Delivery Hero**, the Berlin-based owner of Foodpanda, said that Uber could appeal the decision or terminate the



Uber in May announced plans to buy Foodpanda’s Taiwan delivery business for \$950 million.

deal.

San Francisco-based Uber in May had announced its plans to buy Foodpanda’s Taiwan delivery business for \$950 million in cash, along with a separate \$300 million purchase of newly issued ordinary shares of Delivery Hero. It had aimed to close the deal—one of the largest international acquisitions in Tai-

wan outside of the semiconductor industry—in the first half of 2025.

Uber, which also has operations in Japan and Hong Kong in Asia, said at the time that it expected the acquisition to contribute at least \$150 million annually to the adjusted earnings before interest, taxes, depreciation and amortization of its delivery business within

12 months of closing.

Asia is Delivery Hero’s largest market, accounting for about 36% of the company’s revenue in 2023. Foodpanda’s operations in Taiwan were break-even in terms of adjusted earnings before interest, taxes, depreciation and amortization in the fiscal year ended March 2024, Delivery Hero said in May.



Advertiser targets include Formula One, above, in Las Vegas, and Major League Cricket in the U.S., while Major League Pickleball is looking attractive to brands hoping to connect with younger people. Below, Sweetgreen merchandise.

AI Shapes Consumer Trends

Continued from page B1

claring 2024 “a ravenous year for restaurant merch.”

Trendy tinned seafood brand Fishwife teamed with fashion boutique Lisa Says Gah to produce a \$60 necklace. **Coca-Cola** and Diet Coke secured their own co-branded shoes from footwear brand HeyDude. And salad-bar chain **Sweetgreen** last month dropped a nine-piece apparel collection featuring a tote bag, hoodie and even socks in the manner of a streetwear brand.

The next chapter could bring brands and food even closer together. Companies that have already conquered signature looks and scents might turn their sights to developing branded tastes, said Guto Araki, co-founder of food-culture marketing company Biite.

“Within three or four years, I think we’ll be asking, ‘Well this brand has a shape, has a color, has a space in the socioeconomic spectrum—but what does it taste like?’ ” he said.

An expanding arena

Events like the Super Bowl and NBA Finals will continue to draw colossal audiences and advertising dollars, but consumers’ proven capacity to follow more and more teams, leagues and sports will drive marketers into the arms of upstarts in 2025.

One in five brands next year will give priority to streaming sponsorships with emerging sports leagues, according to an October report from research firm Forrester.

Advertiser targets include Major League Cricket and Formula One in the U.S., while Major League Pickleball is



looking attractive to brands hoping to connect with younger people. Twenty percent of millennial and Gen Z U.S. adults are interested in the sport, compared with just 8% of Gen X, Forrester said.

And following a banner year for women’s sports, which saw a flurry of new brands and ad categories jump in as sponsors, the NFL last week struck a partnership with female-focused publisher Betches Media, which will offer new ad and sponsorship opportunities for brands looking to reach women through sports.

Whoopi Goldberg’s All Women’s Sports Network began carrying a smorgasbord of games on the streaming service Vizio, with plans to feature sports as diverse as judo and table tennis.

“Brands have an opportunity to become title sponsors of emergent sports leagues or sports broadcasts to reach very specific audiences, and that gives them an element of heft,” said Forrester CMO research director Mike Proulx. “Sports are still important, but it’s the makeup of sports, and what’s being broadcast, that’s evolving with culture.”

Trust problems suffuse the online world, affecting many companies.

Eyes on podcasts

Just over 30% of weekly podcast fans choose YouTube as the service they tune in with—more than any other single platform, including audio giant Spotify and podcast pioneer **Apple**, according to an October survey from Edison Research.

The trend got started in the pandemic, when consumers desperate for human contact began tuning into **Zoom** videos of their favorite hosts recording podcasts, and the behavior proved sticky, YouTube told The Wall Street Journal in November.

The addition of video has been a gift to advertisers: Podcasting inventory on YouTube offers a highly engaged audience and sometimes hours of video per podcast to break up the sometimes-unskippable ads. It also allows sponsors to augment the prized host-read ads with visuals.

The number of podcast ad campaigns with a visual component has increased 23% in the past 12 months, according to measurement provider Podscribe. Some podcast hosts now place sponsors’ logos, products and discount codes

around their physical studios so they are seen on camera. Others film live product demos and produce scripted skits to promote sponsors.

Shopping on TikTok

In just over a year, the TikTok Shop has seen wild consumer uptake and—if the social-media platform gets to live on in the U.S.—that embrace is on track to expand.

Half of surveyed U.S. users who use TikTok once a month or more say they have already bought something on it, and 90% of them say they would do it again, according to the trends analysis publication The New Consumer and venture-capital fund Coefficient Capital. The fashion, accessories, beauty and personal-care categories account for the bulk of TikTok Shop’s business, but consumers are also using it to purchase food, baby items and collectibles, the research found.

TikTok Shop’s easy-to-navigate user interface and its appealingly casual aesthetic have set the scene for social commerce, which until now has struggled to gain a footing in the U.S., said Dan Frommer, founder of The New Consumer.

“Because TikTok Shop is so deeply integrated into TikTok, you put your payment info in once, and then you can just buy stuff whenever you want,” Frommer said. “It’s just so seamlessly integrated.”

To be sure, TikTok shoppers still spend a lot more on **Amazon.com**, **Target** and **Walmart**, the survey found. And TikTok is hardly immune from the trust problems that suffuse the online world.

Just over a quarter of TikTok users who haven’t bought anything from TikTok Shop said they don’t trust the company with their credit-card information, according to the research. Twenty-four percent said they don’t trust the quality of the products and 14% said the prices listed seem too good to be true.



Chipotle CFO Adam Rymer.

CHIPOTLE MEXICAN GRILL



BUSINESS NEWS

# SingPost Fires Group CEO, Two Others

Company says they were negligent in handling internal investigation

By BEN OTTO

**Singapore Post** has fired its group chief executive and two other senior leaders after finding them negligent in the handling of a whistleblower

report related to the company's international business operations. SingPost said in a statement filed to the stock exchange late Sunday that it had terminated the employment of Group CEO Vincent Phang, Group Chief Financial Officer Vincent Yik and Li Yu, CEO of the company's international business unit. It said the three were "grossly negligent" in their handling of an internal

investigation into a whistleblowing report made earlier this year. The report alleged that manual entries of certain delivery status codes had been made in SingPost's international business unit, related to shipments the company had agreed to deliver for one of its largest customers. The manual entries were allegedly made without basis or supporting documentation, "and with the

intention of avoiding contractual penalties," SingPost said. The company said it had previously fired three managers involved in the matter. Phang and Yik both denied the allegations made against them in disciplinary proceedings, according to filings by SingPost. Both men indicated through legal representation that they would "vigorously contest the termination" of employment, "both on merits

and on the grounds of procedural unfairness," SingPost said in its statement. Li couldn't be reached for comment. SingPost said it agreed to pay the customer in question a settlement sum in the case. It said the settlement isn't expected to have a material impact on earnings for the current financial year, and that a contract with the customer has been renewed following

the settlement. SingPost said it would announce a new group CEO in due course and named Isaac Mah, CFO of its Australian unit FMH Group, as group CFO. An acting CEO will be appointed to head the international business following a board review of the unit. SingPost shares dropped on Monday, but gained back some of their losses on Tuesday and Thursday.

# Sekisui Chemical To Make Solar Films In \$2 Billion Project

By KOSAKU NARIOKA

**Sekisui Chemical** plans to mass-produce light, flexible solar films as part of a government-subsidized \$2 billion project. The Japanese chemical company said Thursday that it will establish a subsidiary in January to produce perovskite solar cells, which are light and flexible. The government-owned Development Bank of Japan will take a 14% stake in the venture. Sekisui Chemical said the government will subsidize half the project's total cost,

amounting to ¥314.5 billion, equivalent to about \$2 billion. Production is expected to begin in April 2027. As part of the project, Sekisui Chemical will acquire industrial property in Osaka from **Sharp Corp.** for ¥25 billion. Sekisui Chemical plans to begin selling perovskite solar films produced at its existing facilities in 2025. The solar films are targeted for use on the roofs and exterior walls of factories and warehouses, as well as public-sector gymnasiums and other venues.



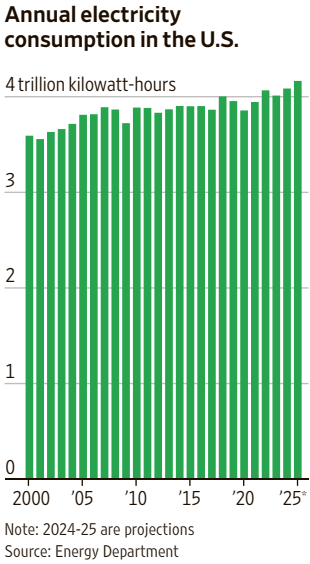
Rising demand coupled with tax incentives have helped drive private-equity investments in the U.S. renewable-power sector.

# Green-Energy Investment Expected To Continue Flowing Under Trump

By LUIS GARCIA

Some private-equity managers that invest in renewable-power infrastructure hope that soaring demand for electricity in the U.S. will shape President-elect Donald Trump's energy policies in their favor, as electricity shortages could harm the economy and hamper investment in new factories and data centers. Rising electricity demand coupled with tax incentives for clean energy helped drive private-equity investments in the U.S. renewable-power sector in recent years, according to fund managers. Now, Trump's promises to cut incentives and place tariffs on renewable-energy equipment have raised concerns among investors. Executives at some private-equity firms, however, expect the new administration to think twice before taking any action that could limit efforts to meet surging electricity demand, no matter its pronouncements on clean energy. Those executives point to the continuing manufacturing boom in the U.S. and the hundreds of billions of dollars that large technology companies plan to invest in artificial intelligence in coming years. Planned factories and AI-optimized data centers will only become reality if there is enough electricity to power them, the firms' leaders said. "Trump is going to do everything possible to facilitate the development of electricity to support the build-out because the constraining factor is availability of electricity," said

Doug Kimmelman, founder and senior partner at Energy Capital Partners. ECP, as the energy-infrastructure investor is known, recently formed a partnership with buyout giant **KKR** to invest \$50 billion in new data centers and power-generation projects worldwide. Electricity consumption in the U.S. is expected to reach a record of roughly 4.09 trillion kilowatt-hours this year and increase a further 1.9% in 2025, according to U.S. Energy Information Administration data. This year's projected consumption would be about 6% greater than the total consumed in 2020, the data show. In recent years, photovoltaic solar- and wind-power projects accounted for the bulk of the nation's new generating capacity to meet that rising demand. Such projects have benefited both from tax incentives and lower costs compared with fossil-fuel-powered plants, said Peter Davidson, chief executive of Aligned Climate Capital. His New York investment firm buys community-solar projects in U.S. rural areas and backs clean-energy startups. "Over 80% of all new power generation is wind and solar, and that's because it's cheaper, it's cleaner and it's much quicker to build and install," he said. More than a desire to protect the environment, lower costs are driving so-called red states, or those that tend to elect Republican leaders, to embrace renewable energy, private-equity managers said. In some other states, such as New Mexico, renewable-energy sources often support oil-and-



Denman said. Renewable-energy development in Hobbs is part of an effort by Lea County, located in the oil-rich Permian Basin, to diversify its economy and ensure that local oil-and-gas companies have enough power for their operations, said Vance Nobe, founder and CEO of solar developer Akari Energy. Houston-based Akari is doing the groundwork, including securing permits and connections to the regional transmission grid, for Lydian's projects. "They want multiple sources of power because they have such a high demand there," Nobe said of local oil-and-gas companies. He noted that Lea County ranks No. 1 in the U.S. for oil production and the sector drives its economy. "If oil-and-gas production were to go up, they would need a lot more electricity to run their pump jacks," he said. The declining cost of renewable energy means tax incentives are less vital to the industry, Excelsior's Denman said. Still, eliminating incentives would likely raise consumers' electric rates and divert investors seeking tax benefits, she said. That would hurt the economy, she said, adding that fossil-fuel investors also benefit from tax breaks. "The economics of renewable energy make sense without tax credits, but the cost of the energy will go up if the tax credits go down," she said. "We think that tax-credit incentives are helpful to accelerate the adoption of clean energy alongside oil and gas, which also receives tax benefits."



A perovskite solar cell at a Sekisui research lab.

# Santander Set to Sell Its Stake in Caceis

By ELENA VARDON

Spain's **Santander** is set to sell its 30.5% stake in Caceis to **Crédit Agricole**, bringing the asset servicing bank back under full control of the French lender. Crédit Agricole will own 100% of its Caceis subsidiary following the transaction, which is set to close during 2025 subject to approvals, the groups said last week. The banks joined forces in 2019 to merge their custody and asset servicing operations in a transaction that brought the Spanish, Brazilian, Mexican and Colombian activities of Santander Securities Services together with Crédit Agricole's Caceis under the Caceis name. The French group held 69.5% of the combined

group while Santander owned the remaining 30.5%. The long-term partnership between Caceis and the Spanish bank will be maintained but the Latin American joint venture isn't part of the transaction and will remain controlled by both entities, the companies said. The stake purchase will have a negative impact of around 30 basis points, or hundredths of a percentage point, on its fully loaded common equity Tier 1 ratio—a key measure of balance sheet strength, Credit Agricole said. For Santander, the disposal will have a positive impact of around 10 basis points on its CET1 ratio and won't have a relevant impact on its earnings. The groups didn't disclose financial details of the deal.

# Business Ownership Reporting Deadline Receives an Extension

By MENGQI SUN

The January 2025 deadline for existing companies to file their beneficial ownership information to U.S. regulators is back on, but the Treasury Department is giving a short reprieve to many entities following a brief period when the filing date was in doubt. The Fifth Circuit Court of Appeals, in a ruling Monday, reversed an injunction issued by a Texas district court judge earlier this month that blocked the national implementation of the Corporate Transparency Act. That ruling put the Jan. 1, 2025, deadline back on for millions of small businesses and certain corporate entities to report information about their ownership. Within hours of the ruling on

Monday, the Treasury Department's Financial Crimes Enforcement Network, which implements and enforces the law, said that it is giving additional time for companies to file, including extending the deadline to Jan. 13 for some existing companies. Texas District Judge Amos Mazzant issued the temporary injunction on Dec. 3, saying he needed to fully consider arguments on both sides, but made it clear in the ruling that he thought the law was likely unconstitutional. Lawyers for the Treasury Department filed an appeal and an emergency motion to stay the injunction in the same week. The federal appeals court judges on Monday sided with the Treasury Department, saying it considered four factors

in its decision to stay the injunction. Specifically, the appeals court judges said "the government has made a strong showing that it is likely to succeed on the merits in defending CTA's constitutionality," according to the court order. The Corporate Transparency Act, a piece of bipartisan legislation passed in 2021 to curtail the use of anonymous shell companies and to track the flow of illicit money, mandated companies to file beneficial ownership information to a little-known-to-the-public agency within the

Treasury Department, FinCEN, or face potential penalties and possible jail time. It was estimated more than 32 million small businesses nationwide would need to comply with the law. FinCEN said it had received about 10 million beneficial ownership reports by Dec. 2. The agency has been working to raise awareness of the requirements this year. A spokesperson for FinCEN said in a statement that the circuit court's decision "underscores the importance and urgency of the Corporate

Transparency Act for national security. "We continue to believe that the law is constitutional and will continue to pursue an appeal," the spokesperson said. Monday's ruling is the latest development in the rollout of the CTA, which has faced a roller-coaster ride in recent weeks, particularly after a failed congressional effort to provide a reprieve on the deadline last week. The first stopgap bill reached by congressional leaders last week to avoid a government shutdown proposed to push back the effective date of the CTA for another year, to Jan. 1, 2026. But the 1,547-page bipartisan bill was later derailed by President-elect Donald Trump. Congressional

leaders then worked to put together a much shorter stopgap bill, at 118 pages, which didn't include the CTA relief provision. That stopgap bill eventually passed Congress and was signed into law by President Biden Saturday morning without the relief provision. Todd McCracken, president of the National Small Business Association, said small-business owners are feeling dismayed by the reinstated deadline. "It is unconscionable," he added. The NSBA in 2022 filed a lawsuit challenging the law and a federal judge in Alabama ruled in its favor. Businesses that were members of the advocacy group as of March 1 are currently exempt from filing pending an appeal.

