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# WSJ

THE WALL STREET JOURNAL WEEKEND



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## What's News

### Business & Finance

◆ **Boeing** is exploring a sale of its storied NASA business, including the troubled Starliner space vehicle and operations that support the International Space Station, according to people familiar with the matter. A1

◆ **U.S. consumer confidence** unexpectedly ticked higher in October to its highest reading since April and about 40% above its June 2022 recent low point. A2

◆ **The Nasdaq rose** 0.6% Friday to post a weekly gain, but the S&P 500 edged less than 0.1% lower and the Dow shed 0.6%, snapping six-week winning streaks. B11

◆ **Mercedes-Benz's net profit** halved in the third quarter as a tough economic backdrop and fierce competition in China hit earnings. B10

◆ **Rémy Cointreau** said it expected sales to continue to plunge in fiscal 2025 amid uncertainty about a recovery in the U.S. and worsening market conditions in China. B10

◆ **Norwegian Air Shuttle** tempered its fleet growth expectations for next year because of the strike at Boeing. B10

◆ **Electrolux shares fell** sharply after the company reported third-quarter profit that missed analysts' expectations on continued weakness in North America. B11

### World-Wide

◆ **Israel struck back** at Iran, delivering a response to this month's 180-missile attack and further expanding hostilities that have spiraled out of the war in Gaza. Israel said it was attacking military targets. A1

◆ **The federal government** is investigating cryptocurrency company Tether for possible violations of sanctions and anti-money-laundering rules, according to people familiar with the matter. A1

◆ **Elon Musk**, the world's richest man and a linchpin of U.S. space efforts, has been in regular contact with Russia's Putin since late 2022. A1, A9

◆ **Chinese hackers have used** their deep access into networks of U.S. telecoms to target the phones of Trump, Vance and people affiliated with Harris's presidential campaign, according to people familiar with the matter. A1

◆ **The Biden administration** believes that some North Korean troops are on their way to Russia's Kursk region to help Moscow fend off Ukrainian forces. A6

◆ **Ukrainian officials** and some of their Western backers increasingly see long-range drone attacks as a game-changer that could force Putin into peace talks. A6

◆ **Tropical Storm Trami** killed at least 82 people in the Philippines. A7

◆ **Died: Phil Lesh**, bassist for the Grateful Dead. 84. A2

### NOONAN

The U.S. can take a tough election A13

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# Israel Strikes Iran, Expanding War

Explosions reported near Tehran amid fears of growing Mideast conflict

Israel struck back at Iran early Saturday, delivering a much-threatened response for this month's 180-missile attack and further expanding the hostilities that have spiraled out of the war in Gaza.

Israel said it was attacking

military targets but didn't specify them. Iranian state media reported explosions near the capital, Tehran. It wasn't immediately clear what had been hit.

Iran had threatened to retaliate forcibly if its nuclear or oil infrastructure were struck. The U.S. had urged Israel not to hit those targets, and governments around the world had cautioned against further escalation amid concerns the violence could spin out of control.

By Michael R. Gordon, Lara Seligman and Carrie Keller-Lynn

"From what we know now, this is the best-case scenario in terms of keeping this round contained, given Israel seems to have limited its strikes to military targets rather than nuclear or oil infrastructure," said Dalia Dassa Kaye, a senior political scientist at the University of California, Los Angeles,

and former director of the Center for Middle East Public Policy at the RAND Corporation. "This gives Iran an exit ramp if it's looking for one. But we're still in a different place, because Israel and Iran are now in a direct and open conflict."

The U.S. was informed by Israel hours ahead of the attack and didn't participate, U.S. officials said. Prime Minister Benjamin Netanyahu discussed Israel's plans for the strike with

President Biden in a call earlier this month, a U.S. official said. After the attack began, Defense Secretary Lloyd Austin spoke briefly by phone with Israeli Defense Minister Yoav Gallant, U.S. officials said.

A woman in central Tehran told The Wall Street Journal that she woke to the sound of continuous explosions Saturday. "My heart is jumping out of my chest," she said.

Iranian air defense authorities turn to page A6

## As Texas Votes, Candidates Stage Dueling Events



**TWO-STEP:** People cast ballots during early voting Friday in Houston. Donald Trump spoke on border security in Austin and taped an interview with podcaster Joe Rogan, while superstar Beyoncé joined Kamala Harris at a Houston rally. A4, A5

# Musk Held Secret Discussions With Putin Since Late 2022

Elon Musk, the world's richest man and a linchpin of U.S. space efforts, has been in regular contact with Russian President Vladimir Putin since late 2022.

The discussions, confirmed by several current and former U.S., European and Russian officials, touch on personal topics, business and geopolitical tensions.

By Thomas Grove, Warren P. Strobel, Aruna Viswanatha, Gordon Lubold and Sam Schechner

At one point, Putin asked the billionaire to avoid activating his Starlink satellite internet service over Taiwan as a favor to Chinese leader Xi Jin-

ping, said two people briefed on the request.

Musk has emerged this year as a crucial supporter of Donald Trump's election campaign, and could find a role in a Trump administration should he win. While the U.S. and its allies have isolated Putin in recent years, Musk's dialogue could signal re-engagement with the Russian leader, and reinforce Trump's

expressed desire to cut a deal over major fault lines such as the war in Ukraine.

At the same time, the contacts also raise potential national-security concerns among some in the current administration, given Putin's role as one of

Please turn to page A9

◆ **NASA head calls for investigation** ..... A9

## Crypto Platform Tether Is Probed By U.S.

The federal government is investigating cryptocurrency company Tether for possible violations of sanctions and anti-money-laundering rules, according to people familiar with the matter.

By Angus Berwick, Vivian Salama and Ben Foldy

The criminal investigation, run by prosecutors at the Manhattan U.S. attorney's office, is looking at whether the cryptocurrency has been used by third parties to fund illegal activities such as the drug trade, terrorism and hacking—or launder the proceeds generated by them.

The Treasury Department, meanwhile, has been considering sanctioning Tether because of its cryptocurrency's widespread use by individuals and groups sanctioned by the U.S., including the terrorist group Hamas and Russian arms dealers. Sanctions against Tether would generally prohibit Americans from doing business with the company.

Tether and its cryptocurrency, also called tether, have been a matter of growing concern for federal regulators and law enforcement. Unlike more volatile cryptocurrencies, tether's value is pegged to the dollar, making it an ideal substitute in places where use of the U.S. currency has been

Please turn to page A2

## Boeing Explores Exit From Space Projects

BY SHARON TERLEP AND MICAH MAIDENBERG

Boeing helped put the first men on the moon. Now it wants to get out of the space race.

The beleaguered company is exploring a sale of its storied NASA business, including the troubled Starliner space vehicle and operations that support the International Space

Station, according to people familiar with the matter.

The effort, part of a strategy by Boeing's new chief executive officer, Kelly Orteberg, to streamline the company and stem its financial losses, is at an early stage and might not result in a deal.

Boeing faces a deepening financial crisis. Its largest labor union has rejected two

Please turn to page A2

## EXCHANGE



### OFF COURSE

What went wrong at Boeing, and how it can fix it. B1

## Australians Are Spooked by American-Style Halloween

Nation wrestles with holiday: 'I never understood the trick-or-treating'

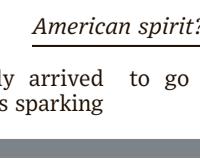
BY MIKE CHERNEY

Every year, Paul Burgess turns his suburban home in Australia's tropical north into a haunted house for Halloween. He's got animatronic witches. Gigantic skeletons. And a headless horseman.

One of his neighbors, Helen Jenkins, isn't sure what all the fuss is about. She thought Halloween was an American thing.

I never understood the trick-or-treating," the 74-year-old retiree said.

For many years, Halloween celebrations in Australia were as invisible as ghosts and phantoms. Now, the Hall-



American spirit

a debate over whether it's all too American.

Burgess, 50, isn't fazed by the American feel. He didn't do anything for Halloween as a child, but started celebrating when his son, now a teenager, wanted to go trick-or-treating. The

Please turn to page A8

## Chinese Hackers Target Trump, Vance, Harris Campaign

WASHINGTON—The Chinese hackers who burrowed into the networks of U.S. telecommunications firms have used their deep access to target the phones of former President Donald Trump, his running mate, JD Vance, and people affiliated with Vice President Kamala Harris's presidential campaign, according to people familiar with the matter.

By Dustin Volz, Aruna Viswanatha and Sarah Krouse

It wasn't clear what data the hackers were able to obtain from any of these devices. The hackers are believed to be tied to China's intelligence services.

Investigators have notified a bipartisan group of politicians targeted by the hackers, some of the people said. A number of prominent Democrats in Congress were among

the targets, including staff for Senate Majority Leader Chuck Schumer (D., N.Y.), a Democratic aide said.

The known scope of the attack has grown substantially in recent weeks as the investigation has progressed, the people said. Investigators now believe that the hackers gained access to U.S. telecommunications infrastructure and targeted or compromised at least several dozen different companies and people.

The hackers have shown unusually aggressive tactics since being discovered last month, disturbing the federal and private-sector investigators working to address the cyber-espionage campaign. The hackers have attempted to re-enter patched systems after being ejected from them, the people said.

Investigators also discovered earlier this month that the state-aligned actor had un>Please turn to page A5

# U.S. NEWS

## Consumer Confidence Rises Slightly

By ED FRANKL

U.S. consumer confidence unexpectedly ticked higher in October, as the presidential election looms large over consumers' outlook for the economy.

The University of Michigan's index of consumer sentiment at the end of October climbed to 70.5, from 70.1 in September. That flipped economists' expectations for the gauge to decline on

month to 69.0, according to a poll compiled by The Wall Street Journal, a little above the midmonth reading of 68.9.

The results mean consumer sentiment inched up to its highest reading since April, and around 40% above its June 2022 recent low-point, rising for the third consecutive month.

Like in previous months, there were conflicting responses based on political

preference.

Sentiment of Republicans rose 8% on growing confidence that Donald Trump would be the next president, according to the survey.

For Democrats, sentiment declined, albeit by a less steep 1%. Independents rest in between, with sentiment gaining 4% on the month.

Overall, the share of consumers expecting a Harris presidency fell to 57% in October, from 63% last month,

the survey's director, Joanne Hsu, said.

"Regardless of the eventual winner, a sizable share of consumers will likely update their economic expectations based on the results of the election," she cautioned.

Overall confidence also rose in part by falling Federal Reserve interest rates, which helped buying conditions, Hsu continued. The Fed cut rates by a half-point in September.

### Consumer-sentiment index



## U.S. WATCH

### OBITUARY

#### Grateful Dead Bassist Phil Lesh

Phil Lesh, a classically trained violinist and jazz trumpeter who found his true calling reinventing the role of rock bass guitar as a founding member of the Grateful Dead, died Friday at age 84.

Lesh's death was announced on his Instagram account. Lesh was the oldest and one of the longest surviving members of the band that came to define the acid rock sound emanating from San Francisco in the 1960s.

"Phil Lesh, bassist and founding member of The Grateful Dead, passed peacefully this morning. He was surrounded by his family and full of love. Phil brought immense joy to everyone around him and leaves behind a legacy of music and love," the Instagram statement reads in part.

The statement didn't cite a specific cause of death and attempts to reach representatives for additional details weren't immediately successful.

Although he kept a relatively low public profile, rarely granting interviews or speaking to the audience, fans and fellow band members recognized Lesh as a critical member of the Grateful Dead whose thundering lines on the six-string electric bass provided a brilliant counterpoint to lead guitarist Jerry Garcia's soaring solos and anchored the band's famous marathon jams.

"When Phil's happening the band's happening," Garcia once said.

Drummer Mickey Hart called him the group's intellectual who brought a classical composer's mindset and skills to a five-chord rock 'n' roll band.

Lesh and Garcia would frequently exchange leads, often spontaneously, while the band as a whole would frequently break into long experimental, jazz-influenced jams during concerts. The result was that even well-known Grateful Dead songs like "Truckin'" or "Sugar Magnolia" rarely sounded the same two performances in a row, something that would inspire loyal fans to attend show after show.

—Associated Press

### EDUCATION

#### Biden Offers Loan Cancellation Again

The Biden administration is moving ahead with a new path to student loan cancellation for Americans who face steep medical bills, child-care costs and other types of financial hardship that prevent them from repaying their loans.

The proposed rule is President Biden's third attempt at student loan cancellation as he faces repeated legal challenges from Republican states. His first plan was rejected by the Supreme Court last year, and his second plan has been temporarily halted by a federal judge in Missouri.

The new rule would have to clear a number of hurdles before it becomes official, and it's unclear if it could be realized before Biden leaves office in three months.

If completed, the new rule would allow the Education Department to proactively cancel loans for borrowers if the agency determines they have an 80% chance of being in default on their loans within two years. Others could apply for a review to determine whether they meet the criteria for cancellation.

—Associated Press

### NEW MEXICO

#### Judge Upholds Baldwin Dismissal

A New Mexico judge has upheld her decision to dismiss an involuntary manslaughter charge against Alec Baldwin in the fatal shooting of a cinematographer on the set of a Western movie.

In a ruling Thursday, state District Court Judge Mary Marlowe Sommer stood by her July decision to dismiss an involuntary manslaughter charge against Baldwin. She said prosecutors didn't raise any factual or legal arguments that would justify reversing her decision.

Special prosecutor Kari Morrissey said that she disagrees with the court's analysis and will appeal the ruling.

—Associated Press

## Boeing May Exit Space Projects

Continued from Page One

contract proposals and extended a strike that has halted most of its airplane production. Meanwhile, Boeing's space and defense projects have been hobbled by delays and cost overruns.

For decades, the company has worked hand-in-glove on National Aeronautics and Space Administration programs, including the Apollo astronaut missions and creating the space station. In recent years, SpaceX has supplanted Boeing's role as a top agency partner. NASA recently opted to have two astronauts wait months for a ride back from the ISS on a SpaceX craft after problems emerged on Starliner's first-ever human spaceflight.

Boeing is expected to keep its commercial and military satellite businesses and position overseeing the Space Launch System, some of the people said. The SLS is a huge rocket NASA is paying the company to build to start future lunar-exploration missions. The rocket successfully completed its first flight for NASA about two years ago, though Boeing has faced production challenges with the system.

Boeing and its partner Lockheed Martin have also spent more than a year seeking a buyer for their rocket-launch venture, called the United Launch Alliance. The 50-50 venture operates separately from its parents and focuses on U.S. national-security launches. It is ramping up flights on a new rocket called Vulcan Centaur that will replace older vehicles.

Ortberg, who took over as Boeing CEO in August, said he was weighing asset sales and looking to jettison problematic programs. Beyond the core commercial and defense businesses, he said, most everything is on the table.

"We're better off doing less and doing it better than doing more and not doing it well," Ortberg said in a call this past

week with analysts. "What do we want this company to look like five and 10 years from now? And do these things add value to the company or distract us?"

Ortberg fired the head of Boeing's defense and space business in September. The space business is a small part

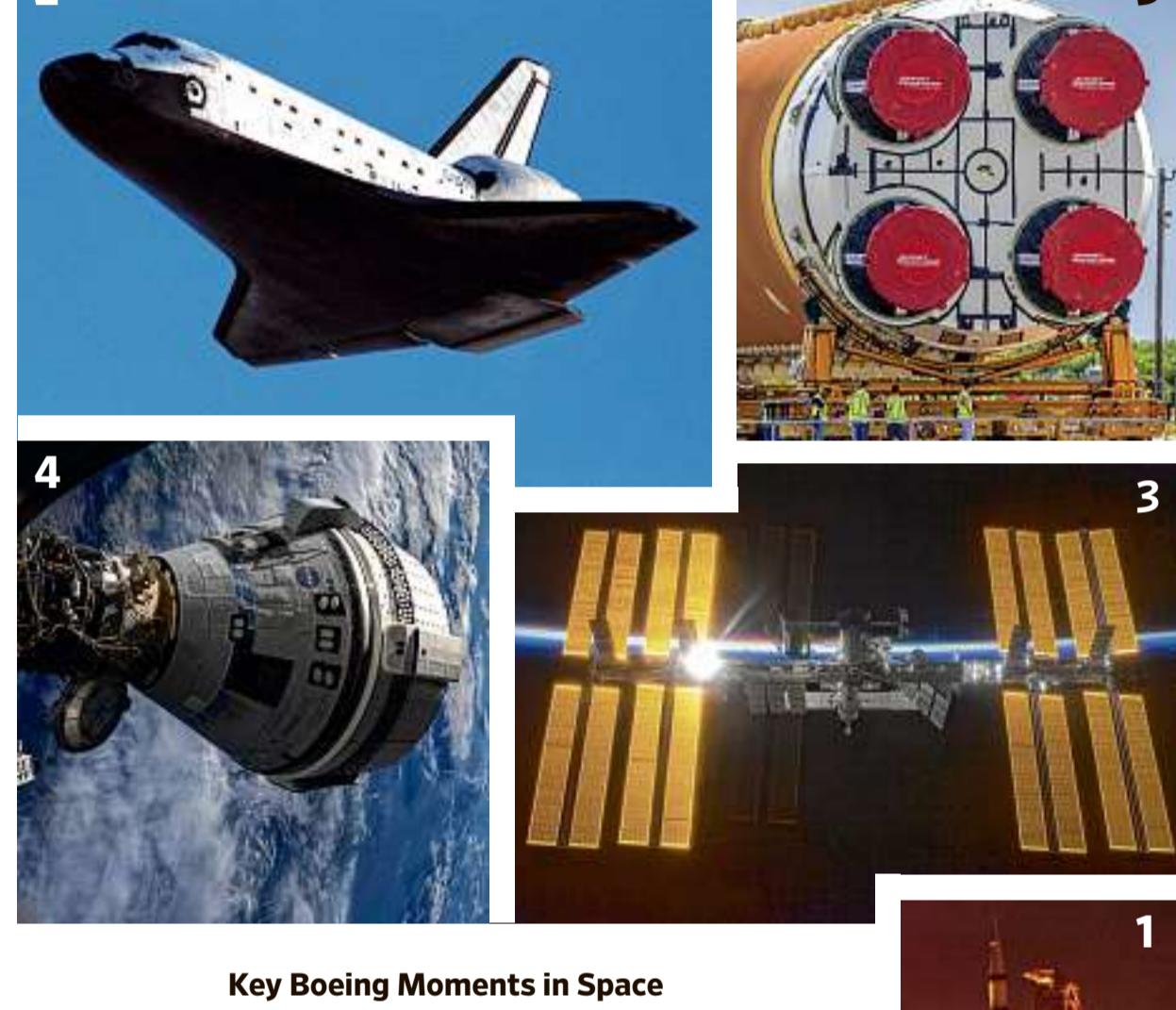
of that unit, which makes jet fighters and helicopters for the Pentagon and had a \$3.1 billion loss on \$18.5 billion in revenue in the first nine months of 2024.

Before Ortberg joined, Boeing held discussions with Blue Origin, the space company owned by billionaire Jeff Bezos,

about taking over some of the NASA programs, people familiar with those discussions said. Blue Origin has been preparing its own rockets for future NASA and commercial missions and to compete with SpaceX.

Both the Starliner program and Boeing's work for the ISS face uncertainty, whether the company ultimately sells them. NASA wants to deorbit the space station around 2030.

Last month, meanwhile, the agency said it was still analyzing next steps for Starliner, including how the vehicle would secure a NASA stamp of approval to begin regular astronaut missions.



### Key Boeing Moments in Space

**1. Saturn V:** (1969 to 1972) Boeing played key roles in building the Saturn V rockets used to launch the Apollo missions to land American astronauts on the moon.

**2. Space Shuttles:** (1976 to 2011) Boeing bought Rockwell International in 1996, which built six of the shuttles. Boeing and Lockheed Martin were also part of a

venture that oversaw shuttle operations.

**3. Space Station:** In 1993, NASA chose Boeing as the prime contractor for the International Space Station, a research laboratory that has now been in orbit for 25 years.

**4. Crew Capsules:** In 2014, NASA hired Boeing and SpaceX to develop crewed

vehicles to transport astronauts to the ISS. SpaceX has pulled ahead with its Crewed Dragon, compared with Boeing's Starliner.

**5. SLS Rocket:** In 2022, the Space Launch System rocket, with Boeing as a main contractor, successfully launched NASA's Artemis mission, a plan to return astronauts to the lunar surface.

## U.S. Probes Crypto Firm Tether

Continued from Page One

banned by U.S. regulators.

Tether is the world's most traded cryptocurrency, with as much as \$190 billion changing hands each day. It is also a vital financing tool for several of the U.S.'s top national-security concerns. These include the North Korean nuclear-weapons program, Mexican drug cartels, Russian arms companies, Middle Eastern terrorist groups and Chinese manufacturers of chemicals used to make fentanyl, The

Wall Street Journal has previously reported.

The Justice Department began an investigation into Tether several years ago, initially looking at whether some of Tether's backers committed bank fraud by using falsified documents to get access to the global banking system, according to people familiar with the case.

Tether said it had no indication the company is facing a broader investigation. "To suggest that Tether is somehow involved in aiding criminal actors or sidestepping sanctions is outrageous," the company said. "We work actively with U.S. and international law enforcement to combat illicit activity, as we've publicly demonstrated many times."

Tether has stepped up its efforts to control how the

cryptocurrency is used. Tether executives have said that the public nature of the ledgers used to track many tether transfers makes it unsuitable for criminality and enhances authorities' ability to surveil and potentially seize it from bad actors.

U.S. prosecutors have taken on some of the crypto industry's biggest players in recent years. Binance founder Changpeng Zhao was sentenced to four months in prison in April, and the company was fined \$4.3 billion, for violating anti-money-laundering requirements.

Tether ran into regulatory trouble several years ago when it paid \$61 million to resolve investigations by the state of New York and the Commodity Futures Trading Commission that found the company had

misrepresented the assets that back its cryptocurrency.

Criminal charges against Tether could be bad news for Cantor Fitzgerald, the brokerage firm that counts Tether as a major client. Cantor manages most of Tether's reserve assets, including more than \$80 billion of Treasurys. Tether is one of the world's biggest holders of U.S. government securities. Howard Lutnick, the chairman and chief executive of Cantor Fitzgerald, is an ally of Donald Trump and is a member of Trump's transition team.

The Trump campaign didn't address the federal investigation but praised Lutnick as a "renowned business leader and philanthropist" who it said is volunteering as co-chair of the Trump-Vance Transition team.

The Trump campaign didn't address the federal investigation but praised Lutnick as a "renowned business leader and philanthropist" who it said is volunteering as co-chair of the Trump-Vance Transition team.

Trump has embraced cryptocurrencies, promising favorable rules.

Last month, Tether said it had frozen some 1,850 crypto wallets and recovered roughly \$114 million in assets. The company in the past refused to freeze digital wallet addresses that the Treasury Department blacklisted.

The company has also been expanding its surveillance and lobbying capabilities.

It has announced partnerships with analytics firms Chainalysis and TRM Labs to help it better monitor transactions. Last month, the company announced it had hired a new head of government affairs, who was formerly working on digital currency regulation at PayPal.

—Eliot Brown contributed to this article.

### CORRECTIONS & AMPLIFICATIONS

**North Carolina officials** said that statewide 95 people were confirmed dead as of Oct. 22 as a result of Hurricane Helene. A U.S. News article on Wednesday about campaigning in the state incorrectly said 95 people had died from the storm in Buncombe County alone. Also, the article misidentified the McDowell County Board of Elections, which is in Marion, N.C., as the Marion County Board of Elections.

**Carlsberg's proposed acquisition of Britvic** is valued at £3.3 billion, or roughly \$4.28 billion. A Business News article on Thursday about antitrust scrutiny of the acquisition incorrectly gave the price as €3.3 billion.

**Washington state's** Department of Ecology estimated that the Climate Commitment Act would increase gasoline prices about 4 to 12 cents a gallon. A

U.S. News article on Thursday about a ballot initiative in the state incorrectly said 2 to 4 cents a gallon.

**Shares of 3M** on Oct. 24 in after-hours trading as of 6 p.m. ET were at \$126.47, unchanged from the close. In some editions Friday, the Late Trading table in the Markets Digest incorrectly said 3M dropped \$34.45, or 27.24%, to \$92.02.

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

## U.S. NEWS

# Trump Fortune Is in the Hands Of the Voters

By PETER GRANT

Donald Trump's businesses are as volatile as ever, but he is on firmer financial footing than in recent years.

Compared with 2020, however, victory or defeat in this year's election will have more significant implications for the former president's wealth, as well as his legal situation.

The biggest difference for Trump this time, is his roughly \$4 billion stake in **Trump Media & Technology Group**, which operates Truth Social, his money-losing social-media platform. The staggering sum is ephemeral, driven up by enthusiastic traders, and could be vaporized if he loses in November.

Trump hasn't tapped his stake in the company, whose shares have soared recently in a bet he will win the election.

"If he loses, I think this thing goes to zero," said Matthew Tuttle, chief executive of Tuttle Capital Management, who has invested in Trump Media for his own account.

Thanks to the value of Truth Social, the improved performance of the Trump Organization's golf properties and its strong cash position, Trump's net worth is its highest in years. The Wall Street Journal estimates it at between \$7.5 billion and \$10 billion, including debt, more than double what it was in 2020 and 2016. Trump's big gains in the stock market have more than offset losses in the value of his real-estate holdings. The total value of his largest three office assets, not including debt, has declined to about \$750 million, from about \$1.2 billion in 2016, according to a Journal analysis.

The properties have been hit by one of the worst U.S. office downturns in decades. One of Trump's trophy office assets, the 63-story tower at 40 Wall St., across the street from the New York Stock Exchange, has fallen in value to about \$140 million, not including debt, from \$260 million in 2016, according to the Journal's analysis. The Trump Organization might not be able to repay the \$105 million mortgage on the building.

when it comes due in July, according to analysts.

Trump Organization executives have denied that 40 Wall is in financial peril, pointing out its residential-conversion opportunities. They also have said the company has more than enough cash on its balance sheet to pay off the debt.

The Trump Organization should be able to weather the real-estate downturn because it has been paying off debt, selling assets and hoarding cash. It shelved numerous expansion plans—particularly condominium, hotel and resort projects in overseas markets—after Trump was elected president in 2016.

"We purposely didn't do very many deals," Trump said in a deposition last year for the New York attorney general's lawsuit. "I didn't want to have conflicts of interest...I thought it wouldn't look good."

Trump's son Eric largely has been running the business since Trump was elected in 2016. He has made the company more conservative, although foreign-licensing deals of real-estate developments have picked up since his father left the White House.

It is sitting on almost \$500 million in cash, Donald Trump said earlier this year, far more than in previous years. The money comes partly from selling the

Trump International Hotel in Washington and the Trump Ferry Point Golf Links in New York City and refinancing two office buildings in which Trump holds stakes.

The cash might be needed to handle Trump's legal issues. He faces criminal charges, including for election interference in Georgia and related to his efforts to overturn the 2020 election. He was convicted in a state court in May for falsifying records to cover up hush money paid to a porn star.

The Trump Organization also faces a \$489 million penalty in a civil fraud case in New York, and Trump was or-



Selling the Trump International Hotel in Washington, as well as a New York golf course, benefited the company's cash position.

GENUINE AMARASINGHE/ASSOCIATED PRESS

dered earlier this year by a federal jury to pay more than \$83 million in damages for defaming writer E. Jean Carroll.

Trump has denied these allegations, and both of the expensive civil judgments are being appealed. Last month, a New York appeals court questioned whether the state's civil fraud case against Trump properly applied the law—and whether the nearly half-a-billion-dollar penalty against him was too high. If Trump loses the election, he will likely face the prosecutions he has been able to delay.

A bright spot for Trump is his more than one dozen golf courses and golf resorts, which generate more than \$400 million in annual sales. Total annual revenue for the Trump Organization was at least \$730 million, according to the financial disclosure he filed in August. Golf had been declining in popularity, but the pandemic gave it a boost. Trump's courses have been helped by its deals to host tournaments sponsored by Saudi Arabia-backed LIV Golf at his courses in New Jersey, Florida and Virginia.

The Trump Organization weathered the fallout from the Jan. 6, 2021, Capitol riot by a pro-Trump mob better than expected. After that, several banks cut him off. The PGA canceled plans to hold the PGA Championship at a Trump course, and the refinancing of two buildings in which Trump held stakes was put on hold.

**Deutsche Bank**, one of the few leading financial institutions willing to do business with Trump, said it was unlikely to lend him more, and now-defunct Signature Bank said it would close Trump's

## Trump Media, share price



Sources: FactSet (share price); Vornado SEC filings, Cushman & Wakefield appraisal of 40 Wall St., CMBS documents and Wall Street Journal research (valuations)

## Valuations for Trump's largest office properties\*



\*Valuations don't include debt. <sup>†</sup>Trump holds 30% stake.

accounts. "We witnessed the president of the United States encouraging the rioters and refraining from calling in the National Guard to protect the Congress in its performance of duty," Signature said.

Win or lose, Trump's company will probably survive. Given that he is 78 years old, the day-to-day management of the business might remain with Eric Trump. A big question will be whether it has money to grow, or whether much of it is eaten up by legal judgments and lawyer's fees.

Eric Trump hopes to continue developing domestic properties such as Trump National Doral—the golf resort near Miami—and expand the Trump brand in places such as Eastern Europe, Asia and the Middle East.

Some of the company's overseas plans might be put on hold if Trump becomes president again, as they were when Trump was in the White House before.

Eric Trump has growth in mind as he eyes the future. "We're sitting on a war chest of cash the likes of which our company has never seen before," he said.

—Amrit Ramkumar

and Jack Gillum contributed to this article.

## THE EXCEPTIONAL DAYS OCTOBER 11-27

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## Biden Apologizes for Abuse by Indian Schools

By XAVIER MARTINEZ

In his first presidential visit to a tribal reservation, President Biden issued a formal apology Friday for a 150-year long U.S. government boarding school program that forced indigenous children away from their homes and resulted in the deaths of dozens of young Native Americans.

"The federal Indian boarding school policy—and the pain it has caused—will always be a significant mark of shame, a blot on American history," said Biden, who later called his address at the Arizona's Gila River Indian Community one of the "most consequential" in his career.

An Interior Department investigation found that, between 1871 and 1969, at least 18,000 children were taken from their parents and forced to assimilate in an attempt to dispossess their tribal nations of land. The



President Biden called the U.S. boarding school policy a 'significant mark of shame, a blot on American history' in a speech at the Arizona's Gila River Indian Community.

report found that more than 900 children died of disease and malnutrition at hundreds of schools across 37 states or territories. Others were physically abused or sexually assaulted. The program continued even after the passage of

the 1954 Civil Rights Act.

Biden said that the program's dark history has largely been left out of history books—but that the report and apology could help Americans remember the policy for its true impacts.

"We do not erase history," Biden said. "We make history, we learn from history, and we remember, so we can heal as a nation."

Biden said he has given priority to Native American communities during his time in office, pointing out efforts to subsidize tribal healthcare, protect culturally-important lands and modernize infrastructure on Indian reservations.

He said that the apology was only one step forward, urging policymakers to include indigenous perspectives and give priority to tribal autonomy.

Biden was joined by Interior Secretary Deb Haaland, who is the first Native American to hold a cabinet secretary position. Besides authorizing the investigation that generated the July report, Haaland has spearheaded an effort to collect oral histories from those impacted by the boarding school policy.

## U.S. NEWS

# Harris Struggles to Offer Contrast to Biden

Majority of voters say she would largely maintain his approach, policies

By AARON ZITNER  
AND KEN THOMAS

**WASHINGTON**—Vice President Kamala Harris has presented herself as the candidate who will help the nation “turn the page” and chart a “new way forward” after a tumultuous period marked by polarization under former President Donald Trump.

But three months after she replaced President Biden atop the Democratic ticket, Harris has struggled to explain how she would differ from him and their unpopular administration—and voters have noticed.

A new Wall Street Journal poll finds that a majority of voters, 54%, say she would largely continue Biden's approach and policies, while 41% said she would bring her own fresh ideas and new leadership to the White House. The image of Harris as staying on Biden's course was even more prevalent among the small portion of voters considered persuadable and still available to either campaign. By about 3 to 1, more in that group saw Harris as akin to Biden than as charting a new path.

Asked which candidate would bring about needed change, the national survey

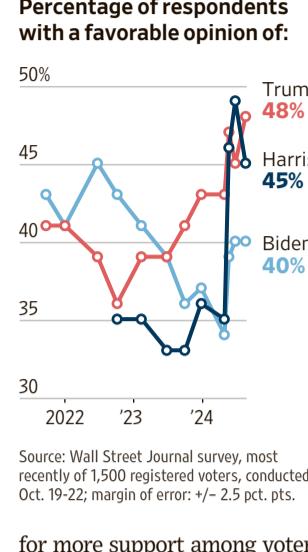
found 49% naming Trump and 40% picking Harris. When asked which one had a vision for the future, 45% of respondents said Trump, while 43% said Harris.

Harris and Trump are vying for a small slice of undecided voters within the electorate with days remaining before the election. The Journal poll found Trump leading Harris by 2 percentage points, 47% to 45%, compared with a Harris lead of 2 points in the Journal's August survey on a ballot that includes third-party and independent candidates. Both leads are within the polls' margins of error, meaning that either candidate could actually be ahead.

But the polling data underscores Harris's challenges in convincing Americans that she would serve as a break from Biden, who received favorable job approval ratings from about four in 10 voters, according to the poll. It also raises the question of whether she needs to take more steps to separate herself from the president.

“This has been the central challenge for Harris in the snap election: Can she seize the mantle of change?” said David Wasserman, elections analyst at the nonpartisan Cook Political Report.

Wasserman said the task was a hard one: “She has to generate high enthusiasm among the 37% to 40% of voters who believe that Biden's presidency has been a success at the same time she appeals



Source: Wall Street Journal survey, most recently of 1,500 registered voters, conducted Oct. 19-22; margin of error: +/- 2.5 pct. pts.

for more support among voters who want big change,” he said. “That's a really narrow tightrope to walk.”

During an appearance on “The View” in early October, Harris was asked by co-host Sunny Hostin what would be the “biggest specific difference” between a Biden administration and a future Harris presidency. Harris said they are “different people” and pointed to her policies on home healthcare and small business.

When Hostin followed up to ask if there was anything Harris would have done differently than Biden, Harris replied: “There is not a thing that comes to mind...and I've been part of most of the decisions that have had impact.”

Trump and Republicans have seized upon the com-

ments, arguing Harris would maintain Biden's approach on issues such as immigration and the economy. The clip of the Harris interview has been a mainstay of Trump rallies.

“After all the catastrophes she has caused, Kamala Harris can't say one thing that she'd do differently from ‘Sleepy’ Joe Biden, not one thing,” Trump said this week in Greenville, N.C.

Harris's aides recognized that she needed to do more to show some separation from Biden. But her attempts have been halting. During an interview with Fox News in mid-October, Harris said her presidency “will not be a continuation of Joe Biden's presidency,” saying she represented “a new generation of leadership.”

In an interview with NBC News, Harris said that by tradition, “vice presidents are not critical of their presidents.” And during a CNN town hall interview Wednesday, Harris was asked again how she would differentiate herself from the Biden administration.

Harris reiterated proposals on housing, healthcare and small businesses, adding, “It's about a new approach, a new generation of leadership based on new ideas and, frankly, different experiences.”

David Lee, a Republican pollster who worked on the new Journal survey, said, “You can't say that you're going to be someone who brings change, and when they ask you what

you're going to do differently...she's said nothing comes to mind. It's a message that she's sending to voters that she doesn't have a plan.”

Michael Bocian, a Democratic pollster who also conducted the survey, said that in the Biden presidency, “there's a vulnerability there for her, obviously, with voters unhappy about it. But she has made pretty significant gains since she became the nominee.”

Bocian said the question of which candidate represents change “is still pretty up in the air,” given that the Journal survey found the two candidates nearly tied on which one had a vision for the future and with Harris posting a small lead as more likely to stand up for the middle class. “Those are sort of the battlegrounds” in the campaign debate, he said.

Chuck Rocha, a senior Democratic campaign consultant, said it might have been damaging to Harris if she had said early in the campaign that she couldn't think of where she'd differ from Biden. If that were the case, she would risk facing weeks of debate over which issues she would pursue differently than Biden and which she would continue.

But Rocha saw Harris's comments on “The View” as having little effect now, with so few undecided voters left. “Her closing argument of ‘I'm an adult, and you can't trust him back in the White House,’ is what people will be reacting to,” he said.

## ELECTION 2024

### Texas Senate Race Is Among The Priciest

More than \$21 million poured into the U.S. Senate contest in Texas during the first weeks of October, with Democratic challenger Rep. Colin Allred ahead of incumbent Republican Sen. Ted Cruz in fundraising, according to federal filings released Thursday.

Allred's campaign committee raised \$11.3 million from Oct. 1 to 16; Cruz's campaign received \$9.9 million. Polls show Cruz with a small edge among voters in the red-leaning state, giving Democrats hope of flipping the seat.

The Texas campaign has been one of the priciest Senate contests this election cycle, with the two candidates' committees raising a combined \$166 million, Federal Election Commission filings show. Other top Senate fund-raisers during the first part of October: Democratic incumbents Jon Tester of Montana with \$9 million and Sherrod Brown of Ohio with \$7.9 million.

—Anthony DeBarros

### Virginia Voter-Removal Program Halted

A federal judge ordered Virginia to put about 1,600 people back on its voter rolls whose eligibility was questioned by the state's Republican governor.

U.S. District Judge Patricia Giles, an appointee of President Biden, ruled on Friday that the voter registrations were wrongly canceled in violation of the National Voter Registration Act, a federal law that requires states to halt all systematic voter roll maintenance during a 90-day “quiet period” before an election.

The judge's ruling sided with the Justice Department and voting rights groups including Protect Democracy and the League of Women Voters.

Virginia Gov. Glenn Youngkin, a Republican, has said the removals targeted individuals who indicated on Department of Motor Vehicles forms that they aren't citizens.

“Virginia will immediately petition the Fourth Circuit Court of Appeals and, if necessary, the U.S. Supreme Court, for an emergency stay of the injunction,” Youngkin said in a statement.

Youngkin is one of many prominent Republicans around the country who have raised concerns about non-citizens voting in the Nov. 5 presidential election.

Studies by groups across the political spectrum have found no evidence of ineligible immigrants ever voting in sufficient numbers to affect an election outcome.

Non-citizens face criminal penalties and deportation if they vote in federal elections.

—Jan Wolfe and Michelle Hackman

### Delaware Begins Early In-Person Voting

Delaware began early in-person voting across the state on Friday, where it will stay open through Nov. 3.

Voting locations will be open from 11 a.m. to 7 p.m. ET daily from Friday to Oct. 29, and from 7 a.m. to 7 p.m. from Oct. 30 until the end of the early-voting period.

The majority of states have offered some form of in-person or mail-in early voting.

Nearly 33 million ballots had been cast as of Friday morning, including 9.2 million in the seven swing states, according to data from the University of Florida's Election Lab.

Both campaigns have urged their bases to vote early in hopes that, the more ballots cast by party stalwarts, the more time and money available to convince undecided or unlikely voters.

—Xavier Martinez

# Vice President Looks to Flip More Suburbs



By JOHN MCCORMICK

**MEQUON**, Wis.—Vice President Kamala Harris's strategy to win a contest where polling suggests she has stalled counts on locking in more suburban voters like those here outside Milwaukee to offset pockets of weakness in the Democratic coalition.

Former President Donald Trump has alienated a sizable share of college-educated suburban voters who help decide presidential elections, accelerating their drift from the Republican Party. Harris needs them to counteract softness in her support among Black and Hispanic men, with a new national Wall Street Journal poll showing Trump narrowly leading Harris, 47% to 45%.

The country's political fault line was once the cleave between Democratic cities and Republican suburbs. That division now increasingly runs through the suburbs themselves, with inner-ring enclaves like this one turning purple or blue and outer ones—and rural areas—remaining red.

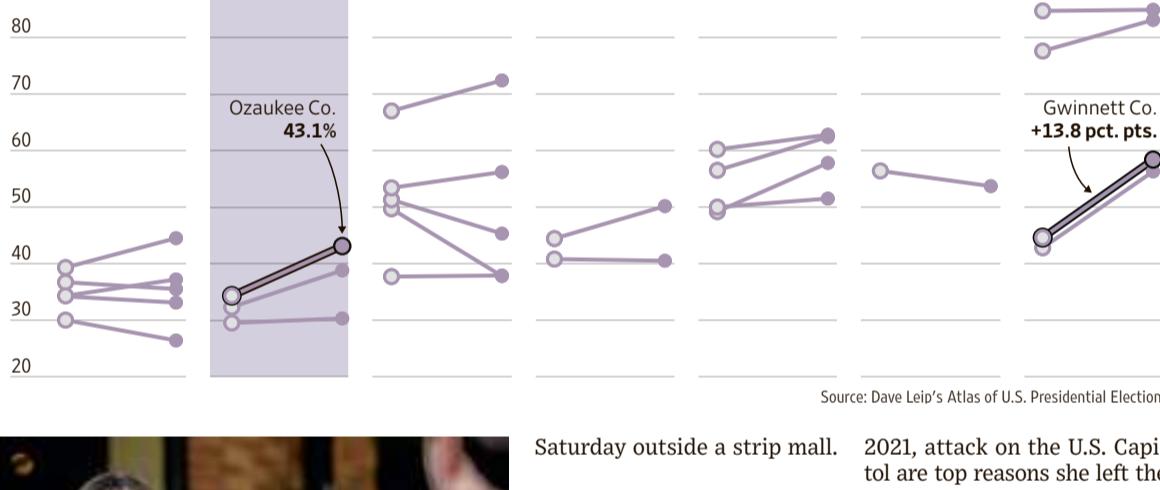
Democratic inroads among the strip malls and cul-de-sacs of suburbia have been fueled by an emphasis on abortion rights and Trump's heated rhetoric, strengthening the party's standing with independents and women with high levels of education. In recent days, Harris has sharpened her attacks on Trump, including saying she thinks he is a fascist and pointing to past aides who say he shouldn't return to the Oval Office.

The former president's campaign sees an advantage in the suburbs over concerns about immigration and crime, issues where polls show the former president is viewed as stronger, as well as hot-button cultural topics such as transgender athletes in youth sports.

### Narrow base

The GOP nominee's inability to broaden his support beyond his conservative base is one of the biggest challenges he faces in reclaiming the

Democratic presidential vote in suburban counties in battleground states



2021, attack on the U.S. Capitol are top reasons she left the party.

### County line

Gehr lives just north of County Line Road, which separates heavily Democratic Milwaukee County from Ozaukee County, a traditionally conservative area that in recent years has shifted in a Democratic direction more than any other Wisconsin county with at least 5,000 people.

Trump is likely to win all three of the suburban counties surrounding Milwaukee, but the margins will matter in a state where four of the last six presidential races were decided by less than a percentage point.

Waukesha, Ozaukee and Washington—known by locals as the WOW counties—have traditionally provided a counterweight for Republicans to the strength Democrats have in Milwaukee and Madison. But the level of GOP presidential support in the three counties has fallen during the Trump era, especially in Ozaukee and Waukesha.

Harris visited Waukesha County on Monday with former Republican Rep. Liz Cheney, part of a suburban swing that included Michigan and Pennsylvania. The visit was part of the campaign's strategy to win over more white college-educated voters, particularly women, who have historically voted Republican but don't like Trump.

As hundreds lined up to enter a fine-arts center in Brookfield, Wis., Tracy Mangold asked if any were Republicans. The state's co-chair for Republicans for Harris was looking for people to sign an endorsement. Mangold said she left the party because it is no longer a “big tent.”

The heavily Democratic crowd included some longtime Republicans. Joyce Mikulice, a 67-year-old retired cardiologist from Waukesha County, voted for Trump in 2016 and 2020. She said the GOP's restrictions on abortion rights and Trump's actions during the Jan. 6,

Trump has long criticized Democratic-run cities and seized on fears about the potential for crime, immigration and low-income housing to spill into suburbs, where roughly half the electorate lives. The Journal battleground poll shows more suburban voters view him as too extreme than they do Harris, 48% to 34%. But Trump is rated more highly among those voters at having the experience to lead the nation, 48% to 42%.

Jennifer Gehr, a 57-year-old mother of four who lives in suburban Mequon, said she never voted for a Democrat for president before 2020 and plans to back Harris. Abortion rights, women's rights and her sense that Trump has stoked national division are factors.

“I'm tired of the lies and the poor behavior,” Gehr, who works in financial-industry technology, said on a recent

SARA STATHAS FOR WSJ



Maddy Monday, 24, backs Harris, citing climate change and abortion rights. Below, Anthony Wutkowski, 33, says he believes that Trump has experience and negotiating skills.



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SARA STATHAS FOR WSJ

## Florida Abortion-Rights Supporters Raise Funds

By LAURA KUSISTO

Abortion-rights supporters have raised more than \$100 million for a ballot measure in Florida, according to campaign finance filings Friday, a sign the issue is galvanizing donors in the critical final days before the November election.

The fundraising haul is by far the largest amount raised by an abortion ballot campaign since Roe v. Wade was overturned more than two years ago. The Florida measure has drawn fierce opposition from Republican Gov. Ron DeSantis and will determine the future of access in one of the country's most populous states.

"It's clear that people across Florida are determined to take the government out of their healthcare decisions," said Brice Barnes, the national finance director for the campaign. If successful, the measure will undo a six-week abortion ban currently in place and make the procedure legal through fetal viability, or about halfway through a typical pregnancy. Opponents say the language is vague enough to allow abortion throughout pregnancy.

Abortion is on the ballot in 10 states this November, and Democrats are hoping that will boost turnout and help them in other races in key states. Almost across the board abortion-rights groups have well outstripped their opponents in fundraising for these measures.

Opponents of the ballot measure in Florida have raised closer to \$10 million, according to public filings.

Still, the measure faces hurdles. Florida has a 60% threshold to pass a ballot measure, which has made for an especially close battle.

# Rogan Grabs Spotlight in Election

Candidates eager to reach voters are seeking airtime with the podcaster

By ANNE STEELE AND TARINI PARTI

Joe Rogan has the hottest mic in America.

Donald Trump made a stop at the Austin, Texas, studio for the nation's No. 1 podcaster, taping an interview on Friday that could air as soon as Saturday. The visit to "The Joe Rogan Experience" is part of his final push to reach voters just more than a week ahead of the election.

Vice President Kamala Harris' camp also has been in discussions to come on the show, but an appearance looks unlikely, with sticking points including the location and timing, according to people familiar with the talks.

Podcasts are wielding unprecedented power in this election, as the biggest names in the medium prove they can deliver audiences that rival or even surpass the viewership of network or cable news.

A slot on Rogan's show—which regularly draws 15 million listeners across platforms including Spotify and YouTube, including a lot of young men—became increasingly attractive to both campaigns in recent weeks as they duke it out in battleground states for undecided votes in a close race.

Trump has opened a narrow lead in the race, according to a Wall Street Journal poll released Wednesday. The former president's challenge appears to be in motivating the young men who lean toward him to vote. Harris has run stronger with women and has been looking for nontraditional ways to reach younger men and peel some away from Trump.

"In an election where a lot of undecided voters are younger, it's imperative to reach them where they are," said Ben



**Joe Rogan's podcast features candid conversations that often last three hours or more.**

Leiner, a lecturer on media, technology and democracy at the University of Virginia's Darden School of Business. The sheer volume of interviews in these final weeks reflects the candidates' need to break through, particularly with younger voters whose worldviews might be more influenced by their trusted fitness podcaster than by mainstream media.

More than half of Americans consume at least one podcast a month, show new data from industry advisory and data tracker Sounds Profitable.

Rogan's show features candid conversations with celebrities, athletes, politicians, scientists, executives, comedians and others. They often last three hours or more.

Rogan asks guests to commit to at least one hour of conversation, and not to have handlers in the room. Harris, who has been cautious in doing unscripted and long-form interviews, agreed to those terms but the logistics of organizing a taping have proved challenging, said people familiar with the talks.

Harris's campaign was hopeful about doing the interview Friday, while in Texas, but the timing didn't work out, those people said.

Instead, Harris was scheduled to tape an interview with

by former NBA players, to reach young Black men.

The audience for an appearance by either candidate on Rogan's show likely would dwarf other interviews they have done, though there are differences in the way pod-

cating and TV audiences are measured. Harris's appearance on "Call Her Daddy" has drawn an audience of 7.1 million across platforms,

according to a person familiar with the matter.

By comparison, roughly 5.7 million tuned in to watch her on CBS News's "60 Minutes," according to Nielsen ratings.

Her interview with Fox News's Bret Baier drew 9.8 million viewers over several airings.

Podcasting has earned a reputation as an intimate medium where hosts build a high level of trust with their listeners.

Rogan's latest multiyear

contract

with Spotify, secured this year and worth up to \$250 million, illustrates the value of the medium. Rogan—and Spotify—landed in hot water in 2022 when rocker Neil Young pulled his music from the service because of what he said was vaccine misinformation spread by the podcaster.

The company stood by Rogan, with Chief Executive Daniel Ek saying the ambition to make Spotify the "largest audio platform in the world" involves embracing diverse voices and differing opinions. Rogan pledged to be more balanced and informed about controversial topics and guests.

Trump's journey to Rogan's show was bumpy. Ahead of the 2020 election, Rogan endorsed Bernie Sanders but later said he would rather vote for Trump when President Biden became the Democratic Party nominee.

Two years ago, Rogan said he wasn't a Trump supporter and repeatedly turned down having him on the show. "I've said no every time," he said during a July 2022 episode. "I'm not interested in helping him."

This summer, when Rogan—who is also an Ultimate Fighting Championship commentator—voiced support for Robert F. Kennedy Jr., Trump cooled on the podcast.

"It will be interesting to see how loudly Joe Rogan gets BOOED the next time he enters the UFC Ring?? MAGA2024," Trump posted on his Truth Social platform.

Rogan has softened his tone on Trump, saying last month that he didn't think Trump's presidency was as extreme as some make it out to be. "Everyone's saying he's going to be a dictator. Well, he wasn't a dictator. He was the president."

Rogan also commended Harris's performance at the September debate against Trump. "She was way better prepared," he said on an episode after the debate. Her responses even to tough questions "sounded real good."

## Trump and Vance Were Targeted

*Continued from Page One*

successfully attempted to access an account held by a Wall Street Journal journalist involved in coverage of the breaches. Microsoft, which has been deeply involved in the investigation, notified the journalist this past week that the group behind those attacks, known as Salt Typhoon, had tried to access the consumer-facing account after the Journal first revealed the nature of the attacks last month.

The boldness of the hackers' activities, the vast breadth of the espionage, and the timing of the attacks weeks before the presidential contest has some officials worried about the possibility of a far more significant effort to interfere with or disrupt the election, some of the people said. Experts who track foreign influence efforts say the days right before an election are the most vulnerable to attack, as the proximity to voting leaves little time to mount a response.

"They're taunting us," one person involved in the response said. "What is the diplomatic messaging behind them doing it, them showing us that they're doing it, and continuing to do it after they are caught?"

The brazenness of the operation, the person said, marked a "new frontier" in how the Chinese government is leveraging cyber activity against the U.S.

In a statement, the Trump campaign didn't directly address the alleged targeting of Trump and Vance, which was earlier reported Friday by the New York Times.

The Federal Bureau of Investigation, in a separate statement Friday, confirmed it was investigating "unauthorized access to commercial telecommunications infrastructure" by Chinese actors. The statement was the first



Investigators believe that hackers gained access to U.S. telecommunications infrastructure.

formal acknowledgment by the U.S. government about the massive breach.

Senior Biden administration officials are still grappling with the extent of the intrusions, with some viewing them as potentially catastrophic to national security. The hackers are believed to have targeted systems used by the companies to comply with court-authorized surveillance wiretaps, in an effort to monitor U.S. law enforcement activities, the Journal previously reported.

There could be valuable information to foreign spy services on the phones of top U.S. politicians, who are a frequent target of nation-state hackers.

This includes text messages and phone call records, and for Trump and Vance such access could reveal close associates of the potential next president and vice president.

