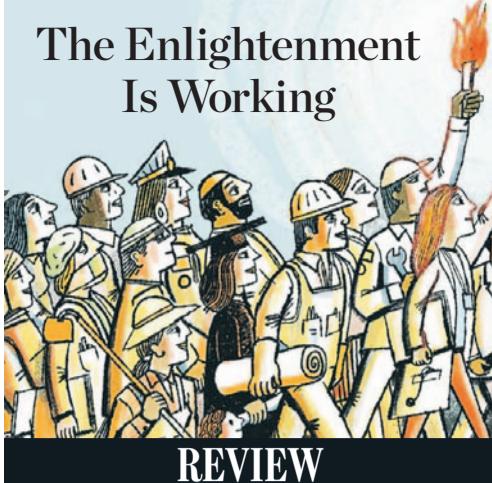


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REVIEW

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WEEKEND

SATURDAY/SUNDAY, FEBRUARY 10 - 11, 2018

DOW JONES | News Corp

What's News

World-Wide

The White House denied a request to release a Democratic memo that aimed to rebut GOP allegations regarding the investigation of a former Trump aide, sending it back for revisions due to national-security concerns. **A1**

◆ **GOP lawmakers** are probing unverified allegations against Trump compiled by a freelance journalist. **A4**

◆ **The Pentagon** is considering plans to send heavily armed, versatile Marine Corps units to East Asia in response to rising Chinese influence. **A1**

◆ **Trump is questioning** the White House response to domestic-abuse allegations against ex-aide Porter. **A4**

◆ **The Justice Department's** third-ranking official, Rachel Brand, resigned to take a senior job at Walmart. **A4**

◆ **The White House budget proposal** assumes stronger growth and lower inflation than do other forecasts. **A3**

◆ **The USOC defended** its CEO's handling of the sex-abuse scandal involving the gymnastics team doctor. **A3**

◆ **Egypt said** it launched airstrikes in the Sinai Peninsula as part of a new offensive against militants. **A6**

Business & Finance

◆ **U.S. stocks rebounded**, with the Dow closing up 330.44 points at 24190.90. But major indexes ended the volatile week down more than 5%, their worst loss in over two years. **A1, B12**

◆ **Oil prices slid** below \$60 a barrel, posting their biggest weekly slump in more than two years. **B1**

◆ **Amazon is preparing** to launch a delivery service for businesses that would position it to compete directly with UPS and FedEx. **A1**

◆ **NBC Entertainment's** president, Jennifer Salke, was named the new head of Amazon Studios. **B4**

◆ **Uber agreed** to settle a lawsuit with Alphabet's Waymo over claims that Uber stole trade secrets for self-driving vehicles. **B1**

◆ **Wynn Resorts' board** said it stopped an independent law-firm investigation into sexual-misconduct allegations against Steve Wynn. **B2**

◆ **The Equifax hack** accessed more of consumers' personal data than the firm disclosed publicly last year. **B10**

◆ **L.L. Bean is putting** limits on its generous return policy, citing increasing abuse. **B1**

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I Love a Parade, but Not This One

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Wild Week for Stocks Ends in Gain

Final-hour bounce caps worst week in 2 years for U.S. equities, with volatility seen ahead

By CORRIE DRIEBUSCH AND RIVA GOLD

U.S. stocks closed their most turbulent week in years with a sharp swing higher, temporarily stemming the bleeding in the market but doing little to quell investors' fears of a prolonged downturn ahead.

Major U.S. indexes ended the

week more than 5% lower, their worst loss in more than two years. Investors described the volatility as a shock after more than a year of tranquility in markets.

The Dow Jones Industrial Average—which rallied 330 points, or 1.4% Friday—had swung at least 1,000 points in all but one day this week and changed direction a total of 53 times.

After dropping more than 3% on Monday and Thursday, the Dow and S&P 500 entered correction territory—a fall of more than 10% from their highs

two weeks ago.

"It feels like I've been shelled all week by artillery," said Michael Antonelli, equity sales trader at Baird. On his trading floor in Milwaukee, Wis., he said stress levels among traders were high and few people were able to get up to go to the bathroom, let alone grab lunch, because of the market volatility.

The week's turbulence was

Please see STOCKS page A2

◆ Jason Zweig: When investing isn't for the faint of heart... B1

◆ Moves behind the rout..... B12

The Dow posted intraday swings of 1,000 points or more all but one day this past week.

27000

26000

25000

24000

23000

Jan.

Source: WSJ Market Data Group

Feb.

THE WALL STREET JOURNAL.

Koreans March Under One Flag as Winter Games Get Under Way



OLYMPIC THAW: South Korean and North Korean delegations carried a unification flag during the Opening Ceremony of the 2018 Games in Pyeongchang on Friday. The two Koreas have used the Olympiad to tamp down tensions over the North's nuclear threat. **A7, A10**

The Deadly Flu No One Saw Coming

The worst season in a decade has hit otherwise healthy people in ways both swift and devastating

By BETSY MCKAY AND SARAH TOY

Heather Holland, a second-grade teacher, came home feeling a little sick on the last Monday in January.

"It just sounded like her throat was scratchy," said her husband, Frank Holland, a discomfort easy to ignore at first for a working mother. Over the next days, she made seemingly inconsequen-

tial decisions, including skipping a medicine because of the cost.

Then her symptoms suddenly worsened, eventually sending Ms. Holland, 38 years old, to the hospital, on the brink of death.

Her battle was among the most severe fought during this influenza season, America's worst in a decade. It has taken the U.S. by surprise, pitting a

weak flu vaccine against particularly virulent strains.

Most people recover within a few days from the aches, fever and cough as their immune systems drive out the infection.

Thousands, however, have been treated this year at hospitals for pneumonia and other complications, includ-

Please see FLU page A9

President Blocks Rebuttal Memo's Release

By BYRON TAU

WASHINGTON—The White House on Friday denied a request to release a Democratic memo that aimed to rebut GOP allegations regarding the investigation of a one-time associate of President Donald Trump, sending it back for revisions due to national-security concerns.

"Although the president is inclined to declassify the February 5th memorandum, because the memorandum contains numerous properly classified and especially sensitive passages, he is unable to do so at this time," White House counsel Donald McGahn wrote to the House Intelligence Committee Friday night.

Mr. McGahn wrote that the Justice Department stood ready to work with the Democrats on the committee on a revised and further redacted version of their memo, given "the public interest in transparency."

Democrats on the panel expressed frustration with the president's decision but said they were willing to re-examine the memo to address the concerns raised by law-enforcement and intelligence agencies.

Please see MEMO page A4

◆ Trump presses staff on aide's departure..... A4
◆ Justice Department's No. 3 official resigns..... A4

Pentagon Considers More Troops for Asia

The Pentagon is considering plans to send heavily armed, versatile Marine Corps Expeditionary Units to East Asia, curtailing some deployments in the Middle East as it repositions forces in response to growing Chinese influence, military officials said.

By Gordon Lubold in Darwin, Australia and Nancy A. Youssef in Amman, Jordan

The move would be among the first tangible steps by the Trump administration to expand the U.S. military presence in Asia after announcing its National Defense Strategy last month.

The new strategy and a parallel national-security plan released in December set a goal of getting the U.S. military out of the Mideast and realigned to counter China and Russia as strategic competitors.

While the strategy comes

amid tensions over North Korea's nuclear-weapons program, it isn't intended as a buildup for war, officials said, but as an approach to how the U.S. military positions itself over at least the next four years based on the threats it sees.

These "major muscle movements," as the Pentagon calls hardware and personnel redeployments, are aimed at a global resetting of forces, officials said.

"We have enduring interests here, and we have an enduring commitment and we have an enduring presence here," Gen. Joe Dunford, chairman of the Pentagon's Joint Chiefs of Staff, said about the American position in Asia during an eight-day trip through the region ending this week.

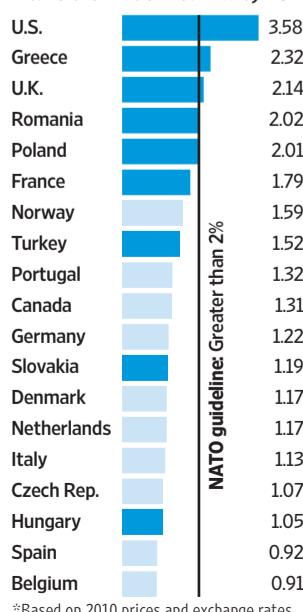
Regular deployments of task forces known as Marine Expeditionary Units, or MEUs, would markedly enhance U.S.

Please see TROOPS page A7

NATO Miss

Fewer than half of the alliance's members have plans to reach a 2% target on military spending, despite U.S. pressure. **A6**

Estimated 2017 military expenditures as a share of GDP*, 19 largest economies in NATO



*Based on 2010 prices and exchange rates

Source: NATO

Amazon Delivers A Challenge to UPS

By LAURA STEVENS

Amazon.com Inc. is preparing to launch a delivery service for businesses, positioning it to compete directly with United Parcel Service Inc. and FedEx Corp.

Dubbed "Shipping with Amazon," or SWA, the service will entail the online retail giant picking up packages from businesses and shipping them to consumers, said people familiar with the matter.

Amazon expects to roll out the service in Los Angeles in coming weeks with third-party merchants that sell goods via its website, according to the people. Amazon then aims to expand the service to more cities as soon as this year, some of the people say.

While the program is being piloted with the company's third-party sellers, it is envisioned as eventually accommodating other busi-

nesses as well, said some of the people. Amazon is planning to undercut UPS and FedEx on pricing, although the exact rate structure is unclear, these people said.

Still, Amazon will face steep hurdles to build out the needed infrastructure and personnel for a reliable delivery network of any broader scale, and it could take years for the company to make a meaningful dent in the industry.

The service, which stems from a Los Angeles test project first reported by The Wall Street Journal more than a year ago, moves Amazon into direct competition for parcel business currently handled by its delivery partners UPS and FedEx. "Shipping With Amazon" was previously tested and rolled out in Lon-

Please see AMAZON page A5

◆ Amazon picks NBC executive to be its studio chief..... B4

U.S. NEWS

THE NUMBERS | By Jo Craven McGinty

A Mathematical Path to Stable Relationships



Sorry, love birds. Sometimes, you have to take what you can get.

That's the message of the stable-marriage problem, whose mathematical solution pairs potential partners in such a way that none will divorce.

That doesn't mean everyone gets the mate of his or her dreams. But it does mean no two people will prefer each other over the partner they have wedded.

In other words, a union is stable if no one else you desire will have you.

That sounds bleak, but according to the problem's solution, it's why couples stay together. No one can do any better, so they stick with what they have.

The stable-marriage problem and its solution were laid out in a landmark paper in 1962 by David Gale and Lloyd S. Shapley, both American mathematicians and economists. It has since been used to match doctors with hospitals and students with schools.

Here's how it works: For the sake of simplicity, let's assume there is a group of men and women who must be married off. It doesn't matter how many. The men will pro-

pose. (Granted, this scenario is dated, but it's an algorithm; rules are required.)

Everyone ranks their potential mates. The men propose to their first choices.

Some women may receive multiple proposals. Some may receive none. Each woman who gets one or more offers holds the proposal of the man she prefers most and rejects the rest—but she doesn't yet accept the offer, because someone better may come along.

Every man who was rejected now proposes to his second choice. Each woman again holds on to the proposal of the man she most prefers, even if it means ditching someone who proposed earlier. This continues until no man wants to make any more proposals and the women accept the offers they are holding.

The algorithm has several important properties: There is always a solution. The resulting unions are always stable, according to the algorithm's definition. The men always end up with their best possible stable match. And the women always end up with their worst.

It's easy to see why the men end up with the optimal

The Stable Marriage Problem

A simple set of rules known as the deferred acceptance algorithm leads to stable matching, where no couples will break up to form new matches.

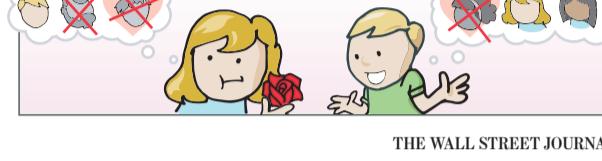
- Everyone ranks their potential mates, and the men propose to their first choices.



- Women hold the proposals but defer accepting them. If a woman receives multiple offers, she holds the one she most prefers.



- Every man who was rejected proposes to his second choice. If she is holding a proposal, she may keep it or trade up. This repeats until all are matched.



Source: David Gale and Lloyd S. Shapley

match: They go down their ranked list until they're paired with the first woman they are attracted to who will not dump them for someone else.

"It might not be his No. 1 woman, but she's his first preferred stable match because all the women who are not achievable rejected him," said Alvin E. Roth, a professor of economics at Stanford University. If women issued the proposals, rather than men, they would end up with the worst possible result to the others," said Emily Riehl, a mathematician at Johns

that receives the proposals would have the upper hand because they can discard an offer when someone better comes along. But in practice, members of that group end up with the last person on their list who would form a stable match.

"What's really surprising is that if you follow this algorithm, it gives the best possible result to the proposers, and it achieves that by giving the worst possible result to the others," said Emily Riehl, a mathematician at Johns

Hopkins University. "They are diametrically opposed. That's the way stability works."

Still, perfect matches are possible. A man and woman may list each other first and end up together. In that case, the "best" and "worst" stable matches are the same.

When the heart is involved, the solution to the stable-marriage problem sounds less than ideal, but there are instances in real life when it produces a truly desirable result. The best-known example is the National Resident

Matching Program, which pairs medical-school graduates with hospitals.

In the 1940s, hospitals seeking to lock in the best students began courting them earlier and earlier in their medical-school careers, sometimes with little evidence of their qualifications. Meanwhile, the students, forced to make early decisions, couldn't risk waiting for a better opportunity.

To fix the problem, a matching system was introduced in the early 1950s. Using the principles of the stable-marriage problem and its solution, Dr. Roth helped improve the design in the late 1990s to, among other things, give preference to students, rather than hospitals, by making them the proposers.

The algorithm has also been used to redesign school-admissions processes in New York City and elsewhere.

The logic of the stable-marriage problem and its solution may seem modest. But in 2012, Drs. Roth and Shapley shared the Nobel Prize in Economics for using it to find practical solutions to real-world problems. Their work demonstrated that if you've managed to establish a stable marriage, you really do deserve a prize.

STOCKS

Continued from Page One especially unsettling given that there was no obvious cause for the frequent lurches. Even the traditional relationship between stocks and bonds, where investors seek a haven in times of trouble, materialized on some days but was absent on others.

"It is very tricky to find anything that would make sense for why equity markets are so nervous aside from the fact that we have come quite a long way," said Nandini Ramakrishnan, global market strategist at J.P. Morgan Asset & Wealth Management.

That was a sharp contrast with the last notable bout of market instability, in January and February 2016, when investors were able to point to a crash in the price of oil and fears about the Chinese economy.

Today, investors have no easy answer to the question, "Why?" And that makes it less likely the bout of instability will come to a quick end.

"There's enough confusion...that I think this is going to go on for a little while," said Ian Winer, head of equities trading at Wedbush Securities.

Adding to investors' anxiety, the current upheaval follows a placid time in markets for most of 2017 and early 2018. Stocks for the most part steadily marched higher in a quiet market.

It was so quiet, that many investors said they wished for a stock-market swoon that would offer the opportunity to buy more shares at lower prices. Now, with that opportunity at hand, many would-be opportunists stayed on the sidelines this week or headed for the exits.

Investors, for example, withdrew a record \$30.6 billion from EPFR-tracked equity funds in the first week of February.

Stash, an app that enables individuals to start buying shares of exchange-traded funds with as little as \$5, sent a push alert earlier this week to users' cellphones warning them that while markets go down, "it's never a reason to panic."

The Dow's 5.2% drop for the week marked its steepest decline since the week ended Jan. 8, 2016. The index lost 1,330 points for the week and is trading near late November's levels. The S&P 500 and Nasdaq Composite suffered their worst weeks since January 2016 and February 2016, respectively.

In Friday's action, the S&P 500 rose 38.55 points, or 1.5%, to 2,619.55, and the Nasdaq Composite added 97.33 points, or 1.4%, to 6,874.49.

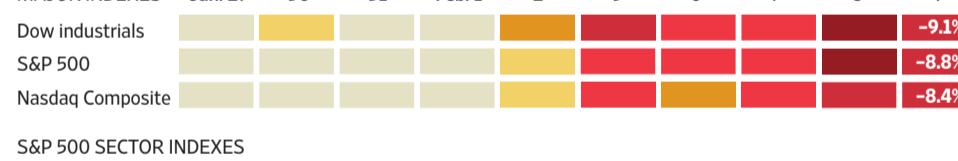
Trading volume for the week was the highest since August 2011 when Standard & Poor's stripped the U.S. of its triple-A



Stocks made their biggest moves in the last half-hour of the trading session for the second straight day.

Fallout in U.S. Stocks

Index performance, cumulative change since Jan. 26



S&P 500 Sector Indexes



Source: FactSet

credit rating during the debt-ceiling crisis.

For the second straight session, stocks made their biggest moves in the final half-hour of the trading day, a sign of traders' lack of conviction as to where stocks are headed. The Dow dropped more than 400 points in the last 30 minutes of Thursday's session and added nearly 230 points over the same period Friday.

The swift selloff highlights

Investors described the volatility as a shock after more than a year of tranquility.

the precariousness of stock markets in recent months, as many investors made big bets on low inflation and assumed solid corporate profits could keep shares afloat, even as stock prices were historically expensive.

"The whole world has been betting on there being no infla-

tion," said Richard Bernstein, chief investment officer at Richard Bernstein Advisors. In recent months, he said, he listened to investors say markets would remain calm forever and watched them make bets to that effect.

Late last week, signs of increasing inflation sparked the beginning of stocks' tumble. The turmoil caught some investors off guard after Wall Street's fear gauge doubled at the beginning of the week, clobbering exchange-traded products that investors had used to bet on the continued stability of stock prices.

"You had the entire world mispositioned," Mr. Bernstein said.

On Monday, the Cboe Volatility Index dropped sharply, spreading pain to investors who bought products betting against stock-market swings. Mr. Bernstein said he expects investors who made similar bets on a lack of volatility and inflation to also be hurt in coming weeks.

This recent selloff has been broad-based across equity sectors and regions, sending in-

dexes in Europe and Asia into correction territory, as well.

The Stoxx Europe 600 fell 1.4% Friday, ending the week down 5% at its lowest close since August. Benchmarks in Japan, Hong Kong and Shanghai were off 2% to 4% on the day and roughly 8% to 10% on the week.

Many investors say that the pullback in stocks was overdue, and that even though they expect further declines, they don't foresee an economic recession in the near future.

Earnings in the U.S. continue to beat Wall Street's expectations, and many investors and analysts cite that as a reason the rout can't go on much longer.

"The stock market is not the economy, so it can have a panic attack and it doesn't mean a recession is on its way," Baird's Mr. Antonelli said. The economy doesn't feel like it is entering a recession, he added, noting this should be what investors focus on, "because recessions are what end bull markets."

—Lucy Craymer contributed to this article

Airlines for America is asking the Department of Transportation to give carriers flexibility on a requirement that they provide "prompt" wheelchair service and argues that the rule to provide such service free of charge imposes costs of \$300 million a year on airlines and exceeds benefits to passengers.

The Middle Seat column on Thursday incorrectly said the airline lobbying group was asking for freedom to charge fees for wheelchair service. In addition, the group is asking the DOT to exempt

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By

U.S. NEWS

Olympic Committee Defends Response

BY RACHEL BACHMAN
AND SARA GERMANO

PYEONGCHANG, South Korea—The U.S. Olympic Committee on Friday defended Chief Executive Scott Blackmun's handling of the sexual-abuse scandal involving a team doctor at USA Gymnastics, while acknowledging that the organization hadn't done enough in response.

Larry Probst, chairman of the USOC's board of directors, said in a briefing at the Pyeongchang Olympics that the organization doesn't plan to make any personnel changes before the completion of an investigation into the matter by an outside law firm.

Two U.S. senators have called for Mr. Blackmun to step down and on Thursday a U.S. House panel sought information related to the matter from the USOC and other organizations Dr. Larry Nassar worked with. Among the documents requested are "any communications related to Larry Nassar" and documents that indicate how the USOC resolved any complaints reported to the organization about the team doctor.

The committee is investi-

Sexual-abuse scandal involving gymnastics doctor has led to calls for USOC CEO's exit.

gating how Dr. Nassar's crimes went undetected for more than two decades, the letter said. "The U.S. Olympic Committee...is at the center of many of these failures," the House committee letter said.

Mr. Probst said the USOC would cooperate with any House inquiries into the matter. Of the USOC, he said: "We think we did what we were supposed to do."

Still, he said, "We are saying we could have done more. You can always do more." He also acknowledged that "we took too long to reach out to the gymnasts [and] we are in the process of doing that now."

Dr. Nassar retired from USA Gymnastics in September 2015 and was arrested in November 2016 on sexual-abuse charges in Michigan. He is currently serving a 60-year sentence on federal child-pornography counts. He has also been sentenced in two Michigan state courts to sentences of up to 175 and 125 years on child-sexual-abuse charges.

Pennsylvania GOP Submits Map

Congressional districts were invalidated by state's high court as unfair to Democrats

BY SCOTT CALVERT
AND BRENT KENDALL

The two top Republicans in Pennsylvania's Legislature submitted a new state congressional map Friday evening, the latest turn in a high-stakes drama that could help determine control of the U.S. House.

Leaders in the GOP-led state Senate and House sent proposed redrawn districts to Democratic Gov. Tom Wolf, beating a deadline imposed by the Pennsylvania Supreme Court last month when it found the old map in violation of the state constitution.

Mr. Wolf said he would review the submission and consult with experts his administration has retained.

The proposed new districts are more compact and less convoluted than the old ones, par-

ticularly in the Philadelphia area, and they hew more closely to county and municipal boundaries. The map "complies fully" with the court order, according to the submission from Senate President Pro Tempore Joe Scarnati and House Speaker Mike Turzai.

Legislative map drafters gave "some consideration" to where incumbents live, because "incumbency can matter to a reasonable degree," said Drew Compton, Mr. Scarnati's chief of staff and counsel. Another goal was to minimize confusion by limiting how many voters wind up living in a new district, he said.

The state Supreme Court threw Pennsylvania's political landscape wide open when it invalidated the state's current congressional map, on the grounds that it was an unlawful partisan gerrymander by Republicans.

Voters in Pennsylvania, a perennial battleground, often split closely between Democrats and Republicans in statewide elections. The state's congressional



Democratic Gov. Tom Wolf, center, will weigh in on the new map.

sees emergency appeals, rejected the request this week.

In a divided decision, the state court ruled Republicans manipulated district lines to maximize the number of seats they could win. The court said the GOP map violated a provision of the Pennsylvania Constitution that says elections "shall be free and equal."

Neither the House nor the Senate will be able to vote on new district boundaries until next week, Mr. Compton said, and Mr. Wolf could veto whatever they approve.

The order has created confusion in political circles. With Pennsylvania's May 15 primary barely three months away, candidates and voters don't know their district. While House members aren't required to live in their district, political observers say that is politically difficult.

Until recently, it wasn't clear if the Legislature would try to comply with the court order, with GOP leaders arguing the Pennsylvania court had overstepped its authority.

College GOP Group Avoids Security Fees

BY MICHELLE HACKMAN

A federal judge on Friday blocked the University of Washington from charging a college Republican group \$17,000 in security fees for hosting a controversial speaker on campus.

The student group invited Joey Gibson, head of Patriot Prayer, a conservative group known for rallies in support of President Donald Trump in liberal enclaves, to speak at a campus rally on Saturday. The event is expected to draw large protests, including from the far-left antifa movement, prompting the university to anticipate high security costs.

In an order Friday, Judge Marsha Pechman forbade the university from imposing the security costs on the students, saying such a move would have the effect of "chilling speech."

The judge's decision is "an acknowledgment...that there is a problem on college campuses, where conservative groups are treated differently from other groups," said Bill Becker, president of Freedom X, a nonprofit legal group that defends free expression of conservative and religious groups. The firm is representing the University of Washington College Republicans pro bono in their case against the school.

University officials reject the notion that they are discriminating against conservative groups. Friday's order was a temporary restraining order, and the parties are ex-



Protesters and police gathered last year at the University of Washington where far-right commentator Milo Yiannopoulos was speaking.

pected back in court in a few weeks to debate the underlying legality of attaching high fees to students' attempts to host events.

Colleges and universities across the country have increasingly been asking student groups to chip in for security costs, part of a larger attempt to balance free speech on campus with the

need to keep students safe.

The issue has arisen in part due to outspoken speakers—like conservative firebrand Milo Yiannopoulos—who seek out campus audiences and often provoke large, sometimes-rowdy protests.

Mr. Yiannopoulos was hosted by the University of Washington College Republicans last year, an event that

drew violent protests where one person was shot and badly injured. The university says it spent more than \$20,000 for campus police activity on that occasion, supplemented by more than \$50,000 in security from the Seattle Police Department.

A campus police spokesman said the force "is committed to providing a safe environment."

"This legal process is ongoing and we will continue to advocate for charging reasonable security fees to campus groups based on objective criteria," said Victor Balta, the university's spokesman. He said the school anticipates spending \$50,000 on the event and continues to believe it is fair that students should shoulder a portion of the cost.

White House Budget to Project 3% Growth

BY NICK TIMIRAO



Many forecasters see a pickup in consumer and business spending.

But many don't see quite as large an increase as the administration, and they don't see the boost lasting for nearly as long. On Friday, economists at J.P. Morgan said they now expect growth of 2.6% this year and 1.9% next year.

In December, Federal Reserve officials raised their projection of GDP growth for the current year to 2.5%, and for next year to 2.1%. They still see the economy growing around 1.8% over the long run.

The economy has grown about 2% on average over the past decade. Many economists believe sustained

Measuring Up

The Trump administration is projecting its policies will lead to a sustained rise in economic output. Last June, the Congressional Budget Office published more conservative estimates, which didn't account for recent changes to spending levels and tax rates.

Percent change in GDP:



Note: Gross domestic product change is Q4 to Q4.

Sources: Congressional Budget Office, White House Office of Management and Budget

Unemployment rate:



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growth at more than 3% will be difficult to achieve without a sharp rebound in productivity growth and a reversal in the slowing expansion of the U.S. labor force, developments few are projecting.

Worker productivity growth has slowed to 0.7% a year since 2010, a slowdown from rates exceeding 3% in the late 1990s and early 2000s. This has led some economists to conclude growth faces a so-called new normal until those forces reverse.

"We think we aren't necessarily in a 'new normal' that is inevitable," said Kevin Hassett, chairman of the White House Council of Economic Advisers, in an interview. "If we make smart policy choices, we can go back to...just normal."

The White House expects that without its policy changes, the economy would grow at a 2.2% rate over the coming decade, Mr. Hassett said. The administration sees around half of the increase to 3% growth coming from last year's \$1.5 trillion tax cut, and the rest from a combination of reducing regulations, attracting new private and local spending on infrastructure and policies to boost labor-force participation.

U.S. NEWS

Trump Presses Staff on Aide's Departure

John Kelly and Hope Hicks, once deemed untouchable, draw president's ire

BY MICHAEL C. BENDER
AND PETER NICHOLAS

WASHINGTON—President Donald Trump privately questioned his team's response to domestic-abuse allegations against a key lieutenant who resigned this week, placing much of the blame on two senior aides who had been deemed untouchable inside a White House marked by frequent turnover.

Mr. Trump's private criticisms about John Kelly, his chief of staff, and Hope Hicks, the White House communications director, contributed to turmoil inside the West Wing on Friday, multiple White House officials said.

Mr. Trump's scrutiny of Ms. Hicks surprised people inside the White House because he has rarely questioned his long-time aide. Ms. Hicks has been in a relationship with Rob Porter, the staff secretary forced out this past week following published reports that he abused his two ex-wives.

Mr. Porter said many of the published allegations about him were false.

The president reserved his most biting remarks, a person close to the situation said, for Mr. Kelly, whose about-face on the accusations against Mr. Porter capped a tumultuous week for the chief of staff.

Mr. Kelly initially defended Mr. Porter, vouching for his integrity publicly and privately



John Kelly, left, seen with Rob Porter in November, initially vouched for Mr. Porter's integrity when abuse allegations were reported.

urging him to fight the allegations and remain in the job, according to White House officials. But he then reversed himself and accepted Mr. Porter's resignation after graphic photos emerged Wednesday of the alleged abuse.

By then, Mr. Kelly was in damage control. In an email to White House aides sent at 8:45 p.m. on Thursday, he told staff that the White House takes domestic violence "very seriously" and people shaken by

the allegations against Mr. Porter can seek counseling services through the White House.

In a meeting with senior staff Friday, he stressed that he acted quickly when he realized the severity of the accusations. Two White House officials said they were uncomfortable with that account, with one saying Mr. Kelly was trying to "muck up the waters."

A second White House official, David Sorenson, resigned Friday amid domestic abuse al-

legations, the White House said. The departure of Mr. Sorenson, a speech writer, was first reported by the Washington Post.

"Before we were contacted by the media, we learned last night that there were allegations," White House spokesman Raj Shah said on Friday. "We immediately confronted the staffer, he denied the allegations and he resigned."

Mr. Kelly hasn't offered to resign, said Hogan Gidley, a White House spokesman. He

said the president has "complete confidence" in Mr. Kelly and Ms. Hicks. The White House didn't make either official available for comment.

Mr. Trump, commenting publicly for the first time on the matter Friday, emphasized Mr. Porter's denials of abuse, but didn't address his staff's handling of the matter. He said of Mr. Porter: "As you probably know, he says he is innocent."

Mr. Trump said Mr. Porter did "very well" in the White House

JONATHAN ERNST/REUTERS

and "we wish him well."

Jennifer Willoughby, Mr. Porter's second wife, said of the White House reaction to the allegations: "It's troubling to me, and I think reflective of a greater problem in American society...the disbelief or disregarding of women."

The president's private frustration with officials' handling of Mr. Porter's departure has put senior aides on the defensive, and contributed to an atmosphere where aides privately accused each other of trying to use the crisis to advance their own agendas.

Broadly, Mr. Trump recently has started to signal some frustration with Mr. Kelly, according to friends and advisers. Mr. Trump has already found workarounds to some of Mr. Kelly's attempts to limit access to the president, such as relying on first lady Melania Trump to field calls from friends who don't want to wait for the chief's protocols.

Mr. Trump's friends said the president has started to ask them about Mr. Kelly's performance. One person said the president has sought opinions on potential replacements.

These people cautioned that Mr. Trump didn't appear ready to part ways with Mr. Kelly. But after six months on the job, some aides inside the White House have started to question how much longer Mr. Kelly will remain.

The former four-star general was brought on as chief of staff in July from his post as Homeland Security secretary to bring more order to the West Wing.

—Rebecca Ballhaus
contributed to this article.

GOP Probes Russia Allegations That Reached Steele

BY BYRON TAU



campaign for his research on Mr. Trump. Mr. Trump has repeatedly denied the allegations in the Steele dossier. The White House didn't respond to a request to comment Friday.

Mr. Shearer's notes were passed indirectly to Mr. Steele, multiple people familiar with the matter said. Mr. Steele then gave them to federal law enforcement. The information was passed from Mr. Shearer through Sidney Blumenthal, a close associate of Mrs. Clinton, and another official who worked for the State Department during the Obama administration, Jonathan Winer, these people said.

Mr. Shearer, who didn't respond to a request to comment, compiled his information after many of the memos that make up the Steele dossier were already written, according to the dates in the documents.

Mr. Shearer's notes circu-

lated in political and journalistic circles in Washington in late 2016, according to a person familiar with the matter, who added that there was no contact with the Clinton campaign or Democratic Party regarding the sharing of the information.

Mr. Winer wrote in a Washington Post op-ed Thursday that he got the notes from Mr. Blumenthal and shared them with Mr. Steele out of concern about the nature of the allegations against a presidential candidate. He said that the State Department played no role in the matter.

Republicans on Capitol Hill are examining what role if any Clinton associates may have played in circulating politically damaging allegations against Mr. Trump that were eventually shared with the Federal Bureau of Investigation.

Mr. Shearer's notes contain a prominent reference to pur-

ported conversations with reporters from two media organizations, including a reporter from the Journal.

The notes allege the Journal reporter shared with him unverified allegations about Mr. Trump's sexual behavior, and told him that two researchers with the firm Fusion GPS were being paid by the Democrats to probe these issues. Fusion, a firm founded by former Journal reporters, hired Mr. Steele to conduct his research.

Mr. Shearer also said he was told by the reporter that the Journal was "gun-shy about pursuing" the allegations because "no one would go on the record and Mr. Trump's litigious background."

The Wall Street Journal disputed the characterization of the communication between the reporter and Mr. Shearer.

"In the summer of 2016, during the course of reporting on

then-candidate Donald Trump's connections to Russia, a Wall Street Journal reporter was contacted by Cody Shearer. Mr. Shearer claimed to have compromising information about Mr. Trump's activities in Russia," said Steve Severinghaus, a spokesman for Dow Jones & Co., publisher of The Wall Street Journal. "Our reporter was unable to corroborate these allegations, and determined the information provided by Mr. Shearer did not meet our high standards for fair and accurate reporting. The matter went no further," Mr. Severinghaus said.

Mr. Severinghaus added: "Among the many inaccuracies in Mr. Shearer's account of his conversations with our reporter in summer 2016 is his claim that the Journal knew who was funding Fusion GPS's efforts. The WSJ reporter had no such knowledge until it became public."

uity concerns.

Rep. Mike Turner, an Ohio Republican on the committee, said earlier this week: "I support the release of the Democrat-prepared memorandum and am eager for this to be entered in the public debate."

Democrats could still try to force a vote on the House floor that would override Mr. Trump's objection, but such a parliamentary maneuver has never been tried.

"The president's decision to block the Democratic memo from release is part of a dangerous and desperate pattern of cover-up on the part of the president. Clearly, the president has something to hide," said Rep. Nancy Pelosi of California, the House Democratic leader.

The fight between Republicans and Democrats began in mid-January when Republicans said they had written a memo outlining abuses against Mr. Page based on highly classified documents provided to a small number of lawmakers and aides by the FBI.

According to people familiar with the Page warrant, the application for surveillance says the research was linked to people or groups with a political motivation or political affiliations. Republicans have said that disclosure was insufficient for a federal judge to determine the political bias.

Mr. Page, who hasn't been charged with any wrongdoing, had been on the radar of U.S. intelligence since 2013, when alleged Russian spies made an attempt to recruit him. He left Mr. Trump's campaign in September 2016, a month before investigators sought a surveillance warrant on him.

Justice Department's No. 3 Official Resigns

BY ARUNA VISWANATHA
AND DEL QUENTIN WILBER

The Justice Department's third-ranking official, Rachel Brand, resigned Friday to take a senior job at Walmart Inc., adding to the turmoil at an agency facing multiple vacancies and criticism from various sources, including the White House.

Ms. Brand will be a Walmart executive vice president and corporate secretary, the company said Friday.

Her exit caught senior Justice Department officials by surprise, and after news of the departure was reported, the department issued a statement confirming it. Attorney General Jeff Sessions praised Ms. Brand, saying she had "played a critical role in helping us accomplish our goals as a Department."

Ms. Brand, in the same release, said she was proud of her time at the agency.

Ms. Brand's portfolio was broad, focusing on civil matters rather than criminal or national security issues. She had taken the lead on several initiatives championed by Mr. Sessions, including revoking guidance documents issued by previous administrations on an array of subjects. She also oversaw efforts to combat human trafficking.

President Donald Trump nominated Ms. Brand early last year; she was confirmed by the

MEMO

Continued from Page One

"We will be reviewing the recommended redactions from DOJ and FBI, which these agencies shared with the White House, and look forward to conferring with the agencies to determine how we can properly inform the American people about the misleading attack on law enforcement by the GOP and address any concerns over sources and methods," said Rep. Adam Schiff of California, the top Democrat on the panel.

The GOP document, written at the direction of the committee's chairman, Devin Nunes (R, Calif.), alleges federal investigators mishandled a secret warrant application to conduct surveillance on Trump campaign adviser Carter Page, failing to disclose adequately the partisan origins of the research used in the warrant against him.

The Federal Bureau of Investigation's surveillance application relied at least in part on research compiled by Christopher Steele, a former British intelligence official who was conducting opposition research on Mr. Trump that was at that point being funded through intermediaries by the Democratic National Committee and Hillary Clinton's presidential campaign.

Republicans, including Mr. Trump, have long criticized the probe into Russia's alleged meddling in the 2016 election by arguing that it was set off by a dossier of research conducted by Mr. Steele. Russia had denied interfering in the U.S. elec-

tion, and Mr. Trump has denied any collusion with Moscow.

The Democratic document challenges the allegations in the GOP memo by providing greater context on the decisions made by law enforce-

ment during the 2016 campaign, according to people familiar with its contents. The Republican-led committee voted unanimously on Monday to support release of

EVAN VUCCI/ASSOCIATED PRESS



President Donald Trump met Friday with FBI Director Christopher Wray and other officials in the administration to discuss the memo.

the Democratic memo. The decision by the White House caps several days of debate within the administration.

The Democratic document was reviewed by White House attorneys. The GOP president met with the FBI Director Christopher Wray, Associate Deputy Attorney General Robert Hur and officials with the White House Counsel's Office on Friday to discuss the issue.

Democrats pressed for the rebuttal memo to be released as a matter of fairness. Some Capitol Hill Republicans, including House Speaker Paul Ryan of Wisconsin, expressed the view that the Democratic memo should be released—in the interest of transparency and fairness—if it had been fully vetted for national-secu-

rities.

Mr. Page, who hasn't been charged with any wrongdoing, had been on the radar of U.S. intelligence since 2013, when alleged Russian spies made an attempt to recruit him. He left Mr. Trump's campaign in September 2016, a month before investigators sought a surveillance warrant on him.

OBITUARIES

MELVYN WEISS
1935 – 2018

Class-Action Lawyer Pounced on Companies

For decades, Melvyn Weiss was ready to pounce as soon as a corporation announced bad news. It was a one-two punch: The stock price fell, then came a class-action lawsuit from his firm accusing the company of defrauding shareholders.

His Milberg Weiss law firm obtained billions of dollars of judgments and earned enough fees to allow Mr. Weiss to afford a 12,000-square-foot waterfront home, decked with art by Picasso, on Long Island. In 2008, Mr. Weiss pleaded guilty to having provided kickbacks to people who agreed to act as plaintiffs in lawsuits. He spent about 11 months in federal prison and paid \$10 million in penalties.

Critics said the class-action suits were akin to extortion. Mr. Weiss argued that lawyers like him held companies accountable for misdeeds in ways that regulators couldn't. Though they grumbled, some corporate lawyers found it more convenient to settle with Mr. Weiss than to fight dozens of separate claims.

His friends said he served society by doing free legal work to help Holocaust survivors recover wealth seized in World War II and by helping young lawyers pay off student loans so they could take low-paying public-service jobs.

Mr. Weiss died Feb. 2 of amyotrophic lateral sclerosis in Boca Raton, Fla. He was 82.

—James R. Hagerty

JAMES COPELAND
1945 – 2018

CEO Steered Deloitte Through Turbulent Era

James Copeland led Deloitte Touche Tohmatsu, one of the largest global providers of accounting and other advisory services, at a time of turmoil among auditors.

Mr. Copeland's period as CEO of both the global Deloitte network and its U.S. arm, from 1999 to 2003, overlapped with accounting scandals at Enron Corp. and other major firms. Deloitte survived with little damage and snapped up talent and clients when rival Arthur Andersen collapsed in 2002. But the scandals brought tougher regulation and increased media scrutiny.

Rather than breaking up the major firms, Mr. Copeland said in 2002, those seeking to improve

their performance should focus on the fundamentals of auditing, such as what kinds of documents auditors review and when. He acknowledged that "those are boring kinds of things as far as the public is concerned."

Mr. Copeland spent about three-quarters of his time traveling, making stops in many of the 130 countries where Deloitte had operations. That exhausting pace contributed to his decision to retire at age 58. He later invested in Bass LLC and became a director at the company, which publishes fishing magazines.

He died of cancer in Peachtree Corners, Ga., Jan. 8, three weeks before his 73rd birthday.

—James R. Hagerty

BY JAMES R. HAGERTY

Jon Huntsman dropped out of a high-school chemistry class after concluding he would never have use for that sort of knowledge.

For a man who went on to found a global chemical company, the choice might seem unfortunate. But Mr. Huntsman's rise from humble beginnings to billionaire entrepreneur was never about an early mastery of the periodic table of elements. It was about deal-making skills and a tolerance for risk verging on recklessness.

Mr. Huntsman—who died Feb. 2 at age 80 and whose son Jon Jr. is a former Utah governor—made his first million dollars selling record albums of repackaged Christmas carols and radio hits, then created clamshell packages to keep Big Macs hot. In the 1980s, when giant companies were eager to sell their low-margin bulk petrochemical plants, he borrowed heavily to buy them, creating the base for today's Huntsman Corp. Four times his company was on the brink of bankruptcy. Each time, he kept creditors at bay.

"For me, the glass is full until it's totally empty," he wrote in his 2014 memoir, "Barefoot to Billionaire." By his estimate, he gave away \$1.5 billion to charity, much of that for cancer research and housing for victims of the 1988 Armenian earthquake.

He admitted a preference for Elvis Presley over classical music and acknowledged a weakness for supermarket tabloids. He palled around with other maverick deal makers, including Kerry Packer, James Goldsmith and Armand Hammer.

He was born June 21, 1937, in Blackfoot, Idaho, emerging "as purple as a Concord grape," as he later put it. The doctor initially concluded the infant was dead; a midwife revived him. His father was a high-school teacher so ill-paid that

JON HUNTSMAN
1937 – 2018

Risk Taker Built Chemical Giant From Castoffs



He moonlighted by setting up a record company with a friend. An early hit was a collection of Nat King Cole's Christmas songs.

In 1970, he began 18 months of work for the Nixon administration, initially overseeing welfare programs and later working as White House staff secretary. One of his tasks was to order a new toilet for the president, who had complained that one installed for Lyndon Johnson was too tall. Mr. Huntsman left in early 1972, missing the worst of the Watergate debacle. On his way out, he presented Mr. Nixon with a leather-bound Book of Mormon.

Now it was time to make money. His Huntsman Container Corp. made egg cartons and developed clamshell hamburger packaging. When executives at McDonald's declined his offer of a product demonstration, he sold the package to Burger King. Soon, McDonald's changed its tune and ordered millions of them.

The family moved to Northern California so his father could attend graduate school. At Palo Alto High School, Jon Huntsman still felt a humiliating "sting of poverty" but was elected student-body president and won a scholarship to the University of Pennsylvania's Wharton business school.

He felt lacking socially and academically, and initially struggled with his studies. Faced with the risk of washing out, he committed himself to studying.

After graduating in 1959, he married his high-school girlfriend and began a two-year hitch with the U.S. Navy in the Pacific. He then found work at an egg-production company owned by an uncle of his wife. Mr. Huntsman was put in charge of devising a way to make egg cartons from polystyrene instead of paper board. He fired technicians who said it couldn't be done and found others who solved the problem through trial and error.

◆ Read a collection of in-depth profiles at WSJ.com/Obituaries

FROM PAGE ONE

AMAZON

Continued from Page One
don.

It is the latest move by Amazon to create its own freight and parcel delivery network. In the last couple of years, Amazon has expanded into ocean freight, built a network of its own drivers who can now deliver inside homes and leased up to 40 aircraft while establishing an air cargo hub.

Amazon already delivers some of its own orders in at least 37 U.S. cities. With the new "Shipping with Amazon" option, Amazon plans to send its drivers to pick up shipments from warehouses and businesses itself and deliver the packages when it is able, the people said. For shipments outside Amazon's delivery reach, the U.S. Postal Service and other carriers will take care of the so-called last mile to customers' doorsteps.

"We're always innovating and experimenting on behalf of customers and the businesses that sell and grow on Amazon to create faster lower-cost delivery choices," a spokeswoman said.

It remains to be seen whether Amazon can successfully deliver packages for other businesses on a broad scale. UPS and FedEx have built massive networks over the course of decades to allow them to deliver across the U.S. And it is expensive. UPS this year alone is planning to spend up to \$7 billion on upgrading its delivery network.

Analysts expressed skepticism on Friday about Amazon's ability to get a transportation network up and running. The company doesn't have the capacity or equipment yet to handle extra shipments at a massive scale, and it is unclear whether Amazon is willing to invest enough to do so, the analysts wrote.