10M  
Number of beneficial ownership reports received by FinCEN as of Dec. 2



# Xiaomi Adds Access to More EV Chargers

Chinese consumer electronics company recently entered the car market

By JIAHUI HUANG

Chinese consumer-electronics specialist **Xiaomi** will join the electric-vehicle charging networks of rivals **NIO**, **XPeng** and **Li Auto**, giving customers of its emerging auto business access to tens of thousands of charging stations in China.

Xiaomi said in a Weibo post Wednesday that its cars can now be used at more than 14,000 charging stations developed by NIO, 9,000 by XPeng and 6,000 by Li Auto. It didn't provide further details of the deals.

CCB International analyst Qu Ke described the tie-ups as "a natural move for Xiaomi to make the most of available resources."

Xiaomi, known mainly for its smartphones and home appliances, is a late entrant to the world's biggest market for EVs, but it has seen robust sales performance in the crowded and competitive space. Its EV business launched its first car in March, with the segment going on to generate 9.7 billion yuan in revenue, equivalent to \$1.33 billion, in the third quarter. The business's gross profit margin improved to 17.1% from 15.4% in the second quarter.

Xiaomi reached its 2024 delivery goal of 100,000 units in November, earlier than expected, prompting it to raise its annual target to 130,000 units.

Shares of the company, which closed at 32.75 Hong Kong dollars before the Christmas holiday break, have more than doubled this year, thanks to strong earnings and a better-than-expected EV business.



Xiaomi said the tie-ups mean its electric cars can now be charged at thousands more stations in China. The Xiaomi SU7.

## Trump Ally Wants to Be Crypto King

Continued from page B1

it might sound crazy or too much for some people in the early days, eventually I think lots of things we do will have great results."

Sun's World Liberty investment looks like an attempt to curry favor with the incoming Trump administration, according to Dennis Kelleher, CEO of Better Markets, a group that advocates for stronger financial oversight. "But this is a very serious lawsuit," he said. The allegations are "not something that even the new chair of the SEC is going to lightly dismiss."

A Tron spokesman said they "strongly dispute these allegations and any wrongdoing." Sun's companies have sought to dismiss the suit.

Sun said he decided to invest in World Liberty after seeing Trump and his sons Eric and Donald Jr. promote their interest in "bringing crypto and traditional finance together." There was more riding on the sale of World Liberty's tokens than just bringing digital assets into the mainstream; the Trump family-owned entity stood to earn 75% of the net revenue if the project raised \$30 million.

By mid-November, World Liberty had raised only about

\$20 million. Enter Sun, whose \$30 million investment assured the Trumps would get their payout. "I always want to get more people into the crypto industry," he said. Sun's investment decisions, a spokesman said, aren't politically motivated.

Sun came to the U.S. in 2011 to pursue a graduate degree from the University of Pennsylvania. He grew enamored with Musk and his car company, Tesla. And with bitcoin; Sun was studying for the Law School Admission Test when he caught the crypto bug and changed the course of his career.

Sun launched the Tron blockchain in 2017 as a faster

and cheaper alternative to Ethereum, and sold \$70 million of Tron's TRX token before China declared the fundraising method illegal and banned it. In 2018, Ethereum co-founder Vitalik Buterin accused Sun of copying his white paper.

Tron also became a popular destination for transactions using tether, the world's largest stablecoin. Stablecoins, which seek to maintain a value of \$1, are often used for cross-border payments—and for illicit activities.

Almost half of all illicit crypto volume occurred on the Tron blockchain last year, according to cryptoanalytics firm TRM Labs. Tron now works

with TRM to detect illegal activity and has helped freeze about \$70 million of assets this year. As a blockchain, Tron doesn't assess its users' intentions, a Sun spokesman said.

Sun has since expanded his reach into a web of companies, and grabbed attention however he can.

In 2021, he adopted the title "His Excellency" after winning an appointment representing Grenada with the World Trade Organization, though the Caribbean nation has since rescinded Sun's position.

Sun paid \$28 million for the first seat on a space-tourism rocket developed by Jeff Bezos' Blue Origin. He hasn't

taken the trip, citing scheduling conflicts. When Sam Bankman-Fried's FTX crypto empire was collapsing in 2022, Sun gathered journalists in Singapore to declare he would consider buying some assets. No deal emerged.

Fearing Sun's influence, Coinbase, the largest U.S. crypto exchange, this month delisted a token issued by Bit Global, citing "the unacceptable risk" that the coin would fall into Sun's hands. Bit, which is advised by Sun, has sued Coinbase over its decision. The delisting is "not even close to proof of any wrongdoing" by Sun, his spokesman said.

He once even tried to make the case for crypto to one of the market's critics, Warren Buffett. In 2019, Sun placed the winning bid—a \$4.6 million donation—in the annual charitable auction for the opportunity to dine with Berkshire Hathaway's chairman.

The event, on which Buffett declined to comment, didn't go as planned.

Sun postponed the meeting at the last minute, then changed its venue. By the time it was rescheduled, Sun had apologized for his "excessive self-promotion" and "penchant for hyping up things." Unmoved by Sun's pitch, Buffett has steered clear of bitcoin.

As for urging Buffett to invest, and in his many other pursuits of the limelight, Sun has no regrets. "I think Warren Buffett made a mistake," Sun said recently.

—Alexander Osipovich contributed to this article.

## Microsoft Bundles AI With 365

Continued from page B1

tool, but failed to gain much ground against Google. It later launched Copilot, a chatbot and content generator that integrates with 365 software to help write emails, summarize meetings and create PowerPoint slides.

The premium consumer version of Copilot launched in January at a price of \$20 a month in the U.S., which is on top of the roughly \$7 monthly fee for an individual subscription to 365.

Like other tech companies playing catch-up in the AI market, Copilot has struggled against OpenAI's dominant ChatGPT. The Copilot chatbot app was downloaded 37 million times from May 2023 through mid-December, compared with 433 million downloads for ChatGPT, according to Sensor Tower data.

Microsoft also is pushing Copilot to its enterprise software customers at a price of \$30 a person. Business clients are the biggest part of Microsoft's software business.

Businesses have been mixed on Copilot's usefulness and have questioned whether the AI tools' outputs are accurate, if it protects their private data and if it is helpful enough to justify the cost.

The Microsoft spokesman didn't respond to requests for comment on corporate customers' satisfaction with Copilot. The company has said its AI protects user data and meets privacy standards across multiple regions.

Microsoft hasn't released sales figures for Copilot, but recently said at a conference that nearly 70% of Fortune 500 companies use the AI assistant. It also recently said total AI revenue will soon surpass \$10 billion on an annualized basis. That figure encompasses all its AI services, including cloud computing for other developers.

The company is facing pressure from rival enterprise-software companies that have released their own AI-infused products, including Salesforce, as well as AI developers moving into corporate sales. One of the most significant is OpenAI.

Jared Spataro, who heads marketing for Microsoft's workplace AI efforts, has told employees that ChatGPT Enterprise is Copilot's biggest competitor, according to a person familiar with the matter.

Inside the company, Copilot is viewed as the first step of its AI strategy. The next wave will center on agents—automated tools that can handle more complex tasks such as customer-service interactions or booking travel.

Selling customers on agents will be easier if they are already satisfied users of Copilot.

In Australia, adding Copilot to 365 for individuals prompted some blowback on social media.

Fleming looked into removing the AI feature from the software but found it wasn't feasible. Instead, he canceled his subscription. He uses Google Docs now.



Justin Sun put \$30 million into the Trump family-backed crypto project World Liberty Financial.

## Alibaba, E-mart Plan E-Retail Venture

By KWANWOO JUN

Chinese e-commerce company **Alibaba Group Holding** and South Korean retailer **E-mart** plan to set up an online shopping joint venture.

Alibaba and E-mart will combine the assets of their separate e-commerce platforms, AliExpress Korea and Gmarket, to form a 50-50 joint venture, E-mart said in a regulatory filing Thursday.

The joint venture will be launched in 2025, but the two platforms will run independently, E-mart parent **Shinsegae Group** said in a separate statement.

Shinsegae and E-mart said they expect cooperation with Alibaba to help improve their Gmarket services and customer experience in the competitive e-commerce market.

They didn't provide further details of the joint venture, which remains subject to regulatory approval.

Bloomberg earlier reported that Alibaba and E-mart could create a new e-commerce business entity valued at about \$4 billion, citing people familiar with the matter.

Shares of E-mart ended 5.5% higher after a late surge.

## China's AI Startups Are Gaining on U.S. Rivals

By RAFFAELE HUANG AND TRACY QU

SINGAPORE—Chinese startups show signs of catching up with America's leading artificial-intelligence models more quickly than many in the industry had expected, despite the restrictions China faces in buying advanced chips.

DeepSeek, a startup funded by one of China's most successful hedge-fund managers, released a preview version of its latest large language model in November. It said the program's abilities compared favorably with OpenAI's reasoning model called o1, which came out in preview form in September.

Other Chinese companies have made similar claims in recent weeks. Moonshot AI, a startup backed by Chinese internet giants **Alibaba** and **Tencent**, said it developed a model specializing in math with capabilities close to o1, while Alibaba said one of its own experimental research models outperformed the preview version of the U.S. model on math.

The companies haven't published papers describing their models, and evaluating the claims is difficult because there isn't a single agreed-upon test of an AI model's abilities. Still, some U.S. specialists said they were impressed.

China is "catching up faster," said Andrew Carr, a former fellow at OpenAI and currently an AI entrepreneur. He said DeepSeek researchers trying to replicate OpenAI's reasoning model "figured it out within a few months, and

frankly many of my colleagues are surprised by that."

One test used for comparison is the American Invitational Mathematics Examination, which is designed to challenge the brightest high-school math students.

DeepSeek said its model, released in November, delivered performance comparable to a Llama 3.1 model introduced in July by Facebook owner **Meta Platforms**. Researchers who reviewed papers published by the two companies said Tencent's model was likely trained with around one-tenth of the computing power Meta used.

DeepSeek started as the AI research unit of High-Flyer, a quantitative hedge-fund manager with \$8 billion in assets that is known for leveraging AI to trade. In 2021, DeepSeek connected around 10,000 of Nvidia's A100 chips to form a cluster for AI training, which it called Fire-Flyer 2.

In a paper published this August, DeepSeek said Fire-

been using a technique called "mixture of experts," or MoE, in which an initial routing mechanism directs the problem to a specialized expert model like a head chef directing a spaghetti order to the kitchen's Italian cook.

Tencent said its MoE model, released in November, delivered performance comparable to a Llama 3.1 model introduced in July by Facebook owner **Meta Platforms**. Researchers who reviewed papers published by the two companies said Tencent's model was likely trained with around one-tenth of the computing power Meta used.

DeepSeek started as the AI research unit of High-Flyer, a quantitative hedge-fund manager with \$8 billion in assets that is known for leveraging AI to trade. In 2021, DeepSeek connected around 10,000 of Nvidia's A100 chips to form a cluster for AI training, which it called Fire-Flyer 2.

In a paper published this August, DeepSeek said Fire-

Flyer 2 achieved performance close to an Nvidia system containing similar chips, but the Chinese system cost less and consumed less energy. DeepSeek's May paper on its MoE model, which incorporated a technique to process data more efficiently, was widely noted in the industry.

"One way China will get around export controls—building extremely good software and hardware training stacks using the hardware it can access," Jack Clark, co-founder of AI startup Anthropic, wrote in his blog, referring to DeepSeek's cluster. "Made in China will be a thing for AI models, same as electric cars, drones, and other technologies," he wrote.

Many Chinese AI developers have found ways to access restricted Nvidia chips, including through trades with middlemen and overseas data centers.

Nonetheless, the lack of cutting-edge chips is painful to the Chinese startups, according to Chinese executives, and the gap is poised to widen. Nvidia customers are preparing to deploy its latest AI data-center chip, called Blackwell, at significant scale.

Elon Musk's xAI has constructed a data center with 100,000 Nvidia chips and recently raised \$5 billion to do more. Amazon Web Services plans to build a massive AI supercomputer with hundreds of thousands of its homegrown chips. Chinese AI startups are currently valued at a fraction of U.S. companies such as OpenAI because financiers are unsure about their ability to monetize their advances.



Moonshot's Yang Zhilin



THE WALL STREET JOURNAL.

**WORLD IN BRIEF**

**U.S. and U.K. Agree to New Trade Deal**  
The U.S. and U.K. have agreed to a new trade deal, which will eliminate most tariffs on goods traded between the two nations, according to reports. The deal is expected to be signed in the coming weeks.

**U.S. and U.K. Agree to New Trade Deal**  
The U.S. and U.K. have agreed to a new trade deal, which will eliminate most tariffs on goods traded between the two nations, according to reports. The deal is expected to be signed in the coming weeks.

**U.S. and U.K. Agree to New Trade Deal**  
The U.S. and U.K. have agreed to a new trade deal, which will eliminate most tariffs on goods traded between the two nations, according to reports. The deal is expected to be signed in the coming weeks.

**U.S. and U.K. Agree to New Trade Deal**  
The U.S. and U.K. have agreed to a new trade deal, which will eliminate most tariffs on goods traded between the two nations, according to reports. The deal is expected to be signed in the coming weeks.



Workers harvest palm oil at a plantation in Sumatra. A large part of the area has been cleared of rainforest.

**Indonesia Tames Rainforest Destruction**

A blend of government crackdown, boycotts and activists curbs palm-oil firms' encroachment

**In Indonesia**

After years of rainforest destruction, Indonesia has taken steps to curb the loss of its vital natural resources. The government has implemented a series of measures, including a ban on new palm oil plantations in primary rainforest and a crackdown on illegal logging. These efforts have led to a significant reduction in deforestation rates, although challenges remain in enforcing regulations across the vast country.

**U.S. and U.K. Agree to New Trade Deal**  
The U.S. and U.K. have agreed to a new trade deal, which will eliminate most tariffs on goods traded between the two nations, according to reports. The deal is expected to be signed in the coming weeks.

Read the Paper  
You Love  
on Any Device

Access your daily paper anytime, anywhere with our Print Edition app or website. Enjoy convenient access to full-page articles for easy reading and more.

WSJ subscribers have exclusive access. If you haven't yet, activate your digital account today at [WSJ.com/connect](https://www.wsj.com/connect) to start exploring.

DOWNLOAD THE APP  
[WSJ.com/printapp](https://www.wsj.com/printapp)

VISIT ON DESKTOP  
[WSJ.com/ereader](https://www.wsj.com/ereader)



THE WALL STREET JOURNAL.