Separately, criminal and state-sponsored hackers often target journalists in hopes of gleaning insight about their reporting and confidential sources. But former intelligence officials said the direct targeting of Western reporters by a hacking squad that had been identified by those reporters was highly unusual and likely an attempt at retaliation.

A spokesman at the Chinese Embassy in Washington has denied that Beijing is responsible for the alleged breaches. In recent weeks, the White

House has convened highly confidential meetings to assess the damage of the compromises, which included intrusions into Verizon, AT&T and Lumen, the Journal previously reported.

"We are aware that a highly sophisticated nation-state actor has reportedly targeted several U.S. telecommunications providers to gather intelligence," Verizon spokesman Rich Young said. He added that the company was working with law enforcement and experts to "assess and remediate any potential impact."

Officials within the Biden administration are weighing a range of possible responses to China, according to people familiar with the matter.

"This is too big an initiative by our adversaries for this to just lie fallow," retired Gen. Paul Nakasone, who stepped down earlier this year from running the National Security Agency and U.S. Cyber Command, said earlier this past week. While the campaign largely appeared to be focused on intelligence collection, "what's different about this is the scale," Nakasone said.

U.S. spy agencies have concluded and said publicly that Russia favors Trump in the election and is pushing covert influence campaigns to boost his campaign, while Iran is favoring Harris. China has been seen as active in down-ballot races but not trying to influence the presidential campaign, intelligence officials have said.

—Drew Fitzgerald, Alex Leary

and Robert McMillan contributed to this article.

### The Biden administration is weighing responses to China.

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## WORLD NEWS

# Ukraine Strikes Deeper Inside Russia

Restrictions on U.S. missiles remain, but Kyiv has leveraged its own drone attacks

BY YAROSLAV TROFIMOV

Several times over the past three months, swarms of as many as 150 Ukrainian drones flew hundreds of miles into Russia, slamming into missile-storage facilities, strategic fuel reservoirs, military airfields and defense plants.

Once considered exceptional, these deep strikes now barely register in the news. Yet, Ukrainian officials and some of their Western backers increasingly see the pain that long-range attacks inflict as a game-changer that could force President Vladimir Putin into negotiating an acceptable peace.

"Our capacity to return the war back to its home, to Russia, is what fundamentally alters the situation," Ukrainian President Volodymyr Zelensky said after one such attack last month. The assault, according to open-source intelligence analysts, destroyed some 58 warehouses and a railroad terminal at an artillery and rocket arsenal northwest of Moscow.

After meeting with Defense



A residential building was damaged in a drone attack in Ramenskoye, Russia, last month.

Secretary Lloyd Austin this past week, Zelensky said Washington is readying an \$800 million package to fund Ukrainian drone production.

So far, Ukraine's long-range strikes—which have reached all the way to Russia's Arctic shores in the north and areas bordering Kazakhstan in the east—have been executed with domestically produced weapons. In addition to drones, Kyiv has

targeted Russia with Ukrainian-made Neptune cruise missiles. Zelensky said Kyiv has developed ballistic missiles, but they don't appear to have been used.

While the U.S. and its allies have allowed Ukraine to fight with Western weapons in Russia's border regions, such as Kursk, they have denied Zelensky's requests to hit more remote Russian targets.

Putin has warned of escalation

should Western missiles be permitted to hit inside Russia. Western officials say they fear that the Kremlin's responses could include providing Yemen's Houthis with sophisticated missiles that could sink U.S. warships in the Red Sea, or stepping up sabotage activities in Europe. Russia has provided the Houthis with intelligence to target commercial shipping.

Though not as potent or fast

as allies' ATACMS or Storm Shadow missiles, Ukraine's own long-range weapons have steadily increased in reach and power, turning from nuisance to a strategic lever in the war that is approaching a three-year mark. This is a major shift from the first year of the war, when Russia pummeled targets across Ukraine with drones and missiles without fearing a significant response at home.

"So now we are showing our capabilities with rather effective strikes. The dynamic works in our favor because those who launch strikes hold the initiative, and Russia has a hard time defending its vast territory," said Mykola Bielieskov, a fellow at the National Institute for Strategic Studies, a government think tank in Kyiv.

Ukraine is developing its long-range strike weapons at a critical moment of the war. Russian forces, aided by an advantage in manpower and ammunition, keep slowly but steadily advancing in Ukraine's eastern Donbas region, and are testing Ukrainian defenses in the southern region of Zaporizhzhia.

The growing belief in Kyiv and among many of its backers is that the war in Ukraine can't be won just in Ukraine—and that bringing it to an end

requires inflicting much more damage to Russia's economy and military infrastructure.

"A war of attrition in the South and the East is not a war that, over the long run, Ukraine can fight and win. So they have to figure out how to change Vladimir Putin's calculus," said Rep. Jason Crow (D., Colo.), a U.S. Army veteran who, like many Democratic and Republican lawmakers, is pushing the Biden administration to authorize the use of ATACMS inside Russia.

Sen. Roger Wicker (R., Miss.), the ranking member of the Senate Armed Services Committee, complained in a letter to President Biden this month that Washington has "hamstrung" Ukraine.

Efforts to deter Russian strikes on Ukraine's energy infrastructure also have been gaining strength, after systematic Ukrainian attacks on Russian refineries and a handful of large Russian power stations.

—Isabel Coles contributed to this article.

## Watch a Video



Scan this code for a video on Ukraine's use of drones deep inside Russia.

## North Korean Troops Head to Kursk, U.S. Says

BY LARA SELIGMAN AND MICHAEL R. GORDON

**WASHINGTON**—The Biden administration believes that some North Korean troops are on their way to Russia's Kursk region to help Moscow fend off Ukrainian forces who mounted an offensive there in August, according to a U.S. official.

U.S. officials haven't yet confirmed South Korean reports that the North Korean soldiers will fight on the battlefield. But they say the North Korean troops that are being sent could number in the thousands and could be quickly thrust into a combat role.

The U.S. official's comments came after John Kirby, a spokesman for the National Security Council, told reporters earlier Friday that it was likely at least some of the North Korean troops currently at several training sites in the eastern part of Russia would be sent to Kursk. But he noted that the purpose of the deployment was unclear.

It is the first time the U.S. has publicly acknowledged the assessment that Pyongyang's troops could soon be deployed to Kursk, a day after Ukraine's military intelligence service said the first North Korean units trained in Russia had deployed to the region.

While U.S. officials initially estimated that about 3,000 North Korean troops were cur-

rently being trained in Russia, Kirby said the U.S. believes the total tally could now be higher. South Korea intelligence officials have told their country's lawmakers that the North Korean troop contingent in Russia will grow to 10,000 by December.

Jake Sullivan, the president's national security adviser, met with his South Korean and Japanese counterparts in Washington, D.C., on Friday, Kirby said.

Sullivan and his South Korean and Japanese counterparts "expressed grave concern" about the troop deployment and called on Moscow and Pyongyang "to cease these actions that only serve to expand the security implications of Russia's brutal and illegal war beyond Europe and into the Indo-Pacific," Kirby said.

Russian President Vladimir Putin said Friday his country has the right to use the North Korean forces as it wishes. "This is our sovereign decision," Putin said in Kazan at the summit of Brics, a group of emerging economies designed to counter Western influence.

U.S. officials argue that the deployment highlights Russia's military shortfalls, which have forced Putin to seek equipment and now potentially soldiers from other countries.

Ukraine invaded the Kursk region earlier this year.



A person on Friday mourned children who were killed in an Israeli strike on Khan Younis in the southern Gaza Strip.

## Hamas Rejects an Offer for Safe Passage

Israel's top cease-fire negotiator made a new offer to Hamas leaders: Enjoy safe passage to another country if you lay down your arms and release the hostages.

By Summer Said  
Alexander Ward  
and Rory Jones

The proposal from Israeli spy chief David Barnea, made in a meeting with Egyptian officials this past week to break the impasse, was swiftly rejected by the U.S.-designated terrorist group, Arab mediators said.

Khalil al-Hayya, Hamas's top cease-fire negotiator, said the offer showed how Israel is still misreading the group, and warned it could continue fighting for months, if not years, the mediators said.

Israel's Prime Minister Benjamin Netanyahu "has reiterated that we are willing to give them safe passage if they lay down their arms and release the hostages," said Ophir Falk, the prime minister's foreign-policy adviser. "At the same time, anyone who will hurt the

hostages will be hunted down."

Hamas didn't respond to a request for comment.

U.S. and Israeli officials have talked about giving Hamas leaders and their men safe passage as a way to end the war since the early days of the conflict, and even offered a way out of Gaza to Yahya Sinwar. The Hamas leader rejected the offer.

He was killed by Israeli troops this month.

The idea echoes Israel's 1982 war in Lebanon, when Yasser Arafat and fellow Palestinian militants were allowed to leave Beirut for Tunisia. But there are different calculations for Hamas than there were for Arafat. Hamas is fighting for what they believe is their homeland, while Arafat was fleeing one foreign base for another. And Hamas has deep roots in Gaza society, while many in Lebanon saw Arafat as a troublesome interloper.

ernments, Iran's foreign minister said his country doesn't want a wider war and suggested Tehran could absorb an Israeli retaliatory strike without escalating if it targeted military sites rather than sensitive oil or nuclear facilities, Arab officials said.

The strikes and threats marked the latest expansion of the fighting that began a year ago in Gaza, sparked by the Hamas-led Oct. 7 attack on southern Israel that left 1,200 dead.

Israel and Iran, after fighting a long war via proxies, have now directly exchanged fire directly twice this year.

Israel has also launched a major campaign in Lebanon,

Israel's offer underlined the new urgency to strike a deal after Sinwar's death, with Hamas leaderless and Israel winning military victories.

The idea likely will come up again Sunday, when U.S., Arab and Israeli officials are planning to meet in Qatar to renew talks, the mediators said.

The renewed efforts come as the region had been bracing for Israel's response to an Iranian ballistic-missile assault on Israeli territory earlier this month.

Israel struck back early Saturday, saying it was attacking Iranian

military targets.

Still, Arab mediators believe the proposal put forward by Egypt for a short-term pause could open a window to a comprehensive deal, after weeks of deadlock. Central Intelligence Agency Director William Burns is scheduled to meet with the spy chiefs from Israel and

Egypt, according to Arab mediators involved in the effort.

Egyptian and Qatari officials also are expected to meet with Hamas, whose fighters continue to battle Israeli forces in Gaza and whose political leadership is based in Doha.

Cease-fire discussions largely collapsed in recent months as Israel and Hamas couldn't agree to terms for a permanent end to fighting.

Now, Egypt is proposing a small-scale cease-fire in an effort to build momentum for a larger deal that ends the war, according to Arab mediators involved in the talks. The Egyptian proposal calls for the release of five hostages held by Hamas in exchange for a ceasefire of up to two weeks and the potential release of Palestinian prisoners in Israeli jails, according to mediators. The pact could then be extended.

Netanyahu said Friday he welcomed Egypt's readiness to advance a deal for the release of the hostages, and had directed the head of Israel's foreign intelligence agency, Mossad, to travel to Doha.

left the matter there.

Iran's most recent strike at the start of this month, like the earlier one in April, aimed at military and security facilities and did little damage.

U.S. warships helped shoot down several of the ballistic missiles intended for Israel.

Netanyahu warned Iran at the time of the strike that it had made a "big mistake" and would pay for it.

Netanyahu and Gallant were in Israeli military headquarters in Tel Aviv overseeing the strikes from its underground bunker, the prime minister's office said.

"The Gaza war has brought the Israel-Iran conflict out of the shadows," Kaye said.

## In Memoriam

For more information:  
[wsj.com/inmemoriam](http://wsj.com/inmemoriam)

Ernest Mario



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## Israel Hits Targets Near Tehran

Continued from Page One

ties said their systems were firing in three locations around the capital.

Iran struck Israel on Oct. 1 to avenge the killings of Hamas political leader Ismail Haniyeh in Tehran and Hezbollah leader Hassan Nasrallah in Beirut, launching about 180 ballistic missiles. In recent conversations with Arab gov-

ernments, Iran's foreign minister said his country doesn't want a wider war and suggested Tehran could absorb an Israeli retaliatory strike without escalating if it targeted military sites rather than sensitive oil or nuclear facilities, Arab officials said.

The strikes and threats marked the latest expansion of the fighting that began a year ago in Gaza, sparked by the Hamas-led Oct. 7 attack on southern Israel that left 1,200 dead.

Israel and Iran, after fighting a long war via proxies, have now directly exchanged fire directly twice this year.

Israel has also launched a major campaign in Lebanon,

sending troops into the country and carrying out more than 3,000 airstrikes in the past month. Fighting has escalated in Gaza with a major Israeli operation in the northern part of the enclave, while Iran-linked militias throughout the region continue to strike at Israel. U.S. forces and shipping near the Red Sea.

The violence has spread markedly in the region since Iran attacked Israel directly for the first time ever in April, sending more than 300 drones and missiles in a barrage that was largely shot down by Israel and its allies.

Israel replied with a pinpoint strike on an air defense radar in Iran, and both sides

KEY WEST, FLA.—Ernest Mario, whose career as a pharmacist, researcher, and drug industry executive spanned six decades, died October 20, 2024 in Durham, NC. He lived at various times in Princeton, NJ; Palo Alto, CA; London, England; Washington, DC; and Key West, FL. He was 86. Born in 1938 in Clifton, NJ, to immigrant parents, Dr. Mario was educated in the Clifton public schools before enrolling in what today is known as the Ernest Mario School of Pharmacy at Rutgers, the state university of New Jersey. Married to the former Mildred Daume of Queens, NY, for 59 years, the couple leave behind three sons, eight grandchildren, two great grandchildren, and many dear nieces and nephews. A public memorial service will be held at Edith Memorial Chapel at the Lawrenceville School in Lawrenceville, NJ, on December 7 at 2 pm. More details can be found at [www.hallwynne.com/obituaries/ernest-mario](http://www.hallwynne.com/obituaries/ernest-mario).

## WORLD NEWS

# Eurozone Inflation Will Keep Slowing, Consumers Expect

By PAUL HANNON

Eurozone consumers expect the rate of inflation to fall closer to the European Central Bank's 2% target over the next year, according to a monthly ECB survey of 19,000 consumers released Friday.

The ECB pays attention to inflation expectations because they affect the wages sought by workers in pay negotiations, and in turn future price rises. While headline inflation has eased this year, ECB policymakers worry that rapid wage rises could spur businesses in the labor-intensive services sector to raise their prices enough to push inflation back above the target.

The survey found prices were expected to rise 2.4% over the coming 12 months, down from 2.7% in August. That was the lowest expectation since September 2021.

## Inflation expectations over next year are the lowest since fall 2021.

Consumers expected inflation in the 12 months after that to be just 2.1%, down from 2.3% and the lowest level since February 2022, when Russia's invasion of Ukraine sparked a surge in energy and food prices. The inflation rate fell to 1.7% in September, but is expected to rebound before falling again.

One factor that could revive inflation—and lead to big losses in global economic output—is rising barriers to trade, ECB President Christine Lagarde warned during annual meetings of the International Monetary Fund on Friday.

"It is therefore crucial that legitimate concerns about security and supply-chain resilience do not lead to a spiral of

protectionism," Lagarde said. Governments around the world have become more skeptical of the benefits of international trade over the past decade, with tariffs and other obstacles on the rise.

Lagarde said a further fragmentation of the global trading system would likely push prices higher both by making inputs more expensive and by limiting alternatives.

"This would make it more challenging for central banks to ensure price stability," she said.

Many barriers reflect a lack of trust between major economies, and a reluctance to rely on potentially hostile countries for key goods such as advanced semiconductors. Mutual suspicion has grown since Russia invaded Ukraine.

Lagarde said ECB economists estimate fresh barriers aimed at "strategic products" could lead to lost output equivalent to 6% of global gross domestic product, while "full decoupling" could lead to a loss of 9%.

Her warning came ahead of U.S. elections on Nov. 5, with former President Donald Trump proposing more tariffs on imports from China and the rest of the world.

With domestic demand still weak, the eurozone would likely see a hit to growth if new tariffs were imposed on its exports to the U.S. next year.

Lagarde said there are indications the economy has weakened in recent months as geopolitical uncertainty has risen. But she said the ECB still expects a recovery driven by rising household spending.



PATRICK BAZ/AGENCE FRANCE PRESSE/GETTY IMAGES

DOWNWARD DOG: A yoga instructor led a session on the beach in the ancient northern Lebanese city of Batroun on Friday.

## BRAZIL

## Wildfire Losses Are Way Up From 2023

Wildfires in Brazil have swept through an area the size of Switzerland—a level of destruction that the forest will take decades to recover from, if it ever does, according to a new satellite assessment by the National Institute for Space Research.

The area that burned between January and mid-October was 846% larger than a year earlier and five times the area burned in 2019, when destruction of the Amazon made headlines worldwide.

The level of destruction raises suspicions among officials and experts that criminals are using climate change to their advantage, as the drought allows them to clear forest for pasture more easily.

—Associated Press

## PHILIPPINES

## At Least 82 Dead As Storm Moves On

Tropical Storm Trami blew away from the northwestern Philippines on Friday, leaving at least 82 people dead in landslides and flooding that forced authorities to scramble for rescue boats.

Although Trami didn't strengthen into a typhoon, it dumped unusually heavy rains. The storm, with sustained winds of up to 59 mph and gusts of up to 78 mph, was moving northwestward Friday afternoon toward Vietnam, forecast to be hit Sunday if Trami stays on course.

But Philippine state forecasters raised the rare possibility that the storm could make a U-turn, pushed back by high-pressure winds in the South China Sea.

—Associated Press

## RUSSIA

## Central Bank Lifts Key Rate to 21%

Russia's central bank on Friday raised its key interest rate by 2 percentage points to a record 21% in an effort to stem inflation as spending for the war in Ukraine strains the economy's capacity. Labor shortages resulting from a decrease in population and exacerbated by workers' leaving factory jobs to join the military have driven a massive increase in wages and fueled a consumer boom.

Bank of Russia Gov. Elvira Nabiullina said annual inflation is expected to double the bank's target of 4%. Russia's economy grew 4.4% in the second quarter, with unemployment 2.4%. The central bank held out the prospect of more rate increases in December.

—Associated Press

## UNITED KINGDOM

## Online Blackmailer Sentenced in Death

An online predator who blackmailed girls around the world was sentenced to at least 20 years in prison on Friday after being convicted of the manslaughter of a victim who took her own life.

Prosecutors say 26-year-old old Alexander McCartney, pretending to be a teenage girl, encouraged victims to send intimate photos or engage in sex acts, then threatened to share the images.

A 12-year-old in West Virginia killed herself during an online chat. Her father died by suicide 18 months later.

Prosecutors said they believe this is the first manslaughter conviction in a case where victim and perpetrator never met.

—Associated Press

## PAID POLITICAL ADVERTISEMENT

**"A person that did not want to be seen in the presence of military amputees because 'it doesn't look good for me'."<sup>1</sup>**

— John Kelly  
Former Trump Chief of Staff

# DONALD TRUMP: UNFIT TO BE COMMANDER-IN-CHIEF

"Why should I go to that cemetery? It's filled with losers" Trump said, later calling the 1,800 Marines killed during the bloody Battle of Belleau Wood "suckers" for dying in action.<sup>1</sup>

— John Kelly, former Chief of Staff, appointed by Donald Trump

"A person who admires autocrats and murderous dictators. A person that has nothing but contempt for our democratic institutions, our Constitution, and the rule of law."<sup>1</sup>

— John Kelly, former Chief of Staff, appointed by Donald Trump

"Someone who continually disrespects the sacrifices of military families has no business being commander-in-chief."<sup>2</sup>

— Nikki Haley, former SC Governor

"He's [John McCain] not a war hero. He was a war hero because he was captured. I like people that weren't captured."<sup>3</sup>

— Former President Donald Trump, Family Leadership Summit, 07/15

Trump deliberately ignored U.S. Army protocols & Federal law at Arlington National Cemetery—AND disrespected the final resting place of those who courageously served our nation—all to promote his own political campaign.<sup>4</sup>

— Trump with campaign staff at Arlington National Cemetery

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<sup>1</sup><https://thehill.com/homenews/administration/4235005-john-kelly-confirms-trumps-suckers-remark-about-war-dead/>, Olafimihan Oshin, 10/02/23; <sup>2</sup><https://www.newsweek.com/donald-trump-tells-nikki-haleys-husband-leave-his-military-deployment-1869605>, Nick Mordowanec 02/13/24; <sup>3</sup><https://www.politico.com/story/2015/07/trump-attacks-mccain-i-like-people-who-werent-captured-120317>, Ben Schreckinger, 07/18/15; <sup>4</sup><https://www.cnn.com/2024/08/29/politics/us-army-rebukes-trump-campaign-arlington-incident/index.html>, Haley Britzky, 08/29/24; <sup>5</sup><https://apnews.com/article/trump-election-veterans-outrage-comments-history-cc0d20132abc7c1d8e33cba23ba1996b>, Michelle L. Price, Meg Kinnard, 08/29/24

## WORLD NEWS

# China's Fleets Overwhelm Fishing in Peru

Chinese are putting pressure on the world's richest grounds for fishing

BY RYAN DUBÉ

PAITA, Peru—For three decades, Francisco Chiroque's livelihood has depended on the jumbo squid that flourish off this country's Pacific coast in one of the world's richest fishing grounds. This year, his catch has collapsed.

Chiroque and the Peruvian fishing industry blame the hundreds of gigantic Chinese fishing ships patrolling the edge of Peru's national waters. Peru's squid catch is down 70% so far this year, which the fishing industry says is a result of the industrial-scale fishing that Chinese companies have brought to seas normally plied by individuals in small boats.

"They fish and fish, day and night," said Chiroque, 49 years old, head of the squid-fisherman association in Paita, a city on Peru's far northern Pacific coast that is home to its squid-fishing industry. "The plundering is awful."

The woes of Peru's squid fishermen mark the latest round of international tensions involving China's overseas fishing fleet, by far the world's largest. U.S. officials and conservationists say China's thousands of industrial-size vessels endanger ecosystems and threaten fishing industries from Africa to Latin America.

Overfishing has become a flashpoint of geopolitical friction between Beijing and Washington, which has sided with countries such as Peru. The Bi-

den administration has sanctioned Chinese-flagged ships for so-called illegal, unreported and unregulated fishing, which the U.S. says has surpassed piracy as the leading global maritime-security threat.

For the first time, the U.S. Coast Guard is boarding fishing vessels off the coast of Peru and Ecuador.

"It's unfair competition," said Elsa Vega, president of an association of Peru's artisan fishermen. "It's like David and Goliath."

Beijing sees its distant-water fleet, made up of thousands of heavily subsidized ships, as crucial to its drive to become a maritime superpower while providing millions of jobs and feeding its 1.4 billion people. Overfishing in Asia has pushed Chinese ships farther from home. Beijing also has said the development of its fishing fleet is critical to safeguarding China's maritime rights.

China's Foreign Ministry said the Chinese fleet isn't responsible for the decrease in squid catches, noting that Peru's government has attributed the decline to changing ocean temperatures. The ministry said China always has respected Peru's maritime zone, strictly abides by rules for fishing in international waters, and monitors the position of distant-water fleets. It said it has a zero-tolerance approach to combat illegal fishing.

China's fishing dominance has fueled a backlash across countries of the global south, where Beijing generally has outmaneuvered Washington but risks overreaching. Off Ghana, Chinese ships have exhausted small, sardine-like fish vital to coastal communities, said local officials and conservationists.



Elvis Chiroque, a father of three, plans to leave Paita, Peru, for a job picking mangoes because he can't support his family.

## Overfishing Is Hurting Livelihoods for Many Families

Juan Carlos Riveros, a biologist who is the science director in Peru for Oceana, a Washington, D.C.-based conservation organization, said that while squid are susceptible to changing temperatures, "what we are witnessing is a case of overfishing."

After he finished high school 15 years ago, fishing

squid was one of the few jobs in Paita for Elvis Chiroque. Back then, his boat could haul up to about 15 tons of squid in a week.

In recent years, however, the 34-year-old noticed the squid were getting smaller. And he had to stay out longer to catch the same as before. During his last trip in August, Chiroque was at

sea for 22 days. He came back with a ton of squid—a fraction of what was needed to cover costs.

"We felt sad, thinking of our families, how we weren't going to make any money," he said.

The father of three said he plans to leave Paita for a job picking mangoes. "We have to do something," he said.

In the Indian Ocean, Chinese tuna ships have been accused of forced labor and shark finning, a practice banned by the U.S. In 2016, Argentina's coast guard sank a Chinese ship it accused of illegal fishing.

"In all of the world's seas, this fleet is known for committing grave infractions," said Alfonso Miranda, head of Calamasur, a group made up of squid-industry representatives from Mexico, Ecuador, Peru and Chile. "It could result in the disappearance of Peru's artisan fishermen."

In Peru, wooden boats that would normally be out at sea now float idly alongside pelicans and seagulls in Paita's bay. Out-of-work fishermen are burning through savings.

Peruvian seafood company Seafrost has processed just 25% of the squid that it had planned for this year, said Baruch Byrne, operations manager of its Paita plant.

The first Chinese fleet of 22 ships arrived off the western coast of South America in 2001. Those ships caught 17,700 tons of squid that year,

according to the South Pacific Regional Fisheries Management Organization, a New Zealand-based intergovernmental group that includes the U.S. and China and that oversees fisheries in the Pacific.

Now, the Chinese fishing boats haul in some 500,000 tons of squid annually from those waters.

The fleet has since grown to about 500 ships. From space the ships look like a floating city. A mother ship transports the catch back to China. Other vessels provide fuel. One

serves as a hospital for crew members, says Eloy Aroni, a fishing expert at Artisonal, a Peru-based organization that tracks the fleet.

Satellite images show the fleet spends much of the year just outside the 200 nautical miles that are part of Peru's maritime territory, hugging the border as it follows the squid north and south.

Peru's ships have little chance of competing. The squid move both inside and outside of Peru's maritime waters, meaning that even if Chinese ships don't enter Peruvian waters, their catch has repercussions for locals.

The fishing industry says it has received little support from the government of Peruvian President Dina Boluarte, who visited Beijing in June to deepen ties with China.

Peru's Production Ministry, which oversees the fishing industry, didn't respond to an interview request.

In November, Chinese leader Xi Jinping is scheduled to inaugurate a Chinese-owned megaport in Peru during the Asia-Pacific Economic Cooperation summit.

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THE BEST OF  
BRITISH  
MENSWEAR



ME

## FROM PAGE ONE

# NASA Head Concerned by Musk Talks

**Administrator expresses worries over reported contact with Putin**

By JOSEPH DE AVILA  
AND MICAH MAIDENBERG

Elon Musk's secret conversations with Vladimir Putin are drawing attention from leaders at NASA, which increasingly relies on Musk's SpaceX to carry out key missions.

The Wall Street Journal reported Thursday that the two have been in contact since 2022. The discussions, confirmed by current and former U.S., European and Russian officials, touch on personal topics, business and geopolitical tensions between Putin and Musk.

Putin asked Musk to avoid activating his Starlink satellite internet service over Taiwan as a favor to Chinese leader Xi Jinping, according to the Journal reporting.

"I don't know that that story is true. I think it should be investigated," NASA Administrator Bill Nelson said Friday at a Semafor conference in Washington, D.C. "If the story is true that there have been multiple conversations between Elon Musk and the president of Russia then I think that would be concerning, particularly for NASA, for the Department of Defense, for some of the intelligence agencies."

Musk didn't deny details in the Journal's reporting but alluded to the story on his social-media platform X, including posting laughing emojis when a user joked that Musk could be a Russian agent.

A spokesman for SpaceX didn't respond to a request for comment.

White House officials said Friday that they were aware of the Journal article. "I'm not in a position to corroborate the veracity of those reports, and we would refer you to Mr. Musk to speak to his private communications," said John Kirby, a spokesman for the National Security Council.

Sen. Jeanne Shaheen (D., N.H.) said on X that the Defense Department "must investigate this and evaluate how it relies on commercial services like Musk's." Shaheen is a member of the Senate's committee on foreign relations and its armed services committee.

Senate's committee on foreign relations and its armed services committee.

Musk has deep business ties with U.S. military and intelligence agencies. SpaceX, which operates the Starlink service, works on classified government programs and is also the primary rocket launcher for the Pentagon and NASA. Musk has a security clearance, giving him access to certain classified information.

"If all of this is confirmed, it's a very serious concern. Elon Musk is very deeply embedded in our national-security apparatus," said Rep. Jim Himes (D., Conn.), the ranking Democrat on the House Intelligence Committee.

Knowledge of Musk's Kremlin contacts appears to be a closely held secret in government. Several White House officials said they weren't aware of them. The topic is highly sensitive, given Musk's increasing involvement in the Trump campaign and the approaching U.S. presidential election, less than two weeks away.

A representative for the Air Force, parent organization of the Pentagon's Space Force, declined to comment. The National Reconnaissance Office, an intelligence agency that frequently works with SpaceX, including during a launch Thursday, declined to comment.

NASA and SpaceX have developed a close relationship, with the company launching major scientific missions for the agency on its rockets and transporting astronauts to and from the International Space Station. SpaceX's Starship vehicle plays a key role in NASA's lunar-exploration plans.

Musk's activities have at times generated worries at the space agency. After the executive purchased Twitter, the social-media platform he renamed X, NASA's Nelson said he asked SpaceX President Gwynne Shotwell if that deal would divert from SpaceX's mission. According to Nelson, Shotwell said that it wouldn't.

NASA said separately on Friday that SpaceX returned three agency astronauts and one Russian cosmonaut from the space station.

—Gordon Lubold  
and Warren P. Strobel  
contributed to this article.

## Elon Musk In Contact With Putin

*Continued from Page One*  
America's chief adversaries.

Musk has forged deep business ties with U.S. military and intelligence agencies, giving him unique visibility into some of America's most sensitive space programs. SpaceX, which operates the Starlink service, won a \$1.8 billion classified contract in 2021 and is the primary rocket launcher for the Pentagon and NASA. Musk has a security clearance that allows him access to certain classified information.

Knowledge of Musk's Kremlin contacts appears to be a closely held secret in government. Several White House officials said they weren't aware of them. The topic is highly sensitive, given Musk's increasing involvement in the Trump campaign and the approaching U.S. presidential election, less than two weeks away.

Musk didn't respond to requests for comment. The billionaire has called criticism from some quarters that he has become an apologist for Putin "absurd" and has said his companies "have done more to undermine Russia than anything."

During his campaign swing through Pennsylvania last week, Musk talked about the importance of government transparency and noted his own access to government secrets. "I do have a top-secret clearance, but, I'd have to say, like most of the stuff that I'm aware of...the reason they keep it top secret is because it's so boring."

A Pentagon spokesman said: "We do not comment on any individual's security clearance, review or status, or about personnel security policy matters in the context of reports about any individual's actions."

One person aware of the conversations said the government faces a dilemma because it is so dependent on the billionaire's technologies. SpaceX launches vital national security satellites into orbit and is the company NASA relies on to transport astronauts to and from the International Space Station.

"They don't love it," the person said, referring to the Musk-Putin contacts. The person, however, said no alerts have been raised by the administration over possible security breaches by Musk.

Kremlin spokesman Dmitry Peskov said the only communication the Kremlin has had with Musk was over one telephone call in which he and Putin discussed "space as well as current and future technologies."

Apart from that, he said neither Putins nor Kremlin officials were holding regular conversations with Musk.

A spokeswoman for Trump's campaign called Musk "a once-in-a-generation industry leader" and said "our broken federal bureaucracy could certainly benefit from his ideas and efficiency."

"As for Putin," the spokeswoman continued, "there's only one candidate in the race that he did not invade another country under, and it's President Trump. President Trump has long said that he will re-establish his peace through strength foreign policy to deter Russia's aggression and end the war in Ukraine."

### A bottle of vodka

Musk has long had a fascina-



Elon Musk, above, speaking at a recent town hall in Pittsburgh; Russia's President Vladimir Putin shaking hands with then-President Donald Trump, below, during a meeting on the sidelines of the G-20 summit in Osaka, Japan, in 2019.



tion with Russia and its space and rocket programs. Walter Isaacson's biography of Musk said the businessman traveled to Moscow in 2002 to negotiate the purchase of rockets for his fledgling space program, but passed out during a vodka-heavy lunch. The sale ultimately failed, though his Russian hosts gave Musk a bottle of vodka with his likeness superimposed on a drawing of Mars.

The billionaire's conversations with Putin and Kremlin officials highlight his increasing inclination to stretch beyond business and into geopolitics. He has met several times and talked business with Javier Milei of Argentina, as well as former Brazilian President Jair Bolsonaro, whom he defended in an acrimonious online debate.

Putin is on a different order of magnitude. The Russian leader has created an authoritarian system that oversees fraudulent elections and the assassinations of political opponents, for which President Biden called him a "killer." With keys to one of the world's most powerful nuclear arsenals and growing territorial ambitions in Europe, Putin has become the U.S.'s chief antagonist.

Labeling him a "despot," the Treasury Department took the unusual step in 2022 of blacklisting him for invading Ukraine, putting him in the same company with North Korea's Kim Jong Un, Syrian President Bashar al-Assad and Alexander Lukashenko of Belarus.

In October 2022, Musk said publicly that he had spoken only once to Putin. He said on X that the conversation was about space, and that it occurred around April 2021.

But more conversations have followed, including dialogues with other high-ranking Russian officials past 2022 and into this year. One of the officials was Sergei Kiriyenko, Putin's first deputy chief of staff, two of the officials said. What the two talked about isn't clear.

Last month, the U.S. Justice Department said in an affidavit that Kiriyenko had created some 30 internet domains to spread Russian disinformation, including on Musk's X, where it was meant to erode support for Ukraine and manipulate American voters ahead of the presidential election.

### Changing views

After the Russian invasion in February 2022, Musk at first made strong public statements of support for Kyiv. He posted "Hold Strong Ukraine," flanked by Ukrainian flags on what was then still known as Twitter. Shortly after, he jokingly challenged Putin to one-on-one combat.

He followed up by donating several hundred Starlink terminals to Ukraine. By July some 15,000 terminals were providing free internet access to broad swaths of the country destroyed by the Russian attacks.

Later that year, Musk's view of the conflict appeared to change. In September, Ukrainian military operatives weren't able to use Starlink terminals to guide sea drones to attack a Russian naval base in Crimea, the Black Sea peninsula Moscow had occupied since 2014.

Ukraine tried to persuade Musk to activate the Starlink service in the area, but that didn't happen, the Journal has reported.

His space company extended restrictions on the use of Starlink in offensive operations by Ukraine. Musk said later that he made the move because Starlink is meant for civilian uses and that he believed any Ukrainian attack on Crimea could spark a nuclear war.

His moves coincided with public and private pressure from the Kremlin. In May 2022, Russia's space chief said in a post on Telegram that Musk would "answer like an adult" for supplying Starlink to Ukraine's Azov battalion, which the Kremlin had singled out for

democracy on its rockets and transporting astronauts to and from the International Space Station. SpaceX's Starship vehicle plays a key role in NASA's lunar-exploration plans.

Musk's activities have at times generated worries at the space agency. After the executive purchased Twitter, the social-media platform he renamed X, NASA's Nelson said he asked SpaceX President Gwynne Shotwell if that deal would divert from SpaceX's mission. According to Nelson, Shotwell said that it wouldn't.

NASA said separately on Friday that SpaceX returned three agency astronauts and one Russian cosmonaut from the space station.

Bremmer.

In the past year, Musk and Russia's interests have increasingly overlapped. Apart from Russia's use of X for disinformation and Musk's outspoken opposition to aid to Kyiv, Ukrainian officials said earlier this year that Russian forces occupying the country's eastern and southern swaths had started using Starlink to enable secure communications and extend the range of their drones.

Russian troops also began using Starlink terminals, brought in through third countries, at a massive scale, undermining one of Ukraine's few battlefield advantages. Musk has said on X that to the best of his knowledge, no terminals had been sold directly or indirectly to Russia, and that the terminals wouldn't work inside Russia.

Pentagon officials have said the military was working with Ukraine and Starlink to address the issue, and described SpaceX as a great partner in those efforts. People familiar with the situation have said controlling who is using Starlink in Ukraine is difficult.

Starlink has said on X that when SpaceX learns of claims that unauthorized parties are using the service, it investigates and can cut off access.

Earlier this year, Musk gave airtime to Putins and his views on the U.S. and Ukraine when X carried Tucker Carlson's two-hour interview with the Russian leader inside the Kremlin. In that interview, Putins said he was sure Musk "was a smart person."

"There's no stopping Elon Musk, he's going to do what he thinks he needs to do," Putins said. "You need to find some common ground with him, you need to search for some ways to persuade him."

Late last year, the Kremlin first made the request of Musk to not activate Starlink over Taiwan, said a former Russian intelligence officer briefed on the situation. The request was done as a favor to China, he said, whom Russia was increasingly relying on for trade and to get around sanctions.

A representative of the Chinese embassy in Washington said they weren't aware of the specifics and couldn't comment.

Starlink has never secured permission to offer internet service in Taiwan, whose government places restrictions on non-Taiwanese satellite operators. Taiwan is currently listed as "coming soon" on a Starlink map of where it provides service.

As the year progressed, Musk became more preoccupied with the presidential election.

Through the first months of the year, Musk said he would refrain from backing any presidential candidate while at the same time holding private conversations discussing how he could get Trump elected. Musk publicly endorsed him in July.

The businessman said he planned to commit as much as \$45 million a month to a new super political-action committee in part to get it done, according to people familiar with the matter. The effort included hiring armies of canvassers to scour battleground states for voters.

Since then, Trump has said he intends to make Musk the head of a "government efficiency commission." The two speak often.

—Micah Maidenber and Tim Higgins contributed to this article.

# SPORTS

## A Big Season for Army, Navy Football

In a strange season of college football, the Black Knights and Midshipmen are waging their most successful campaigns since World War II—thanks to a rules change and a strategic shift



BY LAINE HIGGINS

The Michigan Wolverines are toast. Alabama can't stop beating itself. And the best team in the Big Ten resides in Eugene, Ore.

It has been a strange, strange year in college football, but here's the weirdest thing of all: For the first time in forever, Army and Navy are two of the most dominant teams in the entire sport.

Midway through the 2024 season, Army is 7-0 and ranked 23rd in the nation, while Navy is at No. 24 with a 6-0 record ahead of a high stakes showdown on Saturday against No. 12 Notre Dame. They are two of only three programs, along with Indiana, to have won every game by double digits. And it's no exaggeration to say that they will be a handful for every team in the country.

All of which sounds like something from a bygone era. The service academies haven't won a national championship since World War II and haven't produced a Heisman Trophy winner since the 1960s. The last time they both had perfect records at this stage of the season was back in 1926, when Calvin Coolidge was in the White House, the forward pass was in its infancy and the National Football League was six years old.

But now, nearly a century later—and at a time when college football is changing more rapidly

than ever before—Army and Navy have somehow found their way back to national relevance, with legitimate hopes of a conference championship and even a spot in the expanded playoff.

"We appreciate being relevant," said Navy quarterback Blake Horvath. "But at the same time we want to work and we have bigger aspirations than six wins."

How Army and Navy got here wasn't down to some masterplan executed with military precision. In fact, it can be traced back to a minor rule change made six years ago, which the rest of the sport barely noticed.

In 2018, the NCAA banned open-field blocks below the waist as part of its ongoing efforts to curtail injuries. Four years later, after a sharp decrease in lower body injuries, the rule was expanded a stage further, outlawing all blocking below the waist outside of the tackle box.

For Army and Navy, that slight tweak to the rulebook redrew the battle lines of the sport.

Most teams don't design their blocking schemes around taking out an opponents' knees and ankles. But Army and Navy do. The reason is their players are usually smaller and lighter than their opponents in order to comply with the military's strict requirements on body composition and physical fitness. Size matters on the gridiron, and so-called "cut blocking" is one way to negate that disadvantage.



Top: Army quarterback Bryson Daily runs for a touchdown against East Carolina. Above: Navy players celebrate after a win against Charlotte.

Or rather, it was. When downfield cut blocking was banned, it marked a rare thing that both cadets and midshipmen could agree on. Fans launched a petition to change the rule back, which garnered nearly 2,000 signatures. Steve Shaw, who heads up the NCAA's rules committee, said he fielded a series of calls from Jeff Monken in which the Army coach sounded "like a person going through stages of grief."

Monken and Navy coach Brian Newberry eventually came to terms with the new rules, accepting that they'd have to take some risks on offense to stay competitive.

At West Point, Monken made a drastic shift. He pointed Army toward the skies, hiring a new offensive coordinator from the pass-heavy "Air Raid" scheme—about as far removed as you can get from the triple option. The Black Knights moved to the shotgun and switched

to a zone blocking scheme, which meant asking the offensive linemen to beef up in the weight room, said offensive line coach Matt Drinkall. The extra work, he added, "completely changed how we look and operate."

The offensive line was a bright spot last year, enabling Army to employ a more conventional power running game. But embracing the pass didn't go as smoothly. Army attempted 57% more passes per game than the previous season, but gained 15% fewer yards per attempt. Things got worse as the season went on—the Black Knights averaged 143.5 passing yards in their first six games, but just 62 in their last six.

"It was maybe a little bit of an overcorrection," Drinkall said.

The Black Knights finished 6-6 and for the 2024 season and Monken decided to go back to playing option football under center. The difference was that Army had learned how to wage a ground campaign without cut blocking.

Navy took a different tack in 2023: they stayed the course. In his first year as head coach, Newberry doubled down on the Midshipmen's roots, sticking with the spread option despite the rules changes.

The problem was that without the ability to cut-block, the scheme sputtered. Perimeter blockers had to learn new mechanics while the quarterback had less time to make a play.

"Defenders were playing a lot quicker against our offense," said Horvath, the Navy quarterback, "because they had no fear of getting cut down."

Following a 5-7 season that included a loss to Army, Newberry made a strategic pivot. For this season, he hired Drew Cronic to be his new offensive coordinator to install a scheme dubbed the "Gen-Z Wing-T." It blends the run-pass option concepts that have surged in popularity in the last decade with old school option football that relies on finesse, misdirection and short play-action passes.

The passing game, long an afterthought in Annapolis, is a key aspect to the new scheme. Navy is passing for 52% more yards while attempting three fewer passes per game in 2024 and Horvath has turned himself into a dark horse Heisman contender.

The Gen-Z Wing-T restored a tactical advantage that Navy once derived from cut blocking. "Hopefully some of the weirdness of our formations and maybe some shift in motions makes them play maybe one step slower," Cronic said.

On Saturday, facing a bigger and faster team in Notre Dame, he's hoping that slight hesitation is precisely the weak point that Navy can exploit. The Midshipmen, after all, know a thing or two about the art of war.

EDUARDO MINOZ ALVAREZ/ASSOCIATED PRESS

## It's Baseball's Dream World Series And It Only Cost \$650 Million



Shohei Ohtani, left, and the Dodgers are facing Aaron Judge, right, and the Yankees in the World Series.

familiar debate about the economics of baseball, the only American sport without a salary cap. The result is a system that has allowed the Yankees and Dodgers to stockpile future Hall-of-Famers the way kids collect trading cards.

Now they're in a World Series that's the baseball equivalent of a fight between Superman and the Hulk. "As a fan of baseball," Dodgers infielder Max Muncy said, "how could you not be excited about this?"

Well, for one, you might be a

baseball fan in Pittsburgh, Oakland, Calif., or St. Petersburg, Fla., rooting for a team whose entire roster costs a tiny fraction of the Yankees' and Dodgers'.

Organizations such as the Pirates, Athletics, or Rays argue their lower revenues prevent them from having budgets to match the Yankees and Dodgers. The players and their union counter that billionaire owners are choosing to pocket their earnings instead of competing for championships.

But this unending argument

perfectly encapsulates baseball's complicated relationship with money. It's a popular refrain that clubs like the Yankees and Dodgers "buy" championships. The facts show that it's not quite that simple.

Until now, the Yankees hadn't won a pennant since 2009 despite spending around \$3 billion on players over that span. The Dodgers have precisely one ring since 1988, and that came in the pandemic-shortened 2020 season. The Yankees and Dodgers haven't faced off in the World Series since 1981—a

statement that wouldn't be true if payroll alone was the deciding factor.

The rise of analytics over the past two decades has, in fact, enabled small market teams to excel. The Tampa Bay Rays have twice reached the World Series. The "Moneyball" A's under Billy Beane revolutionized sports with their ability to win with minimal resources.

Meanwhile, the expanded post-season format effectively acts as a randomizer button, to the point where every individual series in October amounts to little more than a coin flip. Since the introduction of the wild card in 1995, this is just the fourth time the two top seeds are playing in the World Series. The playoffs themselves act as the ultimate equalizer between the rich and poor.

Nonetheless, money remains the difference between the teams with a shot to win it all in and the no-hoppers sitting at home in October.

The Dodgers have been in the playoffs in 12 consecutive seasons. The Yankees haven't finished below .500 since 1992. More money won't guarantee you win the lottery, but it'll certainly let you purchase more tickets.

"Ever since I've been here there's always that Yankee-Dodger thing," said Aaron Boone, the Yankees' manager since 2018.

This year, it has finally happened, and the greatness that will be on the field is unlike any World Series in history.

There are five different players in this World Series—Ohtani, Judge, Freeman, Betts, and Yankees slugger Giancarlo Stanton—who have won an MVP award, and that doesn't even count injured Dodgers pitcher Clayton Kershaw. Assuming they all appear in a game, it will be an all-time record.

KYODO NEWS/UMA PRESS

## OPINION

# How Congress Unleashed the Presidency

By Christopher DeMuth

**W**hy has this year's presidential race been such an unnerving spectacle? It has been bitterly partisan and rhetorically unhinged—but so was the 1800 contest between Thomas Jefferson and John Adams. It has been framed by war, political violence and a sudden withdrawal by the incumbent—as was 1968. Donald Trump is a convention-defying roughneck who claims the last election was stolen from him—reprising Andrew Jackson in 1828. Kamala Harris was nominated by party insiders without consulting the voters—as was the rule before the mid-20th century.

Yet these comparisons fail to capture the singular upheavals of our times. The collapse of common culture. Moral confusion and ignorance among supposedly educated people. Pervasive corruption and dishonesty in public life. The infestation of the woke mind virus throughout institutions of education, media, culture and commerce.

I have a more specific explanation to add to the mix. The presidency has become much more powerful and less benign than it was designed to be. In recent years, the president has become lawmaker in chief, eclipsing Congress in many arenas of national life. He employs his new powers unabashedly for partisan purposes. His traditional, irreplaceable function as head of state and national leader has fallen by the wayside.

**By expanding government power beyond what they could handle, lawmakers set the stage for the unnerving polarization of the 2024 election.**

In many areas, such as tax and foreign policy, today's president is, as ever, both uniquely important and politically constrained—he pursues his electoral mandate by collaborating with Congress and contending with international exigencies. But in many other areas he makes policy on his own. So that this year's election, in determining who will be president for four years, will also determine whether to leave the southern border open, whether to restructure the power industry and phase out gas stoves and internal-combustion automobiles, and whether to require schools to let boys who feel they are girls compete in girls' sports.

On these issues, the candidates' policies are clear and opposite and won't require further political assent. We know very well what Mr. Trump will do if elected. The same is true of Ms. Harris, despite her electioneering feints. I have mentioned a few high-profile issues. There are innumerable others in the executive tool kit, many of them strictly transactional and familiar only to specialists.

Little wonder that presidential campaigns have become billion-dollar enterprises, devoted mainly to partisan and interest-group mobilization rather than courting the political center. It is telling that both sides have said democracy itself is at stake—for choosing the

president is now what our democracy mainly consists of. Both sides employ highly precise data and communications technologies that guarantee the final result will turn on a few votes in a few states. That so much is at stake in an election decided by a sliver of the electorate, perhaps involving weeks of uncertainty and legal challenges, is a sure recipe for popular anxiety and cynicism.

We have arrived at these straits through 50 years of gradual political evolution, as one incremental step led to another with little appreciation of where we were going.

In the 1970s, Congress created numerous executive-branch agencies to manage newly salient political issues—the Environmental Protection Agency, the National Highway Traffic Safety Administration, the Occupational Safety and Health Administration, the Energy Department, the Education Department, and many civil-rights offices to adjudicate claims of discrimination.

These new offices possessed unprecedented power to issue sweeping national rules, often costing hundreds of millions of dollars apiece. Presidents noticed that they were getting the praise and blame for policies on which they weren't in the loop. They began to require agencies to submit draft rules to the White House and Office of Management and Budget, leading to President Reagan's requirement that OMB review all rulemaking proposals under a cost-benefit standard.

In the 1970s and '80s, the review programs aimed to make regulations more cost-effective and attuned to economic incentives. But the process familiarized presidents and White House staffers with the extraordinary leeway agencies possessed in interpreting their statutory mandates. It eventually occurred to them to use the statutes in pursuit of the president's own priorities.

Presidential unilateralism began in 1995, when Bill Clinton, with great fanfare, directed the Food and Drug Administration to regulate tobacco products. Then, during the 2008 financial crisis, George W. Bush's administration arranged shotgun mergers of weak firms into stronger ones and bailed out Chrysler and General Motors. The legal justifications for these moves were far-fetched, beyond what the most zealous agency would have attempted on its own.

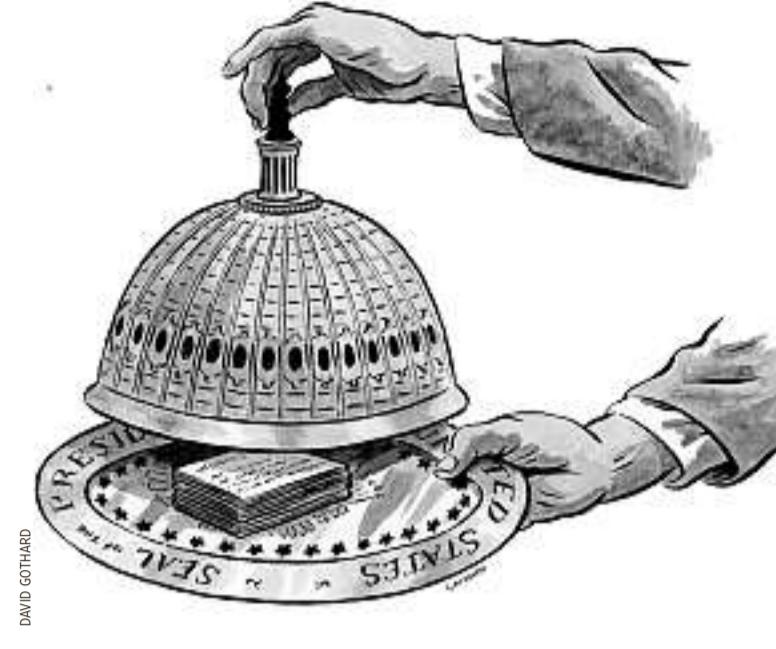
The Clinton rule was a personal crusade and the Bush actions an emergency response. But they paved the way for Barack Obama's "pen and phone" initiatives, which were both unilateral and partisan.

His Clean Power Plan and "deferred action" immigration measures were explicit responses to Congress's refusal to pass his legislative proposals. They were justified by legal legerdemain and were politically one-sided, omitting provisions Republicans would have insisted on in a legislative compromise.

His "guidance" on transgender use of school bathrooms was partisan in a different way—it satisfied a narrow party constituency on an unpopular policy that congressional Democrats didn't want to vote on.

Donald Trump was a strong deregulator, and he often berated Congress but seldom defied it. Indeed, he proposed to support some of Mr. Obama's unilateral immigration measures.

In sum, modern society politicized many hitherto private mat-



DAVID GOTTHARD

tion and health-care policies if Congress enacted them along with policies of his own. But even he resorted to unilateralism in banning "bump stocks" that allow semi-automatic rifles to fire as fast as fully automatic ones—a popular step following the 2017 Las Vegas bump-stock massacre that congressional Republicans preferred not to vote on.

President Biden has taken extrastatutory lawmaking to extremes that would have been unthinkable in earlier administrations—canceling \$430 billion in student loans, ordering Covid vaccinations throughout the private sector, and extending a Covid-lockdown legislative ban on apartment evictions. The point of his "all of government" initiatives—to promote "diversity, equity and inclusion" and to suppress fossil fuels—is to commandeer agency mandates for his own purposes. They put the Securities and Exchange Commission and Federal Reserve Board on the climate-change beat, and charge the FDA and National Weather Service with promoting "equity" for favored identity groups.