"The trigger we've consistently looked for from the company as a warning signal has been asset commitment," wrote Citi analyst Christian

Stacking Up

Packages shipped in the U.S. in 2017:

Amazon paid to ship **1.2B**

FedEx was paid to ship **2.7B***

UPS was paid to ship **4.3B**

*Fiscal year ended May 31 2017

Source: MWPVL International (Amazon shipments); UPS; FedEx

THE WALL STREET JOURNAL

Amazon's push into logistics reflects its growing ambitions across businesses.

A spokesman said UPS

continues to support Amazon and other customers and doesn't comment on customers' business strategies or decisions regarding using UPS services.

FedEx in a statement Friday pointed to a video on its website that outlines the size, scope and expertise of its global delivery network, including its more than 40 years of experience, roughly 650 aircraft, 150,000 trucks, 400,000 employees and 4,800 operating facilities to handle about 12 million shipments a day.

On a FedEx earnings call in December, executives who were asked what would hap-

pen if Amazon started competing for its shipping business said they don't comment on hypothetical situations. They added that Amazon was a longstanding customer, but that no one customer represented more than 3% of its revenue or volume.

Amazon's push into logistics reflects its growing ambitions across a wide range of businesses beyond online retail. The company runs a dominant cloud-computing services division, a Hollywood studio and a massive marketplace and logistics operation for sellers. Last year, it acquired Whole Foods for roughly \$13.5 billion, transforming itself into a brick-and-mortar grocer overnight.

Last week, Amazon said it was teaming up with JPMorgan Chase & Co. and Berkshire Hathaway Inc. to form a new company to try to lower their employees' health costs, an announcement that rattled health-care firm stocks.

Amazon started building out its logistics network in earnest after it missed deliveries during the gift-giving season in December 2013, according to people familiar with Amazon's thinking. As more shoppers bought products online, Amazon executives concluded that parcel volume was growing too rapidly for existing carriers to handle.

The company separately has launched a logistics service called "FBA Onsite," according to the people familiar with the matter. Currently, most third-party sellers on Amazon's website ship their goods to an Amazon warehouse for its "Fulfillment by Amazon" program to qualify for Prime shipping. With FBA Onsite, sellers automatically qualify for Prime and then can ship directly from their own warehouse using software provided by Amazon.

While Amazon will decide the method of those shipments, pickups and deliveries for now still will be handled by various carriers, including UPS and FedEx, the people said. Bloomberg News earlier reported on FBA Onsite.



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WORLD NEWS

NATO Members Short of Spending Goals

European military outlays rise, but a majority won't meet 2% of GDP benchmark

By JULIAN E. BARNES

BRUSSELS—Fewer than half of NATO's 29 members have made plans to reach the alliance's military-spending target, according to allied officials.

The North Atlantic Treaty Organization is expected to announce Tuesday that European military spending continues to rise. But the overall increase obscures the reality that many allies haven't adopted plans, as they agreed to do last year at the insistence of the U.S., to increase such spending to the long-established alliance benchmark of 2% of their economic output.

Accentuating the shortfall, Washington plans to announce another increase in American defense spending in Europe. The U.S. will likely propose a spending increase of about \$1 billion above the current annual \$4.8 billion in military expenditure in Europe, according to people briefed on the plans.

U.S. Defense Secretary Jim Mattis will address NATO defense ministers on Wednesday in Brussels and is expected to acknowledge the progress at increasing spending but say more is expected, allied officials said.

At the urging of the Trump administration last spring, NATO demanded allies submit spending plans by the end of 2017 outlining how each country planned to reach the 2% spending target by 2024.

To the frustration of the U.S., some countries submitted plans for only the next three years. Other countries' plans extend to 2024 but fall short of reaching 2% of economic output.

About 14 countries have clear plans to reach 2% near



Army vehicles in the Netherlands being prepared on Thursday for transport to Germany for NATO's rapid-reaction force.

the deadline, according to allied officials. Germany isn't among them, nor is Belgium, which hosts NATO headquarters in Brussels.

NATO has said that the U.S., U.K., Greece, Poland, Latvia, Estonia, Romania and Lithuania are above or near the 2% target. France, Turkey, Hungary, Slovakia, Bulgaria and Montenegro have plans to push their spending to the target.

Two other countries, Denmark and Norway, have plans for increased spending that would further critical NATO capabilities, including new F-35 fighter planes, air-de-

fense frigates and sub-hunting planes. But the two countries are unlikely to hit the 2% target by 2024.

"We do not quite make the 2%," said Michael Zilmer-Johns, Denmark's ambassador to NATO. "But we fulfill all the other parameters, most importantly the NATO capability targets. Because, in our view, this is what it is all about."

At a NATO meeting in May, President Donald Trump excoriated allies for failing to spend enough on defense. Since then he has said "money is pouring in" and taken credit for a spending turnaround.

In 2014, NATO allies agreed

that all would "move toward" spending 2% of gross domestic product on defense over the ensuing decade. U.S. officials in Washington have treated the 2% as a hard commitment, irking some diplomats at the alliance's Brussels headquarters who insist the precise pledge was only to make a good-faith effort to increase spending.

When allies agreed to submit the spending plans, NATO said it would also evaluate countries' contributions to missions and needed capabilities.

NATO officials said more allies are boosting their equip-

ment purchases. Allied diplomats said under the new plans, 23 of the 29 allies will spend 20% or more of their defense budget on military equipment.

Allies are also placing the laggards in different categories. Some countries, such as Spain and Portugal, aren't set to reach the 2% spending goal but have laid out plans for substantial increases in spending and announced the intention to acquire capabilities desired by NATO.

The Spanish plan to boost defense spending by 80%, or about \$22 billion, moving from 0.9% to 1.6% of GDP over the next seven years.

Germany Draws U.S. Criticism Over Military Outlays

Germany has drawn particular ire from President Donald Trump, who has accused Europe's biggest economy of not paying its bills to NATO.

German officials bristle at the charge.

Protracted government coalition talks, now concluding, have led to an agreement to raise spending, but not necessarily to the level that has been demanded by Washington.

Since 2015, the country has expanded its military outlays, lifting overall European defense spending and helping reverse its downward trend. Germany is one of the largest contributors to North Atlantic Treaty Organization missions.

It remains unclear whether Germany will agree to lift defense spending to 2% of GDP. Economic growth there has meant big increases in defense spending haven't translated to a larger proportion of GDP.

—Julian E. Barnes

Other countries haven't submitted detailed plans and their spending remains low despite relative wealth. Multiple officials pointed to Belgium as an ally not pulling its weight.

Laurence Mortier, the spokeswoman for the Belgian defense ministry, said it plans to increase spending from 0.9% of GDP today to 1.3% by 2030.

"It is a political decision what is spent on defense," she said. "We had an agreement on 1.3%. If Mattis tells us we have to do more, it will have to be a political discussion if we are going to do more and how."

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Military spokesman Col. Tamer el-Refai announcing the launch of Egypt's Sinai operation on Friday.

Egypt Launches Airstrikes On Militants in Sinai Peninsula

By JARED MALSIN

CAIRO—Egypt's military said it launched airstrikes against armed groups in the Sinai Peninsula as part of a new offensive following months of attacks by Islamic State militants that have killed hundreds.

The announcement on Friday signals renewed military action against the insurgents less than three months after gunmen flying the Islamic State flag killed more than 300 people at a mosque in the Sinai.

The declared operation comes weeks before an election in which President Abdel Fattah Al Sisi faces only a token opponent. A wave of lethal attacks by Islamic State over the past three years has eroded Mr. Sisi's claim to represent a bulwark against armed extremist groups in the wider Middle East.

In a pair of video communiqués, military spokesman Col. Tamer el-Refai said the operation would confront "terrorist and criminal elements" in Sinai, the Nile Delta and Egypt's vast Western Desert.

The operation included airstrikes on weapons caches



President Abdel Fattah Al Sisi

and militant "hideouts" in Sinai, Col. Refai added.

An insurgency has raged for years in the Sinai Peninsula, where residents feel a sense of economic and political neglect by the central government in Cairo.

A homegrown militant group in the region proclaimed its allegiance to the Islamic State in 2014. Since then, the group has adopted more-extreme tactics, including a series of sectarian attacks on Egypt's Coptic Christian minority.

Following the deadly mosque attack in late November,

Mr. Sisi laid down a three-month deadline to restore security to the Sinai. Coming before the president's deadline, the new offensive announced Friday appeared to be a departure from past campaigns launched in knee-jerk response to terrorist attacks.

"There does appear to be much more-deliberate planning that went into this campaign," according to Zack Gold, a Washington-based analyst specializing in the crisis in Sinai.

Egypt's military has launched large-scale operations in north Sinai in the past, but has struggled for years to contain an insurgency where militants have killed hundreds of civilians and security forces.

In late December, militants shelled the region's main airport during a visit by the ministers of defense and the interior.

"What we need to be looking for," Mr. Gold said, "is whether this is a large-scale offensive that will end tomorrow, or whether the Egyptian military is really intent on invading and clearing territory and holding that territory for a longer time."

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CEO, Enterprise Florida

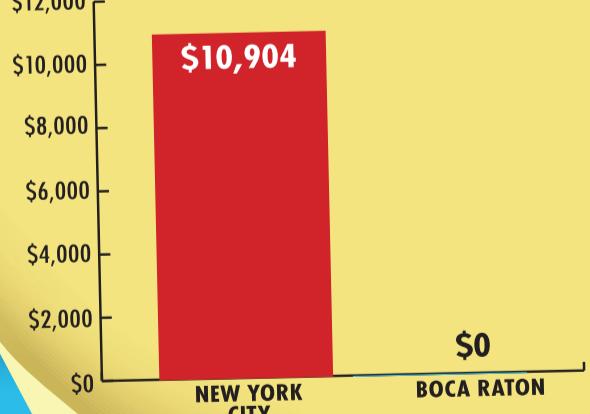
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WORLD NEWS

Gender Gap Gets South Korea Focus

BY EUN-YOUNG JEONG

SEOUL—South Korea took barely a generation to transform itself from a poor military dictatorship into a modern democracy with a powerhouse economy and the world's fastest internet connection speed.

But it left its women behind. The nation of 50 million has the widest gender wage gap among the 35 member states of the Organization for Economic Cooperation and Development, and ranks in the lowest tiers in international comparisons of overall gender equality.

South Korea was stunned last week when a female prosecutor went public with accusations of sexual harassment—a rare move in this conservative society.

The prosecutor, Seo Ji-hyeon, said she was groped by a senior official in 2010 and discriminated against by her superiors when the incident came to their attention. The alleged perpetrator couldn't be reached to comment. In an interview on Korean television, Ms. Seo said she wanted to tell victims of sexual crime that "it's not your fault," saying "it took me eight years to realize this."

Days later, the Supreme Prosecutors' Office formed an investigative team to look into her case, while the Ministry of Justice said it would establish a task force to examine sexual harassment. Ms. Seo's candor also prompted other victims to speak out, including a lawmaker and another prosecutor.

Before Ms. Seo spoke out, "women talked, but no one listened," said Sohn Hee-jeong, a researcher at the Institute of Gender Studies at Yonsei University in Seoul.

Now, sexual harassment has become a subject of intense national debate. Last week, local media reported on sexual-harassment allegations against Chairman Park Sam-koo of Kumho Asiana Group, the oper-

ator of South Korea's second-largest airline. A company spokesman said it was verifying the facts and didn't make Mr. Park available to comment.

Women do have prominent roles here. Park Geun-hye served as president from 2013 until she was removed from office in March 2017 amid a political scandal. Before being appointed as the country's first female foreign minister, Kang Kyung-wha was a senior policy adviser to the United Nations secretary-general.

But these accomplishments don't capture the reality for the majority of women here.

In 2017, South Korea ranked 118 out of 144 countries in the World Economic Forum's annual Global Gender Gap Report, below India and Ethiopia.

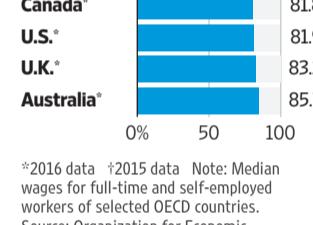
Ms. Seo's case has marked a change. Supporters have sent flowers to Ms. Seo's office with messages like: "We're cheering for you #MeToo."

A petition, begun anonymously, on the website of the presidential office calling for mandatory feminism education in schools this week surpassed 200,000 signatures—a threshold at which the government is obliged to respond.

Gender Disparity

Women's pay lags behind men's in South Korea by a greater percentage than in any other OECD country.

■ Women's wages as a share of men's



*2016 data †2015 data Note: Median wages for full-time and self-employed workers of selected OECD countries. Source: Organization for Economic Cooperation and Development

THE WALL STREET JOURNAL.

near northern Iraq in 2016 to set up for a campaign to free the city of Mosul from Islamic State.

In a related step, the Marine Corps next month will expand the number of Marines who serve in rotating training assignments in Darwin, Australia, military officials said. About 1,250 Marines now deploy in Darwin for six months each year; the number will increase by an unspecified amount in March, officials said.

Other initiatives, previously announced, include a broader counterterrorism mission in the Philippines and the continuing deployment of new hardware to the region—littoral combat ships to Singapore, for example, and ultimately Joint Strike Fighters to Japan.

Beijing has cast the U.S. as a waning force in the Pacific, an assertion rejected by U.S. military officials.

"The physical evidence reflects anything other than a

Force Posture

Regular deployments of Marine Expeditionary Units would enhance U.S. military capabilities in the Pacific.

U.S. troops overseas, 2016*



*Includes active-duty Army, Navy, Marine Corps and Air Force personnel in known locations outside the U.S. and its territories. Source: Department of Defense via Pew Research Center

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U.S. Marines at a training area near Darwin, Australia, last year.

EMMANUEL RAMOS/MARINES/DOD/ZUMA PRESS

Kim Jong Un's Sister Gains Clout

BY ALASTAIR GALE

During Friday's Olympic Opening Ceremony, South Korea's president greeted world leaders gathered for the Games. He also shook hands with a woman more important for her family ties than her official government post: Kim Yo Jong, the sister of North Korean leader Kim Jong Un.

Ms. Kim is the first member of North Korea's ruling family to visit the South since the Korean War in the early 1950s. Through skillful maneuvering, she has emerged as a close confidante of her older brother, serving as his emissary amid the country's nuclear standoff with Seoul and Washington.

She arrived Friday in South Korea on her brother's private plane and is scheduled to have lunch with South Korean President Moon Jae-in on Saturday.

Ms. Kim's rise contrasts with the demise of other members of Pyongyang's ruling family.

In 2013, Mr. Kim executed his uncle after accusing him of building a rival power base. Last year, his half brother was killed in a Malaysian airport. North Korea denied involvement, but the U.S. and others say an assassination order was almost certainly given by the North Korean leader.

While the men represented potential challenges to Mr. Kim's leadership, close observers of North Korea say Ms. Kim, who is around 30 years old, has gained her brother's confidence by bolstering his rule.

Ms. Kim is often shown with a pen and notepad, writing down comments made by Mr. Kim when he tours construction projects, shoe factories and other sites around North Korea. Ahead of one of her brother's speeches, Ms. Kim was shown helping to prepare the text and applauding vigorously afterward.

"She doesn't try to outshine him, but rather completely supports him," said Jung Pak, a Korea specialist at the Brook-



Vice President Mike Pence sits near North Korea's nominal head of state Kim Yong Nam and Kim Jong Un's younger sister Kim Yo Jong, at the Opening Ceremony of the Winter Olympics in Pyeongchang.

ings Institution, a Washington-based think tank.

Ms. Kim hadn't been seen or mentioned in North Korean state media until she was shown at the funeral of her father, Kim Jong Il, in December 2011. Even then, there was confusion over her identity; some outsiders guessed she was Kim Jong Un's yet-to-be-revealed wife.

Three years later, North Korea confirmed Ms. Kim had been given a position in the central committee of the ruling Workers' Party. Soon after, she had a clearer title: deputy director of the party's propaganda and agitation department.

The position is among the most influential in the regime and has historical resonance: her father, Kim Jong Il, had the same role before being tapped to be North Korean leader.

"It's a critical role that touches every area of North Korean politics and maintains ideological narratives key to regime stability," said Patrick McEachern, an expert on North Korea and international affairs fellow at the Wilson Center in Washington.

Last year, Ms. Kim was named as an alternate member of North Korea's Politburo, only the second woman to be elevated to the decision-making body. The U.S. sanctioned Ms. Kim last year for her role in the regime's censorship and human-rights abuses.

Ms. Kim is believed to have spent two years at school in Switzerland at the same time

It isn't clear why previous leader Kim Jong Il passed over Kim Jong Chol in the transfer of power. According to an account in a book by Kenji Fujimoto, a former sushi chef for the Kim family, the elder Mr. Kim viewed Kim Jong Un's character as better suited to leadership. "The older brother, Jong Chol, had the warm heart of a girl," Mr. Fujimoto wrote.

Mr. Gause speculates that Kim Jong Il advised Kim Jong Un to keep his sister close, much as the elder Mr. Kim had done with his own sister, Kim Kyong Hui. The elder Ms. Kim provided support to Kim Jong Il, particularly after he suffered a suspected stroke in 2008. She had important titles in the Workers' Party and later, the military. She was the only other female Politburo member.

Kim Yo Jong is likely being groomed to step into the shoes of Kim Kyong Hui, Mr. Gause says. "She will be the most trusted adviser to Kim Jong Un, and his eyes and ears on the regime. The last line of defense. She isn't there yet, but that seems to be the plan," he said.

Kim Jong Un was likely told to keep his sister close, much as his father had done.

as Kim Jong Un—a period that may have helped the siblings bond.

Accidents of birth have also worked in Ms. Kim's favor. Kim Jong Un has an older brother, Kim Jong Chol, but a Korean emphasis on age-based seniority makes it hard for him to play a public supporting role to the leader, said Ken Gause, an expert on North Korea's leadership at CNA in Arlington, Va.

TROOPS

Continued from Page One military capabilities in the Pacific, officials said. The units would be mobile: They could conduct patrols, military-to-military training with allies in the region, and could respond if a conflict were to break out.

Military officials said the MEUs are under consideration with other complementary proposals to reposition forces into East Asia to counter a rising China, which the new defense strategy identifies as undermining an international world order in place for decades. Officials said they didn't know when a final decision would be made about deployments.

There already are about 50,000 U.S. service members in Japan, including about 18,000 Marines, another 29,500 American service members in South Korea, and about 7,000 more in Guam, according to military officials.

Marine Expeditionary Units are groups of about 2,200 Marines who move about in amphibious assault ships—essentially small aircraft carriers. MEUs are capable of air, sea and ground combat, as well as rescue, logistical and support operations. An MEU typically has aircraft, helicopters, tanks, mortar and other weapons and combat-support resources.

MEUs typically deploy for up to seven months on amphibious ships; they may stay afloat the entire time or deploy ashore for small periods to conduct training or operations.

Gen. Robert Neller, the commandant of the Marine Corps, said MEUs sent to Asia would conduct patrols and joint training exercises with allies.

"We have to be present and engaged to compete," Gen. Neller said. The new defense strategy "will shape our future naval presence, especially in the Indo-Pacific region."

MEUs based on the West Coast have traveled from the U.S. to the Middle East for wars in Iraq, Afghanistan and most recently, Syria, all in the area of responsibility of U.S. Central Command.

MEUs, designed to be a quick reaction force, were among the first units to arrive

declining Pacific power," Gen. Dunford said while in Asia.

Over the past week, Gen. Dunford visited Australia, which faces its own challenges with China, and toured the training base for U.S. Marines in Darwin. He also visited Thailand, now rebuilding ties to the U.S. after strains that followed a 2014 military coup.

The Obama administration's so-called pivot to Asia was seen as having mixed results, in part because his administration re-invested its military resources back into the Middle East.

U.S. officials said Defense Secretary Jim Mattis has signaled inside the Pentagon that the days of effectively unlimited resources for Central Command to fight wars are steadily yielding to a shift of emphasis to the Pacific Rim.

Some officials argue that withdrawing resources from the Middle East could allow Russia and China to bolster their presence there. Russia backs Syria's ruler and both countries are seeking to expand their influence elsewhere in the region.

Army Gen. Joseph Votel, U.S. Central Command commander, acknowledged in a recent interview that impending changes could affect resources available to the Middle East.

Gen. Votel has refused to say whether he had been asked to downgrade resources in areas where fighting continues against Islamic State, deferring to the Pentagon.

"Those are real threats, and we have to deal with them," he said of extremists in Iraq and Syria, in an interview in Amman in January. "We will do our part to support that [while] balancing risk" to operations under Central Command control, he said.



U.S. Marines at a training area near Darwin, Australia, last year.

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IN DEPTH

Lying, Hoarding, Price Gouging—All for a Computer Part

Mania for virtual currencies is increasing the cost of graphics cards used by gamers; 'like buying drugs'

By SARAH E. NEEDLEMAN

Three months into a seemingly futile search, James Liska finally spotted a reasonably priced computer-graphics card online. By the time he clicked "buy," it was gone.

He blames those cryptocurrency enthusiasts.

"This has been far more frustrating than I ever imagined," said the 30-year-old videogame player who lives in Washington, D.C. He wanted the card for a computer he is building. He recently saw a card that normally sells for \$800 offered for resale at \$2,000.

Graphics cards, usually a plentiful and ordinary PC commodity, produce the kind of rich visuals gamers love. Now there's a new kind of buyer: People who need them to run software capable of creating virtual currencies—an act known as "mining." That's giving gamers a different kind of competition.

Sarah Kaiser was looking to build a new PC, a skill she learned from her mother, but but couldn't find a card.

"Miners have made what was once a fun hobby into hell," the 28-year-old said.

Her six-month quest turned up a tip: A computer-parts store near her Somerville, Mass., home would sell one of its exorbitantly priced cards for the manufacturer-recommended cost—only if the customer also bought other supplies that typically go into assembling a new gaming PC. Miners stand out because they usually try to buy more than one card at a time.

"I felt pretty lucky," said Ms. Kaiser, who plunked down around \$1,500 for a bundle of items, including the card she wanted for \$600.

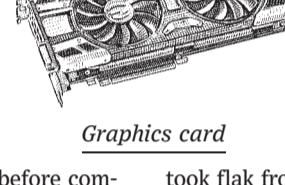
While most people buy computers off the shelf, some, especially gamers, build PCs from scratch, customizing them to their liking. Videogames today are so detailed



Justin and Tiffany Kelly, gamers turned cryptocurrency miners, have a stockpile of graphics cards.

and fast that players need top-notch graphics capabilities, so the cards are key.

Then people got into "mining"—which in many cases just so happens to require running software on a PC with high-end graphics capabilities. While gamers can get by with one card, miners prefer several, 5 or 6 per computer. All of a sudden, the market started getting low on cards.



Graphics card

The rapid rise in the value of bitcoin—it reached nearly \$20,000 in December and gained about 2,000% in 2017, before coming back to earth this year—inspired people not only to invest in virtual currencies, but also "mine" them.

Since generating bitcoin requires more computing might than PCs can manage, less-demanding kinds of virtual currency, such as one called ether, have started catching on.

As of Friday morning, bitcoin had a total market value of \$143 billion, according to the research firm CoinDesk Inc., while ether had a value

of \$81.67 billion.

Lately, people mining ether and other cryptocurrencies have hunted graphics cards nearly to retailing extinction.

Tom Nguyen lost count of how many graphics cards he has bought over the past year for mining. The 27-year-old, who lives near Hartford, Conn., said he made multiple hours-long treks to electronics stores in New York and Boston, and scoured the web to score his bounty.

"I'm not doing anything wrong," said Mr. Nguyen, who said he took flak from gamers and miners alike over photos he posted on social media showing off his haul. "I'm using my electricity, my time and my effort to allow the cryptocurrency world to thrive."

Laura Augustine hit pause on her IT consulting business to mine ether as a stay-at-home mom. The Nanaimo, British Columbia, resident said she spent \$20,000 to soup up five PCs with six high-end cards each. "They're like turkeys modified to be all breast," she said. "I call them

my GMO PCs."

Ms. Augustine said she has been teaching other stay-at-home moms to mine and would build a sixth PC—if she could find more graphics cards. Her supplier stopped returning her calls.

Miners are facing other shopping hurdles. When Eiron Roffey called a local electronics store in Calgary, Alberta, looking for a card, the employee who answered demanded to know why.

Stunned, Mr. Roffey professed his love of "World of Warcraft," a longtime favorite of PC gamers.

"Obviously, I lied," the 36-year-old finance professional said. "I felt like I was buying drugs."

For many buyers, graphics cards can be found only on sites such as Amazon and eBay, where sellers charge double or more than the usual \$300 to \$800 retail price.

Advanced Micro Devices Inc.'s Radeon RX Vega 64 went on sale in August for \$599. Last quarter, its average retail price shot up to \$1,200, according to Jon Peddie Research.

Sterling Henderson is now on his third month hunting



JUSTIN KELLY

for an affordable card. He thinks miners will get what's coming to them.

"I see the bubble burst being right around the corner," said the 28-year-old gamer from Brookville, Ohio. "When one person buys 10 graphics cards, they know what they're doing to gamers."

On AMD's quarterly conference call Jan. 30, Chief Executive Lisa Su said cryptocurrency-related sales made up a third of sequential growth in its computing and graphics division, or \$46 million.

Nvidia Corp. said on an earnings call with analysts Thursday that strong demand in the cryptocurrency market contributed to record low inventory for its graphics cards.

Stores worry, though, miners might not stick around as customers forever.

"Our bread and butter is the gaming segment," said Raymond McEachern, a corporate sales associate for Memory Express, the store Mr. Roffey called. "We can't let miners come in and buy

all our stock."

Some gamers have gone over to the dark side. Justin and Tiffany Kelly took up mining after learning they could be making money when not playing games such as "StarCraft" and "PlayerUnknown's Battlegrounds."

They bought 46 graphic cards at once from an online retailer about five months ago, right before prices shot up. Each cost \$529 and now go for around \$1,300 a pop. The computers drew on so much power, the couple hired an electrician to rewire the house.

They have pulled in between \$5,000 and \$7,000 a month from mining, just enough to pay for the initial investment in cards, though electricity bills are about an extra \$700 monthly, said Mr. Kelly, a welder and mechanic.

Mr. Kelly, 28, thinks gamers shouldn't begrudge the cryptocurrency enthusiasts. "Instead of hating," he said, "gamers should join them."

FLU

Continued from Page One
ing seemingly healthy adults with no underlying medical problems.

Rates of hospitalization are the highest since 2010, and the rate of reported flu illness is now as high as it was during the 2009 global flu pandemic, the Centers for Disease Control and Prevention said Friday.

The percentage of all deaths in the U.S. from flu and pneumonia has risen to one of the highest levels in recent flu seasons.

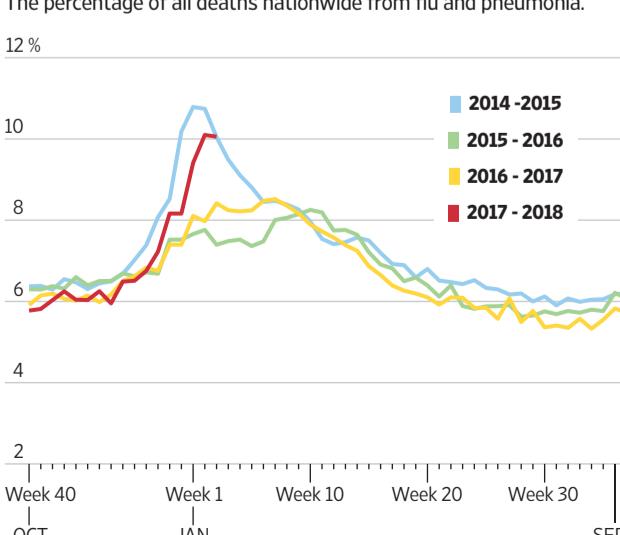
The flu kills between 12,000 and 56,000 people in the U.S. a year, according to the CDC, which estimates that this season's death toll will be at the upper range. The elderly are most at risk, along with young children.

"This is not the common cold," said Tim Uyeki, chief medical officer in the influenza division of the CDC.

Complications can arise when the body's immune system overreacts, triggering an exaggerated inflammatory response that can lead to viral pneumonia, organ damage or sepsis, a bloodstream infection, Dr. Uyeki said. Or, flu infection sometimes makes it easier for bacteria to invade the bloodstream, leading to a bacterial pneumonia that can also trigger sepsis, he said.

Deadly Season

The percentage of all deaths nationwide from flu and pneumonia.



Heather Holland, of Willow Park, Texas, left, took ill with the flu at the end of January. Karlie Slaven and her family, right, of Indiana.

their 11-year-old grandson and 9-year-old granddaughter.

A couple of hours later, his wife called him to bring the children. Ms. Slaven was in critical condition. Her husband also was headed back.

Mr. Illg said he was struck by how quickly his daughter had become gravely ill. Two days earlier, she had common flu symptoms. At the hospital, he said, she could barely flutter her eyelids. Ms. Slaven died early the next morning, less than three days after learning she had the flu.

He and his wife went to Ms. Slaven's house. His wife took Ms. Slaven to the emergency room, while Mr. Illg stayed with



SLAVEN FAMILY

Mr. Holland hoped to catch a 6:05 a.m. flight home. They arrived at 5:45 a.m., too late to board.

The next flight wasn't until that afternoon. The two men returned to the car and sped toward Fort Worth, Mr. Holland said, stopping only for gas.

The Hollands were high-school sweethearts. They dated for seven years while attending different colleges before getting married in July 2004.

Ms. Holland was a reader. "It was just book after book after book," her husband said. "It was God, her family and reading, basically in that order."

She shared that passion with her students at Bose Ikard Elementary School, boys and girls she hugged and called her babies.

"She always said that's probably the only hug some of those kids will get that day," Mr. Holland said.

Doctors told the family that Ms. Holland's recovery was looking unlikely. On Sunday morning, Mr. Holland called his mother to bring the couple's children.

Ms. Holland opened her eyes to look at her young boy and girl.

"She'd hold them open as long as she could, then she'd close them, then open them again a little bit," he said. "That was her way of telling them goodbye."

She died soon after, on Feb. 4, six days after coming home from school with a scratchy throat.

Still, when she came out of their room, he told her to go back and lie down. He made her some soup and slept on the couch.

Ms. Holland went to the pharmacy. She learned the anti-viral medication would cost her \$116 under the prescription-drug coverage she had as a teacher, and she refused it.

The couple had the money, Mr. Holland said: "It's principle

This flu season has pit a weak vaccine against particularly virulent strains.

with her. She's a very frugal person in general, always has been."

After bringing their children home from church that night, Mr. Holland discovered his wife was taking Nyquil, he said.

She told him she thought the price of the antiviral was ridiculous. He went to the pharmacy Thursday morning and got it filled himself. "I made her start taking it," he said.

Looking back, he said, he wished she and other teachers had better drug coverage, given their exposure.

Ms. Holland kept herself quarantined in the couple's bedroom. By Thursday evening, "she seemed like she was turning the corner," Mr. Holland

said.

Still, when she came out of their room, he told her to go back and lie down. He made her some soup and slept on the couch.

Ms. Holland usually got a flu shot, but Mr. Holland couldn't remember whether she got one this season.

The couple didn't go to doctors much. "Generally we're pretty healthy individuals," he said.

Their routine for the flu was conventional. "You take some Pedialyte, drink some Sprite, eat crackers and soup and in a few days it's better," he said.

Mr. Holland was due to leave on a planned trip Friday with clients to Kansas. He hesitated about leaving his wife.

He took her temperature that morning. She still had a fever, but it was lower. She seemed to be recovering. "Normally you lay around for a few days," he said.

Ms. Holland, feeling better, urged him to go, he recalled.

Still unsure, he checked with her one last time before leaving Friday morning.

On Friday night, Ms. Holland's fever spiked. She was nauseated and had diarrhea.

Around 11 p.m., family members took her to the emergency room at Texas Health Southwest, a hospital in Fort Worth. She was admitted into the intensive care unit.

Mr. Holland frantically searched the quickest way home. His boss drove him early Saturday to the airport, where

PYEONGCHANG 2018

OPENING CEREMONY

Harmony, With a Side of Hostility

South Korea kicks off the Olympics with gestures of unity, but decades of tension lurk in the background



Kim Yuna lights the Olympic flame during the Opening Ceremony of the 2018 Winter Olympics on Friday in Pyeongchang.

BY JONATHAN CHENG

Pyeongchang, South Korea
THE WINTER GAMES kicked off in this ski-resort town with a volatile blend of geopolitics and Olympic pageantry, foreshadowing an event in which international intrigue will provide a dramatic backdrop for sporting grandeur.

In an Opening Ceremony on Friday staged just 50 miles south of the inter-Korean border, delegations from the two Koreas walked into the stadium together under a unified flag.

U.S. Vice President Mike Pence, who earlier in the day called North Korea "the most tyrannical regime on the planet," was among the attendees, along with Kim Yo Jong, the younger sister of North Korean leader Kim Jong Un, a surprise last-minute guest whose every move was tracked closely by the South Korean media.

The North Korean delegation, which also included Kim Yong Nam, the country's cere-

monial head of state, sat just one row back from Mr. Pence and his wife on the dais at the Opening Ceremony. The two sides appeared to have avoided any interaction.

The ceremony itself was filled with nods to traditional Korean motifs, including the yin-yang symbol of cosmic harmony that appears on the South Korean flag. The traditional Korean folk song "Arirang," a mournful song of longing that is an unofficial national anthem on both halves of the Korean Peninsula, played a prominent role in the proceedings.

Meanwhile, a mix of South Korean pop music, including rapper Psy's ubiquitous global 2012 hit "Gangnam Style," provided the soundtrack as warmly clad athletes—with the exception of Tonga's shirtless Pita Taufatofua—marched into the open-air stadium in nighttime temperatures that fell below freezing.

Among the event's oddities was the entrance of the delegation of Russian athletes. The Russian Olympic Committee is currently banned by the International Olympic Com-

mittee for its alleged state-sponsored doping scheme in Sochi in 2014, but 168 athletes were permitted to compete as Olympic Athletes from Russia, or OAR, through an intense selection process. The squad marched into Pyeongchang Olympic Stadium wearing beige coats, without their national flag, and a local volunteer carrying the IOC flag to lead them.

The U.S. team was led on Friday by flag-bearer Erin Hamlin, a luger. Beforehand, speedskater Shani Davis expressed anger in a Twitter post over Team USA choosing the bearer by coin flip. A U.S. Olympic Committee spokesman defended the choice, saying the procedure is driven by athletes.

The entry of the inter-Korean delegation, under a unified flag depicting a silhouette of an undivided Korean Peninsula against a white backdrop, marked the emotional climax of an Olympiad that just a few weeks ago appeared set to be overshadowed by inter-Korean strife.

Instead, as the North and South Korean delegates marched into the stadium, South

Korea's president and his wife turned around to shake hands with Mr. Kim and Ms. Kim—the first handshake between a South Korean president and a member of the North's ruling Kim family in more than a decade.

Later, two members of the inter-Korean women's ice-hockey team carried the Olympic torch up a set of stairs and handed it to South Korean gold-medal figure skater Kim Yuna, the country's most celebrated Olympic athlete.

The two Koreas have walked into the Olympic Opening Ceremony together three times before, but never against such a backdrop of geopolitical crisis. Last year, North Korea detonated its sixth and most powerful nuclear weapon and launched two new intercontinental ballistic missiles capable of reaching the U.S. mainland.

Mr. Kim, meantime, has traded public threats with President Donald Trump, whose administration is weighing military options to halt North Korea's nuclear program—a move that could trigger a broader conflict in a region that is home to more than a quarter of the world's population.

With those tensions hanging over the Games, organizers in South Korea spent the past few months aggressively courting North Korea's participation in the Olympics—as insurance against any provocations from Pyongyang, but also as a powerful symbol of the "Peace Olympics" that the Pyeongchang bid committee successfully pitched when it won hosting duties back in 2011.

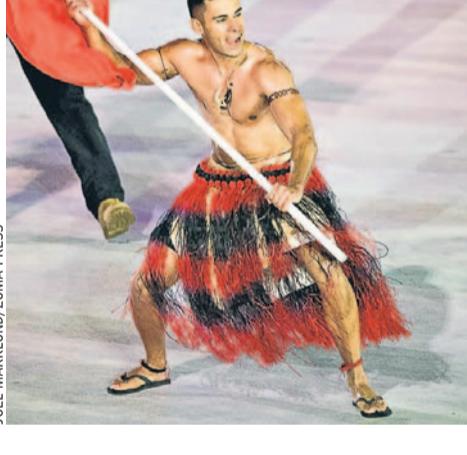
Most of the drama took place offstage. Hours before the Opening Ceremony, South Korean President Moon Jae-in hosted Mr. Pence and a North Korean delegation that included Kim Yong Nam at a nearby reception. "Had it not been for the Pyeongchang Olympics, some of us might not have had chance to be together in the same room," Mr. Moon said in remarks directed at the North Korean and U.S. delegations, as well as other political dignitaries from around the world. "We are here together and that alone will be a precious starting point for a step forward toward world peace."

Kim Yong Nam shook hands with Japanese Prime Minister Shinzo Abe, whose nation was rattled last year by a North Korean missile that flew over its main islands. But Mr. Pence, who had left the door open to a meeting with North Korea's delegation, didn't shake hands with Kim Yong Nam during the reception, according to a pool report and a statement from South Korea's presidential Blue House.

Instead, Mr. Pence spent the hours before the Opening Ceremony spotlighting human rights abuses by North Korea's leaders. Mr. Pence traveled with the father of Otto Warmbier, the U.S. undergraduate who died six days after he was returned home following a yearlong detention in North Korea last year.

He dismissed North Korea's participation at Pyeongchang as a "charm offensive" that the regime had launched at three previous Opening Ceremonies.

"Whatever images may emerge against the powerful backdrop and idealism of the Olympics, North Korea has to accept change," Mr. Pence said. "They have to abandon their nuclear ambitions."



SHIRTLESS TONGAN

SUBZERO TEMPS? HE'S STILL SHIRTLESS

BY JOSHUA ROBINSON AND BEN COHEN

Pyeongchang, South Korea
FOR MONTHS before the Winter Olympics, even before he actually qualified, the shirtless Tongan flag-bearer was asked over and over if he planned to be the shirtless Tongan flag-bearer again.

Pita Taufatofua, who introduced himself to the world by marching into Rio de Janeiro's Opening Ceremony slathered in coconut oil, maintained the suspense to sub-freezing Pyeongchang. There the newly minted cross-country skier promised a surprise for the Opening Ceremony.

It wasn't much of a surprise.

Taufatofua marched into the Olympic stadium here on Friday night in his traditional Tongan attire—tanned bare chest and not much else above his waist—as he did in Rio when he became a viral sensation by wearing more oil than clothing. (His event there was taekwondo.)

His shirtlessness in Rio de Janeiro presented fewer logistical and meteorological challenges than parading half-naked here in the dead of Pyeongchang's frigid winter. The temperature in the stadium on Friday night when he disrobed was 28 degrees.

But after 79 fully clothed Olympians carried their flags into the stadium, where the crowd included U.S. Vice President Mike Pence and Kim Jong Un's younger sister Kim Yo Jong, it was finally time for Taufatofua to make his own international presence known.

"I won't freeze: I am from Tonga," he said in the Olympic stadium. "We sailed across the Pacific. This is nothing."

BY RACHEL BACHMAN

Pyeongchang, South Korea
IMAGINE JESSE OWENS and Carl Lewis on the same Olympic track team. Or Mark Spitz and Michael Phelps swimming in the same Games.

The U.S. women's Alpine ski team in Pyeongchang features that kind of pairing. Lindsey Vonn is the top female Alpine skier in history; Mikaela Shiffrin is winning so fast at age 22 that she could well surpass her teammate.

They're rivals in greatness, and they're on track for a high-profile showdown later in these Olympics. But their skills are complementary, making them a duo for the ages.

"It's rare to get the talent, drive and mentality all in one body at the same time," says Tamara McKinney, the first U.S. woman to win an Alpine skiing World Cup season championship, in 1983. "To have two of the most successful ever racers on the same team, that's probably once in a lifetime."

Either Shiffrin or Vonn is likely to be entered in all five individual Alpine skiing events. Both could race in the Alpine combined, which is a mix of slalom and downhill. That gives the U.S. a chance at five medals between them—or more, if they're very lucky—and a shot at bettering the four medals won in 2010 by Vonn and the recently retired Julia Mancuso.

Sports that involve careening on icy snow are notoriously difficult to predict. One slip can mean the end of an athlete's Olympics. But Vonn's recent upswing and a scheduling quirk that favors Shiffrin could make it happen.

Vonn is the most successful woman in World Cup racing history, with 81 career victories. She excels at skiing's daredevil events, winning gold in Vancouver 2010 in the downhill and bronze in Super G. Here, she says she'll take on three events: the downhill, the Super G and the combined.

After missing the 2014 Games with an injury, Vonn appears to be back in medal form.

"I guess I'm not a washed-up old hag," she said, according to the U.S. Ski Team, after winning a Super G race in December. She proceeded to win four more races. At age 33 and competing in her fourth Olympics, Vonn could become the oldest woman to win an Alpine skiing medal.

Though she plans to race next World Cup season, she says this will probably be her last Olympics. "I want to end on a high note," Vonn says. "I really want to put an

ALPINE SKIING

THESE TWO TOGETHER ALMOST ISN'T FAIR



Lindsey Vonn, above, and Mikaela Shiffrin, right, give the U.S. a chance at five or more medals between them.



exclamation point on my career."

Shiffrin four years ago became the youngest athlete, at 18, to win an Olympic gold medal in slalom. She's since become the dominant skier of her generation, winning three of four slalom World Cup season titles.

Shiffrin grew up with a near-religious practice ethic. She is precise to the extreme, not so much carving her turns as dissecting them. Over the course of a 50-second slalom run, she slices fractions of a second off with each gate to accrue unbeatable leads.

"Out of anyone in the World Cup, she's consistently more balanced over her outside ski than anyone, male or female," says Brandon Dyksterhouse, a former coach of Shiffrin's. "Because of that, she's just so much more efficient from top to bottom."

FIS, the international ski federation, tracks the races with the largest gaps between the winner and the No. 2 finisher—essentially, the gulf between skiing's most elite racers

and everyone else. Shiffrin owns three of the top six biggest gaps in women's slalom.

"Shiffrin is a product of repetition and perfection," says Steve Porino, a former ski racer who's now a TV commentator. "And Vonn is a product of unbridled courage."

This Olympic schedule plays to Shiffrin's skills: Giant slalom and slalom races lead off the women's schedule. So Shiffrin can go all-out at the start, then race the Super G and maybe even the downhill if she feels good, followed by the Alpine combined.

Shiffrin has broadened her repertoire since the Sochi Games. She won five giant slaloms since the start of last season and a downhill race—Vonn's specialty—in December.

"My dream would be that they're both competing for gold in the combined," Dyksterhouse says. "I would love to see them head to head. I think that would be so fun. In theory, if all goes well, they could sweep every event there. Could you imagine?"

OPINION

THE WEEKEND INTERVIEW with Kori Schake | By Tunku Varadarajan

Will China Impose a New World Order?

When Kori Schake was a senior at Stanford in 1984, she enrolled in a seminar on Soviet politics taught by Condoleezza Rice, then 29. The two young women hit it off. "I was a dreamy, impractical kid, and didn't have a plan for what I was going to do after I graduated," says Ms. Schake (pronounced "shaky"). "Condi saw me at loose ends and offered me a job as her research assistant." They worked together for a year on a book about "elite selection in the military that Condi never ended up writing. But I read everything about what makes the American military tick. Everything."

Thirty-four years later, Ms. Schake has written a book—her fourth—whose jacket carries a glowing blurb from her illustrious former professor. The book, "Safe Passage," traces the international order's transition from British to American hegemony. With all of the talk of China's rise and what it

When Pax Britannica gave way to Pax Americana, the transition was peaceful. A repeat is unlikely, says the author of 'Safe Passage.'

will mean for the U.S., Ms. Schake says, she "got curious about the history of transitions between a rising power and an established global hegemon. The only peaceful transition in all of history, I found, is the one between Britain and the United States." (Ms. Schake has made that transition in reverse. She moved earlier this month from Stanford to London, where she is an executive at the International Institute for Strategic Studies, a defense think tank.)