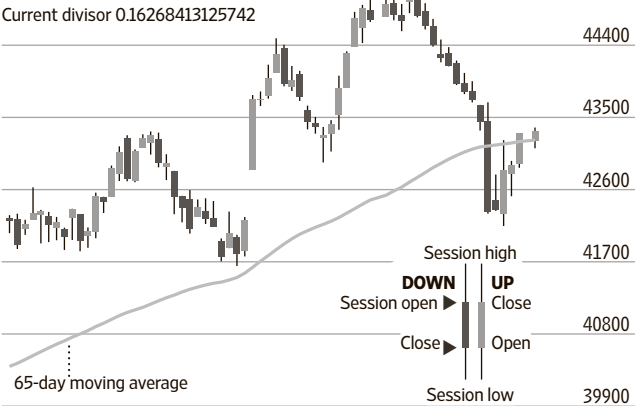
MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

43325.80 ▲28.77, or 0.07%  
High, low, open and close for each trading day of the past three months.

Last Trailing P/E ratio 27.23 27.27  
Year ago P/E estimate \* 22.12 20.70  
Dividend yield 1.87 1.95  
All-time high 45014.04, 12/04/24



Bars measure the point change from session's open

Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	High	52-Week Low	% chg	YTD	% chg 3-yr. ann.
<b>Dow Jones</b>										
Industrial Average	43373.98	43115.09	43325.80	28.77	0.07	45014.04	37266.67	14.9	15.0	6.4
Transportation Avg	16132.99	15959.75	16104.12	40.79	0.25	17754.38	14781.56	0.6	1.3	-0.2
Utility Average	994.56	987.13	991.77	-1.47	-0.15	1079.88	829.38	12.4	12.5	1.2
Total Stock Market	60037.10	59602.89	59938.80	13.28	0.02	60836.59	46849.48	24.9	25.4	7.5
Barron's 400	1276.96	1265.18	1276.18	5.03	0.40	1356.99	1039.19	18.1	19.0	5.5

<b>Nasdaq Stock Market</b>										
Nasdaq Composite	20020.08	19888.11	20020.36	-10.77	-0.05	20173.89	14510.30	32.6	33.4	8.5
Nasdaq-100	21837.70	21645.62	21768.31	-29.34	-0.13	22096.66	16282.01	28.8	29.4	10.1

<b>S&amp;P</b>										
500 Index	6049.75	6007.37	6037.59	-2.45	-0.04	6090.27	4688.68	26.2	26.6	8.5
MidCap 400	3172.27	3141.56	3168.15	10.21	0.32	3390.26	2691.79	12.9	13.9	4.3
SmallCap 600	1437.32	1417.44	1435.70	7.54	0.53	1544.66	1241.62	7.5	8.9	1.1

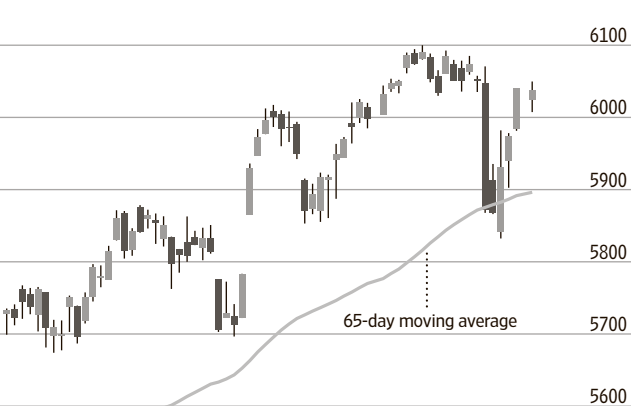
<b>Other Indexes</b>										
Russell 2000	2281.83	2243.80	2280.19	20.34	0.90	2442.03	1913.17	10.8	12.5	0.6
NYSE Composite	19387.38	19282.11	19364.50	23.02	0.12	20272.04	16522.83	14.6	14.9	4.5
Value Line	621.31	615.60	620.88	2.14	0.35	656.04	566.64	3.7	4.5	-2.3
NYSE Arca Biotech	5825.36	5763.07	5822.53	28.55	0.49	6154.34	4861.76	7.2	7.5	1.0
NYSE Arca Pharma	949.54	945.09	947.92	0.12	0.01	1140.17	908.05	4.4	4.2	5.0
KBW Bank	129.68	128.39	129.59	0.38	0.30	138.78	91.80	34.0	35.0	-0.4
PHLX <sup>S</sup> Gold/Silver	140.92	139.36	139.91	0.23	0.16	175.74	102.94	10.6	11.3	2.3
PHLX <sup>S</sup> Oil Service	70.83	69.77	70.71	0.14	0.19	95.25	68.88	-16.7	-15.7	10.0
PHLX <sup>S</sup> Semiconductor	5207.37	5128.76	5175.31	1.75	0.03	5904.54	3908.85	23.0	23.9	9.6
Cboe Volatility	15.93	14.55	14.73	0.46	3.22	38.57	11.86	18.1	18.3	-6.4

<sup>S</sup>Nasdaq PHLX Sources: FactSet; Dow Jones Market Data

S&P 500 Index

6037.59 ▼2.45, or 0.04%  
High, low, open and close for each trading day of the past three months.

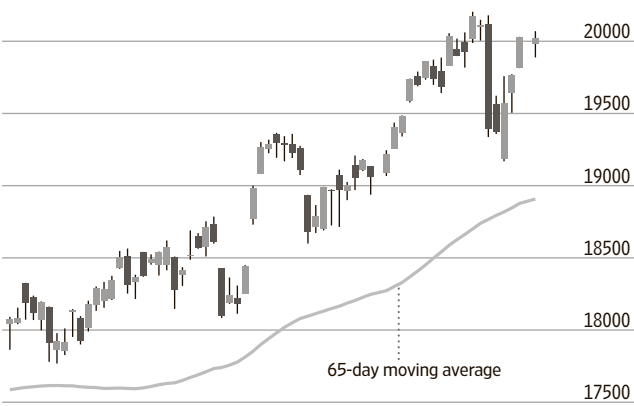
Last Trailing P/E ratio \* 26.64 21.74  
Year ago P/E estimate \* 21.93 21.37  
Dividend yield \* 1.25 1.57  
All-time high 6090.27, 12/06/24



Nasdaq Composite Index

20020.36 ▼10.77, or 0.05%  
High, low, open and close for each trading day of the past three months.

Last Trailing P/E ratio \*\* 33.07 29.98  
Year ago P/E estimate \*\* 27.12 28.78  
Dividend yield \*\* 0.74 0.80  
All-time high: 20173.89, 12/16/24



Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of \$2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After-Hours % chg	High	Low
SPDR S&P 500 ETF Trust	SPY	14,031.7	601.03	-0.32	-0.05	601.57	565.58
Schwab U.S. REIT	SCHH	8,341.9	21.13	-0.01	-0.05	21.36	20.87
iShares Core S&P 500 ETF	IVV	7,221.9	602.29	-1.78	-0.29	604.43	596.48
Sempra	SRE	5,781.0	87.61	...	unch.	87.61	87.13
Finl Select Sector SPDR	XLF	3,772.1	49.11	...	unch.	50.73	49.07
Pfizer	PFE	3,686.1	26.55	-0.01	-0.04	26.65	25.13
NVIDIA	NVDA	3,612.2	139.74	-0.19	-0.14	148.93	130.44
Alibaba Group ADR	BABA	3,535.8	86.18	0.10	0.12	91.74	84.31

Percentage gainers...

Company	Symbol	Volume (000)	Last	Net chg	After-Hours % chg	High	Low
Ambow Education ADR	AMBO	76.9	2.66	0.42	18.75	2.90	1.84
Quantum-Si	QSI	3,515.0	2.52	0.37	17.20	2.52	2.05
Progressive	PGR	149.3	263.44	20.25	8.33	263.44	238.63
Philip Morris Intl	PM	121.0	129.99	8.28	6.80	131.21	120.65
Schneider National	SNDR	62.2	31.61	2.00	6.75	31.61	29.61

...And losers

Zoomcar Holdings	ZCAR	239.8	2.70	-0.13	-4.59	2.82	2.58
Ralph Lauren Cl A	RL	74.1	222.46	-10.16	-4.37	237.10	222.46
Fiserv	FI	73.3	202.26	-8.03	-3.82	211.00	202.26
American Express	AXP	125.5	293.00	-10.99	-3.62	304.50	293.00
Newell Brands	NWL	62.5	9.84	-0.35	-3.43	10.19	9.84

Trading Diary

Volume, Advancers, Decliners  
NYSE NYSE Amer.

Total volume*	657,372,711	22,039,801
Adv. volume*	416,954,300	19,551,619
Decl. volume*	231,161,874	1,893,715
Issues traded	2,839	299
Advances	1,670	196
Declines	1,095	90
Unchanged	74	13
New highs	51	8
New lows	72	4
Closing Arms <sup>1</sup>	0.71	0.09
Block trades <sup>2</sup>	4,019	227

Total volume*	6,467,917,621	183,208,988
Adv. volume*	4,737,821,706	114,032,397
Decl. volume*	1,678,876,943	54,321,542
Issues traded	4,437	2,043
Advances	2,967	1,457
Declines	1,340	530
Unchanged	130	56
New highs	97	24
New lows	87	25
Closing Arms <sup>1</sup>	0.78	1.36
Block trades <sup>2</sup>	53,596	1,057

\*Primary market NYSE, NYSE American, NYSE Arca only.  
<sup>1</sup>(TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Net chg	Latest % chg	YTD % chg
<b>World</b>	<b>MSCI ACWI</b>	<b>856.53</b>	-0.06	-0.01	17.8
	MSCI ACWI ex-USA	326.01	0.25	0.08	3.0
	MSCI World	3778.70	0.17	0.005	19.2
	MSCI Emerging Markets	1084.69	-1.17	-0.11	6.0
<b>Americas</b>	<b>MSCI AC Americas</b>	<b>2269.28</b>	-1.14	-0.05	25.1
Canada	S&P/TSX Comp	24846.82	...	Closed	18.6
Latin Amer.	MSCI EM Latin America	1884.33	5.97	0.32	-29.2
Brazil	Bovespa	121077.50	310.93	0.26	-9.8
Chile	S&P IPSA	3604.44	5.88	0.16	3.9
Mexico	S&P/BMV IPC	49535.58	218.96	0.44	-13.7
<b>EMEA</b>	<b>STOXX Europe 600</b>	<b>503.81</b>	...	Closed	5.2
Eurozone	Euro STOXX	501.41	...	Closed	5.8
Belgium	Bel-20	4246.05	...	Closed	14.5
Denmark	OMX Copenhagen 20	2095.60	...	Closed	-8.2
France	CAC 40	7282.69	...	Closed	-3.5
Germany	DAX	19848.77	...	Closed	18.5
Israel	Tel Aviv	2379.76	-14.24	-0.59	27.6
Italy	FTSE MIB	33739.90	...	Closed	11.2
Netherlands	AEX	876.26	...	Closed	11.4
Norway	Oslo Bors All-Share	1620.61	...	Closed	6.7
South Africa	FTSE/JSE All-Share	84935.27	...	Closed	10.5
Spain	IBEX 35	11473.90	...	Closed	13.6
Sweden	OMX Stockholm	948.84	...	Closed	5.1
Switzerland	Swiss Market	11488.28	...	Closed	3.1
Turkey	BIST 100	9949.01	32.79	0.33	33.2
U.K.	FTSE 100	8136.99	...	Closed	5.2
U.K.	FTSE 250	20571.51	...	Closed	4.5
<b>Asia-Pacific</b>	<b>MSCI AC Asia Pacific</b>	<b>182.05</b>	0.30	0.17	7.5
Australia	S&P/ASX 200	8220.90	...	Closed	8.3
China	Shanghai Composite	3398.08	4.73	0.14	14.2
Hong Kong	Hang Seng	20098.28	...	Closed	17.9
India	BSE Sensex	78472.49	-0.39	-0.001	8.6
Japan	NIKKEI 225	39568.06	437.63	1.12	18.2
Singapore	Straits Times	3761.45	-8.10	-0.21	16.1
South Korea	KOSPI	2429.67	-10.85	-0.44	-8.5
Taiwan	TAIEX	23246.94	26.81	0.12	29.6
Thailand	SET	1397.80	-3.05	-0.22	-1.3

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Close	Net chg	% chg	High	Low	% chg
zSpace	ZSPC	13.90	5.80	71.60	32.69	5.25	...
SEALSO	LAES	8.76	3.29	60.15	9.32	0.29	525.7
Surf Air Mobility	SRFM	5.49	1.98	56.41	11.83	0.90	-49.1
Arqit Quantum	ARQT	43.83	14.70	50.46	44.48	3.72	269.9
Quantum	QMCO	67.37	22.45	49.98	71.93	2.22	920.8
Palladyne AI	PDYN	7.29	2.35	47.57	8.86	0.45	906.8
Gaxos.ai	GXA	3.58	1.03	40.39	19.20	1.01	-8.2
KULR Technology Group	KULR	4.80	1.38	40.35	4.94	0.10	2301.2
Rigetti Computing	RGTI	15.44	4.09	36.04	15.50	0.66	1413.7
Danimer Scientific	DNMR	4.36	1.13	34.98	73.60	2.45	-89.8
OS Therapies	OSTX	5.11	1.28	33.29	6.48	1.58	...
Vertitone	VERI	3.36	0.83	32.81	7.76	1.48	75.0
New Era Helium	NEHC	3.60	0.87	31.87	12.29	2.21	-66.1
POET Technologies	POET	7.59	1.83	31.77	7.79	0.84	723.6
WISEKey Intl Hldg ADR	WKEY	13.00	3.10	31.31	14.00	1.61	556.6

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
XTI Aerospace	XTIA	264,665	348.6	0.04	2.04	7.99	0.04
SciSparc	SPRC	238,244	32742.1	0.50	126.04	6.78	0.20
Coeptis Therapeutics	COEP	204,543	40317.8	0.21	48.59	0.82	0.13
Rigetti Computing	RGTI	201,704	228.7	15.44	36.04	15.50	0.66
SES AI	SES	191,640	4387.0	1.42	100.00	1.92	0.20
SMX (Security Matters)	SMX	170,703	625.9	0.35	58.85	66.72	0.18
SEALSO	LAES	158,539	640.2	8.76	60.15	9.32	0.29
reAlpha Tech	AIRE	130,303	133871.1	3.58	161.31	4.49	0.53
SoundHound AI	SOUN	128,971	141.4	24.23	19.71	24.98	1.62
Lucid Group	LCID	123,026	80.7	3.30	3.12	4.43	1.93

\* Volumes of 100,000 shares or more are rounded to the nearest thousand

Scan this code

Get real-time U.S. stock quotes and track most-active stocks, new highs/lows, mutual funds and ETFs.