Presidential lawmaking hasn't been a seizure of power like a military coup. It might be described as the opposite—legislative abdication. When I was working for President Richard Nixon on environmental policy in 1970, he asked Congress to enact a national tax on sulfur-dioxide emissions. We couldn't find a single lawmaker of either party to introduce the bill we had helpfully drafted. The congressional preference was to vote for clean air in the abstract and leave the hard, costly choices to the executive.

**B**ut we might, just this once, work up a little sympathy for Congress. For 60 years it has been inundated with "affluent society" issues generated by an educated, networked, comfort-seeking electorate. They have overwhelmed the capacities of a committee-laden, conflict-riven legislature. It was a natural response to delegate the issues to missionary executive agencies, where policy conflicts are more specialized and decision-making is relatively streamlined.

This practice has endured: Mr. Obama's two big legislative successes, ObamaCare and Dodd-Frank, empowered fleets of executive bureaus and committees with broad lawmaking powers.

In sum, modern society politicized many hitherto private mat-

ters and centralized much of government in Washington, which led Congress to delegate much of its new business to executive agencies, which led the one elected executive to take charge of the vast bureaucratic empire.

The result has been a severe erosion of the rule of law. Legislative law is forged by give and take among representatives of disparate regions, interests and values and typically embodies a broad consensus. Citizens who dislike a result can take patriotic solace that their voices were part of the deliberations and they may have scored a few compromises. Executive law lacks this social depth. Although the president has won a majority of the Electoral College and usually a popular majority or plurality, he resorts to personal lawmaking precisely to evade Congress's representative gauntlet, and often to serve partisan interests. This form of law accentuates rather than mediates our differences.

Moreover, executive law is unstable and undependable. For all its appearance of decisive leadership, it has a fleeting, mercurial character. Changes in administration from one party to the other bring extensive revisions to federal law, including outright reversals, as in the fervent back-and-forth rewriting of environmental, financial, immigration, charter-school, civil-rights and sexual-relations laws under Presidents Obama, Trump and Biden. Legal instability discourages civic compliance, economic investment and forward thinking of all sorts. Above all, it incites public cynicism about the subservience of law to political winds and executive will.

Can the courts preserve a modicum of the rule of law? The Supreme Court eventually rejected the Clinton smoking rule, the Obama Clean Power Plan, the Trump bump-stock ban and the Biden vaccine mandate and other forays. The court is tightening up its lackadaisical doctrines that have encouraged Congress to delegate its lawmaking powers and the executive to improvise freely.

But the fusion of lawmaking and law enforcement has produced a dynamic that can outmaneuver judicial process. When the justices rejected Mr. Biden's student-loan cancellation, he had Plan B ready to go. The courts have paused one of its elements, but others have moved forward, amounting to \$175 billion in cancellations, more are in the works, and, let's face it, not

collecting debts is easy. The Obama and Biden immigration policies have relied heavily on mass nonenforcement of selected statutory provisions—which puts courts in a bind, because policing and prosecutorial discretion are core executive functions on which courts are rightly loath to intrude and poorly suited to exercise.

The most striking example is Mr. Biden's extension of the Covid eviction moratorium. He said he had been advised that the action was unconstitutional—but at least he could keep delinquent renters in their homes until the courts so ruled, which is exactly what happened. It was a brazen violation of his oath of office.

And the executive now uses enforcement discretion to corral large corporations to its policies in ways that are hard for courts to control. Collaborative debanking and social-media censorship of political opponents sometimes come to public notice, but regulatory enforcement in one area or noncooperation in another area is essentially impossible to police.

Restoring the presidency to its proper role will likely require leadership from the president himself. This will sound quixotic. Presidents are power-hungry politicians—that's how they got there—and they have come to relish the role of lawgiver. Messrs. Obama, Trump, and Biden have staged photogenic ceremonies for signing executive orders and even routine memorandums. The events resemble legislative signing ceremonies where presidents are surrounded by representatives and senators who shepherded the bill to passage. But in the new ceremonies, presidents are surrounded by their own staffs and appointees, who applaud his signing a document that they wrote, addressed to themselves.

**Y**et the presidency has become a sorcerer's stone, an enchanted prize that curses its holder. You are expected to enact policies that your party doesn't want to vote for and that the next president may throw out if the courts don't get there first. You totally own an invasive, divisive, distrusted government, and you personify the era's rancorous politics. You are no longer the national leader the president was expected to be. Every president since Bill Clinton has been subjected to continuous, well-organized assaults on his character and legitimacy.

At some point, presidents are going to realize that sharing responsibility with Congress for major policy departures is good not only for the nation but for their own tenure and legacy. In his 2012 presidential campaign, Mitt Romney vowed that as president he would refer major initiatives to Congress for approval, whether or not they were authorized by statutes on the books. Mr. Trump's White House staff prepared a similar initiative, but held back when his relations with Speaker Nancy Pelosi deteriorated. Whichever party's president makes the first move, Congress will resist mightily. But the ruckus would be edifying, and could move our politics and our presidency toward a better place, the sturdy place of representative law.

*Mr. DeMuth is a distinguished fellow at the Heritage Foundation.*

## Help! We're Trapped in a Trader Joe's Union



Hadley, Mass.

Apparently it's OK to unionize but not to get rid of our labor union. We learned this lesson on Oct. 8, when the National Labor Relations Board dismissed our petition to hold a decertification election at the store where we work. The bureaucrats say our employer might have acted unfairly, but what's really unfair is saving the union by denying our rights.

We've both worked at Trader Joe's for 10 years. In 2022 our store became the first in the company to unionize. Both of us opposed it, but we were outnumbered: 45 of our fellow crew members voted to join Trader Joe's United, while 31 of us voted against it and seven abstained.

But the union hasn't been what many of our co-workers expected. The officers basically selected themselves. They then delayed negotiations with Trader Joe's while forfeiting our annual bonus retirement contribution. Amid growing discontent in the store, the two of us attended a bargaining session in February 2023, which the union president invited all crew members to join. We

were shocked at what we saw.

We thought the union would focus on things that matter, like wages and benefits. Instead, union representatives negotiated over things like "pronoun pins," which the company already provides. They demanded that Trader Joe's cover abortion and "gender-affirming care." The company's response: The health plan already covers that. Either the union negotiators were embarrassingly uninformed, or they were playing a political game with workers as the pawns. Either way, our team deserved better.

We wrote up what we saw at the

**Our local isn't working for us, but the National Labor Relations Board refused our petition to decertify it.**

bargaining session and posted it in the break room. Within hours, the union asked the store captain to take it down. He refused. We then showed up to the next bargaining session in April 2023, only for our own union to deny us entry and ask security to escort us from the building. Why don't the people who have a legal duty to represent our interests want us to

see what they're saying and doing?

Our frustration kept building, so last November, we told our fellow crew members that we were gathering signatures to hold a decertification election. We need the support of only 30% of the bargaining unit to force another election. We thought this would be tough, since many of our colleagues told us they were afraid of union reprisals and would sign only if we kept their names secret. Yet by July of this year, 46% of our co-workers had signed our petition. We felt we had a real shot, especially since a majority of the crew members who initially voted for unionization have since left. In July, we filed our petition with the National Labor Relations Board.

Two months later, our hopes were dashed. The NLRB's regional director dismissed our petition on grounds that Trader Joe's is under investigation for unfair labor practices at our store. The company is accused of everything from having an "overly broad" dress code to giving one of our co-workers a "negative appraisal." The union has also claimed that managers in our store made "threats," though in our experience they did nothing of the kind.

We're flooded. Most of the allegations against the company took place before the initial unionization election.

If Trader Joe's was acting unfairly, which our experience disputes, why didn't the NLRB intervene before we voted? What's more, labor unions often file bogus complaints about unfair labor practices as a negotiating tactic.

If the mere allegation prevents us from holding a decertification election, it's hard to see an election ever moving forward. All union officers have to do is keep filing complaints, thereby trapping us in a union that a growing number of us want to ditch.

It's hard not to conclude that the

NLRB cares more about protecting unions than it does about workers' rights. We haven't merely met the threshold of support to force a decertification election; we've dramatically exceeded it. Surely if we have the right to unionize, we also have the right to get rid of our union. Until we're allowed to hold that vote, our rights might as well not exist.

*Messrs. Alcorn and Stratford are crew members at Trader Joe's in Hadley, Mass.*

## Notable & Quotable: Harris

**Kamala Harris, CNN's Anderson Cooper and audience member Joe Donahue in an Oct. 23 CNN town hall:**

Donahue: What weaknesses do you bring to the table, and how do you plan to overcome them while you're in office?

Harris: That's a great question, Joe. Well, I am certainly not perfect, so let's start there. And I think that I—perhaps a weakness, some would say, but I actually think it's a strength is I really do value having a team of very smart people around me who bring to my decision-making process different perspectives. . . .

**Cooper:** Is there something you can point to in your life, political life or in your life, in the last four years that you think is a mistake that you have learned from?

**Harris:** I mean, I've—I've made many mistakes. And they range from, you know, if you've ever parented a child you know you make lots of mistakes, to, in my role as vice president? I mean, I've probably worked very hard at making sure that I am well-versed on issues and I think that is very important. It's a mistake not to be well-versed on an issue and feel compelled to answer a question.

## OPINION

## REVIEW &amp; OUTLOOK

## The Harris Wealth Tax vs. Mark Cuban

**M**ark Cuban must know Kamala Harris better than she knows herself. The wealthy businessman and TV celebrity swears the Vice President would never tax unrealized capital gains. Yet Ms. Harris has endorsed a tax on wealth and shows no sign of having changed her mind.

The reality check surrounds the "billionaire minimum tax," which would stretch the definition of income to include gains on unsold assets. Households worth more than \$100 million would owe a minimum 25% on their "total" annual income, including any increase in their overall wealth. The new tax would also nullify the so-called step up in basis for many of these households—a policy that eliminates the taxable gain of an asset when it's passed to heirs.

President Biden proposed the tax in his budget last year, and Ms. Harris endorsed it in August with a list of other tax increases. She confirmed this on the campaign trail, breaking her usual habit of avoiding specifics. "I support a billionaire minimum tax and corporations paying their fair share," she told rallygoers last month in North Hampton, N.H.

Mr. Cuban is in the rarefied bracket subject to the tax, and he can't bring himself to believe that the Democratic nominee he supports would tax paper gains. As an official Harris campaign surrogate, he dismissed the idea at a town hall event in Phoenix last weekend.

"Some people think that there's going to be an unrealized gains tax on capital gains. There is not, there is not," he told the crowd. He said he "went ballistic" when he heard rumors of the billionaire minimum tax, calling it an "economy killer." But he urged the crowd to relax because "Kamala knows that" and "you haven't heard her talk about it." He repeated his belief on Fox News Ra-

**He calls the proposal an 'economy killer.' She says she still supports it.**

dio: "That is not going to happen."

Yet the Harris campaign said in a statement Wednesday that she still supports the tax, according to Bloomberg News. She also declined to say whether she'd distinguish her billionaire minimum tax in any way from the Biden version. That means this wealth tax is on the ballot on Nov. 5.

Mr. Cuban is wrong about Ms. Harris's plans, but it's hard to blame him for his disbelief. Her proposal would shred a historic limit on taxation and open the door to tax more Americans' assets. Taxpayers would be forced each year to hire accountants to work out the market value of their assets, and how much they've risen during the year.

For nonfinancial assets, disputes over valuation would be legion and go on for years. Taxpayers might have to sell other assets to pay the tax, though they have earned no actual financial income.

The tax in our view is also unconstitutional. Lawmakers have avoided a federal wealth tax for more than a century since *Eisner v. Macomber* (1920), in which the Supreme Court ruled that unrealized gains don't count as income and can't be taxed under the 16th Amendment. The proposed billionaire minimum is meant to dodge that prohibition by lumping assets and income together instead of taxing paper gains on their own, but the same precedent should apply.

The greatest risk is that lawmakers would gradually expand the pool of eligible taxpayers. Once the wealth tax is introduced, it won't be nearly as politically difficult to extend it to households under \$100 million, which hold a huge amount of aggregate wealth. Mr. Cuban could endure the minimum tax, but it would punish countless others.

## Biden Snubs the Courts Again

**T**hat didn't stop me," President Biden declared after the Supreme Court blocked his \$430 billion student loan write-off in 2023. It sure didn't. After striking out in court with three debt forgiveness schemes, the Administration on Friday unveiled another. Take that, judges.

The Education Department says its proposed rule would authorize forgiveness for some eight million borrowers experiencing "hardship." Under the rule, the department can discharge debt if it calculates a borrower has an 80% likelihood of defaulting on payments within the subsequent two years based on 17 factors such as income, debt balances and assets.

The rule would effectively let the department forgive debt of any borrower any time it wants. The administration says high child-care costs could qualify as a hardship. How about high auto loan or credit-card payments? Did someone say moral hazard?

Borrowers are already allowed to postpone payments if they experience hardships, but the department says such forbearance isn't enough. It also says that its latest plan "would reach borrowers" who "do not sufficiently benefit from other currently available forgiveness options"—and there are many such options.

They include the Administration's SAVE plan, which caps monthly payments at 5% of income above \$33,885 and cancels remaining debt after

10 to 20 years. An Eighth Circuit Court of Appeals panel in August blocked the SAVE plan, but the Administration has waived payments for millions of borrowers already enrolled for at least six more months.

In addition, the department's public service loan forgiveness program cancels debt for nonprofits and government workers after 10 years. The Administration has eased terms so more borrowers would qualify and last week advertised that it has forgiven \$74 billion in debt under the program—about \$74,000 per borrower.

In April the department released a plan that cancels accrued interest for 25 million borrowers and forgives debt of those who entered repayment over 20 years ago or who "enrolled in low-financial-value programs"—meaning, for-profit colleges. The plan also promised to waive debt for borrowers with a "hardship."

A federal court last month blocked that plan, but the department says its new rule "would operate separately and distinctly." Courts are playing whack-a-mole with the Administration's debt write-offs that end-run Congress, which never authorized such broad-based debt forgiveness.

Such lawlessness is one reason so many Americans discount the left's assertions that Donald Trump endangers democracy. Mr. Biden acts like he's king, and Democrats and media voices cheering him on have no standing to object if Mr. Trump follows the Biden precedent.

## Harvard's Antisemitism Problem

**T**he antisemitism that engulfed college campuses last spring is now working its way through the courts. Parents and alumni who care about the degraded integrity of their institutions might want to follow the cases.

One to watch is against Harvard in federal district court in Massachusetts. The suit alleges the school has tolerated antisemitic conduct on campus despite a non-discrimination policy that is rigorously enforced for other legally protected groups. The student plaintiffs say Harvard's inadequate effort to protect Jewish students violates Title VI of the 1964 Civil Rights Act.

The case was brought with the help of the Brandeis Center for Human Rights Under Law and Jewish Americans for Fairness in Education. The complaint describes examples of antisemitism on campus and Harvard's reluctance to discipline offenders.

complaint charges, Harvard has thwarted the criminal investigation whose resolution it claims to be awaiting.

**A lawsuit spotlights the school's failure to discipline offenders.**

Assistant Suffolk County DA Ursula Knight has said "Harvard police essentially refused to investigate." The Boston Globe reported Monday that Ms. Knight says her assault investigation is being repeatedly delayed. "The Commonwealth's in this position," she said, "only because Harvard has not done their job."

In a second incident cited in the complaint, Jewish students at the Kennedy School in the spring proposed a project related to their Jewish identity and democracy in Israel. Classmates objected that the idea of a "Jewish democracy" was "offensive" and posed in a class photo wearing kippahs. Professor Marshall Ganz likened the existence of a Jewish state to "white supremacy" and told students that linking "Jewish" and democracy "creates an unsafe space."

The real unsafe space is Harvard for Jews. When the school commissioned an outside investigation of the incident, the report concluded that the students faced "a hostile learning environment" that "denigrated" them "on the basis of their Israeli national origin and Jewish ethnicity and ancestry." Harvard says it has taken "personal action" but hasn't elaborated. It issued no public reprimand or discipline.

The standard for a Title VI violation is "deliberate indifference" to a hostile educational environment. Harvard says it hasn't been indifferent as it brought in outside investigators on the Ganz case and is waiting for the criminal case to conclude. The school says complaints about the pace of the school's reprimands for the student attackers don't rise to the legal standard of indifference.

That's a dubious defense of callous administrative behavior. As for the legal standard, bring on discovery when the plaintiffs will get access to emails and Harvard's internal decision-making process. Stay tuned.

## LETTERS TO THE EDITOR

## Are Trump's Ramblings Bluster or Brilliance?

James Taranto's Weekend Interview with Donald Trump is titled "Trump Tangles With the Journal's Editors" (Oct. 19). On the contrary, it appears that it was the editorial board that became entangled in the former president's "discursive style of talking."

Mr. Trump clearly dominated the ostensible interview from the outset with a rambling 26-minute monologue "recap" before he listened to a single question. He continued to direct the conversation using his own list of issues on which he disagrees with the Journal editorial board.

When questioned, his replies—and evasions—were simplistic in content, vocabulary and verbal construction.

Mr. Trump oversimplified the complexities of immigration and deportation. He responded to questions on international affairs with little stories that tended to "center on warm personal relationships," such as the confidence that China's Xi Jinping "knows I'm f— crazy." He claimed he never said he would use the National Guard and military against "bad people . . . sick people, radical left lunatics" after Election Day, and then proceeded to justify such an action.

Mr. Trump may have pulled himself together long enough to interview with a highly regarded group of "enemies of the people," but Mr. Taranto's report makes it clear that the former president's well-honed entertainment style carries no substance and is cleverly used to hide his mental decline. A popular radio program in the mid-1900s featured a detective called "The Shadow," who had the power to "cloud men's minds" so that they couldn't see him as he was. Mr. Trump has raised this power to a high art.

SUZANNE F. ANDREWS  
Norristown, Pa.

Many thanks to Mr. Taranto for summarizing, with extensive quotations, the editorial board's wide-ranging interview with Mr. Trump. When is Vice President Kamala Harris scheduled to sit down with the board for a similar interview?

I read elsewhere in the paper that 1 in 5 voters in battleground states says he needs to learn more about the vice president. Why not help these Americans out?

SUSAN LEFEBVRE  
Greenland, N.H.

What many frequently fail to understand is that much of the former president's bluster is to put himself in a strong bargaining position. Any one who has negotiated an important deal knows one starts out with an extreme position in case a compromise is needed.

Another facet of Mr. Trump that worries some people is his unpredictability. But in dealing with adversaries who would like to wipe you off the map, it's better to be tough and unpredictable like Mr. Trump than weak and predictable like President Biden.

As president, Mr. Trump didn't hesitate to warn of grave consequences if our enemies took aggressive actions against our interests. Because of his willingness to take strong action coupled with his credibility, there were no new wars on his watch. Today, we have a team composed of Mr. Biden, Ms. Harris, Anthony Blinken and Jake Sullivan, who did nothing to deter Russia from invading Ukraine and have attempted to handcuff Israel in dealing with Hamas, Hezbollah and Iran. As Ronald Reagan knew, deterrence through strength is the most effective way to avoid war.

ROBERT M. SUSSMAN  
Paradise Valley, Ariz.

## How Harris Can Turn Up the Heat on Hamas

Hamas leader Yahya Sinwar's death in Rafah raises questions about the seriousness of U.S. counterterrorism policy, as well as the International Criminal Court's perversity ("After Sinwar, the ICC Stands Exposed," Review & Outlook, Oct. 21). Following Sinwar's death, Vice President Kamala Harris said "to any terrorist who kills Americans . . . or threatens our troops or our interests, know this: We will always bring you to justice."

Unfortunately, these strong words are inconsistent with the administration's actions thus far. Had Israel's military heeded President Biden's urging to forgo entering Rafah, Sinwar would likely still be leading Hamas. Meanwhile, the administration refrains from robustly using its own law-enforcement authorities to bring Hamas officials to justice.

Hamas is now led by a five-member committee based in Qatar. All of Hamas's principal leaders, including those in Qatar, could be successfully prosecuted for the continuing hostage-taking of U.S. citizens in violation of U.S. law. Yet of the five, only

one, Khaled Meshal, has been publicly charged for the Oct. 7, 2023, massacre and its aftermath.

While there is no U.S. extradition treaty with Qatar, the administration could use its strong leverage over Doha—which was granted the status of "major non-NATO ally"—to demand it turn over to the U.S., for hostage-taking prosecutions, all senior Hamas officials it harbors. The U.S. should also implement secondary sanctions on those who provide banking and other services to Hamas leaders in Qatar. This could constrain Hamas leaders' ability to operate and indirectly pressure their hosts to expel them.

Combining maximum U.S. pressure on Hamas outside Gaza with Israeli military victories inside Gaza would bring more Hamas leaders to justice. It would help deter other terrorists worldwide from harming Americans and our allies. It would also bolster Ms. Harris's credibility as a tough-minded former prosecutor who means what she says.

ORDE F. KITTRIDGE  
Foundation for Defense of Democracies  
Washington

## Papal Advice for the West's Population Woes

Thank you for calling out the utter failure of China's population control policies ("China's One-Child Economic Disaster," Review & Outlook, Oct. 19). There is more to this story, however, than brutal, heavy-handed central planning. It also calls into question the entire contraceptive ethic that has overtaken most of the Western world since the 1960s.

Many Western nations are facing long-term demographic collapse. There simply won't be enough workers to support retirees. There were a few voices that warned the world about the dangers of artificial contraception, but the most notable was Pope Paul VI. Mocked for his "Humanae Vitae" encyclical in 1968, most of

his critics probably never even bothered to read the text.

Pope Paul never intended to be a prophet, but his warning about the "Limits to Man's Power" was prescient. The folly that man can control all levers of creation without the Creator himself is fully evident now. Perhaps it's time to dust off "Humanae Vitae" and finally give Paul VI the respect he deserved.

KARL BRIER  
Fullerton, Calif.

## Inflation and the Iron Lady

Regarding your editorial "Harris vs. Trump: the Inflation Record" (Oct. 19): Margaret Thatcher, Britain's late prime minister, put it best when she said, "Inflation destroys nations and societies as surely as invading armies do. Inflation is the parent of unemployment. It is the unseen robber of those who have saved."

CARL MILLER  
Leadville, Colo.

## Pepper ... And Salt

THE WALL STREET JOURNAL



"I'm trying to end my bone addiction."

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## OPINION

# The U.S. Can Take a Tough Election

**DECLARATIONS**

By Peggy Noonan

**I**t's exciting out there but elevating. People are spun up, nerves at a breaking point, and there's an undercurrent. Whatever the outcome of the election, at least half the country will feel crushed. Voters feel they are faced with a bad choice, and many millions will vote *against*, not *for*. Everyone is afraid the other side will destroy the country. If it turns out as close as the polls say, we fear a harrowing postelection time marked by accusations and aggression, with nothing clear and everything bitter.

What might be helpful right now to keep in mind?

**This intense season will pass, the losers will feel crushed, and we will forge our way through.**

My mind goes to something that I hope doesn't sound facile because I don't mean it in a rote, small way. But this country has gotten through a lot. It can take a lot of tension. It was born in it and is used to it. We made it through Shay's Rebellion and Vietnam, the McCarthy era and the 1960s. We made it through the Civil War, and we will make it through this. We are practiced at withstanding trials. We have a way of forging through. We should take inspiration from this.

I reached for wisdom to the author Yuval Levin of the American Enterprise Institute. He reached back to the 1830s, and Alexis de Tocqueville's "Democracy in America." "He

wrote that every presidential election is a kind of national crisis that drives people crazy, but that the madness dissipates when the election ends," Mr. Levin says.

That last part seems less true in our times, but it's still important to remember. "A second point is that while close elections drive us more crazy and feel more intense, close elections actually tend to be less consequential than landslides. They produce presidents with narrow congressional majorities at most, and without much of a mandate, and our system is built to restrain narrow majorities. So whoever wins is probably going to spend the next four years pretty frustrated, as our last few presidents have." If you're worried that the other party will transform the country in ways you hate, "you're very likely wrong."

He added: "America has real problems now, as always. But it still works. It's an amazing society. And one of the reasons it works is that who our president is at any given time is generally not the most important thing to know about us. There are exceptions: We could find ourselves in a world-historical crisis, or one of these candidates really could try to break the system. But we need to see that that's not the likeliest outcome by any stretch. This is an election between the sitting vice president and a guy who already served a full term as president. Most elections actually involve much more of the unknown than that."

A note on something that I find ironically reassuring. We rightly decry our polarization—the distance between the edges of both parties is considerable. But this close election puts sharp focus on the fact that while we're split, we're split in two. It speaks of some rough health that we mostly all can still, in the end, support one party or the other, that we're not a nation of four or seven parties, that we're split but not shat-



Early voters line up in Black Mountain, N.C., Monday.

tered. Neither of these parties is worthy of us; both this year failed us. Yet their existence speaks of a continuing ability within each to be flexible, to build coalitions, to govern, however imperfectly. This suggests a stability we don't much note.

When I speak to the young, my mind goes to basics. If your side loses, recommit to it and see that it wins next time. There's comfort in knowing not everything's "right now," that the most meaningful struggles are long-term.

This intense season will pass, and when it does you might, as an individual, take your eye somewhat away from outer events and train it more toward inner events and what you can do to make your own life better.

Americans do a lot of displacement. We always have. We love to talk about outer things in part so we can ignore inner things. That's how we got through life in desolate wilderness towns, standing on the tree stump that functioned as the town square to argue about the state legislature's latest sins, so we didn't have to go home and fix the lonely

cabin's roof. Americans uniquely and from the beginning used politics to avoid loneliness, and to be part of something: "I hold with the Whig faction." Lonely Abe Lincoln did that as a young man. We use politics to solve not only public dilemmas but personal ones.

When Lincoln first ran for local office he passionately supported "internal improvements"—state and national efforts to build roads, rail lines and canals. This would increase commerce, advance the spread of knowledge, help the country know itself. But a lifetime reading his life tells me Lincoln was pushed forward, also, by something else. Those roads, those canals—they would get Lincoln out of the wilderness and to a town, a city, where what he had a feeling was his genius might be recognized. As it was.

Americans and politics—we work out a lot on that field. It's good to remember this.

I end with a thought from Jonathan Haidt, the social psychologist at New York University's Stern School and author of "The Righteous Mind": "It's always been wrong to bet

against America, and it's probably wrong now," he says by phone. But it would benefit our politics if we would start to fear each other less. "What I've observed in studying our culture is that the great majority of people are sane and decent. What has changed is that technology has amplified extremists on left and right. They have become louder, and intimidate moderates." But they are making the statements of the fringe, they don't represent "the other side," which hasn't endorsed them, and they have been sent to you by algorithms which chose them for their offensiveness. All this has created "a political optical illusion." We are better and steadier than we think.

I close with my immediate hope, that the outcome of the election, however close, is also clear. That the battleground states won't be won with 0.008 margins but a few points this direction or that. I hope whoever wins the presidency, at least one house of Congress is of the other party. A Democratic House or Senate will tamp down Trumpian excitements and hem in enthusiasms. A Republican House or Senate will be a coolant on Democratic attempts at court packing or doing away with the filibuster.

You say this is a recipe for "nothing gets done." Those three words are, occasionally, balm to the conservative soul. A situation in which neither Matt Gaetz nor AOC can destabilize anything isn't a bad situation. But also, no: Divided government will mean anything that gets done will involve winning over the opposition. Good. We've got to get back to persuasion, to politics as the art of the possible. That's an old tradition too.

Meantime onward, do what you think right, feel appropriate anxiety but no crippling fear. Shoulders back. We're the U.S.-blinking'-A., baby, and we make our way through.

## On Jan. 6, Will Vice President Harris Certify the Election?

By Cass R. Sunstein

**I**s an election train wreck coming? Under the Constitution, Vice President Kamala Harris is president of the U.S. Senate. Also under the Constitution, the Senate president presides over the proceedings that determine the next U.S. president. That's awkward.

Recall that in 2020 Vice President Mike Pence refused President Donald Trump's request to intervene in the counting of electoral votes. In Mr. Pence's view, the Senate president lacks the authority to do that.

Most constitutional authorities agree with Mr. Pence—but some don't. In their view, the Constitution isn't entirely clear. If in early 2025 any uncertainty remains over the authority of the vice president to resolve disputes, might Ms. Harris be asked to decide which electoral votes count, so as to throw the election her way?

The answer should be no: The Electoral Count Reform Act of 2022, which amended the Electoral Count Act of 1887, would prevent that from happening. More broadly, it greatly reduces the risk of uncertainty and chaos after Americans vote.

Congress enacted the 2022 law on a bipartisan basis as part of an omnibus package in December of that year. A key provision states that, with narrow exceptions, "the role of the President of the Senate . . . shall be limited to performing solely ministerial duties." Crucially, it adds that the Senate president has no authority to "resolve disputes" about the "validity of electors" or "votes of electors."

Under the act, then, the Senate president's role in presiding over the counting of electoral votes is largely ceremonial. She has no power to push the outcome in her preferred direction. The reason for that restriction is an old one: No one should be judge in his own cause.

The Electoral Count Reform Act goes even further, regularizing the process of choosing the next president to prevent election shenanigans. Rules for certifying electors' names? The act establishes them. Rules for counting the votes? Check.

Rules for who counts, how to deal with objections in the House and Senate on the day the vote is counted, and answers to a host of other questions? Check, check and check.

So far, so good. But there's an elephant in the room. Some people think that the Electoral Count Reform Act is unconstitutional. If they're right, the act's efforts to limit the role of the vice president, and more generally to reduce the danger of chaos, might all be for naught.

If one stipulates that premise, the central objection to the act is straightforward. Congress can't enact laws that violate the Constitution. The critics say the Electoral Count Reform Act does precisely that, by intruding on the constitutional authority of both the vice president and the states.

Under the Constitution as ratified in 1788, the states are in the driver's seat:

"Each state shall appoint, in such Manner as the Legislature thereof may direct, a Number of Electors." The role of the federal government

looks pretty limited: "The Congress may determine the Time of chusing the Electors, and the Day on which they shall give their Votes; which Day shall be the same throughout the United States."

Because that guidance is so spare, the nation ratified the 12th Amendment in 1804. It outlines how the president is chosen: "The Electors

shall meet in their respective states and vote by ballot for President and Vice-President, one of whom, at least, shall not be an inhabitant of the same state with themselves."

Here comes the 12th Amendment's critical sentence: "The President of the Senate shall, in the presence of the Senate and House of Representatives, open all the certifi-

cates and the votes shall then be counted;—The person having the greatest number of votes for President, shall be the President."

No one doubts Ms. Harris will get to "open all the certificates." No one doubts the votes must "then be counted." But by whom? And how? The 12th Amendment doesn't say.

The good news is that the Constitution grants Congress the power "to make all Laws which shall be necessary and proper for carrying into execution" all powers that the Constitution vests in the national government. Called the Necessary and Proper Clause, this sweeping provision allows Congress to enact laws to execute the constitutional provisions governing the election of the U.S. president.

The Necessary and Proper Clause is plenty enough to justify the Electoral Count Reform Act's provisions—especially when considered alongside a long history, dating back to the late 18th century, in which Congress laid down the basic rules for presidential elections.

Turn now to the role of the vice

president. The 12th Amendment is frustratingly vague. It uses the passive voice when it says "the votes shall then be counted." It doesn't specify how or by whom. The Necessary and Proper Clause was built for such occasions.

The same can be said in support of the Electoral Count Reform Act's other provisions. They retain the primacy of the states; in fact, they insist on it. On that score, they're an improvement over the Electoral Count Act of 1887, which wasn't nearly as protective of states' prerogatives. The 2022 act is an effort to regularize and carry into execution processes that the original Constitution and the 12th Amendment sketch in broad and general terms.

It's too early to say whether a train wreck is coming. But the Electoral Count Reform Act is well-designed to reduce that risk—and enacting it was well within Congress's constitutional authority.

*Mr. Sunstein is a professor at Harvard Law School and author of "Campus Free Speech."*

## Why the U.S. Is Losing Ukraine

**BUSINESS WORLD**

By Holman W. Jenkins, Jr.

Even tendentious newspaper accounts, rolled out in the final days of a close election, can't conceal that Donald Trump, during his presidency, had in common with every recent president that he wasn't keen on the U.S. becoming Ukraine's military guarantor.

George W. Bush invited Ukraine to join the North Atlantic Treaty Organization but not yet. President Obama said nothing to deter Vladimir Putin's 2014 invasion, and was satisfied in the aftermath with modest economic sanctions that "challenged Putin with the tools that we had at the time." Joe Biden famously said a small incursion might be OK. There was only one real revelation

at the end of his 2020 impeachment trial after his allegedly improper phone call with Ukrainian President Volodymyr Zelensky. Mr. Trump, like every other president, spent part of his time fighting off aides who wanted to inveigle the U.S. into committing more deeply to the country. But Mr. Trump also sent weapons that Mr. Obama withheld. He bluntly warned Mr. Putin against further depredations in a way that Mr. Obama and, later, Joe Biden never did.

Lo, all this context goes missing from a lengthy New York Times investigation of what it calls his "animus toward Ukraine [that] remains front and center in the final weeks of the 2024 campaign."

For his "animus," the paper cites the fact that Mr. Trump denied Russian meddling in the 2016 election—as if it weren't obvious to Mr. Trump that Democrats only cared about the subject to delegitimize his election. It cites his belief that Ukraine backed Hillary Clinton—which was known to anybody who consulted the plain reporting of the Financial Times, Politico and others at the time.

It cites his calling Ukraine "corrupt," as if former Vice President Joe Biden hadn't been boasting all over town about his largely apocryphal fights against Ukrainian corruption for the Obama administration.

Mr. Trump, the Times further complains, failed to "push back" at their Hamburg meeting when Mr. Putin lectured him on Ukraine. But, in the paper's own telling, Mr. Trump pushed forward—advising Mr. Putin that he was prepared to give weapons to Ukraine and inviting his comment. (Mr. Trump may

not realize that meetings exist to engage in theatrics to tell the press about later.)

The facts the Times cites don't add up to animus. They add up to one more president dealing ambiguously with the problem of Ukraine.

The Washington Post followed up this week with its own lengthy and pointless elegy on the unnamed then-Central Intelligence Agency analyst who prompted the first Trump impeachment.

**As long as everything always has to be Donald Trump's fault, the press will be missing the story.**

In a strange journalistic decision, the paper won't identify Eric Ciaramella by name, though he no longer works for the government. His name is widely available in the media; any chatbot can cough it up in a nanosecond. Newspapers usually aren't in the business of withholding key information from their readers. In this case, the Post also withholds any critical examination of Mr. Ciaramella's actions and motives even five years after the fact.

And yet realities have a way of breaking through. In a few short weeks Kamala Harris has gone from saying any concession to Russia would be "surrender" to saying NATO membership for Ukraine is a question to be addressed "if and when it arrives at that point."

Bloggers and academics who attached themselves to Ukraine's cause are finally waking up. The

"betrayal" they predicted under Mr. Trump is happening under Mr. Biden, if betrayal means not holding out for Russia's complete defeat.

For another day are the factors that allowed Mr. Trump, unrelated to any merit on his part, to engage in non-hypocrisy where the Biden administration has sown only misdirection and confusion with regard to war aims. The end result may yet dwarf the Afghanistan debacle (and strain to the breaking point the press's ability to make it all Mr. Trump's fault).

Also for another day is the NATO question, except to draw one urgent lesson. Russia isn't 10 feet tall. It can be deterred or defeated by conventional means on the battlefield. But NATO is becoming its own source of instability, with too many members resting their defenses implausibly on U.S. heroics rather than on self-help.

A new strategy is needed. The U.S., U.K., Poland and others should invest directly in Ukraine's military rather than trying to substitute for it. The solution for Ukraine—helping Kyiv develop the military power and confidence to defend itself—is the long-term solution for NATO too.

But another lesson matters as long as the U.S. remains a guarantor of other countries' security. Mr. Trump likes to brag that Russia would never have invaded if he were still in office. But the truth is, any U.S. president, including Mr. Biden, has powers at his disposal to make the potential cost unacceptable to offenders like Mr. Putin. Such deterrence is credible, though, only when U.S. presidents are willing to accept the risks that go with it.

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THE ASAHI SHIMBUN VIA GETTY IMAGES ARTUR WIDAK/ZUMA PRESS (MERCEDES)

A Boeing Dreamliner under assembly in the company's Washington factory in 2008. The plane is the last one that wasn't based on a previous Boeing model.

## What Went So Wrong With Boeing?

BY ANDREW TANGEL AND JON SINDREU

**B**oeing, a pioneer of the jet age and one of the most strategically crucial companies to American economic success, has lost its way. Getting back on track will require a daunting campaign to win back the trust of travelers, airlines, regulators, investors and its own employees.

This year, a fuselage panel blew off one of its jets in midair. Its Starliner space capsule left two astronauts stranded in orbit. Its biggest union halted airplane production, worsening its cash drain. It is poised to plead guilty in a case tied to two fatal accidents, and its credit is flirting with a junk rating.

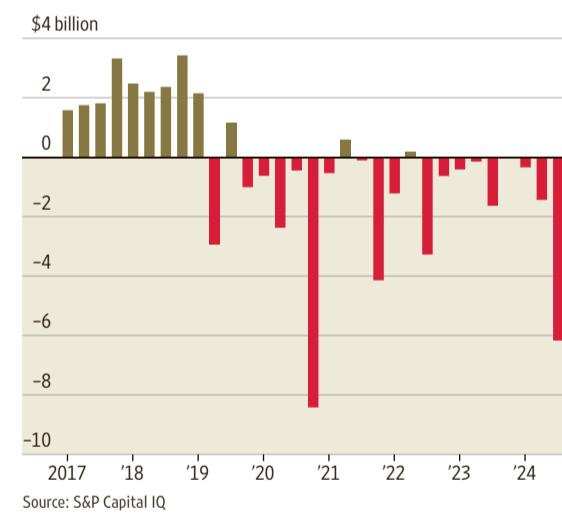
There are many potential villains here: a culture that put financial engineering before aerospace engineering, an outsourcing strategy that shifted work to lower-cost factories or suppliers, a pursuit of production goals over safety goals.

Whatever the cause, Boeing has reached a point where people are genuinely asking: Could Boeing fail? And what would an endgame look like in such a scenario involving a national icon?

Kelly Ortega, who took over as Boeing's chief executive barely three months ago, told investors and employees this past week: "The trust in our company has eroded." Boeing declined to comment and referred to Ortega's comments this week.

"It will take time to return Boeing to its former legacy, but with the right focus and culture, we can be an iconic company and aerospace leader once again," he said. In a memo to staff, Ortega said the company must repair a broken culture, shrink itself and im-

With trust gone and cash dwindling, questions swirl about potential endgames for a national icon



prove execution.

To plug its cash drain, Ortega has moved to slash 17,000 jobs and sell up to \$25 billion in shares or debt. Boeing is exploring a sale of its space business. The new CEO has failed, however, to reach a deal with 33,000 machinists who walked out six weeks ago seeking higher pay and benefits. The strike is sapping \$1 billion a month from Boeing's thinning reserves.

The plane maker's mounting problems, in many ways, trace back to the 737 MAX, the latest version of its decades-old narrow-body workhorse.

A focus on reducing training costs coincided with design mistakes that led to the fatal crash of Lion Air Flight 610 six years ago this month. Boeing's subsequent failure to admit its mistakes and quickly address the plane's safety problems set the stage for a second crash just a few months later in Ethiopia, squandering decades of trust Boeing had banked with regulators, airlines and the flying public.

After the first 737 MAX crash, on Oct. 29, 2018, in Indonesia, Boeing downplayed problems with a flawed flight-control system and instead pointed to missteps by the airline's pilots and maintenance.

Then-CEO Dennis Muilenburg directed his communications team to remove from a draft press release any mention of work to fix a new cockpit feature that pushed the plane into a fatal nosedive, according to a settlement with securities regulators. The press release declared the MAX was "as safe as any airplane that has ever flown the skies." Boeing and Muilenburg settled the case without admitting or denying wrongdoing.

There is debate inside and outside the company whether Boeing's overemphasis on financial metrics

Please turn to page B5

## This Hit Candy Is Gummy, Crunchy and Printing Money

Nerds Gummy Clusters are set to dominate this Halloween. It's a business story of years of research, trials and big bets.

BY SUZANNE VRANICA AND BEN COHEN

**THE FIRST TIME CONSUMERS HEARD** about it, they had no idea what to make of it. And the first time they tasted it, the peculiar confection didn't leave much more of an impression. So there was nothing to suggest that Nerds Gummy Clusters would be a success.

And now Americans can't stop eating them.

It's one of the biggest hits in the candy aisle this Halloween—and easily the unluckiest.

Only six years ago, all of Nerds had less than \$50 million in sales. This year, Nerds Gummy Clusters alone has already generated more than \$500 million.

The growing popularity of Nerds Gummy Clusters is an improbable outcome for a brand that has existed for more than four decades but had become such an afterthought that the company behind this breakout product barely even bothered marketing it.

In fact, almost every piece of data the candy maker collected suggested that Nerds

Gummy Clusters would be a dud. But in a surprising move at a time when data drives so many decisions in the halls of corporate America, executives at Ferrara Candy went with their guts—and the product became a smash.

Not long ago, Nerds were uncool. When the brand was acquired in 2018, the entire Nerds line had roughly \$40 million in sales. In the hopes of revitalizing a stale brand from the 1980s, the privately held candy conglomerate knew it needed to develop a new product.

Nerds got their glow-up with the 2020 release of a bean-shaped gummy coated in technicolor, irregularly shaped pebbles.

The following year, Nerds Gummy Clusters were responsible for nearly \$100 million of sales, according to the company. This year, sales have already crossed \$500 million—even before Halloween. This one product now generates close to 90% of Nerds' overall revenue.

Nerds sales now rival candy powerhouses

Please turn to page B4



EVAN ANGEASTRO FOR WSJ

Sales of Nerds Gummy Clusters account for nearly 90% of all Nerds candy revenue.

## EXCHANGE

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## THE SCORE | THE BUSINESS WEEK IN 6 STOCKS

**McDonald's Falters, Tesla Boosts Revenue****SPIRIT AIRLINES**

**SAVE 15%** Spirit's stock went on a wild ride this week. The budget carrier has been struggling with financial pressures and exploring a bankruptcy filing. Its shares jumped 53% on Monday after it received a debt-refinancing extension. On Tuesday, the Journal reported that fellow discount airline Frontier Airlines is exploring a renewed bid for Spirit, and that potential deal would likely happen as part of Spirit's plan to restructure its debt and other liabilities in bankruptcy. Spirit shares rocketed more than 40% Wednesday. The stock pared its gains on Thursday, dropping 21%. Later that day, the company said it would cut jobs and has agreed to sell some of its planes to help shore up liquidity. Spirit shares **jumped 15% Friday**.

**TESLA**

**▲ TSLA 22%** The electric-car maker posted better-than-expected earnings, boosted by stronger sales and revenue from regulatory credits. Chief Executive Elon Musk hasn't set a sales-increase target for this year, but he said Tesla could see 20% to 30% "vehicle growth" in 2025. Global deliveries are down nearly 6% for the first three quarters of 2024. Musk also confirmed that Tesla has abandoned plans for a long-awaited \$25,000 electric car. Tesla shares **jumped 22% Thursday**.

**20% to 30%**

Tesla's 'vehicle growth' in 2025, according to Musk

**CAPRI**

**▼ CAPI 49%** A federal judge in New York sided with the Federal Trade Commission, preventing Tapestry from closing its \$8.5 billion deal to acquire rival Capri. The FTC sued to block the deal—which would have brought together brands like Michael Kors, Coach and Kate Spade—on the grounds that it would reduce competition in the accessible luxury-handbag category and raise prices for consumers. Tapestry and Capri said they would appeal the ruling. Capri shares **sank 49% Friday**, and Tapestry shares rose 14%.

**\$8.5 billion**

The size of Tapestry's proposed deal to acquire Capri



McDonald's has pulled the Quarter Pounder from some restaurants.

**MCDONALD'S**

**▼ MCD 5.1%** McDonald's link to a deadly E. coli outbreak damped investors' appetites. McDonald's said a subset of illnesses may be linked to slivered onions used in the Quarter Pounder. As of Wednesday at least 49 people got sick and one was killed, according to the Centers for Disease Control and Prevention. Some McDonald's have been told to remove the onions, and the company is temporarily pulling the Quarter Pounder from restaurants in several states. McDonald's shares **lost 5.1% Wednesday**.

## McDonald's performance this past week

**KENVUE**

**▲ KVUE 5.5%** The hedge fund Starboard Value has taken a stake in the consumer-products company spun out of J&J last year, The Wall Street Journal reported on Oct. 20. The hedge fund believes the Tylenol- and Listerine-maker has some of the best consumer brands in its industry, but its stock has underperformed peers and the broader market. Starboard also recently built a roughly \$1 billion stake in Pfizer and seeks changes to turn around the drugmaker. Kenvue shares **gained 5.5% Monday**.

**BOEING**

**▼ BA 1.2%** Boeing is under strain. Members of its largest union on Wednesday voted 64% against a proposed contract, continuing a walkout that leaves factories idled. The same day, Boeing warned investors that it would bleed cash into 2025. On Friday, the Journal reported that Boeing is exploring a sale of its NASA business, including the Starliner space vehicle and operations supporting the International Space Station. Boeing shares **fell 1.2% Thursday**.

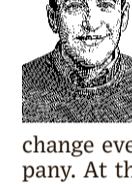
—Francesca Fontana



## SCIENCE OF SUCCESS | BEN COHEN

**Why More CEOs Should Put on A Show Like Steve Jobs**

Product launches are hidden, effective ways to inspire a workforce



"This," Steve Jobs said, "is the most important moment in my entire life."

It was minutes before the Apple event in 1984 that would change everything for the company. At the end of Jobs's presentation that day, the nervous young entrepreneur in a bow tie walked across the stage to a table with a mysterious bag on top of it. Inside was a computer. As the soaring theme from "Chariots of Fire" boomed, the computer flickered to life and began talking.

*Hello, I'm Macintosh. It sure is great to get out of that bag.*

Since that moment, the product launches that Jobs made cool have become standard across Silicon Valley. Apple, Microsoft, Google, Nvidia, Meta—they all host flashy events to unveil the release of their newest, sleekest technology.

Now imagine all that hype, drama and glitz to reveal the latest...Taco Bell chalupa.

Would you watch it?

Brian Chesky probably would. The chief executive of Airbnb, Chesky is one of tech's most influential leaders these days, and he's become an evangelist for the value of annual product releases.

In fact, he thinks they are so powerful that he made product launches the organizing principle of his company.

I recently asked Chesky to explain the benefits of product releases—and his eyes lit up with excitement. You would have thought I told him that Buckingham Palace wanted to list rooms on Airbnb.

"I'm very, very passionate about this," Chesky said.

These releases are not just PR stunts. He makes a very, very impassioned case for product announcements as a management strategy—a way to focus a company's attention and even accelerate the pace of innovation.

After all, if you commit to showcasing products once or twice a year, you have to actually come up with products worth the showcase.

Chesky's enthusiasm for annual product releases began with his admiration for Jobs, who traded his bow tie for black mock turtle-necks as his keynote speeches became cultural spectacles. The iPod in 2001, iPhone in 2007 and iPad in 2010—Chesky remembers watching all of those events and waiting for the next one.

But he didn't think annual product releases made sense for a software company in the business of home-sharing and short-term rentals. Unlike Apple, Airbnb wasn't selling new products every year.

"What would we be releasing?" Chesky said.

Even when Airbnb became one of the world's most valuable startups, he didn't change his mind. But after the company went public in 2020, Chesky felt the absence of a cohesive force. Without a shared destination, too many teams ended up working on their own projects and heading down paths that too often didn't converge.

"It's really hard to get everyone to work together," he says. "The

mechanisms that people use to get everyone together are, like, strategic priorities and metrics. That doesn't really work."

It's understandable why executives at most public companies wake up every morning thinking about the next earnings call—not the next product release. Their performance is measured in financial quarters, so that becomes the rhythm of the entire company. "Because it has to be something," Chesky says. He just thinks it should be something else. "I'm certain that for Apple in the 2000s, earnings calls were not the thing the entire company focused on," he says. "The releases were."

The emphasis on product releases, not strategic priorities, doesn't just result in better work. It also leads to happier workers—which Chesky learned for himself whenever he tried to recruit people away from Apple. "It was impossible," he says. And every time he was turned down, he was given a similar explanation: I just want to stick around for the next launch.

All of which inspired him to

on a treadmill, running as fast as you can without actually getting anywhere.

And the experience of reorienting Airbnb left him convinced of one more thing.

"That most consumer companies would benefit from just talking to the public at least once a year about what they're doing," Chesky says.

Of course, it's easy to see how this could descend into parody, with executives cosplaying as Steve Jobs and treating every product like the original iPhone.

But it has become an effective strategy even for companies where the idea of a dazzling product launch might sound absurd—like Taco Bell.

Last year, the chief marketing officer of the fast-food chain was watching an Apple event when he had an epiphany.

"More people in the U.S. eat at Taco Bell than have an iPhone," Taylor Montgomery thought. "Why can't we do something like that?"

They could. So they did. Earlier this year, Taco Bell organized Live Más Live to publicize what it called "an unimaginable lineup of food innovations," from crispy chicken nuggets (marinated in spiced jalapeño buttermilk!) to a revolutionary cheesy street chalupa ("the shell has cheese on the inside!").

In the months before the event, Montgomery studied Jobs's keynotes to prepare for his time on stage in a pop-up venue the company built in Las Vegas for the occasion. After he introduced the Cheesy Chicken Crispanada and Mountain Dew Baja Blast Gelato as menu additions, he paid homage to the showman who famously tantalized crowds with the plot twist of "one more thing"—one last magical Apple product that had been a secret until that moment.

"Should we do one more?" Montgomery said. "I present to you: the Cheez-It Crunchwrap."

The inaugural event was such a massive success that the next one was immediately scheduled for January. In the meantime, it has already changed the way people inside the company dream up ambitious products.

"Is this idea big enough to be on stage at Live Más Live?" Montgomery said. "That's the new bar for a big idea at Taco Bell."

bring launches to Airbnb.

After the company went public and came out of the pandemic, Chesky listened to customer feedback and felt it was time to fix everything that was wrong about the Airbnb experience. And he knew exactly how to do it.

The company held its first product release in 2021 and has since put on two events a year to announce new features. In the past three years, Airbnb says it's shipped more than 500 updates to its app—significantly more than the three years prior.

The launch cycle had another useful effect: It warped the company's internal cadence. These days, Airbnb employees and executives push themselves under deadline pressure—and then take a deep breath. Chesky finds racing toward a product release as a team more fulfilling and less exhausting than feeling like you're



Taylor Montgomery, Taco Bell's chief marketing officer, studied Steve Jobs to unveil items like the Cheesy Chicken Crispanada at Live Más Live.

## EXCHANGE

# CEOs Line Up to Meet China's Economic Gatekeeper

He Lifeng has a mandate from President Xi Jinping to guard the Chinese system from the West

BY LINGLING WEI

**W**hen Janet Yellen traveled to Beijing earlier this year, there was one person in particular she wanted to talk to: He Lifeng, one of the men holding the keys to the Chinese economy.

The U.S. Treasury secretary was trying to get Beijing to rethink a manufacturing policy that has flooded the world's markets with Chinese electric cars and other goods that undercut global businesses. And He has a direct line to leader Xi Jinping.

For that reason, He is also the man who multinational executives—many of whom share Yellen's concerns yet still want to do business in the country—are lining up to meet.

He, pronounced like "huh," is the latest in a long line of high-level Chinese officials dedicated to dealing with foreigners, a role referred to in diplomatic circles as a "barbarian handler."

In recent decades, as the Communist Party focused on developing the economy, a succession of barbarian handlers used a combination of charm and political and technocratic skills to convey China's priorities, while still attracting much-needed foreign investment. The tongue-in-cheek term traces back to the Middle Kingdom viewing outsiders with suspicion and even disdain for centuries, referring to them as "big noses" or "barbarians."