The U.S. did not fully supplant Britain until 1945. But the American challenge began in 1823 with the Monroe Doctrine, under which the U.S. declared the Western Hemisphere to be its own exclusive zone of influence. "It was the first opportunity the United States had to assert a different calculus for the rules of international order," Ms. Schake says. "A hegemon isn't just a country that's powerful or wealthy, but one that aspires to set the rules and is willing to enforce them."

Is China the next hegemon? President Xi Jinping appears to challenge the U.S. frequently and deliberately. Ms. Schake agrees

that Mr. Xi is "clearly telegraphing that China wants different rules." She points to the "One Belt, One Road" initiative—a plan to establish a China-centered global trading network that would extend to Western Europe, Northern Africa and Australia, under which Beijing would make loans to countries that need to expand their infrastructure. She also cites Beijing's aggressive maritime claims, most prominently in the South China Sea, to which "Chinese scholars make comparisons with the Monroe Doctrine. It's a legitimization device, by which they say, 'You had your sphere of influence when you were a rising power. Now we have our sphere.'"

Not that Ms. Schake thinks the U.S. should accede. "There's no reason for us to accept that Chinese assertion," she says, because China's neighbors—over whom Beijing seeks to impose its will—are "friends and partners and allies of the United States. We aren't a modern parallel of European states seeking to colonize Latin America."

Most states in the Asia-Pacific region seem content with the existing order, and "by being so brazen and uncooperative during its rise, China has actually activated the antibodies that will help prevent its success." The exception is the Philippines, which has cozied up to Mr. Xi, "but that has less to do with China and more to do with the leadership in Manila"—a reference to the maverick Filipino president, Rodrigo Duterte.

In her book, however, she warns that "America is making the same strategic choice with China that Great Britain did with a rising America," in assuming that the rising power "can be induced to comply with extant rules." Does that mean that the Pax Americana must someday give way to a Pax Sinica? After all, that British tactic of accommodation helped pave the way for the U.S. to take over world leadership.

Ms. Schake demurs. "What the U.S. is saying to China," she says, "is that if you behave as a liberal political and economic power in the international order, we'll help you succeed in the existing global order." The U.S. expects China to understand that "our allies will be protected, even if China is the challenger. If the autonomy or security of South Korea and Japan, Australia or Taiwan, is challenged, we'll defend them."



As for China, Ms. Schake says she is "less convinced than many other people" that its rise will continue. But if Beijing does seriously challenge the U.S., she is "deeply skeptical that a hegemonic transition would happen peacefully." A fundamental difference between the two countries is that even when the U.S. acts in ways that many would regard as globally unpopular, it does so while sincerely proclaiming universal values.

What values might a hegemonic China impart on the world? "Their leadership is groping to come up with something," Ms. Schake says. "Xi has talked about the Chinese Dream, but it's of a prosperous China where people don't agitate for political control, where they trust the leadership to do the right thing for them."

The unwillingness of major Western leaders to endorse One Belt, One Road illustrates for Ms. Schake "how much concern the established powers—the U.S., France, Britain—have about China attempting to change the rules." She cites with evident pleasure Defense Secretary Jim Mattis's remark last year: that in a globalized world "there are many belts and many roads." Mr. Mattis and Ms. Schake are close friends and long-time colleagues, and have edited a book together.

The Chinese initiative has also served, unintentionally, to highlight the attractions of the American-led international order: "The rules we established are advantageous not only to us, but also foster prosperity and peace for other countries." The rest of the world sees its interests advanced by sustaining the current system, and the U.S. rarely has to enforce the rules. As Ms. Schake puts it, "we get the advantage of playing team sports because of the nature of the rules we've established." That isn't true for China. It claims One Belt, One Road is mutually advantageous, "but other countries' concerns about sovereignty and what happens if loan terms aren't met may yet stall China's ambitions."

She points to Mr. Trump's "continuing to assist Afghanistan until it has the ability to secure its own territory from threats to itself and to us." She also cites U.S. assistance to the government of Iraq, "to secure it against malign external and internal influence," as well as support for the security of "our stalwart Asian allies." Besides, she says, Mr. Trump's predecessor was hardly a champion of the Pax Americana: "I think you could make a strong case that President Obama's foreign policy was one of retrenchment, shifting burdens onto allies and off America's shoulders."

In other words, unless China can come up with a more attractive narrative about itself and its ambitions, most countries will continue to favor the American-led order. "We have been a clumsy hegemon, certainly," Ms. Schake says, "but we have also been a largely benevolent one."

Mr. Varadarajan is a fellow at Stanford University's Hoover Institution.

There's One Thing Worse Than Paying Bad Teachers Not to Work



CROSS COUNTRY By Marcus A. Winters

But now the city is taking the opposite approach: putting them back into classrooms.

The ATR is an example of what happens when reform runs up against inflexible labor rules. In 2005 Mayor Michael Bloomberg ended the practice of filling teaching slots in New York's public schools by seniority. Instead, he gave principals increased power to hire the teachers they thought best. The complication

Bill de Blasio's New York has started putting them back in the classroom, especially in poor areas.

was the union contract. Laid-off teachers could either look for a position elsewhere or join the ATR, where they receive full salary and benefits as they move across schools doing short-term work, often as substitutes.

The ATR differs from the notorious "rubber rooms," or reassignment centers, where suspended teachers accused of misconduct once awaited adjudication of their cases. Teachers aren't placed on the ATR because they are facing dismissal. They just can't (or won't) persuade a principal to hire them. Some have received ineffective teaching ratings. Others have records of disciplinary problems like absenteeism or sleeping on the job.

As the Bloomberg administration closed the city's worst schools, the

ATR pool grew. On the first day of school in 2013 it included 1,957 teachers. Since Bill de Blasio became mayor in 2014, his administration has offered ATR teachers buyouts and given principals an incentive to hire them by having the city cover part of their salaries for the first two to three years. By the end of the 2016-17 school year there were 822 teachers left in the pool; that year paying ATR teachers cost the city about \$150 million.

Then last summer the city announced it would simply place some 400 ATR teachers into classrooms without giving principals any say. As of early December, only 41 placements had been made. Still, the administration has shown its willingness to reduce the ATR with forced teacher placements, meaning more will doubtless come as vacancies arise.

Neither the union-friendly de Blasio administration nor the antagonistic Bloomberg administration has been able to strike a deal imposing limits on how long teachers can remain on the ATR. The United Federation of Teachers opposes any deadline, even on teachers who haven't found a principal willing to hire them after five years. Today that's the case for one-quarter of ATR teachers.

Rather than admitting defeat, the de Blasio administration has joined with the union to spin the placements as a better way to allocate resources. The argument is that at hard-to-staff schools with high turnover, permanently hiring a teacher from the ATR is better than relying on substitutes. "What we're trying to do is give a more stable educational environment to the students," the union's president, Michael Mulgrew, said last year.

The most difficult-to-staff schools are often those that serve low-income and heavily minority populations. As expected, a disproportionate number of the ATR placements have been at such schools. The city says it is holding the teachers accountable. ATR teachers have one year to show

their effectiveness, after which the city says it will remove the low performers and in some cases follow the required process to fire them. But the fact that it's nearly impossible to do so is the reason the ATR exists in the first place.

And here is where the political calculus becomes clear: Some struggling schools won't get any ATR teachers forced on them. In 2014 the city designated 94 of the worst schools as Renewal Schools, singling them out for extra money and attention. The point was to demonstrate that with enough resources, the current system could improve. Now these Renewal Schools have been made exempt from taking ATR teachers. In other words,

the de Blasio administration is perfectly willing to put poor teachers in disadvantaged schools, just not the ones in which the mayor has a political interest.

The ATR debacle is the latest illustration of how hard it is to create lasting change in urban public school systems. No wonder, then, that so many parents in struggling districts are trying to get their children admitted to charter schools. Operating outside collective-bargaining agreements, charters don't have to hire teachers based on seniority or pay bad ones not to teach.

A study last year from the Center for Research on Education Outcomes found that New York City's charter

students made gains equivalent to an additional 23 days of learning in reading and 63 days in math, compared with their peers in traditional public schools. The researchers have found similar results for charters in other cities. As New York puts ATR teachers back to work, it's clearer than ever that the best hope for change in urban public schools isn't to reform the current system, but to circumvent it.

Mr. Winters is a senior fellow at the Manhattan Institute and an associate professor at the Boston University School of Education. This essay was adapted from the winter issue of City Journal.

Impose Sanctions on Turkey

By James Lankford

ATurkish court Thursday sentenced Serkan Golge, a dual Turkish-American citizen, to 7½ years in prison on trumped-up charges of membership in a terrorist organization. Mr. Golge, who works for the National Aeronautics and Space Administration in Texas, was visiting family in Turkey when he was arrested in July 2016 as a part of President Recep Tayyip Erdogan's crackdown in the wake of the attempted coup in the summer of 2016.

This outrageous prosecution represents the latest breakdown in U.S. diplomatic efforts to free American citizens wrongfully imprisoned in Turkey. Several other Americans, including Andrew Brunson, an evangelical pastor, have also been caught up in Mr. Erdogan's latest purges.

On Jan. 12, citing politically motivated detentions as well as the risk of terrorism, the State Department announced a Level 3 travel advisory for Turkey, urging U.S. citizens to "reconsider" travel there. This warning is appropriate, but the Golge sentencing warrants additional action. The administration should also consider

advising U.S. business owners to consider the safety of their employees before expanding operations into Turkey. And most important, it should impose sanctions against Turkish officials involved in the prolonged and wrongful imprisonment of Americans.

Use the Magnitsky Act to answer the imprisonment of another American on trumped-up charges.

nationals of the United States."

The findings of the U.S. Commission on International Religious Freedom provide further support for a reassessment of the U.S.-Turkey relationship. The commission's reports for the past several years have listed Turkey as a Tier 2 country of concern, meaning violations of religious freedom met "at least one of the elements of the 'systematic, ongoing, and egregious' standard under the International Religious Freedom Act.

The government's oppression of religious minorities is consistent with the authoritarian turn exhibited by its pattern of arbitrary arrests and detentions since 2016.

There are many nations around the world where such behavior is commonplace, such as Cuba and Iran. But the recent level of thuggishness is unprecedented for an ally in the North Atlantic Treaty Organization. The U.S. should work with Turkey as it faces down our common enemy of Islamist terrorism, but we must also realistically confront Mr. Erdogan's challenges to the relationship.

Mr. Lankford, a Republican, is a U.S. senator from Oklahoma.

OPINION

REVIEW & OUTLOOK

The Bernanke Correction

The stock market continued its wild swings Friday, finishing up for the day but still concluding the worst week in nearly a decade. Look for more such gyrations as investors adapt to the return of market-based interest rates.

In his typical way, Donald Trump lumbered into part of the truth this week with a tweet. "In the 'old days,' when good news was reported, the Stock Market would go up," he wrote. "Today, when good news is reported, the Stock Market goes down. Big mistake, and we have so much good (great) news about the economy!"

He's referring to the paradox that stock prices fell despite a strengthening U.S. and global economy. But Mr. Trump is missing that faster growth requires a fundamental shift in the monetary policy of the past decade. In particular this means the looming end to the financial repression that the Federal Reserve has been practicing since the financial panic. In that sense this is the Ben Bernanke correction, as the Fed and other central banks unwind the former Fed chairman's unprecedented monetary experiment.

For nearly a decade the Fed has intervened in financial markets to repress the long end of the bond market. It scooped up the bulk of new long Treasury bonds, as the European and Japanese central banks later did in their economies. The idea was to push investors into riskier assets like real estate, junk bonds and stocks as they sought greater returns that they couldn't get in Treasurys. The policy worked as asset prices rose, though it did far less for the real economy and workers without assets.

Janet Yellen maintained the Bernanke policy as long as she could, and only recently has the Fed started to unwind its asset purchases and raise interest rates. Europe and Japan still haven't begun, but faster growth suggests the end of the Bernanke era beckons there too. This is what investors are anticipating, even as they see the good news that economic growth is accelerating.

Asset prices are adjusting as financial repression ends.

Volatility and interest-rate risk are thus returning to equities. This doesn't mean all of the stock gains in recent years have been an artificial "sugar high." Higher earnings have also been important. But it does mean that asset prices will reset based on the anticipation of more normal monetary policy and the return of real interest rates.

Keep in mind that no one really knows how this will turn out because there is literally no precedent for the monetary policy of the past decade. Mr. Bernanke and Ms. Yellen have left new Chairman Jay Powell the difficult task of reversing their Fed policy without tanking the economy. Eventually asset prices will find a new level that reflects economic fundamentals, but the process may be messy, as this week suggests.

The good news is that U.S. economic fundamentals are as strong as they've been since 2005, and maybe 1999. And in that sense the Trump-GOP policy mix of tax reform and deregulation is well timed. The Trump policies and faster growth around the world are crucial if we are going to keep the expansion going and live through the end of financial repression. We need supply-side incentives to drive growth to survive the Bernanke-Yellen monetary correction.

One irony of the current moment is that the Keynesians who presided over nearly a decade of secular stagnation are now worried that the economy is "overheating." Then again, they said faster growth wasn't possible, so they almost have to dismiss it.

Mr. Trump's instinct as a real-estate guy is always to want lower interest rates. But the more he demands low rates amid faster economic growth, the higher rates he is likely to see and sooner than he imagines. Faster economic growth and a tight labor market will mean rising wages for the working men and women who elevated him to the White House. Stocks will eventually adjust and follow a growing economy, and Mr. Trump needs to let the Fed continue on its path back to normal.

Free Speech Gets Expensive

When University of Washington's College Republicans invited controversial activist Joey Gibson to speak, administrators gave them the OK—and sent them a \$17,000 security bill. The student group sued Tuesday, and in an 11th-hour ruling Friday a federal judge issued a temporary restraining order against the college, saying the bill "runs afoul [by] chilling speech."

The free-speech rally will proceed Saturday on the university's main plaza, the Red Square. Administrators are urging students to stay away for their own safety. University President Ana Mari Cauce said Friday that campus police have "credible information that groups from outside the UW community are planning to join the event with the intent to instigate violence."

The threat is real. In 2017, when the College Republicans hosted alt-right parvenu Milo Yiannopoulos, masked activists showed up to protest, while other nonstudents showed up to counter-protest. By the end of the night Joshua Dukes, a member of the Industrial Workers of the World, was hospitalized with critical injuries. The woman charged with shooting him in the stomach, Elizabeth Hokoana, told law enforcement Mr. Dukes was wielding "a big knife" and was "about to gut my husband." She and her

A university sent the College Republicans a \$17,000 security bill.

husband have pleaded not guilty to assault.

That harrowing experience illustrates how essential it is that the University of Washington protects free speech. The open exchange of ideas is a core university mission. By sticking the hosts of a controversial speaker with the security bill, administrators are "rewarding members of society so intolerant and hostile to hearing views they find objectionable that they must threaten and/or commit violence to protect themselves from such views," the College Republicans argued in their complaint.

They know whereof they speak. After the Milo event, the university stuck College Republicans with a \$9,121 bill. The group paid it with a GoFundMe campaign, but they couldn't plan more events in 2017 because of the exorbitant security costs. The university failed to protect its minority-viewpoint students, then penalized them for exercising their rights.

The University of Washington is far from the first to use fees to price out controversial speech. Federal Judge Marsha Pechman set the right example by overturning the \$17,000 fee in this instance, and we hope she'll continue to protect the First Amendment as she weighs the case on the merits.

The Rob Porter Mess

The story of Rob Porter has escalated from a personal and domestic trauma to one about failed White House vetting, and this time President Trump seems to be blameless. The damage would be compounded if it blows up the vast improvement that Chief of Staff John Kelly has brought to the West Wing.

Mr. Porter resigned this week after news broke that he was accused of abusing two former wives during their marriages. The truth of the accusations is impossible for an outsider to know at this point, and Mr. Porter has denied the allegations as "vile" and part of a "coordinated smear campaign."

But by all accounts the allegations were holding up Mr. Porter's security clearance, which he needed in the crucial job of staff secretary who controls the daily paper flow to the President's desk. Both ex-wives say they shared this information with the FBI a year ago, and the Daily Mail is reporting that Mr. Porter's former girl friend spoke to Mr. Kelly about the allegations in October.

The White House review process served the President poorly. The FBI typically takes such charges, and its impact on a security clearance, to the White House counsel's office, whose job is to determine if those charges are disqualifying. They are automatically so if a clearance is denied, unless the President himself overrules the FBI.

One issue is whether anyone told any of this to Mr. Trump, who brought reporters into the White House Friday to wish Mr. Porter well and say his former aide had denied the accusations. We also don't know what Mr. Porter told White House counsel Don McGahn or Mr. Kelly when confronted with the charges. But they ought to

have recognized that sooner or later such allegations would become public—and that when they did it would embarrass the President.

Already New York Democrat Nydia Velazquez tweeted that the Porter affair exposes "a culture of misogyny" at the White House. But even before the #MeToo movement against sexual harassment, such serious accusations from three women would have driven someone out of such a prominent White House job.

The White House also handled this badly, issuing shifting and even contradictory explanations about who knew what and when. It didn't help that an early statement of support from Mr. Kelly was drafted in part by Hope Hicks, the White House communications director who is dating Mr. Porter. Mr. Kelly initially said, "Rob Porter is a man of true integrity and honor, and I can't say enough good things about him."

Part of the tragedy is that this description seems to have been true about Mr. Porter in his White House role. A Rhodes Scholar and former senior aide to Senator Orrin Hatch, the 40-year-old has helped Mr. Kelly bring order to the White House after the first six chaotic months of what amounted to the Steve Bannon Presidency.

Mr. Trump has to decide if he's lost confidence in his senior staff, but we hope he knows that stability is crucial as he navigates a perilous second year. The Robert Mueller probe may soon reach a crescendo, and Democrats are in single-minded pursuit of House and Senate majorities that would cripple his Presidency. At least until this episode the McGahn-Kelly team has been part of this White House that has worked, and Mr. Trump won't find it easy to replace them.

A fiasco that hurts part of the White House that was working.**LETTERS TO THE EDITOR****Holding the FBI Accountable for Its Actions**

Regarding your editorial "A Reckoning for the FBI" (Feb. 3): Poor Carter Page, who had been monitored by the FBI for being a probable Russian agent at least since 2013. Didn't the FBI have good reason to surveil him, notwithstanding his U.S. citizenship? Here we have no minor volunteer, as the editorial avers, but someone touted initially by Donald Trump himself as an important foreign-policy adviser, and yet he emerged as a suspected Russian spy. Requests to renew FISA warrants have to be accompanied by evidence that the initial warrant has borne fruit. The FBI obtained three renewals. FISA warrant applications aren't granted routinely, but are deeply vetted even if "competing pleaders" aren't present.

Recall that Christopher Steele himself was MI6's lead Russia agent and would therefore have been well placed to undertake this counterintelligence probing. The FBI long regarded him as a valuable asset. He was fired after speaking to the press because of the public-relations fallout, not because the FBI had lost confidence in him. He did so to prod authorities into moving faster on the information he provided. Mr. Steele was no Clinton partisan but seemed genuinely alarmed at the prospect of a Trump presidency—for obvious security reasons. America owes him a debt of gratitude instead of the calumny being heaped on him.

ALBION M. URDANK
Los Angeles

Why has the FISA judge not been asked to testify to the House Intelligence Committee? By asking this judge some simple questions, it would quickly become clear if the process was abused or not. Did the dossier play a major role in your issuance of the warrant? Would you have issued the warrant without the information in the dossier? Do you

feel you were misled by the FBI or Justice Department in their warrant request? Only the judge knows if he was misled or not.

If the judge needs to remain anonymous, he or she can answer the questions in writing. If he was misled, those who misled him should be held accountable. If not, then let's move on.

Doug Schenk
Little River, S.C.

It is now highly likely that the FISA court is going to view future warrant applications with a jaundiced eye and the FBI may find itself subjected to much more severe examination than previously. It is now possible that warrant applications for valid targets, real bad guys, as opposed to innocent political campaign volunteers, will have a much more difficult time being approved.

The FISA court cannot be blamed for this potential degradation of national security. The great irony is that blame falls on the one organization specifically charged with its protection—the FBI.

JACK LEE
Viera, Fla.

The FBI abuses exposed by the Devin Nunes memo are indeed disturbing but no way surprising, as we libertarians have been arguing since, well, forever. History has shown once again that any governmental power that can be abused will be abused. This is simply inevitable in a world where men are not angels and angels do not govern men.

I hope you will remember this episode the next time you have occasion to opine on metadata dragnets, warrantless wiretapping or any number of other national-security imperatives that tend to enjoy your support.

JAMES LIDDELL
Washington

Risk for Men in Mentoring Women at Work

Regarding "Don't Avoid Women, Mentor Them" by Rachel Thomas and Stacy Brown-Philpot (op-ed, Feb. 5): My family physician, a woman, always has a witness in the room when she examines me, her male patient. She doesn't do this to make me feel comfortable but because she and her partners understand that even one false accusation of sexual abuse from any of her patients could damage or destroy her medical career and harm the entire partnership.

Every large corporation must now consult with risk managers, lawyers and, chillingly, insurance companies to calculate the risks and costs of each accusation of sexual abuse, whether genuine or false. The costs are rising.

A rational approach, if one not socially desirable for all sorts of reasons, is for companies to forbid male and female employees not married to each other to be alone together in the office or at outside events. There must always be witnesses. Not because men and women as a general rule cannot be trusted, but because

some men and some women cannot be trusted, and everyone must now be treated with the same elevated level of caution. Shareholders may soon demand it.

MORGAN FOSTER
Indianapolis

There is indeed no room for sexual harassment in the workplace. But replacing it with favoritism to make up for past sins is a misdirected cure that is tangential to, at least as bad as, and will never eradicate, the disease.

FREDERICK J. KRALL
Summit, N.J.

The authors of this piece gave me a good laugh. Why would any legitimate businessman risk humiliation to mentor a young woman? The presumption of guilt is so strong, the accused can never escape the hangman's noose. Facts don't matter. Women's stature in the business world has been badly damaged because of this.

GARY W. NOVARA
Bloomfield Hills, Mich.

What Goes Around Comes Around for the Ivy League

Readers must have really enjoyed reading the "Columbia vs. United Auto Workers" editorial (Feb. 2). I bet they actually laughed at the flagrant hypocrisy and role reversal of the elite universities' aristocracy fighting the unionization of their graduate students: the epitome of a Nimby reaction.

PETE BROWN
Boston

Only an Ivy League school could get me to side with the UAW.

ROBERT CATALANO
Brentwood, Tenn.

Native Americans Always Could Play National Sport

"A Stain on Red Sox Nation," Leigh Montville's review of Bill Nowlin's "Tom Yawkey: Patriarch of the Boston Red Sox" is an excellent look at the plight of nonwhite players in Boston as well as the entire major leagues (Books, Feb. 3).

However, the author says that baseball was a whites-only game at the major-league level until 1947. This is wrong. Many Native Americans played: Chief Bender, Chief Meyers, Louis Sockalexis, Jim Thorpe and more. Other nonwhites weren't allowed to play.

DON WHITE
Atlanta

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Pepper ... And Salt

THE WALL STREET JOURNAL



"So, are we a book club that drinks, or a drinking club that reads?"

OPINION

I Love a Parade, but Not This One

**DECLARATIONS**

By Peggy Noonan

Traveling this week in California and Texas, I was struck again by how every political discussion is about Donald Trump. People who used to bring up state races—"We've got a hot election for governor going on here!"—rarely mention them, and immediately revert to the national. Like no other president in my lifetime, he obsesses the nation.

I heard two things that stuck with me and reminded me of what a lot of us know is the special tragedy of this moment—that most people on both sides of the pro- and anti-Trump divide are trying to be constructive, to think seriously and help the country. That is what makes our division so poignant.

Trump's supporters and opponents alike are decent and patriotic. If only he lived up to their standard.

A rock-solid Republican, a veteran of the Reagan wars who knows what it is to have all forces arrayed against you, spoke of opposing Mr. Trump. It isn't a matter of style or snobbery, isn't knee-jerk. The veteran said: People who are for Trump always say "Look, he's got an unfortunate character and temperament, but he's good on regulation, good on the courts." The problem, the veteran said, is the *but*. Once you get to the *but*, you are normalizing him—you are making him normal, which means you are guaranteeing a future of President Trumps. That means you have lowered the presidency forever, changed it forever, just when the world's problems are

more dangerous, and thoughtfulness and wisdom more needed.

The veteran is trying to be protective, and a patriot.

Trump supporters, on the other hand, chose him and back him because he *isn't* normal. They'd tried normal! It didn't work! Of course he's a brute, but his brutishness was the only thing that could surprise Washington, scare it, make it reform. Both parties are corrupt and look out only for themselves; he's the one who wouldn't be in hock to them and their donors. Is he weird? Yes. But it's a weird country now. He's the only one big enough to push back against what's pushing us.

They were trying to be patriotic, too.

It is a central belief of Trump supporters that of course he'll make mistakes—he's not a politician, he's new, he'll learn. An underestimated aspect of Trump support is sheer human sympathy. They see him taking a pounding each day in the press and feel for him as a human being. The press misses this, but Mr. Trump doesn't. He uses it.

The second thing I heard was from an executive in a large American company. He was frustrated. It was clear to me he wants Mr. Trump to succeed, and wants to support him, because in setting in place a deregulatory spirit in the government the president is helping his industry. And his industry employs a lot of people, pays well, and makes possible the building, expansion and peace of a lot of families.

His criticism went right at the Trump supporters' faith that he will learn in the job. The executive said: He doesn't learn! He's not able to. He doesn't have that mechanism inside that allows people to analyze problems and see their part in them. And without that you can't improve.

I left thinking again it's such a great country, filled with such thoughtful people. And pro- and anti-Trump not only is a division



Soviet tactical nuclear missiles in a 1980s Moscow military parade.

between two big groups but an inevitable collision between two good groups. And somebody's going to win.

On three of the week's events:

The Rob Porter story reminds us in part that life is mysterious, we are mysterious. He is by all accounts an impeccable public servant—correct in his bearing, helpful, modest, sound in judgment. A professional and a patriot. In his private sphere he was apparently a shambles—violent, unstable, an abuser of women. If his two former wives are speaking truthfully, he betrayed the classic pattern of the abuser: He roughs you up, is contrite, vows to change, roughs you up. But I keep thinking of something not directly related. "It's hard to know another person's motives," a friend once said. "But then it's almost impossible to know your own." We are often mysteries to ourselves. The area between your true self and the mystery—that's where trouble happens.

Trump foes find the story exciting. It is tragic. Wasted gifts are a terrible thing to see.

Scrutiny of the White House's FBI

clearance operation is legitimate. Those who work for presidents are subject to a full field investigation, and it's a scary thing. They try to interview everyone you ever knew—and it's the FBI, so you better play it straight. If Mr. Porter was working for a president after the FBI reported this, it is concerning.

You can't really blackmail Donald Trump on personal conduct because nothing said about him would surprise or shock. Mr. Porter, however, was blackmailable. Why did they let him stay on? Maybe because they were desperate: He was a respected establishment pro who could do the job. The administration struggled to attract such people. Without them it was all Omarosa.

The stock market wobbled in a way that seemed dramatic. The president has perhaps learned he should not constantly brag about the Dow Jones Industrial Average as proof of his good economic stewardship. I am sure there is truth in what market analysts say: It was an inevitable correction after a strong rise, and driven by inflation fears and algorithms. I would add the big secret everyone knows both here

and abroad and that occasionally springs to the forefront of the mind: A fundamental is unsound. Compared with other countries we look good, but compared with ourselves we do not. Our ratio of total debt to gross domestic product has grown to more than 100% and can't keep growing forever. Because of it, no matter how high the market goes it will never feel sound. There is no congressional appetite for spending control because there is no public appetite for it.

No one in Washington is forging a plausible solution to the problem. So the markets may continue on an upward trajectory, but mood, fear and data will keep the economy unsteady.

The Journal's Julie Bykowicz reported this week that the Pentagon is beginning to plan the big military parade ordered up by the president. He saw one in France during his state visit in July and liked it a lot. So we should have one too, perhaps on July 4, to honor the military.

It is a ridiculous and embarrassing idea. If you want to show respect for the military make the Veterans Affairs Department work. A big, pointless, militarist display with gleaming weapons and shining tanks is so . . . Soviet. What do you gain from showing off your weaponry? What are we celebrating—that we have nukes? That we have to them is a tragedy.

"The abuse of greatness is when it disjoins remorse from power."

I see a line of thinking among those normally critical of the president that the idea's a ten-strike: The people will love it, what's wrong with it, who doesn't like a parade?

But I think people will see right through it.

If there's a parade that purports to honor our military men and women, they will go. But they're not stupid, they'll know what it is. It is Trump being Trump, and obsessing the nation. It's bread and circuses.

And it is not like us, at least the old and honored us.

In Collective Identities, We Both Lose and Find Ourselves

By Crispin Sartwell

History is often thought of as a drama performed by collective forces consisting of millions of people. The action of a government is often conflated with the action of everyone it governs: "We invaded Iraq." Or a business is thought of as the collective identity of its employees: "Together, we are Koch." Political parties, armies, tribes and generations are often thought about this way—as many people who together constitute a single person.

People speak about such collective identities all the time. Collective identities bring people together, apparently allowing them to transcend individuality. But collective identities also divide people against each other, and even divide each person against himself, forcing people to choose which facet of their identity is most important. At the moment, the right and the left seem particularly intent on forging rival collective identities.

Hillary Clinton's presidential campaign, for example, put extreme emphasis on demographic politics. The idea was to dominate the vote among "women and minorities," to create—and exploit—the largest possible gender and racial gaps. But a majority of American women are white, and about half of American minorities are men. Were they supposed to vote their race or their sex?

Rival conceptions of history often regard one sort of collective identity as the most real or fundamental. "The history of the world," wrote W.E.B. DuBois in 1897, "is the history, not of individuals, but of groups, not of nations, but of races, and he who ignores or seeks to override the race idea in human history ignores and overrides the central

thought of all history." Marxists regard "class consciousness" as fundamental. Feminists look to gender. Nationalists from Johann Gottfried Herder to Steve Bannon treat history as a contest between declining and rising nations.

Forming a single consciousness from apparently disparate people is central to the Western conception of government. Plato based his "Republic" on the idea that a *polis* is like a single human individual. Aristotle argued that the *polis* is "prior" to the individual, or is the smallest self-sufficient human unit. Hobbes described the institution of government as creating "a real unity of them all, in one and the same person." Rousseau imagined all individual wills forged by state power into a "general will."

These collectivities are thought of as having personalities, styles, fundamental beliefs, talents, biographies—

even destinies. DuBois, for example, described the inherent artistry and spirituality of black people as their contribution to world history. Most imagine that nations have enduring features of personality:

Races, nations and even generations are thought of as having personalities, talents, beliefs, destinies.

Americans are hopeful and forward-thinking, Russians mordant and resigned, Chinese traditionalist and collectivist, Germans well-organized and authoritarian. The world wars can be thought of as national personalities confronting one another in a deadly psychodrama.

Treating groups as though they were individuals has two functions. The first is explanatory. Collective identities and agents simplify the bewildering chaos of history—or modern politics—into a comprehensible narrative. History as a story of the bourgeoisie and the proletariat is a lot easier to deal with than history as millions of individual people with millions of individual motivations acting independently.

The second use is more therapeutic. People yearn to merge their identities into something bigger. The continual return to collective identity is a testament to humans' irremediable individuality, which is experienced as a fundamental aloneness. Perhaps unconsciously, people are looking for a cure for loneliness so profound that they cease to exist, except as a bit of a larger individual.

But most such identities are articulated at least as much by what

they exclude as what they encompass. If these identities divide each person against himself, they also divide us against each other. Classes and nations are defined at least as much by their conflict with one another as by their unity within.

We are condemned to be individuals. But we are also fundamentally connected to one another. We need one another and help make each other what we are. We can reach decisions together, and we can love one another. But we can't really merge. In fact, love presupposes the integrity of each of the people who love and the distinction between them.

Mr. Sartwell, an associate professor of philosophy at Dickinson College, is author of "Entanglements: A System of Philosophy" (State University of New York, 2017).

The FBI Was Desperate for Somebody to Spy On

**BUSINESS WORLD**

By Holman W. Jenkins, Jr.

Now we have it ostensibly from then-FBI Director James Comey as well as former Deputy Director Andrew McCabe that there might have been no surveillance of Carter Page without the Steele dossier. If so, that's probably because the dossier provided the one thing the FBI lacked and was unlikely to find (because it didn't exist): a reason to believe Mr. Page was *important*.

In the dossier accumulated by former British spy Christopher Steele, Mr. Page is a player. He meets secretly with Vladimir Putin's

No. 1 capo, Igor Sechin. Dangled in front of him is a gobsmacking bribe—a brokerage fee on the forthcoming privatization of a 19.5% stake in the giant Russian state oil firm Rosneft. All he has to do is arrange the lifting of U.S. sanctions, as if this were in the power of the elfin Mr. Page to deliver.

The story is implausible. Mr. Page has denied it under oath. Nothing has emerged to suggest the FBI confirmed it. Only Luke Harding, a British journalist who has written a book alleging Trump-Russia collusion, finds it inherently self-crediting.

Why? Because Mr. Steele's Russian "mole" apparently correctly anticipated the Rosneft deal that would finally be consummated in the closing hours of 2016. Even the Russian cabinet and Rosneft's own board, Mr. Harding wrote last week at Politico.com, "only discovered the deal on December 7, hours after Sechin had already recorded his TV meeting with Putin revealing it."

This nonsense actually points to why somebody might pluck out of the pending Rosneft deal and attach Mr. Page's name to it. The partial sale, aimed at reducing the Russian government's stake to 50% plus one share, had actually been conspicuously on the agenda for years. Prime Minister Dmitry Medvedev signed a decree in 2014, Finance Minister Anton Siluanov started touting the expected proceeds in 2015, and Mr. Putin formally included them in the state budget in February 2016.

In other words, the deal was a topic of fervent press speculation for more than a year by the time Mr. Steele or his sources put it at the center of their story about Mr. Page.

That the FBI was buying is the

puzzling part. One possibility is that the agency was under strong pressure from fellow Obama administration officials to surveil somebody, anybody associated with the Trump campaign. Recall that the effervescent Mr. Page, by this time, was already known to the FBI and U.S. intelligence for several years, after he'd fallen afoul of a goofy Russian spy recruitment attempt in 2013.

The Steele dossier served up an implausible tale about Carter Page, but it would have to do.

OK, the press obviously needs our help. Reporters, it's time to employ the kind of intelligent imagination that good novelists and historians bring to their work. The Trump-Russia story is not the layered drama of your dreams, but a black comedy. When the movie version is made, it won't be the 2006 version of "Casino Royale." It will be the 1967 version.

First, the run-up to the Nunes memo reminds us that claims about protecting government secrets are often cover for bureaucratic privilege and avoiding accountability. Hillary Clinton was wrong to ignore information-security rules imposed on lesser government-unemployed mortals, but the value of government secrets is grossly exaggerated.

Former Clinton pollster Mark Penn, in a piece in the Hill newspaper last week, properly mocked the mainstream press, usually so eager to traffic in leaked government se-

crets, for suddenly developing a fondness for prior restraint in the case of Mr. Nunes's duly vetted memo.

Also in need of mocking is the media's self-fulfilling overreliance on the trope of the "dueling partisan narratives." Listen closely to what responsible partisans on either side say and it isn't nearly as over-the-top as the press generalizations about what they say (Republicans declare war on the FBI!).

The easiest column to write, alas, is the one that treats the most hyperbolic, unnuanced claims by one side or the other (or Mr. Trump) as representative for the purpose of knocking them down. Such columns, we hasten to add, are as much products of creative desperation as they are of partisan water-carrying. And they only spawn more of the same. Peter Thiel last week wisely suggested that pundits should try focusing on the "steel man" rather than the straw man versions of their opponent's arguments.

The most important takeaway from the Nunes memo is this: Worries about "sources and methods" (often exaggerated) should not be a deterrent to clearing the air when something as important as the up-and-downness of a U.S. presidential election is in question.

Whatever his complaints, Mr. Trump managed to win. Hillary Clinton is the one publicly contending that improper FBI actions cost her the election. Her friend Lanny Davis has published a plausible book on the subject. Mrs. Clinton and her fellow Democrats should be insisting most loudly on a comprehensive and unflinching examination of the FBI's role in the 2016 race.

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THE WALL STREET JOURNAL.

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Uber Settles Trade-Secrets Case

Alphabet's Waymo wins assurances on technology and equity in ride-sharing startup

By GREG BENINGER

Uber Technologies Inc. agreed to settle a lawsuit with **Alphabet Inc.'s Waymo** over claims that Uber stole and inappropriately used trade secrets for self-driving vehicles, ending a year-old legal battle over the future of transportation that had riveted Silicon Valley.

As part of the agreement, Uber promised not to use Waymo technology in its self-driving cars and to ensure no Waymo components were already in use. It also agreed to give Waymo 0.34% of Uber's equity, which at a valuation of \$72 billion for Uber, is equal to about \$245 million, people familiar with the matter said.

The legal fight revolved around Uber's \$680 million acquisition in 2016 of autonomous-truck company Otto, founded by Anthony Levandowski, a former star engineer at Alphabet's Google unit.

Waymo, which grew out of Google, sued Uber in February 2017 claiming it conspired to steal and use driverless-car design secrets as part of the Otto deal, specifically a technology known as lidar, or light detection and ranging systems, used to guide autonomous vehicles.

The settlement came four days after the start of a trial in a federal court in San Francisco that included testimony from Travis Kalanick, the Uber co-founder who orchestrated the deal with Mr. Levandowski and was ousted as chief executive last summer. The trial was

expected to last weeks, with testimony from other tech luminaries including Alphabet chief executive Larry Page.

The agreement is the latest move under current Uber chief Dara Khosrowshahi to resolve trouble spots in the company's business after a string of scandal and controversy under Mr. Kalanick. Reaching a settlement was viewed as crucial by the Uber board because it would prevent years of additional appeals, particularly as the company considers a 2019 initial public offering, the people said.

"I want to express regret for the actions that have caused me to write this letter," Mr. Khosrowshahi said in a statement Friday. He said Uber doesn't think trade secrets made their way from Waymo to Uber, but that "we agree that Uber's acquisition of Otto could and should have been handled differently."

Uber and Waymo had reached a tentative settlement agreement early in the week that would have involved a payment of around \$500 million in equity. But Uber's board

Please see UBER page B4

Crude's Decline Picks Up Speed

By ALISON SIDER

Oil prices slid below \$60 a barrel, posting their biggest weekly slump in more than two years, as sharp swings in other financial markets spilled over and investors faced an onslaught of U.S. production.

U.S. crude prices fell 9.5% this past week, their steepest fall since January 2016. On Friday, prices fell \$1.95, or 3.2%, to \$59.20 a barrel on the New York Mercantile Exchange. Brent crude, the global benchmark, declined \$2.02, or 3.1%, to \$62.79 a barrel on ICE Futures Europe, the biggest one-day percentage drop since July.

Earlier this year, it had seemed that nothing could knock oil off its upward trajectory. Surging economic growth around the world has created

9.5%

Drop in U.S. oil prices this past week, steepest in two years

more appetite for oil and fuel, helping propel crude prices to their highest level in more than three years in January. U.S. prices rose to more than \$66 a barrel, a 55% rally from a low in June. Meanwhile, Brent topped \$70.50 last month.

But after six straight days of declines, oil prices are now back to where they were in December.

Volatility in stock markets has weighed on oil prices this week. U.S. shares rebounded toward the end of the day Friday, but the Dow Jones Industrial Average still posted its biggest weekly percentage drop since January 2016.

"There's a sense of nervousness right now. People are starting to look at whether there will be some kind of contagion; what's out there?" said Ric Navy, senior vice president for energy futures at R.J. O'Brien & Associates LLC.

One of the biggest shifts in the oil market has been a string of data pointing to an unrelenting rise in U.S. oil production, something investors have largely ignored earlier

Please see OIL page B2

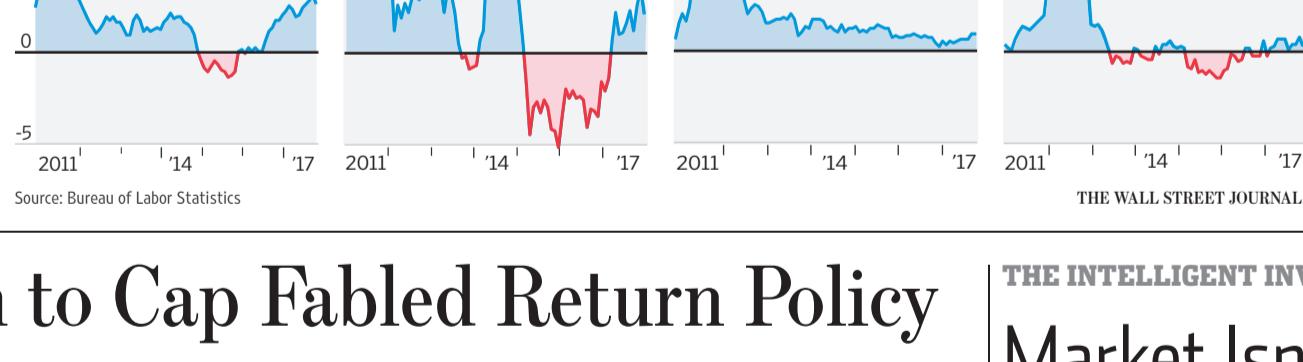


Appliance maker Whirlpool has warned that rising prices of steel, resin and other inputs could cut deeply into its profits this year.

Pricier Inputs

Manufacturers and food companies are bracing for rising material and ingredient costs, as robust global economic growth stirs demand after years of weak inflation.

Producer-price index, change from previous year



Please see COSTS page B2

Outdoor-goods seller **L.L. Bean Inc.** is putting limits on its well-known, and generous, return policy.

The family-owned company had allowed customers to return products even years later if they weren't satisfied with their purchases. But on Friday L.L. Bean said it now will let customers return products for a refund only within one year, if they have a receipt or proof of purchase.

The Freeport, Maine, company said the change is in response to increasing abuse and fraud, as it deals with returns of items that have been destroyed, bought at thrift stores or retrieved from trash bins. The century-old catalog retailer said returned items have cost it \$250 million over the last five years.

The company's policy had been that "if something's not working or fitting or standing up to its task or lasting as long as you think it should, we'll take it back."



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guarantee has worked just fine, but in the past five years in particular, our guarantee has been misinterpreted as a lifetime product replacement program and we have seen a large influx of returns that have nothing to do with product quality or satisfaction," the company said Friday.

L.L. Bean had been steadfast in its approach to returns

even as other retailers tightened their policies, calculating that benefits to its brand and customer relations would offset the costs of returns. Outdoor retailer REI Inc. added restrictions to its return policy in 2013, similar to L.L. Bean, and Costco Wholesale Corp. installed a 90-day window for returns of consumer electronics in 2007.

Returns and a commitment to quality are at the heart of the company's corporate story. According to the L.L. Bean website, 90 out of the first 100 pairs of its then-innovative shoes, which combined leather with rubber bottoms, were returned due to poor quality around 1912. In response, the company "sent refunds, corrected the problem and sent more" mailers to customers.

On social media, some people supported the new policy, saying the company shouldn't have to pay for the behavior of a bad few. Still, others wondered if the changes could lessen what had been a big value proposition for the brand.

The company said the new policy will only affect a small percentage of returns and that it will still work to "reach a fair solution," even after one year, if a product is defective.

Return policies vary widely, with many companies offering a shorter window of no-ask returns and a longer time frame for case-by-case returns and defective merchandise.

Market Isn't for Faint Of Heart, or Stomach

I've been asking myself this past week, not because I believe that's about to happen, but because I know it can.

The best way to answer that question is to look back at what you did in 2008 and 2009, if you were investing then.

I did just that this past week, poring through my old account records online to check whether my memory is accurate. Humans have a remarkable ability to make rearview mirrors out of rose-colored glass. So I wasn't sure whether my recollection of buying more stocks throughout 2008 and early 2009, as the market kept dropping in nauseating swoops, was just a myth I'd been telling myself.

It turned out that between the market's peak on Oct. 9, 2007, and its bottom on March 9, 2009, I repeatedly

Please see INVEST page B5

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Please see INVEST page B5

BUSINESS & FINANCE

Wynn Resorts Cancels Law-Firm Probe

Company had hired firm to investigate allegations against ex-CEO Steve Wynn

Wynn Resorts Ltd.'s board said it stopped an independent law-firm investigation into sexual-misconduct allegations

By Chris Kirkham,
Kate O'Keeffe,
Alexandra Berzon
and Michael Sisonolfi

against former Chairman and Chief Executive Steve Wynn, even as pressure has mounted on directors to account for whether they failed to disclose information about his alleged conduct to regulators and investors.