All are available free at [WSJMarkets.com](https://www.wsjmarkets.com)

Percentage Losers

Company	Symbol	— Latest Session —			52-Week		
		Close	Net chg	% chg	High	Low	% chg
Linkers Industries Cl A	LNKS	3.30	-6.29	-65.59	10.27	2.31	
Baosheng Media	BAOS	4.42	-2.68	-37.75	13.66	1.44	18.8
Neuphoria Therapeutics	NEUP	4.45	-2.18	-32.88	19.20	2.12	-76.1
Meiwei Technology	WNW	1.74	-0.45	-20.55	11.11	0.71	-43.7
Direct Digital	DRCT	3.01	-0.70	-18.87	35.88	0.51	-80.9
Hour Loop	HOOR	3.58	-0.82	-18.64	6.90	0.83	161.3
Foresight Autonomous ADR	FRSX	2.03	-0.38	-15.77	2.63	0.57	88.0
Polyrizon	PLRZ	1.77	-0.31	-14.90	4.80	0.77	...
Nvni Group	NVNI	4.95	-0.80	-13.91	12.19	0.33	211.3
Avalon GloboCare	ALBT	3.55	-0.55	-13.41	21.60	2.11	-50.2
Silexion Therapeutics	SLXN	2.22	-0.34	-13.28	122.02	1.86	-97.7
Tian Ruixiang	TIRX	1.76	-0.26	-12.87	7.40	1.38	-53.1
Foxx Development Holdings	FOXX	5.11	-0.71	-12.20	14.99	2.89	-53.9
Chenghe Acqn I Cl A	LATG	12.38	-1.71	-12.11	14.99	9.00	12.2
Lixiang Education ADR	LXEH	5.00	-0.68	-11.97	65.06	1.95	-76.5



COMMODITIES

wsj.com/market-data/commodities

Futures Contracts

Metal & Petroleum Futures						
	Open	Contract High Low	Settle	Chg	Open interest	
<b>Copper-High (CMX)</b> -25,000 lbs.; \$ per lb.						
Dec	4.0730	4.0775	4.0685	4.0720	0.0225	448
March'25	4.1150	4.1455	4.0725	4.1275	0.0175	124,436
<b>Gold (COMEX)</b> -100 troy oz.; \$ per troy oz.						
Dec	2628.50	2637.80	2627.90	2638.80	18.80	42
Jan'25	2623.30	2642.40	2622.80	2640.30	17.50	4,005
Feb	2638.00	2655.70	2634.10	2653.90	18.40	335,121
April	2658.20	2678.70	2657.30	2677.10	19.00	56,323
June	2682.00	2702.50	2682.00	2701.10	19.20	33,989
Aug	2704.80	2724.90	2704.50	2724.10	19.20	13,682
<b>Palladium (NYM)</b> -50 troy oz.; \$ per troy oz.						
Dec	930.00	936.50	936.50	906.40	-31.90	3
March'25	947.00	955.00	920.00	922.30	-31.00	17,910
<b>Platinum (NYM)</b> -50 troy oz.; \$ per troy oz.						
Dec	932.00	932.00	932.00	952.20	-6.30	2
April'25	962.60	969.80	958.20	965.10	0.30	72,918
<b>Silver (COMEX)</b> -5,000 troy oz.; \$ per troy oz.						
Dec	30.015	30.115	29.980	30.047	0.073	79
March'25	30.300	30.485	30.145	30.389	0.106	116,652
<b>Crude Oil, Light Sweet (NYM)</b> -1,000 bbls.; \$ per bbl.						
Feb	70.20	70.75	69.33	69.62	-0.48	342,490
March	69.72	70.25	68.94	69.23	-0.41	231,158
April	69.36	69.86	68.63	68.91	-0.36	119,049
June	68.85	69.24	68.10	68.36	-0.34	174,777
Sept	68.00	68.31	67.33	67.52	-0.32	94,956
Dec	67.10	67.45	66.48	66.71	-0.31	156,424
<b>NY Harbor ULSD (NYM)</b> -42,000 gal.; \$ per gal.						
Jan	2.2230	2.2496	2.1969	2.2053	-0.162	24,337
Feb	2.2342	2.2531	2.2014	2.2102	-0.160	113,079
<b>Gasoline-NY RBOB (NYM)</b> -42,000 gal.; \$ per gal.						
Jan	1.9734	1.9740	1.9362	1.9458	-0.131	20,756
Feb	1.9826	1.9841	1.9466	1.9572	-0.119	107,248
<b>Natural Gas (NYM)</b> -10,000 MMBtu.; \$ per MMBtu.						
Jan	3.970	4.010	3.652	3.715	-0.231	22,076
Feb	3.530	3.530	3.256	3.319	-1.385	178,820
March	3.038	3.060	2.867	2.883	-1.359	293,897
April	3.020	3.022	2.873	2.886	-1.336	121,658
May	3.098	3.098	2.971	2.985	-1.112	104,023
Oct	3.552	3.570	3.463	3.482	-0.083	108,287

Agriculture Futures						
	Open	Contract High Low	Settle	Chg	Open interest	
<b>Corn (CBT)</b> -5,000 bu; cents per bu.						
March	448.50	454.25	448.50	453.75	5.25	765,553
May	455.00	461.00	454.75	460.50	5.50	275,634
<b>Oats (CBT)</b> -5,000 bu; cents per bu.						
March	333.75	338.00	329.75	330.50	-7.00	3,268
May	342.50	342.75	339.00	338.75	-2.25	312
<b>Soybeans (CBT)</b> -5,000 bu; cents per bu.						
Jan	979.00	989.75	972.25	988.00	12.75	76,465
March	985.00	998.00	979.75	997.25	16.00	396,958

Cash Prices | wsj.com/market-data/commodities

Thursday, December 26, 2024

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

Thursday			Thursday			Thursday		
Energy			Metals			Food		
Coal,C,Aplc.,12500Btu.,12502-r,w		75.250	BMI Lithium Carbonate, EXW China, ~95% v-w		9340	Beef,carcass equiv. index		302.09
Coal,PwdrRvrBsn,8800Btu.,0.8502-r,w		14.200	BMI Lithium Hydroxide, EXW China, ~56% v-w		10500	choice 1-3,600-900 lbs.-u		271.07
Metals			BMI Cobalt Sulphate, EXW China, >20% v-w		3528	select 1-3,600-900 lbs.-u		271.07
<b>Gold, per troy oz</b>			BMI Nickel Sulphate, EXW China, >22% v-m		3512	Broilers, National comp wtd. avg.-u-w		1.3261
Engelhard industrial	n.a.		BMI Flake Graphite, FOB China, ~100 Mesh, 94-95% v-m		435	Butter, AA Chicago-d		2.5750
Handy & Harman base	n.a.		Fibers and Textiles			Cheddar cheese,bbl,Chicago-d		174.00
Handy & Harman fabricated	n.a.		Burlap,10-oz,40-inch NY yd-n,w		0.8500	Cheddar cheese,bbl,Chicago-d		174.00
LBMA Gold Price AM	*Closed		Cotton,11/16 std lw-mdMphs-u		0.6625	Milk,Nonfat dry,Chicago lb-d		138.25
LBMA Gold Price PM	*Closed		Cotlook 'A' Index-t		*Closed	Coffee,Brazilian,Comp-y		n.a.
Kruggerand,wholesale-e	2741.14		Hides,hvy native steers piece fob-u		n.a.	Coffee,Colombian, NY-y		n.a.
Maple Leaf-e	2767.50		Wool,64s, staple, Terr del-u,w		n.a.	Eggs,large white, Chicago-u		5.5050
American Eagle-e	2767.50		Grains and Feeds			Flour,hard winter KC-p		14.20
Mexican peso-e	3185.88		Bran,wheat middlings, KC-u,w		149	Hams,17-20 lbs, Mid-US fob-u		1.14
Austria crown-e	2586.52		Corn,No.2 yellow,Cent IL-bp-u		4.2800	Hogs,Iowa-So. Minnesota-u		83.29
Austria phil-e	2767.50		Corn gluten feed,Midwest-u,w		122.6	Pork bellies,12-14 lb MidUS-u		1.4791
<b>Silver, troy oz.</b>			Corn gluten meal,Midwest-u,w		475.2	Pork loins,13-19 lb MidUS-u		0.9751
Engelhard industrial	n.a.		Cottonseed meal-u,w		n.a.	Steers,Tex.-Okla. Choice-u		n.a.
Handy & Harman base	n.a.		Hominy feed,Cent IL-u,w		108	Steers,feeder,Okla. City-u,w		n.a.
Handy & Harman fabricated	n.a.		Meat-bonemeal,50% pro Mnpls-u		305	Fats and Oils		
LBMA spot price	*Closed		Oats,No.2 milling,Mnpls-u		4.0550	Degummed corn oil, crude wtd. avg.-u,w		n.a.
(U.S.\$ equivalent)	*Closed		Rice, Long Grain Milled, No. 2 AR-u,w		n.a.	Grease,choice white,Chicago-h		0.4000
Coins,wholesale \$1,000 face-a	22908		Soybean Meal,Cent IL,rail,ton48%-u,w		302.10	Lard, Chicago-u		0.4000
<b>Other metals</b>			Soybeans,No.1 yllw IL-bp-u		9.6600	Soybean oil,crude,Cent IL-u,w		0.4051
LBMA Platinum Price PM	*Closed		Wheat,Spring14%-pro Mnpls-u		8.0400	Tallow,bleach,Chicago-h		0.4275
LBMA Palladium Price PM	*Closed		Wheat,No.2 soft red,St.Louis-u		5.5200	Tallow,edible,Chicago-u		n.a.
Platinum,Engelhard industrial	n.a.							
Palladium,Engelhard industrial	n.a.							
Aluminum, LME, \$ per metric ton	*Closed							

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Souland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. \*Data as of 12/25

Source: Dow Jones Market Data

Exchange-Traded Portfolios | wsj.com/market-data/mutualfunds-etfs

Largest 100 exchange-traded funds. Preliminary close data as of 4:30 p.m. ET

Thursday, December 26, 2024					ETF				
ETF	Symbol	Closing Price	Chg	YTD (%)	ETF	Symbol	Closing Price	Chg	YTD (%)
CommSvsSPDR	XLC	99.04	-0.13	36.3	iShNatMuniBd	MUB	106.15	...	-2.1
CnsmnDiscSel	XLX	233.60	-0.37	30.6	iSh1-5YIGCpBd	IGSB	51.64	0.04	0.7
DimenUSCoreEq2	DFAC	35.33	0.14	20.9	iSh1-3YTreabd	SHY	81.79	0.02	-0.3
EniSelSectorSPDR	XLE	84.57	-0.08	0.9	iShRussMC	IWR	90.13	0.17	16.0
FinSelSectorSPDR	XLFX	49.11	0.24	30.6	iShRuss1000	IWB	330.55	0.01	26.0
GrayscaleBitcoin	GBTC	75.76	-3.43	145.4	iShRuss1000Grw	IWF	416.12	-0.15	37.3
HealthCrSelSect	XLI	139.60	0.20	2.4	iShRuss100Vbal	IWD	187.68	0.17	13.6
IndSelSectorSPDR	XLH	134.26	0.07	17.8	iShRuss2000	IWM	225.68	0.13	12.4
InvsNasd100	QQQ	218.04	-0.08	29.4	iShRuss500Grw	IWN	105.13	-0.07	40.0
InvsQQQ	QQQM	529.60	-0.07	29.3	iShSP500Value	IVE	193.99	0.12	11.6
InvsCSPP500EW	RSP	177.90	0.16	12.7	iShSelectDiv	DVY	132.65	0.11	13.2
iShBitcoin	IBIT	54.30	-3.43	...	iSh7-10YTreabd	IEF	92.32	0.08	-4.2
iShBnrdUSDHYCpBd	USHY	36.84	0.24	1.3	iSh20+YTreabd	TLT	87.82	-0.06	-11.2
iShCoreDivGrowth	DGRW	62.28	0.21	15.7	iShUS3MTreabd	IYW	16.42	0.04	34.8
iShCoreMSCIEAFE	IEFA	70.94	0.51	0.8	iShUSTreasuryBd	GOVT	22.43	0.07	-2.6
iShCoreMSCIEM	IEMG	52.95	-0.34	4.7	iShIO-3MTreabd	SGOV	100.26	0.01	-0.0
iShCoreMSCITotint	IXUS	66.75	0.21	2.8	JPMNasdEqPrem	JEPQ	58.13	-0.03	16.4
iShCoreSP500	IUV	604.07	-0.05	26.5	JPM EqPrem	JEPI	58.86	0.07	7.1
iShCoreS&P MC	IVH	63.23	0.33	14.1	JPM UltShlcm	JPST	50.53	0.04	0.6
iShCoreS&P Stk	UR	117.39	0.68	8.4	PacerUSCashCows	CPWZ	57.27	0.09	10.2
iShCoreS&P TotUS	ITOT	131.94	0.06	25.4	ProStoHUIProQQQ	TQQQ	88.25	-0.21	74.1
iShCoreS&PUSGrw	IUSG	144.14	-0.03	38.5	SPDRBgl-3MTB	BIL	91.37	0.02	-0.0
iShCoreS&PUSVal	IUSV	94.13	0.15	-11.0	SPDRDJIA Tr	DIA	433.21	0.16	14.9
iShCoreTUSDbd	IUSB	45.17	0.11	-2.6	SPDR Gold	GLD	244.07	0.68	27.1
iShCoreUSAggBd	AGG	96.84	0.07	-2.4	SPDRPHDevxUS	SPDW	34.33	0.45	1.3
iShEdgeMSCMiniUSA	USMV	90.11	0.04	15.5	SPDRSP500Value	SPYV	51.99	0.19	11.5
iShEdgeMSCISAAQual	QUAL	182.25	0.06	23.9	SPDRPHS&P500	SPYG	70.97	0.04	27.0
iShGoldTr	IAU	49.72	0.67	27.4	SPDRSP500Growth	SPYX	60.10	-0.13	39.9
iShBox5IGCpBd	LQD	107.10	0.09	-3.2	SPDR S&P500	SPY	601.34	0.01	26.5
iShHMSB	MWB	91.48	0.20	-2.8	SchwabIntEquity	SCHF	18.65	0.43	0.9
iShMSCIACWI	ACWI	119.95	0.08	17.9	SchwabUS BrdMkt	SCHB	23.28	0.09	25.5
iShMSCIEAFE	EFA	76.22	0.47	1.2	SchwabUS Div	SCHD	27.59	0.04	8.7
					SchwabUS LC	SCHX	23.81	0.04	26.6

ETF	Symbol	Price	Chg	(%)
SchwabUSLC Grw	SCHG	28.90	-0.14	39.3
SchwabUS SC	SCHE	26.42	0.80	11.9
SPDR S&P MidCpTr	MDY	577.89	0.39	13.9
SPDR S&P Div	SDY	133.69	0.12	7.0
TechSelectSector	XLK	240.69	0.07	25.0
VanEckSemicon	SMH	250.93	-0.18	43.5
VangdSCVal	VBR	200.99	0.38	11.7
VangdExtMkt	VXF	194.62	0.43	18.4
VangdSC Grwth	VBK	287.53	0.53	18.9
VangDivApp	VEU	199.68	0.27	17.2
VangdFTSEAWxUS	VIG	57.97	0.19	3.3
VangdFTSEDevMkt	VEA	48.23	0.40	8.7
VangdFTSE EM	VWM	44.66	-0.25	0.7
VangdGrwth	VUG	425.56	-0.15	36.9
VangdHDiv	VYM	129.35	0.23	15.9
VangdInfoTech	VGIT	645.57	0.17	33.4
VangdIntermBd	BIV	74.67	0.16	-2.2
VangdIntCorpBd	VCIT	80.33	0.11	-1.2
VangdIntermTrea	VFIT	57.85	0.07	-2.5
VangdLC	VGW	277.01	0.03	27.0
VangdMegaGrwth	MKG	356.19	-0.19	37.3
VangdMC	VO	269.11	0.02	15.7
VangdRealEst	VNO	89.65	0.27	1.5
VangdRuss1000Grw	VONG	107.08	-0.10	37.2
VangdS&P500ETF	VOO	552.81	-0.00	26.6
VangdST Bond	BSV	77.07	0.06	0.1
VangdTCpBd	VCV	77.91	0.06	0.7
VangdSC	VB	244.98	0.43	14.8
VangdTXExemptBd	VTEB	49.96	-0.02	-2.1
VangdTotalBd	BND	71.90	0.07	-2.2
VangdTotalIntBd	BNDX	49.12	0.06	-0.5
VangdTotIntStk	VXUS	59.53	0.20	2.7
VangdTotStk	VTI	297.29	0.06	25.3
VangdTotWrldStk	VT	119.84	0.12	16.9
VangdValue	VTV	171.68	0.22	14.8







# HEARD<sub>ON THE</sub> STREET

FINANCIAL ANALYSIS & COMMENTARY

## Is a Productivity Boom In Store for U.S.?

There are strong indications the answer is yes, which would mean a better economy and a more manageable budget deficit

The U.S. could be on the cusp of a productivity boom similar to the one triggered by internet technology in the 1990s. The outlook for the national debt, and much else, depends on it.