The challenge for He: Unlike previous Chinese officials who have acted as go-betweens with Western politicians and CEOs, little in his background has prepared him for managing trade tensions or courting foreign investors. He has spent little time overseas, doesn't speak English and has spent most of his career as a state planner and project manager for different Chinese cities.

He, who became vice premier overseeing economic and financial affairs a year and a half ago, started out focusing on how to hit back at Western sanctions led by the U.S., essentially becoming the chief architect for ringfencing China's economy. Rather than offering a welcome mat, his mandate from President Xi has been to act as a gatekeeper to guard the Chinese system from the West.

But during He's tenure, China's economy has steadily worsened. Trade frictions have surged as China doubled down on manufacturing, and multinational companies have grown increasingly fearful of investing only to get eased out by Chinese competitors they



help create. Overseas investment in Chinese factories, stores and other hard assets have plunged more than 30% this year—a stunning change for a country that for years has been a basin for foreign capital.

And with the risks of a trade war and prolonged economic stagnation, He's role has shifted. Now, the 69-year-old Communist Party apparatchik has little choice but to engage with the West.

Trained in government finance at Xiamen University, He started his political career in the mid-1980s in Xiamen, a special economic zone in southeastern China that at the time experimented with lower tax rates and less red tape in a bid to attract foreign investment.

He's job was to help the city government woo foreign clothing and electronics entrepreneurs, many with Chinese roots, to set up plants to make goods for exports.

One day, He received a special assignment from the city's party boss to handhold a newly appointed deputy mayor: Xi Jinping.

Xi, then in his early 30s, was a political newbie trying to find his stride. In He, Xi saw a political friend and the two soon hit it off, according to party insiders with knowledge of their relationship.

Soon after Xi became China's vice president in 2008, marking

him as the country's likely next leader, He was transferred to the northern city of Tianjin—closer to Xi's orbit in Beijing.

He led a number of megaprojects to stimulate Tianjin's economy, including the construction of a new district billed as "China's Manhattan." The massive spending helped bolster growth but plunged the city into deep debt.

After Xi was anointed party leader in late 2012, He got a big break: a senior position at China's powerful economic-planning agency. There, He helped pump hundreds of billions of dollars into high-speed railways, airports and water tunnels, part of Beijing's go-to playbook for economic growth that has led to debts piling up.

In the views of some Western executives who have met him, He's career has primed him to think like his boss, Xi. "He Lifeng believes in state planning and control," says a person with access to senior Chinese officials. "He is 100% aligned with Xi."

The best known of Beijing's previous "barbarian handlers" was Zhu Rongji, the strong-willed premier who negotiated a deal with Bill Clinton's White House to let China join the World Trade Organization in 2001, a starting point for its economic takeoff.

Zhou Xiaochuan, China's central-bank governor for 16 years until 2018, mixed easily with Wall Street bankers and pushed for financial liberalization at home, which helped boost China's credibility with global investors.

He Lifeng's immediate predecessor, Liu He, is a Harvard-trained economist who was both a Xi loyalist and a voice for market-based policies. Liu often came to meetings with American officials and CEOs prepared with binders full of statistics on the Chinese and U.S. economies. In early 2020, he signed a deal with the Trump administration that brought a two-year trade fight to a halt.

Western business leaders say

their initial interactions with He

## He Lifeng

- **School:** Xiamen University
- **Major:** Finance
- **Home province:** Guangdong
- **Early jobs:** Farm, hydropower station
- **Official title:** Vice premier
- **Unofficial job description:** 'Barbarian handler'

directive to prod the central bank and other financial regulators to devise ways to prop up the country's long-suffering stock market.

Yellen and He met for the first time in July 2023, when the Treasury secretary traveled to Beijing to help stabilize bilateral ties.

Then Yellen hosted He in San Francisco in November, when leaders from countries along the Pacific Rim were in town for the Asia-Pacific Economic Cooperation meeting. Yellen took He, who was visiting the U.S. for the first time, to a waterfront restaurant she had frequented for years, to try to build a rapport with him, said a person familiar with the matter.

In her April meeting with He in Beijing, the Treasury secretary put forth the argument that China's manufacturing policy has hurt not just China's trade relations but its own economy. Unneeded factories have sapped corporate profits, wasted money and weakened productivity growth. That didn't stop He from inviting Yellen and her team on a boat cruise on the Pearl River in southern China, the person familiar with the matter said.

So far, He has given no public indication that Beijing is willing to change the policy to help salvage its trade relations with the West.

In recent closed-door meetings with Western officials and executives, He continued to defend China's industrial policy, saying its exports of cheap but quality products is a positive for the world rather than a problem. He also argued that markets will eventually take care of any mismatch between supply and demand.

The bigger question is whether Xi's trusted gatekeeper will try to get him to set aside suspicion of the West enough to regain foreign companies' faith in the Chinese economy.

"His reference points are China," says Craig Allen, president of the U.S.-China Business Council who has met He along with other American business leaders. "Not international trade or economics."



Antlitz said.

Purely battery-powered Scout vehicles will be able to travel as much as 350 miles on a single charge, the company said.

Scout decided about 10 months ago to add a hybrid option, as it was becoming clear that EV demand wasn't growing as rapidly as expected. The hybrid version will be able to travel 150 miles on bat-

tery power alone, before a gasoline engine kicks on to charge the battery, delivering an additional 350 miles of range.

U.S. hybrid sales grew three times as fast as EVs over the first nine months of the year, according to research firm Motor Intelligence. Fully electric vehicles accounted for just under 8% of the U.S. car market over that span, while hybrids accounted

for 11.5%.

Scout will be able to use VW's network of suppliers, and could become the first of the company's brands to use software and hardware developed by a coming joint venture between Rivian and Volkswagen, Antlitz said. VW and Rivian have said they hope that working together will help lower parts and development costs.

The original Scout was designed in the 1950s, when an International Harvester engineer created a four-wheel-drive recreational vehicle. It became a hit, and vintage versions of the angular SUV have a passionate fanbase.

Scout Chief Executive Scott Keogh said the look of the vehicles, as well as the addition of a hybrid option, was meant to broaden the brand's appeal outside of EV hotspots in coastal cities. Keogh, who ran VW's U.S. operations for several years, took the CEO job at Scout with the mandate to create a rival to American pickup brands.

"We want to get this product and this brand into the heart of the market," he said. "I think we've got the right solution."

FROM TOP: LI XIANGZUMA PRESS/ANDY WONG/ASSOCIATED PRESS

## The Original SUV Is Back, And It's Electrifying

BY SEAN MCCLAIN

Volkswagen is hoping America's obsession with pickup trucks and chunky sport-utility vehicles will help boost its sales in the U.S.

At an event Thursday evening, the German auto company's Scout Motors brand unveiled its first vehicles: an electric pickup and SUV, each priced around \$60,000. Both vehicles have a retro, boxy style and were designed for towing and off-road use. They are scheduled to go on sale in 2027.

VW acquired the Scout name in 2020. The original maker of Scout, the defunct tractor maker International Harvester, is credited by some as having invented the SUV.

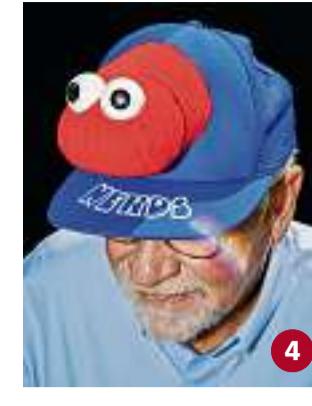
Executives are hoping a familiar name will help the German company crack into the lucrative mar-

ket for rugged pickup trucks and SUVs, long the domain of Ford Motor, General Motors and Stellantis, maker of Jeep and Ram.

VW, which owns Audi, Porsche and Bentley, is the world's second-largest carmaker, but accounts for less than 5% of sales in the U.S. The company decided the key to growth was finding a way into the driveways of middle America, where many people prefer pickups and larger SUVs, said Arno Antlitz, the German automaker's chief financial officer.

The resurrected Scout's Traveler SUV and Terra pickup truck have vintage styling reminiscent of the original, which went out of production in the 1980s. The company is counting on a combination of an old American brand name and a boxy, retro style to appeal to American truck buyers,

## EXCHANGE



Nerds creator Angelo Fraggos's collection of Nerds memorabilia includes:

1. Vintage Nerds boxer shorts
2. Nerds playing cards
3. Nerds single and dual-chamber boxes
4. A Nerds baseball hat

## Nerds Are Getting Their Revenge

*Continued from page B1*  
like Starburst, Sour Patch Kids and even Skittles, according to TD Cowen analyst Robert Moskow.

"I have never seen a new product in this category get this big so fast," said Moskow, who has covered the candy sector for more than 20 years.

So how did Nerds, which Bon Appétit magazine once called "the gravel at the bottom of your fish tank," make it to the top of your Halloween bucket?

The revenge of Nerds began when the people who took over the brand ignored their tests—and followed their taste.

Nerds were born from the sort of extensive consumer research that executives mostly ignored when they created Nerds Gummy Clusters.

The tiny, crunchy, tart, novelty candy that came out in 1983 was launched by a team led by Angelo Fraggos, a young marketing manager in the Willy Wonka Candy division of Sunmark, a St. Louis-based confectionery company that no longer exists.

To get feedback from their most valuable consumers, tweens with allowance money, Wonka's leaders turned schools into research labs and candy shops. They tested everything—from the complementary tastes of grape and strawberry to the proper amount of tang.

When company researchers observed that boys poured candy in their mouths and girls put candy in their hands, the two-cell box was outfitted with a slide top to make the confection portable and shareable. Today, that original packaging is known to Nerds nerds as "dual chamber."

Even the product name was rigorously tested. Every year, the company polled students about catchy new slang—and what they liked to call each other. It put those words on sample packages, placed the boxes next to each other and asked kids: Which one would you buy? They chose the name Nerds over Dweebs.

At that point, Wonka employees glued some boxes together and dropped them off in stores across Chicago and St. Louis for retail tests. The handpacked Nerds quickly sold out.

In 1985, when Nerds rolled out across the country, the National Candy Wholesalers Association named it candy of the year.

Nestlé acquired the Nerds brand in 1988, and eventually, the brand was sold in 2018, along with the rest of Nestlé USA's confectionery business, to Italian candy giant Ferrero and U.S.-based Ferrara Candy. Ferrero kept the chocolate brands, while Ferrara took control of the sugar candies.

In search of a new product that would appeal to younger buyers, Ferrara Candy didn't turn to the latest technology. It just turned back the clock.

In 2001, Nerds introduced the Nerds Rope, a chewy, fruit-flavored gummy candy rolled in crispy Nerds. Even people who loved Nerds Rope didn't like the way it stained their hands and resulted in Nerds spewing everywhere. Consumers were looking for something that was "poppable," something they could eat on the go and was less messy, said Heather Boggs, Ferrara's chief innovation officer.

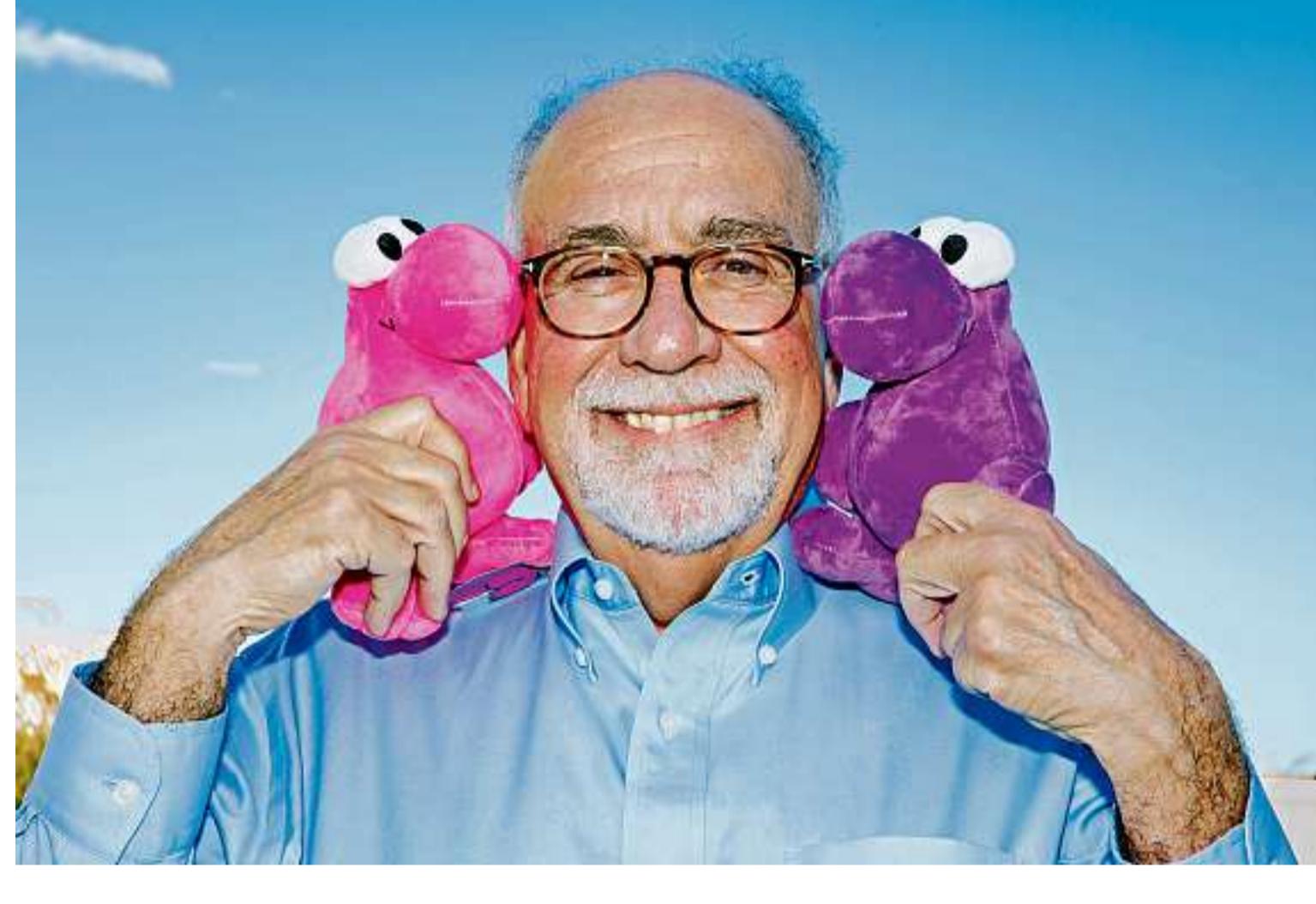
That insight was the beginning of Ferrara's two-year odyssey to engineer a candy that was similar to Nerds Rope but superior. It would have to be easier and cleaner to eat—and gumier.

One of the first things the Nerds development team did was test the idea of a poppable, rainbow-colored candy with a crunchy outside and gummy inside, using an online survey that gave consumers a basic description of the product and some concept images.

Their response: Huh? "They were kind of like, 'I'm not sure I totally get this. Is this something I want to eat?'" said Katie Duffy, Ferrara's vice president of global brands.

The company decided to plow ahead in the hopes that consumers would change their minds once they actually had something to taste. "At that point," Duffy said, "what did we have to lose?"

It helped the Nerds team that big retailers like Walmart, Target and Walgreens wanted the product as soon as possible after seeing prototypes.



Ferrara tested five different graphics for packaging and found that actually showing the sweet, gummy center was crucial to branding.

Maybe the most important decision they made was changing the product's working name of Nerds Clusters to Nerds Gummy Clusters.

"Otherwise," Duffy said, "consumers may have been led to believe that it was just tiny clusters—like granola."

Today's gummies come in all shapes, sizes and species: bears, fish, worms, Sour Patch Kids. As popular as they are with consumers, especially kids, they're even more mouthwatering for companies.

Sugar candy sales are up 74% since 2020, according to Euromonitor, compared with a 38% increase for chocolate candy. Confectionery giants have expanded their product lines to include more gummy offerings—like Shaq-a-Licious XL Gummies, which Hershey recently launched with former NBA star Shaquille O'Neal—in part because soaring cocoa prices are putting margin pressure on their chocolate staples.

"Gummy represents a huge opportunity," Hershey Chief Executive Michele Buck said this year.

In 2019, the year after acquiring the Nerds brand, Ferrara tested its Nerds gummy offering with a focus group of 250 consumers in the Midwest. But when participants offered grades on how much they liked the new product, the results of the quantitative study were inconclusive. The scores fell just below the candy maker's threshold.

"The product scored... OK," said Boggs, the chief innovation officer.

"Consumer testing is meant to be somewhat of a predictive method," added Anna Walsh Olsen, Ferrara's senior director of research and development. "But it's not always foolproof."

Taste testers wanted more flavor and felt the chewing experience wasn't gummy enough, so Ferrara made the product even tangier and tweaked the crunch-to-chew ratio.

In the summer of 2020, the candy company and the inventor of Nerds

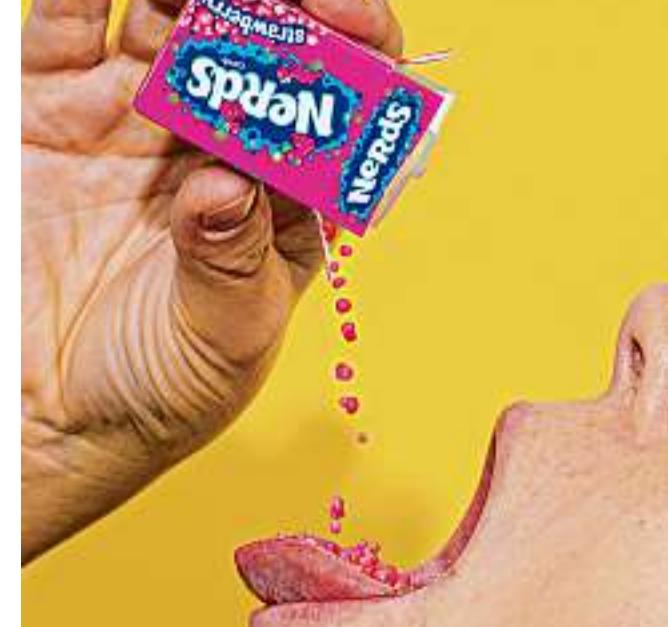
▲ Angelo Fraggos led the team that created Nerds at the Willy Wonka Candy division of confectionery company Sunmark.

Gummy has 'a springy, resilient character' and the cluster will be 'generally ovoid, spherical,' the patent says.

**64%**  
of the buyers of Nerds Gummy Clusters purchase the product more than once a year

**74%**  
The increase in sales of sugar candy since 2020, according to Euromonitor

▼ Company research found boys pour candy into their mouths. Girls pour it into their hands.



Gummy Clusters, a Ferrara scientist named Sean Oomens, filed for a patent on a "dual-textured confectionery" with a "chewy center" and "crunchy coating."

The details in the application, which is pending, included an exact definition of gummy ("a springy, resilient character with varying degrees of firmness") and a less exact shape of the cluster ("generally ovoid, spherical or bean-shaped").

Then it was time to find out if people would geek out over Nerds Gummy Clusters.

Candy makers have faced a rocky road in recent years, navigating sticky issues such as labor shortages, supply-chain issues, inflation and cocoa shortages. While U.S. candy sales are up overall in recent years, much of the increase can be traced back to inflation. Health-and-wellness trends have reshaped American diets and eating habits, and investors are worried about the impact of revolutionary weight-loss drugs.

To broaden the appeal of their products, candy makers are developing sweets that offer a range of textures, like crunchy and chewy—or, as Nerds executives call it, a "multi-sensorial" textual experience.

Gummy Clusters hit the sweet spot. But making them wasn't as simple as sticking a bunch of Nerds on a gummy.

Achieving the right balance of crunchy and chewy in nonchocolate candy is tricky because of "moisture migration," in which water moves between components and can affect the product's quality, said Rich Hartel, a University of Wisconsin-Madison food scientist.

Ferrara's experiments with Gummy Clusters did result in batches of soggy Nerds, according to a person familiar with the process. The patent on Gummy Clusters suggests that Ferrara's candy scientists solved their problem with additives such as gum arabic, an additive that prevents moisture from the chewy center from seeping into the candy pebble's coating.

That wasn't the only challenge they had to overcome. The candy had to be small enough to eat in one bite, roughly the size of a Peanut M&M. They also had to shrink traditional Nerds, which measure between 0.2 and 1 millimeter, for optimal coverage of the gummy center—and the perfect crunch. Their name for these miniature pellets? Baby Nerds.

The marketing effort behind Nerds Gummy Clusters was bare-bones. Ferrara spent a paltry \$700,000 on digital ads in 2021, according to estimates from ad tracker MediaRadar.

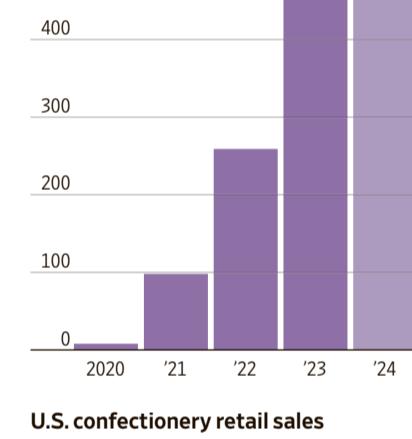
But one Friday night that January, Kylie Jenner posted about Nerds Gummy Clusters on Instagram and declared the candy "next level."

"I'm obsessed," she cooed.

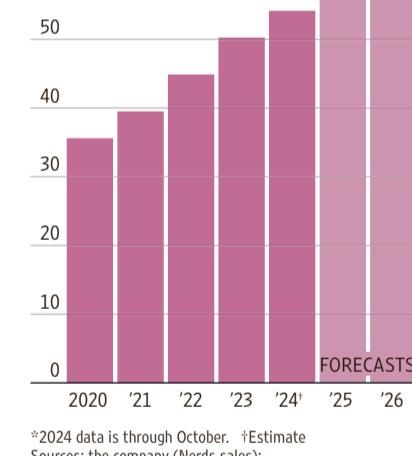
Ferrara executives were stunned. They found out Jenner was a fan at the same time as the influencer's 200 million followers. Her endorsement was just about the best marketing that Ferrara could have bought—and the company says it didn't cost a penny.

Like so many products that become unexpected sensations these days, the

### Nerds Gummy Clusters annual sales\*



### U.S. confectionery retail sales



\*2024 data is through October. †Estimate

Sources: the company (Nerds sales); Euromonitor International (confectionery sales)

rise of Gummy Clusters has been fueled by social-media platforms such as TikTok.

At first, there wasn't enough supply to keep up with the sudden demand. Ferrara reconfigured some of its factories and increased the manufacturing capacity of Nerds by 350%.

As factories began churning out more Gummy Clusters, Ferrara cranked up its marketing.

Ferrara purchased a spot for Nerds on television's most coveted advertising stage, where 30 seconds of ad time cost roughly \$7 million—not including production costs. The Super Bowl was the first time Ferrara had bought TV ads of any kind for Nerds. It debuted a commercial inspired by the movie "Flashdance," starring an animated Nerds Gummy Cluster re-enacting Jennifer Beals's chain-pull dance move.

The company plans to advertise again during this season's Super Bowl.

One of the people who was shocked to see Nerds on his TV during the game was a 72-year-old man who helped bring the product to life.

Not that Angelo Fraggos needed an introduction to Nerds Gummy Clusters. He's worked in the food business for his entire career, eventually moving from candy to private equity, and his New Jersey home is stocked with all sorts of Nerds keepsakes for his grandchildren.

"Everything that has Nerds on it," he said, "I buy it, I taste it and I smile."

## EXCHANGE

TAX REPORT | LAURA SAUNDERS

# Cut Your 2024 Taxes Before It's Too Late

The end of the year is fast approaching. To improve your tax math, act now.



It's still too early to make tax moves based on November's down-to-the-wire elections and their effect on tax cuts expiring at the end of 2025. But other year-end tax planning for 2024 is possible—and important.

In particular, higher interest rates have significantly raised penalties for underpaying taxes to Uncle Sam for 2024. Many heirs of traditional IRAs also need to plan multiyear withdrawal strategies now that the Internal Revenue Service has issued definitive guidance for these accounts.

As usual, most moves to reduce 2024 taxes need to be completed by Dec. 31, and the clock is ticking. Here are several to know about.

**Check your withholding and estimated taxes.** The penalty on income-tax underpayments for the first three quarters of 2024 is a steep 8%, and the fourth-quarter rate will likely be 7%. That's well above the 3% rate of a few years ago, and the increase has already cost taxpayers billions in higher interest costs.

To avoid underpayment penalties, filers must pay at least 90% of the tax they owe well before the April due date. The deadline is Dec. 31 for employees and others who have taxes withheld, and it's Jan. 15, 2025, for filers paying quarterly estimated taxes.

So it's important to evaluate paycheck withholding or quarterly payments for this year, especially if you've had uneven income or received a windfall like a bonus or a large capital gain. The Internal Revenue Service has posted a calculator to help employees determine withholding.

If you need to pay more, try to raise withholding rather than make a direct payment to the IRS. Withholding can reduce underpayment penalties on income earned earlier in the year, while a quarterly payment usually won't. Employees can raise withholding through their paychecks, while retirees often opt to raise it on taxable IRA payouts.

Taxpayers can also bypass these penalties by paying an amount equal to either 100% or 110% of their 2023 taxes. The 100% threshold applies mostly to filers with adjusted gross income of \$150,000 or less, while the 110% threshold applies to those with more. This can be done either through withholding or a direct payment to the IRS.

But remember: For filers paying estimated taxes, the safe harbors apply *per quarter*. So it's too late to avoid underpayment penalties for 2024's first three quarters, except through higher withholding. However, making a payment to the IRS now will stop the interest clock. (IRS.gov/directpay is a useful option.) For more on this complex topic, see IRS Publication 505.



**Plan withdrawals from inherited traditional IRAs.** This year the IRS clarified when many heirs of traditional IRAs must take payouts from them. Heirs should plan carefully and consider taking more than the minimum.

In late 2019, Congress decided that most nonspouse heirs of traditional and Roth IRAs should drain the accounts within 10 years if the original owner died in 2020 or later.

But the new law didn't specify whether heirs of traditional IRAs must take required minimum distributions, or RMDs, for years one through nine.

So the IRS suspended RMDs for 2021-2024 while it worked on guidance. But that grace period for distributions is coming to an end.

The new rules clarify that non-spouse heirs must take RMDs for 2025 and after, if the account

owner had to take these payouts. Owners hit this required beginning date at age 70 1/2 in 2020, and it has since risen to 73.

For heirs, RMDs in years one through nine are based on their own life expectancy.

However, if the IRA owner died before having to take RMDs, the heir doesn't have to take them in years one through nine.

Beware: Taking just the minimum withdrawal may not be smart if it leads to a balloon payout in year 10 that pushes the heir into higher tax brackets. The new guidance doesn't extend the 10-year window for those who inherited in 2020-2024, so several years have passed for some heirs. Also note that while the law sets minimum payouts, it doesn't set maximum ones.

For more information, see IRS Publication 590-B.

**Standard deduction or itemized?**

Filers can reduce taxable income either by a fixed amount—the standard deduction—or by listing individual deductions for mortgage interest, state and local taxes, charitable donations, medical expenses and other eligible costs on Schedule A.

Before the 2017 tax overhaul nearly doubled the standard deduction, about 30% of filers itemized. Now less than 10% do, although that's still about 15 million filers.

For 2024, the standard deduction is \$29,200 for married joint filers and \$14,600 for singles. For 2025, it will be \$30,000 and \$15,000, respectively. Filers age 65 and older each get at least \$1,500 more for 2024 and at least \$1,600 more for 2025.

When the 2017 overhaul's changes expire at the end of 2025, the increased standard deduction

will lapse too. Unless, that is, Congress takes action.

Some taxpayers switch from standard to itemized in different years to maximize overall deductions. If so, it can make sense to "bunch" deductions either by accelerating or delaying them into years when you'll itemize.

Often the best candidates for bunching are charitable donations. For example, a married couple might donate \$15,000 to favorite causes twice in one year and then skip giving the next year.

In addition, bouchers shouldn't overlook medical-expense deductions. They're only deductible above 7.5% of adjusted gross income, a high hurdle. But above that, a wide variety of expenses can count, including Medicare premiums, travel fees, contact-lens solution and home modifications like an elevator or even a swimming pool.

**Reconsider home energy credits.**

In 2022, Congress expanded and extended tax credits for individuals who make a broad range of energy-efficient improvements to their homes.

They are proving popular. About 3.4 million filers claimed more than \$8 billion in credits for 2023, according to Treasury Department data. Unlike tax deductions that lower income, a tax credit is typically dollar-for-dollar reduction of tax.

Ari Matusiak, who heads Rewiring America, a nonprofit, says the credits are far more generous than in the past. "They are there for the taking, available every year, and they often can be combined with state or utility incentives," he said.

The group has posted a calculator to help people determine which incentives they qualify for.

The credits fall into two categories. Residential Clean Energy Credits are typically for bigger-ticket items like solar, wind and geothermal power generation; solar water heaters; and battery storage. For 2023, 1.2 million filers claimed more than \$6.3 billion in these credits, or about \$5,000 per tax return. Rooftop solar was especially popular.

This credit covers up to 30% of the cost of allowed improvements, with no annual or lifetime maximum.

Then there's the Energy Efficient Home Improvement Credit. Among other things, it applies to home insulation, windows and skylights, central air conditioning and heat pumps. For 2023, more than 2.3 million filers took these credits. The total cost was \$2.1 billion, or about \$880 per return. Annual maximums often apply, but there aren't lifetime limits.

Beginning in 2025, manufacturers of equipment eligible for this credit will have to register with the IRS and obtain a number for each item. Filers claiming it will have to include the numbers on their tax returns.

## At Boeing, Trust Is Gone And Cash Is Dwindling

*Continued from page B1*

has led to cultural decay. Critics place the beginning of the decline in the 1990s, when Boeing started adopting many of the management practices common at its supplier General Electric, including a focus on short-term profitability.

The merger with rival McDonnell Douglas in 1997 further cemented Boeing's turn away from an engineering-led culture and toward more centralized corporate control. The decision to move its headquarters from its Seattle manufacturing hub to Chicago in 2001—and then to Virginia in 2022—exemplified this shift.

Extra attention to financial metrics had some positive effects on the aerospace industry, which at the time often didn't spend money on what airlines actually needed. The L-1011 TriStar, for example, was beloved by engineers but came late and had too short a range, effectively taking Lockheed Martin out of the commercial-airliner business in the 1980s.

But amid the culture change at Boeing, some engineers became afraid to raise safety issues with managers, current and former employees say. In the lead-up to the first MAX accident, some of them were worried that the flight-control system known as MCAS might lead to costly simulator training for airlines and make the plane less compelling to buy. Boeing has said it is taking steps to encourage more employees to speak up with their concerns.

Federal prosecutors dredged up an email they argued showed a Boeing employee was under financial pressure to deceive the FAA into not requiring simulator time for pilots who fly the MAX. The

email showed the employee was worried he'd be blamed as the one "who cost Boeing tens of millions of dollars."

Muilenburg appeared worried that regulatory questions after the initial accident might interrupt the company's cash flow. "[W]e need to be careful that the [FAA's] interest in pilot manuals] doesn't turn into a compliance item that restricts near-term deliveries," the CEO said in one email that surfaced in shareholder litigation.

When he took over as CEO in 2020, David Calhoun said the company would focus on building trust and getting back to basics. "We're going to do a little less visioning and a little less long-term planning," Calhoun said. "We're just going to get back down to restoring trust with one another, trust with our customers, and trust with our regulator, and we're going to be transparent every step of the way."

More and more quality and execution problems surfaced in its commercial aircraft, defense and space programs. Time and again, Boeing executives emphasized they would focus on safety, engineering and quality. The company hasn't turned an annual profit since 2018.

The Alaska Airlines blowout in January revealed that many of Boeing's problems remained unfixed. Government investigations have revealed that front-line workers still faced production pressure and aircraft with problems continued to move down the line and out the factory.

David Boulter, the FAA's safety chief, said a key to fixing Boeing is to make sure all employees have the opportunity to speak up about problems and be heard—a type of culture that has fueled safety gains

at airlines.

"Certainly, that's where we've seen the most success with the airlines," Boulter said on the sidelines of an industry event in Las Vegas this month. "Those with great safety cultures have great safety records."

The plane maker lost about 20% of its stock-market value following the Ethiopian Airlines accident in March 2019 that led to fleets of 737 MAX jets being grounded. But even this didn't fully reverse a big rally in the previous three months, which had taken the shares to a record high of \$446.

In December 2019, when the company was forced to temporarily stop making the aircraft, the stock held its ground. It only tanked early in the Covid-19 pandemic in 2020, when all production stopped and recertification of the MAX was further delayed.

Now, investors have accepted that Boeing's earnings will be much smaller going forward. The shares are worth \$155.

The continuing strike has led all three of the major ratings firms to warn that Boeing's debt could be downgraded to the "speculative" category.

Being able to increase produc-

tion to more than 50 MAXs and 10 Dreamliners a month would generate more than \$10 billion a year, Wall Street analysts estimate, but this is proving increasingly elusive.

On Wednesday, Chief Financial Officer Brian West told analysts, to their dismay, that Boeing's operations would burn cash in 2025.

As strong as its long-term business case might be, investment-grade companies simply don't hemorrhage cash.

Later in the decade executives will need to start investing heavily in developing a new innovative narrow-body aircraft to replace the MAX. Not doing so would likely mean giving up on head-to-head competition with Airbus.

It has been more than a decade since Boeing started delivering the 787 Dreamliner, its last "clean-sheets" design—that is, not based on a previous model. But excessive outsourcing riddled that program with issues.

To rekindle a true success story, Boeing must go back to the 1990s, when a team led by longtime company engineer—and later CEO of Ford Motor—Alan Mulally, designed the 777 in collaboration with airlines and pioneered new computer-design tools.

Some analysts believe that the best path forward would be to break up the company, following in the steps of GE. Boeing's defense, space and security arm, which makes up 31% of total revenue, could perhaps do without space projects that are no match for Elon Musk's SpaceX. When it comes to the rest, though, advances in aerodynamics, materials science and manufacturing processes are often joined between the defense and the commercial side.

The defense business also gives Boeing access to lucrative Pentagon contracts, reinforcing the impression in Washington that the company is "too big to fail."

With \$58 billion in debt, \$12.5 billion of it coming due in 2025 and 2026, there are no easy ways out. Boeing appears set to issue roughly \$10 billion in new shares, from the total of \$25 billion it could tap.

Usually, equity investors dread being diluted. This time, many are encouraging executives to max out the cash raising to gain room to maneuver.

It may be that, with time running out to pull up from the nose-dive, the interests of manufacturers and bean counters are finally aligned.







Boeing's Starliner returned to Earth without astronauts in September, left. A fuselage panel blew off one of the company's jets in January, center. An ongoing strike by the machinist union, right, threatens its credit rating.







Boeing's Starliner returned to Earth without astronauts in September, left. A fuselage panel blew off one of the company's jets in January, center. An ongoing strike by the machinist union, right, threatens its credit rating.

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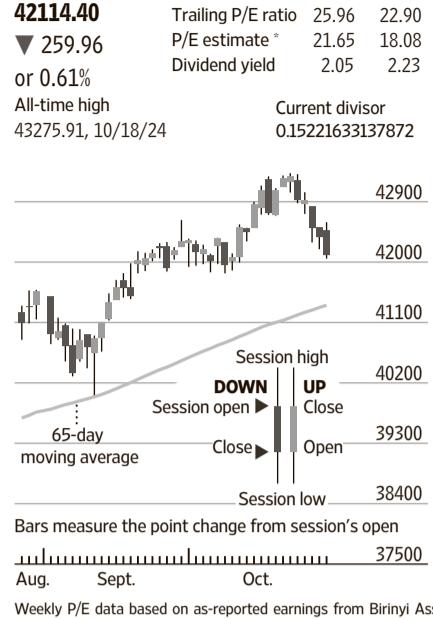
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## MARKETS DIGEST

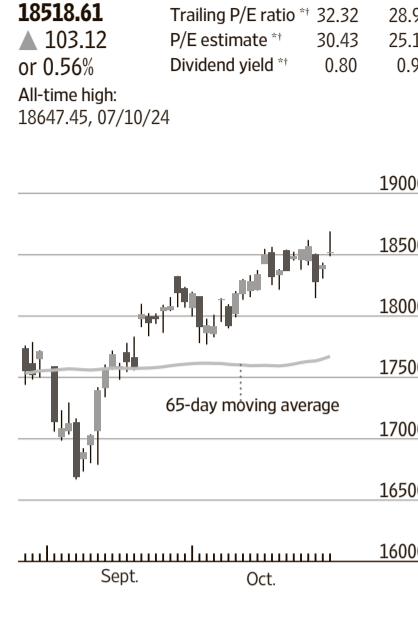
## Dow Jones Industrial Average



## S&amp;P 500 Index



## Nasdaq Composite Index



## Track the Markets: Winners and Losers

A look at how selected global stock indexes, bond ETFs, currencies and commodities performed around the world for the week.

Index	Currency, vs. U.S. dollar	Commodity, traded in U.S.*	Exchange-traded fund
Nymex natural gas			13.37%
Nymex crude	4.50		
Nymex ULS	3.99		
Nymex RBOB gasoline	3.82		
Corn	2.59		
Lean hogs	2.38		
Bloomberg Commodity Index	2.04		
Soybeans	1.83		
Comex silver	1.73		
Shanghai Composite	1.17		
Comex gold	1.00		
S&P 500 Consumer Discr	0.92		
WSJ Dollar Index	0.88		
S&P 500 Information Tech	0.18		
Nasdaq Composite	0.16		
Nasdaq-100	0.14		
-0.03 Indian rupee			
-0.14 S&P 500 Communication Svcs			
-0.15 Comex copper			
-0.21 iSh 1-3 Treasury			
-0.23 Swiss franc			
-0.27 Chinese yuan			
-0.41 KOSPI Composite			
-0.42 South African rand			
-0.43 Norwegian krone			
-0.46 Bovespa Index			
-0.52 VangdTotalBd			
-0.53 Mexican peso			
-0.63 S&P 500 Energy			
-0.65 Canadian dollar			
-0.65 iShBoxx\$HYCp			
-0.65 Wheat			
-0.66 Euro area euro			
-0.67 U.K. pound			
-0.85 iShNatMuniBd			
-0.87 S&P/ASX 200			
-0.92 VangdTotalBd			
-0.95 IBEX 35			
-0.96 S&P 500			
-0.99 DAX			
-0.99 S&P 500 Consumer Staples			
-1.00 iSh TIPS Bond			
-1.03 Hang Seng			
-1.09 iSh 7-10 Treasury			
-1.17 Euro STOXX			
-1.18 STOXX Europe 600			
-1.18 iShJPMUSEngBd			
-1.22 FTSE MIB			
-1.30 iShBoxx\$InvGrdCp			
-1.31 FTSE 100			
-1.39 South Korean won			
-1.41 Indonesian rupiah			
-1.45 S&P/TSX Comp			
-1.46 S&P 500 Real Estate			
-1.51 Australian dollar			
-1.52 CAC-40			
-1.70 Dow Jones Transportation Average			
-1.82 Japanese yen			
-1.84 iSh 20+ Treasury			
-1.91 S&P 500 Utilities			
-2.08 S&P 500 Financials			
-2.24 BSE Sensex			
-2.34 S&P/BMV IPC			
-2.68 Dow Jones Industrial Average			
-2.74 NIKKEI 225			
-2.77 S&P 500 Industrials			
-2.84 S&P MidCap 400			
-2.98 S&P 500 Health Care			
-2.99 Russell 2000			
-3.10 S&P SmallCap 600			
-4.01 S&P 500 Materials			

## Major U.S. Stock-Market Indexes

Dow Jones	High	Low	Latest Close	Net chg	% chg	52-Week High	Low	% chg	YTD % chg	3-yr ann.
Industrial Average	42594.64	42051.39	42114.40	-259.96	-0.61	43275.91	32417.59	29.9	11.7	5.6
Transportation Avg	16238.81	16052.76	16104.19	27.09	0.17	16562.66	13556.07	18.8	1.3	0.5
Utility Average	1068.09	1046.26	1046.99	-16.49	-1.55	1071.27	812.89	28.8	18.8	4.5
Total Stock Market	58040.73	57410.87	57492.18	-47.45	-0.08	58160.93	40847.04	40.7	20.3	6.6
Barron's 400	1242.05	1226.88	1229.15	-5.88	-0.48	1263.18	907.97	35.4	14.6	4.6

## Nasdaq Stock Market

Nasdaq Composite	18690.01	18487.06	18518.61	103.12	■ 0.56	18647.45	12643.01	46.5	23.4	6.7
Nasdaq-100	20552.82	20322.25	20352.02	119.15	■ 0.59	20675.38	14180.42	43.5	21.0	9.5

## S&amp;P

500 Index	5862.82	5799.98	5808.12	-1.74	-0.03	5864.67	4117.37	41.1	21.8	8.3
MidCap 400	3140.29	3101.90	3107.51	-20.21	-0.65	3198.21	2326.82	33.6	11.7	3.4
SmallCap 600	1408.80	1388.86	1390.67	-6.94	-0.50	1442.34	1068.80	30.1	5.5	-0.1

## Other Indexes

Russell 2000	2236.69	2207.24	2207.99	-10.93	-0.49	2286.68	1636.94	34.9	8.9	-1.5
NYSE Composite	19648.74	19438.80	19456.27	-104.46	-0.53	19884.81	14675.78	32.6	15.4	4.3
Value Line	621.30	614.24	614.78	-2.17	-0.35	630.13	498.09	23.4	3.5	-3.3
NYSE Arca Biotech	5816.11	5759.50	5761.86	-20.57	-0.36	5953.12	4544.40	26.8	6.3	0.6
NYSE Arca Pharma	1056.18	1046.31	1047.68	-5.08	-0.48	1140.17	845.32	23.9	15.1	11.2
KBW Bank	123.47	120.48	120.73	-1.68	-1.37	122.91	71.71	68.4	25.7	-5.3
PHLX® Gold/Silver	168.76	165.83	166.29	-3.15	-1.86	175.74	102.94	44.5	32.3	6.7
PHLX® Oil Service	76.05	75.15	75.57	0.97	■ 1.29	95.25	72.67	-13.3	-9.9	5.1
PHLX® Semiconductor	5287.77	5210.80	5212.83	55.22	■ 1.07	5904.54	3185.18	61.5	24.8	15.4
Cboe Volatility	20.51	18.23	20.33	1.25	■ 6.55	38.57	11.86	-4.4	63.3	10.1

\$Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

## International Stock Indexes

Region/Country	Index	Close	Net chg	Latest % chg	YTD % chg



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# BIGGEST 1,000 STOCKS

## How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are consolidated from trades reported by various market centers, including securities exchanges, Finra, electronic communications networks and other broker-dealers. The list comprises the 1,000 largest companies based on market capitalization.

**Underlined quotations** are those stocks with large changes in volume compared with the issue's average trading volume.

**Boldfaced quotations** highlight those issues whose price changed by 5% or more if their previous closing price was \$2 or higher.

### Footnotes:

**i**-New 52-week high; **t**-New 52-week low; **dd**-Indicates loss in the most recent four quarters.

**Stock tables reflect composite regular trading as of 4 p.m. ET and changes in the official closing prices from 4 p.m. ET the previous day.**

**Friday, October 25, 2024**

	YTD % Chg	52-Week Hi	52-Week Lo	Stock	Ytd % Chg	Hi	Lo	Stock	Ytd % Chg	Hi	Lo	Stock	
<b>A</b>													
50.52 113.86 53.03 AAON	AAON	0.3 50 111.19	4.93		CG	2.8 52.73	27.13	Carlyle	CG	2.8 60.52	0.11		
13.05 108.26 74.40 AECOM	AECM	0.8 56 104.49	4.93		KMX	2.7 59.77	54.56	Cardno	KMX	2.7 66.97	0.75		
-11.90 22.21 14.53 AES	AES	4.1 16 116.90	-0.02		242.36 401.07	265.55	CasinoGen	205	-19.19	14.85	9.49 FordMotor		
33.03 115.50 75.08 AETNA	AFL	1.8 22 109.75	-2.26		37.26 38.73	44.12 Fortinet	F	5.4 12 11.07	-0.17	21.32	86.70	50.31 Masco	
1.93 144.44 15.49 AGC Inv't	AGC	45.5 10 110.00	-0.01		41.49 42.00	45.45 Fortis	FTV	4.19 10 11.07	-0.28	61.05 139.22	116.65	MasTec	
-11.04 36.41 250.91 Anyangs	ANNS	5.7 32 32.31	-0.01		17.06 17.21	116.16 West	Celanese	1.82	87.10	64.28 Fortune	1.82	12.28	90.53 54.54 FortuneBrands
9.67 12.86 7.33 ASE Tech	APA	4.0 3 24.82	0.15		22.84	9.72	5.50 Cemex	FOXA	1.1 24 34.59	-0.29	14.26 45.02	33.28 Fox	
5.97 110.09 58.42 AETNA	ASAM	0.8 37 71.70	0.89		14.76 24.65	76.55 Frontline	FOX	1.4 12 38.35	-0.01	1.32	31.71	90.45 McDonald's	
30.30 119.50 14.74 AEW	AST	0.8 37 71.70	-0.37		26.10 21.09	57.00 FullTruck	FYBR	0.48 22.76	16.37 FreseniusMedCare	1.4 21 20.93	-0.44	30.28 161.73	118.80 MercadoLibre
2.77 11.11 1.35 AbbottLabs	ABT	1.9 25 114.50	-0.01		13.46 81.42	97.59 Centene	YMM	1.4 26 8.98	-0.04	61.95 60.92	59.27 MetLife		
21.22 199.95 135.85 AbbVie	ABBV	3.8 12 187.85	-1.80		23.42 30.57	52.13 CarrierGlobal	FBIN	1.1 24 54.58	-0.29	14.26 45.26	39.89 MartinMarietta		
2.82 387.51 278.69 Accenture	ACN	1.6 32 360.80	-3.43		22.97	9.1	6.21 CentralsElbrus	FLUT	2.65 22.92	44.89 FlutterEnt			
47.97 312.20 156.84 AcerBrands	AYI	2.1 23 303.09	4.12		22.96 27.71	65.16 CharlesRiverLabs	GFMX	2.7 22 96.75	-0.21	35.32	85.76	46.07 MarvellTech	
-18.28 14.24 10.22 AdravineSystems	AWX	0.4 24 19.00	-0.01		31.05 40.60	42.36 Caterpillar	F	5.4 12 11.07	-0.17	44.86 48.00	53.89 MartinMarietta		
5.98 22.70 33.49 AdmMicroDevices	AMD	1.8 18 156.23	2.79		32.58 101.20	126.75 CheckPoint	GEV	1.42 29.54	33.67 GEVerona				
10.24 6.96 4.69 Aegeon	AEG	4.7 2 63.00	-0.09		22.7 12.78	11.60 Celanese	GKSF	0.0 13 30.47	35.91 GEHealthcare				
28.39 99.30 88.99 AerCap	AER	1.0 6 95.42	-0.03		17.06 17.21	116.16 Celesco	GKSF	0.0 13 30.47	35.91 GEHealthcare				
-17.18 52.48 16.00 AffirmA	AFRM	0.4 47 40.70	-1.33		18.33 19.31	15.21 CheniereEnergy	GKSF	0.0 13 30.47	35.91 GEHealthcare				
3.77 11.21 1.35 AlcatelLabs	ALCT	1.9 25 114.50	-0.01		13.46 81.42	97.59 Centene	GKSF	0.0 13 30.47	35.91 GEHealthcare				
21.22 199.95 135.85 AbbVie	ABBV	3.8 12 187.85	-1.80		23.42 30.57	52.13 CarrierGlobal	GKSF	0.0 13 30.47	35.91 GEHealthcare				
2.82 387.51 278.69 Accenture	ACN	1.6 32 360.80	-3.43		22.97	9.1	6.21 CentralsElbrus	GKSF	0.0 13 30.47	35.91 GEHealthcare			
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## BUSINESS &amp; FINANCE

## Chinese Rivals Dent Mercedes Profit

Luxury-car maker says its main cars business was hit by softer pricing

By DOMINIC CHOPPING

**Mercedes-Benz's** net profit halved in the third quarter as a tough economic backdrop and fierce competition in China hit earnings.

The German luxury-car maker said Friday that profitability in its main cars business was weaker due to softer pricing and lower sales of its higher-margin cars. The division's margin fell to 4.7% from 12.4% a year prior.

"We are taking a prudent view about market evolution going forward, and we will step up all efforts on further efficiency increases and cost improvements across the business," Chief Financial Officer Harald Wilhelm said.

Speaking on a call with reporters, Wilhelm said the

company seeks to reduce the cost base. This includes the materials that go into its cars and those it uses in factories, as well as labor costs.

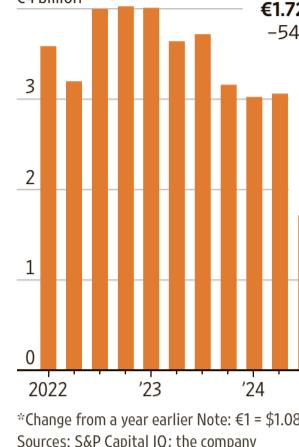
"Is there any specific point to be made now in terms of headcount adjustment? No," he said.

Wilhelm noted that the company has been able to bring costs down significantly over the last five years without launching a big program, as each division within the business has steadily worked toward achieving individual cost targets.

"I think that was successful, but we need to go a step beyond, so it's going to be tighter, it's going to be tougher for sure," Wilhelm said.

European automakers have been lowering their expectations for the year in recent weeks, citing intense competition with local manufacturers in China and lackluster demand for electric vehicles. An economic slowdown and prop-

## Mercedes-Benz's quarterly net profit



erty market slump have also seen Chinese buyers shy away from buying high-end cars.

Manufacturers also face the prospect of an escalating trade war with China as officials there study measures such as raising tariffs on imported large-engine vehicles in retaliation to EU plans to slap

tariffs of up to 45% on electric vehicles made in China.

Cash flow has been a key concern for investors as they begin to question the sustainability of the company's 40% dividend payout ratio amid its weaker performance and recent cut to cash-flow guidance.

"The third quarter results do not meet our ambitions. Nonetheless Mercedes-Benz continues to generate solid cash flows even in challenging times," Wilhelm said.

The company's guidance points to free cash flow from its industrial businesses significantly below the prior-year level of €11.32 billion, equivalent to \$12.26 billion, but it said Friday the figure edged higher to €2.39 billion in the third quarter from €2.35 billion in the same quarter last year.

"This is important as it supports the dividend and capital return in 2025," RBC Capital Markets analyst Tom Narayan said in a note to cli-

ents.

Third-quarter net profit fell to €1.72 billion from €3.72 billion in the same quarter last year as revenue declined 6.7% to €34.53 billion.

Analysts polled by FactSet expected net profit to come in at €1.93 billion on revenue of €36.29 billion.

The automaker expects full-year car sales to come in slightly below the 2023 level while sales in the fourth quarter are expected at a similar level to the third quarter.

Sales of top-end vehicle in the fourth quarter should see positive momentum into the year-end, supported by new models including combustion engine and electric versions of its G-Class.

The company last month also cut its cars unit's adjusted return on sales target to between 7.5% and 8.5% and said its group earnings before interest and taxes will be significantly below the prior year's level.

## Rémy Martin Maker Sees Market Worsening

By ANDREA FIGUERAS

Rémy Cointreau said it expected sales to continue to plunge in fiscal 2025 because of uncertainty about a recovery in the U.S. and worsening market conditions in China.

The maker of Rémy Martin cognac and Cointreau orange liqueur on Friday ditched its forecast of a gradual organic sales recovery over the course of the year to March 2025 and projected, instead, a decline in the double-digit percentage. The company said it was launching a cost-cutting plan to ease the hit on profitability.

The warning is the latest sign of the challenges facing the spirits industry, which is going through a period of waning demand after a boom in beverage consumption during the pandemic. This has resulted in high inventory levels, particularly in the U.S., and put prices under pressure.