Mr. Wynn, 76 years old, stepped down on Tuesday night from his posts at Wynn Resorts, citing an "avalanche of negative publicity" in recent weeks, stemming from a Wall Street Journal investigation published late last month.

Now, the board has cut ties with the outside law firm, O'Melveny & Myers LLP, that it hired Feb. 2 to investigate the allegations against Mr. Wynn. The firm recently said it would be setting up a telephone hotline and Web portal for cur-

rent and former Wynn employees to provide information about alleged sexual misconduct involving Mr. Wynn.

It isn't clear if those channels were set up or, if so, whether they would remain in place. O'Melveny & Myers didn't respond to requests to comment over the past three days.

The "special committee" formed by the Wynn board to investigate the misconduct allegations said in a statement that the committee "no longer requires the services" of the firm since Mr. Wynn has stepped down. The statement said the committee will work to ensure the company employs "best-in-class workplace practices" in recognition of "the seriousness of the allegations."

Michael Weaver, a Wynn Resorts corporate spokesman who also is representing the board and the special committee, didn't answer questions about why Mr. Wynn's departure led to the board's decision to terminate the outside law firm's investigation. He also didn't say what the board committee would be investigating, or how they would be conducting the investigation, beyond a statement that the investigation "will be detailed and thorough."



Steve Wynn stepped down on Tuesday from his posts, citing an 'avalanche of negative publicity.'

The committee's statement said it would "retain counsel and consultants in order to ensure a timely and thorough investigation." Mr. Weaver didn't say who those people would be or when they would be hired.

The board's cancellation of the independent law-firm investigation comes amid a series of moves that company executives have made in the wake of the allegations and the Journal's investigation.

Company officials have been reaching out to some for-

mer female employees as part of an investigation the company itself is conducting, separate from the board's, according to people with knowledge of the matter. One former Wynn executive, Kevin Tourek, was brought on to work with the company in December, after the Journal started reaching out to former employees about Mr. Wynn's behavior, according to a person familiar with the matter.

Mr. Tourek has been making calls to former employees as

part of the company's investigation, according to people briefed on the matter.

Mr. Tourek didn't return calls requesting comment.

Mr. Weaver, the company and board committee spokesman, said Mr. Tourek is working with the company but declined to answer additional questions about Mr. Tourek's role.

On several occasions in the wake of the allegations, company film crews videotaped employees of the salon at the

Wynn Las Vegas while asking them questions about Mr. Wynn, according to people familiar with the matter.

The questions included, "When you're with Mr. Wynn, what is a typical interaction?" and "Do you feel comfortable with Mr. Wynn?" a person familiar with the matter said.

Wynn Resorts' sexual-harassment policy "strictly prohibits any form of retaliation against an employee who reports harassment or discrimination or cooperates in an investigation."

Dozens of people the Journal interviewed who have worked at Mr. Wynn's casinos told of behavior that cumulatively would amount to a decadeslong pattern of sexual misconduct by Mr. Wynn, including pressuring employees to perform sex acts. Mr. Wynn has blamed his ex-wife Elaine for instigating the allegations and said, "The idea that I ever assaulted any woman is preposterous."

Regulators in Massachusetts and Nevada are still probing the allegations. At a meeting Wednesday, Massachusetts Gaming Commission Chairman Stephen Crosby said a central question in its probe is what Wynn Resorts' board and executives knew about the allegations, and when they knew it.

Mogul Drops Effort to Block Ex-Wife From Selling Shares

By KATE O'KEEFFE

Embattled gambling mogul Steve Wynn will no longer seek to prevent his ex-wife, Elaine Wynn, from selling her shares in the company they co-founded, according to a letter dated Friday and signed by his lawyer, signaling a major shift in Mr. Wynn's strategy in a long-running legal battle.

The decision came just days after Mr. Wynn resigned as chairman and chief executive of Wynn Resorts Ltd. in the wake of sexual-misconduct allegations against him that were detailed in a Wall Street Journal investigation last month.

Six years ago, Ms. Wynn sued Mr. Wynn seeking to remove restrictions on her right to sell her approximate 9% stake in Wynn Resorts. The restrictions were part of a share-

holder agreement with her ex-husband and Wynn Resorts' former largest shareholder, Japanese businessman Kazuo Okada, who is also part of the litigation.

The case is set to go to trial in April after years of legal maneuvering.

In light of the significant changed circumstances triggered by Mr. Wynn's resignation, this letter hereby constitutes formal notice that Mr. Wynn no longer contests Ms. Wynn's judicial admission that the 2010 Stockholders Agreement is invalid and unenforceable," according to the letter from Mr. Wynn's lawyer, addressed to Ms. Wynn's lawyers.

While Mr. Wynn doesn't agree with Ms. Wynn's basis for claiming the agreement is invalid, "he does agree that it no longer binds either party," the

letter reads.

Wynn Resorts said in a filing to the Securities and Exchange Commission that Mr. Wynn has informed the company that, "regardless of whether the Stockholders Agreement is in effect, he has no immediate plans to sell shares that he owns." Mr. Wynn owns about 12% of the company.

The implications of the change in Mr. Wynn's position weren't immediately clear. The judge in the case, which was filed in Nevada state court, had yet to weigh in, and lawyers involved in the case scrambled to consider all possible outcomes.

The situation could be complicated by the fact that Wynn Resorts in 2012 forcibly redeemed Mr. Okada's 20% stake in the company, which was then valued at \$2.77 billion, at a 30% discount, and the board voted

to remove him as a nonexecutive director, saying an internal investigation conducted by a former Federal Bureau of Investigation director had found him to be "unsuitable" based on the company's own regulations.

Mr. Okada has denied allegations of wrongdoing. He is fighting in the same litigation to reclaim his shares, and it is unclear if he would have legal standing to block any attempted share sale by other parties to the shareholder agreement.

While Mr. Okada is no longer a shareholder due to the company's forced redemption, he has said in court papers that the shareholder agreement precluded the company from taking his shares in the first place.

It was unclear if Ms. Wynn would now seek to sell her shares, and it was also unclear

if the move by Mr. Wynn would prompt her to end her litigation with him.

Ms. Wynn in court papers had cited a "multimillion dollar payment" made by Mr. Wynn following allegations he had engaged in "serious misconduct"

Elaine Wynn filed suit to remove restrictions on her right to sell her stake.

Journal reported, citing people familiar with the matter.

In addition to the payment and the allegations that triggered it, dozens of people the Journal interviewed who have worked at Mr. Wynn's casinos told of behavior that cumulatively would amount to a decadeslong pattern of sexual misconduct by Mr. Wynn, including pressuring employees to perform sex acts. Mr. Wynn has blamed Ms. Wynn for instigating the allegations and said, "The idea that I ever assaulted any woman is preposterous."

Ms. Wynn has consistently declined to speak to the Journal. An attorney for Ms. Wynn has said the notion she instigated the Journal's article "is just not true."

Mr. Wynn resigned Tuesday, citing "an avalanche of negative publicity."

COSTS

Continued from the prior page and heavy-machinery giant Caterpillar Inc., have pointed to rising material costs as a hurdle in the coming year. Some food wholesalers, retailers and caterers say they are contending with escalating costs for staples such as beef, vegetables and eggs that end up on supermarket shelves, in restaurants and corporate kitchens. Sysco Corp., the world's largest food-service distributor, saw overall food inflation of more than 3% during its most recent quarter.

Few economists see inflation taking off, partly because consumer price gains have been running below the Federal Reserve's annual 2% target for years.

Yet at 4.1% in January, the unemployment rate was at its lowest level in 17 years, and average hourly earnings for private-sector workers rose 2.9% from a year earlier, their largest year-over-year increase since June 2009. Restaurants, manufacturers and other businesses are now fretting over increased payroll costs amid the tight labor market, especially for skilled workers.

B&G Foods Inc. CEO Bob Cantwell told a conference recently: "We're seeing the inflation that the rest of the industry is," referring to higher packaging as well as transport costs. Increased cargo shipments have led to a nationwide shortage of trucks, forcing many companies to pay more to transport goods or cut back.

The Federal Reserve said in last month's report on regional economic conditions known as the beige book that companies in several parts of the country "noted increases in manufacturing, construction, or transportation input costs." Most areas reported modest to moderate growth in prices.

Motorcycle maker Harley-Davidson Inc. has benefited



Sherwin-Williams says its outlook this year was tempered by raw-material inflation as high as 6%.

from a weaker dollar in recent months that has helped U.S. manufacturers boost overseas sales. But Chief Financial Officer John Olin told analysts last month that the help from the currency exchange will be "more than offset" by expenses including rising steel and aluminum costs this year.

Paint maker Sherwin-Williams Co. said its outlook this year was tempered by industry-wide raw-material inflation as high as 6%. Food distributor Performance Food Group Co. on Wednesday reported higher inflation for meat, eggs, and produce during its most recent quarter, and executives at the supplier to restaurants and other businesses expect food costs to continue to grow around 2.5% during the year.

Higher costs are already rippling into broad measures of what manufacturers pay and receive for commodities and other products. The Insti-

tute for Supply Management's manufacturing index in January reported its price index surged to the highest level since May 2011, as 47% of respondents reported paying higher raw-materials prices.

atile: raw-milk prices dropped 10% while prices of slaughter hogs jumped 14% and the cost of wheat increased nearly 13%.

"The question is to what extent will that turn into inflation in the retail level," said Richard Moody, chief economist of Regions Financial Corp. Current high corporate profit margins offer companies the capacity "to eat some of these price increases" rather than pass them on to customers, Mr. Moody said.

Most restaurant companies have been raising menu prices to help offset rising ingredient, labor and rent costs. For instance, McDonald's Corp. said its overall menu prices in the fourth quarter were up 3% from the year-earlier period to help counter increased expenses and protect margins in advance of launching a new dollar menu.

Food prices were more vol-

2.9%

January rise in average hourly earnings for private-sector workers

OIL

Continued from the prior page this year.

Another 26 oil rigs went to work this week, according to Baker Hughes, the biggest weekly jump since January 2017.

This past week, the U.S. Energy Information Administration raised its forecast for production this year to 10.6 million barrels a day.

That is up about 300,000 barrels a day from what it expected just a month ago and would best a 1970 record by about one million barrels a day.

The agency said output already rose to 10.25 million barrels a day last week, the highest level ever.

Investors had amassed record net bullish positions in oil in recent weeks, betting that cutbacks by the Organization of the Petroleum Exporting Countries, escalating geopolitical tensions, and expanding economies across

the globe would do away once and for all with a glut of oil that weighed on the market for more than three years.

But they have been retreating from those bets, according to the most recent data from the Commodity Futures Trading Commission.

Some investors said they are watching to see whether the stock market's tumble affects how much consumers are spending and what that means for oil demand.

"If we see some consumer spending pattern change, that could have a downside consequence, but right now we're not too worried," said Darwei Kung, portfolio manager of the Deutsche Enhanced Commodity Strategy Fund. "The underlying economic numbers are very robust."

Energy stocks in the S&P 500 were the only group out of 11 sectors in the benchmark on Friday to retreat, declining 0.4%.

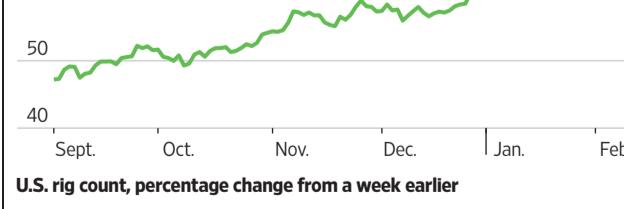
—Neanda Salvaterra contributed to this article.

Spillover

Volatility in stocks weighed on oil prices this week. Crude fell further Friday as data showed the number of rigs drilling for oil ramped up.

U.S. crude-oil futures, front-month contract

\$70 a barrel



U.S. rig count, percentage change from a week earlier



Sources: WSJ Market Data Group (price); Baker Hughes (rig count)

THE WALL STREET JOURNAL.

BUSINESS NEWS



Workers prepare a red carpet in front of the Gulfstream G650 ER aircraft at an aviation conference and exhibition in Shanghai.

Private-Jet Makers Feel Lift in Demand

By ROBERT WALL

Private-jet makers and operators are showing signs of recovering from a decadelong slump in the industry.

The 2008 financial crisis hobbled demand for private aircraft, and corporate caution and cost cutting since then have kept a lid on the market. Now, rising corporate profits, a demand-boosting incentive in the U.S. tax overhaul and a strong economic recovery in Europe are lifting the industry's prospects. And a weaker dollar is now making American-made aircraft cheaper overseas, attracting buyers.

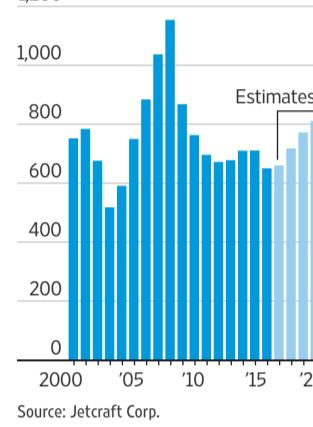
"All kinds of factors are suddenly pointing in the right direction," said Chad Anderson, president of aircraft broker Jetcraft Corp., in Raleigh, N.C.

Deliveries hit a record 1,154 jets in 2008, then fell sharply and have since stayed closer to 600 planes a year, according to Jetcraft figures. Recent order activity suggests an upturn: The broker is forecasting deliveries will top 800 by 2020.

"Order activity and customer interest are picking up across the industry," Phebe Novakovic,

Climbing Again

Business jet deliveries are showing signs of recovery.

Number of jets delivered

Source: Jetcraft Corp.

THE WALL STREET JOURNAL.

ary said it secured 38 net orders in 2017 compared with 21 net deals in 2016. Deliveries of new planes last year topped its original expectations, the company said.

Corporate shuttles, the planes that companies own or rent to ferry workers between plants, "are coming back into play," said Mark Briffa, chief executive of British commercial-jet broker Air Partner PLC, which has been adding staff in the U.S. The number of Air Partner customers who have signed up for the company's jet cards, which entitle clients to hire a private plane at a fixed cost, jumped 36% in 2017. "The market is growing," Mr. Briffa said.

Craig Hall, who runs a Dallas-based real-estate firm and owns vineyards in California's Napa Valley and Sonoma County, sold his Dassault Falcon 50 in 2008 for \$6.5 million. "I got rid of the plane because of a downturn in business," he said. He has since rented a series of jets.

Now, the new U.S. tax rules could tip him toward owning again, Mr. Hall said. He is looking at a two- to three-year-old jet, like a Dassault Falcon 2000, which can list for about \$20

million. "I tend to travel at odd hours and go to places that commercial aircraft don't cover well," he said.

The U.S. tax overhaul signed into law in December includes several provisions that could help make a business-jet purchase more attractive. For instance, under the new rules, companies can write off 100% of the cost of a plane in the first year after purchase through at least 2023.

"For a company, that can be a big deal," said Scott O'Brien, senior manager of finance and tax policy for the National Business Aviation Association, an industry lobby group.

Used planes get the break, too. That will help shrink inventory of old aircraft on the market—a supply that has kept a lid on demand for new planes. About 11% of all business jets in service are for sale, down from 16% in 2009, according to aircraft market data provider JetNet.

European buyers also are back. The U.S. currency's recent slide against the euro has made planes 15% to 16% cheaper for European buyers, said Jetcraft's Mr. Anderson.

Airbus Grounds Some Planes To Fix Engines

By ROBERT WALL

LONDON—European plane maker Airbus SE on Friday warned of new problems with the Pratt & Whitney engines on its A320neo planes, leading European air-safety officials to issue emergency restrictions.

The move will force airlines operating the A320neo with affected engines to ground some of their planes.

The European Aviation Safety Agency on Friday said it was aware of "several occurrences of engine in-flight shutdown" and other in-service events with the engine on the A320neo, Airbus's best-selling plane. It ordered flight restrictions on planes powered by those engines.

The problem with a core part of the engine is the latest in a string of setbacks that Pratt & Whitney, a unit of United Technologies Corp., has suffered with its geared turbofan engines. Airbus last year was stuck with planes it had built but was unable to ship to airlines because they were awaiting engines from Pratt.

Since the A320neo entered service a little more than two years ago, Pratt also has had to replace engines at a higher-than-expected pace because of component failures. Fixing all the problems has taken longer than expected, hobbling airline operations and creating a financial headwind for United Technologies.

Airbus said it was supporting Pratt & Whitney to identify the cause of the latest problem. Pratt & Whitney said Friday that "this issue is isolated to a limited subpopulation of engines" and that airlines with potentially affected engines had been notified. More than 40 delivered engines are affected by the fault.

which will likely need to be fixed or otherwise replacement of the engine

Airbus is ramping up production of multiple plane types, but repeatedly has encountered delays because of supplier problems. Engine issues have been among the most high-profile supplier challenges.

Airbus said it was unclear what the impact from the latest supplier problem would be on plane deliveries this year. The European plane maker is due in the coming week to give formal targets for plane deliveries this year, though it has indicated it hopes to ship

More than 40 delivered engines for the A320neo are affected by the fault.

close to 800 aircraft of all types, above the 718 shipped last year. Airbus last year fell short, though, on A320neo deliveries because of engine supply problems.

Airbus said 113 A320neo planes, spread over 18 airlines, feature the Pratt engine but not all those engines are affected by the part problem. The extent of the required groundings is still unclear.

A joint venture of General Electric Co. and France's Safran SA offer a rival engine, which also has suffered setbacks.

United Technologies shares closed down 1.9% Friday at \$125.03, after trading above \$128 before the news of the engine problem.

—Doug Cameron and Thomas Gryta contributed to this article.

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TECHNOLOGY

Amazon Studios Recruits TV Executive

BY BEN FRITZ
AND JOE FLINT

Amazon.com Inc. has tapped NBC Entertainment President Jennifer Salke to head Amazon Studios, its movie and television unit, succeeding Roy Price, who resigned amid allegations that he engaged in sexual harassment and inappropriate behavior toward a producer.

At Amazon, Ms. Salke, 53 years old, will oversee a deep-pocketed and ambitious online video service with an annual budget of more than \$4.5 billion, according to people at the company.

Its best-known television series include "Transparent," "The Tick" and "Bosch." Its most successful films have been "The Big Sick" and Oscar winner "Manchester by the Sea." However Amazon has

struggled to find broadly popular hits like HBO's "Game of Thrones" and Netflix Inc.'s "Stranger Things."

Among the challenges facing Ms. Salke will be improving relations with the creative community, some member of which criticized the way Amazon operated during Mr. Price's seven-year tenure. Several producers expressed frustration at what they called creative interference by Amazon executives, often leading to production delays and greater expenses.

"What stood out about Jen was the deep relationships she has nurtured with creators and talent over her career," Jeffrey Blackburn, the Seattle-based Amazon executive to whom Ms. Salke will report, said in a statement. "She's built an impeccable reputation as a big leader who emphasizes creativity, collaboration, and team-

work."

Since Mr. Price left in October, Amazon Studios has been overseen by Chief Operating Officer Albert Cheng, whose background is primarily in technology and digital media.

Shortly after Mr. Price stepped down, his lawyer, Eric George, said the executive had never been accused of sexual harassment "with the sole exception of the incident alleged by [the producer], the portrayal of which he vigorously contests."

The hiring of Ms. Salke, who has run NBC's prime-time entertainment since 2011, comes after a drawn-out search for Mr. Price's successor.

In a statement, Ms. Salke said Amazon has "innovated, disrupted, and created characters that are already an indelible part of pop-culture."

One of Ms. Salke's biggest



Amazon's best-known television series include 'The Tick.'

war for the rights to the series, which was given a multiseason commitment.

Ms. Salke has a solid record as a television development executive. Shows developed on her watch at NBC include the drama "This Is Us" and the comedy "The Good Place." She also oversees Universal Television, the production studio at NBCUniversal which produces shows for NBC and other networks and services. NBCUniversal is a unit of Comcast Corp.

However, Ms. Salke has no experience running a worldwide digital business or in movies, both of which she will oversee in her new post. Amazon is taking a bet that she can successfully handle those new responsibilities.

No successor for Ms. Salke was named by NBC Entertainment Chairman Robert Greenblatt.



Mr. Wallerstein, who is a member of the internet giant's leadership team, works out of offices in Palo Alto, Calif.

Tencent's Foreign Explorer

Californian David Wallerstein seeks out 'moonshot' ventures for Chinese company

BY ALYSSA ABKOWITZ

BELJING—Chinese internet giant **Tencent Holdings** Ltd. says it wants to improve the world through technology. David Wallerstein is on it.

Mr. Wallerstein, 43 years old, is Tencent's chief exploration officer. The unusual title reflects his mission: To find so-called moonshot investments that could lead to big payoffs down the road.

Mr. Wallerstein, a native Californian, has guided Tencent's investments in startups such as Lilium Aviation, which hopes to reduce travel time with its electric flying cars, and Phytech Ltd., which helps farmers figure out when their plants need water.

"People who don't know him that well can make a mistake and say, 'This is an odd pocket of utopian money coming out of China,'" said Matt Ocko, a Silicon Valley venture capitalist and friend of Mr. Wallerstein's. "Ten minutes, an hour, a day later—depend-

ing on how astute they are—they realize he and Tencent mean business."

Tencent, which built an empire on videogames and the popular WeChat social-media app and QQ messaging service, can afford to take some risks. It has a market value of nearly half a trillion dollars and about \$24 billion in cash on hand, and has invested nearly \$9 billion in enterprises outside China in the past five years, according to Dow Jones VentureSource. Last year, it snared a 5% stake in Tesla Inc.

The company is committed to "improving human life," said Tencent President Martin Lau in an emailed statement, adding that Mr. Wallerstein is advancing that agenda through exploratory investing in health care, agriculture and transportation.

"We basically need to take our planet back," Mr. Wallerstein said in a recent speech in Beijing. "This is how we're doing it at Tencent."

Tencent Chairman and Chief Executive Ma Huateng—also known as Pony Ma—and

his co-founders know Mr. Wallerstein's sharp investment eye firsthand. In 2001, Tencent was an unprofitable startup with a popular messaging service called QQ. Mr. Wallerstein was working in Beijing for the investment arm of Naspers Ltd., the South African media conglomerate.

Seeing QQ's potential, Mr. Wallerstein flew to Shenzhen, where Tencent is based, to propose an investment. Mr. Ma "politely declined," Mr. Wallerstein recalled. "I was very shocked."

Ultimately, Naspers bought 46.5% of Tencent for \$32 million from two of the company's earliest investors. Naspers's stake is now worth nearly \$180 billion today, even after being diluted to 33.4%.

Mr. Wallerstein soon joined Tencent, becoming the sixth man on its leadership team and helping in its early growth, including forging deals with Nokia and Motorola to integrate QQ into their handsets. After about a decade overseeing international business, Mr. Wallerstein

moved into his current role, which he says allows him to work with entrepreneurs around the world. He remains the only foreigner on Tencent's 15-member management team, and is its main conduit to Silicon Valley.

Today, the guitar-playing vegan is based in Palo Alto, Calif., where he and his five-member team work out of a converted church. A fluent Mandarin speaker, he visits China every six weeks. Longtime associates say Mr. Wallerstein's quirky personality—he once welcomed guests to a San Francisco dinner party by asking them to share their most embarrassing moments—and unusual role at Tencent belie an investor who is dead serious.

Silicon Valley angel investor Ron Conway calls himself a fan. Mr. Conway, whose firm is SV Angel, said the two meet and trade notes on investment prospects several times a year. "He encourages us to make the leap and invest in new market areas that normally we wouldn't look at," Mr. Conway said.

Challenge Grows For Uber in Japan

Chinese ride-hailing company **Didi Chuxing Technology** Co. is teaming up with

By Mayumi Negishi
in Tokyo and Alyssa Abkowitz in Beijing

SoftBank Group Corp. to help Japan's taxi industry deploy cars more efficiently—a move that could stymie the ambitions of Uber Technologies Inc. in the country.

Didi said on Friday it will set up a joint venture with SoftBank's Japanese telecom unit to adapt its ride-hailing platform for local taxi companies, which have been slow to adapt new technologies. The two companies said they would begin trial services in Tokyo, Kyoto, Osaka and Fukuoka within the year.

Didi, which is already working with Daiichi Taxi Co. on a way to allow Chinese tourists to use its app in Japan, plans to work with multiple taxi companies, according to two people familiar with the matter.

The Chinese ride-hailing company will name three members of the joint venture's management team, including the chief executive, one of the people said.

SoftBank, which arranged Didi's partnership with Daiichi Taxi, is the biggest investor in

Uber, having invested \$7.7 billion last month to take a 15% stake.

The Japanese conglomerate has also put more than \$9 billion into Didi.

SoftBank believes Didi is in a better position than Uber in Japan because of the large number of existing Didi users visiting the country, according to a person familiar with the thinking of SoftBank Chief Executive Masayoshi Son.

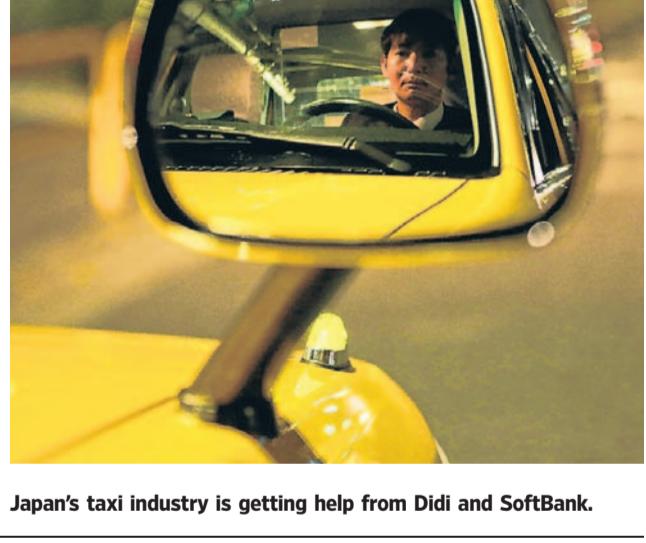
Uber declined to comment on the SoftBank-Didi tie-up in Japan.

In 2016, Uber threw in the towel in China, selling its operations there to Didi, while also taking a stake in the Chinese company. Didi, in turn, invested in Uber.

Officials with Japan's Transport Ministry have welcomed Didi's partnership with Daiichi Taxi, saying it will improve services to Chinese visitors and help cut demand for unauthorized Chinese ride-hailing apps in Japan.

Japan's large fleets of taxis offering generally high-quality service, and a dense public transportation network, have flummoxed Uber.

Ride-hailing apps continue to face strong opposition from government officials, who cite safety and liability concerns, as well as from the taxi industry and auto makers.



Japan's taxi industry is getting help from Didi and SoftBank.

UBER

Continued from page B1 grew more confident in their case at trial and rejected the proposed accord Wednesday, partly because of testimony it viewed as favorable to its case, including Mr. Kalanick's, according to people familiar with the matter.

At the same time, Waymo sought stronger contractual language to ensure Uber didn't use its proprietary technology, particularly software, and was willing to take less equity in exchange, the people said. By Thursday night, the two sides had reached a new deal and Uber's board voted to accept it, the people said.

The settlement "will protect Waymo's intellectual property now and into the future," Waymo said in a statement.

The legal standoff was the biggest in Silicon Valley in years, with the highest-valued startup in the U.S. squaring off against one of the world's big-



Former Uber CEO Travis Kalanick leaving court on Wednesday after a second day of testifying.

gest companies.

Both sides in the case view autonomous-vehicle technology as essential, believing it will save lives and costs by eliminating human drivers. Lawyers presented video testimony at trial from a former

Uber executive who said that roughly three-fourths of the cost of a typical ride goes toward the human driver.

A host of companies are racing to roll out autonomous vehicles in hopes of seizing a stake in the auto industry,

which claims some \$2 trillion in annual revenue, according to Deloitte Consulting.

"Uber did well to settle, as this is critical technology," said Joe Ahmad, an attorney with intellectual-property law firm Ahmad, Zavitsanos,

Anaipakos, Alavi & Mensing PC. He said comments from U.S. District Court Judge William Alsip, who was presiding over the trial, boded poorly for Uber.

Judge Alsip had recommended the Justice Department pursue the case as a possible criminal matter. The status of that investigation is unclear; the Justice Department didn't respond to a request for comment.

Uber had maintained it never used Waymo trade secrets and had built its own technology to create autonomous vehicles. Waymo would have had to convince jurors not only that Uber took trade secrets, but that it incorporated them into its own technology.

"No trade secrets ever came to Uber," Mr. Kalanick said in a statement Friday. "The evidence at trial overwhelmingly proved that."

Uber fired Mr. Levandowski last May, in part due to what it said was his unwillingness to cooperate with its own investi-

gation into Waymo's allegations. Mr. Levandowski, who was expected on the stand if the case continued, had indicated he would use his Fifth Amendment right against self-incrimination. A spokesman for him didn't respond to a request for comment.

Waymo is still pursuing a case in arbitration against Mr. Levandowski, according to a person familiar with the matter. Uber has agreed to indemnify Mr. Levandowski against legal ramifications, it was revealed at trial, meaning Uber could bear the cost of any settlement.

The new equity in Uber will add to an existing stake for Alphabet, which was an early investor in the ride-hailing company. Alphabet's CapitalG investment unit also led a \$1 billion funding round in October for Lyft Inc., Uber's archrival in the U.S.

Waymo had been seeking an injunction to prevent Uber from further developing elements of its self-driving vehicles and damages that could have run into the billions.

WEEKEND INVESTOR

RETIREMENT REPORT | By Anne Tergesen

It's Time to Rethink Some Common Beliefs



When saving for retirement, calculate your "number," the amount you'll

need without running a big risk of depleting your savings. When in retirement, spend no more than 4% of your initial balance, adjusted annually for inflation.

And when investing in retirement, start out with a relatively high percentage in riskier assets like stocks and increase your exposure to safer bonds as you age.

These are some long-held rules that most retirement scholars and financial advisers espouse.

But with both stocks and bonds expensive by historic measures, and people having longer retirements, researchers are rethinking these rules to better manage the risk of a market decline.

"Retiring now is pretty dangerous," says David Blanchett, head of retirement research at research firm Morningstar Inc. "No one knows what will happen in the future, but among those who make forecasts, there is an expectation for lower returns."

Here are ways in which three retirement-saving tenets are changing:

The 4% rule

Conventional wisdom says you can withdraw 4% from your savings in the first year of retirement and give yourself an annual raise over the next 30 years to keep pace with inflation without a significant risk of going broke.

3%

New recommended saving-withdrawal rate, instead of 4%

new safe withdrawal rate," says Wade Pfau, a professor at the American College of Financial Services in Bryn Mawr, Pa., who ran the numbers with Mr. Blanchett and Michael Finke, also of the American College.

What should you do if you want, or need, to spend more than 3%?

Consider a dynamic approach, Mr. Blanchett says. Many dynamic strategies set their initial withdrawal rate for a 30-year retirement at about 5%. But they require users to cut spending in a year in which their portfolio loses value.

One simple example calls for forgoing inflation adjust-

ments following any year in which your investments sustain losses. The downside: Inflation-adjusted income is likely to decline over time.

A second method, dubbed "the guardrail approach," provides more latitude to raise spending.

Say you retire with \$1 million in a portfolio with 60% in U.S. and foreign stocks and 40% in bonds and withdraw 5%, or \$50,000, in year one. At year-end, you must recalculate your withdrawal amount as a percentage of your new balance. Assuming your portfolio declines to \$800,000, your \$50,000 withdrawal—plus an annual adjustment for inflation—now represents more than 6% of your new \$800,000 balance.

Any time your withdrawal rate rises above 6%, the rule imposes a 10% pay cut for the next year, says Jonathan Guyton, a financial adviser and co-creator of this strategy. As a result, after adjusting the \$50,000 initial withdrawal—to \$51,000, assuming 2% inflation—the method imposes a 10% pay cut, of \$510, to produce a \$45,900 withdrawal in year two.

The good news: You can take a 10% raise following years in which your withdrawal rate falls below 4%.

In years in which your withdrawal rate is between 4% and 6%, simply adjust your most recent withdrawal—\$50,000 in this example—to keep up with inflation. (But don't take the inflation adjustment following any year in which your investments lose money.)

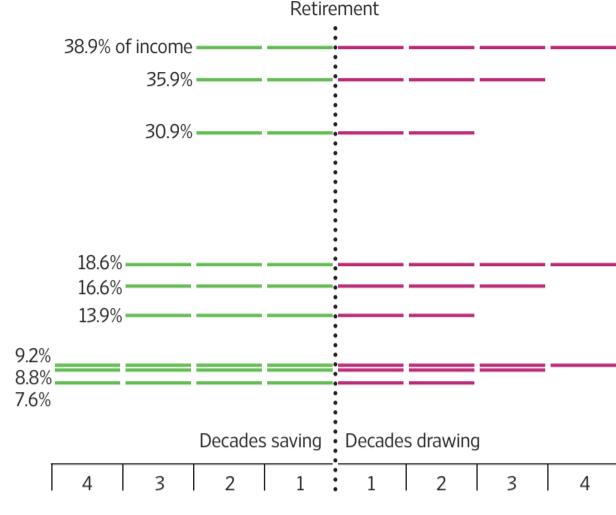
A better approach, Mr. Pfau says, is to avoid looking at your balance and focus instead on saving a consistent amount annually.

Mr. Pfau recommends that someone with 30 years until retirement and a portfolio

Rules of Thumb

New research finds that investors should focus on saving a certain percentage of their income depending on the number of years they expect to save and draw on those savings.

Saving rate to replace 50% of preretirement income



Note: Analysis assumes a mix of 60% stocks and 40% bonds.

Source: Prof. Wade Pfau, American College of Financial Services

THE WALL STREET JOURNAL.

clines.

But a recent study by Mr. Pfau and Michael Kitces, director of wealth management at Pinnacle Advisory Group Inc. in Columbia, Md., finds that those who take the opposite approach—by reducing stock exposure in the initial years of retirement and then gradually raising it over time—are likely to make their money last longer.

According to the research, those who start retirement by reducing their stockholdings to 20% to 30% of their portfolio and end up with 50% to 70% in stocks can withdraw 4% of their balance a year and give themselves annual raises to compensate for inflation over 30 years, even in the worst market scenarios. (The authors based these simulations on historical market returns rather than accounting for the lower interest rates facing today's retirees.)

In contrast, those who keep 60% in stocks throughout retirement or who taper to a 30% stock allocation from 60% are likely to run out of money after 28 years in the 5% of worst-case scenarios, says Mr. Pfau.

Of course, if stocks fare well in the early part of retirement, those who use the conventional approach will come out ahead. But the new approach provides better downside protection in the years right after retirement, when retirees are most vulnerable to financial losses. If a bear market occurs then, a portfolio can quickly be depleted by market losses and withdrawals.

Find your 'number'

This rule calls for amassing a specific dollar amount, such as 10 times your current salary, before retiring.

But that can be dangerous, says Mr. Blanchett.

Why? During a bull market, your balance may rise enough to tempt you to save less or retire early, setting you up for trouble if the markets reverse course.

A better approach, Mr. Pfau says, is to avoid looking at your balance and focus instead on saving a consistent amount annually.

Mr. Pfau recommends that someone with 30 years until retirement and a portfolio

with 60% in stocks and 40% in bonds save about 16.6% of their annual income a year.

That would have been high enough to replace half of preretirement income over the past 150 years, even amid poor stock-market returns.

Stick to glide path

According to the conventional wisdom, people just entering retirement should have a significant portion of their savings—say, 40% to 60%—in stocks to help their nest egg increase. As they age, most should gradually reduce their stock exposure to protect against market de-

INVEST

Continued from page B1

almost obsessively, pumped many idle cash into stocks.

(To conform easily with The Wall Street Journal's ethics rules, all my exposure to stocks is through index funds.)

According to my account statements, in those 18 months from October 2007 through March 2009, I shoveled more money into stocks 85 times, as the U.S. stock market fell 55%. That doesn't include 36 automatic purchases as part of my decadeslong practice of dollar-cost averaging equal amounts monthly into my two main stock funds.

All this makes me sound so implacable and calm and wise. But hindsight is full of lies.

I did add all that extra money deliberately. Week after horrifying week, the more the market went down, the more determined I became. It was kind of fun at the beginning. Then it became work, then drudgery, until the discipline mingled with self-doubt and began to verge on misery.

On March 6, 2009, with the total value of my funds down by more than 35% despite all the money I had poured in, my resolve finally faltered.

I had just written a column advising investors to react, if they must, only in baby steps rather than in big impetuous moves. After nearly two years of throwing bushels full of dollars into the flames of a falling market, I decided to move a tiny amount of one of my individual retirement accounts out of a stock fund and into cash.

I immediately felt better, and in that moment I felt an overpowering intuition: If I'm finally selling instead of buying, stocks must be about to hit rock bottom. That lifted the cloud, and the next week I resumed adding more.

Sure enough, the bull market began on March 9, 2009. Later that year, with stocks roaring upward, I stopped adding extra purchases beyond my automatic monthly contributions.

If I told you the total amount of money I added during the bear market, my wife would kill me now; if I had told her at the time, she would have killed me then. It felt wildly risky, because it was. Markets don't always recover quickly; sometimes, they don't recover at all.

Just ask Japanese investors how that "stocks-for-the-long-run" stuff has worked out for them.

As I learned when I had my DNA tested in a genetics lab at the University of Pitts-

burgh years ago, the discipline to keep investing into a falling market doesn't appear to be something I was born with.

A happy few investors, among them Warren Buffett, his business partner Charles Munger and their mentor Benjamin Graham, may have long-term thinking built into them by nature.

The rest of us have to cultivate it by nurture: by studying the writings and careers of such great investors, by familiarizing ourselves with financial history, by analyzing our own behavior during past bear markets and, above all, by cultivating good habits and mental hygiene.

Choosing what to ignore—turning off constant market updates, tuning out pundits purveying the latest Armageddon—is critical to maintaining a long-term focus.

Will I plow extra money into the stock market again if it suffers another catastrophic drop? No, because my family has better uses now for any spare cash. Will I sell stocks in a bear market? Based on my past behavior, I think I can confidently say no. But I have no illusions about how much money I might lose or how long I might have to hang on to recover those losses. You shouldn't either, especially if you are in or close to retirement.

On the go

Upon arrival

on the go

BUSINESS NEWS

Short Seller Muddy Waters Behind Aluminum Report

By SCOTT PATTERSON

Muddy Waters LLC, one of the world's most renowned short sellers, wrote an anonymous 2015 report that first drew attention to suspicious activity behind an enormous aluminum cache in the Mexican desert. That stockpile helped spawn federal investigations and highlighted aluminum trade imbalances with China.

The report's author had been a secret until Thursday, when Muddy Waters founder Carson Block said in an interview that his firm was behind the report. He said Muddy Waters planned to disclose its authorship in a court filing in response to a lawsuit from a

California company it had targeted in the same report. Short sellers profit by wagering that the price of a stock will fall.

The San Francisco-based short seller first gained fame in 2011 following its revelations about fraudulent practices at Chinese forestry company **Sino-Forest Corp.**, which later filed for bankruptcy. Mr. Block has a reputation for investigating Chinese companies, including most recently a Hong Kong-listed furniture maker and a dairy-farm operator.

Short sellers often work to highlight weaknesses in a company's balance sheet or, at times, nefarious behavior.

Muddy Waters' investiga-

tion, which resulted in the anonymous report, shows the extreme lengths some short sellers go to search out information on public companies and shape a narrative about them for the market.

Mr. Block said Muddy Waters used an alias, **Dupre Analytics**, to allege in a July 2015 report that the founder of Chinese aluminum producer **China Zhongwang Holdings Ltd.**, Liu Zhongtian, was committing fraud. The report said Mr. Liu used billions in loans from Chinese banks to secretly purchase his company's aluminum and ship it overseas to facilities he controlled to make the company appear more profitable than it actually was.

The report claimed Mr. Liu

and his family were involved in "the largest and most complex China fraud ever uncovered."

Mr. Block said he sent investigators around the world to gather evidence to produce the report. His firm wrote the Dupre report in a disorganized way to ensure no one would associate it with Muddy Waters' style, Mr. Block said.

After the report was released, trading in China Zhongwang's shares was halted for about two weeks in Hong Kong.

Mr. Block said his firm made an only "very small profit" from trades around China Zhongwang, which he is no longer shorting, but considered it "the best work we've

ever done."

China Zhongwang didn't respond to a request to comment. The company has always denied any connection to aluminum stockpiles in Mexico, Vietnam and elsewhere and has called the Dupre report incorrect. The company's shares recovered and are now more than 20% higher than when Mr. Block's report emerged.

The U.S. levied large tariffs on China Zhongwang in 2009 in response to allegations that it was dumping cheap aluminum on the American market. The company has never responded to those accusations.

In November, China Zhongwang said Mr. Liu had resigned from his position as

chairman, citing health reasons.

The Wall Street Journal, in a series of articles beginning in September 2016, reported on alleged links between China Zhongwang and one of the world's largest aluminum stockpiles in Mexico, massive amounts of which were secretly moved around the world, according to company records, interviews, trade documents and legal filings. The sheer amount of metal helped depress global aluminum prices and is one reason for calls in the U.S. to slap new trade restrictions on Chinese aluminum.

Mr. Liu has denied any connection to the aluminum shipments.

New Highs and Lows | WSJ.com/newhighs

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. % CHG—Daily percentage change from the previous trading session.