Worker productivity is regarded by economists as one of the most important drivers of long-term economic performance. It is essentially just the total output of the economy divided by the number of hours worked, aided by investments in technology and capital. When productivity is booming, it allows the economy to expand faster without triggering inflation. That has positive knock-on effects on all kinds of things, including the fiscal health of the federal government.

Quarterly fluctuations in productivity can be notoriously volatile. The pandemic rendered the data almost impossible to interpret, as both total output and hours worked swung violently. Recently, however, there has been a clear and highly encouraging upward trend.

Preliminary estimates from the Bureau of Labor Statistics show that total nonfarm business sector labor productivity increased 2.0% from a year earlier in the third quarter—the fifth straight quarter of growth at or above 2%. That is significant as the average rate of growth for the five years before the pandemic was 1.6%.

Jeff Schulze, head of economic and market strategy at ClearBridge Investments, argues this productivity jump is thanks to some unique features of the postpandemic labor market. People have switched jobs, locations and even industries at a high rate, meaning workers are now better matched to their roles, he said in an interview. In addition, the “extreme labor market tightness” of the post-pandemic period led companies to step up investment in time- and labor-saving technologies.

“I believe that workers are just much better matched to their jobs today, and what’s happening is now that they are better matched and they’ve been in their roles for a couple years, you’re seeing a boost in productivity that’s going to continue over the next couple of years. And that’s even before all of the investment in artificial intelligence even comes to fruition,” Schulze said.

“When you look on the horizon with all this investment in AI, it’s not hard to get too excited about a productivity boom that will move us up to 2.5% or even 3%,” he added.

To see what a big difference faster productivity could make if it is sustained, consider the Congressional Budget Office’s long-term debt projections. (These are based

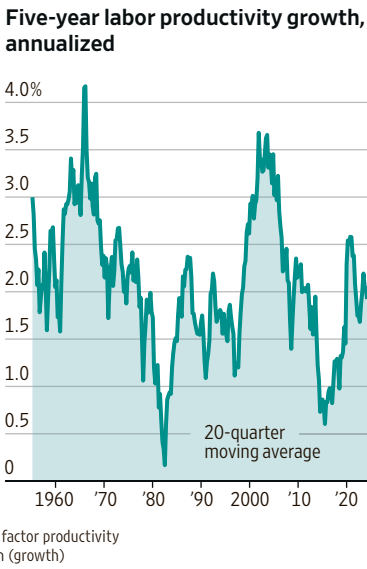
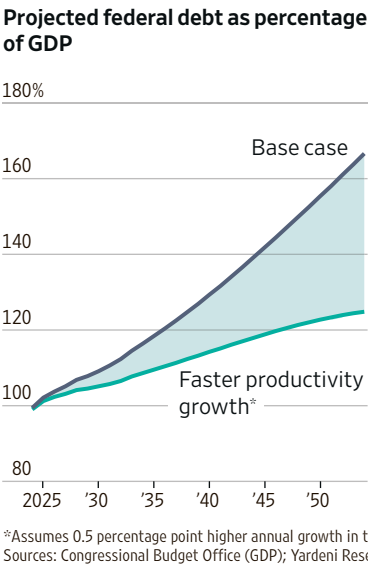


The rise of artificial intelligence stands to give U.S. productivity a much-needed lift. An Amazon.com subsidiary’s AI chip lab in Austin, Texas.

on estimates of total factor productivity, a somewhat more abstract measure that takes into account the productivity of both labor and capital. But the fundamental drivers and direction are similar to labor-force productivity.)

Under its base-case scenario in a May 2024 paper, the CBO sees federal debt held by the public rising from 99% of gross domestic product in 2024 to 116% in 2034. This assumes total factor productivity growth of just 1.1% a year. Raising this estimated productivity growth by half a percentage point would mean the debt-to-GDP ratio reaches a much more manageable 108% of GDP by 2034.

Optimists would argue that the U.S. could do much better. Strategist Ed Yardeni of Yardeni Research is an advocate of a “Roaring ’20s” scenario, whereby he sees rapid growth this decade, driven in part by an AI productivity boom. Due to the volatility of productivity data, he prefers to look at a rolling five-year average of labor productivity growth, which hit an annualized pace of 1.9% in the third quarter of 2024, from a low of just 0.6% in the fourth quarter of 2015. Yardeni believes this could reach 3.5% in the second half of this decade.



“That might sound delusional, but past productivity booms in the late ’50s, the ’60s, and the late ’90s, all peaked at 3.5% to 4%,” he said.

These past booms each had their own drivers, according to Yardeni: The interstate highway buildup and rapid suburbanization of the 1950s, mainframe computers and jet engines in the 1960s and personal computers and the internet in the 1990s.

As these examples make clear,

investments by both the public and private sectors can drive productivity gains. Under the Biden administration, the optimistic case for a productivity boom was built partly on fiscal spending by the federal government, which was designed to encourage or “crowd in” private investment on priorities such as domestic chip production, clean energy and electric vehicles, said Jason Draho, head of asset allocation Americas for UBS Global Wealth Management and another

“Roaring ’20s” advocate. He is less optimistic that lower corporate taxes under the second Trump administration would have as positive an impact on investment, saying much of the previous round of business tax cuts was spent on share buybacks and dividends instead.

But others see ways that tax policy can keep encouraging investment in productivity-enhancing technology. ClearBridge’s Schulze points to the full expensing of investments in equipment, a provision of the 2017 tax cuts that began being phased out in 2023 but could be renewed as part of a new tax package.

For his part, Yardeni said he began talking about a “Roaring ’20s” scenario in 2019, and it was never based on assumptions about policy. “What I’ve learned over the years is to respect how well the economy does despite Washington,” he said.

For those hoping the U.S. economy can keep up its growth and resilience no matter what happens in the nation’s capital, productivity growth holds the key. Quarterly productivity readings, volatile as they may be, will be one of the most important indicators to watch in the years ahead.

—Aaron Back

### MARKETS

## Dow Ekes Out Gain as Bonds Sell Off

Indexes remain on course for robust full-year gains; auto stocks lift Nikkei 225

BY MATT WIRZ  
AND QUENTIN WEBB

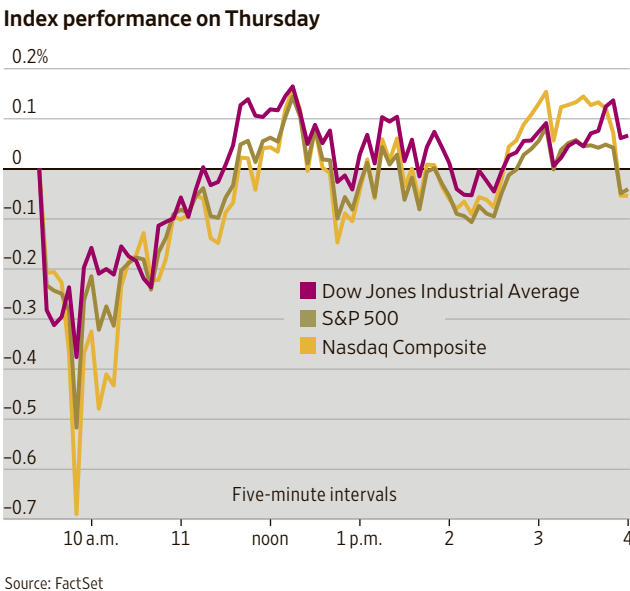
The Dow Jones Industrial Average clung to pre-Christmas Day gains in the first session after the holiday, while a recent bond-market selloff deepened.

The blue-chip index swung between small gains and losses before finishing with a gain of less than 0.1%, just enough to extend a resilient tone from earlier in the week. The S&P 500 and Nasdaq Composite both slipped less than 0.1%.

“What we see is continued interest in buying the dips,” said Matt Peron, head of global solutions in Janus Henderson’s \$53.5 billion multiasset group.

Investors picked up shares of companies that had sold off in recent months, like **Dollar Tree**, which relies on lower-income consumers that have been hit hard by inflation.

The calm in the equity mar-



ket clashed with stubbornly rising bond yields as debt investors expressed concerns about rising inflation and government deficits.

With just a few trading sessions left in 2024, equities are on pace for robust annual gains.

As of Thursday afternoon, the Dow industrials were up roughly 15% this year and the S&P 500 had gained 27%. The Nasdaq Composite, the index most buoyed by exuberance

about the promise of artificial intelligence, was up 33%.

That is despite the Federal Reserve cutting rates less than investors had expected going into this year, as bringing inflation all the way back down to its 2% target has proven challenging.

The benchmark 10-year Treasury yield initially continued its weekslong climb, hitting multimonth highs above 4.63%, before reversing course and settling at 4.577%, accord-

ing to Tradeweb. It closed Tuesday at 4.584%. Bond yields rise as prices fall.

“The bond market is concerned about inflation and the growing deficit and is sending a message to the incoming administration to be thoughtful about its policies,” said Mark Malek, chief investment officer at broker dealer Siebert.

“There’s some bond vigilanism coming into effect that could impact some sectors of the stock market.”

Yields had peaked above 4.7% in April, then pulled back more than a percentage point to hit a trough in September, before starting to rebound in tandem with inflation expectations.

Globally, stocks were mixed. Japan’s Nikkei 225 index added 1.1%, as the car companies **Nissan Motor**, **Mitsubishi Motors** and **Toyota Motor** all gained 6% or more. That took the gauge’s year-to-date advance to more than 18%.

In China, the benchmark Shanghai Composite eked out a 0.1% gain, while the Kospi in South Korea slipped 0.4%. Numerous international stock markets were closed, including those in London, Frankfurt, Hong Kong and Paris.

AUCTION RESULTS	
Here are the results of Thursday’s Treasury auctions. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.	
FOUR-WEEK BILLS	
Applications	\$222,688,415,800
Accepted bids	\$75,256,931,800
“noncompetitively”	\$5,832,767,700
“foreign noncompetitively”	\$0
Auction price (rate)	99.668667 (4.265%)
Coupon equivalent	4.334%
Bids at clearing yield accepted	60.54%
Cusip number	912797NMZ7
The bills, dated Dec. 31, 2024, mature on Jan. 28, 2025.	
EIGHT-WEEK BILLS	
Applications	\$203,178,023,600
Accepted bids	\$70,239,319,900
“noncompetitively”	\$597,623,000
“foreign noncompetitively”	\$30,000,000
Auction price (rate)	99.336556 (4.265%)
Coupon equivalent	4.353%
Bids at clearing yield accepted	46.59%
Cusip number	912797NJ2
The bills, dated Dec. 31, 2024, mature on Feb. 25, 2025.	
17-WEEK BILLS	
Applications	\$186,399,433,100
Accepted bids	\$64,218,633,700
“noncompetitively”	\$597,623,000
“foreign noncompetitively”	\$30,000,000
Auction price (rate)	98.601750 (4.230%)
Coupon equivalent	4.350%
Bids at clearing yield accepted	68.86%
Cusip number	912827PM87
The bills, dated Dec. 31, 2024, mature on April 29, 2025.	
SEVEN-YEAR NOTES	
Applications	\$121,807,340,800
Accepted bids	\$44,433,012,100
“noncompetitively”	\$110,055,600
“foreign noncompetitively”	\$0
Auction price (rate)	99.809877 (4.532%)
Interest rate	4.500%
Bids at clearing yield accepted	90.35%
Cusip number	91282CMC2
The notes, dated Dec. 31, 2024, mature on Dec. 31, 2031.	

## Prosus to Buy Online Travel Agency Despegar

By NAJAT KANTOUAR

**Tencent’s** largest shareholder, **Prosus**, plans to buy Latin American online travel agency **Despegar** for \$1.7 billion as part of its expansion in the region.

Amsterdam-listed investment group Prosus, which owns a roughly \$114 billion stake in Chinese tech giant Tencent, agreed to acquire Despegar for \$19.50 a share. The price marks a 33% premium to its closing share price last Friday, and a 34% premium to its 90-day volume weighted average price, it said Monday. The deal will be funded from existing cash.

Following the acquisition, Prosus aims to serve 100 million customers across local e-commerce, travel and fintech sectors. The transaction has been approved by the travel agency’s board and is expected to be completed in the second quarter of next year.

Prosus plans to create synergies between Despegar and its other regional businesses, the company said.





# Leave no off-roads unconquered.

## The Hyundai SANTA FE Hybrid

From the school pick-up line to the zip-line and everywhere in between, the ruggedly efficient SANTA FE Hybrid can get you there in style. With an EPA-estimated 34 MPG combined, a standard third row, and wild capability, every destination is within reach, no matter the path.



2024 SANTA FE Calligraphy Hybrid AWD preproduction model with optional features shown. 2025 SANTA FE Hybrid SEL, Limited and Calligraphy FWD: 36 City/35 Highway/36 Combined MPG. 2025 SANTA FE Hybrid SEL, Limited and Calligraphy AWD: 35 City/34 Highway/34 Combined MPG. All figures are EPA estimates and for comparison purposes only. Actual mileage may vary with options, driving conditions, driving habits and vehicle's condition. Hyundai is a registered trademark of Hyundai Motor Company. All rights reserved. ©2024 Hyundai Motor America.







PRIVATE PROPERTIES

A Napa Home and Vineyard



helicopter to pick berries for desert. The main house on the ranch still has the wallpaper Barbara chose for the rooms. “Barbara had an incredible sense of style, so she put wild wallpaper in every single room,” Wiseman said. “We’ve continued to live with all of that because it’s just incredible. Every room has its very own personality.” They employ roughly four people full time to work on the property, but during growing season there can be more than 50 people working on the ranch, Green said. The couple said living at the ranch has provided a place to disconnect from the outside world and commune with nature and

FOR SALE  
**\$100 MILLION**  
2,000 acres,  
vineyard

each other. The boys have grown up with enormous freedom to explore, they said. “This is the place that time has forgotten,”

Wiseman said. “We don’t have a TV. We have a fireplace that’s going all the time.” The couple said they are selling because they want to spend more time in England, where Green is from. “Coming to the deep understanding that it’s time to pass the torch has been really hard,” Wiseman said. “And at the same time, I go away with a very, very full heart.”

A buyer could theoretically further subdivide and develop the property, though Wiseman hopes that will not be the case. “My opinion is that it would be a huge mistake and really devastating,” she said. “There is no other place like it in the Napa Valley.” Lail, the listing agent, said it’s rare to find a property of this scale available in the area, where most of ranches and land holdings have been broken up over time. “This is the brass ring,” she said. While \$100 million is a huge price for a residential property in Napa, Lail said the value is complicated by the fact that the property also houses a commercial vineyard. Larger vineyards in the area have sold for more than \$1 billion, she said.