Rémy Cointreau said it didn't foresee a return to organic sales growth in the Americas before the fourth quarter of fiscal 2025 at the earliest, while the Asia-Pacific region should experience a sales deterioration in the second half compared with the first six months.

The quarter ending December will be the toughest for the group and could be followed by a bounceback in the last three months of its fiscal year, at least in the U.S., Rémy Cointreau Chief Financial Officer Luca Marotta said in a call with analysts.

Given the worsening environment, the company said it would implement a cost-reduction plan of more than €50 million, equivalent to \$54.1 million, to partially mitigate a deterioration in its organic current operating profit margin, the company's preferred profitability metric. Rémy Cointreau had previously expected to be able to protect profitability.

Shares fell as much as 3.7% in early trade, before paring losses to end down 1%.

The guidance update came as the French distillery reported sales of €316.7 million for the quarter to September, down around 16% organically compared with the prior-year period. In reported terms, sales fell 16.5%. The figure was shy of analysts' forecasts of €319.5 million euros, according to a Visible Alpha poll of estimates.

Rémy Cointreau earlier this year said its first-half performance would be dragged by inventory adjustments in the Americas.

The company is also confronting a sluggish market in China, a major market for European spirits makers, where they are currently dealing with weak demand because of a challenging economic juncture and trade tensions.

The Chinese commerce ministry said earlier this month that it would impose provisional tariffs on brandy imports from the European Union, adding to the challenges for liquor companies.

Analysts see Rémy Cointreau as one of the companies most affected by the latest trade tensions between the EU and China, as brandy accounts for a greater share of its sales than for some of its rivals.

If the decision to apply the duties is confirmed, the company would take measures to mitigate the effects from fiscal 2026, it said. The impact in the current fiscal year would be marginal, it added.

Rémy Cointreau's cognac sales last quarter dropped nearly 21% organically. While stocks depletions in the U.S. showed a sequential improvement in the second quarter compared with the first quarter, they remained well below expectations.

The company maintained its guidance for fiscal 2030, saying it still targets a gross margin of 72% and a current operating margin of 33%, based on its 2020 footprint and exchange rates.



KRISTEN BOSCH/BLOOMBERG NEWS

Despite industry setbacks, the German carmaker said the current quarter should be better.

## Porsche Sales Decline Amid EV Challenges, China Woes

By MAURO ORRU

market. Meanwhile, the transition to electric vehicles has proceeded more slowly than expected.

"For this reason, we are reviewing our product lineup and ecosystem, as well as our budgets and cost position," he said.

For months, the automotive industry has been dealing with a slow EV market and fierce competition from local carmakers in China, forcing several European auto manufacturers to lower their profit and sales forecasts for the year.

Porsche, best known for its sports cars, cut guidance in July because of a supply shortage of lightweight aluminum body components used in its vehicles. The group said at the time that the supply crunch would slow down production.

Operating profit in the first

nine months slumped nearly 27% to €4.04 billion, generating an operating return on sales of 14.1%. Meanwhile, automotive net cash flow—a closely watched metric by investors—fell to €1.24 billion from €3.39 billion.

Despite industry setbacks, Porsche said the current quarter should be better.

"Every racetrack has slower and faster sections. The same applies to a financial year," Meschke said. "In the fourth quarter, we expect that we can accelerate and head into the final sprint to the line."

For the year, Porsche said it continued to expect sales between €39 billion and €40 billion, an operating return on sales between 14% and 15% and an automotive net cash flow margin between 7% and 8.5%.

## Norwegian Air Shuttle Cuts Outlook For Fleet Growth Amid Boeing Strike

By PIERRE BERTRAND

Norwegian Air Shuttle tempered its fleet growth expectations for next year due to a strike at Boeing, in the latest sign of how issues at the U.S. plane maker are disrupting airlines' expansion plans.

The Norwegian budget airline said Friday that the strike at Boeing would likely exacerbate plane delivery delays, resulting in a smaller expansion of its fleet than previously expected and slowing its capacity growth.

The warning comes after Boeing's largest union rejected a new labor deal Wednesday, extending a six-week dispute that idles factories that make the company's 737, 767 and 777 planes.

Boeing customers such as Norwegian, Deutsche Lufthansa and Ryanair had previously warned about the pace at which new aircraft are rolling off Boeing's assembly lines. The strike is expected to worsen the delays, though the final impact is uncertain, Norwegian said.

The company said it now

expects its fleet size for next year's summer will increase to around 90 planes from 86 currently. The company had previously anticipated fleet growth to more than 90 planes.

As a result, Norwegian said its passenger capacity would grow at a slower pace in 2025 than the 13% increase it expects for this year.

Shares in Norwegian fell

12% in Euro-

pean trading

Friday, wiping

off the stock's

gains earlier

this year and

taking it down

7% year-to-date.

Irish low-

cost airline

Ryanair re-

cently warned

that the Boeing

strike could cut the number

of planes it expec-

ted from the

manufacturer for

next year.

Norwegian Air Shuttle

narrowed its 2024 operating

profit guidance to

between 2.1

billion and 2.4 bil-

lion kroner,

from 2.1 bil-

lion to 2.6 bil-

lion kroner pre-

viously.

It added that it was well prepared for the winter season.

Lufthansa had planned to

put 15 new Boeing 787s into

service in 2024, but Lufthansa

Chief Executive Carsten Spohr

said in July that none of them

would do so this year.

Norwegian's warning about

the Boeing strike came as it

reported a net profit of 2 bil-

lion Norwegian kroner,

equivalent to \$182.8 mil-

lion, for the third quarter

compared with 2.04 bil-

lion kroner for the

same period

last year. Operat-

ing revenue grew

32% to

11.59 bil-

lion kroner.

The company's revenue

rise reflected

growth in both

passenger and

ancillary reve-

nue, while operat-

ing expenses also rose in

the quarter.

Norwegian Air Shuttle

narrowed its 2024 operating

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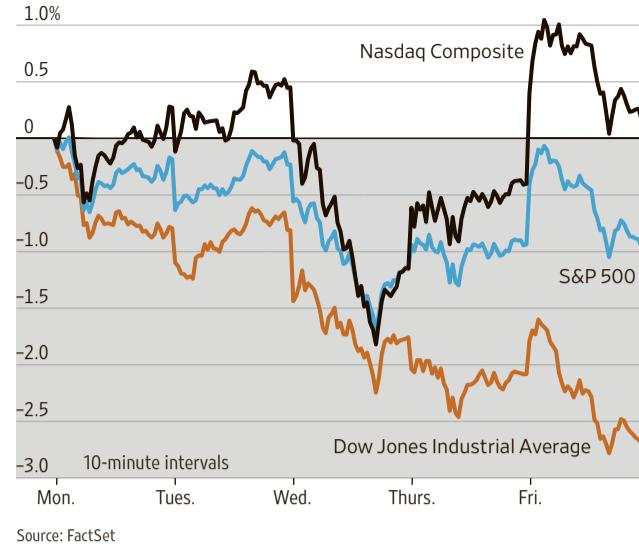
saying it still targets a gross

margin of 72%

and a current operat-

## MARKETS &amp; FINANCE

Index performance this past week



## Nasdaq Finishes Higher, Dow Slips

Tech stocks climbed Friday, lifting the Nasdaq Composite to a new intraday high, while the broader market closed out a losing week.

The S&P 500 was little changed Friday and finished the week down 1%. The Dow industrials declined for a fifth consecutive day, ending the week down 2.7%. Both indexes snapped six-week winning streaks.

The tech sector has led the market this year and rallied this past week ahead of a bevy of quarterly reports from big tech

companies. Several Magnificent Seven members—Alphabet, Meta, Microsoft, Amazon and Apple—are set to report earnings in the coming week.

So far, more than one-third of S&P 500 companies have reported third-quarter results. About 75% of them have beaten Wall Street profit expectations, compared with the five-year average of 77%, according to FactSet.

"Corporate America has held up really, really well given that rates were higher for longer," said Sylvia Jablonski, CEO and chief investment officer at

Defiance ETFs.

## Elsewhere:

◆ The Nasdaq rose 0.6%, the S&P 500 edged less than 0.1% lower and the Dow industrials shed 0.6%. Only the Nasdaq finished the week higher, up 0.2%. On Friday, it traded up to 18690.01, an intraday high, but finished at about 18518.61, shy of its closing high set July 10.

◆ The 10-year U.S. Treasury yield edged up to 4.232%, near a new multimonth high reached earlier this week.

◆ HCA Healthcare shares tumbled 8.9% after the hospital chain warned of a substantial financial hit from hurricanes Helene and Milton.

◆ Capri shares sank 49% after a judge blocked Coach parent Tapestry from acquiring its rival. Tapestry shares rallied 14%.

◆ Spirit Airlines shares soared 15% after the low-cost carrier said it will cut jobs and has agreed to sell some planes.

Hannah Miao and Caitlin McCabe

## Electrolux Shares Tumble as Results Are Hit by North America Weakness

By ADAM WHITTAKER

**Electrolux** shares fell sharply after the company reported third-quarter profit that missed analysts' expectations on continued weakness in North America, where it is turning to promotions to entice shoppers back.

The Swedish home-appliance maker is pursuing a turnaround after high borrowing costs and a weak housing market hurt demand. Increased promotional activity helped to stabilize demand, but price cuts resulted in lower sales and meant the company's North America business remained loss-making in the third quarter.

Shares tumbled nearly 15% in European trading Friday to 88.72 Swedish kronor. Year-to-date shares are down 19%.

Electrolux said Friday that third-quarter operating profit—a company preferred metric—plunged 43% on year

to 349 million Swedish kronor, equivalent to \$33.1 million, missing consensus estimates of 583 million kronor compiled by the company. The company swung to a net loss of 235 million kronor from a profit of 123 million kronor.

Sales fell to 33.29 billion kronor from 33.43 billion kronor. This was above consensus expectations of 32.82 billion kronor.

Electrolux's North America division narrowed its operating loss to 249 million kronor from a loss of 440 million kronor. The company said it had made progress reducing the divisions loss, which has failed to report a profit for more than two years.

Electrolux's weaker-than-expected operating profit was a clear surprise and investors will be concerned about the company's performance in North America, which offsets good results in Europe, Citi analysts wrote in a note.

## Electrolux's North America unit operating profit/loss



The company also said it expects the impact of external factors—namely currency and raw material costs—to be negative in the fourth quarter. This means the company now expects external factors to have a neutral effect on oper-

ating income for the full year, rather than positive as previously anticipated.

Given the weaker-than-expected results and the downgrade for external factors, Citi expects consensus expectations for 2024 to come down by double-percentage digits, with 2025 expectations also coming under pressure.

Alongside its results, Electrolux said it would no longer sell its Zanussi brand and will instead monetize it as part of the group's licensing business.

As a result, the value of its planned sale of noncore assets will be below its initial expectations of 10 billion kronor, the company said.

In July 2023, Electrolux said it was considering the sale of the brand and other noncore assets as part of a strategy to grow its profitability in the mid- and premium segments of the home appliance sector.

## NatWest Raised Guidance Again After Its Quarterly Earnings Topped Views

By ELENA VARDON

**NatWest** Group raised its revenue and profitability guidance for the second time this year after its third-quarter results topped market expectations, lifting shares to an over-13-year high.

The U.K. high-street bank said operating pretax profit rose 26% on year to £1.67 billion, equivalent to \$2.17 billion, for the three months ended Sept. 30. Analysts had expected £1.46 billion, according to a company-compiled consensus.

The lender said revenue—or total income—rose 7% to £3.74 billion, beating the £3.58 billion forecast by analysts. This was driven by growth in its lending and deposits base, which boosted net interest income—the difference between what is earned on loans and paid out on customer deposits—to a better-than-expected £2.90 billion.

Chief Executive Paul Thwaites said on Friday that the group saw increasing customer activity, low defaults and optimism among businesses and customers.

"Through the last quarter there's been a further increase in [mortgage] applications," he said. Growth was driven by lending to first-time buyers as well as refinancings, on top of the contribution from its acquisition of



The results were driven by growth in the bank's lending and deposits base, which boosted net interest income.

Metro Bank's mortgage portfolio which was completed in the period.

Like its peers, the structural hedge that NatWest has in place to mitigate the impact of interest-rate rises and cuts by the Bank of England also continued to provide a tailwind.

Its net interest margin for the quarter was 2.18%, against consensus that assumed a 2.10% flat margin on the previous quarter.

NatWest lifted its forecast for revenue excluding notable items for 2024 to around £14.4 billion, compared with expectations of a £14.30 billion result, which was already

ahead of its previously upgraded guidance of around £14 billion pounds. Analysts pointed out that this still looks conservative given that it implies an on-year fall in revenue for the remaining quarter.

In July, it had raised its guidance on the back of its performance to date and updated macroeconomic forecasts as the Bank of England took longer than initially forecast to start trimming interest rates. The BOE lowered its base rates for the first time since 2020 in August.

"We have seen little change in customer behavior following the first rate cut, and

with continued income momentum through Q3, we have greater confidence in our full-year performance," Finance Chief Katie Murray said.

The bank also raised its view for a return on tangible equity—a key measure of profitability—for the year to above 15%. This is in line with the 15.1% consensus had penciled in and above its prior over 14% guidance.

The results echoed those of peers Lloyds Banking Group and Barclays, who also reported earning beats this week and cited the resilience of U.K. customers.

NatWest's shares in London rose over 5% to hit as high as 381.5 pence—their highest price since March 2011—after what analysts saw as a good set of results illustrating top-line momentum. The stock has gained around 73% year to date.

"The strong capital print also raises the potential for another directed buyback from the state," Citi analysts wrote in a note to clients.

The U.K. government bailed out the bank during the financial crisis and has been trimming down its stake to under 16% currently, from 38% at the end of last year. While it remains its largest shareholder, it plans to exit its position and return the bank to private ownership by 2026 at the latest.

Analysts—generally a junior role for finance professionals—typically receive the lowest compensation rates at alternatives firms, yet that meant raking in as much as \$270,000 last year, with the median rising

\$125,000 from 2022. By comparison, the average U.S. wage amounted to \$65,470 in May 2023, according to Labor Department data.

Last year's boost in overall alternatives pay rates reflected a growing demand for credit professionals and financiers who focus on specific geographies. The need for certain types of skills such as fundraising and managing businesses also has swelled to unheard of levels, partly because fund investors have tightened their purse strings and because a sluggish market for privately held companies has put a premium on improving the profitability of portfolio holdings.

"The biggest drivers of private-capital demand right now have been the hiring of credit professionals at scale, whether it's in origination roles or whether it's in underwriting and investment roles," said Heather Hammond, the global head of the private-equity practice at Russell Reynolds Associates, a recruiting and leadership advisory firm.

Other active recruitment areas have included value-creation roles, portfolio support and operating executives. Those three terms encapsulate a broad group, usually including mid-career professionals as well as former chief executives who bring experience to the businesses held by firms, she added.

Private equity and credit also have higher-than-average compensation packages at the more senior levels, indicating significant earning potential within both strategies, particularly for top performers, according to Jensen Partners.

Global private-credit fund-raising declined for two straight years heading into 2024, and the pace through Wednesday suggests a flat to down year, despite the rising popularity of nonbank corporate lending among institutional investors such as pension funds and sovereign-wealth funds.

Overall capital raised for private-credit funds fell to around \$225.6 billion last year, according to research provider PitchBook Data. This year through Wednesday, credit fund sponsors raised \$174.4 billion.

The search for fundraising talent has grown fierce in recent months as firms have struggled to raise new capital during a slow period for exit deals, the traditional way of returning money to institutional investors who back private markets funds.

"There's been an unceasing demand for professionals who focus on fundraising," Hammond said. "It has gone unabated."

Hiring has been less active for investor roles in private equity in the past year, recruiters say. Firms will likely have more confidence in bringing on investment professionals at senior levels in the coming year as the Federal Reserve is expected to stay on course with further monetary easing.

Compensation increases resulted from more than just base salary and bonus adjustments. Other components also entered into the equation, such as equity participation and payouts of carried interest, or the percentage of investment profits retained by fund sponsors. But carry payouts can be unpredictable, especially in a rocky exit market.

## Sanofi Results Boosted by Vaccine Sales, Blockbuster Drug Dupixent

By HELENA SMOLAK

**Sanofi** reported third-quarter earnings and sales that beat analysts' expectations, boosted by earlier-than-anticipated deliveries of flu and respiratory syncytial virus vaccines and growing demand for blockbuster anti-inflammatory drug Dupixent.

Sanofi's third-quarter results showed the company's pharma and vaccines businesses grew faster and were more profitable than its consumer-health unit Opella. The results come in line with the French pharmaceutical company's plan to focus on innovative medicines and vaccines through the sale of a con-

trolling stake in Opella. The company has entered into exclusive talks for the sale with private-equity group Clayton Dubilier & Rice.

Sanofi said Friday that its third-quarter business operating profit—one of its preferred metrics, which strips out exceptional items—rose 12% to €4.61 billion, equivalent to \$4.99 billion. Sales rose 12% to €13.44 billion and were up 16% when excluding currency movements.

Analysts expected business operating profit of €4.03 billion on sales of €12.63 billion, according to consensus estimates from Visible Alpha.

The company recently raised its outlook for the year, saying a

strong third-quarter performance and the exclusion of Opella from guidance meant business earnings would grow faster than previously forecast.

Vaccine sales were stronger than anticipated and were the main reason why Sanofi's earnings beat expectations, analysts at healthcare equity research firm Intron Health said in a note to clients.

Sales at the company's vaccines business jumped 26% adjusting for currency movements, reaching €3.80 billion. Growth at the division was mainly driven by its RSV shot Beyfortus for babies, thanks to early deliveries in the U.S. and the rollout in other countries.

Earlier-than-expected shipments of flu vaccines contributed as well, Sanofi said.

Beyfortus sales more than quadrupled to 645 million euros. The company anticipates a similar sales figure in the final quarter. However, the company's top-selling drug was once again Dupixent, which generated €3.45 billion in sales, a 24% increase on year excluding currency fluctuations. Analysts had estimated Dupixent sales of €3.44 billion, according to consensus estimates provided by Visible Alpha.

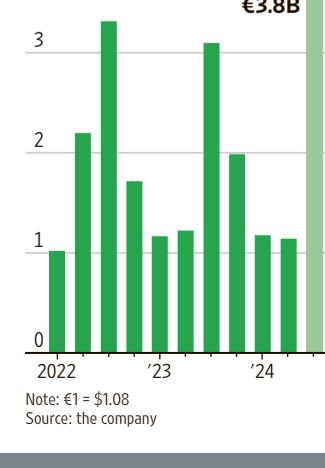
Sales at the company's vaccines business jumped 26% adjusting for currency movements, reaching €3.80 billion. Growth at the division was mainly driven by its RSV shot Beyfortus for babies, thanks to early deliveries in the U.S. and the rollout in other countries.

but the drug has since expanded into multiple other indications. Last month, they received approval from the U.S. Food and Drug Administration in chronic obstructive pulmonary disease, which analysts expect to fuel additional growth.

In the third quarter, sales from Dupixent alone were close to the revenue from Sanofi's entire vaccine portfolio. The drug is on track to achieve €13 billion in sales this year, Sanofi said.

The company's research-and-development expenses grew 11% because of increased activity in mid- and late-stage development as it seeks to develop further blockbuster drugs like Dupixent, it said.

**Sanofi's vaccines sales**



# HEARD ON THE STREET

FINANCIAL ANALYSIS &amp; COMMENTARY

## Ozempic Is Changing The Way We Eat

As more people try the new class of weight-loss drugs, food companies are adjusting

A new class of weight-loss drugs is changing the food industry, but not in the way many expected at first. They could present just as many opportunities as pitfalls.

People taking the drugs do indeed eat less—especially indulgent treats. But they also have specific dietary needs that food makers are starting to understand better and cater to, in some cases with products specifically designed for them.

GLP-1 drugs work in part by mimicking a gut hormone to suppress appetite and make users feel full. They are used to treat both Type 2 diabetes and obesity. These include Novo Nordisk's Ozempic and Wegovy for diabetes and obesity, respectively, as well as Eli Lilly's Mounjaro and Zepbound.

The drugs can also cause potential side effects, including a loss of muscle mass and digestive problems such as nausea, diarrhea and constipation. These effects are visible in the shopping behaviors of GLP-1 users.

Survey data from consumer research firm Numerator reveals some unsurprising losers among food categories: Of 1,090 people using GLP-1s for weight loss (as opposed to diabetes), a net 38% say they are eating fewer cookies, pastries and cakes, making it the most affected category. That is followed by carbonated soft drinks at 36%, chocolate candy at 34% and fast food at 26%.

But they are also consuming more healthy foods and, in particular, seeking out increased protein and fiber to help with muscle maintenance and digestive issues. In the Numerator survey, a net 42% of GLP-1 weight-loss users reported eating more fresh fruits

and vegetables. There were also 2% eating more cheese, 19% eating more poultry and 20% eating more yogurt.

"Obviously, GLP-1 is good news for us," said Danone Chief Executive Antoine de Saint-Affrique at an investor conference in September, in response to a question about why yogurt sales have been strong in the U.S. "I mean, if you look at the body effects of some GLP-1 treatments, obviously it has an impact on gut, and it has an impact on muscles. Guess what? We have the gut health and protein."

Campbell Soup CEO Mark Clouse made his own pitch at an investor day for the company's signature product as a good match for GLP-1 users, saying its soups and broths "offer nutritionally dense options, great satiety at a relatively low calorie level, with many also easy to digest."

Conagra Brands argues its various meat-stick and popcorn offerings are good snacking solutions for GLP-1 users seeking protein and fiber, respectively. But its real asset in the GLP-1 era is something that has been the company's focus for years: frozen entrees. In its own examination of a full year of data on GLP-1 users, single-serve frozen meals were the "most advantaged category," company executives said in an interview.

Conagra owns the Healthy Choice and Marie Callender's brands of frozen entrees. The former is a more obvious fit as it stresses healthy options with lots of vegetables, often high protein and at limited portions. But even Marie Callender's—more oriented around comfort foods such as chicken pot pies—has worked well with GLP-1 users thanks to



Nestlé has introduced a dedicated line of frozen meals called 'Vital Pursuit' that are aimed at GLP-1 users.

NESTLE

controlled portion sizes and convenience. This is in part because cooking loses some of its appeal for GLP-1 users.

"Part of the experience of cooking is this desire for food, this craving, this engagement with food. But if you lose some of that motivation and desire, food becomes a little more functional," said Bob Nolan, senior vice president of demand science at Conagra.

To reach these consumers, Conagra is using online advertising to target people searching for information on GLP-1 diets, and making sure frozen meal packaging prominently calls out high protein and fiber content.

Some companies are going much further. Global food-industry giant Nestlé has introduced a dedicated line of frozen meals called "Vital Pursuit" that are aimed at GLP-1 users. Its Cauliflower Crust Three Cheese Pizza, for instance, contains 20 grams of protein and 4 grams of fiber, both called out

on the front of the packaging.

Nestlé also sees an opportunity in its Health Science unit, which sells dietary supplements. Supplement use rose a net 18% among GLP-1 users, according to Numerator data, as many seek to ensure they are getting enough nutrients despite eating less. Nestlé has launched a dedicated website promoting these products for GLP-1 users, including protein shakes, fiber supplements and probiotics for gut health, and even supplements for hair loss, which can be a side effect of rapid weight loss.

Of course, food companies can't have it both ways, claiming GLP-1 use will boost targeted products while not hurting their junk-food sales. So far, though, even makers of the least healthy indulgences have insisted they aren't seeing much impact.

J.M. Smucker, for instance, acquired Twinkies-maker Hostess Brands last year for \$5.6 billion including debt. That falls squarely into the most affected

category, according to Numerator. Yet company executives continue to say they aren't seeing any effect.

"To date, we have not seen a meaningful impact to consumption across our portfolio due to GLP-1 usage, however we are continuing to closely monitor consumer adoption and behavior," the company said.

This could perhaps be because uptake of the drugs, while growing, remains limited by factors such as high costs and restrictive insurance coverage. Morgan Stanley estimates that there are currently 5.1 million Americans on GLP-1 drugs for Type 2 diabetes and 1.7 million for obesity. But given that around 40% of the U.S. adult population could be considered obese, Morgan Stanley estimates there will be more than 20 million taking GLP-1s by the early 2030s. That could make the impact on food sales, both positive and negative, harder to miss.

—Aaron Back



Consumers are in relatively good shape financially, according to Capital One.

## Most Consumers Are Doing Just Fine, Thanks

Capital One says its borrowers remain healthy overall, even those with lower incomes or credit scores

**Capital One Financial** knows its borrowers well. The bank's message about those customers is reassuring for investors worried that big defaults are coming.

There is indeed a group of consumers who took on too much debt in recent years, and these debts are being worked through by Capital One and other consumer lenders. But Capital One Chief Executive Richard Fairbank made comments on Thursday evening that suggest this doesn't represent the wider state of the consumer economy right now.

"Consumers on the whole are in good shape compared to most historical benchmarks," he told analysts on a conference call discussing the company's third-quarter results.

Capital One on Thursday said that its credit metrics such as late payments and charge-offs for cards are settling into levels above what they were pre-pandemic. But that is being driven in large part by a particular group of borrowers who racked up debt during the

pandemic, when their economic circumstances were bolstered by stimulus and forbearance programs.

"These consumers were on the edge and they got a lifeline," Fairbank told analysts. But, he said, "their underlying vulnerability remained. So I believe that what we're seeing today is some catching up from that period of historically low charge-offs."

He also stressed that this group isn't necessarily concentrated among lower-income consumers.

"Customers with the highest debt servicing burdens tend to skew more prime than subprime," he said, referring to the higher and lower tiers, respectively, of credit scores. While some borrowers' incomes haven't kept up with cost increases, "generally speaking, we've seen stronger relative income growth at the lower end of the distribution since 2020."

This is yet another indicator that what is happening in credit-card and even auto-loan payments isn't a broad economic phenome-

Capital One average yield on loans outstanding and net charge-off rate for domestic cards, quarterly



non, but something more idiosyncratic happening to lenders, partly driven by an inflation of credit scores a few years ago. The fact that a major lender isn't sounding alarm bells about its lower-income, lower-credit score borrowers right now should be particularly noteworthy.

Shares of Capital One rose 5.2% Friday, hitting their highest close in nearly three years. Before Friday, its 17% gain so far this year had lagged behind the 40%-plus rallies in some other card lenders, including American Express and Synchrony Financial. Some of that might be tied to investors' views on its deal to acquire Discover Financial Services, which regulators haven't yet approved.

But Capital One is still printing strong results in the meantime. Its overall net interest income was up 9% year-over-year, while other banks have struggled to increase this measure of what they earn in interest versus what they pay out for funding. The bank also released some of what it sets aside for loan losses for domestic cards, citing a slightly improved credit outlook and confidence in the stability of current trends.

Falling interest rates could put some pressure on banks' card businesses, because cards' interest rates are typically tied to Federal Reserve benchmarks—though lower rates could also help more borrowers escape trouble by refinancing debts elsewhere.

With loan balances rising and people still spending, a big payout for bets against lenders doesn't seem to be in the cards.

—Telis Demos

## Michael Kors's Owner Is Left Holding the Bag

The market reaction says it all, after a judge blocked the tie-up of Tapestry and Capri

A federal judge has blocked Coach owner Tapestry from buying rival Capri, endorsing the Federal Trade Commission's competition concerns. That is bad news for Capri, whose top brand Michael Kors has only deteriorated since the deal was first struck.

The market reaction is telling. Capri stock had already fallen a long way from Tapestry's offer price, as investors grew skeptical of the fashion tie-up would close.

But the shares crashed after the judge's Thursday ruling, while Tapestry's stock jumped. That looks like a sigh of relief from investors concerned about Tapestry buying a challenging portfolio of brands.

The worry looks well-placed. Annual revenue at Michael Kors peaked in 2016 and has fallen substantially since then, with margins squeezed by heavy discounts. Capri's operating margins, which peaked at 30%, are now below 10%.

To make matters worse, since the takeover was unveiled, Capri's reported numbers have been bad—suggesting it has focused on closing the deal, not improving its

business. Quarterly sales at Michael Kors logged a seventh consecutive year-on-year drop. Sales at stablemates Jimmy Choo and Versace have also declined recently.

In the quarter ending late June, revenue at Michael Kors fell 13%, adjusted for currency moves. In contrast, those at Coach grew 2%.

Coach had similar problems a few years back, before a successful turnaround. The hope was that Tapestry's management would bring that expertise to save Michael Kors, but that now looks like a long shot.

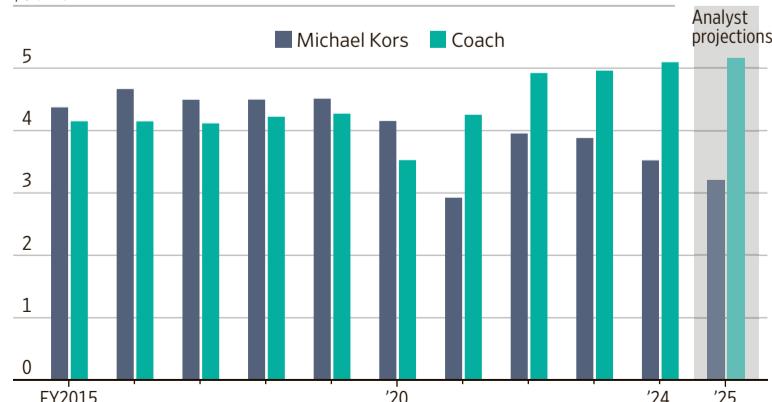
The companies say they plan to appeal. If that doesn't work, Capri will have to fend for itself or seek another buyer.

Neither path will be easy: Trial testimony painted Capri's strategy harshly and investors will want a convincing turnaround plan and possibly executive changes. The latest stock-price plunge bodes ill for getting an attractive future takeover offer.

That discounted Michael Kors bag Capri was hoping to hand over is now squarely in its own hands.

—Jinjoo Lee

### Annual revenue



Note: Financial years end in March for Michael Kors and June for Coach.

Source: Visible Alpha



**My Monday Morning**  
Stanley Tucci can't stand cilantro or sweatpants.

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# REVIEW

THE WALL STREET JOURNAL.

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**Grimm Tales**  
On the brothers whose stories have shaped cultures **Books C7**



Saturday/Sunday, October 26 - 27, 2024 | C1



Gisèle Pélicot arrives at court in Avignon, France, on Oct. 23.

REY JEROME/MAXPPP/ZUMA PRESS

## The Rape Trial That Could Change France

Gisèle Pélicot insisted on a public trial of her ex-husband, who has pleaded guilty to recruiting dozens of strangers to rape her. It has forced a national reckoning.

By Camille Robcis

A trial that has shocked France took a dramatic turn this week. Gisèle Pélicot, 71, has accused her former husband of 50 years of drugging and raping her and recruiting strangers to sexually assault her while she was unconscious in their bedroom. On Oct. 23 she arrived at the Avignon courthouse, to the cheers of supporters, and took the stand for the first time since her deposition in September.

"I've been told that I'm brave. But it's not bravery," she declared. "It's having the will and determination to change society."

By coming forward and insisting on a

public trial, Pélicot has forced a national reckoning over sexual violence in France. Since the proceedings began last month, thousands of people have taken to the streets chanting "We Are All Gisèle" in protest against "rape culture." Artists have painted murals of Pélicot and tagged walls with the phrases "Don't Put Me to Sleep" and "Death to Patriarchy." Public intellectuals and elected officials have published editorials and petitions and more than 200

Please turn to the next page

Camille Robcis is a professor of French and history at Columbia University.

## How Two Irreverent Historians Made Their Podcast a Global Sensation

'The Rest Is History' dives into the past with raucous good cheer and has captured a growing audience of young listeners.

By Bojan Pancevski

**D**id you know that Napoleon, Emperor of the French, had family roots in Tuscany and delivered his stirring patriotic oratory in a thick Italian accent?

On "The Rest Is History," the world's most popular history podcast, hosts Tom Holland and Dominic Sandbrook ask some surprising questions. Was the Roman historian Tacitus woke? Is Louis XVI's bad reputation unfair? Was World War I partly caused by the German Kaiser's anger at being ridiculed for wearing the wrong shoes at a yacht party?

History professors struggle to get students excited about the past. Yet at a recent live show in London, Holland and Sandbrook drew a raucous Gen Z audience with a rock-concert

vibe. "The Rest Is History" podcast gets 11 million downloads a month and 1.2 million monthly YouTube views, and seven out of 10 listeners are under 40. People familiar with the show say that it has over 45,000 paying subscribers, who, along with advertising, make it possible for each host to earn nearly \$100,000 a month.

When Holland and Sandbrook started the podcast as a Covid lockdown project, they never expected it to be a success, much less a sensation. After all, it's just two middle-aged academics pontificating about Neolithic metallurgy in the Balkans or botched coronations in Tudor England, while cracking irreverent

Please turn to page C4



CHRIS FLOYD

Tom Holland (left) and Dominic Sandbrook in London earlier this year. They started their podcast on the premise that 'nobody will ever listen to it.'

## Inside

### RELATIONSHIPS

In dealing with the addicts in her life, Katie Roiphe has found wisdom in the hokey phrase 'Not my circus, not my monkeys.' C5



### SCARY MOVIES

Rich Cohen saw 'The Omen' at 10. The schlocky Halloween film changed his life forever. C4



### PERSONAL TECHNOLOGY

'God I hated my smartphone. But could I really chuck it away?' Daniel Light on the thrill of real life, offline. C3



## REVIEW

# The Pélicot Case Puts France's Sexual Mores on Trial

*Continued from the prior page*  
men have proposed a "road map" to put an end to "masculine domination."

Dominique Pélicot, a 71-year-old retiree living in the village of Mazan, has pleaded guilty to inviting seemingly ordinary men to sexually violate his heavily sedated wife for nearly a decade. Police identified over 80 suspects but found and charged only 50 of them, all filmed and photographed by Pélicot himself.

These men, ages 26 to 74, come from diverse backgrounds, but most are gainfully employed, and many are married with children. As locals have noted, they represent a sample of French society. They are your next-door neighbor, your "Monsieur Tout-Le-Monde," your average Joe.

Gisèle has declared that her story, while seemingly extraordinary, holds lessons for everyone, and especially women. "A rapist is not just someone you meet in a dark parking lot late at night. He can also be found in the family, among friends," she said from the stand.

For decades, France has prided itself on its unique sexual mores. Writers and pundits have argued that the country, the birthplace of gallantry and seduction, has long embraced a happy and playful heterosexuality. This "French cultural exception" stood in strong contrast

**"I've been told that I'm brave. But it's not bravery. It's having the will and determination to change society."**

GISÉLE PÉLICOT

with the U.S., caricatured as the land of Puritanism, sex wars and radical feminism, and with Islam, denounced for its presumed oppression of women.

France's enlightened sexual politics supposedly inoculated the country against sexual violence. In 2011, when the French politician Dominique Strauss-Kahn was charged with raping a hotel housekeeper in New York, many in France came to his defense, explaining that he was a libertine, a seducer, a charmer, but certainly not a rapist. In 2018, 100 French women, including the ac-



A mural by the artist Maca Dessine of Gisèle Pélicot and her often repeated phrase, 'So that shame changes sides,' in southern Paris on Sept. 21.

tress Catherine Deneuve, signed a public letter praising sexual freedom, deplored the moralism of the #MeToo movement and calling for the right to be "importunées"—which can mean "courted" but also "harassed."

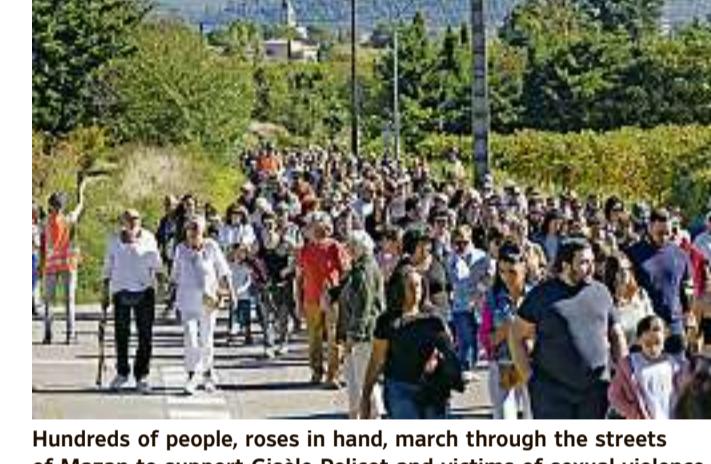
Gisèle has insisted on a public trial to challenge France's sexual self-image. "Shame must change sides" from victims to perpetrators, she has said repeatedly, a motto that has become a rallying cry for a broader feminist movement. "It's not for us to have shame—it's for them," she reiterated in court this week.

She has asked that the many thousands of explicit photos and videos stored on her husband's computer in a folder titled "Abuses" be shown at trial. Her lawyer explained that social change demands "the courage to show what exactly a rape is...with a clear and precise representation, as opposed to a simple oral description."

Besides Dominique, around a dozen of the accused have pleaded guilty. Thirty of the men on trial maintain their innocence, despite the fact that the visual evidence is extensive and indisputable.

Their defense strategy cannot rely on many of the usual claims that men make in rape trials. It would be absurd to suggest that Gisèle Pélicot was too sexually promiscuous, too inebriated or too indecently dressed. No one can say that she was "asking for it" or simply "in the wrong place at the wrong time," since the assaults took place in the intimacy of her own bedroom while she was unconscious.

Some of the defense lawyers have proposed that what happened in Mazan was not a rape but rather an elaborate "libertine game" orchestrated by Dominique Pélicot, to which his wife consented while pretending to be asleep. As one of the men on trial has put it, the husband's consent appeared sufficient: "It's his wife; he does what he



Hundreds of people, roses in hand, march through the streets of Mazan to support Gisèle Pelicot and victims of sexual violence on Oct. 5.

wants with her." Another defendant insisted his actions could not be rape: "I don't have the heart of a rapist...For me, rape is catching someone on the street."

These arguments have highlighted the perplexing fact that the definition of rape in French law does not mention consent. Rape was traditionally seen as a crime against the honor of a woman's family, against her father or husband, rather than a violation of her own dignity.

A pivotal public trial in 1978, in which a renowned feminist lawyer named Gisèle Halimi helped convict three men of raping two women on a camping trip, inspired a new law that defined the crime as any act of sexual penetration committed by "violence, coercion, threat or surprise." The word "consent" was often mentioned in parliamentary debates over the law, but it never appeared in the final version. Because the law leaves terms such as "surprise" undefined, judges have had the power to decide what counts in each case.

In the aftermath of #MeToo, this narrow definition of rape appeared increasingly problematic. As the Harvey Weinstein scandal and all those that followed made clear,

most cases of sexual aggression—91% according to a 2018 study commissioned by the French government—do not involve women being "caught on the street" or in "dark parking lots" but rather occur in intimate settings, with friends, co-workers or family members. Between 2012 and 2021, 86% of criminal cases of sexual violence in France were dropped because they failed to conform to the legal framework, according to research from France's Institute of Public Policies.

In light of the Pélicot trial, various politicians and legal scholars are arguing that the law should be amended to define rape as sex without consent. Spain took this step in 2022 with its "Only yes means yes" law, which stipulates that consent must be affirmative and cannot be given or assumed by default or silence. In Sweden, convictions for rape rose 75% after the government inscribed consent in its law in 2017. Although rape laws vary within the U.S., many states recognize sex without consent as rape.

Advocates argue that focusing on the issue of consent would help to end the legal impunity around rape,

destigmatize victims and address the systemic nature of sexual violence. Yet many in France are hesitant to take this step. One concern is that determining whether or not consent was clearly given would shift the focus from the behavior of the perpetrator to that of the victim.

Other more familiar cultural objections to changing the law have emerged as well. A former minister of justice is worried that demanding affirmative consent for sex would bring about the "contractualization of sexual relations." The philosopher Sylviane Agacinski has warned that litigating sex promises to pit men and women against each other "like two warring armies."

The sociologist Nathalie Heinich fears that the Pélicot trial will inspire a "nightmarish neo-feminism" that views all sexual relations through a lens of vigilantism, suspicion and guilt. As a defense lawyer in the Pélicot case put it, consent is not necessary for sex in France: "We are not in American law."

Whether or not the Pélicot trial will prove to be a turning point for French law and mores is still unclear. What is plain, however, is that the national outrage it has unleashed is cumulative. The case arrives after decades of allegations of rape and sexual violence across French society, including politics, the media, the church, film, psychotherapy and higher education. As more people make their stories public, it becomes harder to blame incidents of sexual violence on just a few degenerate outliers or monstrous men.

Instead, many feminists are asking France to treat sexual violence as a structural problem. This does not mean that sexual violence is "natural" to all men but that it is the product of a particular culture that allows and even rewards unacceptable behavior. If social and sexual norms are learned, they can also be unlearned.

GEOFFROY VAN DER HASSELT/AGENCE FRANCE PRESSE/GETTY IMAGES; PANORAMIC/ZUMA PRESS



## The World Series Of False Sympathy For Playoff Losers

 **MOVING TARGETS**

JOE QUEENAN

Truth is, if your team doesn't win in the playoffs, it's fun to watch other teams go down.

THE LEAD-UP TO the World Series is the time when sports fans are called upon to lie to our friends about how sorry we are that their teams got knocked out of the playoffs. The autumnal shedding of crocodile tears is a ritual that dates back to the earliest days of sports. Without bogus, choreographed, simulated sympathy for friends in pain, so ciety could not function.

Anyone who says that they commiserate with other people when their teams lose is lying through their teeth. It's fun to watch your own team win. But it's heavenly to watch other people's teams lose. Especially if they forgot to express their contrived condolences when your team lost.

Here I'm talking about the Mets. I was furious at some of my friends for gloating after the clowns from Queens knocked my forever-flopping Phillies out of the playoffs. But I manned up and not only congratulated them

for beating the Phillies but subsequently expressed my deep and heartfelt sorrow that they had gotten annihilated by the Dodgers. Like, completely annihilated. Nuked back into the Stone Age.

But at the same time that I was commiserating with Mets fans for getting massacred by the Dodgers, I was telling a close friend from Los Angeles how wonderful it would be to see Ohtani in the playoffs, even though I have loathed the despicable Dodgers ever since Sandy Koufax and his Left Coast carpetbaggers would humiliate the

Phillies every time they came to town when I was growing up.

Because there are so many rounds of playoffs, and because so many us have friends in other cities, it makes for an awful lot of counterfeit commiseration in October. Things can get confusing.

I was all set to text a friend from Cleveland to say how crushed I was for him that the Guardians had lost the pivotal Game Three to the Yankees, but then the Guardians stunned the Bronx Bombers by scoring two in the ninth and two more in the 10th. So now I had to console my

friend Eddie who grew up in the Bronx—and was hosting my wife and me for dinner on Saturday—even though I view the Yankees as the spawn of Satan. Close call on that one!

Yankees versus Dodgers poses a profound ethical question pitting friendship against nausea. I have lots of friends who are Yankees fans—most of them shameless front-runners who are not from New York—and two of my oldest friends have rooted for the Dodgers their entire lives, even though neither grew up in L.A. So who do I sympathize with early in November after the hammer comes down?

It would be so much easier if Milwaukee or Kansas City had made it to the Fall Classic, because it does not make me physically ill to say "I'm really sorry about those Brewers" or "Those feisty Royals left everything on the playing field."

But forcing the words "Sorry about those Yanks" or "Tough break for your Dodgers" through my lips is something I simply cannot do. So, I think I'm going to book myself a trip to Paris or Bruges or Ulaanbaatar and wait for this whole thing to blow over.

Dodgers-Yanks? A plague upon both your houses.

PETER ARKLE

## REVIEW



A hydro-fracking drilling pad operates in Robinson Township, Pa.

BY COLIN JEROLMACK  
AND SEAN O'LEARY

In the maelstrom of an election, an issue with a minor impact on most voters' lives can start to command wildly outsize attention. Right now, that's the case with fracking in the swing state of Pennsylvania.

Politicians—and the press—often act as if support for extracting natural gas from shale is essential to electoral success in the state. Donald Trump, Kamala Harris and down-ballot candidates of both parties have all emphasized their industry-friendly stances.

But polls show that Pennsylvanians, like other Americans, are about evenly split on fracking. A respected survey in August showed 48% for and 44% against, and there's little evidence that voters in the state are deciding how to cast their ballot based on the candidates' positions on the issue.

A dozen or so predominantly rural counties in Appalachian Pennsylvania sit over billions of cubic feet of natural gas locked in the sprawling geological formation known as the Marcellus Shale. Across the region, pollution and disruption caused by drilling pads, processing plants, tanker trucks and pipelines are omnipresent. So, too, are triumphant tales of hardscrabble farmers becoming "shaleionaires" by leasing their mineral rights to petroleum companies.

But only a few families win that fracking lottery, and front-line shale communities that host most of the drilling work—and the employment—collectively contain less than 10% of the state's population. Most Pennsylvanians, especially residents of cities like Pittsburgh and Philadelphia, have little or no contact with shale gas drilling, yet politicians of both parties cling to the idea that the industry is vital to the state's overall economy.

Fracking, the story goes, is the golden goose of jobs—whether in-

## Fracking Isn't as Popular (or Important) In Pennsylvania As You Think

Trump and Harris treat the industry as sacrosanct in a must-win state. The truth for residents is more complicated.

dustry jobs like pipeline welding or jobs said to be generated through the supply chain or spending across other sectors of the economy. In 2020, an ad by a Trump-supporting super PAC claimed that a proposed ban on fracking would "kill up to 600,000 Pennsylvania jobs." A recent ad by David McCormick, the Republican seeking to unseat U.S. Sen. Bob Casey, claims that 330,000 jobs in Pennsylvania depend on fracking.

Years of such boosterism have had an effect. Surveys consistently find that, even while being evenly divided in their support, over 80% of Pennsylvanians believe that fracking is important to the state's economy. But these purported job numbers are delusional. Even the industry's own research, published last year, claimed a smaller figure: 123,000 direct and indirect jobs combined.

The U.S. Bureau of Labor Statistics reaches a very different conclusion, finding that direct employment from Pennsylvania's fracking industry amounted to just 18,636 jobs last year. By comparison, the School District of Philadelphia alone directly employs about 20,000 people. Fracking doesn't even make it onto Pennsylvania's official list of

top 50 industries for employment, and a county-by-county review shows that even where fracking is prevalent, the share of jobs it provides is in the single digits.

If we assume that each fracking job indirectly supports two additional jobs elsewhere in the economy (a multiplier that many energy economists endorse), the number of jobs associated with fracking still only totals about 55,000, based on the BLS figures. At that level, the petroleum industry provides less than 1% of the state's 5.8 million jobs, slightly fewer than Walmart.

Another side of the political debate—whether a presidential candidate might ban fracking if elected—isn't grounded in reality either. The president can't unilaterally ban fracking, either nationally (Congress would have to approve) or in Pennsylvania, where very little of the shale is on federal lands.

This hasn't stopped Donald Trump from claiming that if Kamala Harris

wins the election, "fracking in Pennsylvania will end on day one." In turn, Harris seems so concerned with not alienating labor and the supposed single-issue fracking voter that she sounds at times like an industry apologist. She promises not to ban fracking, leaving unsaid that she couldn't.

Meanwhile, neither candidate has put forward a plan to better regulate the industry or to go beyond fracking to reverse the declining fortunes of rural Pennsylvania.

Amid the gas drilling "boom," many Appalachian shale communities continue to lose jobs and population. And the industry's infrastructure has brought significant pollution and dis-

ruption to the region. Polls show that most people in these communities, including a portion of fracking supporters, want stronger guardrails on the industry to mitigate damage to their health and quality of life. They want more accountability for fracking companies, which too often operate with impunity.

Published studies show that residents across the shale fields suffer disproportionately from maladies including asthma, birth defects and cancer. As Pennsylvania's attorney general, before being elected governor, Josh Shapiro accused petroleum companies and state regulators of failing to protect Pennsylvanians from the ills of fracking, but he has changed course since then. As governor, he allowed a representative of one of the very energy firms he prosecuted to help draft environmental regulations and has released an economic plan that includes expanding the use of fracked gas in the state.

A shift away from fracking is one of the energy-policy moves necessary to avoid catastrophic climate tipping points. Neither political party is likely to propose an abrupt ban, which would risk price hikes and service disruptions. But there are more practical and gradual options, like managing a transition in which reliance on fossil fuels declines as sufficient supplies of renewable energy become affordable and available.

In the meantime, federal and state governments can institute stringent regulations on fracking to address the damage being done to the environment and peoples' health and quality of life. They should also pursue development of other forms of energy that can truly deliver jobs—and hope—to economically distressed rural communities that are too often fed empty promises about fracking by politicians who should know better.

*Colin Jerolmack, a professor of environmental studies and sociology at N.Y.U., is the author of "Up to Heaven and Down to Hell: Fracking, Freedom, and Community in an American Town." Sean O'Leary is a founder and senior researcher at the Ohio River Valley Institute, where he studies energy and economic development in the Appalachian region.*

ROBERT NICKELSBURG/GETTY IMAGES

## ABOUT FACE

## The Incredible Lightness of Being Without a Smartphone

BY DANIEL LIGHT

IN 2017, if you wanted to delete a misspent past from Twitter (now X), you had to do it one tweet at a time. Yes, you could deactivate your account entirely, but I wanted to hang on to my username, a thousand followers. Besides, days after deciding I'd taken my last drink, snorted my last line of cocaine, I just needed something to do.

It was excruciating. The alcohol was seeping out of my body, the drugs too, but the real purge was happening on a server somewhere in San Francisco. Deleting tweets by hand,



I had just enough time to read each one, just enough time to shrink away at each new sough of preening self-regard.

Three tweets I kept. That was it. Three thousand tweets. Three worth keeping.

It took a week, a long week, thinking about the time I'd wasted. I wondered what I might have achieved if I'd been doing something worthwhile.

I started to feel angry, angry as hell—with myself, with the app that had soaked up a decade of my life and the device

that had made it possible. My smartphone. God I hated my smartphone. But could I really chuck it away? What about Google Maps? Well, I got lost even with Google Maps.

Finally, I could see the path. I didn't need Google Maps for that. The smartphone went, physically dismantled. Rest in pieces. Free of this pocket-size millstone, I learned never to leave home without three books—one to read, one to write in and one filled with maps of London, where I live.

The author hiking in Scotland in 2023.

Craving dopamine and distraction, I was at my local climbing gym more than ever. Then, when summer came, my brother took me out on the Isle of Skye. We scrambled to the top of Sgùrr nan Gillean, perhaps the most famous of the peaks making up the Black Cuillin. From the top, we saw the whole ridge stretching out ahead of us, 12 summits strung together under a stonewashed sky.

For years I had been diving deeper into the dark hallucination of my digital life, feeling my trust eroded, in the news, the truth, the very evidence before my eyes. It was invigorating, suddenly, to take hold of something real. There is nothing more real than rock. Not when you trust your weight to it, maybe your life.

I'm hardly the first person to flee the shallows of modern life by running for the hills. "I am losing the precious days,"

said John Muir, the pioneering American environmentalist and mountaineer, in 1883. "I am learning nothing in this trivial world of men. I must break away and get out into the mountains to learn the news."

Muir foresaw what so many now know—that technology, with its promise to bring us closer, often weakens our connections with each other and the world.

My brother and I now spend every summer finding a new mountain to climb. With every year, it grows harder to imagine ever picking up a smartphone again. I'm with Muir now. Give me the precious days. Give me hard-won peaks. Give me a world more crisp and clear, exploring the rediscovered pathways of a changed mind.

*Daniel Light is the author of "The White Ladder: Triumph and Tragedy at the Dawn of Mountaineering," which will be published by W.W. Norton on Nov. 19.*

## REVIEW

## A Pair of Unlikely Podcast Stars

*Continued from page C1*

jokes, speaking in funny accents and disregarding political correctness.

"The Rest Is History" has become a global phenomenon even though, or perhaps because, it defies the zeitgeist. Its growing army of fans includes celebrities such as Tom Hanks, who was recently a guest on the podcast, and musician Nick Cave. The brand has branched out to include books and sold-out stage shows. In November, Holland and Sandbrook will do a coast-to-coast tour of the U.S., where Sandbrook will as usual refer to the American Revolution as "tax-evasion wars" that were "basically won by the French." Most of the shows are already sold out.