Friday, February 9, 2018				52-Wk % Sym Hi/Lo Chg Stock				52-Wk % Sym Hi/Lo Chg Stock				52-Wk % Sym Hi/Lo Chg Stock				52-Wk % Sym Hi/Lo Chg Stock				52-Wk % Sym Hi/Lo Chg Stock								
Stock	Sym	Hi	Lo	Chg	Stock	Sym	Hi/Lo	Chg	Stock	Sym	Hi/Lo	Chg	Stock	Sym	Hi/Lo	Chg	Stock	Sym	Hi/Lo	Chg	Stock	Sym	Hi/Lo	Chg				
Highs					Allergan	AGN	157.70	-0.9	BlueRockResREIT	BRG	7.12	1.2	CompassPfdA	CODIP.A	23.16	0.3	Francesca's	FRAN	5.19	0.7	J2Global	JCOM	70.27	-0.2	Natuzzi	NTZ	1.41	-2.1
AllDrainageSys	WIMS	25.70	4.0	-0.4	BlueRockResREIT	BRG	7.12	1.2	FrontShrt	FI	5.72	-0.5	CofanComm	CNSL	10.82	-0.9	GlobalNetLease	GFL	7.70	-0.6	JackInTheBox	JACK	77.30	-1.5	RadiusLogistics	RGLT	3.86	-14.0
AllianceOne	AOI	18.65	2.27	-0.1	BoardwalkPipe	BWP	11.28	-0.9	CofanComm	CNSL	7.50	-2.0	Core-Mark	CORE	19.81	0.2	Frontline	FRO	3.79	-0.8	JPMorganPfdW	JPMpfd	25.32	0.3	NebulusAcquisition	NEBU	10.00	-0.7
AltAunding	ASFI	11.45	3.2	-0.1	BostonProps	BXP	11.82	-0.9	Brasimco	BCL	2.88	-2.5	CoreCivic	CXW	19.75	1.1	GGPpfdA	GGPA	24.51	0.3	JPMorganPfdAA	JPMpfdG	11.92	-0.2	Neovatec	NVCN	0.32	-2.7
AtaraCapAcqn	BCACU	10.82	0.1	-0.1	Braunmcell	BCL	2.88	-2.5	CapitalCorpTr	CCT	1.49	-0.9	CareTech	CT	22.97	-0.2	GabelliHlthPrdfB	GRXB	25.56	0.7	JRJ33	JRJR	0.15	-0.5				
BlueBird	BLBD	23.25	0.4	-0.1	BrookfieldPop	BPY	20.10	-0.5	CartsOmn	CTN	31.55	-1.5	Corteva	CTN	22.97	-0.2	KT	KT	12.86	-1.7	NewSeniorInvt	SNR	6.77	-0.7				
BisonCapAcqn	BCACU	10.62	0.1	-0.1	CJ Energy	CJ	22.99	-0.4	CrossAmPrts	CRT	14.23	-1.9	CorvusPharm	CRVS	7.57	-0.5	GatesIndustri	GTE	17.55	-1.1	KemperDebt5	KMPA	25.40	-2.7	RegencyCtr	TGPE	5.90	-1.6
CatalystBiosc	COLM	18.45	1.36	-0.1	CJ Energy	CJ	22.99	-0.4	CrownHoldings	CCK	50.47	-0.5	CyndelPharm	CYCC	1.47	-0.5	GE	GE	14.23	-1.9	KennedyWilson	KW	15.59	-2.2	RegencyCtr	TGPE	5.90	-1.6
CostamarePfdE	CMEDe	25.05	-0.7	-0.1	CMS Energy	CMS	21.00	-2.0	CyndelPharm	CCK	50.47	-0.5	CyndelPharm	CYCC	1.47	-0.5	GeneralElec	GE	14.23	-1.9	RegencyCtr	TGPE	5.90	-1.6				
EnsignGroup	EGR	28.55	1.95	-0.1	CMS Energy	CMS	21.00	-2.0	DavidsonPfdC	DE	3.55	-0.6	DieboldNixdorf	DNR	6.77	-2.1	Generali	GEO	8.52	-0.1	KiteRey	KR	13.70	-0.6	RegencyCtr	TGPE	5.90	-1.6
Ever-Glory	EVG	3.24	11.1	-0.1	CHS PfdG	CHS	24.00	-0.8	DiabloNixdorf	DNR	6.77	-2.1	DigitalRealty	DR	23.91	-0.1	GoldMinerals	GMM	0.36	-7.1	KiteRey	KR	13.70	-0.6	RegencyCtr	TGPE	5.90	-1.6
Evoluts	EVL	12.20	1.4	-0.1	DynagasNG	DYN	10.03	-0.1	DragonGroup	DNR	6.77	-2.1	DynagasNG	DYN	10.03	-0.1	Emerson	EMR	10.82	-0.4	KiteRey	KR	13.70	-0.6	RegencyCtr	TGPE	5.90	-1.6
FidusNts2023	FDUSL	25.21	-0.2	-0.1	EnergyCap	ENR	32.47	-0.6	EdisonInt'l	ED	1.10	-0.1	FinTech	FIN	1.10	-0.1	Equinix	EQIX	1.10	-0.1	Equinix	EQIX	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
GigCapital	GIG	10.22	0.9	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70	-0.1	EquityCap	EQY	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
HalliganEduc	HLD	51.26	4.3	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70	-0.1	EquityCap	EQY	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
HomeFedBnplA	HFB	29.95	6.8	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70	-0.1	EquityCap	EQY	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
IONGeophysical	INST	37.00	1.95	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70	-0.1	EquityCap	EQY	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
MCB Holdings	MCFT	26.75	18.3	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70	-0.1	EquityCap	EQY	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
MillAcnCap	MUHU	11.85	9.2	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70	-0.1	EquityCap	EQY	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
ADOMANI	ADOM	1.39	-5.8	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70	-0.1	EquityCap	EQY	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
ADM	AES	9.87	1.4	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70	-0.1	EquityCap	EQY	1.10	-0.1	RegencyCtr	TGPE	5.90	-1.6
A-MarkPreMetals	AMRK	2.75	-0.8	-0.1	EquityCap	EQY	35.70	-0.1	FirstEnergy	FE	1.10	-0.1	FinTech	FIN	1.10	-0.1	EquityCap	EQY	35.70									

MUTUAL FUNDS

| WSJ.com/fundresearch

Explanatory Notes

Data provided by LIPPER

Top 250 mutual-funds listings based on total net assets for Nasdaq-published share classes. NAV is net asset value. Percentage performance figures are total returns, assuming reinvestment of all distributions and after subtracting annual expenses. Figures don't reflect sales charges ("loads") or redemption fees. NET CHG is change in NAV from previous trading day. YTD%RET is year-to-date return. F-Previous day's quotation. P-Distribution costs apply. 12b-1: R-Redemption charge may apply. T-Footnotes p and r apply. NA-Not available due to incomplete price, performance or cost data. NE-Not released by Lipper; data under review. NN-Fund not tracked. NS-Fund didn't exist at start of period.

MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

24190.90 ▲ 330.44, or 1.38%
 High, low, open and close for each trading day of the past three months.



Bars measure the point change from session's open

Nov. Dec. Jan. Feb.

*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

S&P 500 Index

2619.55 ▲ 38.55, or 1.49%
 High, low, open and close for each trading day of the past three months.



Nov. Dec. Jan. Feb.

*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

Nasdaq Composite Index

6874.49 ▲ 97.33, or 1.44%
 High, low, open and close for each trading day of the past three months.



Nov. Dec. Jan. Feb.

Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	High	52-Week Low	% chg	YTD % chg	3-yr. ann.
	Dow Jones	Industrial Average	Transportation Avg	Utility Average	Total Stock Market	Barron's 400	Nasdaq Composite	Nasdaq 100	P&G	S&P 500 Index
Industrial Average	24382.14	23360.29	24190.90	330.44	▲ 1.38%	26616.71	20269.37	19.3	-2.1	10.9
Transportation Avg	10213.14	9806.79	10136.61	-22.99	-0.23%	11373.38	8783.74	7.9	-4.5	4.7
Utility Average	666.00	647.81	661.03	13.13	▲ 2.03%	774.47	647.90	-1.3	-8.6	2.8
Total Stock Market	27241.50	26176.06	27049.03	371.89	▲ 1.39%	29630.47	24107.53	12.2	-2.3	8.2
Barron's 400	697.33	672.92	692.79	7.80	▲ 1.14%	757.37	610.89	11.7	-2.6	8.4

Nasdaq Stock Market

Nasdaq Composite	6917.01	6630.67	6874.49	97.33	▲ 1.44%	7505.77	5734.13	19.9	-0.4	13.3
Nasdaq 100	6453.43	6164.43	6412.68	106.58	▲ 1.69%	7022.97	5226.69	22.7	0.3	15.0

S&P

500 Index	2638.67	2532.69	2619.55	38.55	▲ 1.49%	2872.87	2316.10	13.1	-2.0	8.6
MidCap 400	1831.83	1770.19	1820.93	19.64	▲ 1.09%	1995.23	1681.04	5.8	-4.2	7.4
SmallCap 600	909.85	878.99	902.80	9.75	▲ 1.09%	979.57	815.62	6.3	-3.6	9.3

Other Indexes

Russell 2000	1487.58	1436.43	1477.84	14.04	▲ 0.96%	1610.71	1345.24	6.4	-3.8	7.3
NYSE Composite	12484.61	12048.66	12405.82	135.17	▲ 1.10%	13637.02	11324.53	9.0	-3.1	4.6
Value Line	541.07	523.20	537.77	4.51	▲ 0.85%	589.69	503.24	3.1	-4.4	2.4
NYSE Arca Biotech	4459.75	4253.07	4424.38	25.07	▲ 0.57%	4939.86	3337.03	32.6	4.8	7.3
NYSE Arca Pharma	532.71	513.75	528.50	6.67	▲ 1.28%	593.12	491.91	7.4	-3.0	-0.9
KBW Bank	108.95	104.60	108.18	2.10	▲ 1.98%	116.52	88.02	16.2	1.4	15.1
PHLX® Gold/Silver	79.84	76.39	78.35	-1.51	-1.90%	95.42	76.42	-17.9	-8.1	0.04
PHLX® Oil Service	137.88	129.52	134.80	-1.85	-1.35%	182.73	117.79	-25.2	-9.9	-13.2
PHLX® Semiconductor	1263.41	1203.66	1255.81	37.15	▲ 3.05%	1392.86	960.01	30.4	0.2	23.6
Cboe Volatility	41.06	27.73	29.06	-4.40	-13.15%	37.32	9.14	167.8	163.2	16.1

\$ Nasdaq PHLX

Sources: SIX Financial Information; WSJ Market Data Group

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of \$2 and minimum after-hours volume of 5,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
SPDR S&P 500	SPY	23,883.0	262.33	0.83	▲ 0.32%	262.48	257.82
Van Eck Vectors Gold Miner	GDX	9,635.5	21.35	-0.33	-1.52%	21.68	21.25
iShares Russell 2000 ETF	IWM	4,751.7	147.19	0.42	▲ 0.29%	147.19	143.70
Bank of America	BAC	4,703.3	30.43	0.10	▲ 0.33%	30.46	29.91
iShares MSCI Emg Markets	EEM	4,277.7	46.68	0.26	▲ 0.56%	46.71	45.95
PwrShrs QQQ Tr Series 1	QQQ	4,007.9	156.59	0.49	▲ 0.31%	156.80	153.62
Ford Motor	F	3,946.2	10.54	0.01	▲ 0.09%	10.56	10.50
General Electric	GE	3,764.9	14.98	0.04	▲ 0.27%	15.01	14.54

Percentage gainers...

Ares Commercial Real Est	ACRE	15.7	13.20	1.05	▲ 8.64%	13.20	12.05
Aquantia	AQ	9.5	14.82	1.15	<span style="background-color: #00A		

MARKETS & FINANCE

Flu Fears Halt Long Decline in Orange-Juice Sales

By JULIE WERNAU

It took one of the worst flu seasons on record to get more Americans guzzling orange juice again.

Orange-juice sales rose 0.9% to 38.66 million gallons in the four weeks ended Jan. 20. That uptick marked the first year-over-year increase in nearly five years, according to Nielsen, though analysts don't expect this trend to last much beyond flu season.

Consumption has been dwindling over the past decade for a number of reasons. Greater public awareness of orange juice's high sugar content has dented its image as a healthy drink. Flavored water, blended beverages such as smoothies, and energy drinks like Red Bull have made traditional fruit juices look staid in the eyes of many consumers, analysts say.

In Florida, the largest producer of oranges for juice in the U.S., a direct hit from Hurricane Irma last year and a crop-destroying disease called

Flu Juices Sales

Orange-juice sales have a tendency to climb during some of the most severe flu seasons.

Monthly orange-juice sales, change from a year earlier

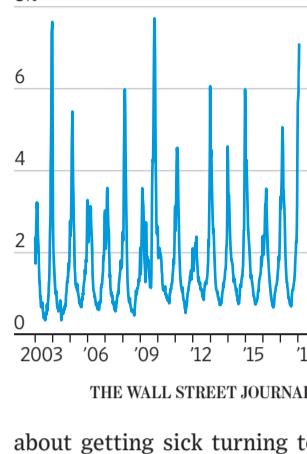


Sources: Nielsen (sales); CDC (visits)

citrus greening have pushed up the price of the fruit. That makes orange juice less competitive on cost compared with other juices and beverages.

But the most severe flu outbreak in the U.S. in at least eight years has those worried

Percentage of hospital visits associated with the flu



THE WALL STREET JOURNAL.

about getting sick turning to this traditional source of vitamin C, helping boost sales for the first time since April 2013.

Jackie Williams, 37 years old, a second-grade teacher in Lawrence, Kan., said orange juice has been in high demand

with her family during flu season. Her husband, Matthew Williams, 35, swears it is the reason he doesn't get sick, she said. "Every time he feels like he is about to get sick, he gets a gallon of cheap orange juice and drinks the whole thing," she said. "None of us have had any symptoms of illness."

Flu pandemics have aided orange-juice sales before. In 2009, an outbreak of the H1N1 influenza virus, better known as swine flu, helped to boost sales by 8%.

Scientific research, however, suggests only a tenuous connection between orange-juice consumption and flu prevention. According to the National Institutes of Health, there is currently no strong evidence that any natural product is useful against the flu. The best protection, the NIH says, is a flu vaccine.

While fans of orange juice point to its high vitamin-C content, the NIH says that doesn't prevent illness. Some studies show the vitamin can slightly reduce the length and

severity of a cold if it is consumed every day and not just when symptoms begin. There isn't enough evidence to show whether the same is true for the flu, the agency said.

"Orange juice was long considered a healthy beverage," said Jim Watson, a beverage-industry analyst at Rabobank.

Research suggests only a tenuous link between orange juice and flu prevention.

"It's only in the last few years, as concerns about sugar have picked up, that it has switched over to being considered an unhealthy beverage."

The recent rise in orange-juice sales, though, isn't enough to ease the concerns of producers and sellers. Irma knocked half of the developing oranges off trees across Florida. This year's crop will likely

be the smallest since the 1940s, according to the U.S. Agriculture Department, leaving orange growers scrambling to recoup losses.

The crimped supply means higher costs for juice makers. That has pushed up the beverage's price on store shelves to \$6.79 a gallon on average—a rise of more than 50% since 2004, just before the citrus greening disease was found in the state, according to Nielsen.

Brandon Saltmarsh, owner of Winter Park, Fla., beverage producer **HomeMaker Juice**, said that while worries about the flu have offered a nice boost to sales, the market has lost 44% of consumption since 2013 and higher prices will further weigh on demand. His company has kept prices steady while many other producers have raised prices, but competing beverages are winning shelf space.

"Retailers are cutting space for orange juice," Mr. Saltmarsh said. "They are replacing it with iced coffee, probiotics. It's a trend that is starting to really hurt the category."

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MARKETS

Shanghai Shares Tumble

Selloff marks abrupt end to a monthslong rally among state-run, blue-chip companies

BY SHEN HONG

SHANGHAI—Chinese shares posted their largest single-day fall in nearly two years, in reaction to Thursday's slide on Wall Street.

In a panicky-looking selloff led by major blue chips from state-run insurers to steelmakers, the benchmark Shanghai Composite Index fell 4.1% Friday, its biggest drop since Feb. 25, 2016. Before pulling off its lows late in trade, the index had fallen as much as 6.1%.

"I am numb and speechless. This reminds me of the stock market disaster in 2015," said Robert Gu, a 47-year old veteran investor from the eastern city of Nanjing. The market's crash in 2015 wiped out 45% of Chinese stocks' value in slightly over two months.

Friday's decline was the fourth-straight session lower for the Shanghai index, which erased all of its gains from earlier this year and shattered the market's stability. The benchmark Shanghai Composite Index moved up or down by more than 1% on only 12 trading days last year, compared with 141 days in 2015.

Investors said there was little evidence that big state-backed investment funds—nicknamed the National Team locally—were active in the market Friday. These funds have regularly stepped in to try to restore stability to Chinese markets since the 2015 crash, usually by buying shares in some of the huge state-owned companies that dominate the Shanghai bourse.

The absence of these funds is a sign that Beijing is taking a more hands-off attitude to the market's slump, believing it to be mainly driven by global forces rather than domestic concerns. The Chinese central bank, which in the past had injected huge amounts of cash into markets during similar selloffs, refrained from doing so for the 12th consecutive trading day Friday.

China's stock markets have typically been shielded from global stock selloffs because



The Shanghai Composite fell 4.1% Friday. A brokerage's screens show stock prices in Shanghai.

Beijing to Launch Oil Futures in March

China said it would launch yuan-denominated oil-futures contract in March, a long-anticipated move aimed at boosting the pricing power of the world's biggest crude importer.

If successful, the contract could challenge the dominance of Brent and West Texas Intermediate futures contracts while loosening some of the dollar's grip on global markets. Some analysts say, though, that the contract may struggle because of the control Beijing still exerts over the yuan and its financial system.

Nearly five years after the contract was first announced, trading will start on the yuan-denominated Shanghai Interna-

tional Energy Exchange on March 26, the China Securities Regulatory Commission said Friday. The exchange has completed five test runs.

A new oil yardstick is a tantalizing prospect for some investors, who for the first time should be able to participate in domestic Chinese commodities markets without operating in the country.

"The contract could become the most important Asia-based crude-oil benchmark as China is the world's largest oil importer," said Mihir Kapadia, chief executive of London-based investment-management firm Sun Global Investments. "With the current benchmarks priced in dollars, the Shanghai oil futures brings a new instrument, which will change the way the industry operates."

China has steadily increased oil imports as its economy has

grown, and last year dethroned the U.S. as the world's biggest importer of crude oil.

If a yuan-futures market attracts liquidity, it will produce oil prices more closely linked to supply and demand in the Chinese market.

A key gauge for the success of the new contract would be if it could threaten the dominance of Brent and others as the global benchmark for oil prices. Crude oil sold in Asia is mainly priced against Brent and the Dubai and Oman benchmarks.

Brent has been the main international oil-price gauge since the 1980s. The influence of the WTI contract, also launched in the 1980s and linked to a storage hub in Cushing, Okla., has been growing since the U.S. lifted its decadeslong ban on oil exports in 2015.

—Georgi Kantchev

they are dominated by domestic investors, even though foreigners have been given more access in recent years. The share of foreigners' holdings in Chinese stock markets was 2% as of the end of last year, according to data from the central bank and Wind Info.

"First of all, the recent sell-off was caused by the tumble on Wall Street, which explains why the National Team isn't in the market yet. Meantime, our own market had risen too fast earlier," said Wu Zhaoxin, chief strategist at AVIC Trust Co. "You can't deploy the national team all the time as it would distort the market and make our immature retail in-

vestors even more reliant on the government."

The latest selloff marked an abrupt end to a monthslong rally among large state-run, blue-chip firms, whose earlier rise had been touted by Chinese state media as a sign of a maturing capital market. It hit some of the country's largest state-run companies, including **Citic Securities**, which fell 9.8%, and **Poly Real Estate Group Co.**, down 9.4%. **China United Network Communications Group Co.** slid 8% while **Ping An Insurance (Group) Co. of China** shed 6.6%.

The panicky selling in these usually less volatile blue chips suggests that some of the

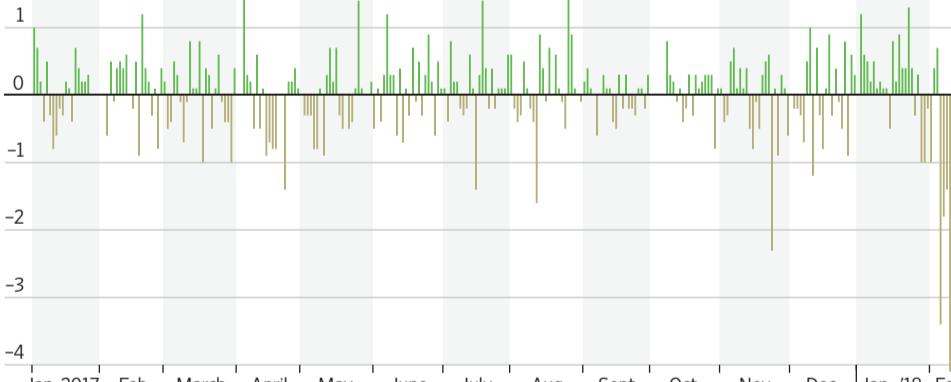
speculative investors who flocked into this sector last year may have been forced to sell, said Peter Zhao, CEO at Eagle Investments, a Shanghai-based private-equity firm.

The Wall Street selloff has served as the trigger for a needed correction in Chinese stocks, other analysts said. A number of Chinese companies have issued profit warnings in recent weeks. "At the end of the day, China's economic fundamentals haven't turned for the better, which is why the big rally earlier in the year wasn't sustainable," said AVIC's Mr. Wu.

—Yifan Xie contributed to this article.

Volatility Returns

Shanghai Composite one-day percentage moves



Source: FactSet

In Asia, Stock Market's Rout Is Worse Than the U.S. Selloff

BY STEVEN RUSSOLILLO

The stock market rout that started in the U.S. has spread to Asia, leaving many indexes deep in correction territory.

While the Dow Jones Industrial Average and S&P 500 are each down about 9% from last month's records, the declines have been even steeper for stock benchmarks in Japan, China and Hong Kong. A correction is a drop of 10% or more from a recent high.

All three Asian indexes are down for the year, just like their U.S. counterparts, which entered into correction on Thursday but rebounded on Friday.

"This is a powerful market selloff," said Chris Rupkey, chief financial economist at financial firm Mitsubishi UFJ Financial Group Inc. "The era of low interest rates is at an end, which means the proverbial punch in the punch bowl is leaving the party."

China's Shanghai Composite

Index fell 4.1% on Friday, its worst one-day percentage drop since February 2016. It is down 12% from a 52-week high hit last month.

Japan's Nikkei Stock Average has slumped 11% from a 52-week peak in January. The Nikkei, in particular, had en-

joyed a stunning move higher late last year that spilled into the beginning of 2018. That included a stretch in October that saw it rise for 16 straight days, its longest-ever consecutive streak of gains.

The Nikkei rose 25% from September through Jan. 23. But the recent selloff has erased about half of those gains.

"This is a powerful market selloff," said Chris Rupkey, chief financial economist at financial firm Mitsubishi UFJ Financial Group Inc. "The era of low interest rates is at an end, which means the proverbial punch in the punch bowl is leaving the party."

China's Shanghai Composite

Index fell 4.1% on Friday, its worst one-day percentage drop since February 2016. It is down 12% from a 52-week high hit last month.

The silver lining is that markets around the world have gotten cheaper than they were two weeks ago.

By traditional valuation metrics, Asian stocks look like much more of a bargain than the U.S. market.

The Hang Seng Index trades at 12.4 times projected earnings over the next 12 months, and the Nikkei Stock Average trades at 16 times projected earnings, according to research firm FactSet. Both multiples are cheaper than their respective averages over the past year. By comparison, the S&P 500 trades at about 17 times projected earnings.

The Kospi index is down 9% from last month's 52-week high. It also trades at just 8.9 times projected earnings, its cheapest multiple since August 2013.

"This is a powerful market selloff," said Chris Rupkey, chief financial economist at financial firm Mitsubishi UFJ Financial Group Inc. "The era of low interest rates is at an end, which means the proverbial punch in the punch bowl is leaving the party."

China's Shanghai Composite

China in Deal for U.S. Natural Gas

BY CHRISTOPHER M. MATTHEWS

China has entered its first long-term contract to import U.S. liquefied natural gas, following a push by the Trump administration to open the rapidly growing market to U.S. suppliers.

Cheniere Energy Inc., which has already exported LNG to China, said Friday that it had signed two purchase agreements with **China National Petroleum Corp.** to export LNG from the U.S. Gulf Coast to China.

Under the deal, China National Petroleum will receive 1.2 million tons of LNG a year through 2043. A portion of that supply will ship this year and the rest will begin in 2023.

President Donald Trump has made U.S. LNG exports a focus of his plans to make America an energy superpower. Commerce Secretary Wilbur Ross announced a deal last May to "expedite" the approvals of U.S. exports to China. While the deal didn't alter any existing regulations,

it was billed as a signal to China that U.S. LNG suppliers are open for business.

Mr. Trump brought two U.S. LNG executives with him during his trip to Beijing in November, including Jack Fusco, chief executive of Cheniere, which in early 2016 became the first company to export U.S. LNG from the lower 48 states. During the trip, Cheniere signed a memorandum of understanding with China National Petroleum to eventually enter LNG export contracts.

"We are pleased to announce these LNG contracts with China National Petroleum Corp., an important global energy player in one of the largest and fastest-growing LNG markets worldwide," Mr. Fusco said Friday.

So far, 34 U.S. cargoes of LNG have landed in China, all of them from Cheniere's facilities. But the deal announced Friday is China's first long-term contract with a U.S. supplier, the Houston-based company said.

Cheniere didn't disclose the estimated value of the contract.

Treasurys Go Higher As Selling Pauses

BY GUNJAN BANERJI

U.S. government bonds strengthened Friday, pausing a bout of selling that has dominated much of the year.

The yield on the benchmark 10-year Treasury note fell to 2.829% from 2.851% Thursday. Yields fall as bond prices rise.

The 10-year yield recorded its biggest weekly yield decline of the year—0.023 percentage point—after rising steadily in February along with investors' concerns about a pickup in inflation. Inflation is a primary threat to government bonds because it reduces the purchasing power of their fixed payments.

"The bond market has adjusted to an inflation outlook that's higher than it was three to six months ago. Now we

need to get confirmation of that," said Jeff McDonald, head of fixed-income strategies at Fiduciary Trust Co. International.

Recent increases in market-based inflation expectations will be tested when the Labor Department releases information on consumer prices Wednesday. Other data due in the coming week on retail sales, jobless claims and consumer confidence will help shape how investors assess the effects of tax cuts on economic activity.

President Donald Trump signed a two-year budget deal Friday morning, quashing some fears of a prolonged government shutdown. But U.S. lawmakers' spending plan could widen the budget deficit, increasing the supply of Treasurys in the market, analysts say.

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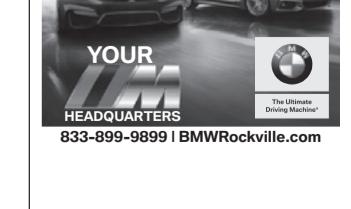
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MARKETS

The Baffling Moves Behind Stock Rout

BY JON SINDREU
AND MIKE BIRD

U.S. stocks sank into correction territory Thursday for the first time since 2016, yet many investors still don't understand what's driving the rout.

While fears about inflation and rising bond yields have played a role, markets aren't behaving as they usually do during big stock selloffs. That could point to a market still driven by the aftershocks of misfired bets on low volatility, rather than a reappraisal of the global economy.

While the volatility-trading shakeout may bring further bouts of pain, stock markets will recover and continue to do well against a backdrop of healthy economic growth and strong earnings, many analysts say.

Here are some of the mysterious market moves that point that way:

The hardest-hit investors have been those who were betting against swings in the U.S. stock market, often through the Cboe Volatility Index, or VIX. When shares dropped, the VIX surged.

But aside from taking their own losses, they may also have turned a small slump into a full-blown correction.

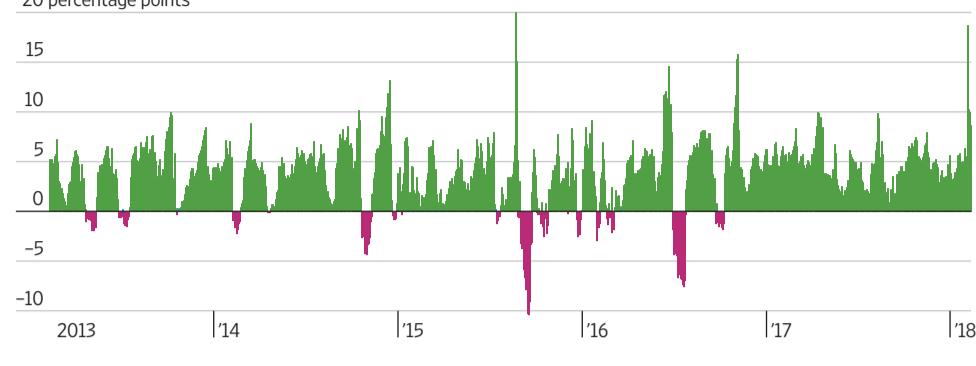
Research suggests that short-volatility strategies can fuel drastic reversals in stock markets as investors scramble to offset the damage either by buying back the asset they sold in the first place—in this case, volatility through futures—or selling stocks, which drop as volatility increases. This means the wider stock market is overwhelmed by sellers.

In a note on Friday, UBS said the VIX's record percentage jump Monday was "extremely rare" by historical standards, even for a day when the stock market fell 4%.

One key sign that investors are still cleaning up after their misfired volatility bet is

The VIX often surges, but stock swings rarely result.

Implied volatility, as measured by the Cboe Volatility Index, minus realized volatility*



Sharp declines this past week were atypical in that they were unusually concentrated in the last half-hour of trading.

S&P 500 intraday change: Average down day



Safer stocks haven't rallied much during the tumult.

MSCI USA cyclical-stock index as a share of the defensive-stock index

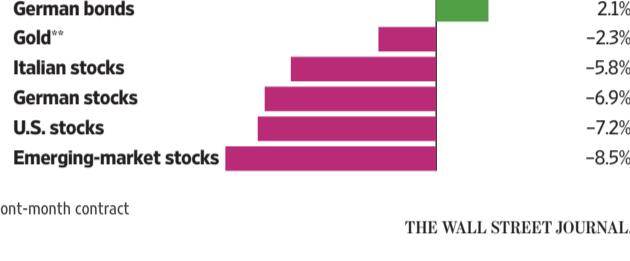


*Measured as one-month realized volatility †Among the 80 days previous to the market rout **Front-month contract

Source: FactSet

The lowest-risk assets haven't acted as havens in some cases.

Change in price since Feb. 1



THE WALL STREET JOURNAL.

drastically underperformed defensive shares. But this time around, the two have been falling almost in tandem. In fact, cyclical stocks have declined slightly less.

Bespoke Investment Group says that this selloff has been indiscriminate, with selling across companies, regardless of their sector, size or earnings prospects. U.S. financial firms, which in theory would benefit most from higher interest rates, have been the second hardest-hit over the past week.

So far, the downturn has affected stocks and left many other markets mostly unruffled, which shouldn't happen if investors are truly concerned about the economy. Even markets and assets that are perceived as being risky aren't being hit the hardest.

Take Italy. Its flagship stock index is one of the few globally that is still in positive territory this year. Based on how Italian stocks usually react when people sell elsewhere in the world, these shares should have sold off by around 2 percentage points more than they did between Jan. 26 and Feb. 6, according to Goldman Sachs.

In one key measure of how investors judge Italian risk, spreads between 10-year Italian sovereign-bond yields and German government bonds hit 1.26 percentage points on Thursday, the narrowest gap in around 16 months. Yet, Italy goes to the polls on March 4 for an election that last year was seen as being one of the big risks in European markets.

Many other markets also aren't conforming to the idea that investor sentiment has turned. Havens such as German government bonds or gold, which should do well when money managers are jittery, have edged down during the past week.

Yet riskier assets such as junk bonds and some emerging markets have weathered the blow unexpectedly well.

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Stocks Are Cheaper but Not Cheap

OVERHEARD

Boring Is No Longer So Beautiful

Price Points

The S&P 500's forward price/earnings ratio



level over the past 20 years is 15.2.

Moreover, while for much of last year it was possible to argue that the market's high forward price/earnings ratio was justifiable because it didn't reflect the possibility of corporate tax cuts, that is no longer the case. Analysts have now largely incorporated them into their estimates.

There is now even a worry they have been too optimistic.

Stocks are a lot less expensive than they were two weeks ago. Unfortunately, they are still far from cheap.

The S&P 500 has fallen 8.8% from the record it hit last month, and if you want to point fingers at reasons why, there are plenty of targets.

Worries over how much the Federal Reserve will have to raise interest rates certainly helped get the tumble going. The wipeout in products that bet against volatility played a role as well. So might the automatic dumping of stocks by some risk-parity funds. The expected swelling of the budget deficit as a result of tax cuts and a new budget deal certainly didn't help either.

But the thing that made the stock market vulnerable in the first place was its price.

At its peak last month, the S&P traded at 18.5 times expected earnings, according to FactSet, reaching its highest level since 2002. Since then, it has fallen to 16.9. That is still high; the median

adjusted P/E popularized by economist Robert Shiller is at levels eclipsed only just before the 1929 crash and in the years surrounding the dot-com bubble.

The problem with high valuations when stocks falter is that they make it harder for investors to gain the confidence to step in and buy. Adding a further complication, rising Treasury yields are taking away the excuse many investors were offering for high stock valuations. Bonds are now a more viable alternative.

Furthermore, because tax cuts and increased government spending seem likely to make an already tight labor market throw off more heat, the Fed seems unlikely to back off on raising interest rates for the sake of fretful investors.

None of this means stocks are doomed to keep on sliding, though they might. But investors have gotten a lot more nervous, and it seems that they probably should be.

—Justin Lahart

Are these guys smoking something? Well, maybe, but the way that traders in marijuana stocks reacted to this week's stock market selloff only looks strange.

On Monday, the first time that the Dow Jones Industrial Average ever lost over 1,000 points in one session, cannabis companies defied gravity despite being risky on multiple levels. Such firms usually do worse than the market during tumbles, but a fund representing the industry, the ETFMG Alternative Harvest ETF, barely fell. Three days later, when the Dow had its second 1,000-point drop in history, the ETF fell but by less than half of what the index did in percentage terms.

The likely answer is that short sellers had targeted constituent companies such as **Canopy Growth** and **MedReleaf**, selling 7.5% and 8.9% of their available shares short, respectively. As traders took chips off the table, they probably rushed to buy back shares of pot stocks, of which they were skeptical.

Strategies that have protected investors in past sell-offs aren't doing so now. In a rising rate environment, investors need to rethink where to seek shelter.

A selection of eight of the largest exchange-traded funds with strategies generally regarded as "defensive"—comprising two low-volatility ETFs, four high-dividend or dividend appreciation ETFs, a consumer-staples fund and a utilities fund—for the most part declined sharply in the five sessions through Thursday.

Granted, they had slightly outperformed the market, declining by an average 7.3% over the period compared with an 8.5% decline in the S&P 500. But customers are unlikely to be satisfied with that kind of performance from products sold to them as safe. Strikingly, among the worst performers have been the low-volatility funds.

All of these defensive funds have something in common: They tend to have high concentrations in sectors like consumer staples, utilities, and other high-dividend payers. The individual stocks these funds invest in are viewed as "bondlike" by investors for their steady businesses and high, dependable dividend yields.

This style of investing generally does well during an economic downturn or a market panic, but not in a rising interest-rate environment. That is a problem now because rising interest rates are a main cause of the sell-off.

When actual bonds start paying decent rates, the appeal of "bondlike" stocks fades. If rates keep rising, this defense won't hold.

—Aaron Back

Venezuela's Pain Is OPEC's Gain in Production-Cut Deal

its 32.73 million barrel-a-day target.

There is every sign that the chaos in Caracas will give OPEC even more breathing room. In fact, it is probably self-reinforcing. The lower Venezuela's output, the less foreign currency it brings in for necessities like food and medicine to placate its restive people, and the greater the chances of an even sharper collapse due to political unrest.

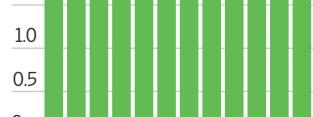
Less cash flow also means less money to invest in creaking infrastructure and to pay foreign contractors. Much of Venezuela's output already is dedicated to covering loans from friendly na-

tions like Russia, and cargoes are in occasional danger of being seized by creditors.

Calling even the decline so far in Venezuela's petroleum industry historic is almost an understatement. Just last year, output was down by almost 30%. In percentage terms, that is worse than in major producing countries that broke apart and saw their economies collapse, such as the former Soviet Union, and Iraq in 2003. In terms of barrels lost a year, it is about twice those lost during the disruptive strike by workers at state oil company Petróleos de Venezuela 15 years ago to protest

Caracas Blues

Venezuelan crude-oil production, monthly



Source: S&P Global Platts

late strongman Hugo Chávez.

Now PdVSA is in chaos and the Chavistas are to blame. Since late last year dozens of experienced employees have been purged,

and a national-guard general with no industry experience has been put in charge. He claims that output will recover this year. Some credible analysts instead see drops of over 40% on tap. January's dire output estimate would support their projections.

A tragedy for its people, Venezuela's woes are helping its fellow cartel members maintain output in the face of surging U.S. production stimulated by higher oil prices. Given another year or so and that will no longer be the case because Venezuela won't have much further to fall.

—Spencer Jakab

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The Enlightenment Is Working

For all their disagreements, the left and the right concur on one thing: The world is getting worse. Whether the decline is visible in inequality, racism and pollution, or in terrorism, crime and moral decay, both sides see profound failings in modernity and a deepening crisis in the West. They look back to various golden ages when America was great, blue-collar workers thrived in unionized jobs, and people found meaning in religion, family, community and nature.

Such gloominess is decidedly un-American. The U.S. was founded on the Enlightenment ideal that human ingenuity and benevolence could be channeled by institutions and result in *progress*. This concept may feel naive as we confront our biggest predicaments, but we can only understand where we are if we know how far we've come.

You can always fool yourself into seeing a decline if you compare rose-tinted images of the past with bleeding headlines of the present. What do the trajectories of the nation and world look like when we measure human well-being over time with a constant yardstick? Let's look at the numbers (most of which can be found on websites such as OurWorldinData, HumanProgress and Gapminder).

Consider the U.S. just three decades ago. Our annual homicide rate was 8.5 per 100,000. Eleven percent of us fell below the poverty line (as measured by consumption). And we spewed 20 million tons of sulfur dioxide and 20.6 million tons of particulates, despite generating more wealth and driving more miles.

Don't listen to the gloom-sayers. The world has improved by every measure of human flourishing over the past two centuries, and the progress continues, writes Steven Pinker.

Fast forward to the most recent numbers available today. The homicide rate is 5.3 (a blip up from 4.4 in 2014). Three percent of us fall below the consumption poverty line. And we emit four million tons of sulfur dioxide and 20.6 million tons of particulates, despite generating more wealth and driving more miles.

Globally, the 30-year scorecard also favors the present. In 1988, 23 wars raged, killing people at a rate of 3.4 per 100,000; today it's 12 wars killing 1.2 per 100,000. The number of nuclear weapons has fallen from 60,780 to 10,325. In 1988, the world had just 45 democracies, embracing two billion people; today it has 103, embracing 4.1 billion. That year saw 46 oil spills; 2016, just five. And 37% of the population lived in extreme poverty, barely able to feed themselves, compared with 9.6% today. True, 2016 was a bad year for terrorism in Western Europe, with 238 deaths. But 1988 was even worse, with 440.

The headway made around the turn of the millennium is not a fluke. It's a continuation of a process

set in motion by the Enlightenment in the late 18th century that has brought improvements in every measure of human flourishing.

Start with the most precious resource, life. Through most of human history, continuing into the 19th century, a newborn was expected to live around 30 years. In the two centuries since, life expectancy across the world has risen to 71, and in the developed world to 81.

When the Enlightenment began, a third of the children born in the richest parts of the world died before their fifth birthday; today, that fate befalls 6% of the children in the poorest parts. In those countries, infectious diseases are in steady decline, and many will soon follow smallpox into extinction.

The poor may not always be with us. The world is about a hundred times wealthier today than it was two centuries ago, and the prosperity is becoming more evenly distributed across countries and people. Within the lifetimes of most readers, the rate of extreme poverty could approach zero. Catastrophic famine, never far away in the past, has vanished from all but the most

Please turn to the next page

We can only understand where we are if we know how far we've come.

Mr. Pinker is Johnstone Professor of Psychology at Harvard University. This essay is adapted from his new book, "Enlightenment Now: The Case for Reason, Science, Humanism and Progress," which will be published by Viking on Feb. 13.

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C3

REVIEW

The Path of Human Progress

Continued from the prior page

remote and war-ravaged regions, and undernourishment is in steady decline.

Within developed countries, inequality is rising, but real poverty is not. A century ago, the richest countries devoted 1% of their wealth to children, the poor, the sick and the aged; today they spend almost a quarter of it. Most of their poor today are fed, clothed and sheltered and have luxuries like smartphones and air conditioning that used to be unavailable to anyone, rich or poor. Poverty among racial minorities has fallen, and poverty among the elderly has plunged.

The world is giving peace a chance. During most of the history of nations and empires, war was the natural state of affairs, and peace a mere interlude between wars. Today war between countries is obsolescent, and war within countries is absent from five-sixths of the world. The proportion of people killed annually in wars is about a quarter of what it was in the mid-1980s, a sixth of what it was in the early 1970s, and a 16th of what it was in the early 1950s.

In most times and places, homicides kill far more people than wars. But homicide rates have been falling as well and not just in the U.S. People in the rest of the world are now seven-tenths as likely to be murdered as they were two dozen years ago. Deaths from terrorism, terrifying as they may be, amount to a rounding error.

Life has been getting safer in every other way. Over the past century, Americans have become 96% less likely to be killed in an auto accident, 88% less likely to be mowed down on the sidewalk, 99% less likely to die in a plane crash, 59% less likely to fall to their deaths, 92% less likely to die by fire, 90% less likely to drown, 92% less likely to be asphyxiated, and 95% less likely to be killed on the job. Life in other rich countries is even safer, and life in poorer countries will get safer as they get richer.

Despite backsliding in countries like Russia, Turkey and Venezuela, the long-term trend in governance is toward democracy and human rights. Two centuries ago a handful of countries, embracing 1% of the world's people, were democratic; today, more than half the world's countries, embracing 55% of its people, are.

Not long ago half the world's countries had laws that discriminated against racial minorities; today more countries have policies that favor their minorities than policies that discriminate against them. At the turn of the 20th century, women could vote in just one country; today they can vote in every country where men can vote save one (Vatican City). Laws that criminalize homosexuality continue to be stricken down, and attitudes toward minorities, women and gay people are becoming steadily more tolerant, particularly among the young, a portent of the world's future. Violence against women, children and minorities is in long-term decline, as is the exploitation of children for their labor.

As people are getting healthier, richer, safer and freer, they are also becoming more knowledgeable and smarter. Two centuries ago, 12% of the world could read and write; today 85% can. Literacy and education will soon be universal, for girls as well as for boys. The schooling, together with health and wealth, is literally making us smarter—by 30 IQ points, or two standard deviations above our ancestors.

People are putting their longer, healthier, safer, freer, richer and wiser lives to good use. Americans work 22 fewer hours a week than they did in the late 19th century and lose 43 fewer hours to housework. They have more opportunities to use their leisure to travel, spend time with children, connect with loved ones and sample the world's cuisine, knowledge and culture.

Thanks to these gifts, people in a majority of countries have become happier. Even Americans, who take their good fortune for granted and have stagnated in happiness, call themselves "pretty happy" or happier. And despite the panic about "kids today" (heard in every era), younger generations are less unhappy, lonely, drug-addicted and suicidal than their Boomer parents.

As societies become wealthier and better educated, they raise their sights to the entire planet. Since the dawn of the environmental movement in the 1970s, the world has emitted fewer pollutants, cleared fewer forests, spilled less oil, set aside more preserves, extinguished fewer species, saved the ozone layer and may have peaked in its consumption of oil, farmland, timber, cars and perhaps even coal.

* * *

To what do we owe this progress? Does the universe contain a historical dialectic or arc bending toward justice? The answer is less mysterious: *The Enlightenment is working*. Our ancestors replaced dogma, tradition and authority with reason, debate and institutions of truth-seeking. They replaced superstition and magic with science. And they shifted their values from the glory of the tribe, nation, race, class or faith toward universal human

flourishing.

These developments have been gradual and uneven, with many backtracks and zigzags. But the happy developments of the last two centuries are the cumulative gifts of the brainchildren they spawned.

- Disease was decimated by vaccines, sanitation, antibiotics and other advances in medicine and public health, driven by the germ theory of disease and our understanding of evolution, physiology and genetics.

- Famine was staved off by crop rotation, synthetic fertilizer, the replacement of muscle by machinery and the selective breeding of vigorous hybrids.

- Poverty was slashed by education, markets, global trade and cheaper food and clothing, together with social programs that support the young, old, sick and unlucky.

- Violent crime was tamed by a replacement of the code of vendetta by the rule of law, by fairer judicial systems and, most recently, by data-driven policing.

- Everyday hazards were blunted by safety regulations and engineering, driven by an increasing valuation of human life. A similar combination of regulation and technology is ramping down pollution.

- Oppression and discrimination may persist in some places by brute force, but they start to corrode when educated, mobile and connected people exchange ideas and are forced to justify their practices.

- War is being marginalized by the spread of democracy (which inhibits leaders from turning their youth into cannon fodder), global commerce (which makes trade more profitable than plunder), peacekeeping forces (which separate belligerents and extinguish flare-ups) and competent governments (which outcompete insurgents for the allegiance of their citizens). Also driving war down are norms against conquest, enforced by the international community with shaming, sanctions and occasionally armed intervention.

* * *

The evidence for progress raises many questions.

Isn't it *good* to be pessimistic, many activists ask—to rake the muck, afflict the comfortable, speak truth to power? The answer is no: It's good to be *accurate*. We must be aware of suffering and injustice where they occur, but we must also be aware of how they can be reduced. Indiscriminate pessimism can lead to fatalism: to wondering why we should throw time and money at a hopeless cause. And it can lead to radicalism: to calls to smash the machine, drain the swamp or empower a charismatic tyrant.

Is progress inevitable? Of course not! Solutions create new problems, which must be solved in their turn. We can always be blindsided by nasty surprises, such as the two World Wars, the 1960s crime boom and the AIDS and opioid epidemics.

And the greatest global challenges remain unsolved. This does not mean they are unsolvable. In 2015 the world's nations came to a historic agreement on climate change in Paris, and pathways to decarbonization, including carbon pricing and zero-emission technologies, have been laid out. Since the closing days of World War II, nuclear weapons have not been used in almost 73 years of saber-rattling (including standoffs with the half-mad despots Stalin and Mao), and the New Start treaty between the U.S. and Russia, capping nuclear arsenals, went into full effect just this week.