—Katherine Clarke



When Lindsey Wiseman was a teenager growing up in Colorado, she frequently visited her family’s ranch in California’s Napa Valley. Spanning roughly 2,000 acres, the property is a wonderland for children, she said, with lakes, ponds and acres of vineyards to play in. “It was an opportunity to be totally wild and free,” said Wiseman, 41, who now lives on the property with her husband, Andrew Green, and their two young sons. “When you drive through the gates, the rest of the world drops away.” The property, known as Glendale Ranch, grows Cabernet Sauvignon, Malbec, Merlot and other varietals, which are sold to Napa wineries. The property has been in Wiseman’s family since 1938 and Wiseman, who took over con-

trol around 2020, has worked full time on the ranch for about a decade. Now she and Green have made what she said was a difficult decision to sell it. The listing price is \$100 million. Just outside the city of St. Helena, the ranch has four family houses, 40 acres of vineyards, an agricultural barn, a workshop, a winery barn and an extensive road system, according to listing agent Erin Lail of Coldwell Banker Brokers of the Valley. The six-bedroom main house, a roughly 3,300-square-foot Colonial-style property known as the White House, dates to the 1880s, with the original stained-glass windows. The other residences include a circa-1940s two-bedroom kit home that arrived at the ranch by railroad, Wiseman said, and

two three-bedroom homes dating to the early 1900s. There are also extensive vegetable, herb and flower gardens. Wiseman’s great-uncle, oil magnate David Fasken, purchased the ranch in the 1930s. When he died, the property went to his wife, Wiseman’s great-aunt Barbara Towne Fasken. Wine production is believed to have started at Glendale in the 1880s, but was discontinued during Prohibition, Wiseman and Green said. Barbara restarted the vineyard in the late 1970s. Barbara was a keen aviator and helicopter pilot, serving in World War II as a Women’s Airforce Service Pilot, Wiseman said. The Faskens had a home in Marin County outside San Francisco, Wiseman said, and according to

family lore, Barbara’s favorite party trick when the Faskens hosted dinners there was flying the ladies to Glendale Ranch by



FROM TOP: DANIEL CASO; SASHA MORANEC; CH. TIM CARL



SAVANNA

OLARA

DouglasElliman  
Development Marketing

DISCOVER THE RHYTHM OF AN EXTRAORDINARY DAY  
NOW UNDER CONSTRUCTION · PRICED FROM \$2-10 MILLION · SCHEDULE YOUR PRIVATE PRESENTATION  
1919 N Flagler Dr, West Palm Beach, FL 33407 · 561-401-0066 · OlaraWestPalmBeach.com

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND TO THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE. This is not intended to be an offer to sell, or solicitation to buy, condominium units to residents of any jurisdiction where prohibited by law, and your eligibility for purchase will depend upon your state of residency. All images and designs depicted herein are artists' conceptual renderings, which are based upon preliminary development plans, and are subject to change without notice in the offering documents. All such materials are not to scale and are shown solely for illustrative purposes. This project is being developed by N Flagler Drive Developer, LLC, a Delaware limited liability company, which was formed solely for such purpose. Olara is sponsored by a Savanna affiliate. Savanna is a proven owner, operator, developer, and institutional fund manager with a 30-year track record. It has invested in and developed over 17 million square feet of real estate. Other affiliated parties include the MacCaggart Family Partnership, which has invested in and developed premier real estate projects in the United States and England for over 100 years, as well as Haymes Investment Company and Brandon Rinker. Haymes and Rinker assisted in the acquisition of six of the eight parcels within the assemblage that became the Olara development site and served as development consultants as the site was assembled and the development vision was finalized. The principals of Haymes Investment Company have owned, operated, and developed millions of square feet of commercial, residential, and retail real estate in New York, Florida, and around the United States. Brandon Rinker has assembled some of the premier sites in the Palm Beaches. The Condominium has been registered with the Massachusetts Board of Registration of Real Estate Brokers and Salespersons F-1277-01-01. THE COMPLETE OFFERING TERMS ARE IN A FLORIDA PROSPECTUS AVAILABLE FROM THE DEVELOPER. A CPs-12 APPLICATION HAS BEEN ACCEPTED IN NEW YORK AS FILE NO. CP22-0089. WARNING: THE CALIFORNIA DEPARTMENT OF REAL ESTATE HAS NOT INSPECTED, EXAMINED, OR QUALIFIED THIS OFFERING. This advertisement is a solicitation for the sale of units in Olara Condominium, NJ. Registration #: 22-04-0012. Equal Housing Opportunity.



PRIVATE PROPERTIES



OPEN HOMES CO. / NIERE DAVID/ABACA/ZUMA PRESS (REDFORD)

Robert Redford’s Tiburon Home Sells Above the Asking Price in Less Than a Month

**UPDATE** Less than a month after hitting the market, Robert Redford’s house north of San Francisco has sold for \$4.65 million—just above the asking price and about \$1.5 million more than he paid in 2020.

“The Way We Were” actor and his wife, artist Sibylle Szaggars Redford, listed the Tiburon home for \$4.15 million in early December. The buyer is Cricket Wardein, owner of Mighty Pilates, a chain with locations in the Bay Area and Los Angeles.

Originally built around 1968, the four-bedroom house is roughly 2,824 square feet with views of Keil Cove and Angel Island.



**SOLD**  
**\$4.65 MILLION**  
4 bedrooms,  
2,824 sq. ft.



Redford directed—but didn’t know the Tiburon property belonged to him until her real-estate agent told her. She and her 13-year-old daughter wrote a letter to the Redfords, telling them they loved the creative energy of the home. “That’s an intangible you don’t know if you’ll find or not,” Wardein

said. She also ended up buying three paintings from Szaggars Redford that will continue to hang in the house as a “forever nod” to the prior owner.

While the connection with the star is “fun,” Wardein said, she loved the house either way.

The Redfords didn’t re-

spond to a request for comment. They live primarily in Santa Fe, N.M. They purchased the Tiburon property for \$3.1 million about four years ago and made cosmetic changes to the interior and enhanced the landscaping of the 0.2-acre lot. But they are no longer spending as much time in Tiburon as they would like, they previously told the Journal.

The actor, 88, is known for films ranging from “Butch Cassidy and the Sundance Kid” to “The Horse Whisperer.” The Redfords also have homes in California and Utah.

Tiburon is one of the most affluent communities in the Bay Area and prices shot up during Covid. The median sale price of a home in Tiburon was \$3.2 million in November, up 12% from November 2023, according to real-estate brokerage Redfin.

Steven Mavromihalis of Compass represented the seller. Sara Downs of Golden Gate Sotheby’s International Realty represented the buyer.

—E.B. Solomont

2 ONLINE

# AUCTIONS

WINSTON-SALEM, NORTH CAROLINA

THE ROLLING KNOLL ESTATE

ONLINE AUCTIONS BEGIN MON. JANUARY 27TH

THE FRENCH COVE ESTATE

(866) 924-5294

INTERLUXE.COM/WJNC

INTERLUXE AUCTIONS

In Cooperation with Victoria Five - NC LLC # 198544. Not an offer to residents of those states where registration is required. Property being offered by the seller. Agent is not engaging in auctioneering activities. Interluxe provides advertising and online bidding services only. For full terms please visit www.interluxe.com/termsandconditions



Happy New Year! Carpe Diem!

**THE RITZ-CARLTON RESIDENCES**  
DOVE MOUNTAIN  
  
Tucson, Arizona

Happy New Year from us in the beautiful Sonoran Desert of Southern Arizona! We at The Ritz-Carlton Residences, Dove Mountain hope 2025 is happy, peaceful, and prosperous for your whole family. And we’d be remiss if we didn’t suggest you spend the holidays next year in an exquisite new home or second home right here. Life at The Residences is enjoyable, invigorating, and fascinating all year round. Our designer homes just north of Tucson are as state-of-the-art as they are dazzling. Luxurious single-family residences range from \$1.8 million to over \$5 million, and custom homesites are also available. Forbes Five-Star resort adjacent. Championship golf. 45 miles of trails. Tennis and pickleball. A world-class spa and other amenities. Call now for more information.

(877) 451-7205 | TheResidencesDoveMountain.com



The Ritz-Carlton Residences, Dove Mountain is not owned, developed or sold by The Ritz-Carlton Hotel Company, L.L.C. Dove Mountain Investors, LLC uses The Ritz-Carlton marks under license from The Ritz-Carlton Hotel Company, L.L.C. Access to and use of the recreational amenities of The Golf Club at Dove Mountain requires payment of monthly Club membership dues. This is not an offer of solicitation where prohibited by law. Prices, plans, amenities, availability and improvements referenced herein are subject to change without notice. Sales are conditional upon buyer's receipt and acceptance of the Arizona Subdivision Public Report.



LUXURY  
REAL ESTATE  
DESERVES A  
LUXURY AUCTION®







 **JAN 18**

**Previously...**  
**\$5.4 MILLION**

**Now Selling...**  
**AT OR ABOVE  
\$2.1 MILLION!**

**Boater's Lakeside Retreat**  
Austin, TX

Exceptional location adjacent to Austin Country Club and the Pennybacker Bridge. Features include a gourmet kitchen, elevator, office, 3 beds, and 3.5 baths. Conveys with a covered boat slip on Lake Austin!

**800.997.4235**  
**TexasLuxuryAuction.com**  
Previews by Appt • Brokers Protected

Property listed and offered for sale by Engel & Volkers Austin (Lic#4402983). Listing agent Rianna Alberty (Lic#799401). Platinum Luxury Auctions LLC is a Registered Foreign LLC in the state of Texas (D#2206558063) performing auction and auction marketing services for this transaction. Bid calling by Licensed Texas Auctioneer and Real Estate Sales Agent.

## New Venetians

*Continued from page M1*

wave of second-home buyers reinvigorating historic Venice's residential sector.

Ordinary daily life in the heart of Venice has taken a major hit over the last several decades. According to statistics from the city of Venice, the historic center's permanent population has dropped from a post-war high of just under 175,000 in 1951 to just below 50,000 in 2023—the lowest point, by some estimates, since the Middle Ages. Former residents, relocating to less expensive and more convenient homes on the mainland, have been fleeing soaring tourist numbers, high real-estate prices, and mounting threats of periodic flooding, says Jacopo Galli, a professor of architectural design at Università Iuav di Venezia, who is affiliated with the Venice Sustainability Foundation, a public-private initiative researching ways to promote residential growth in the city.

Services that Italians expect in their daily lives, says Galli, such as easy access to ordinary food markets and a variety of specialty shops, are “just no longer present” in parts of the city, he says, citing in particular the area around Piazza San Marco.

Now, longtime Venice watchers are hoping that recent second-home buyers, whose numbers have spiked in the wake of the pandemic, can give their corners of historic Venice a newfound lived-in feeling.

Jane da Mosto moved to Venice from the U.K. in the mid-1990s. She is co-founder and executive director of We Are Here Venice, a local NGO that is trying to protect the city against the economic and environmental onslaughts of mass tourism, and she says the city's growing numbers of second-home owners “are potentially a really important resource for Venice,” because they are true residents, rather than mere visitors or speculators. Servane Giol, a France-born author who moved to the city 25 years ago, likes to call this conspicuous crop “the new Venetians.”

Venice native Stefano Campostrini is a statistician who has studied demographic trends in and around the historic center. A professor at Ca' Foscari University of Venice, Campostrini says you don't

## MANSION



Calabro in his Venice palazzo. It includes a two-bedroom apartment and art gallery. Calabro is part of a wave of second-home buyers helping to reinvigorate Venice's residential sector.



need to be a full-time resident, let alone a native, to help revive the city's beleaguered residential situation, which has been harmed by short-term vacation rentals, the proliferation of businesses catering almost exclusively to day tourists, and a high vacancy rate.

Some of the outer areas of the historic city, where more modest worker housing was built, feel almost derelict. Campostrini says that up to 20% of Venetian residential units are likely

just sitting empty, with owners either unwilling to renovate or just biding their time while waiting for prices to go even higher. Second-home buyers, though their base may be elsewhere, can help to restore a residential character to certain parts of the city, says Campostrini.

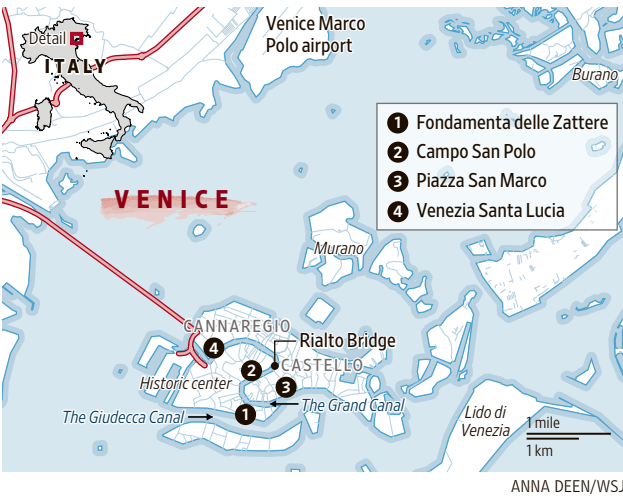
Tommaso Calabro bought his palace complex from the owner of a foundation, who used it for exhib-

its, and he now makes his home, for at least part of every week, in what was previously a pied-à-terre used intermittently by a

foundation officer. “To be Venetian doesn't mean your family has been here for centuries,” says Campostrini, citing the Venetian Republic's tradition, nearly unique in Italy, of welcoming resident foreign colonies during its heyday in the 13th and 16th centuries. Over time, these former foreigners became fully incorporated into Venetian life. “You can become Venetian,” he says.

While there are no reliable statistics tracking second-home ownership in Venice, ballooning numbers of second-home sales at local real-estate agencies testify to the trend. Serena Bombassei, owner and managing director of Venice Real Estate/ Knight Frank, says that growth in interest from second-home buyers at her agency has increased at a rate of at least 10% annually

**20%**  
**Estimated amount  
of vacant homes  
in Venice**



FRANCESCO LASTRICCI FOR WSJ (3)

## Read the Paper You Love on Any Device

Access your daily paper anytime, anywhere with our Print Edition app or website. Enjoy convenient access to full-page articles for easy reading and more.

**DOWNLOAD THE APP**  
WSJ.com/printapp

**VISIT ON DESKTOP**  
WSJ.com/ereader

**THE WALL STREET JOURNAL.**  
TRUST YOUR DECISIONS

©2024 Dow Jones & Co, Inc. All rights reserved. 6DJ9245

# Monitor the Market

Build a custom watchlist to track companies and indexes you care about.

**EXPLORE**

WSJ.com/buildwatchlist



**THE WALL STREET JOURNAL.**

© 2024 Dow Jones & Company, Inc. All rights reserved. 6DJ0225



MANSION

since 2022. The new arrivals are willing to put up with the exotic hassles of renovating centuries-old homes, often built on wooden piles and accessible only by canal, to fulfill what are typically longstanding dreams of living in the traffic-free city of legendary beauty.

Marty Saggese, executive director of a Washington, D.C., nonprofit organization, first visited Venice in 1987, and “it was my favorite place in the world since then.” Now 66, he decided to buy a vacation home here just after the pandemic, and he found an unusual two-bedroom duplex near Zattere, with a massive kitchen custom-built by the previous owner, a professional chef. He paid \$626,000 in 2023, and plans to spend an additional \$62,000 on a renovation that will replace worn-out wooden floors, expose ceiling beams, and update lighting.

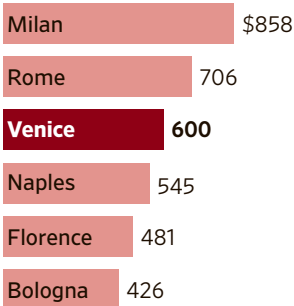
Among his own Venetian-style roadblocks in turning the loft space into a new home: approvals from three separate planning commissions that have postponed closing by well over a year. Saggese’s architect, Venetian native Giovanni Rubin de Cervin Albrizzi, says delays were in part caused by Saggese’s conversion of a previously commercial space into residential use.

Saggese’s home is in the district of Dorsoduro, which runs along the bottom of the historic center. At its outer tip, Grand Canal, the district has lost many ordinary shops and can resemble a resort more than a city. Deeper into Dorsoduro, there is a residual and even vibrant residential feel, with neighborhood butchers, hardware stores, and fresh produce sold from canal barges—which is Saggese’s favorite way to shop.

Local business owners in the heart of Dorsoduro concur on the uptick of second-

A look at how luxury real-estate prices stack up in Italy’s major cities

Average sale price on a per-square-foot basis



Note: Data is from 2Q 2024. Source: Nomisma



This three-bedroom triplex in Cannaregio is listed for \$1.2 million.