Last week, their fans filled up London's venerable Royal Albert Hall, one of the world's great stages, where they told the stories of Mozart and Beethoven, accompanied by an orchestra and a choir.

Holland and Sandbrook narrate complex histories that are often at the center of contemporary controversies, but they steer clear of culture wars—which, they say, are as old as culture itself. They offer hilarious, incisive and often revisionist takes on religion, the virtues of empire, the making of the U.S., the appeal of Marie Antoinette (she never said "Let them eat cake") and the achievements of presidents Nixon and Reagan. Contentious figures such as Christopher Columbus, Hernan Cortez or General George Armstrong Custer come to life as what they were: makers of history and products of their time.

"This splendid podcast shows us that history is extraordinarily com-

plex, but they steer clear of culture wars—which, they say, are as old as culture itself. They offer hilarious, incisive and often revisionist takes on religion, the virtues of empire, the making of the U.S., the appeal of Marie Antoinette (she never said "Let them eat cake") and the achievements of presidents Nixon and Reagan. Contentious figures such as Christopher Columbus, Hernan Cortez or General George Armstrong Custer come to life as what they were: makers of history and products of their time.

Holland, 56, is a tall, slender Londoner. He studied English literature at Cambridge before embarking on a brief career as a novelist and then became a historian of the ancient world, writing bestselling books about the Roman and Persian empires, Christianity and Islam. A lauded translator of Herodotus and a passionate cricket fan, he sang "Don't Cry for Me Argentina" in a podcast episode about Eva Peron. He delights in doing accents, but unless he's imitating Ronald Reagan, his attempts at American English sound like a variant of Scottish.

Sandbrook, 50, stately and balding, lives in the countryside near Oxford, where he studied history. He has written weighty books on 20th-



Holland and Sandbrook on stage at the Royal Albert Hall, Oct. 18. 'You don't need to dumb down to get an audience,' says Holland.

no prisoners, blasting U.S. journalists as "freaks and misfits" for their "ahistorical" coverage of Britain, such as comparing Boris Johnson to Donald Trump.

Between them, they bookmark the entire history of the West "fabulously," said Stephen Fry, the actor and author, when he appeared on the podcast.

The two men first met at a charity event in 2006 and then went to each other's homes to watch together the extended versions of all three "Lord of the Rings" movies. They launched "The Rest Is History" in November 2020, on the premise that "nobody will ever listen to it, so we can just talk as if we were at the pub, consequence-free and without pressure," Sandbrook says.

As seasoned authors and broadcasters, they also embraced podcasting because it put them in control. They could escape "layers and layers of editors dumbing down" their work because they "distrusted people's interest and judgment," Holland says. "You don't need to dumb down to get an audience...We can rely on our listeners to be interested," he insists. Some 600 episodes later, "our downloads prove it."

Their show is produced by Goalhanger Podcasts, co-founded by onetime soccer star Gary Lineker. Holland's brother James, a war historian, was co-hosting a podcast about WWII produced by Lineker's firm and suggested his brother could try podcasting. Holland then approached his friend Sandbrook with the idea—and the rest is, as it were, history.

The production company and the two hosts split the revenues in three equal parts. Goalhanger has since launched a string of similarly-conceived "The Rest Is..." podcasts, hosted by notable personalities who discuss politics, sports and entertainment. Sandbrook and Holland sometimes make cameo appearances on the sister podcasts; the former will provide running commentary for "The Rest Is Politics"

on Election Day in the U.S.

For their own podcast, Holland and Sandbrook select topics that interest them or take suggestions from listeners. Some episodes are tied to current events, such as the World Cup, the Olympics or the release of a Hollywood biopic. After the assassination attempt on former President Trump in July, they de-

book of recipes served by Josip Broz Tito, the ruler of Communist Yugoslavia.

Occasionally, episodes of "The Rest Is History" are recorded on location. The hosts traveled to Sarajevo to discuss World War I. They do their own research, reading dozens of books each month. Recently, Sandbrook was reading up on the Belgian Congo and Holland on the Franks.

"The joy for us is the voyage of discovery. We could never subcontract it," Sandbrook says.

The bantering humor of "The Rest Is History" contrasts with the way that many American historians and podcasters approach their work, which Sandbrook describes as "anguished and very earnest." The podcast has never been anti-woke, he says, but "lots of people are bored of being lectured. They don't want to feel onerous nor want to be told how they ought to think or feel."

The American conversation about history is too politicized, Holland adds, treating history as a "branch of moral theology." His book "Dominion" traces the history of Christianity and how it permeates all aspects of Western life to this day, including U.S. university protests and anti-colonial activism. Yet he warns against applying the moral framework of 2024 to the past.

"History teaches us how infinite are the ways to be human, to see the world, to understand what it is to be human," Holland says.

That attitude seems to be a magnet for young subscribers, including Americans, who make up the podcast's fastest-growing market. Holland and Sandbrook did their first live shows in the U.S. last year. In Washington, D.C., Sandbrook chose to win over an audience of 2,000 with the tale of the British soldier who torched the White House in the War of 1812.

"It went down tremendously well!" Holland chuckles. "Maybe it's a reflection of political Washington at the moment."

ALICE ZOO FOR WSJ(Z)



The duo backstage at their Oct. 16 show. They start a U.S. tour next month.

plicated and rarely draws a clean line between right and wrong, good and evil," Cave recently wrote. "Sometimes what appears ethically obvious today has its way of turning tomorrow."

Holland and Sandbrook's success is also due to their unapologetic Englishness—a tacit refusal to take themselves, each other and their subject-matter too seriously. In a series on the French Revolution, they note that the last guillotine execu-

century Britain and American political history—his doctoral dissertation was about Sen. Eugene McCarthy—as well as a column for the Daily Mail, the arch-conservative U.K. newspaper. A former university lecturer, he says he abandoned academia because it bored him, turning instead to writing popular history, including books for children. He's passionate about soccer, as British football is called in America. On social media he takes

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voted a podcast to the four successful presidential assassinations in U.S. history and the many other failed attempts. In June, they marked Pride month with episodes about Oscar Wilde and the Roman emperor Hadrian.

They wear their erudition lightly, but the entertainment they offer is sprinkled with original thinking. Moral self-flagellation is among the defining aspects of Anglo-American culture, they have argued with historical evidence. Holland and Sandbrook compare what social media is doing to societies today to the 15th-century invention of the printing press and the ascent of mass-circulation publications that generated upheaval, an explosion of fake news and, ultimately, war.

Most of the time, they record the podcast from their respective homes, their studies serving as recording studios. Both own treasured historical artifacts: Holland proudly displays a Roman spear-tip and a dinosaur fossil, while Sandbrook's collection includes a cook-

In a scene from 'The Omen,' a demonic boy named Damien (Harvey Stephens) attacks his adoptive mother (Lee Remick).

What remained with me

from "The Omen" are a

handful of visions no

amount of counseling will

expunge: The nanny hanging

from the window at the

child's birthday party; the

snarling Rottweiler guarding

Damien from his father; the de-

capsulation of a journalist hard

on the heels of the truth.

I began to shiver as we

walked home. The world

seemed suddenly bewitched,

full of secret plots and machi-

nations. I could hear the grind-

ing of gears. I could see demons

staring out from the draped

windows of the Center Hall Col-

onials and English Tudors that

lined the streets of Glencoe, Ill.

I felt as if I was a bit player in a

story that had been written

long before I was born.

The fact that the movie was

schlock—not in the same

league as "Rosemary's Baby,"

which probably inspired it, or "The Shining"—doesn't really matter. The schlock lends authenticity. When the message is urgent—we're at war, people! It's the sons of darkness versus the sons of light!—art and ambi-

tion only get in the way.

When I re-watched "The Omen" recently, it was in the spirit of "face your fear." The horrors of the movie suddenly seemed multilayered. Sure, it's

about a kid named Damien who is actually the spawn of the devil, but it is also about parenthood. It's about our kids, how strange and otherworldly they can seem, and how they

will not just eventually replace us, but—in a fear we rarely admit to ourselves—may even be trying to do us in.

My mom used to say, "If you go down to the basement and turn on the light, you will see there are no monsters." But my mom was wrong. There are

monsters even with the light on. And, as any kid who has imbibed the spirit of Halloween knows, nothing makes you feel more alive than the epiphany:

The monsters are real.



## What the Horrors of 'The Omen' Taught Me At Age 10

**BACK WHEN**  
RICH COHEN

There's nothing quite like a schlocky Halloween film to make life shiver with meaning.

I was 10. My 15-year-old brother, who was too chicken to go alone, brought me along, and got us in despite the R rating. What had been sky blue and morning light became black tulip black, changing my sensibility forever.

"The Omen" stars a beefy Gregory Peck—his Atticus Finch days well behind him—as an American diplomat stationed in Rome whose baby has died in childbirth. A priest offers to replace this baby with a newborn whose mother has also just died, and Peck accepts without telling his wife. As tragedy follows tragedy, his wife comes to suspect the child she is raising isn't the child she conceived, but someone and something else entirely.

This child is in fact Damien, son of the devil, the Antichrist prophesied in the Book of Revelation. And you shall identify

him by a number: 666. If you know anyone named Damien, he was either born before 1976, the year of the movie's release, or is the child of sicko parents.

Who is to say that the images seen on a screen are less real in the mind of a 10-year-old than something experienced in the playground or at school? How many of my memories are in fact snatches from old movies? Was I left alone for three days as a baby, or was that from "Rumble Fish"? Was I brought by friends to see a dead body by a creek near town, or was that from "River's Edge"?

20TH CENTURY FOX/EVERETT COLLECTION

## REVIEW

# Not My Circus, Not My Monkeys: How I've Learned to Deal with the Addicts in My Life

I am allergic to platitudes. But as someone who longs to save the people I love, I've found peace in a hokey cliché.



## PERSONAL SPACE

KATIE ROIPHE

**A FRIEND'S FATHER** recently binged on vodka, and a neighbor found him wandering disoriented around his yard and took him to the hospital. My friend, who had been through this before, agonized over exactly what to say to convince him that he needs to stop drinking. While he was in the hospital, she rifled through his house and threw out all of the liquor bottles, including the ones she found hidden in his drawers. She couldn't resist the fantasy that something she could do or say would stop her father from destroying himself.

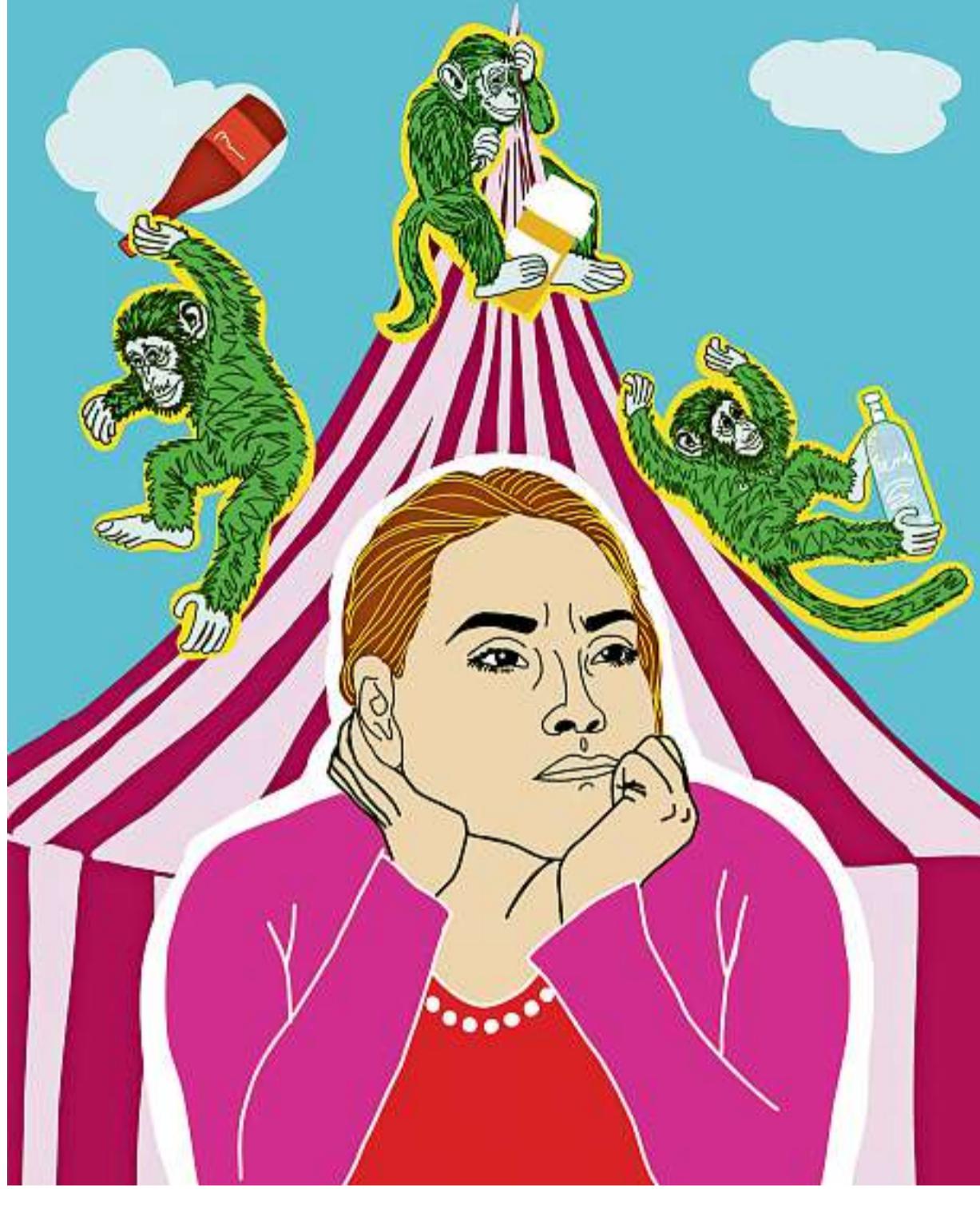
I know how this fantasy wears you down over time. I've lived with addicts at various points. I grew up watching my mother try to solve my sister's addiction and related problems, until finally in her 80s she came to peace with the fact that saving or changing my sister was out of her control.

Over the years, a ridiculous hokey phrase has helped me: "Not my circus, not my monkeys." It is an old Polish saying that has been repurposed in the rooms of recovery programs for families and people close to addicts. When I first heard it, I thought: eyeroll.

But the phrase's playful tone masks its seriousness and complexity. The idea is to recognize the limits of your own power. To give up your instinct to try to control or monitor or manage everything. As a friend put it to me, pretend the phone rings at a giant corporation you are working for and you say, "Not my department."

If you have lived with an alcoholic or addict, you may have searched for pills or bottles, or stayed up all night worrying, or checked texts to see if someone is lying about where they are, or sent money to help someone who is probably going to spend it on drugs. You may have had a mother who was addicted to vicodin, and you thought if only you got perfect grades she would stop using.

But it helps to remember that it's not your circus, not your monkeys.



That ultimately you have control only over yourself. You can decide what you can tolerate. You can decide whether to leave or stay. But you cannot get someone to give up vicodin or vodka or white wine, even if this seems tantalizingly close to being within your power. Once you can accept this, there is a feeling of relief.

This idea doesn't involve coldness or indifference, but rather a recognition of your own role, your own limitations. My friend can recognize that her father may drink even if she takes every last vodka bottle out of his clothing drawers. He can go to

a store and buy another bottle. He can go to a bar. Her actions can't fundamentally change his behavior unless he decides to change. If there is a problem that is not your problem, it is good to stay in very close touch with that fact.

Recovery programs talk about the "wisdom to know the difference" between the things you can and cannot change, and this is never easy. For the fixers and solvers of the world, for my friend rooting through underwear drawers looking for vodka bottles, which I have done some version of myself, this is a central tenet of a sane life. You can't

manage the unmanageable. You can't save the person you love. You can't reach into someone's heart and change it, much as you want to.

No one could be more surprised than me that I frequently find "Not my circus, not my monkeys" popping into my head. As a writer, clichés and platitudes and ready-made phrases have always grated on me. But it can be helpful to have a jingle to organize a complex emotional maneuver that you are resisting.

Leslie Jamison writes, "Submitting to the clichés of recovery was another way of submitting to its rituals...there was something illuminating about it."

nating, something even like prayer in accepting truths that seemed too simple to contain me." The hokey phrases snap a difficult task into focus; they render something vast and arduous manageable.

Over the years, I have found that "not my circus, not my monkeys" has broader, more mundane uses. You can think of

The idea is to recognize the limits of your own power. To give up your instinct to try to control or monitor or manage everything.

it when you are tempted to control how much sugar your husband eats, or how far in advance your kid studies for a test, or whether a friend is thinking rigorously enough about a man in her life.

Your impulse to meddle in other people's decisions, in their choices, is dubious even if you have good intentions, which you probably do. The people who need this phrase are trying to help, or more precisely to avert disasters or calamities they feel hovering in the near distance. But the job of avoiding these disasters isn't theirs to manage, and it turns out other people are weirdly attached to their autonomy.

If you are someone who likes control, there may be a part of you saying: They are my monkeys! It is my circus! There may even be a perverse part of you that misses the circus, that thrives in chaos, that craves fixing and care-taking and solving. Is there almost a compulsion toward it? Is the circus answering a need so deep you can barely speak about it? Join the very big club.

But at times when I am tempted to try to control someone else, to enter their life and solve and fix and tinker, I hear the phrase. I picture a striped tent on a hill on a gray day. I see monkeys clamoring to the top of the tent with the flag flapping in the wind and circus music cranking in the background. The children's book image tames and soothes. The monkeys can do whatever they want.

LOUISA BERTMAN



'Dorsoduro Night Canal' (2022) by photographer Michael Kenna, above; at right, 'Tables and Chairs in Acqua Alta' (2019).

## EXHIBIT

### Visions of Watery Venice

**BESET BY HIGH WATERS,** Venice is always threatening to sink "into its own lagoon," writes photographer Michael Kenna, and its very fragility "offers invaluable opportunities to leave our everyday lives behind." In Kenna's "Venice. Memories and Traces" (Skira) he captures the title's subjects in black-and-white prints and long exposures. The people are gone, but one doesn't miss them: Buildings, perpetually wet pathways and even quaintly leaning docking poles have character enough.

This Venice goes beyond the tourist routes. Through pockets in a threatening sky, a dozen rays of light fall on lagoon fishing nets, with only a small, far-off island as witness. A bridge's two lights, each a triangle of three globes, turn into impressionist streaks in the still canal water below. Water is almost too present. The floodgate system finished in 2020 eased Venice's peril—for now—but Kenna's pictures, which span five decades, include a 2019 portrait (right) of famous St. Mark's Basilica seeming to float on a flood-filled square, while café tables and chairs cluster forlornly in the water.

Even Venice's rarely celebrated industrial base (smokestacks and ruined warehouses) acquires a romance, while Kenna hints at the presence of people with a nighttime photo (left) of trails made by the lights of canal speedboats—the boats themselves invisible. As art critic Sandro Parmigiani writes in an accompanying essay, Kenna conjures a city of "visions and corners that, especially at night, evoke mysteries and ghosts and immerse us in a diffuse aura of silence, solitude and isolation from the rest of the world." —Peter Saenger



## REVIEW

## OBITUARIES

## ALAN 'SKY' MAGARY | 1942-2024



## The Airline Official Who Pushed for Smoke-Free Planes

Getting Northwest Airlines to become the first to ban cigarettes from all domestic flights thrust him into the center of a public health debate—and was good for business.

By CHRIS KORNELIS

**B**etween Christmas and New Year's Eve in 1987, Mark Lacek got a call in the middle of the night from his boss, Alan "Sky" Magary, who was in Paris for the holidays but couldn't wait to tell Lacek his ambitious idea: Get rid of smoking on all domestic flights.

A federal smoking ban on short flights—two hours or less—was already on the way. But when it went into effect four months later, Magary's employer, Northwest Airlines, took it a step further. Northwest became the first major airline to impose a total domestic-flight ban. It was a watershed moment for a nation grappling with how to balance the needs of smokers and nonsmokers as the negative health consequences—both for users and those in their vicinity—were becoming clearer.

Sen. Dick Durbin of Illinois, who as a House member sponsored the legislation that banned smoking on short flights, says Northwest's announcement was a tipping point. He used it to try to convince other airlines that they, too, could ditch smoking without destroying their businesses.

"Their voluntary action helped prove that businesses could do the right thing and still be competitive," Durbin said in an email through a representa-

tive. "After they announced their ban, I met with executives of other airlines. Too few had the courage to immediately step up, but Northwest leadership showed that reducing this safety hazard was doable."

The incident propelled Magary, Northwest's marketing chief, into the center of the national debate. He appeared on "This Week With David Brinkley," where ABC correspondent Sam Donaldson suggested that Northwest's ban was more about making money than public health.

Magary agreed. He wasn't suggesting otherwise. Northwest's smoking ban wasn't about public health. It was about getting people in seats.

### A new narrative for Northwest

Magary, who died Sept. 28 at the age of 82, was a former smoker, but he wasn't on an antismoking crusade. His job was to change the conversation about Northwest, which was in need of a new narrative.

The airline had long put up poor numbers in things like customer satisfaction and flight delays and was derisively known as "Northworst." In late 1987, it was still reeling from a devastating crash the previous August. Meanwhile, the airline suffered so much minor sabotage that it offered employees \$5,000 for information about who was slashing tires and losing the keys to planes. The bounty was eventually quintupled.

**Magary once pointed to the smoking ban as his 'one contribution to mankind.'**

At the time, Magary said that more than 80% of the company's customers weren't smokers and that more than 30% of the smokers preferred to sit in nonsmoking seats on an airplane. The smoking ban allowed him to reposition Northwest in a positive light and improve the flying experience at the same time.

Adam Aron, who was a protégée of Magary's when they were both at Pan Am and is now chairman and chief executive of AMC Entertainment, said his former boss was in the industry at a time when a trusted marketing executive could directly drive customer experience. Major airlines, he said, were also still small enough to take chances on sweeping initiatives.

For instance, Aron said that when Magary was at Pan Am, he noticed that most of the airline's flights across the Pacific and North Atlantic were on Boeing 747s. Magary worked with the airline's scheduling department to put 100% of those flights on 747s, so that he could advertise that every Pan Am passenger making those crossings would be on the aircraft then considered "Queen of the Skies."

"Sky was clearly in the category of marketing executives who was highly able at everything that he did," Aron said, "which means understanding the consumer's desires, being imaginative in designing a product...and then having the organizational abilities to translate an idea on a drawing board and actually get it out into the market."

### A Sky is born

Alan Bruce Magary was born in Elgin, Ill., on Sept. 20, 1942, to Elizabeth and Alan Magary. His mother wanted to name him Sky, but his father wanted to name him Alan, and he won the argument. His mother called him Sky anyway. They later divorced.

Magary got his bachelor's degree at Yale University in 1963 and his M.B.A. at Harvard Business School in 1967, with a stint at the Baltimore & Ohio Railroad in between. He held senior marketing positions at Pan Am, Hyatt Hotels and Republic Airlines, where he was credited with helping to turn the carrier around. He landed at Northwest when it acquired Republic.

Magary stayed at Northwest until 1991, when he began consulting. He returned to airline management in the mid-'90s, when he briefly served as president of Shuttle by United, as now-defunct attempt by United



Northwest planes on the tarmac in Minneapolis-St. Paul International airport. 1998.

Airlines to compete directly with Southwest. Northwest merged with Delta in 2008.

Magary's survivors include his wife, Susan Magary, and their three children: Alexander, Amanda and Drew.

In the biography he provided for the 50th reunion book of Yale's class of 1963, Magary noted that he enjoyed almost every minute of his time in the business but "slowly moved to the sidelines as the airline industry became unpleasant in the '90s."

He pointed to the smoking ban as his "one contribution to mankind."

The U.S. banned smoking on all domestic flights under six hours in 1990—a year before Magary left Northwest. His son Drew, a journalist and author, said the irony wasn't lost on his father that the person who took over his job at the airline came from R.J. Reynolds, maker of Camel cigarettes.

## JOYCE MACK | 1925-2024

## A 'Founding Mother' Who Helped Build Las Vegas

While her husband's bank funded casinos, she encouraged civic institutions that made a city worth living in.

By CHRIS KORNELIS

**JOYCE MACK MADE A DEAL** with her husband in 1947: She was willing to leave Los Angeles for a small, remote town in the middle of the Nevada desert as long as their future children could attend Beverly Hills High School.

Soon after, her father-in-law, Nate Mack, took her for a drive into the hills outside that remote town, pointed down into the valley and asked her what she saw. Joyce said all she could see was cactus. He saw a lot more.

"He says: 'I see a town there, a city there,' " she recalled in an oral-history interview in 2015. "There's going to be churches. There's going to be houses. There's going to be stores wherever you look. You're going to see: This is going to be filled up with civilization!'

It didn't take long for Joyce Mack, who died Oct. 11 at the age of 99, to see it, too.

She and her husband, Jerry Mack, spent the rest of their lives bringing the vision to life. Jerry co-founded the Bank of Las Vegas, which became the first bank to make significant capital loans to Las Vegas casinos, fueling their immense growth. Joyce focused

on ventures that would round out the town: arts and education organizations; a synagogue; nonprofits including Opportunity Village, which supports people with intellectual disabilities; Planned Parenthood of Southern Nevada.

Elaine Wynn, who co-founded Mirage Resorts and **Wynn Resorts** with her now-former husband, Steve Wynn, called Mack a "founding mother" of Las Vegas. Wynn said that the effort she is leading to build a \$150-million-plus Las Vegas Museum of Art dates back more than 40 years to when Joyce Mack started hosting fundraisers for an art museum in town. "It's all because of Joyce Mack," Wynn said.

Born Joyce Jean Rosenberg in Los Angeles on Aug. 17, 1925, she began dating Jerry Mack, a friend of her brother, after they ran into each other at a fraternity party at the University of California, Los Angeles. The two married in 1946 and were quickly recruited by Nate Mack to move to Las Vegas, where Jerry graduated from high school and where Nate was acquiring land. Their early neighbors included unsavory characters with names like "Ice Pick Willie" and "The Man." She met the notorious Vegas



Mack in 2013 at University of Nevada, Las Vegas.

she was always in a beautiful dress."

The Macks became members of a core group of families who wanted to build not just casinos in Las Vegas but the infrastructure necessary to make it a city worth living in long-term.

The centerpiece of the Macks' philanthropic efforts was the University of Nevada, Las Vegas. Jerry was a co-founder of Nevada Southern University, which became UNLV. He and his banking partner, E. Parry Thomas, secured more than 400 acres for its campus. UNLV's basketball teams play in the Thomas & Mack Center.

After Jerry's death in 1998, Joyce joined the UNLV Foundation's board and served for 25 years while donating millions to its upstart law school. She was also active in Democratic politics.

Tom Thomas, the son of Parry Thomas, said that whether Joyce Mack was giving money to a nonprofit or vetting a candidate for elected office, she was doing so with a view of what was necessary for the future of Las Vegas.

"I tell you I feel very lucky that I was here," Mack said in the oral-history interview. "How many people have seen a city grow up under their eyes?"



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# BOOKS

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## Bringing Darkness to Light

A collection of unforgettable folk tales—softened around the edges—that remains a wellspring of popular culture

### The Brothers Grimm

By Ann Schmiesing  
*Yale, 360 pages, \$35*

By DOMINIC GREEN

**I**T IS HARD to imagine American childhood without Walt Disney's reworkings of Brothers Grimm stories such as "Snow White," "Cinderella," "Sleeping Beauty" and "Rapunzel." It is impossible to imagine German culture without the Grimms' originals. The most translated German book is not by Goethe. It is the Grimms' "Children's and Household Tales." Published in two volumes in 1812 and 1815, this faux-medieval blend of peasant brutality and magical silliness was printed in seven complete and 10 abridged editions in the brothers' lifetimes.

Childhood as we know it is a modern invention. Rousseau's savage is, if not always noble, at least natural. While the Enlightenment created the romance of childhood, its irrational twin—the Counter-Enlightenment, Isaiah Berlin called it—brought forth the romance of nationalism. What, the philosopher Johann Gottfried Herder asked, was more natural than a nation emerging from its long infancy in its historic home? Origins and innocence, blood and soil, national mythology and children's literature.

The Germans theorized nationalism in order to create a nation-state out of many smaller states. The mythology preceded the political fact, and that made the myths more vital. The folk tales collected and edited in the 1810s by Jacob (1785-1863) and Wilhelm Grimm (1786-1859) were ammunition for a culture war. In "The Brothers Grimm," Ann Schmiesing tells the tale behind the tales.

Linguists remember Jacob, the elder brother, for Grimm's Law, his detection of patterns in the ways that sounds shift as languages change. But Jacob and Wilhelm's fraternal labors on mythology, medieval literature, legends and a German dictionary are largely forgotten. Ms. Schmiesing, a professor of German and Scandinavian Studies at the University of Colorado Boulder, follows their biographical spoor through the dark wood of popular memory (the Grimms as "dowdy scholars") and myth (the Grimms as "doughty fairy-tale icons"). In an age of political and literary ferment, the Grimms, she finds, were "among the foremost contributors to the post-Napoleonic German national awakening."

Once upon a time, Hessen, the region around Frankfurt, divided into two entities within the Holy Roman Empire. Hessen-Darmstadt was Lutheran. Hessen-Kassel, where the Grimms were born, was Calvinist. Hessen's forests were thick. Its peasants were poor. Its most notable exports were soldiers for the British army, including in the American Revolution. Philipp, the clerk of the old town of Hanau, and his wife, Dorothea, a councilor's daughter, had nine children, three of whom died in infancy. Jacob was the second-born and Wilhelm the third. When Philipp became magistrate of the small town of Steinau an der Strasse, the Grimm children looked set for a comfortable country childhood. But life is no fairy tale.

In 1796 Philipp died of pneumonia. Dorothea lost her house, but her remaining money and her family connections secured Jacob and Wilhelm places at the University of Marburg. There Wilhelm founded a reading society with his friends. Jacob was so serious about his legal studies under the jurist Friedrich Carl von Savigny that his friends nicknamed him *der Alte* ("the old one"). One day, foraging up a ladder in Savigny's library, Jacob found Johann Jakob Bodmer's collection of *Minnelieder*, German songs about courtly love. Bodmer's edition, Ms. Schmiesing writes, became "a blueprint of sorts" for Jacob and Wilhelm's own collections.

Savigny also introduced the brothers to the writer Clemens Brentano. Brentano and his friend Achim von Arnim were working on creating a national culture for the emerging Germany. They saw folk songs and folk tales as the dormant roots of the *Volksgesicht* (the "spirit of the people"). A folklorist was a scientist of culture, liberating his people from the corruptions



PIPER An illustration by Arthur Rackham for 'The Gnome,' from a 1917 collection of tales.

of urbanization, industrialization and all things French. Jacob decided to found publication, collecting oral stories from ordinary German speakers, the older and more peasantlike the better—dialect no problem, ability to spin wool while declaiming from memory preferred.

In October 1810 the Grimms sent Brentano a packet that, with one more story added later, contained the "overall contours" of 46 tales.

### They collected stories from ordinary people, the older and more peasantlike the better.

Before publication, Ms. Schmiesing writes, the Grimms "fleshed out" these skeletons with "extant oral or written renditions," or simply with their own additions. The opening of "Snow White" ("Once upon a time it was winter & snowed down from the sky") became more literary: "Once upon a time it was the middle of winter, and the snowflakes fell like feathers from the sky." The initial account of Snow White's naming ("She had a beautiful girl, as white as snow, as red as blood, and as black as ebony & the daughter was called Snow White") required only minimal editorial polishing: "She had a little daughter as white as snow, as red as blood, and as black as ebony wood, and thus she was called Snow White."

Scholars and mythologists, the Grimms were medievalists in a uniquely modern way. Their

first publication as a "collective personage" called Brüder Grimm was an edition of the ninth-century "Lay of Hildebrand." In one of several scholarly breakthroughs, they showed that the manuscript, though written continuously, was really a poem. The early medieval Germans, they argued, had written the highest verse form, the epic.

Jacob, Ms. Schmiesing writes, was "introverted," short and sturdy. Wilhelm, sociable and a bit taller, suffered from asthma and heart trouble. Jacob pursued a "rigidly scientific" approach in his work. Wilhelm was more attuned to public taste. Jacob never married. Wilhelm did, and Jacob lived with Wilhelm and his wife, Dortchen. She was part of a group of individuals who told the Grimms' stories from their childhoods. No peasant or servant, Dortchen was a pharmacist's daughter with literary scholars in her family tree. Her group's stories probably came, Ms. Schmiesing reckons, from chapbooks, including the "French *bibliothèque bleue* ('blue library') tradition of popular literature."

The Grimms' ideal of the German future emerged from their idealized view of the German past. Jacob founded a society for the collection of folk tales and advised its members to seek out fishermen, old crones and young girls. (Boys' memories were unreliable, he thought.) Wilhelm worked on the "Hildebrand" manuscript for decades, until the acid-based reagents that he and other librarians used "revealed some parts of the faded medieval ink but further obscured others." Bren-

tano and Arnim saw their modernizing of the material as part of the flow of tradition, but Jacob followed what he called "the epic religion."

Jacob called his sacred goal "authenticity." His profane was literary "artificiality." The Grimms compared the innocence of fairy tales to "the bright eyes of children," though their sources were mostly "educated young townswomen" who read French. Jacob claimed to present the oral originals. Wilhelm justified his editorial tweaking as sympathetically "spontaneous." Brentano complained that the brothers had not edited their garrulous sources enough. The manuscript of the 70 tales in the second volume of "Children's and Household Tales" is lost, so the extent of the Grimms' editing is unclear. Wilhelm said they never cut with a "critical knife" but Ms. Schmiesing's analysis of "The Donkey" shows that the Grimms excised the sexual imagery and learned references from a Latin manuscript.

"Our entire fatherland has now cured itself, in its blood, of the French leprosy and reinvigorated itself with youthful life," the Grimms wrote in the preface to their 1815 edition of the medieval poem "Poor Heinrich," which came out after the liberation of Hessen from Napoleon Bonaparte. With a sales pitch like that, no wonder a patriotic public relished their stories. It is surprising, though, to read that all the time Jacob was salvaging the German soul, he had been working for the French occupation as librarian to the king of Westphalia, Napoleon's brother Jérôme.

The Grimms never published a planned third volume of scholarly commentary. Jacob set to work on Grimm's Law and a monumental "German Grammar." Wilhelm, increasingly conscious of a responsibility to

younger readers, prepared a second edition that leaned toward Brentano's method and bourgeois morality. The doves pecked out the eyes of the wicked stepsisters in "Cinderella," but a reference to pregnancy in "Rapunzel" was deleted and the possibility of royal incest in "All Fur" now came with a codicil of divine disapproval. Jacob had the soul of a scholar but Wilhelm had the heart of a hack. The latter instinct is what kept the "Tales," supposedly a repository of unadulterated oral legend, abreast of contemporary taste. He realized that oral and written narration are not the same, and by the second edition was mixing two or more tales into one. By the seventh, Wilhelm's notes included comparative fairy tale analysis on a global scale.

"And if they have not died, then they are still living today," goes the German equivalent of "And they lived happily ever after." Their German dictionary project left unfinished, the Grimms died not long before the unification of Germany in 1871. After Adolf Hitler's rise to power in 1933 and Walt Disney's release of "Snow White and the Seven Dwarfs" in 1937, their Germany and their tales would never be the same again. Yet the Grimms are still living today. A good Grimm tale refracts upon our post-Freudian age as tellingly as it did upon the national drama of its own time. Ms. Schmiesing has brought the brothers to life in their fullness.

Mr. Green is a Journal contributor and a fellow of the Royal Historical Society.

## Present At the Beginning

### Penman of the Founding

By Jane E. Calvert

*Oxford, 608 pages, \$35*

By KATHLEEN DUVAL

**J**OHN DICKINSON isn't mentioned in Lin-Manuel Miranda's Broadway musical "Hamilton" (2015), but he has an important role in another American Revolution musical, "1776." There, he is shown standing in the way of American independence—almost literally, as Donald Madden

plays him in the 1972 film version, ramrod straight and broad-shouldered in his brocade coat—arguing against the Declaration of Independence at the Second Continental Congress. He calmly sings to his fellow "conservative men": "We have land, cash in hand, self-command, future planned. Fortune thrives, society survives, in neatly ordered lives, with well-endowed wives." The Dickinson of "1776" smirks and dances, whereas the Dickinson of HBO's 2008 "John Adams" miniseries scowls unumorously. In both, he is the antithesis, self-interested and short-sighted. He is on the wrong side of history.

In "Penman of the Founding," Jane Calvert's vivid and gripping biography of Dickinson, the author not only rescues him from the role of foil to the independence-loving Founding Fathers but shows that he might have

been right about quite a bit. His career allows explorations of questions deeply relevant to our times: Does slower change within the system serve the people better than radical change, with its tendency to go in

On slavery and women's rights, Dickinson was ahead of his time. But he was a reluctant rebel.

unpredictable directions? What kinds of political activism are justified and what kinds go too far? Where is the line between the charismatic leader who helps the people think more deeply about what is best for their society and the dangerous demagogue who stifles thought?

Dickinson was not a Loyalist. He was an early supporter of the protests that led to the Revolution. He served in the Continental Army and helped write and ratify the Constitution. "If there were a single individual who could be credited with bringing the United States of America into being," Ms. Calvert argues with only a little hyperbole, "it would be Dickinson." His pen produced more writing for the American cause than any other, including his 1767-68 "Letters From a Farmer in Pennsylvania," which helped turn a local Boston protest into a colonies-wide revolution. His record on slavery and women's rights put him closer to mainstream American values today than most of the Founders. The book shows how he "attempted to put into practice the most famous principles of the Declaration of Independence as we interpret it today: that all

Please turn to page C8



FADING Detail of a portrait of John Dickinson by Charles Willson Peale.

BRIDGEMAN IMAGES

## BOOKS

'CHILDHOOD, n. The period of human life intermediate between the idiocy of infancy and the folly of youth.' —AMBROSE BIERCE



## FIVE BEST ON CHILDHOOD

## André Aciman

The author, most recently, of 'Roman Year: A Memoir'

## A Portrait of the Artist as a Young Man

By James Joyce (1916)

**1** Read and reread over the years and yet so new each time, James Joyce's semi-autobiographical tale opens with an unforgettable elegy to the childhood of its protagonist, Stephen Dedalus: "Once upon a time and a very good time it was there was a moocow coming down along the road." No one talks that way or speaks of moocows, but this is how a child might get his first glimpse of the world around him—in a story read by his father. Joyce will build on this episode and describe Stephen's gradual acquisition of language—from simple diction to complex sentences to a young man's hasty diary entries. One follows Joyce's scrupulous dissection of how we each paint our own image of that measureless thing called life. "Portrait" narrates Stephen's unfair treatment at school and his first night with a prostitute, down to his disaffection with Catholicism. All rendered in a language that reminds us that Joyce remains, to use his own words at the close of "Portrait," the *old father, the old artificer* of the English tongue.



VERONICA &amp; CIA/GETTY IMAGES

## Austerlitz

By W.G. Sebald (2001)

**2** The name of the 5-year-old boy who arrives in England by *kindertransport* a year on the eve of World War II is Jacques Austerlitz. His parents in Prague, like those of nearly 10,000 other Jewish children shipped to safety in England from Germany, Austria and parts of Eastern Europe, had grown so nervous for the fate of their boy that they were willing to forfeit seeing him again. Indeed, most of these parents, like Jacques's mother, were eventually rounded up and killed in the Holocaust. Jacques is adopted by a Welsh family and given the name of Dafydd Elias. He adapts well and eventually ends up at Oxford—but loses all memory of his origins. He doesn't remember his real name, or who his parents were or the whereabouts of his native city. "It does not seem to me," Jacques says, "that we understand the laws governing the return of the past, but I feel more and more as if time did not exist at all."

Bit by bit, he will reconnect with his past, but "Austerlitz" is no whodunit with neat answers. Instead, like Freud, Sebald offers a tireless palimpsest where one presumption is shaken by another and overwritten by yet another. It is a sublime work of modern fiction.

## My Family and Other Animals

By Gerald Durrell (1956)

**3** The comparison with his brother is unavoidable. Lawrence Durrell rose to international fame as the author of the Alexandria Quartet; Gerald, his younger brother, was a devoted and highly talented naturalist who was also, it turns out, a superb writer. True, he had meant to write about Corfu's wildlife during his five-year stay there with his mother and siblings, but in penning the Greek island's bountiful variety of creatures, he "made a grave mistake by introducing [his] family into the book." Durrell portrays his childhood

interest in nature and how, despite his very young age, he managed to draw the attention of people equally devoted to the study of nature. The descriptions and the humor in the book are memorable. After being shown all manner of houses by a hotel guide, Durrell's mother rejects all of them because they lacked a bathroom. "But Madame," the guide pleads, "what for you want a bathroom? Have you not got the sea?"

## My Brilliant Friend

By Elena Ferrante (2011)

**4** "My Brilliant Friend" is the first of the four "Neapolitan Novels" that took the world by storm in the last decade. It tells the story of two girls growing up in a poor neighborhood of postwar Naples. Raffaella Cerullo (nicknamed Lila) and Elena Greco (nicknamed Lenù) are intimate friends but have life trajectories that couldn't be more different. They also compete with each other. Lila seems to be headed for aca-

demic success; she is intelligent, willful and resourceful. Meanwhile, Lenù is not quick-witted and not outwardly determined. These contrasts will eventually capture the roughshod Naples of those years when the two girls decide to confront Don Achille, the local mobster, by accusing him of robbing their dolls. Totally perplexed, the mobster hands them money instead. Eventually Lila will abandon school, while Lenù will forge ahead and receive the best grades. But in the back of Lenù's mind, as she looks back years later, are the words Lila's father spoke to her brother: "Then why should your sister, who is a girl, go to school?" Nothing captures better the world that Lenù has to leave behind.

## The Best Minds

By Jonathan Rosen (2023)

**5** This memoir begins with the friendship between two boys, Jonathan Rosen and Michael Laudor, after the

Rosen family moves to New Rochelle, N.Y. The bond between the boys is immediate and inseparable, and the two will remain friends throughout their lives, despite the many obstacles thrown in their way. One is shy, the other self-confident; one is dynamic and resolved, the other is no less tenacious but self-effacing. The friendship is not without competition, and secrets unavoidably surge between them: Who will apply to which school or to which program without telling the other, or what happens when a gang of youngsters attack Jonathan while Michael doesn't do anything to help? Yet despite the many ups and downs, something persists between the two. Michael ends up at Yale Law School and turns into a star despite his schizophrenia, while Jonathan decides not to complete his doctorate at Berkeley. When Michael, under the spell of his mental illness, commits a murder, their friendship is marred but not undone. The author still visits his boyhood friend in custody.

## A Radical Ahead Of His Time

*Continued from page C7*  
people are created equal and deserve protection of their rights."

So why is Dickinson so ill-remembered? As Ms. Calvert richly details, it can be unpopular—and dangerous—to be levelheaded in radical times.

Dickinson was born in 1732 to a Quaker family and grew up in the "Delaware counties," disputed at the time by the colonies of Pennsylvania and Maryland. Although his character in "1776" hurls the insult of "lawyer" at John Adams (along with "madman" and "demagogue"), Dickinson made his living and his fame as a lawyer. He began his legal studies at home. His father, Samuel, was a judge and a plantation owner. His mother, Mary Cadwalader Dickinson, read law with John, and the two debated the issues of the day. After he left home, they kept up a rich correspondence. He served a legal apprenticeship in Philadelphia and then, unlike most colonial lawyers, trained in London and was admitted to the bar there.

In 1757, at the age of 24, he was back in Philadelphia practicing law. Following the custom of the Society of Friends, he dressed plainly, without a wig. He established a practice that included the pro bono defense of women's property in courts that generally ruled against women. He also, and more lucratively, defended Philadelphia clients against what he increasingly saw as overreach in British trade regulations.

Dickinson hated the Stamp Act. On a practical level, its requirements to use stamped paper (as proof of having paid the tax) for contracts, wills and other legal documents threatened the profits of his law practice. But it was the regressive nature of the tax that felt like an injustice. He feared "that this Act will be extremely heavy on those who are least able to bear it," unlike the existing property taxes, which were "proportioned to the abilities of those who were to pay them." By that time, Dickinson was a member of Pennsylvania's colonial Legislature, and he drafted its resolves against the Stamp Act and authored a broadside urging colonists to adopt the Quaker practice of civil disobedience to unjust laws and not pay the tax.

Parliament repealed the Stamp Act but soon rankled colonists again with the Townshend duties, a series of taxes on tea, glass and several other imported goods. These drove Dickinson to author a number of letters, starting in December 1767, that would make him, in Ms. Calvert's judgment, "the foremost leader of the resistance to Britain." He signed them "a Farmer in Pennsylvania."

Published in newspapers and quickly reprinted as a bestselling pamphlet, the letters were as logical as a legal brief in explaining the legislation that threatened the colonists' liberties. Whether readers believed the author was really a Pennsylvania farmer or knew he was the respected lawyer and public official John Dickinson, the letters helped to legitimize the resistance. "Let us consider ourselves," the Pennsylvania Farmer

wrote, "firmly bound together by the same rights, interests and dangers." In Ms. Calvert's analysis, Dickinson's call for unity "germinated something that had never existed before: a sense

rumored to have included Dickinson on a list of rebels who should be tried and executed.

It can be hard to wrap our minds around the position of most members of the Second Continental Congress, which began in May 1775. As Ms. Calvert carefully explains, they believed that they could fight what

they saw as a "defensive war" to force reconciliation on better terms. British troops and New England militiamen had killed one another at Lexington and Concord, and the Congress voted to create a Continental Army, even as most delegates opposed independence. Dickinson drafted Congress's Olive Branch Petition and Declaration on

Taking Up Arms, which together requested the king to intervene in the dispute with Parliament

and

**LAWYER A**  
**1781 portrait of**  
**John Dickinson**  
**by Benoît-Louis**  
**Prévost.**

threatened that, if he did not, "the arms we have been compelled by our enemies to assume" would be used "for the preservation of our liberties, being with one mind resolved, to die Freemen rather than to live Slaves."

But the ground was shifting under Dickinson in a way that may seem familiar to both liberals and conservatives in recent years. Within the Congress, his position, once considered fairly radical, came to seem at first moderate and then obstructionist. To Dickinson, Ms. Calvert writes, "this deliberative process of changing laws by changing minds was the foundation of a free society, and it took time." He spoke against the Declaration of Independence on the floor of

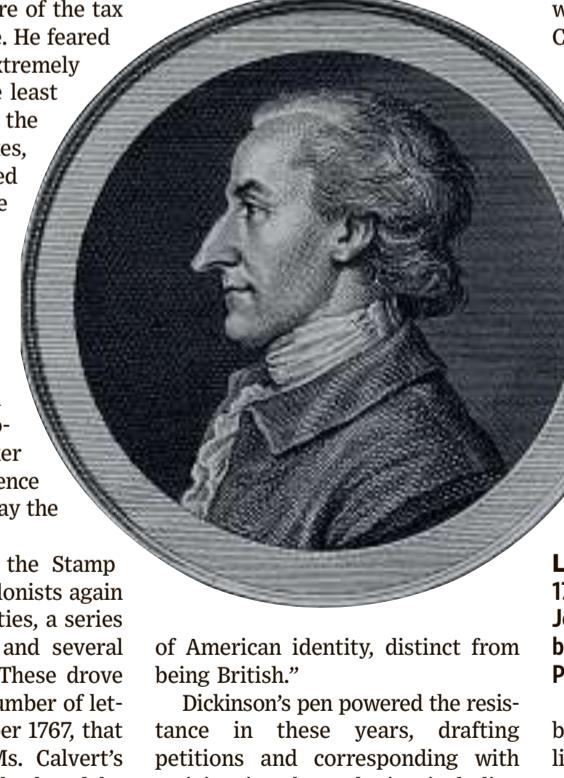
Congress and ultimately abstained from the vote.

Dickinson's role in the histories of the American Revolution—if he has one at all—usually ends here, but "Penman of the Founding" fills out his biography by following him for another three decades. In these chapters, Ms. Calvert shows that he kept working to pressure and promote American liberties and broaden what he meant by them. He helped draft the Articles of Confederation and pushed for them to end the Atlantic slave trade, provide for freedom of religion and explicitly protect "his or her" freedom of religious speech. He advocated for Pennsylvania to pass laws allowing for divorce and alimony so that women could escape abusive marriages, and he worked for girls' education in the new republic.

Whereas his father had built the family wealth by amassing tobacco plantations and enslaved people, one of Dickinson's early bills established a

means by which free black men and women could argue in court that they were unlawfully being held in slavery and could seek damages if they won. Dickinson supported Pennsylvania's gradual manumission law and wrote Delaware's unsuccessful one. After the Revolution, he and his wife, Polly Norris Dickinson, freed all of their slaves. Later in life, Dickinson's affection for the ordinary farmer led him to become a Democrat-Republican and less frightened of democracy than he had been during the Revolution. If revolution and its violent illegality were not his cup of tea, independence turned out to suit him just fine.

*Ms. DuVal, a professor at the University of North Carolina at Chapel Hill, is the author of "Independence Lost: Lives on the Edge of the American Revolution."*



of American identity, distinct from being British."

Dickinson's pen powered the resistance in these years, drafting petitions and corresponding with activists in other colonies, including Samuel Adams in Massachusetts and Arthur and Richard Henry Lee in Virginia. Dickinson didn't approve of the property destruction and terrorist tactics of the Boston Tea Party, but as a delegate to the First Continental Congress, in 1774, he used his stature and reputation for judiciousness to lead his fellow Americans toward unified action. If King George III had sided with the colonies against Parliament, Dickinson would have been a hero. Instead, the king declared Massachusetts in open rebellion and was

SMITH COLLECTION/GADO/GETTY IMAGES

## BOOKS

'A university is just a group of buildings gathered around a library. The library is the university.' —SHELBY FOOTE

# A Faculty for Espionage

**Book and Dagger**

By Elyse Graham  
*Ecco, 400 pages, \$30*

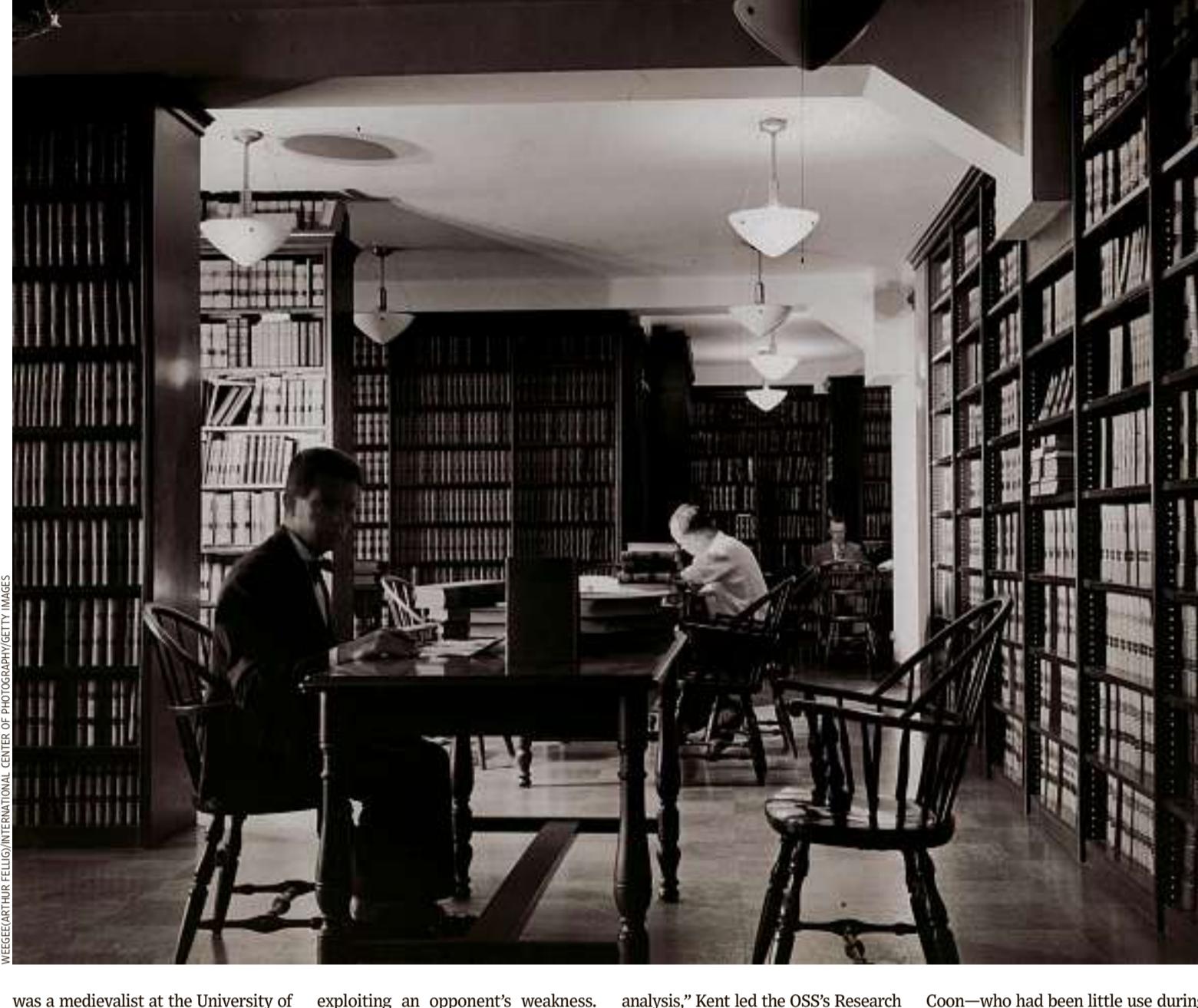
By MICHAEL O'DONNELL

**T**HE U.S. entered World War II with an intelligence deficit. Its allies and enemies had long-established clandestine operations, some of them dating back centuries. But the Americans had no dedicated spy service and relied primarily on military intelligence to gather information about the world. In 1941, President Franklin Roosevelt therefore directed the prominent lawyer William Donovan to form what became known as the Office of Strategic Services (OSS), the precursor to the Central Intelligence Agency. Donovan looked for a fresh approach, giving analysis as much weight as fieldwork and building a civilian rather than military operation. Where could he find professionals who were up to the job?