On these matters, the policies of President Donald Trump—denial of climate change, planned withdrawal from the Paris accord, provocation of North Korea, nuclear arms expansion—are alarming. But continued

progress is in the interests of the rest of the world, and numerous states, countries, corporations, political actors and sectors of the military are pushing back against the intemperate plans of the administration.

How should we think about future progress? We must not sit back and wait for problems to solve themselves, nor pace the streets with a sandwich board proclaiming that the end of the world is nigh. The advances of the past are no guarantee that progress will continue; they are a reminder of what we have to lose. Progress is a gift of the ideals of the Enlightenment and will continue to the extent that we rededicate ourselves to those ideals.

Are the ideals of the Enlightenment too tepid to engage our animal spirits? Is the conquest of disease, famine, poverty, violence and ignorance ... boring? Do people *need* to believe in magic, a father in the sky, a strong chief to protect the tribe, myths of heroic ancestors?

I don't think so. Secular liberal democracies are the happiest and healthiest places on earth, and the favorite destinations of people who vote with their feet. And once you appreciate that the Enlightenment project of applying knowledge and sympathy to enhance human flourishing can succeed, it's hard to imagine anything more heroic and glorious.



EVERYDAY PHYSICS: HELEN CZERSKI

How Olympians Slide and Glide On Ice Crystals

THE OLYMPIC FLAME has arrived in Pyeongchang, South Korea, for 16 days of world-class sliding, spinning and swooshing. I'll be watching with particular interest because my first lessons in cross-country skiing, which I recently took, prompted me to wonder how these icy sports are even possible.

The astonishingly fluid elegance of a skier is precarious, and even the tiniest loss of control can be ugly. What I quickly learned in my own lessons is that the same snow could either let me slide—or grip. The great paradox in the physics of skiing is that sometimes snow is slippery and sometimes it isn't. The question is why.

On the face of it, it's strange that snow even could be slippery. It's a solid, made up of frozen water crystals. Within a day of a new snowfall, the individual crystals bond together so that the snow becomes a single spiky, rough material.

Early Antarctic explorers, skiing at temperatures around minus 40 degrees Fahrenheit, said that it felt like they were trying to ski on sand, which might be what you'd expect. That's a clue to this puzzle: Temperature matters.

Most skiing happens very close to water's melting point. When a ski rests on top of the snow, it's actually only touching the bits of ice that stick up, known as asperities. If you push that ski sideways across the surface, especially if the weight of a person is also pushing down on the ski, the friction at those contact points heats them up enough to melt them and to produce a very thin layer of water. Since water is slippery, your ski will glide across the top. We still don't completely understand the formation and influence of this thin water layer, because the process is very hard to replicate in the lab.

Fluffy snow is just one way of arranging ice crystals, and it's very different from the hard smooth ice of a frozen puddle. As anyone knows who has tried

to stand on an ice rink, ice is slippery even if you're not trying to move across it.

One old idea is that because ice melts under pressure, the thin blade of an ice skate could squeeze the ice below it enough to melt its own small puddle of

water. We know now that this could only have a small effect, and only above 26 degrees.

What scientists have found instead is that frozen water doesn't have a sharp crystal boundary above a temperature of about minus 40. The top layer is always made of meandering molecules that aren't locked into the crystal structure. It's thoroughly weird behavior, unlike almost all other crystalline solids. This very thin liquid layer is what hockey players and ice dancers rely on, probably with a bit of frictional heating to add speed.

And this raises a question: If the water layer is always there, how can anyone control their sliding? The answer is that digging the rough edge of a skate or ski through the liquid layer turns it into a mini snowplow as it pushes the snow or ice away, providing some resistance. In addition, water itself is slightly sticky.

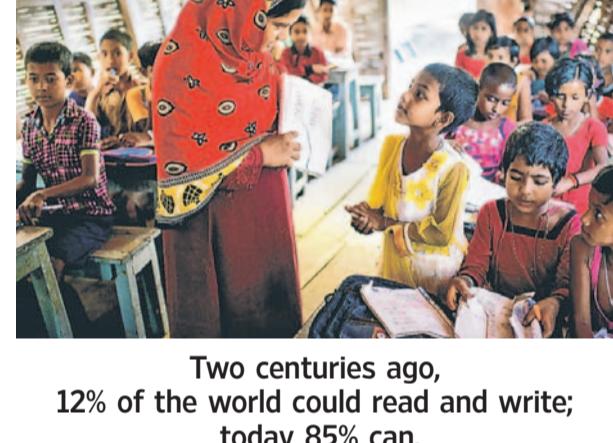
The fastest snow for skiers is around 23 degrees, because it's close enough to the melting point to help with sliding but not so wet that the stickiness of the water itself acts as a brake. It's all very subtle, and science is only just beginning to figure out exactly how it works.

For Olympic athletes, what happens in that microscopic ice world is the difference between a gold medal and a nasty fall. Over the next two weeks, I'll be admiring not only the competitors' courage and skill but also their unconscious control of tiny crystals and the weird world of ice that makes it all possible.

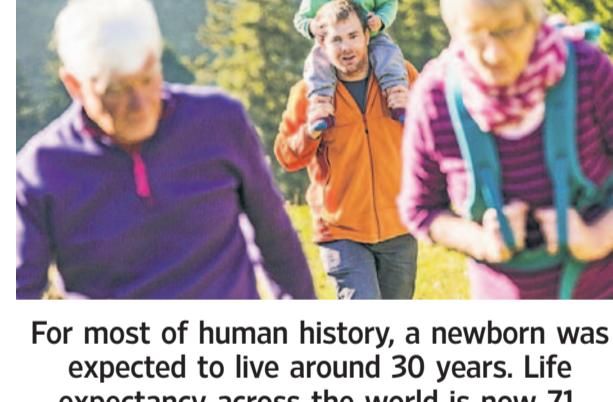
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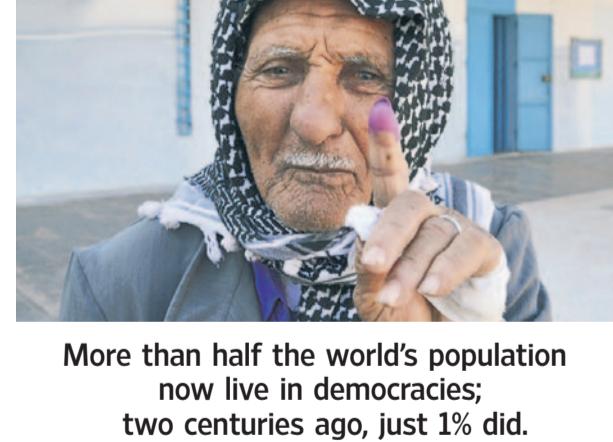
The world has become a hundred times wealthier since the early 19th century, and prosperity is becoming more evenly distributed across countries and people.



**Two centuries ago,
12% of the world could read and write;
today 85% can.**



For most of human history, a newborn was expected to live around 30 years. Life expectancy across the world is now 71.



**More than half the world's population now live in democracies;
two centuries ago, just 1% did.**

progress is in the interests of the rest of the world, and numerous states, countries, corporations, political actors and sectors of the military are pushing back against the intemperate plans of the administration.

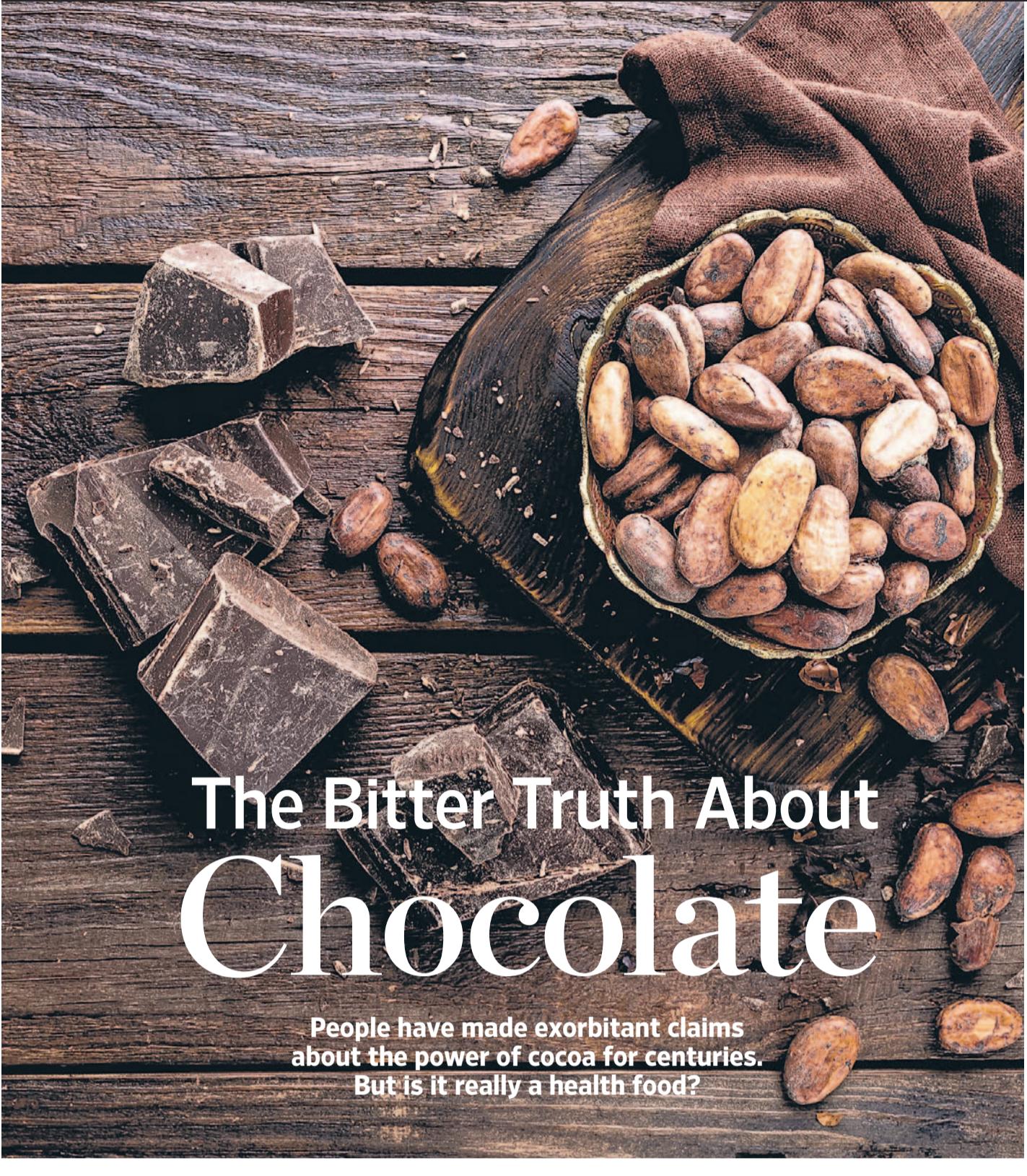
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I don't think so. Secular liberal democracies are the happiest and healthiest places on earth, and the favorite destinations of people who vote with their feet. And once you appreciate that the Enlightenment project of applying knowledge and sympathy to enhance human flourishing can succeed, it's hard to imagine anything more heroic and glorious.

FROM TOP: APOLLO SOTUNDE/REUTERS; JONAS GRAZIER/LIGHTROCKET/GETTY IMAGES; ALAMY; TASnim NASR/ANADOLU AGENCY/GETTY IMAGES

REVIEW



The Bitter Truth About Chocolate

People have made exorbitant claims about the power of cocoa for centuries. But is it really a health food?

BY RICHARD SCHIFFMAN

VALENTINE'S DAY is known for two things: romantic love and chocolate. Romance is famously fickle—it comes and goes. But our love affair with chocolate never seems to wane.

Americans spend more today on chocolate products than the gross national product of some of the countries where cacao is grown. The research group Euromonitor International reports that U.S. sales of chocolate went from \$14.2 billion in 2007 to \$18.9 billion in 2017, a period during which overall sales for candy declined, largely because of growing health concerns over sugar.

How did chocolate manage to buck the bear market in candy? One reason is the widespread perception that chocolate, unlike other sweet treats, is not just delicious but good for you. This notion has some basis in the latest research, but it's also been created by headlines that exaggerate the findings. Some caution is in order before we congratulate ourselves for having our chocolate and eating it, too.

Exorbitant claims for the power of cocoa are nothing new. In Mesoamerica, consuming a drink that included the ground beans of theobroma cacao (Greek for "food of the

gods"), a shade-loving rain forest tree from the region, was a religious sacrament, regarded as a potent strength enhancer. The Aztec name for the drink—"chocolat"—is the root of the English word chocolate.

Some Spanish conquistadors initially found the frothing brew of cocoa and chile peppers repulsive. The Franciscan friar Bernardino de Sahagún warned that drinking too much chocolate made people deranged and confused, although judicious use, he said, could be "enlivening." In the 16th century, cocoa spread to the nobility of Europe, where its users were soon adding sugar and spices such as lavender and citrus peel to make the reputed health drink more palatable.

A whole genre of chocolate literature sprang up during the 17th century. Many of the earliest books were written by eminent physicians, who often doubled as cookbook authors in an era that treated many foods as medicines. Anne Garner, curator of the library at the New York Academy of Medicine in Manhattan, showed me one petite leather-bound volume by King Louis XIV's doctor, Nicolas de Blégny. He lauded chocolate as

a virtual panacea, capable of alleviating fatigue and insomnia and curing digestive problems, diarrhea and even venereal disease.

One of Ms. Garner's favorite historical sources on chocolate is a lavishly illustrated tome, "Voyages to Jamaica" (1725) by Sir Hans Sloane, the physician who founded the British Museum. He described his distaste for the oily and bitter drink and advised his readers to add milk. He later sold this formula to Cadbury, the company that has the distinction of offering not only the first milk chocolate bar but the first Valentine's Day candy box in the mid-19th century.

Sloane reported that, while chocolate dissolves kidney stones and helps to tame fevers, it also "promotes venery," that is, sexual indulgence. Believing it to be an aphrodisiac, the famed Italian womanizer Casanova, during his heyday in the late 18th century, would drink a mug before lovemaking.

Leaving aside such historical hype, many modern studies have shown, in fact, an association between the consumption of pure cocoa, which is rich in compounds called flavanols, and moderate reductions in risk for a range of

Only the darkest stuff is good for you (maybe).

cardiovascular illnesses and even for diabetes. Research done in 2009 on the Kuna people, who live on islands off the coast of Panama, lends some credence to these results. Dr. Norman Hollenberg of Harvard Medical School found that the Kuna, who drink up to 10 cups of gravy-thick homegrown hot cocoa a day, live longer and have lower rates of hypertension, heart disease and stroke than most Western populations, though other factors may also contribute to their outstanding health.

Science has also delved into the impact of cocoa products on various brain functions. A review published last May in the journal *Frontiers in Nutrition* found evidence that cocoa flavanols may help to focus concentration and improve memory and may even slow the mental decline that often comes with aging.

What medical researchers investigate is not sugary, fat-laden and highly processed chocolate but concentrated extracts and flavanol-enhanced cocoa drinks. One such study—the Cosmos trial—is administering cocoa flavanol capsules together with placebos to over 21,000 individuals. Harvard's Dr. JoAnn Manson, a co-director of the study, says that while previous research shows that cocoa can lower blood pressure and increase the elasticity of blood vessels, "the jury is still out on whether this translates as lower risk of heart attack and strokes." The researchers hope to provide some definitive answers when they publish their findings in 2020.

Dr. Marion Nestle (no relation to the chocolate manufacturer), a professor emerita in the nutrition and food studies department at New York University, points out that most chocolate research has been funded, at least in part, by chocolate companies. "In general, they get overwhelmingly positive results. Whereas studies that are independently funded have mixed results," Dr. Nestle said. "Bias can creep in with the research question that they ask, or how they interpret the results." In fact, all of the studies I have cited in this article have received at least some of their funding from chocolate manufacturers or analyze research that did.

How much of cocoa's beneficial compounds end up in your typical chocolate bar or box of Valentine treats? At Cacao Prieto, a maker in Brooklyn, production manager Steve Lesce walked me through the cavernous former parachute factory where they make their goods. He showed me where the cocoa beans from the Dominican Republic are first roasted, then pulverized and finally mixed into a slurry with vanilla and sugar before being made into chocolate drops and bars and cocoa mix.

Mr. Lesce, who sports on his right arm a tattoo of the theobromine molecule—the vasodilator that is said to be responsible for chocolate's heart-healthy effects—told me that most commercial chocolates don't have enough cocoa to be of much help. A Hershey's milk chocolate bar, for example, contain only 11% cacao. Cacao Prieto's bars, by contrast, are 72% cacao. The precise line where chocolate morphs from a sugary indulgence to a food that is healthy when eaten in moderation is the subject of debate, but it is fair to say that 72%, a level matched by most commercially available dark chocolate, is a good place to start.

But even that is not high enough for the taste of head chocolatier Roger Rodriguez. "As someone who eats this every day, 72%, even 82% is still too sweet for me," he said. Partly to satisfy his own discerning palate, Mr. Rodriguez's company will soon offer its first 100% chocolate bar. He shaved off a sliver of a sample batch for me to try. Without any sugar, the chocolate tastes less like a dessert than an earthy accompaniment for, say, wine or cheese.

It is unlikely to be a big Valentine's Day seller anytime soon, but it's as close to a health food as a chocolate bar will ever get.

Mr. Schiffman is a freelance health and environment journalist based in New York.

OLDER ENTREPRENEURS DO IT BETTER

BY CARL SCHRAMM

WE ALL KNOW today's script for entrepreneurial success: A super-bright college student, impatient with classwork, drops out to pursue his big idea. Venture-capital funders chase after him, and he gathers smart pals around him to launch his startup. Sensational growth soon follows for the company—and riches for its founders—and the youth-driven innovation economy notches yet another success.

It's a powerful narrative, and it has shaped lots of thinking about how to spark economic growth and prosperity. Many universities now boast programs for keeping budding entrepreneurs on campus, while federal, state and local governments spend some \$2 billion a year on various entrepreneurship incubators and training programs—all in the hopes of identifying the next Marl Zuckerberg.

But what if we've got the story wrong? What if we're looking for entrepreneurs at the wrong point in their careers—and paying a price for it economically?

The best information available on entrepreneurship in the U.S. suggests that our focus on youth is a mistake. According to data from the Bureau of Labor Statistics, Americans who are 35 or older are 50% more likely to start a business than are their young-



not from a college program teaching them generic entrepreneurship skills but from what they've learned in previous jobs.

Consider Gary Burrell and Min Kao, who worked together at Allied Signal in the 1980s on military applications for satellite geo-positioning. When the government approved the technology for civilian use, they saw the potential consumer market for GPS devices and, in 1989, founded their own company, Garmin (combining their first names). At the time,

they were, respectively, 52 and 40.

Then there's Fred Valerino, who worked for 25 years at Diebold, whose products included bank vaults, ATMs and pneumatic tube systems that hospitals used for moving specimens. In 1978, when Diebold decided to get out of the hospital business, Mr. Valerino, at age 52, became an entrepreneur, founding Pevco. He redesigned the systems and marketed them as the safest, most reliable way to move drugs and test samples, even in the computer

age. Working at Diebold, he told me, was like going to business school. "Existing companies," he says, "are the best cradles for entrepreneurs."

Middle-aged entrepreneurs don't just bring more experience; they also are more capable of self-financing their startups. A recent study by the crowdfunding company Fundable shows that for most entrepreneurs, personal savings, retirement accounts and home equity—assets that few 25-year-olds enjoy—provide their grub stake.

Entrepreneurs in their 40s also are generally free of student debt and are more likely to have a working spouse with health insurance, factors that further reduce the risks associated with new ventures.

A more strategic approach to encouraging entrepreneurship would recognize the demographic reality of who really starts businesses in the U.S. We shouldn't be carried away by glamorous (and inevitably rare) tales of youthful success in Silicon Valley.

How to help aspiring midcareer entrepreneurs? Universities should offer continuing education in emerging technologies, as well as noncredit courses in practical subjects such as computer programming, advertising and industrial design. More could also copy the co-op programs of a

handful of engineering schools, where students alternate between semesters on campus and working in companies. Local business incubators should be restyled from hip communal working spaces for young people to office arrangements more suited to midcareer entrepreneurs.

And corporate America could do its part, too. The late Neal Patterson, co-founder of Cerner Corporation, one of the nation's largest hospital record companies, recalled to me how he had left his previous employer when his idea for a new product was rebuffed. Companies should instead think of themselves as business incubators, looking to their own employees for innovations worth investment. Some might even choose to support independent ventures.

"So many entrepreneurs are devoted to the companies where they once worked," said Mr. Patterson. "But most managers just don't see the entrepreneurs right under their noses. One reason is they think that only young people can start companies."

Mr. Schramm is University Professor at Syracuse University. This essay is adapted from his new book, "Burn the Business Plan," published by Simon & Schuster.

Focus on cultivating the mature over-35 set.

REVIEW



IN A WORLD filled with commuters and compact cars, office drones and office jobs, the long-haul trucker seemed to be the last free man.

BY RICH COHEN

THE REPORT was supposed to reassure those worried about the fate of the American trucker. Last week, Uber Advanced Technologies Group explained to the world that the coming gizmos, such as Uber's giant cargo automatons (driverless semis), won't wipe out real truckers but will, in fact, give them better work/life balance. After all, someone will have to handle local transfers and deliveries for all the items carried cross-country by the sleepless trucking machines. And just think how great it will be for the drivers, liberated from those endless cannonball runs.

It's enough to make me weep.

For as long as I can remember, I wanted to drive a truck—not just any kind of truck, not a mail truck, not a septic truck, not a tool-filled, open-backed landscaping truck that rattles over suburban root buckles and certainly not an Uber delivery truck. I wanted to be mounted high on a big rig—a smoke-spewing, horn-blasting 18-wheeler monster with a western sunset airbrushed on the side, the cabin roof lined with orange warning lights that glow on the evening interstate. Growing up in the Midwest in the '70s, I'd gaze at those rigs on family road trips, imagining the wanton lives of nomadic truckers, the pleasures of the highway, back roads and sleepy diners, a life as free as life in the saddle must have been before the frontier closed.

Truck drivers were everywhere in pop culture, celebrated as cowboys and renegades. I can still hear those big-rig ballads: "East Bound and Down," "Truck Drivin' Man," "Diesel Driving Daddy." They were paired with a library of epic films: "Smokey and the Bandit," in which Jackie Gleason chases Burt Reynolds all over the Confederacy; "Every Which Way But Loose," with a bare-chested Clint Eastwood and his simian sidekick; Sam Peckinpah's "Convoy," adapted from the C.W. McCall and Chip Davis song "Convoy" ("Bout a mile outta Shaky Town/ I says, 'Pig Pen, this here's the Rubber Duck/ And I'm about to put the hammer down'"). Kris Kristofferson, who plays the Rubber Duck, sums up the ethos: "The purpose of the convoy is to keep moving."

The End of the Big-Rig Dream

No more 'Smokey and the Bandit': Automation will soon overtake the open-sky freedom of the long-haul trucker

Bobtail, dead-heading, code talking with handles on CB radios, outrunning Smokey, cursing the bunny hoppers, flashing the flashers so another driver can "slip the Kojak with the Kodak"—these phrases, like the songs and the movies, formed the dreamscape of the nation when I was a boy. In a world filled with commuters and compact cars, office drones and office jobs, the long-haul trucker seemed to be the last free man, all that remained of the rootless America that kept going till it ran out of road.

dream of driving the big rigs?"

It filled me with images of wide-open landscapes, small towns where the brakes moan as the trucker descends from his cabin like a king descending from a throne, waitresses swarming him with hugs and coffee kisses. I was mesmerized by pictures I had seen of especially well-appointed rigs. The bedroom behind the driver's cabin—a jewel box of domesticity, a hidden through-the-looking-glass world.

I read up on the best truck stops. The Dixie

Truckers Home (now called the Dixie Travel Plaza), off Route 66 in McLean, Ill.—founded in 1928, the oldest truck stop in the world. The Bosselman Travel Center in Grand Isle, Neb., where trucks idled as drivers wandered the food court or visited the on-site chiropractor. R-Place in Morris, Ill., known for the Ethyl Burger—2 pounds of beef! The Iowa 80, the world's largest truck stop. Laundry room? Check. Theater showing truck-themed movies? Check. Trucking museum featuring 60 vintage trucks, pumps from vintage gas stations and old-time road signs? Check.

Stationed in my booth at a Howard Johnson's, I'd watch a truck gear down to a ghostly crawl and wait to hear the hiss of air breaks. The door would swing open and out came a big rigger in denim and flannel, smiling as he crossed the apron. Those truckers looked the way a man was supposed to look—burly and mean, in CAT baseball caps, lips fat with Skoal, eyes glazed, the vacant stare of highway hypnosis, 1,000 miles behind, 1,000 still to go.

They did not say yes, but "affirmative." They did not say "speeding ticket," but "bear bite." They called the speed limit a "double nickel." A cop on a motorcycle was an "Evel Knievel." Any place they'd left behind was in their back pocket. A female cop was a "lady bear." A man who talked tough on the CB but wilted face to face was a "Rambo." If you wanted another driver to accelerate, you said, "Stand on it, son."

These drivers scared me—they were experienced in a way that I wanted to become. I envied them. I'd argue that it was the last time a blue-collar American workingman was thought to stand not only for us but for the best of us.

The '70s were the golden era for the trucker. From there, every step was down. He fell out of favor in the 1980s—goodbye to the working-class hero, so long to the proletarian ideal. After Ronald Reagan, it was all about money, about living in the best part of the best town—yuppies climbing the ladder.

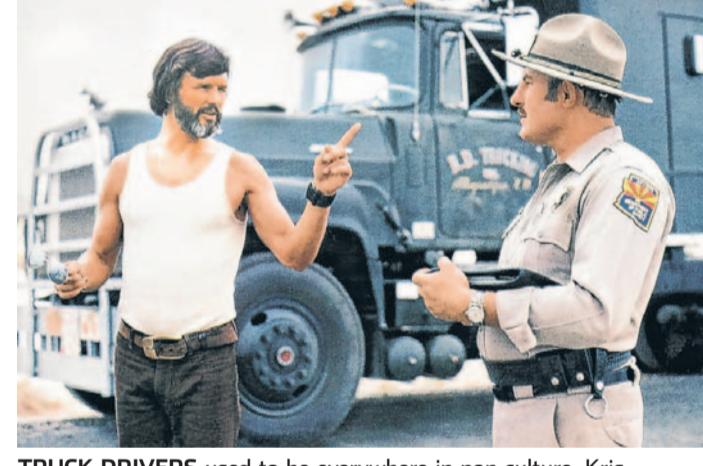
Now, of course, most of those empty blue roads are lined with shopping malls, and we leave finding the best route to GPS, not to know-

how gathered by long experience. The combustion engine, the great beating heart of truck culture, has been turned from hero to villain—the great enemy of our warming planet. The self-driving truck, which those engineers at Uber and elsewhere are perfecting as we speak, might very well be the last nail in the coffin.

The trucker of my teenage dreams needed a frontier, a hinterland of unspoiled space, an authentic, less settled nation he could vanish into. Being a long-haul hero meant getting off the map, being free. But nowadays it's no longer possible to get off the map. Because there is only the map.

The trucker went away like the trapper, the cowboy, the biplane pilot and the professional daredevil. But there must still be a free person out there, on some road that's not yet been paved. I see him in my mind just before I fall asleep—in a big silver Freightliner, barreling down a lost highway, the dust rising in a great cloud behind.

Mr. Cohen's most recent books are "The Chicago Cubs: Story of a Curse" and "The Sun & the Moon & the Rolling Stones."



TRUCK DRIVERS used to be everywhere in pop culture. Kris Kristofferson, left, in 'Convoy' (1978).

When I was 10 or 12, there were several TV commercials for truck-driving schools. These ran midday, between reruns of "The Munsters" and "Hazel." My favorite opened with shots of a Freightliner zooming through iconic American locales—Monument Valley, the Black Hills, the Salt Flats—as a narrator asked: "Do you

swing open and out came a big rigger in denim and flannel, smiling as he crossed the apron. Those truckers looked the way a man was supposed to look—burly and mean, in CAT baseball caps, lips fat with Skoal, eyes glazed, the vacant stare of highway hypnosis, 1,000 miles behind, 1,000 still to go.

WORD ON THE STREET: BEN ZIMMER



'Volatile' Birds, People and Stock Markets

THE WILD SWINGS in the stock market in recent days, with the Dow Jones Industrial Average and other stock indexes sharply declining on Friday and Monday before rallying and then tumbling again on Thursday, have left investors reeling—and searching for the right metaphor.

It has been a "roller-coaster ride." Stock prices have been "seesawing." The markets are experiencing "whiplash." Or has it been a "whipsaw"?

Whatever figure of speech you prefer, one thing that everyone can agree on is that the stock market has been "volatile." But it turns out that this old word for financial instability has roots that are just as metaphorical.

"Volatile" and "volatility" go back to the Latin word "*volatilis*," meaning "flying," ultimately from

the verb "*volare*," meaning "to fly." The verb survives in many Romance languages—including Italian, as fans of Dean Martin's 1958 hit "Volare" know. ("Let's fly way up to the clouds, away from the maddening crowds," Martin sang in a half-English adaptation of the popular Italian song.)

In English, "volatile" was originally used as a noun for birds and other flying creatures, going back to the 14th century. John Wycliffe's 1382 translation of the Bible uses the word in the passage in Genesis where Noah and his family enter the ark with animals of both land and air: "all that moveth upon the earth in his kind, and all volatile after his kind."

As an adjective, "volatile" could mean "capable of flying," as in the English philosopher-statesman Francis Bacon's observation in a

1626 natural history: "The caterpillar toward the end of summer waxeth volatile, and turneth into a butterfly." But in that same natural history, Bacon used "volatile"

In a 1626 book, Francis Bacon used the word in two ways.

in a new way, writing that gold is "the only substance which hath nothing in it volatile" and that quicksilver, or mercury, is "easily made volatile by fire." The chemical meaning of the word referred to substances that have a natural tendency to disperse into fumes or

vapor, a quality first noted by alchemists.

People, too, could be seen as "volatile," emotionally erratic and quick to fly off the handle. Daniel Defoe, in his 1719 novel "Robinson Crusoe," wrote of "the French, whose temper is allowed to be more volatile" than those of people from other nations.

"Volatile" moved from fickle hearts to fickle stock markets by the end of the 19th century. In 1899, The Wall Street Journal reported on "the bull speculation in sugar," noting that "commission houses have tried to avoid taking large orders in the stock because of its hitherto volatile character." And in 1905, the Journal warned of the cheap speculative bonds trading on the New York Stock Exchange: "The bonds are volatile, both in price and in character."

By the 1950s, "volatility" had become a more precise term in financial analysis. A 1958 paper by Oakman Hood in the Analysts Journal on "The Science of Volatility" set out mathematically rigorous standards for determining the volatility of a stock, measuring its rise and fall in comparison to a market index.

Nowadays the Volatility Index, or VIX, is used to gauge overall skittishness in the market. The Journal has reported that, ironically enough, the latest plunges in the stock market were partially fueled by investors betting against volatility.

Answers
to the News Quiz on page C13:
1.C, 2.C, 3.B, 4.D, 5.A, 6.D, 7.A, 8.B

BOOKS

THE WALL STREET JOURNAL.

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Plotting a New Course for the West

The Marshall Plan

By Benn Steil

Simon & Schuster, 608 pages, \$35

BY PAUL KENNEDY

'OUR POLICY IS DIRECTED not against any country or doctrine, but against hunger, poverty, desperation and chaos." It is difficult to think of any words delivered at any university commencement that had more historical weight than those spoken in the final minutes of George C. Marshall's speech at Harvard on June 5, 1947.

The venue was carefully chosen as a dignified but noncontroversial place. The speaker was one of the greatest secretaries of state this country ever produced. The words had been crafted and recrafted by some of the most brilliant minds at the State Department and on its Policy Planning Staff. But while key sentences took the high moral ground, there was an urgent political purpose to this declaration by Marshall. He addressed the pressing issue of how to prevent European nations from collapsing into economic ruin and despair, and in some cases suffering a Communist takeover.

Marshall's speech announced a great act of American statescraft, and marked a significant step away from the prewar, Rooseveltian era of non-commitment in European matters. In this dramatic move, the Truman administration—glumly recognizing it was the only Western country with any money after World War II, shocked by the reports of near-starvation across Europe and desperate to shore up friendly governments—stepped up to the plate.

With an equally frightened American Congress behind it, the government offered huge sums of money to any democratic country in Europe able to come up with a plausible recovery scheme. These countries—and this was a deliberate gesture—could be on either side of the zonal division of Europe established at Yalta; all that was needed was a willingness to produce a rebuilding plan and join in the common effort. America's aid package was unprecedented in size, threatened no one and therefore ought to have been opposed by no one. Who on earth would want to stop this act of extraordinary generosity? Who could be against the Marshall Plan?

That is, of course, a rhetorical question, because one person would definitely want to stop the scheme: the powerful and increasingly paranoid Joseph Stalin. He feared America's economic power, was scared stiff of Germans (still) and any future unified Germany, and in fact by this time saw demons everywhere. As Benn Steil details in his brilliant book "The Marshall Plan," the Soviets had shown ever-greater intransigence throughout 1946 and 1947 in regard to all proposals for the economic rebuilding of Europe and the political reconstitution of the defeated Germany. The exceptions, to be sure, were schemes of theirs that calculated to have all Germany fall into the Eastern orbit.



GETTY IMAGES

COLORS TO THE MAST The winning poster in a 1948 contest to promote the Marshall Plan.

The best and fastest way to counter these Russian ploys, American officials like George Kennan and Charles Bohlen contended, was to deploy economic weapons to a grand-strategic end.

reject the offer, isolating itself and its reluctant satellites. As we all know, it chose the latter course.

Putting the Marshall Plan into action was anything but simple. The all-important Sen. Arthur Vandenberg had been weaned from his earlier isolationism and helped sell the scheme, but even the Michigan Republican and

more Western states recovered, the more a clumsy Moscow tried further intimidations, like blocking the Berlin access routes, and the more the West united. (Gen. Lucius Clay's bold effort to airlift food to isolated Allied Berlin was, in Mr. Steil's telling, also a public-relations coup.) The formation of NATO in 1949 was just around the corner.

Economic aid did not cause a Keynesian miracle but was a diplomatic master stroke, convincing wavering nations to reject the Soviets at the dawn of the Cold War.

his political allies could only achieve so much. Until Truman's surprise reelection in 1948 (and the Democrats' sweeping victory in both houses of Congress), uncertainty prevailed on the American side. On the European side, there were also great political contests in countries where the Left was strong. Slowly, surely, European voters and governments joined the plan and outlined their requests—all, alas, except those states under the grim control of the Red Army. The

ner, as the author shows in his closing chapters; the book's subtitle is, appropriately, "Dawn of the Cold War."

The story of the Marshall Plan has been recounted many times before, including by those who were its architects and thus, like Dean Acheson, "Present at the Creation." But Mr. Steil's is by far the best study yet, because it is so wise and so balanced in its judgments, including, for example, its candid discussion on how much the plan truly boosted the economies

of the many recipients (aid amounted to 2.6% of recipient output, he conservatively estimates, and responsible for increased investment accounting for about 0.5% growth). Though it was not a miracle, it certainly helped, acting as a "pump primer" to get the local economies going again.

While Mr. Steil's is an America-centric story, the author has drawn upon research assistants and translators to reach into many archives other than the usual U.S. and British ones: French, German and (for the first time) valuable Soviet sources are used here. The book has an invaluable "Cast of Characters," a daunting bibliography and a huge 74 pages of notes. It's quite a tribute it all reads so well.

The maturity and surety of Mr. Steil's book is nowhere more in evidence than in his final chapter, entitled "Echoes." The echoes he writes about are the innumerable references to the Marshall Plan that were made in 1989, at the time of the fall of the Berlin Wall, and during the disintegration of the Soviet Union two years later. These lessons were, again, advertised in Secretary of State Madeleine Albright's speech at Harvard in June 1997, commemorating the 50th anniversary of George Marshall's address.

The memory of the Marshall Plan is part and parcel of the current debates about how the West ought to handle an insecure and touchy Moscow while giving reassurance to Russia's weak and worried neighbors. If the author was ever tempted to make slashing, critical comparisons between now and then—between Truman and the "wise men" who surrounded him on the one hand and President Trump and his counsellors on the other, between the enterprising Allied governments of the time and their fumbling European successors nowadays—he resisted it well. There is no sign here either, of Western triumphalism. If anything, the author suggests, the time has come for us to figure out how to bring a post-Cold War Russia into a more harmonious relationship.

Precisely because Mr. Steil is not polemical, it is easier to agree with his measured final conclusions. The Marshall Plan worked because a brilliant group of Americans saw how some specific economic measures could be implemented, practically and fairly swiftly. But the boldness of the gesture stirred men's minds. An extraordinary alliance between the presidential administration and the American Congress sold the public on the plan. And abroad—well, the Plan was especially fitted to the European circumstances of the time (which is why, Mr. Steil notes, something like it was always highly unlikely to be successful in Iraq or Afghanistan, where the soil for its implantation is lacking.) Finally, the Marshall Plan worked because it married practicality to a grand strategic vision. "Great acts of statesmanship," Mr. Steil concludes, "are grounded in realism no less than idealism. It is a lesson we need to relearn."

Mr. Kennedy, a professor at Yale, is the author of "The Rise and Fall of the Great Powers" and other works.

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BOOKS

'They are not brethren, they are not underlings: they are other nations, caught with ourselves in the net of life and time.' —Henry Beston

A Wild Ride Through History

Farewell to the Horse

By Ulrich Raulff

Liveright, 449 pages, \$35

BY GREGORY CURTIS

READING "Farewell to the Horse" gives the same feeling of elation and abandon that comes when you are lucky enough to ride a horse at a gallop across open land, which may seem an odd thing to say about a book with more than 50 pages of footnotes citing sources in German, French, English, Italian and Latin. But the book also offers up quotations from John Wayne and Myron Cohen, among other improbable authorities. You never know what might be on the next page or even in the next sentence. Ulrich Raulff, a former editor at the Frankfurter Allgemeine Zeitung and now the head of a literary archive in southern Germany, has clearly done massive research. His zeal for horses and his admiration for their gifts propel him and the reader through a long, complicated, somewhat disjointed . . . what? History? Treatise? Memorial? Tribute? Eulogy? "Farewell to the Horse" is all of those things and something of a love letter besides.

For 5,000 years or longer, horses were essential in the country and in cities, in peace and in war. It's only in the past 100 years that they have become an anachronism. Mr. Raulff's grandparents, he tells us, lived on a farm in Germany where, even in the 1950s, there were still working horses. His mother also kept some horses that Mr. Raulff fondly remembers. He writes his farewell as someone who has seen the last, few traces of a lost world.

Mr. Raulff divides his book into four parts, so there is an underlying order beneath the swirling, chaotic surface. Part I, he says, narrates "the stories of cities, of roads and of accidents, of rural doctors and cavalrymen, of spaces, paths and energies." That is an accurate description of what turns out to be a long series of fascinating facts.

Here is where we learn that in 1900 there were 130,000 horses working in New York City on any given day, and during that day they produced 1,100 tons of manure and roughly 71,000 gallons of urine. (The stench must have been awful.) In the Civil War, 600,000 humans died, but the nature of war was such that 1,500,000 horses and mules also died. Buffalo Bill seriously considered suing Teddy Roosevelt for trademark infringement



FORCES OF NATURE A group of wild horses is rounded up by the U.S. Bureau of Land Management during a gathering in Eureka, Nev., in July 2005.

for using the term "Rough Riders" to refer to his troops in the Spanish-American War, since Buffalo Bill had for years billed his show as a "Congress of Rough Riders." As TR's popularity grew, Buffalo Bill dropped the suit and instituted the "Battle of San Juan" as his show's rousing closing act.

The second part of Mr. Raulff's narrative presents, as he puts it, "the leading lights in the history of the equine knowledge developed by centuries of horse fanciers, breeders, painters, and scholars." Here again the description is accurate, but it's indicative of the author's method that he begins with a detailed discussion of a painting by Degas, "The Injured Jockey," before launching into the development of horse breeding and racing in England in the 18th century.

The English, we learn, bred for speed above all, inspired mostly by racing, which became hugely popular and was a democratizing force. The wealthy nobles could breed and maintain the horses while the average man could participate by betting. Riding schools, even military riding schools, emphasized harmony and grace, the integration of two moving bodies into a kind of dance. Only after the Earl of

Pembroke published "Military Equitation" in 1778 did aesthetics give way to the battlefield.

Mr. Raulff says that after a foundational text on how to run stables, "De Medicina Equorum," appeared in 1250, a vast literature emerged in every European language on keeping, breeding, riding and improving horses. Many books and journals discussed how to judge horses and exposed the tricks used by horse traders to disguise an animal's faults. One of the texts, published in the mid-19th century, noted that a sluggish horse could become fiery with peppercorns "inserted by the stable lad by sleight of hand into the anus." This method risks exposure, however, by "the horse's frequent defecation" and "trembling of the tail." Then the "animal must be peppered anew, whereby a genuine inflammation of the rectum can sometimes occur."

Part III discusses "the horse as metaphor and the history of its representation." Mr. Raulff segues easily from speculating on the reasons for the frequent bond between pubescent girls and horses to Herodotus and the legend of the Amazons, "wild riding women" who were supposed to reside in distant Scythia east of the Black Sea. Fairly recent archaeological digs

have revealed graves containing skeletons of women buried with both weapons and horses.

From there it is only a short step to Mr. Raulff's intricate discussion of the role of horses in novels of adultery like "Madame Bovary" and "Anna Karenina," books "shot through with haunting horse-riding and carriage

read, and experienced," including the moving story of a horse the author knew in Westphalia that was bitten by a snake and for four weeks simply refused to die. Mr. Raulff admits that this last section is not a classical ending with a summary or a synthesis. He has "no conclusion, but rather a collection: a loose anthology of possibilities and ways of narrating the history of horses and people."

After reading more than 300 dense but more often dazzling pages, marveling all the while at the scope and audacity of the author's undertaking, I found this refusal to draw conclusions disappointing. We humans have lived with horses for millennia. Our lives together began long before horses were domesticated. The horse is the animal painted most frequently in the ancient caves in southern France and northern Spain. Yet in the recent past we have been living without any horses at all in our daily lives. Has that made us different? All of "Farewell to the Horse" seems to be leading to that question. I put down the book with it hanging in the air, unanswered.

Mr. Curtis, formerly editor of Texas Monthly, was an avid horseman for many years.

Cash Flows and Liquid Assets

The Source

By Martin Doyle

Norton, 349 pages, \$26.95

BY GERARD HELFERICH

"WHY IS IT," asks, "that sewers are often at the cutting edge in finance?" The question isn't meant as a slur on the financial industry but as testimony to the oversized but underrated role that waterworks have played in the economic annals of the United States. Throughout history, Mr. Doyle argues, our penchant for big-ticket water projects—canals, dams, waste-treatment plants, the wholesale engineering of rivers—has altered the course of public finance and even shifted the balance of power among federal, state and local governments. Instead of "The Source," his book might have been called "Water and Money."

Since colonial times we have bent rivers to our own ends. Originally we harnessed them to power gristmills, whose crucial role and monopolistic status earned them the label of "America's first public utilities," complete with government regulation of the fees that millers could charge. In the early 19th century, entrepreneurs began to extend the reach of rivers with canals and thus ease the movement of goods and people to and from the East Coast. The canal companies were among America's earliest private corporations, and their massive enterprises became the first great public works.

The legendary Erie Canal proved spectacularly lucrative, operating at a profit even before its completion in 1825 and helping to position New York state as a commercial power-

house. Other canals, scattered from New Hampshire to Virginia to Indiana, hoped to follow suit but had only limited success. When private capital dried up, Mr. Doyle tells us, state governments floated bonds to prop up the too-big-to-fail projects until, by the late 1830s, 86% of all public debt was owed by the states, with the lion's share—more than \$100 million—tied up in canals. (Federal debt at the time amounted to just 1.5% of the total.) When the country was plunged into the Panic of 1837, some states were forced into default, only deepening the economic misery.

Canals, dams and river projects—given the capital they require—have altered the course of public debt.