Castello palazzo as his Venice base since the mid-1980s.

Ambasz has put his four-story, eight-bedroom landmark, totaling nearly 14,000 square feet, on the market, with an asking price of \$14.6 million. Venice Sotheby’s International Realty has the listing.

Ambasz says he is considering including the décor in the sale for an additional \$8.34 million.

Barbara Da Rin, of Bologna’s Nomisma, an economic-research company that evaluates the real-estate sector, says Venice prices are down somewhat since prepandemic levels. Still, the city is one of Italy’s most expensive, with average premium prices now coming in third, behind Milan and Rome.

Venice Real Estate/Knight Frank has listed a recently restored duplex, centered on the prime floor, or piano nobile, of a 16th-century palazzo, for \$10.23 million. The extravagant two-bedroom, right on the Grand Canal, has a view of the Rialto Bridge—once associated with the city’s local fish market and now a prime spot for selfies.

Even wealthy Venetians are largely priced out of the luxury market in the historic center, says Michelangelo Ravagnan, the agent who sold Calabro his gallery complex. Ravagnan, a native Venetian himself, says Venetians willing to spend more than around \$1.5 million are inclined to head to the Lido, the outer island known for its Art Nouveau villas, beaches and car access. He says a young Venetian professional household dedicated to staying in the historic center might opt for a unit in Cannaregio, a sestiere with a residential feel, where his agency has a 2,580-square-foot, three-bedroom triplex listed for \$1.2 million.



Emilio Ambasz has listed his four-story, eight-bedroom landmark, totaling nearly 14,000 square feet.



home owners. “That side has really picked up since 2021,” says Giuseppe Baldan, owner of Club Delfino, a neighborhood gym, who now counts a growing number of new Venetians working out alongside his native-Venetian regulars.

Local, a one-star Michelin restaurant with a \$200 nine-course menu, has begun to notice second-home owners among its recurring clientele. “This is a trend we have definitely noticed since the pandemic,” says owner Benedetta Fullin, adding that “French, Eng-

lish and Americans are the nationalities that we see doing it the most.”

Fortuny is the home-furnishings label based on the island of Giudecca, just across from Zattere. The company’s co-owner and creative director, Mickey Riad, says new second-home owners have helped Fortuny to double Venice-based sales in the last few years.

Venice has six historic districts, or sestieri, and a few in particular are noted for maintaining a strong residential character, including Castello, which ex-

tends eastward from San Marco. “It’s still all Venetian here,” says Argentine-



American architect Emilio Ambasz, who has used a portion of an 18th-century



Marty Saggese is waiting to close on this loft in Venice.



The Ocean Club  
FOUR SEASONS RESIDENCES  
BAHAMAS  
A TWO ROADS DEVELOPMENT

A LEGACY OF YOUR OWN

The iconic Ocean Club, A Four Seasons Resort, Bahamas is one of the premier resorts in the world, offering unparalleled service, dining, and a renowned white sand beach. For the first time, the resort will also offer the joys of legendary resort living to a select few: **67 turnkey, private residences**, designed to provide generations of barefooted memories.



BAHAMAS: +1 (242) 603-8750 | THEOCEANCLUBRESIDENCES.COM

 The Ocean Club, Four Seasons Residences, Bahamas are not owned, developed or sold by Four Seasons Hotels Limited or its affiliates (Four Seasons). The developer, TRD Cabbage Beach LLC, uses the Four Seasons trademarks and tradenames under a license from Four Seasons Hotels Limited. The marks “FOUR SEASONS,” “FOUR SEASONS HOTELS AND RESORTS,” any combination thereof and the Tree Design are registered trademarks of Four Seasons Hotels Limited in Canada and U.S.A. and of Four Seasons Hotels (Netherlands) Ltd. elsewhere. All a renderings, sketches, graphic materials and photos depicted or otherwise described herein are proposed but not to scale and conceptual only, and are based upon preliminary development plans, which are subject to change are shown solely for illustrative purposes. No guarantees or representations whatsoever are made that any plans, features, amenities or facilities will be provided or, if provided, will be of the same type, size, location or nature as depicted or described herein. The project graphics, renderings, and text provided herein are copyrighted works owned by the AI Land Bahamas, Ltd. All rights reserved. Unauthorized reproduction, display or other dissemination of such materials is strictly prohibited and constitutes copyright infringement. This project is being developed by AI Land Bahamas, Ltd, which was formed solely for such purpose. See <https://www.theoceanclubresidences.com/legal-and-privacy/> for full terms and conditions. Image courtesy of The Ocean Club, Four Seasons Residences, Bahamas. Branding & Creative by Kévo Studio. 



MANSION



The four-bedroom house has the feel of a modernist shed, with a metal roof, dark-stained cedar siding, concrete floors and triple-paned floor-to-ceiling glass windows and walls.

Wilderness  
Luxe Life

Continued from page M1  
house there for about \$3.36 mil-  
lion.

“I fell in love with Black Butte  
and with Oregon,” says Buchanan,  
founder and chairman of a digital-  
advertising and marketing firm in  
Portland, Ore.

He also fell madly in love with

his wife, Shannon Buchanan, 57, at  
Black Butte, which is near Sisters  
and Bend. The couple got together  
at a New Year’s Eve party at Black  
Butte in 1999 and were married  
there in 2001.

The house the couple built is  
positioned so that three major  
peaks of the Oregon’s Cascade  
Mountains are visible from almost  
every room. The intention was to  
make it feel like a base camp from  
which they could launch their  
many and varied outdoor activi-  
ties, such as biking, hiking and

swimming in the lakes, says archi-  
tect Thomas Robinson of Port-  
land-based LEVER Architecture,  
which also designed the building  
for Ryan’s company in downtown  
Portland, a 40,000-square-foot  
“mass timber” structure that was  
prefabricated from regionally  
sourced, cross-laminated timber  
and completed in under a year.

Robinson used the analogy of a  
tent when deciding the siting.  
“Where you put a tent is based on  
shelter and what you would like to  
look at from the camp. The shape

and orientation of the house reflect  
and frame the surrounding moun-  
tain landscape,” he says. To that  
end, he designed the rooms for the  
views, turning the openings toward  
the mountains.

“The creative brief was glamp-  
ing,” says Ryan, who recalls Rob-  
inson showing up with a ladder  
before the house was designed so  
he could see what the view would  
be like from the future second  
floor. When they saw the first-  
floor plans, Shannon says it was a  
surprise. “This design wasn’t

something I had in my brain at  
all,” she says.

The four-bedroom house,  
which took three years and was  
finished in April 2023, has the  
feel of a modernist shed, with a  
metal roof with solar panels,  
dark-stained cedar siding, con-  
crete floors and triple-paned  
floor-to-ceiling glass windows  
and walls. There is an open  
kitchen and a sunken conversa-  
tion pit in the large main room  
with 15-foot ceilings.

An additional inspiration for

Mr.C  
RESIDENCES  
WEST PALM BEACH, FL

BY  
IGNAZIO  
AND  
MAGGIO  
CIPRIANI



ARTIST'S CONCEPTUAL RENDERING

MODERN EUROPEAN  
ELEGANCE FINDS ITS HOME  
IN WEST PALM BEACH

Located in the heart of Downtown West Palm Beach, this  
timelessly chic residential tower will offer the ultimate South  
Florida lifestyle. Beaches and boating, Italian-style dining and  
social spaces are just steps from home.

Residential interiors and amenity spaces reflect the global  
culture and oceanside energy that gives West Palm Beach  
its unique character and soul. Rich, natural materials, open,  
light-filled layouts, ocean-inspired elements and masterful  
craftsmanship touch every detail of design.

COME HOME  
TO MR. C

Residences starting from \$1.5M

MrCResidencesWPB.com  
info@mrcresidenceswpb.com  
561.516.3504

Mr. C Sales Gallery  
401 S. Olive Avenue  
West Palm Beach, FL 33401



Terra SYMPATIO  
Exclusive Sales by Douglas Elliman Development Marketing

This project is being developed by Lakeview Hospitality Investments, LLC, a Delaware limited partnership ("Developer"), which has a limited right to use the trademarks names and logos of Mr. C. DEVELOPER AND ITS AFFILIATES ARE SEPARATE LEGAL ENTITIES FROM MR. C. AND MR. C IS NOT RESPONSIBLE FOR ANY OF THE CONTENT CONTAINED HEREIN. Any and all statements, disclosures and/or representations shall be deemed made by Developer and you agree to look solely to Developer with respect to any and all matters relating to the marketing and/or development of the Condominium and with respect to the sales of units in the Condominium. Our representations cannot be relied upon as correctly stating the representations of the developer. For correct representations please reference to the documents required by section 718.03(2), Florida Statutes, to be furnished by a developer to a buyer or lessee. These materials are not intended to be an offer to sell, or solicitation to buy a unit in the condominium. Such an offering shall only be made pursuant to the prospectus (offering circular) for the condominium and no statements should be relied upon unless made in the prospectus or in the applicable purchase agreement. In no event shall any solicitation, offer or sale of a unit in the condominium be made in, or to residents of, any state or country in which such activity would be unlawful. FOR NEW YORK RESIDENTS: THE COMPLETE OFFERING TERMS ARE IN A QPS-32 APPLICATION AVAILABLE FROM THE OFFEROR. FILE NO. 1724-0026. WARNING: THE CALIFORNIA DEPARTMENT OF REAL ESTATE HAS NOT INSPECTED, EXAMINED, OR QUALIFIED THIS OFFERING. All images and designs depicted herein are artist's conceptual renderings, which are based upon preliminary development plans, and are subject to change without notice in the manner provided in the offering documents. All such materials are not to scale and are shown solely for illustrative purposes. No guarantees or representations whatsoever are made that existing or future views of the project and surrounding areas depicted by artist's conceptual renderings or described herein will be provided as depicted or described. All images, designs, plans, features and amenities depicted and/or described herein are based upon preliminary development plans and are subject to change without notice in the manner provided in the offering documents. All such materials are not to scale and are shown solely for illustrative purposes. Furnishings are only included if and to the extent provided in your purchase agreement. The project graphics, renderings and text provided herein are copyrighted works owned by the Developer. All rights reserved. ©



MANSION



The main bedroom has large glass windows on two sides to give it a treehouse effect. The oak dining table was custom made by a furniture designer in Bend, Ore.

the home’s design was Black Butte’s original lodge, built in early 1970 in a Northwest Regional Midcentury Modern aesthetic and then rebuilt in 2023 as an updated version of that style. Black Butte started its titled life when a wealthy San Franciscan bought what was an operating

cattle and horse ranch in the mid 1930s. Now owned and managed by a homeowner’s association, it consists of 1,251 homesites, 33 miles of private roadways, over 20 miles of bike paths, two 18-hole championship golf courses, 17 tennis courts, five swimming pools, three restaurants, a few shops and

a general store. In 1994, Ryan, then a student at the University of Virginia who grew up in Maryland, went to Black Butte for a summer job. He was blown away by the natural beauty of the area, with views of the Oregon Cascades and easy access to all kinds of outdoor activities. After

college he moved to work as a financial analyst at Intel in Portland, where he first met Shannon, now a retired real-estate agent. After Ryan’s parents came to visit and also fell in love with Black Butte, they started holding annual family reunions there, first renting houses and then in 2001

buying a seven-bedroom house for around \$900,000, sharing it with Ryan and his two sisters. The siblings renovated that house about five years ago for about \$100,000, opening up the kitchen to the main living space and putting in pavers in place of a deck. Ryan and Shannon spent 11 weeks there during Covid. That is when they realized they wanted to spend all their time there, says Ryan.

One day Shannon, who grew up in Portland but didn’t know of Black Butte until college, was riding her bike around the development and saw a lot where a house had been burned in the Cache Mountain Fire of 2002, which destroyed two homes in all. There was still an asphalt driveway, but the house hadn’t been rebuilt. Shannon reached out to the owners to see if they wanted to sell, and it turned out they did. The couple bought the property off market in May 2020 for \$500,000.

Still dotted with charred pine trees, the sparser landscape that resulted from the fire meant lots of light flows through the home’s expansive glass windows and walls. The couple see the home as a camp for both family and friends.



The home was inspired by Black Butte’s lodge. Originally built in 1970, above, and rebuilt in 2023, below.



The family spends much of their time sitting on the outdoor patio in the summer.

ROSEWOOD  
RESIDENCES  
HILLSBORO BEACH

INSPIRED BY PLACE  
Exquisite Oceanfront & Intracoastal Residences  
on Hillsboro Mile

RESIDENCESHILLSBOROBEACH.COM

INQUIRE 754 812 3361  
1180 Hillsboro Mile, Hillsboro Beach, FL Info@ResidencesHillsboroBeach.com



ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

New York Residents: THE COMPLETE OFFERING TERMS ARE FOUND IN A CPS-12 APPLICATION AVAILABLE FROM THE OFFEROR. FILE NO CP23-0067.  
WARNING: THE CALIFORNIA DEPARTMENT OF REAL ESTATE HAS NOT INSPECTED, EXAMINED, OR QUALIFIED THIS OFFERING.

1180 HILLSBORO MILE CONDOMINIUM (the "Condominium") is marketed as Rosewood Residences Hillsboro Beach and is developed by Hillsboro Mile Property Owner, LLC ("Developer"), which uses the marks of The Related Group, Dezer Development, and of Rosewood Hotels and Resorts, LLC under license agreements. Rosewood Hotels and Resorts, LLC is not the offeror and makes no representations with respect to any aspect of the Consult the Prospectus of Developer to understand the amenities, proposed budget, terms, conditions, specifications, fees, Unit dimensions, site plans, and to learn what is included with purchase and by payment of regular condominium assessments. 2023 © HILLSBORO MILE PROPERTY OWNER, LLC, with all rights reserved.



PRIVATE PROPERTIES

# A Home-Turned-Petting Zoo in Malibu

After the 2019 death of their infant daughter, Ben and Stacey Herman channeled their grief into something the little girl had loved: animals.

At their home in Malibu, Calif., the couple opened a nonprofit petting zoo stocked with miniature pygmy goats, babydoll sheep and zebras. They named it Aspen Hope Ranch after their baby girl, who was born with a rare genetic disorder and died at 13 months old. Today, the ranch is a place where families can learn about, touch and interact with animals. “She loved animals and we love animals as a family,” said Ben, 35,

**FOR SALE**  
**\$20**  
**MILLION**  
2.55 acres, barn, animal stalls

a former tech entrepreneur and investor. “It was our way of giving back.” Not anticipating the zoo would become

as popular as it did—Ben estimated several thousand people have visited in recent months—the Hermans are now listing the ranch for \$20 million and plan to buy a more private family residence, where they will move with their four young children. The goal is to relocate the zoo somewhere nearby. “We want to continue the nonprofit by finding space to run it separate from our family home,” Ben said.

Set on about 2.55 acres with ocean views, Aspen Hope Ranch comprises a roughly 5,100-square-foot main residence, a guesthouse and equestrian facilities, including 11 stalls, a riding arena and several pastures.

U.K. natives, the Hermans moved to the U.S. about a decade ago. Ben co-founded the diversity-recruiting platform Canvas and later co-founded a venture-capital firm. The family was living in Brentwood with their two older daughters when Aspen was born in 2018.

Aspen spent much of her short life in the hospital, her parents said, but visits from therapy dogs and miniature horses eased her suffering from a seizure disorder. “Aspen passed away in Stacey’s arms surrounded by all of our family,” said Ben, who has since left the business world to focus on his family and the nonprofit.