A fascinating new study, "Book and Dagger" by the historian Elyse Graham, follows Donovan into the unlikely corridors of university faculties as he searched for talent. The connection between the academy and the Manhattan Project is well known, yet the OSS drew not from physics departments but from the humanities. Professors and archivists were natural intelligence officers: adept learners, highly specialized, used to painstaking work and nondescript enough to blend in easily. (As CIA Director William Colby would later say, far from looking like James Bond, the ideal agent has a hard time flagging down a waiter.) As Ms. Graham writes, scholars were rousted "out of their carrels" to form the infant service's "first full-scale network of professional spies." Donovan and his colleagues chose "the world's least glamorous people for the world's most glamorous profession."

"Book and Dagger" tells the story of four such recruits—and surveys many others—with an almost breathless sense of wartime romance and drama. It makes for entertaining, atmospheric reading. "Imagine," Ms. Graham writes, "the world of bookshelves, the smell of old paper, and the sense of expectation that haunts any labyrinth of texts." The birth of American intelligence was less about foggy piers and dead drops, she suggests, than the relentless hunt for information, done out of sight and generally without thanks. Her book offers delayed gratification: "It's time to remember the scholars and bookworms who helped to win the war."

All four of Ms. Graham's principal subjects worked for elite universities when government agents showed up to request their help. Joseph Curtiss, mild-mannered and self-effacing, taught English at Yale. Adele Kibre



was a medievalist at the University of Chicago with a gift for getting into the restricted section of archives, including the Vatican's. Carleton Coon taught anthropology at Harvard and "fantasized about becoming a gentleman ad-

## The intelligence war against the Axis powers required more than codebreakers. Archives were a battleground too.

venturer." Sherman Kent was affiliated with Yale's history department, though he boasted some field-ready abilities: Once handed a knife he proved able to throw it with dead-true aim.

The OSS trained its new recruits in subterfuge, cryptology, misdirection and combat. As Ms. Graham explains, for the polite scholars "the hard part was not the fighting itself, but learning to ignore the decency" that inhibited them from hitting below the belt or

exploiting an opponent's weakness. One combat instructor favored the "kick to the fork" and made no apologies about putting an adversary on the ground in this ungentlemanly way. One recruit recalled: "Within fifteen seconds I came to realize my private parts were in constant jeopardy" around the ruthless teacher.

The agents were then sent into the field. The OSS's cover story for Curtiss and Kibre was an assignment to collect books for domestic libraries. This took Curtiss to Istanbul and Kibre to Stockholm. In reality, Curtiss was instructed to develop a counterintelligence program in the crossroads city crawling with Axis spies. Kibre received an assignment closer to her cover story, digging through libraries and bookstores in neutral countries for useful materials the Nazis had suppressed from publication elsewhere, such as underground newspapers, technical journals, photographs and maps.

Someone needed to analyze the mountains of data that agents like Kibre produced. Here was Kent's forte; known as "the father of intelligence

analysis," Kent led the OSS's Research & Analysis efforts for North Africa and Europe. Prior to the Normandy invasion, Kent's group pinpointed the location of French airfields, electric stations, railroad crossings and telegraph offices to help forestall the enemy's use of such infrastructure. They found suitable buildings where the Allies could quickly set up quarters and field hospitals. Using maps and business directories, Kent's division located the ball-bearing factories in occupied Europe to facilitate Allied sabotage of that key component of Axis weapons manufacture.

After the war, these agents re-entered the academy, with varying degrees of success. Curtiss returned to a quiet life at Yale, which like other top universities became a pipeline for gifted students to enter the intelligence field. (Robert De Niro's excellent 2006 film "The Good Shepherd" dramatizes this process with a subplot about a poetry professor luring a student played by Matt Damon into the world of espionage). Kibre resumed her work as a research archivist.

Coon—who had been little use during the war, his best idea being to hide bombs in mule droppings—disgraced himself by promulgating racist anthropological theories that were discredited in the postwar years.

The knife-wielding Kent unsurprisingly has the best postscript. After a few wayward years attempting to pick up his life in academia, he joined the newly formed CIA and founded its in-house journal, *Studies in Intelligence*. He later caused an uproar in 1951 by leading an academic team seeking to demonstrate that the American order of battle could largely be discerned from publicly available sources in Yale's Sterling Memorial Library. They even went so far as to prove the point in a 600-page report. President Truman himself had to step in to quell the ensuing furor. The message from the government to the academy was clear: Some of you are too clever for your own good.

*Mr. O'Donnell is the author of the novel "Above the Fire" and a frequent contributor to the Journal.*

## Scary Enough For You?

### Horror for Weenies

By Emily C. Hughes

*Quirk, 272 pages, \$17.99*

"**HORROR FOR WEENIES**" is Emily C. Hughes's breezy guide to cinematic scares, meant for those who may have reservations about watching horror films or who may feel left out of the cultural conversation around such films. For those of us who quail at the sight of blood (even if it is corn syrup), or suffer from arachnophobia, or prefer to be thoroughly braced when the monster leaps from the shadows, this book aims to eliminate or at least stave off fear—while providing a crash course in this evergreen genre.

Ms. Hughes is a book editor and former "weenie" who came to her horror fandom through fiction; similarly, she wants her book to be a gentle gateway via prose into the dark side, a primer that educates while initiating the perplexed into a genre that, according to Ms. Hughes, "explores fear, how it motivates and shapes our lives."

Ms. Hughes's starting point for her survey is 1960, the year of Alfred Hitchcock's "Psycho," which the author calls the "ur-slasher film." Six years ear-

lier, the studios had cut ties with Joseph Breen, who had functioned as a kind of sensitivity viewer for the major film studios, using the industry's self-imposed production code to censor any content that might be construed as despoiling the moral purity of the movie-going audience.

Once the production code was gone, the horror genre flourished as never before. Ms. Hughes offers pithy commentary about established classics like "Rosemary's Baby," Roman Polanski's 1968 chiller. "Every movie about the horrors of pregnancy," Ms. Hughes writes, "has been responding to 'Rosemary's Baby' to some degree." On Stanley Kubrick's "The Shining" (1980), she notes that the director's treatment of actress Shelley Duvall was "abusive to the point of... psychological torture." She dubs "Get Out," the 2017 directorial debut from Jordan Peele, "the right movie at the right moment in a deeply wrong century."

Ms. Hughes tackles her subject with a fan's passion and mordant wit. Each chapter focuses on a specific film but to a fault, as Ms. Hughes provides (often at great length) detailed story summaries that perhaps obviate the need to see the films themselves. One wishes the writer had reversed the plot-to-analysis ratio and offered more of her sharp commentary. But even if you're not horror-averse, Ms. Hughes's book is great fun. Whether it can conquer the weenies' fear of things that creak, gush and splatter remains an open question.

### SHORTCUTS: HORROR

By MARC WEINGARTEN



MIA FARROW IN 'ROSEMARY'S BABY' (1968)

## The Panic Was Part Of the Plan

### Dead Air

By William Elliott Hazelgrove

*Rowman & Littlefield, 280 pages, \$32*

**I**N 1937, 22-year-old Orson Welles was already a creative force, a prodigious writer and director for stage and radio via his Mercury Theatre. On May 6, he had listened, along with thousands of horrified others, to the broadcast account of the Hindenburg airship disaster, as reporter Herbert Morrison dropped his sober objectivity and practically burst into tears. The transfixing immediacy of the experience would be the key to Welles's next project, which would air the following year: a documentary-style drama masquerading as the real thing. With "The War of The Worlds," H.G. Wells's 1898 novel about an alien invasion of England, Orson Welles found the material to match his vision.

William Elliott Hazelgrove's richly anecdotal "Dead Air" is the story of Welles's landmark October 1938 radio broadcast and the nationwide panic that resulted. Welles's "you are there" adaptation, crafted to imitate a breaking-news bulletin, sent a tremor of panic into listeners across the country who believed it to be a real report of a flying-saucer

invasion. Mr. Hazelgrove has scoured regional newspapers of the time to provide a ground-level view of the hysteria that Welles's radio drama instilled—on the night before Halloween, no less. According to "Dead Air," police switchboards lighted up across the nation; in Indiana, a woman ran into a church screaming: "New York has been destroyed! It's the end of the world!"

At a Harlem police station, "thirty people arrived with all their possessions packed and told officers they were ready to be evacuated." In New Jersey, where the fictional invasion was supposedly taking place, some listeners loaded up their cars and took to the road.

Mr. Hazelgrove has provided a granular history of this landmark in fake news, placing us inside CBS's Studio One, where Welles orchestrated every detail to his exacting standards, then outside the studio doors, where confusion reigned until media stories of the stunt set minds at ease.

Welles, for his part, worried that his budding career was over; he spent the days after the broadcast pondering potential jail time and lawsuits. The young auteur was widely censured for his dangerous gambit; an FCC investigation was floated but came to nothing. Hollywood was paying attention, however. Almost three years later, "Citizen Kane" was released, and Welles's legendary career in film had begun.

*Mr. Weingarten is the author of "Thirsty: William Mulholland, California Water, and the Real Chinatown."*



## BOOKS

'If you tried to give rock and roll another name, you might call it "Chuck Berry." ' —JOHN LENNON

# A Little Head Space

## We All Shine On: John, Yoko, & Me

By Elliot Mintz  
Dutton, 304 pages, \$32

## Mind Games

By John Lennon and Yoko Ono  
Thames & Hudson, 288 pages, \$60

By WESLEY STACE

**I**T WAS twenty years ago today," they sang. Now, it's 50. We are basking in a golden age for golden anniversaries.

The Beatles have led the field in the semicentennial celebrations, as surely as they once called the tune musically. While the bookshelves of our forebears were stuffed with encyclopedias and thick Leon Uris novels, ours buckle beneath "Sgt. Pepper's Lonely Hearts Club Band: 50th Anniversary Edition" (2017) and equivalent heavyweight reissues of the "The Beatles" (2018) and "Abbey Road" (2019). Each boasts glistering inducements—studio outtakes, documentaries, remixes in 5.1 surround sound (or the equivalent current blue-chip aural experience): golden eggs laid on these golden jubilees.

The calendar now informs us that John Lennon's 1973 album "Mind Games" has joined the half-century set. The album—which received its own deluxe-edition reissue this year—now stands at the intersection of Elliot Mintz's memoir "We All Shine On" and "Mind Games," a coffee-table book "by John Lennon and Yoko Ono," that offers "the definitive exploration... of the writing, recording, and release of John Lennon's celebrated and magical fourth solo album."

I had not twigged that "Mind Games" was either particularly celebrated or particularly magical, despite being thought more palatable than its predecessor, the pointedly political and ramshackle "Some Time in New York City." In a recent survey, conducted all over America by this writer, no casual listener could name another song on "Mind Games" beyond the title track. It was the solitary single, a tune that, in its original iteration—then called "Make Love Not War"—had been kicking around since Beatles days.

Despite our current negative association with the phrase, Lennon's "mind games"—the phrase was taken from the title of a 1972 book dedicated to "brain training"—projected a brighter future, as exemplified by a press conference announced on April Fool's Day at which Yoko and John unveiled the creation of an imaginary country, Nutopia, to which anyone could gain citizenship merely by declaring an intention to join—presumably a comment on Lennon's own problematic immigration status. The "Nutopian International Anthem" is one of the tracks on the album: three seconds of Cageian silence (which sound the same however you mix them). The extravagant and entirely persuasive reissue of the record also contains "an individually numbered Citizen of Nutopia ID Card," although if I am to belong to a conceptual country I'd prefer to have a name. Yoko admits in her 82-word preface (unmistakably from her own pen) that "people didn't quite get the message because this was before its time" but declares, optimistically if conditionally: "Now, people would understand it."

Released a week after the Watergate scandal's Saturday Night Massacre, the album "Mind Games" came at a time of instability, for the couple and for the nation: It was President Nixon's FBI that had Lennon under active surveillance while seeking his deportation. Back at



DOUBLE FANTASY John Lennon and Yoko Ono in 1971.

home, Yoko had thrown John out between the rehearsals and recording, hooking him up with their assistant, May Pang, and packing them off together to Los Angeles for Lennon's legendary Lost Weekend.

The display-for-the-guests-size "Mind Games" book delineates (and illustrates with plentiful photos) life with the Lenons in full flux. It is an unflinching, perhaps definitive, first-hand portrait of the years following their arrival in New York City, effortlessly making the case that the madness, the politics, the paranoia and the genius were all of a piece. In these pages, the mystical claptrap—the tarot, numerology, the I Ching, the library of esoterica, the weird health kicks—goes hand-in-hand with sincere political engagement (a "freedom rally" in Ann Arbor, Mich.; the NOW International Feminist Planning Conference at Harvard Divinity School in Cambridge, Mass.) confrontations with the authorities, and of course the challenges that come with the writing of songs. We experience the album's creation (the least thrilling section) and feel the safe haven of the couple's new accommodations at the Dakota apartment building in Manhattan (including detailed architectural blueprints, if you'd like to plan a heist). Here be the Lenons: in three dimensions.

Lennon's death is a tale for a later reissue.

That tragedy is amply handled by Elliot Mintz in his immodestly titled "We All Shine On: John, Yoko and Me"—just call it "The Ballad of John and Yoko and Me" and have done with it!—a memoir that begins and ends with Mr. Mintz holding Lennon's eyeglasses in the Dakota as he takes posthumous inventory of Lennon's possessions. The glasses are not bloodied, as they are on the cover of Yoko's

"Season of Glass" album (1981), but the effect is just as brutal, by design.

Mr. Mintz was a Los Angeles radio broadcaster who became Ono's friend after interviewing her in 1971, then Lennon's, subsequently a mutual confidant to both, becoming their de facto factotum and graduating to spokesman for the estate on Lennon's death, before becoming a media consultant and press agent for, among others, that symbol of manufactured celebrity, Paris Hilton. Whereas "everyone who met John

to a girlfriend over dinner but realizes that the magic "couldn't be recreated as a party of four." Bye-bye, girlfriend.

Mr. Mintz himself is at a loss to explain why he put up with it all, but despite his bewilderment (and the odd humblebrag: "Much to my horror, I awoke one day to discover that I had been transformed into a TV personality"), it is crystal clear that celebrity makes him tick. This is not to deny that the writer was a valued component of the Lenons' life, that the tragedy of John's death affected him deeply, or that he has been of great service to Ono and the estate; only to note that the book's lack of nuance scarcely conveys any of it—let alone those complex scripted mind games. The death of Sal Mineo, another friend ("I saw [his] dead body under a yellow tarp outside his apartment building in West Hollywood"), is told more effectively. He generally does well, however, in keeping the focus on the Lenons and himself, and away from his larger clientele.

"We All Shine On" feels a little belated—certain of the stories have been told too often—and one wonders what Mr. Mintz was waiting for. The evident sincerity of his pain flounders among goofy lyrical quotes, cliffhanger chapter endings, and bathetic musings—back to those symbolic eyeglasses: "Perhaps [Lennon's] blurry view of the world allowed him to see the universe with a lucidity that eluded better-sighted mortals." Perhaps 20/20 vision is too much to hope for from someone who was so dazzled by the Lenons' brilliance. John and Yoko shine; Mr. Mintz reflects.

Mr. Stace is a novelist, a singer-songwriter and the master of ceremonies of Wesley Stace's Cabinet of Wonders.

## With the album 'Mind Games,' John Lennon and Yoko Ono offered listeners citizenship to Nutopia.

and Yoko saw them as 'John and Yoko,' they could be themselves with Mr. Mintz because his job had made him "fame-blind."

"We are very careful of who we trust... just keep us your secret," Yoko whispers ominously at their first in-person meeting in a house in Ojai, Calif., that the Lenons are convinced is bugged: The conversation takes place in a bathroom with the faucet on. Stockholm Syndrome advances until Mr. Mintz believes "in a sense, that I was married to John and Yoko." It proves an occasionally corrosive union—demands, verbal abuse, "complex dramas... scripted for the three of us"—as the Lenons monopolize Mr.

Mintz, all of which he finds necessary to keep secret from everyone in his "real" life, per Yoko's injunction. There's a particularly sad scene where Mr. Mintz tries to introduce them

# The Montreal Plot



**ARMAND GAMACHE**, the head of homicide for the Sûreté du Québec and the hero of Louise Penny's long-running series, returns in "**The Grey Wolf**" (Minotaur, 432 pages, \$30).

The French-Canadian detective's latest case begins when a jacket is stolen from his Montreal apartment and delivered anonymously to his office. Inside one of the pockets, he finds a note requesting a meeting at his favorite cafe. Gamache obliges, accompanied by a concealed surveillance team.

An anxious young man named Charles sits down at Gamache's table and says that the Sûreté has been compromised by a betrayer he cannot name. At the end of this unsatisfying talk, Charles walks outside and is killed (intentionally, Gamache is sure) by a hit-and-run driver.

Charles, the police later learn, was a marine biologist who worked with an activist organization. Gamache deduces the dead man knew of a plan to poison Montreal's water system. Then the hit-and-run driver's corpse is found; he's identified as an Italian who entered Canada illegally and seems to have been imported as a hit man by local organized crime. "We've gone

from an environmental group, to international terrorists, to the Montréal mafia," Gamache exclaims. "What next? The National Hockey League?"

Gamache's investigation takes him and his team to government offices in Ottawa, clerical archives in the Vatican and beyond—all in the hope of thwarting a global conspiracy endangering tens of thousands of lives. Foiling this sinister plan rests on the actions of a fallible group of mortals who must choose between good and evil, action and inaction, courage and cowardice. The motto on Gamache's office wall helpfully reminds: "Be not afraid."

Paula Hawkins's intricately constructed "**The Blue Hour**" (Mariner, 320 pages, \$30) centers on Vanessa Chapman, a painter and sculptor who's been dead for five years. For Vanessa, art was a sort of religion, a rather spooky one. She lived and worked in seclusion on a small Scottish island, gave no interviews and drew inspiration for her enigmatic works from the violent landscape. Vanessa's philandering husband, from whom she'd been separated, went missing after a visit to the island, his body never found.

Grace Haswell, the prickly neighbor who looked after Vanessa in her final years and now serves as the executor of her will, has yet to compile a definitive catalog of the artist's existing works and papers. The foundation overseeing Vanessa's estate

### THIS WEEK

**The Grey Wolf**  
By Louise Penny

**The Blue Hour**  
By Paula Hawkins

**What Time the Sexton's Spade Doth Rust**  
By Alan Bradley

suspects Grace of theft and sends the curator James Becker to lay down the law.

Matters are complicated by news that London's Tate Modern has withdrawn a piece by Vanessa from exhibition. It seems that "Division II," a sculptural collage, contains not a deer rib (as officially described) but a human one. Might this "found object" be part of the remains of Vanessa's husband? "You have to learn," the artist once said, "to let go of what went before. To let

go of the past." But on Vanessa's island, James finds that traces of the past are omnipresent.

Ms. Hawkins tells her multifaceted, constantly surprising story through an assemblage of prose segments—diary entries, newspaper features, events as recalled from different points of view. What emerges from this asymmetrical approach is a tale as dark and compelling as the works produced by Vanessa, a woman who had a defining effect on all who dared to come close.

"I would be the first to admit that I'm not what you would call a conventional girl," says the brilliant adolescent Flavia de Luce, who makes her latest appearance in Alan Bradley's "**What Time the Sexton's Spade Doth Rust**" (Bantam, 320 pages, \$28). Both of Flavia's parents have died, though she continues to live with her sisters at the family's rundown estate in rural England circa 1952. A chemistry prodigy, she is happiest "alone among the glass flasks" in her private laboratory in a far wing of the house.

There she makes tea with a beaker and a Bunsen burner and fills idle moments by reciting the periodic table of elements in her head. For meditation, she finds "nothing is more deeply refresh-

ing than to huddle under a bumblebee in the rain and the raw fog of a country graveyard."

The graveyard population grows when Flavia's neighbor, Maj. Greyleigh, a former hangman, dies over a breakfast prepared for him by Mrs. Mullet, the de Luce family cook. Breakfast was poisoned, Flavia confirms; Mrs. Mullet becomes the prime suspect. Determined to save the cook from the noose, Flavia and her father's former business partner, with whom she has formed the agency "Arthur W. Dogger & Associates, Discreet Investigations," agree to take on the case.

It turns out there's more to Mrs. Mullet's past than anyone realized. She was once a member of a top-secret, government-affiliated, special-ops group—as was the hangman, as were both of Flavia's parents. What is Flavia to make of all this shocking information? "I was in over my head," she admits. Watching Flavia grow emotionally is one of the keener pleasures of Mr. Bradley's inimitable series. Her ego remains undimmed ("It is not always easy being blessed with a superior brain"), but she keeps getting better at working with (and for) others to ensure that justice is delivered.

## BOOKS

'They who dream by day are cognizant of many things which escape those who dream only by night.' —EDGAR ALLAN POE



JON REINFURT

# The Sounds of Troubled Spirits

BY MEGHAN COX GURDON

**S**KELETONS rise outside suburban houses. Monstrous webs stretch across ornamental bushes. As Halloween approaches, otherwise well-adjusted citizens are decorating their homes with tokens of death and decay—and in the process evoking the liminal space that separates the safe sanity of ordinary life from the mad horrors that may lurk beyond our view.

Listening to a good spooky story puts you in that liminal space. You can't glance ahead for relief but instead must allow yourself to be marched word by word toward whatever ghastly revelation the author has in store for you. In this, you become like the luckless victim in Edgar Allan Poe's 1846 story "The Cask of Amontillado."

Read with rhythmic formality by Philippe Duquenoy (**A.R.N. Publications, 2018**), this classic tale of hatred and revenge unfolds with grim inexorability as its narrator leads a trusting, drunken friend ever deeper into a sinister wine cellar. He has lured the friend with the promise of tasting a rare sherry, but his intentions are grisly. And as the story moves to its climax, the listener does well to ask which is more frightening: the fate of the inebriate or the gap between one man's malice and another's lack of guile.

There's a gap of this sort in Henry James's 1898 ghost story "The Turn of the Screw," which tells of a governess who may or may not be seeing ghosts and whose orphaned charges may or may not be in league with the specters.

Performing the role of the governess, Emma Thompson (**Audible Studios, 2016**) masterfully conjures the inexperienced young woman's suggestible nature, bringing out with subtle inflections of her voice the character's compunctions

and egotisms. As the narrative unfolds, the governess has begun to harbor lurid ideas about the children when she beholds what she takes to be two apparitions. For the 21st-century auditor, a ghost may be less upsetting than a woman suspecting evil motives in the children who love and trust her.

In one of the most chilling scenes, little golden-haired Flora is happily playing when the governess suddenly imagines that the girl is faking, playing with extra self-consciousness, to cover up her awareness of the presence of a ghost. The appalled listener wants to cry out—no, she's an innocent child!—but of course the governess can't hear. No character in a story will step back from the brink, however much we warn them.

Few writers have so brilliantly interleaved quotidian reality with the dark supernatural as Shirley Jackson does in "The Haunting of Hill House," a 1959 novel that never fails to alarm. Bernadette Dunne's excellent reading (**Blackstone Audio, 2010**) is restrained yet expressive. With small adjustments in her voice, she skillfully speaks for different members of a research party who move one summer into a manse maintained by caretakers who dare not stay after dark.

We follow events from the perspective of Eleanor Vance, a sheltered young woman who, like the governess in the Henry James story, seems psychologically stunted. The object of the group's research, led by Dr. John Montague, is to document paranormal activity. The setting is intensely unsettling: The rooms in Hill House don't make sense, and every measurement is off-kilter, so that nothing feels right or good.

In her reading, Ms. Dunne does justice to the growing double-consciousness of Eleanor, who is as frightened as everyone else at times but at

others strangely elated. The listener can only gape, skin crawling, as Eleanor becomes more and more deeply attached to Hill House. The novel opens and closes with a thought whose meaning is freakishly altered the second time we hear it: "Silence lay steadily against the wood and stone of Hill House, and whatever walked there, walked alone."

Stephen King uses Jackson's line as an epigraph for his 1975 thriller "Salem's Lot," which depicts a vampire's bloody conquest of a blue-

In "Ice Cold Lemonade 25¢ Haunted House Tour: 1 Per Person," Graham Halstead ably summons a man reflecting on the mistakes and miseries of his earlier years after he comes across a ghoul drawing from middle school. In "The Dead Thing," Jorjeana Marie evokes the bravado and distress of a seventh-grade girl living in family squalor. The source of the uncanny in Mr. Tremblay's stories here tends to be less metaphysical than psychic: sorrows and vanities and malign impulses, along with fears—of the dark, of the truth, of what might be causing that unexpected footstep overhead.

Fear and dread are soaked into almost every page of Bram Stoker's "Dracula," the 1897 horror story that launched a million nightmares. Received through the ear, as it were, rather than the eye, the book's epistolary pages translate into hours of unremitting tension. Mark Gatiss does a superb solo narration of the novel (**Penguin Audio, 2020**) that runs 17 hours, 34 minutes.

Listeners partial to ensemble readings may prefer the version (**Audible Studios, 2012**) with Simon Vance as Jonathan Harker, the young lawyer who travels to Transylvania and whose awakening to the nature of his aristocratic client represents one of literature's finest depictions of dawning terror. In this group effort, which runs 15 hours, 27 minutes, Katy Kellgren reads the part of Jonathan's beloved Mina; Tim Curry narrates the role of the vampire hunter, Van Helsing; and Alan Cumming plays Dr. Seward, who runs the lunatic asylum in England where a pitiful inmate awaits the arrival from Transylvania of his vampire "master."

*Mrs. Gurdon, a Journal contributor, is the author of "The Enchanted Hour: The Miraculous Power of Reading Aloud in the Age of Distraction."*

## Spooky Tales for Any Taste



SCIENCE FICTION &amp; FANTASY

LIZ BRASWELL

Jacobi's dark visions first appeared in the pages of *Weird Tales*.

**AS THE DAYS** shorten to shadows of their former selves, a reader's mind turns to things that lurk in the darkness. **"Revelations in Black"** (*Valancourt, 306 pages, \$39.99*) has plenty. This is a collection for the horror traditionalist, someone who loves old-fashioned stories about ghosts and ghouls and the unexplained. Carl Jacobi (1908-1997) is an often-forgotten member of the pulp-writing scene from the 1930s and '40s who wrote alongside more familiar names like August Derleth and H.P. Lovecraft. Jacobi's work, much of it originally published in *Weird Tales* magazine, is now available in this reprint of his 1947 anthology.

The titular story is one of his best known; it's a classic tale about vampires and those they prey on, written decades before sparkly vampires appeared in "Twilight" and the genre became jejune. Like most of Jacobi's horror stories, it is satisfying, strikingly visual and evocative. It also added something new (at the time) to the trope: in this case, the idea that books can somehow trap vampires—and also trap their potential prey.

The rest of these stories cover a range of creatures and environs,

from frightening freshwater sirens to beautiful and carnivorous butterflies that haunt dank marshes (they flutter about ominously in "Mive," another of his most famous stories). The only real problem for a contemporary reader—besides some antiquated terms—is the tendency of post-Victorian heroes to be mysteriously compelled to do things against their wills, unable to resist strange desires. (There is also far more fainting than is publicly acceptable in 2024.) But when the author sticks to satanic pianos and haunted walking canes his yarns never fail to satisfy. A good book to keep on your shelf when you have a yen for an old-fashioned scare.

**"Haunt Sweet Home"** (*Tor-dotcom, 176 pages, \$20.99*), by Sarah Pinsker, has spooky trapplings but absolutely no scares. Ms. Pinsker has won the Hugo, Nebula and Philip K. Dick awards; she is an old pro and an excellent teller of tales.

The chief character, Mara, is treading water, unable to find a career or to finish school. Everyone else in her family is highly skilled in something enviable: Her father plays the fiddle and her grandmother carves wood. All her cousins are successful to

varying degrees and at the top is Jeremy, who hosts a home-renovation television show with a twist: The houses are haunted. He gets Mara a job as a production assistant on the series; her main duty is to make sure the homes are haunted. She quickly learns

### THIS WEEK

#### Revelations in Black

By Carl Jacobi

#### Haunt Sweet Home

By Sarah Pinsker

#### The Night Guest

By Hildur Knútsdóttir

how to produce the scary noises, roll out the artificial fog and cause possessed objects to move around rooms, all to frighten the homeowners. One night she finds a dead tree in the orchard she is supposed to turn haunted and decides to try her hand at carving it as her grandmother would. Cue the actual spooks.

Mara and her family are fascinating and Ms. Pinsker has fun exploring how low-budget television shows are filmed and the way their crew members work (or don't). The book only dis-

points in its ending: A main character comes to terms with who she is, thanks to the help of a magical being who may or may not be real. Which is fine, but because of the season and promise of haunted houses, I wanted blood and frights, not personal growth. Call it Cozy Halloween Light.

Finally, for fans of modern

horror, Hildur Knútsdóttir's **"The**

**Night Guest"** (*Tor Nightfire, 208 pages, \$19.99*) has been

translated into English by Mary

Robinette Kowal, an author with four Hugos for her own writing.

Although the book is set in Reykjavik, the capital of Ms.

Knútsdóttir's native Iceland, it is

not Nordic noir, a genre that usually involves murky police procedurals in Northern European

countries. **"The Night Guest"** is

instead a tight, sharply told, bare-

bones story about a woman who

wakes up every morning

exhausted, then battered and

bruised—and then with blood

under her nails.

Iðunn has trouble sleeping, but

the doctors dismiss her worries,

prescribe sleeping pills and tell

her to exercise more. Her mun-

dane life in the city is sad: She

gets a pedometer, has uncomfor-

table dinners with her parents,

works at a nondescript desk job and hasn't been particularly lucky in love (she just ended an affair with a married man). But cracks in her already-gray world are growing and start to connect like those in a shattered windowpane.

Iðunn's older sister (who drowned in the harbor years ago) was crueler than anyone knew, but the family expects Iðunn to fill her empty shoes—she even winds up dating one of her sister's exes. Her own ex-boyfriend turns out to be psychotically furious at being dumped. The cats in the neighborhood, whom she loves so much, start to go missing. When her new pedometer reveals that she walked more than 40,000 steps one night, the countdown begins: What does Iðunn do when she's asleep, and where does she go?

While its pace is brisk, **"The Night Guest"** sometimes can be a little too bare-bones. The reader is left to wonder about the dead sister's incipient sadism: Did it develop beyond just tormenting family members? But Ms. Knútsdóttir has created a perfect ending: stark and mysterious, inevitable but also inexplicable. You can speed through this book in a single spooky night and be satisfied with the chills it leaves behind.



## REVIEW

**S**tanley Tucci had never directed a movie before "Big Night," his 1996 film about two Italian immigrant brothers struggling to make their restaurant a success. He'd certainly never run a food business. But the project was a critical success and caught the attention of restaurateurs.

"I'd walk into a restaurant and people would be like, 'Oh, you made that movie. You told my story,'" said Tucci, 63. Owners started inviting him to dine, and through those meals and conversations, he fell in love with the food industry.

Now, he's become an institution within it, publishing cookbooks, hosting a TV series about Italian cuisine and writing a memoir, "Taste: My Life Through Food." His new book, "What I Ate in One Year (and Related Thoughts)," is a diaristic catalog of his meals, family life, filming schedule and meditations on mortality.

"What you realize when you write something like this is how connected everything is in your life," Tucci said. "As you write about really simple things you take for granted, they conjure up memories that you didn't know you had and insights you didn't know that you could make. It unleashes fears, anxieties, loves, hopes."

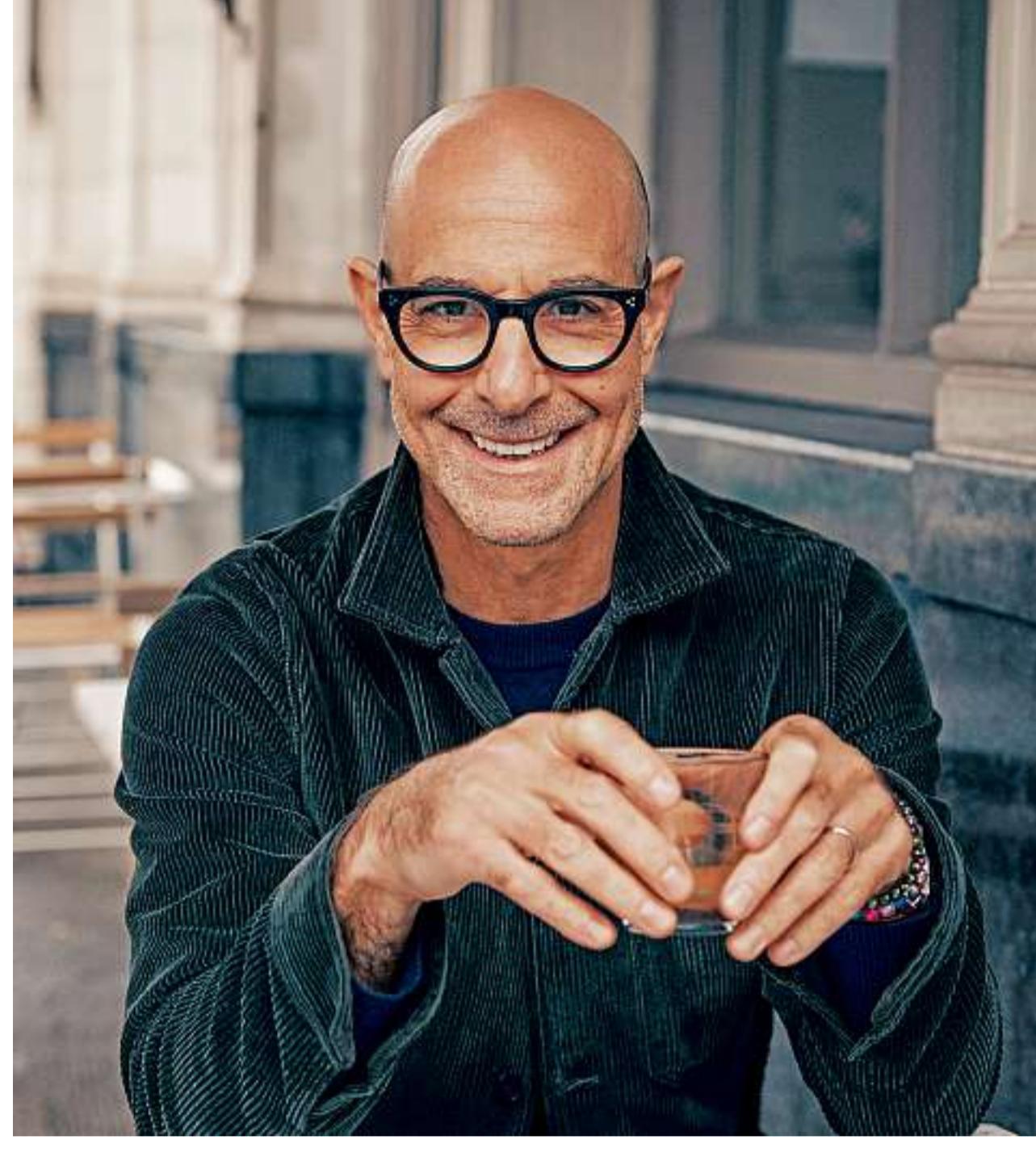
Tucci lives in London with his wife, Felicity Blunt, and their kids, Matteo, 9, and Emilia, 6. He also has twins Isabel and Nicolo, 24, and Camilla, 21. Here, he discusses his upcoming movie "Conclave," a misconception about his résumé and the restaurant he'd love to open someday.

**In the book, you write, "The hardest part of being an actor is finding that family/work balance." Have you gotten better at this?**

A lot of people at this age are sort of going, 'I think I'm going to retire.' I'm doing the opposite. At the same time, I still want to be very hands-on. Today, I spent a while trying to fix a drain in my house. I love to clean the kitchen. I put the kids to bed. I like to make dinner for them.

**You write lovingly about your favorite foods: pasta, eggs, soup. Is there any food or ingredient you can't stand?**

Cilantro. And I don't have a sweet tooth. It's kind of gross to me. Someone's like, "We're making this incredible dessert." I don't really care.



MY MONDAY MORNING | BY LANE FLORSHEIM

## Stanley Tucci Doesn't Think Sweatpants Should Be Worn in Public

The actor and author of the new book 'What I Ate in One Year' talks about the one ingredient he can't stand and 'The Devil Wears Prada' sequel rumors.

**Would you ever open your own restaurant?**

I want to, and then my wife looks at me like I'm an idiot. It would be very small and seasonal, practically no menu. Wine on tap. Brown paper on the tables, like an osteria. Like 10 tables. That's it.

**You're playing a cardinal in the upcoming movie "Conclave." How were the robes?**

I wouldn't choose to wear them, let's say that. You're wearing many layers. So you always had to have

somebody help you dress like a child. But they were beautifully designed. They were much nicer than the robes that the cardinals actually wear.

**There are rumors of a "Devil Wears Prada" sequel. Will you be returning for it?**

I can say that yes, there are rumors. That's all.

**What are your fondest memories from that role and movie?**

Well, I met Emily [Blunt] and she's

now my sister-in-law, and that's great and weird. I remember being quite nervous when I started. They were already filming when I was cast, and I had no time to prepare. But then the last day of filming, I finished and I didn't want to leave. That never happens. I was like, "I can do more scenes if you want. Just write something and do it." I had the best f-ing time on that movie.

**What do you consider the secret to a happy marriage?**

Don't marry me, that's the secret. No, I think communication, which I'm getting better at.

**You write that adults dress too casually these days. What's your least favorite thing to see a grown person wearing?**

A T-shirt emblazoned with some sort of weird saying or image. Shorts that don't fit properly. Sweatpants. Not just like, "Oh, I've been running, and now I'm just going to stop at the store." You haven't been running. You just wear sweatpants because you don't want to wear pants. I sound like such a snob, but I'm sorry, just put on a pair of pants, wear a belt, get a nice pair of shoes.

**I read that early in your career, you were a model—Oh, my God, a model? Are you kidding? I did a Levi's commercial, that's it.**

**What are your most prized possessions?**

One is a watch that my late wife gave me before the twins were born, which says, "To Dad. Love, A and B." We didn't have names for them, so we called them A and B. I have a tie that belonged to my father that I love. And this could sound funny, but I have a big cleaver that my grandfather made that he used when he went hunting. When they caught a deer, they would break down the deer with that.

**Are there any food trends you can't stand?**

People taking pictures of food to excess. Oh, stop it. Just eat it.

**Are there things you do to cultivate your creativity and imagination?**

When I can take the time to just sit and look at a landscape or something. Even just sitting in a cafe and looking at a building or at the same street for a while, it helps you see. The more you look at the same thing, the more

you're able to see the depth of that thing and the things around it. It's OK to look at the same thing over and over again. It's OK to draw the same thing over and over again. If you look at artists over the centuries, Giacometti did, Morandi did.

**What's one piece of advice you've gotten that's guided you?**

Go beyond what's comfortable.

*This interview has been edited and condensed for clarity.*

MATT HOLYOAK/CAMERA PRESS/REDUX

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Can Fringe Ever Be Mainstream?  
Boho chic is peaking again  
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The new golden age of hotel restaurants **D8**



# Crunching the Kitchen Numbers

What takes the biggest bite out of a cook-space remodeling budget? And where can you carve out some savings? We break down three kitchen renovations, costing from \$64K to \$226K, and find the splurges and cutbacks. Would you have made these choices?

**WHAT A \$150,000 KITCHEN REMODELING LOOKS LIKE**  
See 'before,' at right.



**BEFORE**



BY ANTONIA VAN DER MEER

**T**HE kitchen might be the heartwarming center of the home, but calculating the cost of remodeling it can quicken your ticker, especially when you consider return on investment. Home-construction research firm Zonda estimates you'll recoup about 96% of a \$27,000 renovation that replaces cabinet fronts, range, fridge and flooring. But the more you spend, the less you'll ever see again. A major upscale remodeling, which averages about \$159,000, will return only about 38% when you sell, says the research.

A reasonable \$339 sink reads high-end in a black composite.

But are you really looking to flip your house? Most people aren't, says Todd Tomalak, a principal at Zonda. He reports that people are staying in their homes twice as long today as they were 25 years ago. "Now they are more focused on the durability of the product and how much they will like it," he said.

The homeowners behind the three high-end projects featured here fit that profile, and spent from \$64,000 to \$226,000 getting what they wanted. Here's where the money went.

**A Reuse Boost: \$150,000**  
As Lisa Schwert considered renovating her 1990s kitchen in Fairfield County, Conn. (left), she realized it had a lot going for it: a good layout, *Please turn to page D11*

## Inside

WOULD YOU PAY TOP DOLLAR FOR A 'TOP GUN' JACKET?  
Four investment options **D2**

THE RELUCTANT CAMPER  
Our writer tries to force herself to be an 'outdoorsy' person **D7**

TREATS SANS TRICKS  
Halloween cookies for grown-ups, none of them orange **D9**

THE WINE EVERYONE WELCOMES  
Need a gift? Grüner Veltliner reliably pleases crowds **D10**

L

# STYLE & FASHION



**ROSE WORTHY** A promotional photo for ABC's 'The Golden Bachelorette.' The 24 men, including those discussed below (identified), compete for the affections of bachelorette Joan Vassos, 61.

ABC/DSNEY/RICKY MIDDLETON

## Suave at 60-Plus

On 'The Golden Bachelorette,' older men dress for dates, not retirement. We asked them, and stylists, for tips. Spoilers ahead.

By JESSICA SALTER

**J**UST BECAUSE I'm in my 60s doesn't mean I want to start dressing like an old man," said Jonathan Rone, a shipping consultant from Oakland, Iowa. You might recognize this 61-year-old from ABC's seniors-focused spinoff "The Golden Bachelorette." Rone, who competitively flirted on-screen in floral party shirts and slim pants, sees no reason to dress much differently from the way he did in his 20s and 30s. He said he's determined to avoid "generic older gentleman" clothes like shapeless slacks and conservative shirts.

Part of the "Bachelor" dating reality-show franchise, "The Golden Bachelorette" sees 24 men aged between 57 and 69 vie for the affections of Joan Vassos, 61, the glamorous "bachelorette." The show debuted in mid September and is slated to end in November.

Older men looking to sharpen up their wardrobes—and sidestep the traps of "old man" style—can find sartorial inspiration here. These 24 guys are dressed for dates, not retirement. Consider the show's promotional group photo (above), for which the men were styled to enhance their natu-

ral way of dressing, according to a show spokesperson. Plenty of the outfits would look at home in a swanky bar. Fine crew-necks, on-trend polos, cable-knit sweaters and sleek suede jackets play supporting roles—with no grandpa sweats in sight. (The men weren't styled for the actual TV episodes.)

To boil it all down to a series of guidelines your average silver fox can adopt, we

consulted with style pros and a handful of contestants (who, despite their snappy dressing, have since been eliminated).

### Don't dress sloppily

Leave the thrown-together look to young libertines. "You need to up your game when you get a bit older," said Rone, who ensures even his casual clothes get neatly pressed. Fellow contestant Mark Anderson, 57, an army vet from Leesville, La., said he would never leave the house in just a tee—"too casual"—so he typically adds an overshirt. In the photo above, he relies on a risk-free tonal look, pairing a white tee (by James Perse) with a cream band-collar shirt (by Brunello Cucinelli). Eric Down, a London stylist, might change one thing. He generally feels that men should tuck in their tee

when layering a shirt over it. Wearing both untucked can sometimes look messy.

Michael Fisher, a celebrity stylist in New York whose clients include 68-year-old actor Bryan Cranston, suggests reaching for structured shirts. Skip the floppy linen styles, which can read unkempt on older guys, and grab ones with strong, face-framing collars, said Fisher, who likes designs from the brand Eton.

### Wear slimmer pants...

Though fun on the young, baggy pants look sloppy on older folks, said Fisher. Instead, he recommends slim—not skinny!—cuts across categories, from chinos to jeans (he likes Frame).

### ...But please not this combo

Down begs that older men avoid styling jeans with a suit blazer, an inexcusably dated look. Instead, he suggests copying Thomas Haughney's promo outfit (above): The firefighter, 62, combines jeans with a casual, textured-looking blazer. "Look for a thicker fabric like tweed or wool, and softer shoulders," said Down.

### Play with color (a little)

Pushing the color envelope discreetly lets men of a certain age look current with no cringe factor, said Fisher. "Older guys can have a tendency to play it too safe, and that can be aging," he said. Rather than defaulting to snoozy black, lean into warm gem tones like deeper greens, reds and purples, said Fisher. He finds these shades are often less harsh on older skin, which can be a bit duller.

Contestant Jack Lencioni, 68, a retired caterer and chef from Chicago, is no color scaredy cat. In one episode, he sported a Pepto-Bismol pink blazer.

"I was told by an ex-girlfriend that I suited pastels," Lencioni said. "I think it enhances my gray."

### WHO SAID 'OLD MAN'? / A SHARP, SILVER-FOX LOOK



1. Frame L'Homme Slim Jeans, \$208; 2. Grenson Sneaker, \$295; 3. Peregrine Clothing Hudson Aran Jumper, \$203; 4. Oliver Peoples N.02, \$499; 5. Eton Shirts Solid Twill Band Collar Shirt, \$270

### Embrace chunky knits

Rone loves a textured crew-neck sweater (see his Zegna cable knit, above). Fisher also finds turtlenecks elegant on older men—and praises the quietly trendy knit polo sported above by Charles King, 62, a portfolio manager.

### Stick to slim shoes

Many contestants favor low-profile sneakers and dressier kicks. This is for the best.

Slim soles look sleek, said Fisher, though if you're choosing rubber bases, he'd avoid anything "therapeutic"-looking. (Rone has tried bulky Hoka sneakers, but his feet looked "like boats.") For dress-shoes, Down suggests skipping the "standard" mid-brown and going for dark chocolate or oxblood. Just keep 'em clean, said Fisher. "Nothing kills an outfit quicker than beat-up shoes."



## Four Bombers for Four Budgets

Ruggedly handsome leather flight jackets are back, baby. How much are you prepared to invest?

**WITH ALMOST** military precision, the leather flight jacket has navigated back into the menswear trend cycle. Dating to 1917, the bomber was sported by WW1 and WW2 fighter pilots, who staved off high-altitude chills in sturdy designs. In recent months the classic, knit-cuff style has popped up on runways and red carpets (see: actors Daniel Craig and Sebastian Stan). Cockpit USA, the New York brand that has supplied the U.S. government with leather flight jackets since 1987, has seen sales grow by about 20% in the past year.

Since a leather bomber can get expensive, you'll want to invest wisely. We've cherry-picked four models at a range of prices, and highlighted their best assets.—Caitie Kelly

**1 | YOU WANT AUTHENTIC?** A snap-down collar keeps the neckline tidy, while armpit vents let the horsehide design

breathe. Go for brown. Cockpit USA, WWII Government Issue A-2 Flight Jacket, \$690

**2 | RUGGEDLY HANDSOME** From another historic U.S. brand, this dark-chocolate cowhide example has a **wool lining** and **removable shearling collar** that lets you calibrate just how "Top Gun" you look. Golden Bear Sportswear, The Carter Jacket, \$1,295

**3 | ABSURDLY LIGHT** Fine, supple sheepskin gives this one between-seasons versatility. A **curved back yoke** Westernizes the otherwise subdued model. Officine Générale, Conan Bomber, \$2,050

**4 | SUPER-LUXE** A teddy-bearish **lamb shearling collar** contrasts with black buffalo leather. Exaggerated **patch pockets** and **patterned cuffs** up the cool. The best fashion take we've seen. Bally, Aviator Jacket, \$3,820

## STYLE &amp; FASHION



MATT CHASE (ILLUSTRATION); GETTY IMAGES (7)

FASHION WITH A PAST / NANCY MACDONELL



## The Rhapsodic Roots Of Bohemian Style

**LITTLE DID** Elizabeth Siddal dream, as she reclined fully clothed in a tub in painter Sir John Everett Millais's London studio in the winter of 1852, that she would one day be a style icon.

The model was costumed as Ophelia, a favorite, if morbid, Pre-Raphaelite subject, floating dreamily to her death in a pseudo-medieval gown, her long, wavy hair streaming around her. The painting was recognized as a masterpiece. And its subject, although she didn't know it, became the proto boho babe.

Bohemian chic has reasserted itself this year thanks to a viral debut collection by Chemena Kamali for Chloé. The origin story that's typically trotted out focuses on 1960s and 1970s trendsetters such as Stevie Nicks and Talitha Getty. But when designers like J.J. Martin, Isabel Marant and Chloé's Kamali seed their collections with trailing scarves and diaphanous dresses, what they're really referencing is 19th century anti-fashion.

The Pre-Raphaelites took their aesthetic cues from the Romantic movement, which prized nature and revered the pre-industrial past, especially the Middle Ages. Siddal and other women in the circle pursued anachronistic style, rejecting corsets and petticoats for

loosely fitted dresses copied from the paintings of Botticelli, yet another enduring boho reference. Siddal and company were loudly and widely ridiculed, but their style became the de facto look of the creative woman who disdained the artifice of fashion.

Some thought this arty cosplay resembled the dress

**Quiet luxury fatigue has set in, and no wonder.**

of the Romani, believed to be from Bohemia in the Czech Republic. Hence, the moniker "bohemian." Later, the word was associated with the late-19th century Aesthetic movement, yet another art faction that fetishized the past. The nomenclature was inaccurate—the Romani originated in India—but the label and the conflation of anti-modern dress with free-spirited ideas held. Over the years, paisley and floral prints, fringe, embroidery and layered jewelry all joined the boho lexicon.

Famed fashion and textile designer Dame Zandra Rhodes, whose exuberant prints defined this look in the early 1970s, put it this way: "Boho chic is the re-

birth of the romantic fashion of the past."