In the late 1800s, as cities began to install water mains and sewer lines, the once-burned state governments refused to pony up, and cities had no choice but to assume the debt themselves. By the first years of the 20th century waterworks accounted for most municipal indebtedness, and by the 1940s the cities had replaced the states as the leading public debtors, issuing more than 70% of all government bonds. Local property taxes, meanwhile, swelled to 42% of total government revenues. Throughout U.S. history, Mr. Doyle writes, "paying for sewers has resulted in tectonic shifts in the political and financial structures."

Another such shift would come during the Great Depression. With local governments on the verge of financial collapse, Washington began sponsor-

ing infrastructure projects, including waterworks (whose ambitious scale made them ideal for absorbing labor), and before long the federal government had replaced the cities as the primary carrier of public debt. For the first time, income taxes (enabled by the 16th Amendment, ratified in 1913), and not property taxes, made up the largest part of all taxes collected. But

federal aid to the cities. But the regulations remained, and now local governments had to shoulder more of the expense of treatment plants.

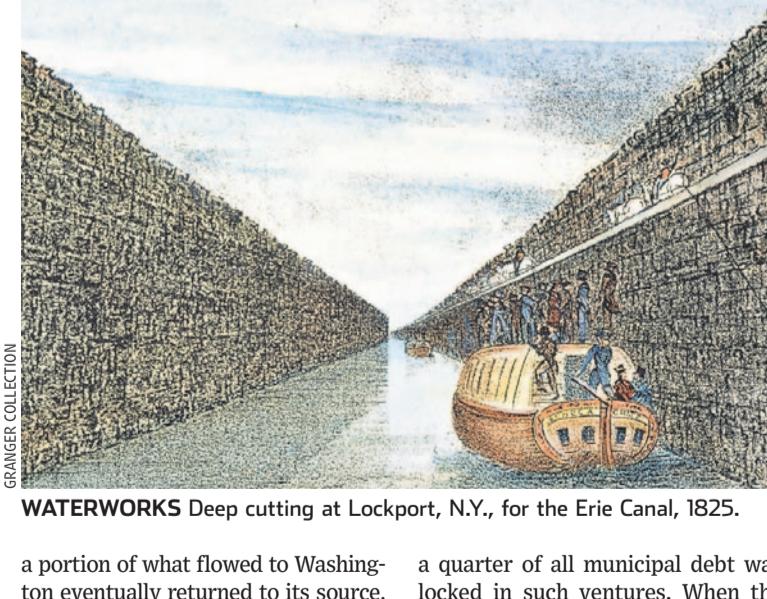
Pressed to maximize their limited capital, some water boards, as Mr. Doyle shows, made Faustian investments in interest-rate swaps, auction-rate securities and other high-risk instruments, until by 2005 more than

development in high-risk areas; the restoration of rivers through a kind of cap-and-trade system known as stream credits; and the Western water wars, a fierce, zero-sum game that pits environmentalists against farmers and Native Americans and raises complex issues of property rights and sovereignty.

It is a story more tortuous than the Mississippi itself, but Mr. Doyle, a professor of river studies at Duke, tells it well. His writing, which tacks effortlessly from economics to history to science, is clear and absorbing, whether he is describing intricate credit schemes or the channelizing of rivers. Also welcome are the occasional field trips, including an excursion on a Mississippi towboat and a surprisingly engrossing tour of a waste-treatment plant.

On technical subjects, Mr. Doyle helpfully strips his explanations to the easily grasped essentials. But when he writes on history, this approach serves him less well. In the interest of providing a compelling narrative and advancing his argument, he sometimes falls into overstatement, as when he claims that "the whole economic history of the United States is the saga of negotiating the fiscal roles and responsibilities of the different levels of government in providing the most basic of services for their citizens—the water supply and sewer systems." Even so, "The Source" is an original and thought-provoking exploration of the sinuous course that water has carved through our economic and political landscape.

Mr. Helferich's most recent book is "An Unlikely Trust: Theodore Roosevelt, J.P. Morgan, and the Improbable Partnership That Remade American Business."



WATERWORKS Deep cutting at Lockport, N.Y., for the Erie Canal, 1825.

a portion of what flowed to Washington eventually returned to its source, as the federal government redistributed part of the funds to cities and states. By the late 1970s, federal grants accounted for almost a third of state and local government revenues.

Washington also paid to scrub sewage and industrial pollution from the nation's rivers. But with the funds came new regulations, culminating in the Clean Water Act of 1972, which introduced federal standards for water quality. A decade later, the Reagan Revolution stanching the tide of

a quarter of all municipal debt was locked in such ventures. When the crash came two years later, more than a few local governments found themselves in bankruptcy, just as the overextended states had been during the Panic of 1837.

While tracing water's central, shifting role in public finance, Mr. Doyle plumbs such subjects as the transformation of the Mississippi and other major rivers into "highly engineered, optimized hydraulic machines"; the moral hazards created by federal flood insurance, which encourages

BOOKS

'The heart has its reasons which reason knows nothing of . . . We know the truth not only by the reason, but by the heart.' —Blaise Pascal

On the Trail of Cupid's Arrow

The Amorous Heart

By Marilyn Yalom

Basic, 277 pages, \$27

BY DAN HOFSTADTER

ONE DAY—it had to happen—somebody was bound to create a valentine addressed to valentines. And with Marilyn Yalom's "The Amorous Heart," this valentine has appeared. Ms. Yalom is doubly enamored of the heart—as a governing metaphor and as a graphic emblem for our immost inclinations, especially those of a romantic nature. She also has a scholarly interest in its remarkably pervasive use.

That the heart serves as a universal metaphor for our emotions shouldn't surprise us, since it pounds when we're excited and sexual arousal depends on cardiovascular function. Presumably many people intuited the heart's pump-like role well before 1628, when the English physician William Harvey first accounted scientifically for the circulation of the blood. As Ms. Yalom reminds us, the heart metaphor is very old. Before the soul's journey into the afterlife in the ancient Egyptian religion, the heart of the deceased was weighed by Anubis to determine its balance of good and evil. In the Hebrew Bible, too, the heart often symbolizes a human being's ethical nature. Job, for instance, asserting his moral purity and invoking divine judgment, declares that "if my step hath turned out of the way, and my heart walked after mine eyes, . . . then let me sow, and let another eat; yea, let my offspring be rooted out."

This notion of the heart walking abroad on its own, like a wayward toddler making a beeline for traffic, fascinates Ms. Yalom, who has assembled a virtual registry of medieval love poems in which the heart behaves like an independent creature. More astonishing yet is her chronicle of the custom of according the heart a separate burial. From the 13th century to the 17th, she tells us, French kings were given two burial sites, one for the body, at the Abbey of Saint Denis, and one elsewhere for the heart. Twenty-two papal hearts are preserved in the church of Santi Vincenzo e Anastasio a Trevi, in Rome. The heart of King James II of England was transported to a convent at Chaillot, near Paris. And apparently the practice was fairly common. "My heart, go forth," goes a famous old hymn. Clearly a lot of hearts have done just that.



LOVE TOKEN An early hand-made puzzle-purse Valentine, ca. 1790.

Ms. Yalom, a senior scholar at the Clayman Institute for Gender Research at Stanford University, has written many books about sisterhood, marriage, maternity, and the expectations and myths clouding these feminine roles. But the present, rather brief work is devoted less to the social aspects of the tender passion than to the story of its aesthetic tokens, in both words and imagery. The familiar, bi-lobed heart-image of the valentine, for instance, she traces to a Greek coin of the sixth century B.C. showing a seed pod from the sulphur plant (occasionally regarded as an aphrodisiac or an abortion-inducing herb).

As far as she was able to determine, the emblem itself was at first a "decorative item with no meaning at all." But with the rise of the medieval poetic conventions collectively known as "courtly love," initially in France and subsequently in the rest of Western Europe, the bi-lobed emblem assumed something like its present connotation. In 1344 the "first indubi-

table heart icon symbolizing secular love" appeared, the work of the illuminator Jean de Grise, who had illustrated a long poem in a French dialect titled "The Romance of Alexander." On the left-hand side of the picture, in Ms. Yalom's telling, "a woman raises a heart that she has presumably received from the man facing her. She accepts the gift while he touches his breast to indicate the place from which it has come."

The basic ingredients of the valentine idea are fully present here. Unlike the rather ghoulish departures of the physical heart, papal or royal, from the deceased body, this heart represents by synecdoche all that is most passionate and pure—that is, unsoiled by egoism—in its donor. It is a gift, freely given—nothing of it remains behind—and the lady contemplates it with joy.

The "first known valentine card" was sent by Charles d'Orléans, a talented poet and heir to the French throne, to his wife during his impris-

onment in the Tower of London in the early 15th century. His amorous salutation implied mutuality, and this sense that love springs up reciprocally has remained the guiding idea of romantic love. Ms. Yalom notes that Otto Vaenius's "Amorum Emblemata," a book published in the Netherlands in 1608 with 124 engravings by Cornelis Boel, became the most extensive collection of valentine-style imagery yet seen. Still unmatched in visual appeal, it was a best seller, and jewelers must have adored it. "Love enkindleth love," asserts one of its little verse selections, optimistically.

Ms. Yalom's writing is always clear and thoughtful, and at times (in congruence with her subject) it verges on the mildly frolicsome. The book, as I've said, is short, and one tries not to feel that she has barely dipped into the vast reservoir of her knowledge. (There are a few—very few—slip-ups, as when she situates in Venice Bernini's famous statue of the Ecstasy of Saint Teresa: Actually it is

in Santa Maria della Vittoria, in Rome.) At times Ms. Yalom is tempted to depart from the theme of amorous symbols into the wider realm of the conventions or philosophies underpinning them, many of which, like courtly love or love in the Romantic period, have been the subject of hundreds of books.

This is a lot to take on, in part because the belief in passion's reciprocal nature, the conviction that the beloved must persevere love you back, is a half-truth, in the sense that love does tend to prompt reciprocal affection but by no means necessarily. Francesca's oft-quoted explanation, in Canto V of the "Inferno," of the origin of her illicit love affair—that she returned her pursuer's affections because one "gentle heart" must naturally respond to another—enlists a

The idea of the heart following its own path, like a toddler making a beeline for traffic, fascinates the author.

courtly-love cliche to rationalize flagrant adultery; it is also undeniably true in some measure. Analogously, no less an analyst of the human heart than Jane Austen, toward the end of "Mansfield Park," tells us that her heroine, Fanny Price, in an imaginary, alternative version of the novel, would surely have given her hand to the rakish Henry Crawford if only he had redoubled his overtures; this, despite her loathing of the man, because our Fanny is such a dear, gentle girl. These perplexities multiply when one considers how often wrong names are ascribed to emotions, how easily passion fluctuates and how readily the male of the species wears his heart not on his sleeve but on his wallet.

And yet, in the end, the good St. Valentine has triumphed, at least in popular culture. His day, Ms. Yalom tells us, is now celebrated almost everywhere on earth, with the notable exception of Iran and Malaysia, where valentines are banned. Proof, if any were needed, is offered by the many heart-shaped emblems in the emoji vocabulary. "And even without these," Ms. Yalom writes, in one of her frolicsome moments, "any person with a . . . computer can press down on two keys to create this common heart emoticon: <3."

Mr. Hofstadter's books include "The Love Affair as a Work of Art."

Lives Buffeted by Wind and Waves

The Seabird's Cry

By Adam Nicolson

Holt, 400 pages, \$32

BY KARIN ALTENBERG

WHAT ARE SEABIRDS to us? Poets have always recognized them as tricksters and shape-shifters that cross into the liminal world of the imagined, while modern scientific findings have brought us closer to understanding their habits and their habitats. Threading together science and poetry with a sense of wonder, Adam Nicolson's "The Seabird's Cry" reminds us that these birds are always there at the edge of our existence: at once familiar and utterly mysterious.

The author grew up among the "deep and rooted beauty" of the gardens, oakwoods and meadows of his family's Sissinghurst Castle in Kent, England. He was 8 when he first visited the Shiant Islands, three tiny, remote Hebridean islands that his father had bought in 1937. Exposed to the wild temper of the North Atlantic, the Shiant Islands are uninhabited by humans but home to a large colony of seabirds. Mr. Nicolson wrote stunningly about the Shiant Islands in his 2001 book, "Sea Room," but here the islands serve as the burrow, the nest, the ledge from which the story takes wing and soars across the Atlantic Ocean, from the British Isles to Maine and Newfoundland and from Iceland to South Georgia, to explore the lives and loves of 10 groups of birds, each finely illustrated by Kate Boxer. The elegance of the writing, and the very human curiosity and compassion for the seabirds themselves, is enthralling. As Mr. Nicolson sets out to explore "the ways in which seabirds

exert their hold on the human imagination," we are enlightened by a wealth of expert and amateur voices.

Each group of birds is revealed through carefully curated facts and fictions. Fulmars, shearwaters and albatrosses belong to the enigmatically named Order of the Storm Birds, "edge-choosers," creatures whose lives have stepped beyond the ordinary into environments of such difficulty that they can respond only with a slow, cumulative mastery which amounts in the end to genius." Shags and cormorants, on the other hand, are described as alien, dark-souled agents of bellowing ancientness that were used by Milton to personify the devil in "Paradise Lost." Puffins, returning to the shores to nest in early spring, their mating colors freshly painted, are likened to a "confetti of existence," whereas we are warned that gannets "act to their own principles and are not to be understood as decorative or charming elements in ours."

Sometimes the descriptions are more anthropomorphic. Gulls scavenging in the streets of the English seaside town of Hastings are described as thugs: "If birds could chew gum, these would." These gulls have trespassed into our world and become reflections of "who we are and how we live." Here values about human behavior underpin statements such as, "junk diet was making junk birds." Similarly, Mr. Nicolson writes about "the gender struggle on Guilemots Shelf," using a metaphor of marriage in which a "wife" has been "putting up with an unsatisfactory husband

for years," leading to "extramarital affairs" and "divorce."

Anthropomorphizing the lives of guillemots is an attempt to bring us closer to understanding them, but to me it reads as an unnecessary projection of the human nuclear family. This choice of language threatens to obscure the biology that has formed these specific conditions. (For example, we learn that fulmars and puffins

German for "surrounding world," to describe how each species exists within a "self-centered world" in which the biological foundations for a cognitive being are fostered. According to Uexküll, animal behavior can only be described in relation to the environment that a particular species perceives. The Umwelt of the seabird is oceanic: a realm that the human mind can never fully understand.

"That," Mr. Nicolson writes, "instinctively and subliminally, is what these birds mean to us, voices from the interior of self and ocean, bringing to consciousness those unseen worlds, making apparent what would otherwise be hidden."

One such example is the story of a ringed shearwater that was taken from its nest in a burrow on the island of Skokholm, off the coast of Wales, by a clarinetist with the Boston Symphony Orchestra, and transported via train and plane to Boston Harbor. He released the bird there on June 3, 1952, curious to see if he could make his way home. In the early morning of June 16, the same bird was found sitting perkily in its burrow on Skokholm. It had travelled at least 3,050 miles and navigated without guiding landmarks across the Atlantic to its tiny island home and nest. The day after the shearwater's return, a letter, posted in Boston on the day that the bird was released, arrived on Skokholm; the shearwater had achieved the longest homing flight ever recorded—and beaten the regular mail service!

The scientific discoveries about range, homing and breeding presented in the book feel mind-chang-



who stay with the same partner over a long period of time have larger brains than birds that change partners more often.) The book, however, survives this hiccup and I was soon entranced again by just how unfathomable the life of a seabird is to the human mind.

The early 20th-century biologist Jakob von Uexküll, the "Prospero and hidden mage of all modern seabird studies," as Mr. Nicolson puts it, introduced the concept of *Umwelt*,

ing. In the last decades, miniature satellite transmitters, heart monitors and thermometers have been fitted to albatrosses to record what happens on their extraordinary journeys across the sea. Such modern technology and research allow us to witness seabird existence in new ways and ask questions about behavior, individuality and sentiment. Is there kindness, madness, love, shyness, boldness, calculated intelligence or even aesthetics in the oceanic realm? The answers to these questions illuminate and expand my understanding of the world, so that seabird life becomes poetry and vice versa. Then, just as Mr. Nicolson

Finding kindness, shyness, even madness in puffins, albatrosses, cormorants, gulls and shearwaters.

has me resting on the wing for a lovely moment, between the literary albatrosses of Coleridge and Baudelaire, I am returned to the brutal reality that one-third of all species of seabirds are currently threatened with extinction. This human-made tragedy came first in the form of overhunting, and more recently in the form of plastic pollution and climate change. Yet there is a glimmer of hope, at the very end, offered by the amazing complexity and resilience of the seabirds themselves, and by Mr. Nicolson's sustained and powerful cry for a greater understanding and empathy of their unique environments.

Ms. Altenberg is the author of the novels "Island of Wings" and "Breaking Light."

BOOKS

'I've got to get this stuff out of my system. No, more than that, much more. I've got to get my system out of my system.' —Martin Amis

Famous Amis

The Rub of Time

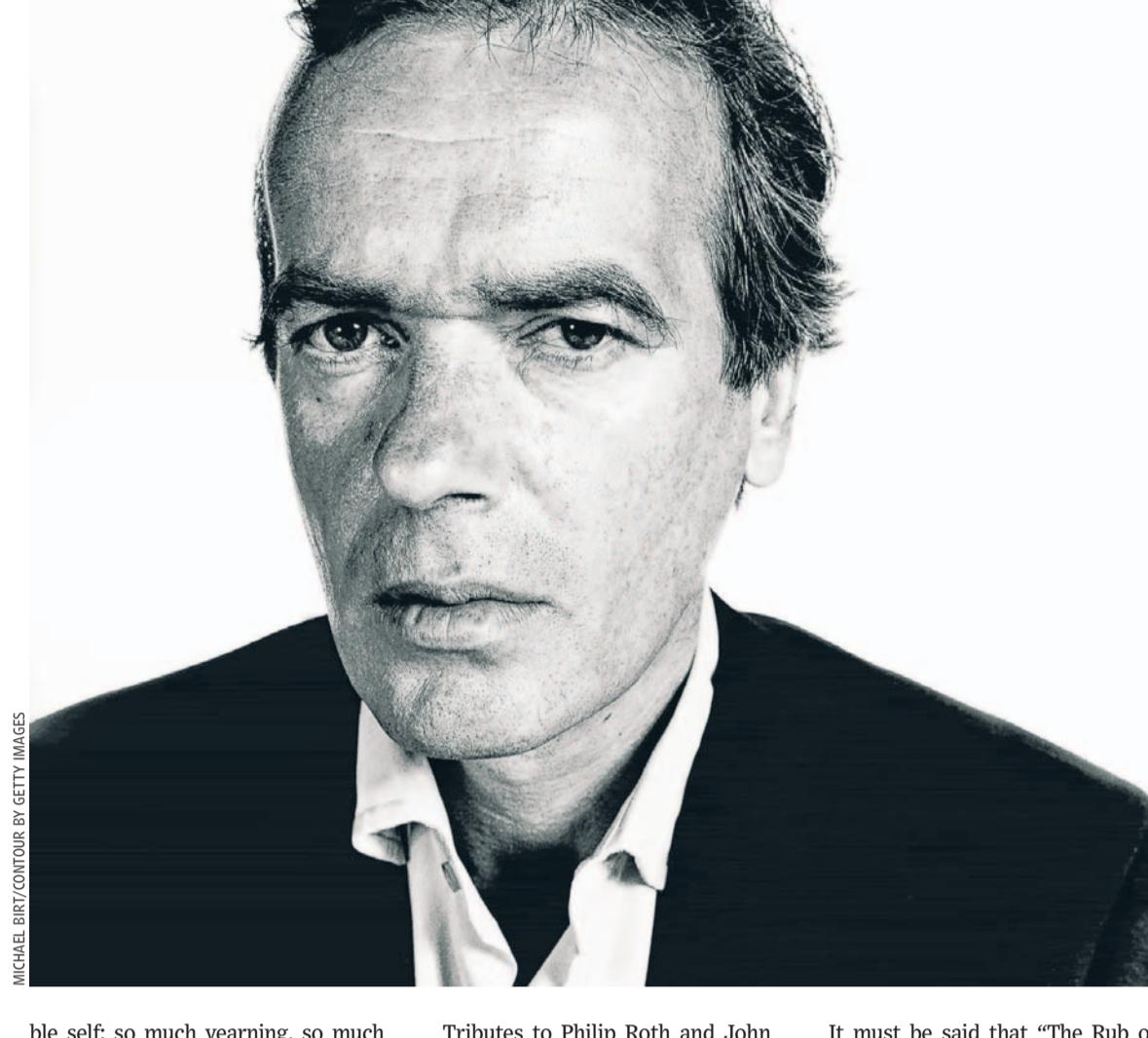
By Martin Amis

Knopf, 392 pages, \$28.95

BY DAPHNE MERKIN

CERTITUDE WOULD SEEM to be a welcome thing in a critic; it lends his opinions ballast and force. And yet, while reading Martin Amis's latest collection of essays, "The Rub of Time," I found myself longing for a little less of it, and for a few grace notes of tentativeness, a soupçon of doubt. Perhaps this is too much to ask of a writer who, from a young age, has been something of a rock star in his home town of London, both as the heir to literary celebrity (his father was Kingsley Amis, his stepmother Elizabeth Jane Howard) and as a prolific man of letters (Mr. Amis published three novels before he was 30 while working as an editor at the Times Literary Supplement). What is undeniable is that he has long been in the habit of enjoying a great deal of attention, whether for his prose or his dental work, and is clearly in possession of, as someone once said of Saul Bellow, "the chip of self-confidence." One gets the sense from Mr. Amis's nonfiction that he's used to people being interested in his views; as a result he writes, whether about politics, other writers, porn stars or the House of Windsor, with an authoritative swagger and a fondness for self-regarding words like "circumambient," "quiddity," "cumbrous" and "turbid." He is also a font of unsupported generalizations: "All small airports are beautiful," "All ideologies are essentially bovine," "The novel is comic because life is comic."

"The Rub of Time" is divided into 16 somewhat arbitrary sections, the better to corral a wide variety of pieces, and has a yoked-together quality—as it necessarily must have, given that it contains reviews, essays and reportage written over the last 23 years. That said, there is much in this rangy miscellany that sparkles. Mr. Amis is, as ever, excellent on Philip Larkin, who brings out in him a strain of tenderness that is otherwise seldom evident. One piece here, a reprint of his introduction to a selection of Larkin's poems, catalogs the poet's special qualities in lucid and memorable terms: "Who else uses an essentially conversational idiom to achieve such a variety of emotional effects? Who else takes us, and takes us so often, from sunlit levity to mellifluous gloom? And let it be emphasized that Larkin is never 'depressing.' Achieved art is quite incapable of lowering the spirits." When contemplating "the fascination Larkin excites in all novelists and in all students of human nature," Mr. Amis strikes a lyrical note distinct from his more usual arch or snappish voice: "The poems are transparent (they need no mediation), yet they tantalize the reader with glimpses of an impenetrable



ble self: so much yearning, so much debility; an eros that self-thwarts and self-fineses. This is what rivets us: the mystery story of Larkin's soul."

There are three pieces each on two of Mr. Amis's literary idols, Bellow and Vladimir Nabokov, which showcase his talents as a close and generous reader. Although I'm not convinced by his attempt to connect the "wayward fixity" of Humbert's desire for Lolita to the moral universe of the Holocaust (!), Mr. Amis is surely right when he suggests that there was something "rivalrous" in Nabokov's persistent trashing of Freud: "Nabokov cherished the anarchy of the inner mind, and Freud is excoriated because he sought to systematize it. . . . Well, in the end it is Nabokov, and not Freud, who emerges (with Kafka) as our supreme poet of dreams." When it comes to Bellow, one feels the weight of Mr. Amis's almost filial affection. His passion for Bellow's "sui generis" prose causes him to dismiss other contenders with flashy phrases—"the multitudinous facetiae of Melville," "the murkily iterative menace of Faulkner"—that sound more impressively than they parse. But he is good at conveying Bellow's essential casualness as a novelist and a critic, his way of going at life instinctively. "This is Bellow's way of going at everything," he writes. "No tuxedo and cummerbund, no gowns and tasseled mortarboards. Whatever the genre, Bellow's sensorium, it turns out, is whole and indivisible."

Tributes to Philip Roth and John Updike also have their virtues, although Mr. Amis's blanket statement that "there is no narcissism in Roth; the creature in the mirror is given merciless and unblinking scrutiny" stretched my credulity. Mr. Amis's own fear of what Updike called the "inner dwindling" of aging marks his harsh review of a posthumous collection of the writer's stories, an assessment which, he insists guiltily, "would have

The celebrated novelist collects his most enduring essays and reportage from 1994 to the present.

gone unwritten if its subject were still alive." Even here, where he judges Updike to be "losing his ear," he is full of admiration for his prose, "that fantastic engine of euphony, of first-echelon perception, and of a wit both vicious and all-forgiving." The late Christopher Hitchens comes in for a chummy encomium that grates due to its assumption that we are all in agreement that "Hitch" was the greatest thing since sliced bread. Then again, what seems to me to mar this essay—a certain snobbishness and a seigneurial style—are the very traits that won Mr. Amis's original reputation as a boy wonder.

It must be said that "The Rub of Time" has a schizoid aspect, seesawing between light pieces on tennis or porn (the latter a subject about which Mr. Amis seems uncharacteristically uneasy, even at a loss) and incisive essays on Iran, Islamism, the Republican Party and Donald Trump. Mr. Amis is a good enough political journalist and can hold his own as an entertaining, politically incorrect observer. The purely personal contributions, on the other hand, in which he interviews himself via questions submitted to a London paper or recounts his first trip to America at the age of 9, are either insubstantial or annoying; they strike me as an expense of ego in a waste of paper.

Still and all, Mr. Amis at his best is not to be underrated. By far the most ambitious piece in the book, a report on a South American street gang called "The Crippled Murderers of Cali, Colombia," shows what he can do when his empathy is fully engaged and his investigative instincts are fully employed. It is honest and moving, and Mr. Amis's eye for detail—"From his sternum to his navel ran the wound, not yet a scar, pink and plump, like a garden worm"—is impeccable. One comes away with the feeling that if he focused on the world a bit more and on his image a bit less, oh what a mighty writer he'd make.

Ms. Merkin is the author, most recently, of "This Close to Happy: A Reckoning With Depression."

MYSTERIES: TOM NOLAN

Boom Town



IN THOMAS Perry's "The Bomb Maker" (Mysterious Press, 372 pages, \$26), the eponymous villain is on a one-man crime spree in Southern California—intent on annihilating every member of the Los Angeles Police Department bomb squad.

This malevolent plan becomes the concern of security consultant Dick Stahl, a former LAPD commander tapped to head the squad after 14 bomb techs are killed at the site of a single booby-trapped house. Other bombs are discovered in ensuing days—in a car chained to a gas-station pump,

A murderous explosives expert endeavors to outwit and eradicate the LAPD bomb squad.

at the entrance to a women's clinic, in a vest left in plain sight near Hollywood Boulevard. Back on the force, Stahl is able to avert disaster only by anticipating the designs of a devious criminal who uses the cops' standard defusion techniques against them. The fiend doesn't care about civilian victims, Stahl notes. His aim is to predict "what a trained bomb technician will do . . . and turn that action into a trigger."

Alternate sections of the book show the bomber's actions and give insight into his cynical and homicidal thoughts. "What a fool that man was," he sneers at the sight of Stahl on TV heroically carrying a volatile device to a safe demolition in the Los Angeles River basin.

Mr. Perry, in this first-rate thriller, proves as cagy as his criminal mastermind: The reader rarely anticipates his next move. He balances breathtaking suspense with romantic intrigue—as when Stahl becomes involved, against police regulations, with a female tech on the bomb squad. When an embittered TV reporter breaks the story of his new relationship—and a doltish mayor all but accuses him of being the perpetrator of the recent bombings—Stahl's job only becomes tougher.

Meanwhile, the bomber is pressured to work harder and faster by circumstances (and people) that even he can't control. His murderous designs, combined with Stahl's quest to stop him at all costs, ensure that Mr. Perry's book will have a suitably explosive finale.

FICTION CHRONICLE: SAM SACKS

Vengeance Is Theirs

WHEN THE GIRL called Ada was born, Akwaeke Emezi says in her novel, "Freshwater" (Grove, 229 pages, \$24), a glitch

in the cosmic machinery caused the gates dividing the spirit realm from the mortal world to stay open, and demigods flooded into the child's body and were stuck there. These were the *ogbanje*, snake-shaped agents of the great Igbo deity Ala, and their influence was far from a benison. "Ogbanje are entitled to their vengeances; it is their nature, they are malicious spirits."

So begins this wacky, electrifying story of danger and compulsion. In its barest outline this is simply the coming-of-age tale of a brilliant, deeply troubled young woman. It charts Ada's haunted upbringing in Nigeria, her traumatic sexual awakening at an American university and her masochistic attraction to drugs and violent men. But Ms. Emezi has wholly reshaped and reinvented the painful spectacle by imagining it from the perspective of the trickster gods who possess her.

The result is a narrative richly steeped in Igbo folklore, though readers may be reminded of the more familiar Greek epics, in which the gods treat their human playthings with affection or spite but above all with majestic indifference. "Freshwater" recounts the "litany of madness" suf-

fused by Ada in a serpentine prose that proceeds by oblique, hypnotizing movements before it sinks its fangs into you. The devastations the *ogbanje* describe, which might otherwise seem merely sordid, possess a hideous grandeur because of the divine powers impelling them. "This is what happens when you act as if a human can hold godmatter without it curdling," one spirit warns.

In a tale steeped in Igbo folklore, a Nigerian-born woman is possessed by a chorus of serpentine spirits.

In the end, "Freshwater" comes to be about Ada's journey to understand the cruel and immense strength within her before she destroys herself with it. Its conclusion is as striking and mysterious as the ways of the gods who narrate it. In recent years, books like Chigozie Obioma's "The Fishermen" and Ayobami Adebayo's "Stay With Me" have found new angles of perception for familiar stories of love and grief. Ms. Emezi's debut is the latest standout in this exciting boom in the Nigerian novel.

Zachary Lazar's new book, "Vengeance" (Catapult, 253 pages, \$16.95), is what is often called a "nonfiction novel," an autobiographical

cal account blended with imaginative flourishes. In it, the narrator, a likeness of the author, attends a theatrical performance staged by the inmates of Louisiana's Angola prison. There he meets Kendrick King, who is



serving a life sentence for participating in a murder he swears he had no part in. Magnetized by the case, Zachary looks up the police records and discovers that King gave two contradictory testimonies about his whereabouts at the time of the murder—the second, in which he admits guilt, came after ten hours of interrogation.

Unfolding much like the true-crime podcast "Serial," the book follows Zachary's interviews with King's family and friends in his flailing attempt to pinpoint just where, between the conflicting accounts, the truth really lies. But a more instructive comparison to Mr. Lazar is the novelist James Ellroy, whose febrile crime fiction has been partly influenced by the brutal murder of his mother. Likewise, when Mr. Lazar was a child, his father was murdered in a contract killing—he wrote about it in the 2009 memoir "Evening's Empire"—and "Vengeance" suggests that the unsolved nature of that crime led to his fixation with King's case.

But while Mr. Ellroy has leaned in to his obsessions to create a maniacally original body of work, Mr. Lazar's book is hesitant, self-conscious and anxiously preoccupied with "the problem of seeing anything clearly in the time and place in which we live." The terror and pathos of King's tragedy are muffled beneath pages of embarrassed woolgathering about the propriety of writing about the case at all. This is doubly strange because it seems evident fairly early on that King was railroaded into his confession. "Vengeance" worries a great deal about the relativity of truth when its real subject should be the permanence of injustice.

In Elizabeth Crook's "The Which Way Tree" (Little, Brown, 279 pages, \$26), set around the time of

the Civil War, a teenage girl named Samantha Shreve lives with her half-brother, Benjamin, in a cabin in southern Texas, where she does little but brood on one overriding desire: To track down and skin the panther that killed her mother and left her face horribly "cat-marked." There's a bit of Ahab in her (Benjamin has read "Moby-Dick" and notices the similarity) and a lot of Mattie Ross, the cussedly obstinate heroine of Charles Portis's "True Grit." Her monomania motors this ripping adventure through the canyons and arroyos of the Texas-Mexico border.

Benjamin relates the story in a series of letters to a local judge (he's been asked to testify about a tangentially related crime) and he's a boyishly charming chronicler of the crazed hunt. Joining the siblings are a reformed Mexican smuggler, an elderly preacher and a one-eyed panther-hound called Zechariah. The panther, who is so notorious that there's a bounty on him in Mexico, is a potent mixture of the metaphoric and the real, symbolizing the menacing evils of the war-torn era but also appearing in the fur with frightening regularity. Samantha's unfinished business leads the makeshift hunters through a gauntlet of disasters to the novel's show-stopping finale. "Vengeance belongs to the Lord," the preacher chides her, to which she answers, "Only if he can beat me to it."

BOOKS

'What an odd thing a diary is: the things you omit are more important than those you put in.' —Simone de Beauvoir

Existentialists and Expatriates

Left Bank

By Agnès Poirier

Holt, 331 pages, \$30

BY JAMES CAMPBELL

'WE WERE NEVER FREER than during the German occupation,' Jean-Paul Sartre wrote in 1944, even as the sound of retreating jackboots echoed down the boulevards of Paris. 'Since the Nazi venom was poisoning our very own thinking, every free thought was a victory.'

It is an attractive paradox, one that sits at the heart of Agnès Poirier's 'Left Bank,' a celebration of postwar freedom—in thought, in art, in love. For most Parisians, the occupation was a time of hunger and humiliation, but Sartre's high-mindedness is not to be dismissed. The books that he and his companion Simone de Beauvoir wrote and the ideas they cultivated—in the company of numerous other writers, philosophers, musicians and actors— influenced artistic and academic life across the world for generations. The effects can still be felt, though the Left Bank movement itself came to an end, symbolically, with the death of Albert Camus in a car crash in 1960.

Wishing to keep a tight focus on her overlapping social circles, Ms. Poirier winds the story up in 1950. Her topic, in the words of the subtitle, is 'Art, Passion, and the Rebirth of Paris,' and her interest is at least as much in the passion as the art. Having assembled her troupe—with Sartre as the leader, a loyal but independent Beauvoir at his side, and the 'Gallic Humphrey Bogart' Camus never far away—she twists the narrative lens to show one or another of the principals in action, in brief chapters, before moving to a neighboring group. The Café de Flore, the subterranean club Tabou and the offices of the publisher Gallimard form a shifting backdrop. The cast of characters at the front of 'Left Bank' lists 32 stars, 13 of them American, including Saul Bellow, Art Buchwald and Irwin Shaw. Dowdy old Britain has to depend on Sonia Brownell, George Orwell's 'black widow,' to rise above its postwar infirmity.

'Left Bank' can be seen as the sentimental answer to Tony Judt's 'Past Imperfect' (1992), a solidly intellectual study of French thinkers between the years 1944 and 1956. Ms. Poirier scarcely tackles intellectual life at all. Her reference to 'Being and Nothingness,' Sartre's early exposition of French existentialism, concerns its usefulness to housewives: 'Since the book weighed exactly one kilogram, people were simply using it as a weight, as the usual copper weights had [been] melted down to make ammunition.'

Various political positions come into play as the action proceeds: resis-



SECOND TO NONE Simone de Beauvoir as photographed by Robert Roisneau at the Deux Magots, Saint-Germain-Des-Pres, ca. 1944.

tance and the more common faux-resistance (there was and still is a joke about heroes joining up as the war ended); outright collaboration, as practiced by the writer Robert Brasillach, and the passive sort, of which Jean Cocteau was guilty. Underlying everything is postwar Europe's infatuation with communism. It had proved up to the task of defeating fascism, after all. The leading anticommunists (as well as being the leading seducers) were Camus and Arthur Koestler. Louis Aragon, editor of the literary magazine Les Lettres Françaises, took his direction from the Kremlin; Picasso and Fernand Léger were party members. The main strength of 'Left Bank' is its political history, but Ms. Poirier lets Sartre off the hook too easily. He might have tried to establish a 'third way' party in 1948, in the form of the Democratic and Revolutionary Alliance (it didn't get far), but by 1954 he was justly seen as a Soviet stooge. In an interview with the newspaper Libération, Sartre claimed that citizens of the U.S.S.R. were 'free to travel and to criticize their own government,' explaining that they chose not to visit Western Europe simply because 'they have lots to do at home.'

Sartre is nevertheless a central figure not only of the time and place captured in 'Left Bank' but also in 20th-century literature, and Ms. Poirier is right to make him her leading man. We learn more than we need to know about his and Beauvoir's complex sex lives, and everyone else's,

but it is refreshing to read her sober remarks about Camus. He led an errant love life, mainly but not exclusively focused on the actress Maria Casares, while his wife, Francine, stayed at home in what was effectively a foreign city—the couple had emigrated from Algeria in the early 1940s—to raise their twin children. 'Francine would eventually develop chronic ailments of a severe nature,' Ms. Poirier writes. 'Albert's behavior was, quite literally, a violent poison in Francine's life; however, she consciously agreed to swallow it, sip by sip, day after day.' The freedom that these moral philosophers sought in love 'did not make them particularly happy,' she says, and 'men like Camus and Maurice Merleau-Ponty who chose trompe l'oeil existences crushed many lives around them.'

There were several prominent Americans living in Paris before the Germans took over, including Janet Flanner, who reported in sparkling prose for the New Yorker, and Sylvia Beach, who ran the bookshop Shakespeare and Company, just a few minutes' walk from the Café de Flore. Flanner left as the Nazis arrived; Beach clung on at first and endured a six-month internment at a camp in Vittel.

The pioneering U.S. presence in postwar Paris was Richard Wright, who was adopted by the Sartre crowd and saw his essays and stories published in their magazine, Les Temps Modernes. He enjoyed their company,

but his French wasn't fluent enough to enable him to contribute to editorial meetings, as Ms. Poirier suggests. James Baldwin followed in 1948. Saul Bellow was also around, disdaining most talents besides his own. Norman Mailer never assimilated to Left Bank life, but as Ms. Poirier says, in a nice observation, 'When he packed his suitcase . . . Mailer took Paris's fiery appetite for the political with

Social and intellectual life revolved around sites like the Café de Flore or the subterranean club Tabou.

him.' Back home, he injected a 'third way' political spirit, neither left nor right, into the emerging New York literary scene, which became as vibrant in its own way as the one he left behind in France.

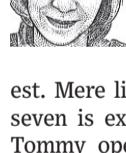
By ending her story when she does, Ms. Poirier deprives readers of an account of the Anglophone activity of the early 1950s, when Baldwin wrote his first books, George Plimpton set up the Paris Review, Shakespeare and Company entered a second incarnation, the Olympia Press published 'Lolita' and 'The Ginger Man,' and the Scotsman Alexander Trocchi founded the magazine Merlin, which jump-started the stalled career of Samuel Beckett.

'Left Bank' is an enjoyable trip around the famous sites, even if it is a bit of a tourist trip. We learn that Merleau-Ponty loved living and that he had an affair with Sonia Brownell, but nothing about the nature of his philosophy, or the direction in which he steered Les Temps Modernes after Sartre handed him the reins. The author, who is French but writes in English, astutely describes the fragile balance between those who opted for passive resistance and those whose duty it was to disrupt it. Introducing the German officer responsible for French publishing during the occupation, Gerhard Heller, who let many things flourish that might have been censored, she writes: 'Heller loved literature more than he loved Hitler and was going to prove it.' 'Left Bank' contains some good stories and a number of tall ones. The theory that Beckett got the name Godot from a prostitute in the rue Godot de Mauroy, of which Ms. Poirier appears convinced, takes its place in the grand catalog of explanations. And was it ever really like this? 'Crossing the Seine at the Pont Neuf, Simone [de Beauvoir] leaned on the bridge and began sobbing over the tragedy of the human condition.' No, not even on the Left Bank.

Mr. Campbell is the author of 'This Is the Beat Generation' and 'Exiled in Paris: Richard Wright, James Baldwin, Samuel Beckett and Others on the Left Bank.'

CHILDREN'S BOOKS: MEGHAN COX GURDON

A Carnival of Animals



WHEN CHILDREN are very young, as G.K. Chesterton observed, they don't need fantastic tales to kindle their interest. Mere life is enough. 'A child of seven is excited by being told that Tommy opened a door and saw a dragon,' Chesterton wrote. 'But a child of three is excited by being told that Tommy opened a door.'

A child of 3 (and those a little younger and older, too) will find excitement at just the right level in

A tiptoeing tiger, a bear with a boot, a prickly porcupine and five (count 'em, five) ducklings.

"Baby Bear's Book of Tiny Tales" (Little, Brown, 46 pages, \$17.99), a sweet collection of four stories written and illustrated by David McPhail.

Baby Bear is a furry brown fellow with distinctly toddler-like proportions who stumps about solving problems and helping others. In Mr. McPhail's cozy ink-and-watercolor pictures, we see Baby Bear go fishing in the first story and hauling out a red rubber boot. In a book for older children, he might be disappointed that the boot isn't a fish, or he might adapt it for some funny purpose, but

in these earnest pages Baby Bear thinks: 'Someone has lost a boot. I must give it back.' So he trots upriver, stopping to ask the woodland creatures he meets if the boot belongs to any of them. If doesn't, of course, but does fit on the foot of his own snoozing papa. The story ends, as do the three that follow, with warm affirmation that will just suit a small reader's sensibilities.

'Everyone in the forest knew that tigers were sleek, silent, and totally terrifying. When a tiger prowled through the forest, everyone found other places to be,' Philippa Leathers explains at the start of 'The Tiptoeing Tiger' (Candlewick, 30 pages, \$14), a charmingly understated tale of failed ferocity. However fearsome full-grown tigers might be—and we see birds and deer making themselves scarce in the watercolor undergrowth when a big cat strolls along—Little Tiger cannot seem to get the same respect. 'No one jumped when he roared,' we read. 'No one ran away when he tumbled through the forest.' Determined to effect a scare, the tiptoeing tiger—smiling broadly (see right)—creeps up on one blase' victim after another before meeting his sleek and totally terrifying match at the reflective water's edge. The little tiger's good humor and Ms. Leathers's comically suspenseful text make this storybook ideal for repeated reading aloud.



Some people have prickly personalities, and some, like the lonely, inoffensive tree-dweller at the heart of 'Elmore' (Random House, 32 pages, \$17.99), are just plain prickly. In Holly Hobbie's picture book for 2- to 7-year-olds, Elmore is, in point of fact, a porcupine who bristles with quills that push through his little blue jacket like needles. 'They were there to protect him, like a coat of armor, but protect him from what?' Elmore's life was

peaceful,' we read of a defense mechanism that has the unfortunate effect of keeping potential friends at bay. Ms. Hobbie's sensitive and gently humorous illustrations, done in watercolor, pencil and ink, capture Elmore's gentle nature, the rich natural greens and blues of his woodland home, and the wonderful eureka moment when the little fellow realizes that his discarded quills could be recycled for sociable purposes: 'Everyone could

enjoy a quill pen, especially if it was made from 100% real porcupine quills—and free, too.'

Clean and bright illustration meets clear and clever concepts in 'Ducks Away!' (Scholastic, 32 pages, \$16.99), a great little counting book written by Mem Fox, with pictures by Judy Horacek. 'One fine day, a mother duck waddled onto a bridge,' the text begins (somewhat mischaracterizing the bright yellow duck's springy step, but never mind). 'A fluffy yellow duckling followed right behind her. Actually, it was two little ducks. No, it was three little ducks.'

As the pages turn, more ducklings follow their mother to the apex of the stone arch, allowing the small reader to practice counting up to five. But then comes a sudden gust of wind, causing mother duck to exclaim: 'What should I do? Where should I go, with four on the bridge and one below?' As more ducklings descend, readers will see how the number five can be broken into sets of smaller numbers. In a last triumphant mathematical feat, the ducklings give their mother a countdown before she, too, lands in the water below.

There is a bear, of sorts, in 'American Panda' (Simon Pulse, 304 pages, \$17.99), Gloria Chao's earthy romantic comedy for young adults, but it is not the black-and-white bamboo eater that the title might suggest.

If the bear is anyone, it is Mei Lu's bossy and phenomenally blunt and critical Taiwanese mother, whose purpose in life is to make sure that Mei follows through on her family's insistence that she become a doctor. Right now, Mei is just a 17-year-old college freshman, a status that occasions, for her mother, endless rounds of humble-bragging: 'She just started at MIT this week, premed of course, and her tuition is driving me to an early grave. Ah, if she hadn't skipped a grade, I would have had one more year to save up money. Sometimes I feel her intelligence is a curse.'