The Hermans went on to have two more children, and in 2023 they started looking for a larger property. They paid \$6.65 million for the Malibu property, which had been badly burned in 2018’s Woolsey Fire. A prior owner started to rebuild, and the Hermans took on the existing architectural plans and finished construction in about 14 months, Ben said.

The five-bedroom main residence is made with white oak and several different kinds of natural stone, including honed onyx in the primary bathroom. The two-bedroom guesthouse is about 2,200 square feet. Amenities also include a sports court and a pool.

The equestrian facilities include two custom-built “barn houses” finished with redwood pine. In ad-



The main house is about 5,100 square feet.



dition to the stalls, these contain a wash bay, tack room and office. “We wanted to create what I would say is like the Aman of a zoo,” he said, adding: “I’m a bit crazy like this—I saw it as a real vision of being able to bring these animals together in this space.”

Ben acted as the general contractor on the project, not only directing subcontractors but doing some of the work himself. “I took huge amounts of detail and time to get everything right,” he said. Having stepped away from the business world, “I focused my energy on my family and our life, and tried to rebuild my motivation and drive, which I would say I lost,” he said.

In addition to the sheep, goats and zebra, the ranch has four mini Scottish highland cows, three mini donkeys and three horses. They also have a golden zorse—a hybrid between a zebra and horse—



and a zedonk, a cross between a zebra and donkey. Finally, there are chickens, rabbits and pigs. The Hermans employ a full-time animal keeper and part-time ranch hand to care for the animals. Ben

said their two older children like to help with feeding the animals and mucking out stalls.

Over the past few months, the Hermans have partnered with UCLA and other organizations to

host events for families with children with various disabilities and diseases, from leukemia to cerebral palsy to autism. Through word-of-mouth and social media, the petting zoo has become popular with visitors.

“We never expected the nonprofit side to take off like it did,” Ben said.

Aspen Hope Ranch is located in the Malibu Park neighborhood, where the average lot size is around three-quarters of an acre and entry-level homes sell for more than \$5 million, said listing agent Elizabeth Donovan of Coldwell Banker Realty.

In Malibu, the median home-sale price last month was \$3.6 million, down 2% year-over-year, while sales were relatively flat compared with the prior year, according to real-estate brokerage Redfin.

—E.B. Solomont

ADVERTISEMENT

## Property Portfolio

To Advertise: Visit [WSJ.com/classified](https://www.wsj.com/classified), Email: [adoperations@dowjones.com](mailto:adoperations@dowjones.com) or Call: 800-845-9719



### BOCA RATON, FLORIDA

**GL Homes is proud to introduce** Lotus Edge, the newest property in Boca Raton featuring the cutting edge of luxury. With all-new modern home designs, enhanced standard features, five-star resort-style amenities and an incredible location near the best shopping, dining and beaches in South Florida, Lotus Edge has it all!

**\$1.4 million to \$3 million**

**LotusBoca.com**

**GL Homes**  
phone: 800.616.0416



### WHITETAIL CLUB - MCCALL, IDAHO

**Legacy Ranch Homesite 35** is a spectacular site near the southern edge of Legacy Ranch. At just under 12 acres, this location is ready to accommodate your dream mountain estate. The lakefront clubhouse, the single-track mountain bike trail system, Nordic ski trails, indoor tennis & fitness center, & championship golf course are all outside your doorstep.

**\$1,200,000**

**WhitetailClub.com**

**Whitetail Club Realty, LLC.**  
phone: 877.634.1725 email: [realestate@whitetailclub.com](mailto:realestate@whitetailclub.com)



## To Advertise...

Please call  
**800-845-9719**  
or  
**[email adoperations@dowjones.com](mailto:adoperations@dowjones.com)**

© 2024 Dow Jones & Co, Inc. All rights reserved



MANSION

HOUSE CALL | GORDON RAMSAY

Bonding With Food and His Mom

The host of ‘Kitchen Nightmares’ and ‘Next Level Chef’ on his alcoholic father, peeling veggies with his mother and chasing his dreams in London

**HOUSES MEANT LITTLE** to me growing up in Scotland and England. My family lived in around 20 of them, and some were decrepit rentals in trailer parks. The only residence of substance was public housing in the industrial section of Stratford-upon-Avon when I was 10.

My father had trouble holding jobs and was a womanizer and an abusive alcoholic, which often left my mother bruised and scrambling to make ends meet for us.

I was born outside of Glasgow, Scotland. As a guitarist, my father, Gordon Sr., dreamed of becoming a rock star. We came second, if at all.

Despite our serial moves, I was outgoing and made friends easily.



Then we’d disappear and end up in another town a week later.

My love of food began in Stratford-upon-Avon. My mum, Helen, had a part-time job as a cook at a local bistro on a prominent street.

Before soccer practice and after matches, I’d help her prep by carrying goods from the car and peeling the vegetables. I looked forward to our quality time together.

Through all the strife, Mum was calm and collected. She had all four kids by 21. She told me early on, “Work hard, get your priorities right and everything will fall into place.”

I was tight with my older sister, Diane, and my younger brother and sister, Ronnie and Yvonne. We all shared the stress

of poverty and uncertainty. Between ages 12 and 15, I watched as Dad packed his guitar and amp and headed to far-off places for three or four weeks at a time. Mum had to deal with people chasing money. The family grew closer each time he left. Then there would be a wake of destruction when he returned.

After I graduated in 1982, I enrolled at North Oxfordshire Technical College. I majored in hotel catering but found I was much happier with my freedom in the kitchen. The first person to see my potential was Andy Rogers, head chef at the Wroxton House Hotel. I couldn’t afford an apartment, so I lived there and worked four or five days a week.

After college, off I went to London and worked in a series of restaurants. My turning point was working for Marco Pierre White at Harveys, starting in 1987. For 2½



Ramsay in London in March. Far left, Ramsay at age 12 in Stratford-upon-Avon in 1978.

in 2001, after converting it into a single-family dwelling.

The last time I saw my father, he was homeless. Toward the end of 1997, my brother gave me a number to reach him. I took out money to rent him a place and invited him to my restaurant for

dinner on Jan. 28. On New Year’s Eve, I heard he’d died. He never tasted my cooking.

—As told to Marc Myers

Gordon Ramsay, 58, is a British Michelin-star restaurateur, celebrity chef and author. He is the host of Fox’s “Kitchen Nightmares: Road to Super Bowl LIX,” premiering Jan. 7, and season 4 of “Next Level Chef,” starting Feb. 13.

FROM LEFT: GORDON RAMSAY (FAMILY PHOTO); BRIAN BOWEN SMITH

ADVERTISEMENT

Distinctive Properties

To advertise: email [sales.realestate@wsj.com](mailto:sales.realestate@wsj.com) or [WSJ.com/classifieds](http://WSJ.com/classifieds)

VIRGINIA



**NOW OPEN**

plan wisely.

**DISCOVER LUXURY OF A DIFFERENT KIND**

Introducing The Mather in Tysons, Virginia—a forward-thinking wellness destination for those 62 and better.


Forget what you thought you knew about senior living. Inquire today.

**(703) 348.8522 | [themathertysons.com](http://themathertysons.com)**





FITNESS CENTER • POOL • SPA • RESTAURANTS • BAR + LOUNGE • EVENT TERRACE • CONCIERGE • 3 ACRES GREEN SPACE • ROOFTOP CLUBROOM • DOG PARK



THE WALL STREET JOURNAL.


**DISTINCTIVE PROPERTIES**

SELECT RESIDENTIAL LISTINGS **FRIDAYS IN MANSION**

**LIST YOUR PROPERTY TODAY**

(800) 366-3975 | [sales.realestate@wsj.com](mailto:sales.realestate@wsj.com)  
For more information visit: [wsj.com/classifieds](http://wsj.com/classifieds)

© 2024 Dow Jones & Company, Inc. All Rights Reserved.

 | DOW JONES



MANSION

IN THE TRENCHES | AMY GAMERMAN

Family Drama Is Just Part of The Business

Q Has a listing ever landed you in the middle of a family feud?

JENNIFER DAVIS broker, Maison Real Estate, Charleston, S.C.

The client had inherited this house in Charleston, a very significant house. I was fairly new to the business, and he was interviewing a couple of brokers. He said, “I’d like to give you the listing, but there’s one thing: Could you pick up a painting that belongs to me, that’s at another house down the street?” I said I wouldn’t mind at all. So a day later, I went over to another very big Charleston house and knocked on the door. A woman answered and showed me into the

front hall. I introduced myself, and we talked about her house, which was lovely. Then I said, “I’m going to list the house across the street, and I understand there’s a painting here that belongs to that house. I am here to pick it up, if you don’t mind.” I didn’t know she was my client’s ex-sister-in-law, divorced from his brother. I thought she was just holding onto the painting for him. Well, that wasn’t the case at all. She liked having that painting. I guess the brother didn’t want to get involved in getting it back. It was something lawyers had probably discussed at some point. The woman looked at me and



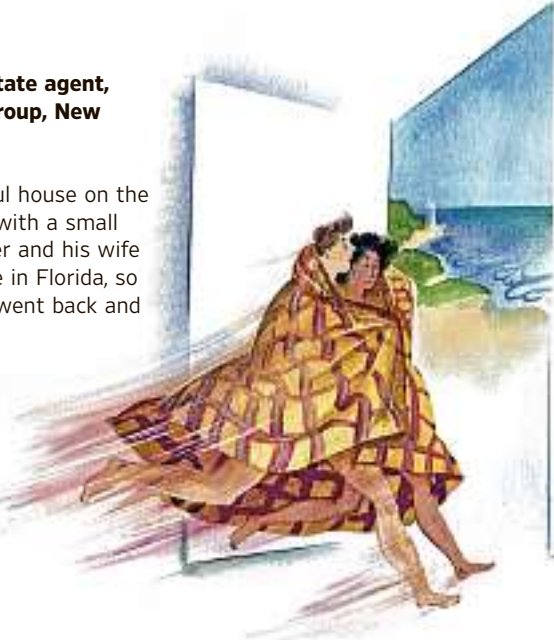
just kind of contemplated for a second. She wasn’t going to be rude to me. That’s not how it works in Charleston. It’s the land of civility here. Then she said, “You can get it off right now. Take it.” The painting was hanging in the front room. It was of a woman in period dress,

I would guess from the 1880s, in a big gold frame. I didn’t really anticipate the painting being that big. There was no way it was going to fit in my car. She helped me get it off the wall. Then I got out the door and down the big steps with the painting, and just walked down

the street, teetering, to the other house, arms spread wide. The client was like, “Fantastic! You definitely have the listing!” I didn’t know what I was walking into. I hadn’t been living in Charleston long enough to know everyone’s divorces. I know a lot more now.

KIM LATOUR licensed real estate agent, The Corcoran Group, New York, N.Y.

It was a beautiful house on the coast of Maine, with a small beach. The owner and his wife also had a house in Florida, so they frequently went back and forth. I had a big showing with a really great potential buyer—they were coming with their agent. I got there first. Where this house was,



there was never a locked door. I opened the door and stepped into the foyer saying, “Hello, hello,” out of courtesy, and almost fell over when this deep voice of a man says, “What? Hello?” I looked up and on the balcony is a naked man, holding his hands in front of him. He said, “Oh my God, please don’t tell my brother.” I said, “I have a showing, put your clothes on!” He said, “Our clothes are in the washer.” And out steps the most gorgeous naked woman. Apparently, these two people had just met, and he was pretending to be the owner. They’d had an all-night party. The kitchen was a disaster; every pot and pan was out. There were clam-

shells and mussel shells and beer bottles all over the pool table in the billiard room. They went out on the beach in a blanket. I was shoving pots and pans and dirty glasses in closets and the dishwasher when the doorbell rang. The potential buyers were a judge and his wife. After going through the main house, we went up to the guesthouse. Then the buyer’s broker says, “Kim, I don’t know what’s going on here, but there’s a truck going down the driveway with about 150 chairs on it.” I run back down to the main house. They’re unloading the chairs on the beach, and the canoodlers in the blanket are chatting with the man who’s arrived with the truck.

It’s another relative of the owner—his nephew. The nephew says, “We’re going to have a wedding here tomorrow.” I said, “Do you have permission?” He says, “Not officially.” Believe me, he did not. The canoodlers say, “Hey, maybe we should get married!” I called the owner, who was furious. He talked to the brother and the nephew on the phone right then and there, told them to get out of his house and don’t come back. He felt betrayed. He felt violated. But then he got very happy. He got an offer. The house sold at \$1.7 million. —Edited from interviews

VICTORIA TENTER-ARLOV (2)

Exquisite. Where Beach Meets Bay.

Uniquely situated in a tropical paradise on the beach and the bay, The St. Regis Resort & Residences Bahia Mar, Fort Lauderdale, masterfully designed by Arquitectonica, with elegant interiors by Tara Bernerd & Partners, is the splendid private centerpiece of this ultimate waterfront destination. Every element bears the imprint of St. Regis, whose bespoke approach to service and exemplary tastemaking ensures that life is truly exquisite.

St. Regis Beach Club • Megayacht Marina • Lushly Landscaped Park and Promenade  
Resort-Style Pools • World-Class Spa • Pickleball • Signature Fine Dining



ST REGIS  
BAHIA MAR • FORT LAUDERDALE  
THE RESIDENCES

NOW SELLING

The Resort Collection: One- to three-bedrooms • The Residences: Three- to four-bedrooms  
SRRBahiaMar.com • 954 323 5094



Future residences located at: 801 Seabreeze Blvd.  
Fort Lauderdale, FL 33316  
Temporary Sales Gallery: 1 North Fort Lauderdale Beach Blvd., Lobby Level  
Fort Lauderdale, FL 33304

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

The St. Regis Residences Bahia Mar Fort Lauderdale, referred to for ease of reference as St Regis Residences is a community of three towers: including Tower 1 of condominium residences developed by PRH/TRR BM Tower 1, LLC; Tower 2 of condominium residences developed by PRH/TRR BM Tower 2, LLC; and Resort Tower 3 which includes a condominium within a portion of a building or within a multiple parcel building developed by PRH/TRR BM Condo, LLC. For ease of reference, PRH/TRR BM Tower 1, LLC, PRH/TRR BM Tower 2, LLC, and PRH/TRR BM Condo, LLC are each a “Developer” and collectively the “Developers.” St Regis Residences are not owned, developed, or sold by Marriott International, Inc. or its affiliates (“Marriott”). The Developers use the St. Regis marks under a license from licensor, Marriott, which has not confirmed the accuracy of any of the statements or representations made about the projects by Developers. The Developers each also use the trade names, marks, and logos of the licensor, The Related Group®, which licensor is not a Developer of any tower. Artist’s conceptual renderings of exterior or site plan and depicting water, marina, surrounding buildings, or landmarks are modified with some surrounding buildings and landmarks omitted. Sketches, renderings, or photographs depicting lifestyle, amenities, food services, resort services, finishes, designs, materials, furnishings, plans, specifications, or art contained in this brochure are proposed only. The St. Regis Residences are developed on a site that is near water, but water access is not guaranteed. No specific view is guaranteed. The associations for each tower will be a part of a master association which will require payment of master association assessments. Some amenities described require payment of fees in addition to regular assessment payments. Consult the Developers’ Prospectus for the tower in which you desire to purchase to understand the offering, the amenities, the proposed budgets, terms, conditions, specifications, fees, unit dimensions and size calculation method, site plans, and to learn what is included with the purchase and the payment of regular assessments. The Developers are not residents of the State of New York, and the offerings of Developers are not intended for residents of New York nor any other jurisdiction in which such an offering is prohibited. 2024 © by PRH/TRR BM Tower 1, LLC, PRH/TRR BM Tower 2, LLC, and PRH/TRR BM Condo, LLC, with all rights reserved. ®