In the early 20th century, the non-constrictive silhouette of bohemian garb influenced designers including Lucile, Paul Poiret and Jessie Franklin Turner, a New York-based couturier. And in the 1950s, French designer Madame Grès experimented with caftans and other non-Western garments that have become boho standards. But by and large, arty dress remained outside of fashion, the province of the weird and the eccentric, like vegetarianism or yoga. Until, that is, the hippies came along.

Just like the rebels before them, the hippies glamorized the past and scorned the materialistic present. But the hippie era was different: The power of the counterculture swept away once-sacrosanct societal rules, including ones that

had governed dressing. This cleared the way for the clothing industry to absorb the anti-fashion flower-child ethos, spiff it up, and offer it to the masses as Fashion. The ultimate seal of approval came in 1976, when Yves Saint Laurent debuted his Opéras-Ballets russes collection.

Boho chic's last major revival came in the early 2000s, a reaction to the minimalist designs of the 1990s. Its current renaissance springs from a similar shift. Quiet luxury fatigue has set in, and no wonder: For most people, the rather antiseptic restraint of a gray cashmere sweater does not translate into the kind of main-character energy that maximalists like Alessandro Michele, now flexing his creative powers at Valentino, can provide.

We're also being primed

for boho in less conscious ways. The destructive force of Hurricane Helene was just one recent reminder that the planet is in peril. Bohemian style, with its pro-nature, anti-tech ethos, might offer a sprig of hope. "It's uplifting and joyful

and expansive," says J.J. Martin of the type of vividly colored, wildly patterned clothing she designs.

"There's an idea that protective clothing needs to be dark and hard. But once you've got your joy garment on, you're protected."

### With a Little Help From My Friends

A short history of the women who made boho cool



#### 1851-1852

Ophelia was a favorite topic of Victorian artists, who portrayed Shakespeare's most emo heroine in medieval-meets-19th century garb, with enviable hair—still boho hallmarks. **Elizabeth Siddal** is the most famous Ophelia, captured here by Sir John Everett Millais in his seminal oil on canvas.

#### 1978

As one-fifth of the mega-rock band Fleetwood Mac (the inspiration for Daisy Jones and the Six), **Stevie Nicks** was the witchy woman of the 1970s. Now a septuagenarian, she's still sporting her signature layers of chiffon, velvet and lace; fingerless gloves; ponchos; and top hats.



#### 1987

Few do Earth Mother better than **Lisa Bonet**, a look she perfected back in the 1990s, when she and then-husband Lenny Kravitz were the most enviable couple in Hollywood. From her locks and nose ring to her velvet outerwear, Bonet is the master of laid-back Bohemianism.

#### 2003

Boho fans study **Kate Moss**'s 2003 festival style with an intensity once associated with Kremlinologists perusing May Day parade photos: Her Wellies worn with shorts, hipslung belts, bug-eye sunglasses and fur vests over ruffled blouses are still Pinterest board staples.



#### 2015

With her flame-red waves, penchant for bold colors, and fearless mixing of patterns and paillettes, the British-born **Florence Welch** is the maximalist's maximalist. Is it any wonder then-Gucci designer Alessandro Michele tapped her to star in the Gucci Bloom fragrance campaign?

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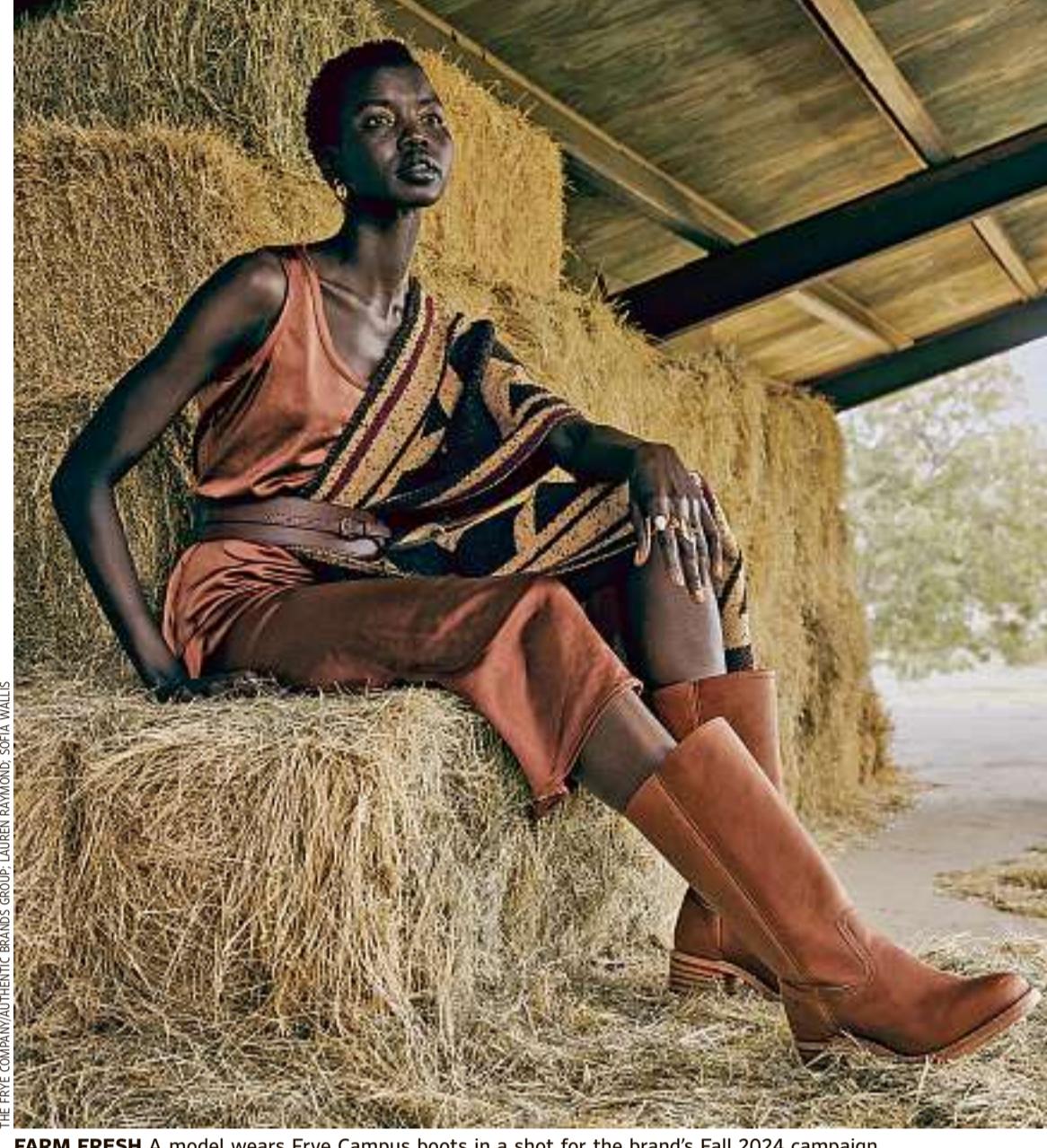
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## STYLE &amp; FASHION

# These Boots Are Made for TikTokin'

Social media has grown obsessed with decades-old styles from Frye, nearly doubling the brand's women's boot sales in the past year. But why?



**FARM FRESH** A model wears Frye Campus boots in a shot for the brand's Fall 2024 campaign.

By CHAVIE LIEBER

**K**ACE MOSES was browsing an estate sale near her home on California's Central Coast when she struck gold: a pair of vintage Frye boots, worth at least \$175, selling for \$20.

"I was singing praises to the Lord for 15 minutes," said Moses, a 22-year-old social media content creator in Pismo Beach. "Like, 'hallelujah, I cannot believe I found them!'"

The light brown leather was slightly faded, and technically the pair was a size too small. But she bought them anyway. Moses said she's happy to "squeeze on into 'em."

Gen Z shoppers like Moses have

been going crazy for Frye boots. Over the last few months, the heritage footwear company has developed grail-like status, especially its decades-old Campus and Harness styles, which both typically retail for \$498. Both are rugged boots with a square toe that speak to the recent surge in Western and motorcycle-inspired styles. They've gone in and out of fashion since their introduction in the 1960s. Now, they're decidedly in.

Sales of women's Frye boots are up 96% from October 2023 to October 2024, said Piera Onorati, senior vice president of merchandising at Authentic Brands Group (ABG), the licensing and brand development firm that owns the Frye Company. Sales at the brand—which also carries apparel, handbags and small leather



Sarah Wallis held on to her Campus boots from the 1970s.

goods—are up 35%, she said.

The Frye Company has been around since 1863, when the boots first came from one small leather shop in Marlboro, Mass. The brainchild of John A. Frye, the eponymous brand was one of the biggest footwear makers in the country, crafting custom pairs for Jackie Kennedy, Bing Crosby, and Barbra Streisand.

The brand's Harness boot was in style during the '60s and '70s, when its wide toe and heavy body appealed to housewives eager to step out of heels. This heritage is good news for young thrifters, who are among those leading the Frye resurgence.

Eagle-eye vintage hunters are spreading the word on social media, which has the power to make a snoozy fashion item explode in popularity.

Searches for "Frye boots" are up 277% in the last six months on Depop, according to the resale platform. On ThredUp, purchases of Frye boots increased by 24% this August compared to last August. Online searches for "Frye campus boots" were up 185% from July to October, according to Google Trends.

TikTok is now filled with clips of thrifters snapping up Frye boots. One video from June of a woman selling her Frye boots to pay for a plane ticket to visit her boyfriend has over 5 million views on the platform and over 1,800 comments (many from people who were angry that she would give up her boots).

Other viral clips online feature young shoppers thrilled to discover that their moms held on to their beloved Frye boots for decades—and are now willing to share them. Sofia Wallis, a 19-year-old vintage seller from upstate N.Y., likes to borrow her mom Sarah Wallis's Campus boots from the '70s, even though they're several sizes too big.

"If you like the boots enough, you will make them fit," she said.

With any fashion trend comes the inevitable hunt for the dupe. Some are claiming the \$268 pair from Free People are just as stylish; others vouch that a \$50 look-alike from Target is more cost-efficient than a pair of new Frye brand boots at Nordstrom or Neiman Marcus. On Google, searches for "Target Frye boots" are up 1,500% over the past month.

The moment marks a major step forward for the brand, which had faced setbacks in recent years. The Frye Company went through several ownership

changes in the late '90s and early aughts. Authentic Brands Group, which is known to buy distressed brands and has Brooks Brothers, Reebok, Sperry, Forever 21 and Barneys New York in its portfolio, bought Frye's IP in 2017. In 2020, Frye's 16 stores closed and the brand moved to primarily digital sales.

Onorati, at Authentic, said the brand started noticing more people searching for Frye Campus boots about a year ago. She credits the rise of Western fashion in the trend cycle. TV shows like "Yellowstone," Beyoncé's "Cowboy Carter" album and the micro-trend "coastal Cowgirl" all helped nudge shoppers to embrace Western hats and boots.

The brand also got a boost from singer Olivia Rodrigo, who has been spotted wearing Frye

boots out and about since the summer of 2023, pairing them with sundresses. Onorati said Frye did not pay for the star to wear the brand; a spokeswoman for Rodrigo confirmed this.

The brand has since been giving free Fryes to influencers to help keep the boots in the fast-moving trend cycle.

Vintage examples of the boots, though, are the ultimate grail for

**'A man is temporary, but Frye boots are forever,' according to one 23-year-old content creator.**

some shoppers, who say their quality is better. Historically, Frye boots used to be made in the U.S. ABG now licenses Frye's footwear business to Footwear Unlimited, which crafts and manufactures the products in Mexico and China.

But Lauren Raymond, a content creator in New York, bought a new pair from Nordstrom over the summer and said the leather is excellent.

"A man is temporary, but Frye boots are forever," Raymond, 23, said.

Brooke Locklin, a 22-year-old bartender in Phoenix, was devastated to learn that her mom had a pair of her own in the '90s, but donated them before Locklin was even born.

"I was like, 'Mom! People are paying hundreds of dollars for these boots,'" Locklin said. "She said she never thought they'd come back into style."

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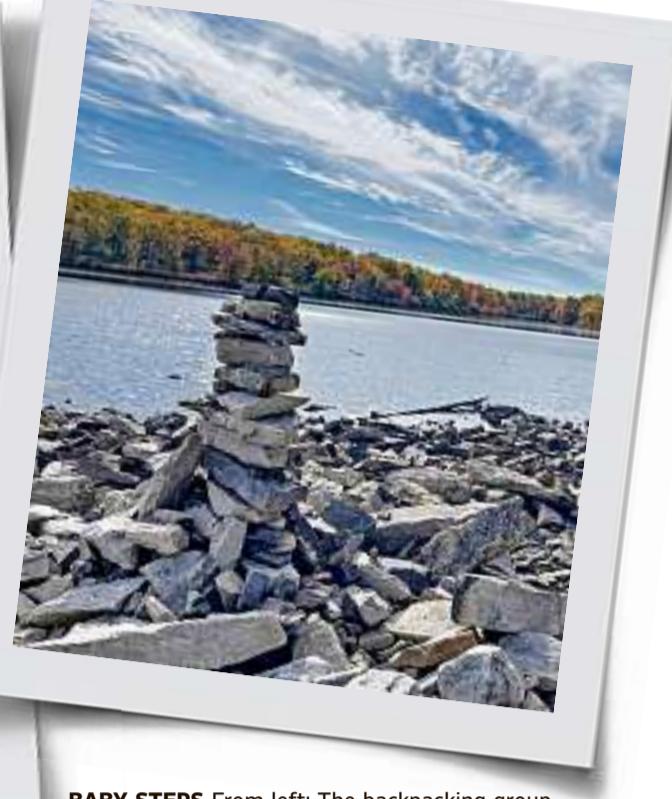
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# ADVENTURE & TRAVEL



**BABY STEPS** From left: The backpacking group sets off; a cairn on the shore of Sunfish Pond.

## A Beginner in The Backcountry

Can you learn to love the great outdoors? On a backpacking weekend in the New Jersey woods, our reluctant writer finds out.

By NINA MOLINA

**O**N A BRISK October morning, with 20 pounds of gear on my back, I trekked up a steep, rocky trail. With each step, I felt my throat constrict and my lungs heave.

As a city person, my idea of an invigorating activity is walking up a broken escalator. Maybe strolling to the library. Now, I was spending my weekend hiking 10 miles in

ing trips. I knew I'd need help. I'd found my mentors.

During our first phone call, Greg Fogarty, one of the group leaders, vetted my fitness. Asthma? Afraid so. Never camped? Check. "You'll be the newbiest of newbies," he said.

Fitness, Fogarty emphasized, mattered more than cramming YouTube tutorials on wilderness skills. "If you have the right gear, we can teach you how to use it." He recommended some beginner-level equipment (see "Gearing Up" below) and prescribed 4

geological feature in the Delaware Water Gap. An hour in, gasping for breath, I fell behind the group. Fogarty slowed down to join me.

"Look at the sky, the trees!" he implored me.

Wheezing, I stopped to crane my neck. Nature chose that moment to show off. The wind whistled, rustling the yellow canopy overhead. Continuing on, I made a point to stop and look around every few minutes.

After 3 hours, we reached our campsite, a grassy expanse so high up that the Delaware River looked like a fine blue thread below. Fogarty offered tent pointers. One of his chipper tips: Avoid setting up under "widowmakers," the unstable tree branches that could lead to your untimely demise. Snorers were instructed to pick a site far from others.

I ably pitched my own tent, having studied up beforehand, a confidence booster after a demoralizing morning. Sunfish Pond, formed by glacial retreat after the last ice age, was our only water source. Perched on boulders lining the shore, we filtered water into our bottles.

On the hike back to camp, I repeatedly lost my footing. Each time I slipped, my concerned hiking companion asked if I was OK. After the umpteenth time I fell, I stopped swearing—and she stopped asking.

Back at camp, I started a fire with nothing but flint sticks—another tiny triumph. I ate a dinner of rehydrated Pad Thai in a bag and then joined the others to roast s'mores, watch the stars blink and trade stories.

I had been warned that sleep could be elusive when camping, but I wasn't prepared for just how hard it would be. My cheap sleeping pad kept deflating, and my sleeping bag did little to keep the 38-degree air out. Around 2 a.m. I teared up in frustration. From that point on, I lay awake with my beanie pulled down to my chin.

Emerging from my tent into the misty morning, I felt my mood shift. Autumn seemed to have kicked in overnight and the leaves glowed. As I walked, I felt myself opening up to my hiking companions, sharing reflections about my life I wouldn't usually divulge to strangers.

Back at the trailhead where we started, Fogarty asked us what we were grateful for. I piped up about the vulnerable and funny conversations I'd enjoyed with fellow hikers—and the space to reflect. The forest and its temporary denizens, I en-

During our first phone call one of the hiking-group leaders vetted my fitness. Asthma? Afraid so. Never camped? Check.

two days along the Appalachian Trail's Kittatinny Ridge in New Jersey. Even more remarkable? I appeared to be enjoying myself.

This was an experiment. Growing up, my family's annual "hikes" in Illinois often left me weeping with exhaustion after only 2 miles. Decades later, I wondered, at the ripe age of 26, could I learn to love the outdoors? I decided to start in the deep end with this backpacking expedition.

Online searches had led me to the Appalachian Mountain Club (AMC), an outdoors organization founded in 1876, which offers free beginner backpack-

to 5 miles of walking a day. In the weeks leading up to my trip, I diligently walked 4 miles from Midtown to Chinatown after work—sometimes to

itself at the trailhead with my group near the Pennsylvania-New Jersey border. Setting off, I met Maria Ottinger, a 49-year-old English teacher from Philadelphia. She hadn't backpacked since her 20s, she explained, but loved the outdoors and rowed on a dragon-boat team made up of breast-cancer survivors. My insecurities intensified.

Together we navigated a stretch of *felsenmeer* ("sea of rock" in German), a common

### GEAR UP / THE EQUIPMENT I SHOULD HAVE BOUGHT



WAVE NECKLACE, 18K GOLD AND DIAMOND, \$109,500



A fledgling fire at the campsite high up on New Jersey's Kittatinny Ridge, above the Delaware River.

thused, had convinced me I was capable of much more than I thought possible.

Lisa Chou, the other group leader, didn't question my suspiciously transformed attitude or discount my philosophizing as the ramblings of a sleep-deprived city slicker. When walking in nature, she explained, the back and forth motion of your eyes quiets the amygdala, the part of the brain that processes threats and controls fear. In that zone, getting in tune with other emotions can also feel less scary.

So did the experiment work? Memories of that sleepless, freezing night might give me pause before I crawl into a tent again. But that doesn't mean I'm swearing off the woods completely. I returned to New York smelly and sore, but when I stepped off the bus into the din of Manhattan, I also felt oddly serene.

**MY STYLE IS MY SIGNATURE**

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## ADVENTURE &amp; TRAVEL

# Bed, Breakfast and Every Meal

Hotel restaurants' food is often written off as overpriced and low quality. Those critics aren't paying attention.



**CHECK-IN PLEASE** The dining room at Café Carmellini, the opulent (and delicious) restaurant at the Fifth Avenue Hotel, which opened last year in New York.

By KEVIN SINTUMUANG

**S**TAYING at a hotel for its restaurant might sound like an odd travel strategy, but these days not all hotel restaurants are created equal. Recently, I very deliberately spent a long weekend as a guest at the Henson, a new hotel in New York's Catskill Mountains. Though several distinctive inns exist in the area, I chose this one because I knew that, after a long day of exploring trails and antique shops, I could go eat at Matilda.

I'd heard about the hotel's new restaurant from chefs Jeremiah Stone and Fabián von Hauske Valtierra, the duo behind New York City's Wildair and Bar Contra, who specialize in the kind of inventive food I'd eat everyday if I could.

And because I was staying one flight of stairs up from Matilda, I did eat its food every day over that long weekend, from delicate prawns wrapped in shiso leaves to



Upstate New York's the Henson hosts the restaurant Matilda.

slow-grilled Amish chicken. Today, Matilda is not as rare as you might think.

For so long, hotel restaurants have doled out "elevated" mediocrity: Think a burger with a brioche bun or a club sandwich fanned up with avocado or a bland crudo. Well-intended Italian and Japanese options often feel like ways to pander to the most basic "international" tastes—and charge a hefty sum for it. But a new breed of

hotel restaurants like Matilda is proof that they can be more than a moneymaking scheme or an afterthought. They can be proper, chef-led restaurants that are destinations themselves.

That was the case when I visited Casa Susanna at Camptown Lodge in Leeds, N.Y., where chef Efrén Hernández is cooking some of the best Mexican food on the East Coast. After a dinner that consisted of a

squash-blossom tetela and mackerel al pastor, I ignored all the other places at which people had suggested I dine in the area and simply had lunch and dinner at Casa Susanna the next day, too. I wanted to try everything.

A good hotel restaurant can also be convenient. If you're a food-first traveler, planning for a vacation often means acting as your own dining concierge, compiling a list of places where you need to eat. When your hotel is home to one of those list-worthy restaurants, it's one fewer reservation to make. A hotel restaurant is as easy as just going downstairs to dinner, the way many of us did as children when our parents hollered that supper was ready.

Another plus to a popping hotel restaurant? Much like a great hotel bar, it can give a property a palatable soul, especially at a time when so many hotels conform to droll, corporate uniformity instead of adopting vibrant personalities. The Lafayette, in San Di-

ego's North Park neighborhood, exudes the energy of an adult-Disneyland thanks to its many bars and restaurants, including a 24-hour diner, a bar/bowling alley and a Mexican restaurant with an interior salvaged from an abandoned church. Try finding that in your average business hotel.

One key drawback: So many hotel restaurants, understandably, seem to aim for tourists, with innocuous decor that can feel more like an airport lounge than a neighborhood gathering place. The best ones, though, are just as beloved by locals as visitors. That's, at least in part, by design. "We want to create hotels that connect with people who actually live in our city, and the primary medium for that connection are the restaurant and bar spaces," said Arsalan Tafazoli, founder of CH Projects, which owns the Lafayette.

On the other side of the country, step into chef Andrew Carmellini's Café Carmellini on any given night and you'll feel like you're en-

tering a buzzing New York City institution. Well-dressed locals share plates of decadent duck tortellini and sip cocktails, and it's easy to forget the scene is attached to the Fifth Avenue Hotel, an elegantly maximalist property.

As at the Lafayette and other next-level hotels with restaurants, the hospitality weaves its way into all aspects of your stay. At the Fifth Avenue Hotel, if you're feeling crowd-shy, you can have one of the bartenders



A scallop dish from Casa Susanna in Leeds, N.Y.

Much like a great hotel bar, a quality hotel restaurant can give a property a palatable soul.

make you a proper Martini in your room.

At chef Tyler Akin's Bastia, the Mediterranean restaurant inside Philadelphia's new Anna & Bel hotel in the perpetually burgeoning Fishtown neighborhood, I quickly felt like a regular since hotel staff are quick to identify guests. "We are often moving through the same common areas throughout the day, so it feels perfectly natural to notice hotel guests and make their visit to the restaurant extra special," Akin said.

He points to other benefits, adding that it's not unusual for his staff to send welcome gifts to guests' rooms, including cookies or snacks the staff might know are a favorite.

How to decide whether the restaurant in your hotel is worth checking out? Generally speaking, boutique or independently owned hotels do better in the dining department than major chains. They seem to give chefs more deference and leeway when it comes to creating a proper, singular experience. Try to suss out if the local community frequents the restaurant or if it's just hotel guests eating out of convenience. Check the menu for a strong point of view—and scrutinize it for the usual suspects of so-so hotel restaurants. If you see overpriced truffle fries and a random selection of pastas, skip it.

## These Hotels Are to Dine For

From tiny inns to resorts, a cheat sheet for hotel restaurants worth a detour

**Bastia at Hotel Anna + Bel | Philadelphia** A Mediterranean restaurant at a hotel can feel like a cliché these days, but chef Tyler Akin's menu is filled with surprises like a hamachi collar with tomato caramel and skate cheeks with polenta.

**The Lafayette | San Diego** An adult pleasure palace and easily San Diego's coolest place to be, the hotel is also home to six restaurants and bars that cater to your every whim, whether it's a perfectly executed patty melt at the diner or flan at Quixote, a Mexican restaurant.

**Café Carmellini at the Fifth Avenue Hotel | New York City** A fun, glamorous restaurant that straddles the sensuous, buttery line between French and Italian cuisines with the same old-world, boutique charm of the hotel it calls home.

**Matilda at the Henson | Hensonville, N.Y.** With only 16 rooms, the Henson feels homier than most hotels, which makes dining at Matilda, whose menu celebrates the bounty of the Catskills, feel even more intimate.

**Casa Susanna at Camptown Lodge | Leeds, N.Y.** This collection of spruced-up cabins and a motor lodge could easily get by on burgers. Fortunately, it's also



**DINING OUT** Aquí Me Quedo offers al fresco meals at the Rosewood Mayakoba.

home to chef Efrén Hernández's take on soulful, personal Mexican cuisine.

**Shipwright's Daughter at Whaler's Inn | Mystic, Conn.** In an area where the lobster roll reigns, chef David



Bastia's twist on grapefruit and grapes.

Standridge does things differently, yet still keeps it local, with creative, sustainable seafood dishes like monkfish Wellington.

**The Tavern at the Inn at Mattei's Tavern, Auberge Resorts Collection | Los Olivos, Calif.** This quintessential tavern (which has been around since the late 1880s) in the Santa Ynez Valley embraces Californian cuisine, live fire cooking and ingredients from an on-site garden.

**Aquí Me Quedo, Rosewood Mayakoba | Riviera Maya, Mexico** Sometimes all you want when you're on the beach is a taco from a food truck, and that's what this beachside spot does with just the right amount of luxe. Don't miss the braised beef rib tacos or the soft shell crab burrito. The resort is also home to Zapote, one of the best cocktail bars you'll find in North America. —K. S.

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ROSEWOOD MAYAKOBA: GAB BONGHI

# EATING & DRINKING



SIMON BAADA/PHAIDON (COOKIES); PHAIDON (COVER); GETTY IMAGES (HONEY)

**TREATS ONLY** These Norwegian gingerbread diamonds offer an elegant upgrade on the ubiquitous pumpkin spice.

## Halloween for Grown-Ups

These cookies have all the spice the season calls for—and none of the orange food coloring

BY BEN MIMS

**W**HEN that distinctive shade of pumpkin orange starts coloring everything on grocery shelves, and scents of cinnamon, cloves and nutmeg waft through every bakery in town, it can only mean one thing: Fall is here. And though the pumpkin spice latte was invented in the 21st century, welcoming the season with specific spices and recipes is an ancient tradition. In my new book, "Crumbs," I feature several cookies that prove this point (along with 300 others from around the world).

Across Europe, many of the cookies traditionally as-

sociated with autumn were handed down from pagan celebrations of the harvest season and preparations for the dark days of winter ahead. Extravagantly spiced treats offered a jolt of flavor at a time of year when there was little freshness to be had. In the Christian tradition, All Souls' Day became a time to offer gifts of favorite treats to departed loved ones. Whole repertoires of edible offerings are associated with Mexican Día de los Muertos (Day of the Dead) and similar celebrations in other parts of Latin America.

In this tradition, I present here a few fall cookies with a little more sophistication and resonance than the fun-size Snickers bar filched from your kid's Halloween sack.

No candy corn or lurid hues. Instead, these recipes offer elegant forms and grown-up spicing, with some mildly macabre lore attached, too, if that's your thing.

The Italian fava-bean-shaped almond cookies called fave dei morti (fava beans of the dead) are traditionally served on All Souls' Day, Nov. 2. One theory of how the beans got linked to the cookies—which contain none—cites the 17th-century practice of cooking large quantities of fava beans and passing them out to the poor on the holiday, in an attempt to relieve the suffering of souls in purgatory. Over time, the tradition morphed into baking sweets in the shape of favas.

The cookies are made all over Italy, in several varia-

tions. In northeastern Italy, particularly in Friuli, the cookies resemble soft amaretti and are colored three different ways: white, kept plain or flavored with maraschino liqueur; brown, made with cocoa powder; and pink, colored and flavored with alchermes, a deep-red, Campari-like liqueur. Bakers make a Halloween variation

by shaping the same dough into sticks, referred to as ossi dei morti, or bones of the dead.

The Polish city of Torun is famous for its gingerbread, or pierniki toruńskie, which comes in various shapes. Bakers achieve these shapes either by using a cookie cutter or by pressing the dough into wooden molds that form intricate designs. When produced in factories—the most famous brand being Kopernik, which

gingerbread diamonds, are wonderfully light and crisp. The traditional diamond or "snipp" shape certainly looks elegant on a cookie plate, but you can cut them into any spooky shape you choose. Half a blanched almond is the traditional garnish, though I suppose you could get creative there, too.

Like other Nordic gingerbreads, sirupsnipper are made with mørk sirup, a European caramelized-sugar syrup that's like molasses

These recipes offer elegant forms, with some mildly macabre lore attached, too, if that's your thing.

labels the cookies as katarzynki—the gingerbread acquires a knobly shape resembling a cartoon dog bone with a couple of extra knobs and, often, a chocolate glaze too.

An urban legend contends that the daughter of a gingerbread baker set six cookies close together to bake. In the oven's heat, the cookies spread and prodded one another into the characteristic bulbous shape. At home, bakers use simple round or heart cutters for the soft gingerbread—though pumpkin- or ghost-shaped cutters would yield a great Halloween twist. Whatever shape you choose, the dark-chocolate glaze in the recipe below lends a seasonally appropriate goth effect.

These honey-based cookies have a milder, rounder flavor than other European gingerbread cookies; often, they contain no ground ginger at all. Instead, cinnamon, nutmeg, cloves, allspice and cardamom deliver a cozy warmth.

Norway's answer to classic gingerbread-style cookies, sirupsnipper, or dark syrup

but not as bitter. You can always swap in dark corn syrup or British golden syrup. Most recipes for sirupsnipper consistently share two spices, black pepper and ginger, combined with varying amounts of cinnamon and cloves.

Any of these cookies will be right at home on Halloween or any other fall occasion; you'll want to keep them handy for the December holidays, too. Or just bake them up the next time you want to fill your home with the haunting aroma of spice. If that brings you closer to loved ones lost or still with us, so much the better.



► Find the recipes for these fava-bean-shaped almond cookies and the dark syrup gingerbread diamonds (pictured left) at [WSJ.com/Eating](http://WSJ.com/Eating).



### Chocolate-Glazed Polish Gingerbread

**Total Time** 1 1/4 hours

**Makes** 30 cookies

**For the cookies:**

- 6 tablespoons honey
- 1/4 cup granulated sugar
- 2 1/2 tablespoons unsalted butter
- 1 tablespoon water
- 1 teaspoon ground cinnamon
- 1/4 teaspoon freshly grated nutmeg
- 1/2 teaspoon ground cloves
- 1/2 teaspoon ground allspice
- 1/2 teaspoon ground cardamom
- 2 tablespoons sour cream
- 2 1/2 cups all-purpose flour, plus more for dusting
- 1/2 teaspoon baking soda
- 1/4 teaspoon fine sea salt

**For the chocolate glaze:**

- 1 1/2 cups powdered sugar
  - 1/2 cup natural cocoa powder
  - 1 teaspoon vanilla extract
  - 3 tablespoons whole milk, plus more if needed
- 
1. Position oven racks in top and bottom positions and preheat oven to 350 degrees. Line two large baking sheets with parchment paper.
  2. Pour honey into a small frying pan over medium-high heat. Cook until it starts to bubble at edges and is loose. Remove pan from heat and stir in granulated sugar, butter, water, cinnamon, nutmeg, cloves, allspice and cardamom until sugar dissolves.
  3. Stir in sour cream until smooth, then add flour and sprinkle baking soda and salt over top. Fold with a silicone spatula or wooden spoon until dough just comes together with no dry pockets of flour.
  4. Scrape dough onto a lightly floured work surface. Use a lightly floured rolling pin to roll out dough to 1/2 inch thick. Use a 2 1/2- to 3-inch round or heart-shaped cutter to cut out cookies. Transfer cookies to prepared baking sheets, spaced 2 inches apart. Reroll scraps to cut out more cookies.
  5. Bake, switching racks and rotating baking sheets halfway through, until cookies are risen, golden brown at edges and give slightly when pressed, 15-20 minutes. (Cookies will firm up considerably upon cooling, so err on the side of underbaking.)
  6. Transfer baking sheets to wire racks. Let cool on pans 1 minute, then transfer cookies to racks to cool completely.
  7. Make the glaze: In a small bowl, whisk together powdered sugar and cocoa. Add vanilla and 2 tablespoons milk, and stir until a thick paste forms. Add 1 tablespoon milk and stir until glaze is pourable and smooth but not too runny. Add more milk if needed to reach the right consistency.
  8. Balance a cookie on a fork and hold it over bowl of glaze. Spoon glaze over cookie, letting excess drip into bowl. Once glaze stops dripping, return cookie to rack. Glaze remaining cookies. Let set before serving.
- Adapted from "Crumbs" by Ben Mims (Phaidon Press)



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## EATING &amp; DRINKING



ON WINE / LETTIE TEAGUE



## Nobody Says No to Grüner Veltliner

**ON A TRIP** to Vienna earlier this month, I considered all that Austrians have given the world, from Mahler to Mozart, Freud and, of course, Grüner Veltliner.

It's hard to believe this superstar Austrian white grape—ubiquitous on wine lists in Vienna and now commonplace in American restaurants and wine stores—only became popular in the U.S. a few decades ago. It's easy to drink and to pair with food, and readily affordable, too. I've yet to find anyone who dislikes Grüner the way some drinkers loathe Chardonnay or Riesling. If I'm bringing a wine to someone's house

and I don't know their taste, more often than not, I'll opt for a Grüner.

And did I mention reliable? Of the 14 bottles I purchased for this column and three others I drank in Vienna, only a couple were rather boring and not one was truly bad. That reliability reflects the fact that Austria has some of the world's strictest wine-production laws.

Wine lovers often invoke the adjective "clean" to describe Grüner, along with "crisp," "tangy" and "bright." Aromatic notes typically include white pepper, citrus and spice. Grüner is also reliably dry and, while some are richer and oth-

ers more light-bodied, this wine is rarely too lean or too high in acidity.

Its greatest virtue: Grüner Veltliner beautifully, seamlessly matches with food. It will even match with asparagus, notoriously unfriendly to wine. Grüner is often fermented in stainless steel, and even the wines fermented and/or aged in oak barrels don't spend time in new wood, so there is none of the oaky character that can conflict with food.

The most-planted white grape in Austria—accounting for nearly a third of all plantings in that country—Gruner is easier to grow than some other varieties. Michael Moos-

brugger, winemaker and CEO of Schloss Gobelsburg winery (which celebrated its 850th anniversary three years ago) in Austria's Kamptal region, noted that grapes like Riesling are more sensitive, with more "ups and downs" during the ripening process. Veltiner, by comparison, has "a constant and regular ripening curve and gives pleasure at almost every stage of ripeness."

I have rarely seen an Austrian Grüner that isn't closed with a screw cap, which substantially decreases the odds that a bottle is corked. Both of the American Grüners I bought were closed with screw caps, too. I was hoping to find more than two domestic Grüners, as the grape is growing in popularity among American wineries—some 20 wineries in Oregon alone produce Grüner, plus others in Washington, Michigan, Pennsylvania, Maryland, New York and likely other states too. Sadly, I wasn't able to obtain bottles from all of these places due to restrictive interstate shipping laws. The wineries I contacted in the hope of buying a bottle all had to turn me down.

Still, the American Grüners I could purchase both did the grape proud. The delightfully fruity 2023 Dr. Konstantin Frank Grüner Veltliner (\$16), from the Finger Lakes region of New York, was inspired by Austrian wines that Fred Frank tasted in Vienna many years ago according to his daughter Meaghan Frank, the fourth generation to run the family estate. The Franks planted the first grapes in 2006, and today maintain 11 acres of Grüner Veltliner at their Hector, N.Y., estate. Meaghan Frank believes their Grüner vineyard is "one of the largest in the Eastern United States, possibly the country." The winery plans to release a new, sparkling Grüner later this year.

The crisp, lively 2022 Galen Glen Vinology Lehigh Valley Grüner Veltliner (\$19) reflects a commitment to the grape that goes back even further. At Galen Glen in Andreas, Penn., when the initial vines were planted in 2003, it was the first planting of Grüner on the East Coast and the second in the entire country. The winery currently devotes 4 acres to the grape, and produces two Grüner Veltliners, of which the zippy Vinology is the largest-production bottling at 665 cases.

The rest of the wines in my tasting were from Austria, home to the vast majority of Gruner Veltliner in the world. Save for two rather unremarkable examples (light and pleasant, but forgettable) they were all wines I'd happily drink again. I've already purchased two of the wines

again and brought them to the homes of friends. The 2023 Schloss Gobelsburg Kamptal Grüner Veltliner (\$20) was fairly full-bodied, marked by distinct aromas of white pepper and spice, while the 2023 Ott Am Berg Grüner Veltliner (\$20) was a tangy, light-bodied, pleasantly sprightly wine.

The latter's energy was matched by the energy of its producer, Bernhard Ott, when I asked for further details about the Am Berg. "We absolutely love Grüner Veltliner!!!" he replied in an email, noting how harmoniously his wine matches with food. Ott is all in on the grape, with 90% of his vineyards planted to Grüner Veltliner.

**If I'm bringing a wine to someone's house and I don't know their taste, more often than not, I'll opt for a Grüner.**

The Kamptal region, where Ott sources some of his grapes, is one of the most important regions for Grüner Veltliner; others include Wagram, Wachau, Kremsl and Weinviertel. The last, which borders the vineyards of Vienna itself (more on that in my next column), is home to nearly half the Grüner Veltliner in Austria.

The bracingly mineral and wonderfully saline 2022 F.X. Pichler Loibner Ried Klostersatz (\$38) was produced from the legendary Ried Klostersatz vineyard, one of the oldest in the Wachau. The lithe 2022 Domäne Wachau Federspiel Ried Liebenberg (\$29) came from the same region, specifically from a steeply terraced vineyard in the village of Dürnstein. The broadly textured, powerful 2023 Bründlmayer "Terrassen" Kamptal Grüner Veltliner (\$28) was marked by aromas of citrus and spice, while the 2022 Kracher Grüner Veltliner Burgenland (\$44) was earthy, rather ripe and the only wine in my tasting that was closed with a cork.

Nearly all the Grüner Veltliners I tasted were current vintages now available in stores, but I did taste one that was more than 30 years old. The 1992 Loimer Langenloiser Spätlese Grüner Veltliner I had in Vienna was a true revelation. Although its deep-gold color revealed its advanced age, its remarkably lively acidity suggested a wine far younger. Add "longevity" to the list of Grüner Veltliner virtues.

► Email Lettie at [wine@wsj.com](mailto:wine@wsj.com).



### OENOFILE / 5 GRÜNER VELTLINERS GUARANTEED TO DELIGHT

#### 2023 Ott Am Berg Grüner Veltliner \$20

This light-bodied, wonderfully zingy white was produced from vineyards in the Wagram, to which winemaker Bernhard Ott attributes its "fine spiciness," and the Kamptal, source of its "minerality and fruit."

#### 2023 Weingut Bründlmayer "Terrassen" Kamptal Grüner Veltliner \$28

This bottling is a well-known producer's blend of several vineyard sites. It's a bright, light-to-medium-bodied Grüner, crisp and clean with aromas of stone fruit and spice.

#### 2023 Schloss Gobelsburg Kamptal Grüner Veltliner \$20

This is a beautifully balanced wine from a highly regarded Kamptal estate. Full-bodied and lush, with aromas of spice and white pepper, it's terrifically versatile with food.

#### 2022 Galen Glen Vinology Lehigh Valley Grüner Veltliner \$19

Crisp, lively and light-bodied with notes of citrus and herb, this is Galen's Glen largest-production Grüner Veltliner. Winemaker Sarah Troxell plans to plant more of the grape.

#### 2022 F.X. Pichler Loibner Ried Klostersatz Grüner Veltliner \$38

This winery has long been a legend in Riesling and Grüner. Marked by a dazzling minerality, energetic acidity and long finish, this wine is complex and nuanced—a step up in class.

### PARTY TRICK

## That's a Wrap

The low-lift elegance of fish en papillote

BY ODETTE WILLIAMS

**FISH COOKED** in parchment paper feels a little 1980s-dinner-party, doesn't it? But as my mom said when she saw me prep these parcels on FaceTime recently, "Did it ever go out of fashion?"

No, it didn't. Because "en papillote" remains the most delicious, idiot-proof way to cook fish.

When I last made this, I had some locally caught monkfish, but cod or sea bass are great, too. I topped the fillets with sliced cherry tomatoes and fennel, a handful of fennel fronds, olives and capers, plus a splash of white wine, olive oil, lemon juice and a little butter. Folded snugly inside parchment parcels, into the oven it all went.

That night we had friends coming to stay from Mallorca. After a day of travel they needed a tasty meal and no friction. I added a side of comforting pommes Anna and a simple green salad. Slit open the parcels at the table to release their steam and deliver just enough wow.

### Fish En Papillote

Folding fish inside paper parcels is great insurance against overcooking. A 1-inch thick fillet needs about 10 minutes; a thicker fillet, a bit more. **Total Time** 35 minutes **Serves** 4

#### 4 (6-8 ounce) fillets cod, sea bass, monkfish or other white fish

6 ounces cherry tomatoes, halved

½ small fennel bulb, thinly sliced or shaved, plus fennel fronds

1 cup pitted Kalamata or Picholine olives, halved

2 tablespoons drained capers

¼ cup extra-virgin olive oil

¼ cup white wine

Zest and juice of 1 lemon

2 tablespoons unsalted butter

Kosher salt and freshly ground black pepper

1. Preheat oven to 400 degrees.

2. Cut 4 heart-shaped pieces of parchment paper, about 15 inches across. Fold each heart in half, then lay open on work surface. Place a fillet on one side of each heart. Top fillets evenly with tomatoes, fennel and fronds, olives, capers, oil, wine, zest and juice, and butter, and season with salt and pepper. Fold empty half of parchment heart over fish and toppings to enclose. Crimp rounded edge tightly.

3. Place parcels on a sheet pan. Bake 10-12 minutes, depending on thick-



**COD'S GIFT** Fish en papillote plus pommes Anna makes a chic, easy meal.

ness of fillets. Serve parcels on plates. At the table, snip with scissors or slit with a knife to open and release steam, with as much drama as the occasion demands.

**5 medium russet potatoes, peeled  
3 tablespoons extra-virgin olive oil  
5 tablespoons unsalted butter, cut into small pieces  
Kosher salt and freshly ground black pepper  
Flaky salt, to serve**

1. Use a mandolin, if available, or a sharp knife to slice potatoes very thinly. (Thin enough for a slice to wobble when you shake it, but not so thin it's transparent.)

2. In a 10-inch cast-iron skillet over medium heat, warm oil. Remove from heat. Layer potato slices in skillet: Starting at outside edge and working toward center, overlap slices snugly in concentric circles until you have 1 layer. Dot this layer with a few pieces of butter, and sprinkle with salt and pepper. Repeat process until you have 5 layers.

3. Return skillet to medium-low heat, and cook potatoes until they release starch and begin to crisp on bottom, 8 minutes. Cover with a lid or foil and cook to soften potatoes, 5 minutes more. Uncover. Place a large spatula under potato cake and carefully but confidently flip.

(Or, flip potato cake onto a large plate and carefully return to skillet.) Continue to cook until golden and crisp on other side, about 8 minutes. Serve in skillet or on a cutting board, cut into wedges sprinkled with flaky salt.

**Total Time** 30 minutes **Serves** 4-6

**Pommes Anna**  
Use these cook times as a guide and adjust heat as needed. The goal is golden, crisp potatoes.  
**Total Time** 30 minutes **Serves** 4-6

MATT RUSSELL FOR WSJ; FOOD STYLING BY REBECCA JURKEVICH; PROP STYLING BY JULIA ROSE

# DESIGN & DECORATING

## Kitchen Computations



The marble counters, backsplash and hood consumed \$31,500 of designer Lisa Schwert's nearly \$150,000 budget for her Fairfield County, Conn., kitchen.

*Continued from page D1*  
with plumbing fixtures and appliances in the right places and well-built cabinets by Indiana's Dutch Made—in good condition, if outdated. "A primary goal was to repurpose as many high-quality materials as possible," said Schwert, an architect and interior designer with local firm Innate Studio. "We were able to reuse approximately 90% of the cabinetry."

Still, a 385-square-foot kitchen with a 10-foot-long island houses a lot of cupboards. Plumbing and electric came in at a relatively modest \$7,000, but after Schwert upgraded the cabinet boxes with new drawer fronts and new doors (some glass-front, for visual variety), cabinetry and hardware cost \$34,000. And that's before the \$9,500 it cost to paint them.

Counters and backsplashes, also ample given the room's size, ate another chunk of budget, \$31,500. Says Schwert of the expensive, porous counter stone—Olympian Danby marble—"I love to use it day in and day out. You have to embrace the patina."

Though she saved a little money by keeping the existing wall ovens and warming drawer, Schwert traded her combination refrigerator-freezer for a Sub-Zero refrigerator and separate freezer, at \$9,350 each, that flank the sink area. Other high-end appliances and the sink brought that total to \$42,300. Schwert moved older, still-serviceable appliances to other areas of

the house—the old fridge lives in the basement, and the dishwasher was moved to the laundry room to handle overflow.

Aesthetic goals came with more-reasonable price tags. "The house is in a secluded area surrounded by woods, and I wanted the light and view to be the main feature," said Schwert. She made the space brighter and airier with a new picture window (\$5,250) and upgraded her other windows at no cost by simply removing the fussy grills. The marbles and Benjamin Moore paints (Fatigue Green on the island and Classic Gray on the other cabinets) also allude to the forest outside. Schwert said she chose the "lighter airy color palette and timeless, natural materials" to highlight and complement the home's woodsy setting.

Had she created this kitchen for a client, Schwert said, her fee would have been 20%-25% of the project's total cost.

BUDGET BREAKDOWN	
Appliances and plumbing fixtures	\$42,300
Counters and backsplash	\$31,500
Cabinets and hardware	\$34,000
Lighting	\$8,500
New window	\$5,250
Oak flooring	\$8,100
Painting	\$13,000
Plumbing and electric	\$7,000

Jewel-Box Luxury  
**\$64K**



**A**NY TIME you change the structure and move appliances, renovation costs leap. Add a couple of luxury finishes, and even a 120-square-foot kitchen will cost much more than \$30,000, the average price of a top-end remodel that size as estimated by This Old House.

The dreary, poorly laid out room in North Potomac, Md., that confronted Lauren Carranza required more than a face-lift. It lacked storage more than sunlight, so the principal of Seasons for Design counseled her client to close off one window and put cabinets and the range on that wall. This demolition, framing and finishing added \$9,500 to the bottom line.

Carranza flanked the window with floating shelves, which cost less than upper cabinets but exposed gaps of wall that called out for some decoration. Her choice: luxe, glazed Zellige wall tiles from Riad Tile (\$2,145). "I was adamant about that. We had open shelves and needed something special [behind them]," she said. To offset the splurge, she minimized the square footage of tile by running the less-pricy countertop material, quartz, 18 inches up the wall. Carranza found other places to

trim the bill. Because you can see the cooktop from the home's entry, she envisioned a range hood that would blend with the adjacent cupboards. After the cabinet maker gave her an estimate of \$3,000 to build it, she searched for and found, at Home Depot, a suitable vent for only \$300—then had the millwork retrofitted around it. Reasonable at \$339, an undermount sink reads high-end in a black composite. Prudent appliance picks include the counter-depth KitchenAid 36" double french door refrigerator with freezer bottom. Said Carranza, "It's a reliable brand, and the handles emulate a Sub-Zero." The KitchenAid, at \$3,508, cost about \$10,000 less than a similarly styled Sub-Zero.

Over the sink hangs a light from Wayfair. "It's milk glass, with an organic, flowy line," Carranza said of the \$88 fixture, which respects the era of the 1950s cottage as well as the owner's budget.



▲ Designer Lauren Carranza saved money by flanking the window with floating shelves rather than cabinets in this North Potomac, Md., room.

BUDGET BREAKDOWN	
Appliances and plumbing fixtures	\$9,551
Cabinets	\$19,600
Hardware	\$627
Shelving and brackets	\$3,070
Countertops and backsplash	\$6,200
Tile	\$2,145
Lighting fixtures	\$88
Wood floor	\$2,800
Plumbing and electric	\$4,500
Construction	\$9,500
Design fee	\$5,500

Full-on Rebuild  
**\$227K**



blue quartzite from Brazil that graces the wall and range hood—a budget-scorcher at almost \$25,000. Touch latches reveal concealed spice cabinets. "It's beyond convenient having everything there when you need it," said Golde. "My husband and I also love showing it to people, sort of our party trick."

Golde donated old appliances and kitchen items, keeping them from the landfill and earning herself a tax credit. She hired a company that appraised everything, leaving her with a notarized form she could use for tax records.

One fee she sidestepped? Her own, which would have been \$15,000-\$20,000 for this project.

BUDGET BREAKDOWN	
Appliances and plumbing fixtures	\$37,700
Quartzite counters, backsplash and hood	\$24,774
Porcelain island top	\$11,000
Cabinets and hardware	\$61,834
Flooring	\$7,500
Painting	\$3,500
Structural engineer	\$1,800
Steel beam	\$11,000
Plumbing and electric	\$19,000
Construction	\$48,156

Repairing her 1966 home's ailing structure jacked up designer Heather Golde's budget. The blue Brazilian-quartzite feature wall raised the cost, too.

**H**EATHER GOLDE'S midcentury modern house in Bethesda, Md., had been largely unlived in for a decade. Its decrepit meant that a generous slice—about \$48,000—of the interior designer's kitchen renovation budget went to construction and structural repairs, including replacing rotted subflooring.

"For over five years I had no working stove or fridge in my kitchen," said Golde, a principal of local design firm Fini & Martin. "I used a garage refrigerator and cooked meals in a toaster oven. I got really good at it." After such inconveniences, her young family of four was ready to regroup in a

functional kitchen—and Golde determined to splurge on areas that would allow her children to be a part of the meal-making.

She opened up the previous cook-space area to fit a 275-square-foot kitchen and 65-square-foot butler's pantry, taking down two walls and erecting an \$11,000 steel beam for support. Plumbing and electric clocked in at \$19,000.

Quebec-based Cuisine Ideale, for which Golde is a dealer, built the frameless walnut cabinetry for the pantry and the kitchen's perimeter. It swallowed \$61,834, including over \$2,000 on brass and walnut-stained hardware. In the pantry, the designer opted for cab-

inetes of the same brand's high-density HD MDF. "It knocks off about 10% of the cost" to use good quality high-density fiberboard instead of wood, she says.

To keep the family, including her two tween children, involved in mealtime duties, Golde went all-in on two luxury sinks: a 5-foot-long work station in the island and a 2-foot-long version in the pantry (\$13,700), both from the Galley, a manufacturer for whom she is also a dealer. The island sink sports two faucets and numerous culinary tools: serving boards, chopping blocks, ice buckets and food-prep areas. She also embedded an invisible induction stove—no gas or

electric burners—directly into the porcelain island countertop. "It provides a much safer and cleaner way for the kids to enjoy cooking." For her, the use the cook top gets is well worth its \$900 price.

Golde saved a little by installing a GE Monogram stove and refrigerator rather than trendy Wolf or Sub-Zero appliances. "No one knows it's a Sub-Zero refrigerator once there's a panel on it," she said. Maintenance of the gear from GE, an American company, will be lighter on the ledger as well: "It's easy to find a repair person, and it can be cost prohibitive to repair specialty brands."

She is unapologetic about the

A large, vertical photograph of a woman from the waist up. She has dark hair pulled back and is wearing a dark, button-down shirt. Her right hand is resting against her neck, and her left arm is bent, showing a silver Hermès wristwatch with a light-colored dial and a dark strap.

TIME CHANGES PACE



HERMÈS  
PARIS

A close-up, vertical photograph of a dark, textured fabric, likely leather or silk, with prominent folds and highlights. A small, rectangular inset in the bottom right corner shows a close-up of a Hermès wristwatch with a light dial and a dark strap.

HERMÈS CUT.  
DOWN TO THE LAST DETAIL