The opening chapter introduces this face-grabbing dynamic, and it's sometimes weepingly funny to read about, but pretty soon we see a dark side to the Confucian expectations of Mei's extended family. Mei has a horror of germs and no desire to practice medicine, but neither does she want to risk the fate of her older brother, Xing, who was disowned by their parents for choosing the wrong bride. Mei's moral quandaries deepen when she starts to fall for a boy named Darren Takahashi. 'You know the rules. No Japanese boys,' Mei's mother snaps, and Mei thinks: 'Or white, black or Hispanic. Only Taiwanese, and a doctor to boot.' Rollicking and frank (sometimes a little too frank with regard to things, ah, gynecological), 'American Panda' opens a window on Chinese-American culture and lets the refreshing breezes play.

BOOKS

'There are three things I have learned never to discuss with people . . . religion, politics and the Great Pumpkin!' —Linus Van Pelt



PINNED Scarab beetle specimens at the Field Museum in Chicago.

Natural Histories

The Lost SpeciesBy Christopher Kemp
Chicago, 250 pages, \$30

BY DAVID MACNEAL

A 250-PAGE BOOK about nature specimens in museum collections sounds like biological fan fiction. But Christopher Kemp's "The Lost Species" is an unexpectedly delightful and rewarding jaunt into once-cherished, now-decaying living history.

Each chapter gives a quick sketch of a species or genus that was formally described from a museum specimen, often decades after it was collected. Most of the creatures—which include lightning cockroaches, squeaker frogs, pygmy bandicoots from New Guinea, ruby seadragons and "atomic" tarantulas caught at a nuclear test site in Nevada—have been identified in the past 15 years or so.

The specimens bear out a larger point that Mr. Kemp, a scientist in Michigan, sets up early on: "A single species is the irreducible component of all the biodiversity on Earth." Each species is a single note in an ecological "symphony," he writes, meaningless in itself. But "over time notes accumulate and begin to intermingle." Collections can show the rate of disappearance of living species in a specific region. Between man-made climate change, invasive species and terraforming, it's easy to understand how extinction rates are currently 1,000 times higher than the norm.

Equally endangered is the funding for scientific institutions. There are roughly 10 million species in nature and 3 billion specimens in collections world-wide but only a meticulous few researchers to categorize them. Only 20% of the world's species have been named, and only 18,000 new species are described per year. This book shows just how overwhelming that taxonomic workload can be.

More important, we see how confusing the classification process can get. "A species is nothing more than a hypothesis," Mr. Kemp writes. Researchers wrongly divide animals, creating nonexistent species. Or they rediscover species already described. The samples they work from are always imperfect. A wedge-shaped

beetle at the Smithsonian was disregarded for over a century and split in half before being described in 2014.

But Mr. Kemp's colorful descriptions restore the dehydrated bits to their original vigor. A drawer of skins from the olinguito, a small arboreal raccoon, "look like a collection of bright red stoles laid side by side," for example. He also casts a spotlight on the bold scientists who gathered the specimens in the first place. Detective work is involved to find what scientists infer must exist. "The Lost Species" is peppered with anecdotes that remind us how dangerous chasing down uncategorized creatures can be. Mr. Kemp recounts tales of limb amputation by leopard attack, campsites tilted at 45-degree angles on a humid Ecuadorean mountain, and wooden expedition ships erupting in flames before sinking.

'Atomic' tarantulas, pygmy bandicoots, squeaker frogs: All were first identified in museums, not in nature.

Adventures aside, Mr. Kemp explores topics like a system of DNA "barcoding" (the Barcode of Life project recently met its goal of creating unique visual identifiers for 500,000 species), shoddy preservation methods, and the hills of lost or hidden boxes gathering dust in the "monastic quiet" of museum storage facilities. Such was the scene where one Australian archaeologist in 2007 discovered scratch marks in a fossilized shell made by early man 500,000 years ago.

Mr. Kemp's story, at times, feels in need of stronger connective tissue—an overarching theme to remind us why this adrift ark of species is so important. It also wish Mr. Kemp had posed some of the questions that a fuller portrait of evolution might some day unlock. But perhaps that's the point of "The Lost Species" too: Until we complete Earth's taxonomic picture, we won't know what to ask. And it may already be too late.

Mr. MacNeal is the author of "Bugged: The Insects Who Rule the World and the People Obsessed With Them."

FIVE BEST: A PERSONAL CHOICE

Cullen Murphy
on books about comic strips**Krazy: George Herriman, a Life in Black and White**

By Michael Tisserand (2016)

1 ONE OF THE many virtues of Michael Tisserand's richly illustrated biography of George Herriman, the creator of "Krazy Kat," is its evocation of the early 20th-century newspaper world from which it sprang. Press barons like William Randolph Hearst (who launched and loved "Krazy Kat," which made its debut in the *New York Evening Journal* in 1913) and Joseph Pulitzer went head to head for circulation, leveraging advances in rotary printing to produce full-color comics pages that attracted millions of readers. Hearst wasn't humble: He touted his comics as "eight pages of polychromatic effulgence that make the rainbow look like a lead pipe." This was the birth of the comics as a mass-market (and very American) phenomenon. The enduring genius of "Krazy Kat" isn't easy to explain. Herriman was at home with slapstick—all those bricks thrown by Ignatz!—but his strip drew on highbrow Modernism and attracted attention from literary critics. He was shy, modest, generous—"a figure of almost Franciscan sweetness," according to Time—with a love of wordplay that some compared to Joyce's. ("Just imagin having your 'ectoplasm' running around . . . among the unlimitless etha—golla, it's imbillivibil.") Mr. Tisserand's deep research uncovered the full story behind Herriman's background, unknown until long after his death in 1944: This New Orleans native was African-American, a fact that Herriman, for understandable reasons in that era, did not acknowledge.



SPARKY Charles M. Schulz, 1990.

The Comics: The Complete Collection

By Brian Walker (2011)

2 THIS SUMPTUOUS volume combines two previous works into one: Brian Walker's pendant histories of the comics before and after 1945. There are many fine surveys of the field, but this one is not only comprehensive—it runs from Richard Outcault and his "Hogan's Alley" (1896), with its antic depiction of gritty urban life and its new-fangled use of speech balloons, all the way through the 20th century and into the 21st—it has the advantage of being written by an accomplished cartoonist. Mr. Walker is heavily involved in both "Hi and Lois" and "Beetle Bailey"—and his father, the legendary Mort, creator of both strips, died in January at 94.

Schulz and Peanuts

By David Michaelis (2007)

3 THE FAMILY of Charles Schulz (who died in 2000) cooperated with David Michaelis as he embarked on this biography of the man who gave us Charlie Brown, Lucy, Linus, Snoopy and the rest of the "Peanuts" gang—and was dismayed by the result. Mr. Michaelis depicts Schulz as often melancholy and even bitter—not a flesh-and-blood adult version of perennially put-upon yet reflectively even-tempered Charlie Brown. "Good Grief!" responded many readers. Yet Schulz himself, as quoted by Mr. Michaelis, once told "60 Minutes": "I have this awful feeling of impending doom." Controversy aside, Mr. Michaelis provides an exceptional portrait of a cartoonist at his drawing board; of the evolution of a strip over decades; and of the interrelationship of life and work—and he backs it up with scores of illustrations that show up on the page just when you need to see them. Like "Krazy Kat," which Schulz admired, "Peanuts" was highly personal, and both reflected and transcended its time.

Understanding Comics

By Scott McCloud (1993)

4 SCOTT MCLOUD'S primer on the history and rules of comic art became an instant classic when it was published a quarter century ago. Part of the appeal is that Mr. McCloud, a cartoonist but also something of a philosopher, can unpack "theory"—



MR. MURPHY, editor at large of *Vanity Fair*, is the author of 'Cartoon County: My Father and His Friends in the Golden Age of Make-Believe.' He wrote the comic strip 'Prince Valiant' for 25 years.

for instance, why the ostensibly empty gutter between panels is one of the most dynamic elements of any strip—and do it in a way that's enticing. More important, he has written and drawn the book as a comic strip—the embodiment of all that he means to teach. The way a cartoonist inks a line can suggest an entire outlook. Think of the menacing mood created by the "bold lines and obtuse angles and heavy blacks" used by Chester Gould in "Dick Tracy." Mr. McCloud draws himself into the book—he's a boyish guide (glasses, floppy hair) with an assistant professor's wonky earnestness and captivating enthusiasm.

The Bayeux Tapestry

By Lucien Musset (2002)

5 THE BAYEUX TAPESTRY isn't a comic strip (though William Randolph Hearst would have loved covering—and maybe instigating—the Norman invasion of England, which the tapestry celebrates). But Hal Foster of "Prince Valiant" always cited the tapestry as a forerunner of the dramatic newspaper strips he loved. The embroidered cloth, 20 inches wide and 230 feet long, relates the fateful events of 1066—culminating in the Battle of Hastings, in which William of Normandy defeated (and killed) King Harold of England. In the tapestry, as in a comic strip, words combine with colored pictures on a plain white background, and the unfolding narrative is divided into scenes: "Bishop Odo, holding his staff, encourages the lads." Lucien Musset's meticulously illustrated book moves across the tapestry foot by foot. Is it a stretch to link the tapestry and cartoons? A month after D-Day, a New Yorker cover by the great Rea Irvin depicted the Allied invasion Bayeux Tapestry-style.

Best-Selling Books | Week Ended Feb. 4

With data from NPD BookScan

Hardcover Nonfiction

TITLE	AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Fire and Fury	Michael Wolff/Henry Holt & Company	1	1
Crushing It!	Gary Vaynerchuk/HarperBusiness	2	New
12 Rules for Life	Jordan B. Peterson/Random House Canada	3	2
All-American Murder	J. Patterson & A. Abramovich/Little, Brown and Company	4	3
The Subtle Art of Not Giving a F*ck	Mark Manson/HarperOne	5	5

Nonfiction E-Books

TITLE	AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
12 Rules for Life	Jordan B. Peterson/Random House Canada	1	1
Fire and Fury	Michael Wolff/Henry Holt & Company, Inc.	2	2
Crushing It!	Gary Vaynerchuk/HarperBusiness	3	—
Air Fry Genius	Meredith Laurence/Walsh LLC	4	—
All-American Murder	James Patterson & A. Abramovich/Little, Brown and Company	5	3
The Subtle Art of Not Giving A F*ck	Mark Manson/HarperOne	6	4
The Sun and Her Flowers	Rupi Kaur/Andrews McMeel Publishing	7	5
You Are A Badass	Jen Sincero/Running Press Book Publishers	8	8
Milk And Honey	Rupi Kaur/Andrews McMeel Publishing	9	7
StrengthsFinder 2.0	Tom Rath/Gallup Press	10	—

Hardcover Fiction

TITLE	AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Dark in Death	J. D. Robb/St. Martin's Press	1	New
Dog Man and Cat Kid (Dog Man 4)	Dav Pilkey/Graphix	2	1
Still Me	Jojo Moyes/Pamela Dorman Books	3	New
The Woman in the Window	A. J. Finn/William Morrow & Company	4	2
Fall from Grace	Danielle Steel/Delacorte Press	5	3

Fiction E-Books

TITLE	AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Dark in Death	J. D. Robb/St. Martin's Press	1	New
Still Me	Jojo Moyes/Penguin Publishing Group	2	New
The Woman in the Window	A. J. Finn/HarperCollins Publishers	3	2
16th Seduction	James Patterson & Maxine Paetro/Little, Brown and Company	4	—
The Wife Between Us	Greer Hendricks/St. Martin's Press	5	4
Risky Business	Nora Roberts/Silhouette	6	—
Little Fires Everywhere	Celeste Ng/Penguin Publishing Group	7	7
Dr. Texas	Debbie Macomber/MIRA Books	8	—
Before We Were Yours	Lisa Wingate/Random House Publishing Group	9	—
Ice Cold	Tess Gerritsen/Random House Publishing Group	10	—

Methodology

NPD BookScan gathers point-of-sale book data from more than 16,000 locations across the U.S., representing about 85% of the nation's book sales. Print-book data providers include all major booksellers (now inclusive of Walmart) and web retailers, and food stores. E-book data providers include all major e-book retailers. Free e-books and those sold for less than 99 cents are excluded. The fiction and nonfiction lists in all formats include adult, young adult, and juvenile titles; the business list includes only adult titles. The combined lists track sales by title across all print and e-book formats; audio books are excluded. Refer questions to Peter.Saenger@wsj.com.

Hardcover Business

TITLE	AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Crushing It!	Gary Vaynerchuk/HarperBusiness	1	New
StrengthsFinder 2.0	Tom Rath/Gallup Press	2	2
Great at Work	Morten Hansen/Simon & Schuster	3	New
When: The Scientific Secrets	Daniel H. Pink/Riverhead Books	4	9
Principles: Life and Work	Ray Dalio/Simon & Schuster	5	3
The Culture Code	Daniel Coyle/Bantam	6	New
Extreme Ownership	Jocko Willink/St. Martin's Press	7	7
Emotional Intelligence 2.0	Travis Bradberry & Jean Greaves/TalentSmart	8	8
Total Money Makeover	Dave Ramsey/Thomas Nelson	9	6
The Five Dysfunctions of a Team	Patrick Lencioni/Jossey-Bass	10	—

REVIEW

| PLAYLIST: SARA BLAEDEL



Simon Says Quit

A Paul Simon song inspired a novelist to take a risk and leave her job

Sara Blaedel, 53, is a Danish crime novelist and the author of 11 books, including "The Undertaker's Daughter" (Grand Central). She spoke with Marc Myers.

In Denmark, my dream had always been to work in television. My father was a famous print journalist, and I was a journalist as well. TV seemed more exciting, and in 2001, I got my wish and began working for a TV production company.

To ease the stress of my new job, I'd escape momentarily by telling myself a suspenseful story. In 2003, one of these mental stories became more elaborate, so I wrote it all down. I used the story as the basis for a manuscript and sent it out to Danish publishers.

My first book was published in 2004. That summer, while I was still working in TV and had just published my second book, I went for a walk in the forest near my home north of Copenhagen. I had my digital audio player with me and listened to Paul Simon's "HURRICANE EYE," from his 2000 album "You're the One."

I've always been a huge Paul Simon fan.

His music makes me feel calm.

The song begins with a calypso feel, with a banjo added for rural flavor. But as the song progresses, the percussion and instrumentation become more dense and complex.

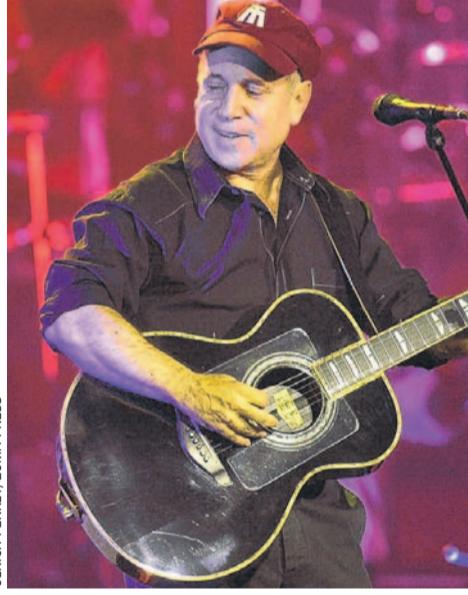
During the song, I heard Simon sing lyr-

ies that caught me off-guard: "You want to be a writer / but you don't know how or when / Find a quiet place / use a humble pen." My goodness, I thought, that's me. I heard those lines as a signal. I had grown frustrated trying to balance writing a book with my TV job. I knew what I had to do.

Later that week, I quit my job. The decision was terrifying. I was a single mother with a 7-year-old son, no savings and no steady income. I had also been introverted as a child. Having the self-confidence to take this kind of leap was new to me.

As I wrote my third book, Paul Simon's song reminded me that if I wanted to be a good novelist, I had to clear my head.

Whenever my son, who is now 20, hears me playing "Hurricane Eye," he knows what's going on. He'll say, "Yes, mom, try to focus."



PAUL SIMON performing in 2000.

ULRICH PERREY/ZUMA PRESS

I knew what I had to do.

| HISTORICALLY SPEAKING: AMANDA FOREMAN



Beyond Three Rings

THE MODERN CIRCUS, which celebrates its 250th anniversary this year, has attracted such famous fans as Queen Victoria, Charles Dickens and Ernest Hemingway, who wrote in 1953, "It's the only spectacle I know that, while you watch it, gives the quality of a truly happy dream."

Recently, however, the "happy dream" has struggled with lawsuits, high-profile bankruptcies and killer clown scares inspired in part by the evil Pennywise in Stephen King's "It." Even the new Hugh Jackman-led circus film, "The Greatest Showman," comes with an ironic twist. The surprise hit—about the legendary impresario P.T. Barnum, co-founder of "The Greatest Show on Earth"—arrives on the heels of last year's closing of the actual Ringling Bros., Barnum and Bailey Circus, after 146 years in business.

The word circus is Roman, but Roman and modern circuses do not share the same roots. Rome's giant Circus Maximus, which could hold some 150,000 people, was more of a sporting arena than a theatrical venue, built to hold races, athletic competitions and executions. The Roman satirist Juvenal was alluding to the popular appeal of such spectacles when he coined the phrase "bread and circuses," assailing citizens' lack of interest in politics.

In fact, the entertainments commonly linked with the modern circus—acrobatics, animal performances and pantomimes—belong to traditions long predating the Romans. Four-millennia-old Egyptian paintings show female jugglers; in China, archaeologists have found 2,000-year-old clay figurines of tumblers.

Circus-type entertainments could be hideously violent: In 17th-century Britain, dogs tore into bears and chimpanzees. A humane change of pace came in 1768, when Philip Astley, often called the father of the modern circus, put on his first show in London, in a simple horse-riding ring. He found that a circle 42 feet in diameter was ideal for using centrifugal force as an aid in balancing on a horse's back while doing tricks. It's a size still used today. Between the horse shows, he scheduled clowning and tumbling acts.

Circuses in fledgling America, with its long distances, shortage of venues and lack of large cities, found the European model too static and costly. In 1808, Hachaliah Bailey took the circus in a new direction by making animals the real stars, particu-



THOMAS FUCHS

larly an African elephant named Old Bet. The focus on animal spectacles became the American model, while Europeans still emphasized human performers.

When railroads spread across America, circuses could ship their menageries. Already famous for his museums and "freak shows," P.T. Barnum and his partners joined forces with rivals and used special circus trains to create the largest circus in the country. Although Barnum played up the animal and human oddities in his "sideshow," the marquee attraction was Jumbo the Elephant. In its final year, the Ringling Bros. animal contingent, according to a news report, included tigers, camels, horses, kangaroos and snakes. The elephants had already retired.

Once animal-rights protests and rising travel costs started eroding profitability in the late 20th century, the American circus became trapped by its own history. But the success of Canada's Cirque du Soleil, which since its 1984 debut has conquered the globe with its astounding acrobatics and staging, shows that the older European tradition introduced by Astley still has the power to inspire wonder. The future may well lie in looking backward, to the era when the stars of the show were the people in the ring.

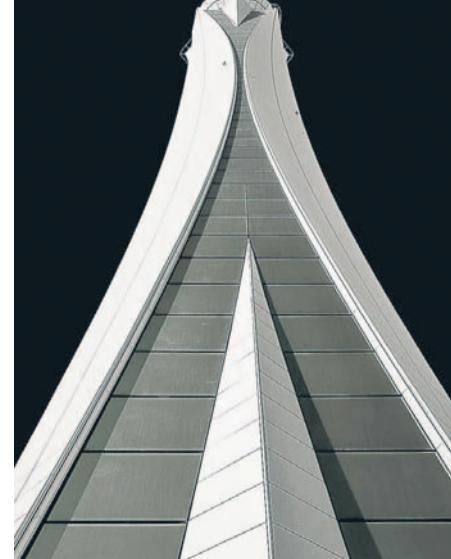
The American focus on animals just couldn't last.

| EXHIBIT



Tower Power

Photographer and Smithsonian curator Carolyn Russo was looking out the window at LaGuardia Airport when a thought struck her: The control tower looked like Swiss cheese. She soon started photographing other towers around the world, fascinated by their shapes. Those images are the subject of a traveling Smithsonian exhibition, "Art of the Airport Tower," now at the Aerospace Museum of California in McClellan, Calif., through July 6. The towers are "these unsung heroes in the aviation environment," she says. —Alexandra Wolfe



TOP: Edinburgh Airport. The 187-foot tower opened in 2005; the crisscrossed, double-helix pattern is actually a system of drainage channels.

ABOVE: Dubai World Central Airport. The control tower stands at 229 feet tall and is adorned with luminous gold-tinted glazing.



Wade Spann

I AM A VETERAN AND THIS IS MY VICTORY.

"My victory was admitting I had a traumatic brain injury and getting help." While on patrol in Iraq, Wade's Humvee struck an IED. With DAV, he's found the support he needs to overcome his injuries. DAV helps veterans get the benefits they've earned—helping more than a million veterans each year in life-changing ways. Support more victories for veterans. Go to DAV.org.

DAV
FULFILLING OUR PROMISES
TO THE MEN AND WOMEN WHO SERVED

REVIEW



SHAYAN ASGHARIA FOR THE WALL STREET JOURNAL

WEEKEND CONFIDENTIAL: ALEXANDRA WOLFE

Laurie Metcalf

The Oscar-nominated actress is unexpectedly back in the spotlight

SINCE WRAPPING UP her career-making role as Jackie, Roseanne Barr's neurotic younger sister on the 1990s sitcom "Roseanne," Laurie Metcalf has been plying her craft mostly off-screen. She's won a host of accolades in theater but has largely stayed out of the Hollywood spotlight.

Suddenly, and quite unexpectedly, she's back. Her turn as the critical yet caring mother in the surprise hit movie "Lady Bird" has earned her an Oscar nomination for best supporting actress. And she's set to reprise her signature role in a reboot of "Roseanne," debuting in March on ABC.

"I thought, 'Oh I'll do this small

movie, get my toe back in the water again and see how that is,'" she recalls with a laugh. "I've never been in a movie that's taken off like this," adds the 62-year-old actress, shaking her head.

Set in Sacramento, Calif., "Lady Bird" tells the story of a mother and daughter's fraught relationship as the daughter navigates awkward adolescent relationships and her mother grapples with economic hardship. Ms. Metcalf decided to audition after film and theater producer Scott Rudin asked her to read Greta Gerwig's script.

Ms. Metcalf, who is divorced with two daughters and two sons, related to the mother-daughter dy-

namic. "I could immediately hook into the antagonistic behavior between them because that's inevitable for that age," says the actress, who lives in Los Angeles with her youngest child. "I've been through that with my own kids."

In one scene, her character tells her daughter, played by Saoirse Ronan, "I just want you to be the best version of yourself that you can be," and the daughter replies, "What if this is the best version of myself?" Ms. Metcalf understood the mother in that moment. "I understand her frustrations and also her fears of thinking she hasn't done a good enough job in raising her daughter," says Ms. Metcalf. "You just want to

grab them and say, 'You're not living up to your full potential!'"

One of her own daughters, 33-year-old Zoe Perry, stars on CBS's "The Big Bang Theory" spinoff show, "Young Sheldon." She discouraged Ms. Perry from acting when she was growing up. Ms. Metcalf says she didn't want her daughter to have "the pressure on her shoulders to show up on a set that young and work with adults."

Ms. Metcalf let her daughter guest-star on a few "Roseanne" episodes but was relieved that Ms. Perry didn't seem interested in acting in high school. Then during her daughter's junior year at Northwestern University, "she met

'I've never been in a movie that's taken off like this.'

a group of actors, and they sucked her into their horrible actor clan," she jokes.

Growing up in Carbondale, Ill., the daughter of a librarian and a university comptroller, Ms. Metcalf was less rebellious than her fictional daughter in "Lady Bird" but just as lacking in experience beyond her small-town world. When she went to college at Illinois State University, she thought that some of the students had strange accents. They were from Chicago.

She initially studied German and anthropology. She liked acting but thought, "It would be impossible that I could ever make a living doing this, so I'm denying myself even the daydream of being able to ever do that." She thought that she could become an interpreter if she took German, "which was just so stupid," she says now.

During her junior year, she befriended a group of student actors including Gary Sinise and Terry Kinney, and together they formed the Steppenwolf Theatre Company, now in its 42nd season. "I don't know what that lightning in a bottle was of all of us finding each other," she says. In the early days of the company, the students put on a series of plays in a Unitarian church in Deerfield, Ill. After graduating, most of the members got day jobs but kept acting with the company on the side. "Those were fun days where everyone would get off work, then we would meet at a theater and just try to make each other laugh."

Within a few years, the company was successful enough that Ms. Metcalf quit her job as a secretary to focus on acting full time.

She landed small roles in "Desperately Seeking Susan" (1985) and "Making Mr. Right" (1987). She was cast in her breakout role on "Roseanne" as Jackie Harris in 1988. She starred on the show for a decade, while acting in films on the side. When the show ended, she devoted most of her time to theater, earning Tony Award nominations for her roles in plays such as "November" in 2008 and "The Other Place" in 2013, and a win for "A Doll's House, Part 2" in 2017.

Ms. Metcalf still practices the same routine she learned in her early days. She gets to the theater before everyone else and goes over all of her lines. "I'm superstitious about it now," she says. Then she checks in with the other actors before they all go on stage.

Next, Ms. Metcalf will be back on Broadway in a revival of Edward Albee's "Three Tall Women," opening in previews on Feb. 27. She still feels most comfortable on the theater stage, without a camera. "I can't feel totally free when there's a camera," she says. "Even during 'Roseanne'...I loved the rehearsals, but when it came to actual tape day I would get...very self-conscious."

Someday, she'd like to get over her phobia. "You'd think I would've kicked that by now," she says. "But I still have it."

MOVING TARGETS: JOE QUEENAN



Fantasy Gear for Every Walk of Life

SEEKING TO AVOID what one businessman calls "diaper-bag emasculation," fathers of newborns are increasingly garbing themselves in camouflage gear. As reported in the Journal, companies with names like Tactical Baby Gear and HighSpeedDaddy now make diaper bags perfect for carrying ordnance and baby carriers and vests that look like something out of "Apocalypse Now."

The companies doing this are essentially selling fantasy costumes—making it seem cool, perhaps even dangerous, to care for a drooling baby. Previously, parenting wasn't thought to become truly dangerous until the kids turned 13.

There's something prototypically American about wearing costumes for ordinary activities. Think of the guy wearing a huge Stetson and driving a mud-splattered Ford F-150 with a well-stocked gun rack on his way to his job managing the produce de-

partment at Safeway. The rise of "tactical baby gear" shows there's no reason why the concept can't spread further.

Retirees, for example, often take jobs as museum docents, haranguing infurated high-school students with long-winded explanations of why Picasso gave the women in his portraits three eyes. The challenge is especially great if the haranguer is wearing a retro beige corduroy jacket with suede elbow patches.

But get dressed up like Braveheart and those wise-acres are going to stop smirking. With a plaid kilt, bare chest, face painted blue and maybe a bloodstained bagpipe draped over the shoulder for extra effect, you're not going to have to worry about snickering students when you start lecturing about Manet's debt to Velazquez. Alternatively, with a little help from some

Costumes would make many professions a lot more interesting.



gory Halloween makeup, why not explain Vincent van Gogh's works with a paint-daubed palette in hand—and minus an ear?

A similar strategy could help short-term bond fund managers, who are reasonably well paid but normally lack glamour and pizzazz. The solution is simple: Start coming to work as an astronaut. Vintage Apollo 12 gear will make you feel gutsy, intrepid, empowered, otherworldly. And since you spend most of the time in your office staring at a computer screen, your get-up won't distract co-workers.

Ditto dentists, who often complain that they do not get the respect accorded brain surgeons or psychiatrists. Those pastel dental smocks don't help. But what if you replaced a busted crown while sporting a Geronimo-style breechcloth and well-traveled moccasins, and, at times, brandishing a car-

bine? You'll get fast results when you say, "Tilt your head to the left and open wide. Sodbuster, I said wide."

Even taking out the trash could turn exciting if you squeeze into skintight black leather spy gear. Dumping the pizza crust and coffee grounds can feel just like going toe to toe with the KGB.

The same goes for physical therapists showing up dressed like Valkyries or prep-school algebra teachers delivering a pop quiz in Marie Antoinette finery. I'd like to see plumbers arrive at my house in "Ben-Hur" regalia and the guys trying to sell me annuities dressed up as the Lone Ranger.

Last but not least, folks who work at the DMV could start reporting for work dressed like Darth Vader. The clothing would make them seem scary. Intimidating. And absolutely not—in any way—helpful. In this case, the costume might be redundant.



PLAY



NEWS QUIZ: Daniel Akst

From this week's
Wall Street Journal**1.** BlackRock's Larry Fink wants to raise \$10 billion. What's he hoping to buy?

- A. Congress
 B. A one-bedroom apartment in Tribeca
 C. Stakes in companies worth holding on to
 D. Berkshire Hathaway

2. Figure skater Nicole Rajicova is one of the few athletes in this year's Olympics who live in New York City. Which country will she represent?

- A. The U.S.
 B. The Czech Republic
 C. Slovakia
 D. Bermuda

3. Hyperinflation is forcing Venezuelans to take desperate measures. What's a popular currency substitute there?

- A. Bananas
 B. Eggs
 C. Canned beans
 D. Cigarettes

4. North Korea will send the younger sister of leader Kim Jong Un to the Winter Olympics in South Korea. What's her name?

- A. Kim Jong Deux
 B. Kim Jong Suk
 C. Kim Il Sung
 D. Kim Yo Jong

5. A class-action lawsuit filed by 91,000 au pairs was allowed by

To see answers, please turn to page C4.

a Denver judge. What's their central claim?

- A. Their sponsor agencies conspired to set their wages at just \$4.35 an hour.
 B. They were subject to sexual harassment.
 C. They are entitled to green cards.
 D. American children are spoiled brats.

6. Which obscure invention are some investors blaming for the recent selloff in stocks?

- A. Reason
 B. Short volatility funds
 C. Factor-based exchange-traded funds
 D. Risk-parity funds

7. Billionaire biotech investor Patrick Soon-Shiong is buying something in Southern California. What is it?

- A. The Los Angeles Times
 B. The Hollywood sign
 C. Amgen
 D. Metro-Goldwyn-Mayer

8. SpaceX launched the Falcon Heavy rocket on its initial test flight from Cape Canaveral—with what attention-getting payload?

- A. Elon Musk
 B. A Tesla Roadster
 C. A rooster
 D. A vintage toy version of R2-D2



VARSITY MATH

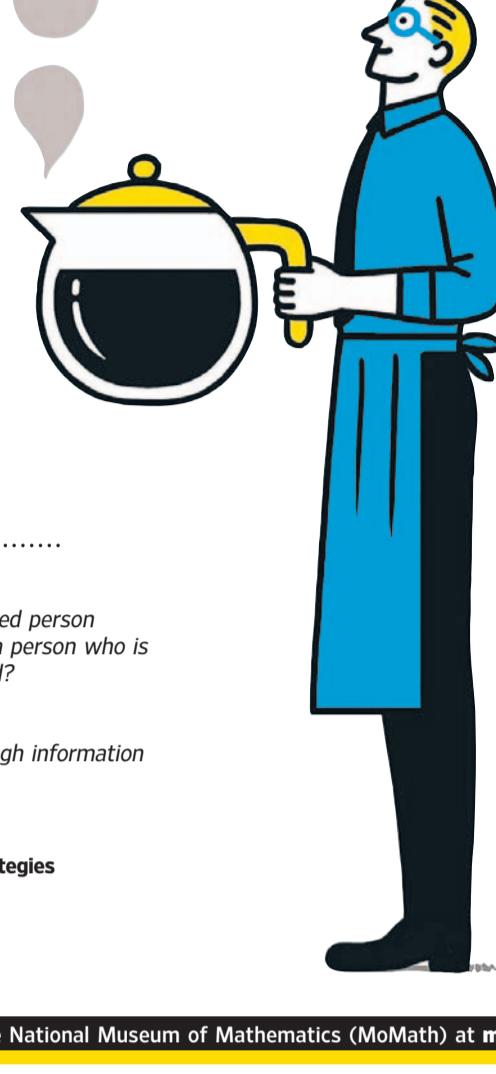
Some logical reasoning puzzles keep the team sharp.

Logical Coffee Order

Four of the math team members known for their impeccable logic have finished dinner together. The server arrives and asks, "Do any of you want coffee?" The team members, not knowing in advance anyone's preference for coffee, answer in turn:

Richard: "I don't know."
Cindy: "I don't know."
David: "I don't know."
Kayla: "Yes."

Who should be served coffee and why?

Provided by the
National
Museum of
Mathematics

Here's Looking at You

Adam is looking at Zoe.
Zoe is looking at Joshua.
Adam is married.
Joshua is not married.

- Is a married person looking at a person who is not married?
a. Yes
b. No
c. Not enough information

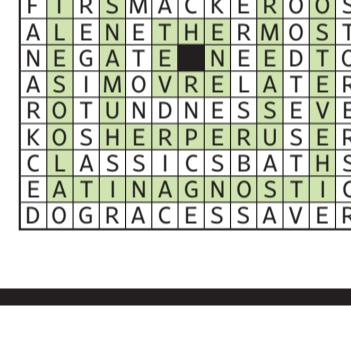
For previous week's puzzles, and to discuss strategies with other solvers, go to WSJ.com/puzzle.+ Learn more about the National Museum of Mathematics (MoMath) at momath.org

SOLUTIONS TO LAST WEEK'S PUZZLES

Think on Your Feet



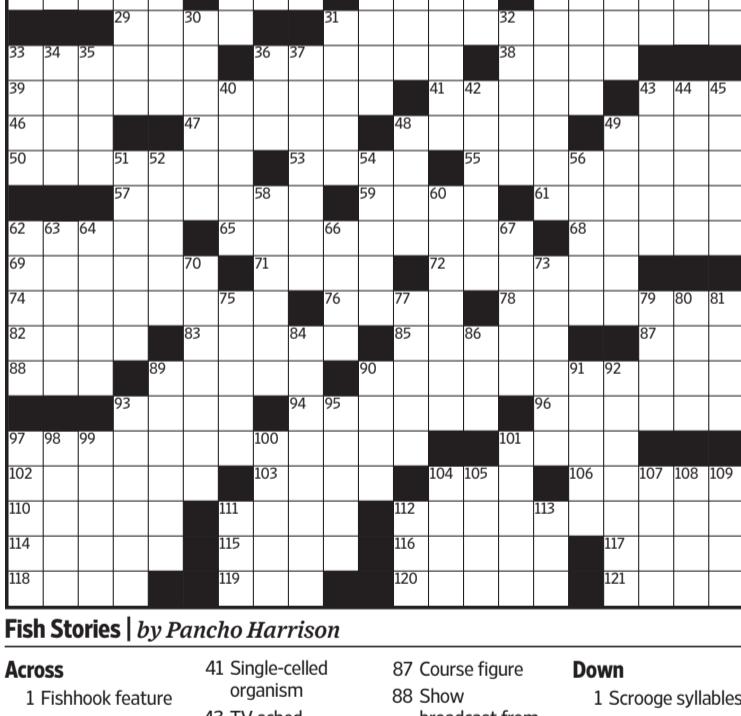
Marching Bands



Varsity Math

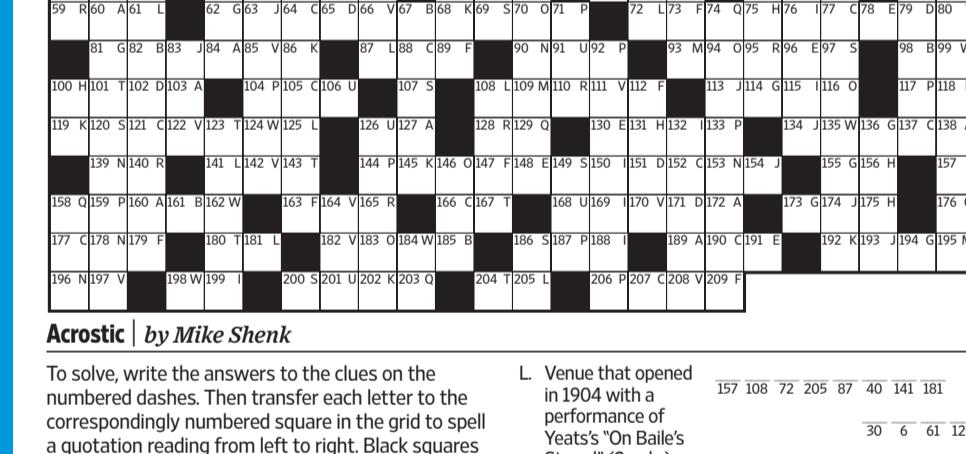
In Piece of Pi, "National Museum of Mathematics" is encoded in the decimal expansion of pi every 6.93×10^{59} digits or so. The solutions to Making 17 and 27 are 17 = $1 + 5^4$ and 27 = 9^5 .

THE JOURNAL WEEKEND PUZZLES Edited by Mike Shenk



Fish Stories | by Pancho Harrison

- Across**
- 1 Fishhook feature
 - 5 Tahir Square setting
 - 10 A/C measure
 - 13 Yves's eve
 - 17 Shaving cream ingredient
 - 18 Dandy's neckwear
 - 19 Black Hawk State Park setting
 - 20 Car company whose logo A represents calipers
 - 21 Lawyer's action based on scant evidence?
 - 23 Potter's need
 - 24 "Toodles!"
 - 25 Form letters?
 - 26 Mountain road shape
 - 27 Disapproving sounds
 - 28 Where Newt Gingrich earned his Ph.D.
 - 29 Believers
 - 31 Good advice to budding sonnet writers?
 - 33 Theater opening
 - 36 Unification Church member, informally
 - 38 Desires
 - 39 Attila catching some rays?
- Down**
- 41 Single-celled organism
 - 43 TV sched. notation
 - 46 "Shark Tank" carrier
 - 47 Has an adverse effect on
 - 48 Primary strategy
 - 49 Some nest eggs
 - 50 Editor, at times
 - 53 Vintner's prefix
 - 55 Dorm monitors?
 - 57 Quaint letter opener
 - 59 Genesis creator
 - 61 Small surgical knife
 - 62 Calypso's father
 - 65 Report of a Bigfoot sighting?
 - 68 New Princeton students of 1969
 - 69 1962 #1 song by Tommy Roe
 - 71 "The heat ___!"
 - 72 More drawn out
 - 74 Pen lights?
 - 76 Sch. with branches in Irvine and Berkeley
 - 78 Comes to town, cowboy-style
 - 82 Mesozoic and Paleozoic, for two
 - 83 Crop up
 - 85 Lay out some more green?
 - 87 Course figure
 - 88 Show broadcast from 30 Rock
 - 89 Lightning byproduct
 - 90 Employment office personnel?
 - 93 Pedal in place
 - 94 Words said with a salute
 - 96 Chopin pieces
 - 97 Boxing gyms?
 - 101 East Coast hwy.
 - 102 In need of a rubdown
 - 103 Terminal figs.
 - 104 Start for Terpsichore
 - 106 Rink jumps
 - 110 Paris divider
 - 111 Apollo astronaut Conrad
 - 112 Bucks spent on a beagle?
 - 114 Marathon warm-up runs
 - 115 First name in stunts
 - 116 Expenditures
 - 117 Tweety or Taz
 - 118 "Put a tiger in your tank" company
 - 119 A pop
 - 120 It couldn't be verse
 - 121 Being, to Ovid
 - 134 e.g.
 - 135 Env. inside an env., e.g.
 - 136 Home of les poissons
 - 137 Gradual assimilation
 - 138 Overly severe
 - 139 Maui "thank you"
 - 140 Fighting ender
 - 141 Howled
 - 142 Mgr's helpers
 - 143 Blake or Byron
 - 144 Disregard
 - 145 Net notes
 - 146 Car with no gas tank
 - 147 "Bye Bye" band
 - 148 Put some punch in, as punch
 - 149 Trail mix tidbit
 - 150 Exhibition area
 - 151 Poker target
 - 152 Honey locust feature
 - 153 Corporate department
 - 154 Debauchee
 - 155 Bankruptcy filer of 2001
 - 156 Jaw-dropping
 - 157 Short-lived Sally Field sitcom
 - 158 Plug feature
 - 159 Lincoln Center highlights
 - 160 Tater
 - 161 "Dies ___"
 - 162 Silent agreements
 - 163 Coastal creature
 - 164 "Sprechen ___ Deutsch?"
 - 165 Puts forward
 - 166 Dress edges
 - 167 Iron production
 - 168 Cervantes's idealist
 - 169 Snickered
 - 170 Trill from a hill
 - 171 Expeditions
 - 172 Slurpee alternatives
 - 173 Weeds out
 - 174 Caine's "Deathtrap" co-star
 - 175 Hierarchy levels
 - 176 See the sights
 - 177 Lot sight
 - 178 Grandson of Eve
 - 179 Midsummer babies
 - 180 Last word of a seasonal song
 - 181 Whoopi Goldberg voiced one in "The Lion King"
 - 182 Bounce
 - 183 Bounce
 - 184 Female fawn



Acrostic | by Mike Shenk

- To solve, write the answers to the clues on the numbered dashes. Then transfer each letter to the correspondingly numbered square in the grid to spell a quotation reading from left to right. Black squares separate words in the quotation. Work back and forth between the word list and the grid to complete the puzzle. When you're finished, the initial letters of the answers in the word list will spell the author's name and the source of the quotation.
- A.** Italian Renaissance artist nicknamed "Il Furioso" 172 160 84 138 43 103 60 21 189 127
- B.** Tap-dancing performed without taps (Hyph.) 185 118 98 24 161 82 49 67
- C.** 1859 Wilkie Collins book oft considered the first mystery novel (4 wds.) 166 177 207 25 88 64 105 137 77 5 121 190 17 53 152
- D.** Countless many 79 151 65 12 102 46 171
- E.** Gentleman thief in stories by E.W. Hornung 96 11 57 78 148 191 130
- F.** German word for "health" 51 147 209 89 112 8 163 73 33 179
- G.** 3,000-foot-high granite monolith overlooking Yosemite Valley (2 wds.) 15 36 62 155 114 136 81 194 173
- H.** Pulitzer-winning play whose main character is the stage manager (2 wds.) 131 75 47 175 100 9 156
- I.** Fictional character known variously as "Straight-Tongue," "Deerslayer" and "Hawkeye" (2 wds.) 199 169 188 76 48 37 31 132 150 2 115
- J.** Protium, deuterium and tritium, for hydrogen 83 113 174 154 63 134 193 27
- K.** Where you might be on the hot seat (2 wds.) 86 68 145 202 119 192 23 54 41
- L.** Venue that opened in 1904 with a performance of Yeats's "On Baile's Strand" (2 wds.) 157 108 72 205 87 40 141 181 30 6 61 125
- M.** Title detective chief inspector played by Idris Elba on BBC 44 195 32 10 93 109
- N.** Having only the upper part visible, in heraldry 139 90 18 38 178 153 196
- O.** Brand invented in 1918 at the Monroe Cheese Company 94 42 70 146 183 7 116 26
- P.** 1999 Kubrick film based on Arthur Schnitzler's "Traumnovelle" (3 wds.) 133 71 52 206 20 1 144 92 117 104 187 159
- Q.** From side to side 74 203 22 176 3 158 129
- R.** "Easy-peasy!" (2 wds.) 140 110 165 59 95 128 39
- S.** Fabric feature consisting of small repeated geometric designs (2 wds.) 45 149 28 186 97 200 120 107 14 69
- T.** Situation in which one is comfortably knowledgeable 101 180 13 29 80 204 167 50 143 123
- U.** Ancient Greek city whose residents are addressed in a New Testament book 91 168 201 58 106 35 126
- V.** 1990s song covered by Rascal Flatts on the "Cars" soundtrack (4 wds.) 66 170 34 208 4 182 19 122 142 85 55 111 164 197
- W.** Drugstore cowboy, e.g. 99 135 198 162 184 124 56 16
- Get the solutions** to this week's Journal Weekend Puzzles in next Saturday's Wall Street Journal. Solve crosswords and acrostics online, get pointers on solving cryptic puzzles and discuss all of the puzzles online at WSJ.com/Puzzles.

REVIEW



CLOCKWISE FROM TOP: BARBARA KRUGER/MARY BOONE GALLERY, NEW YORK; HIRSHHORN MUSEUM AND SCULPTURE GARDEN; JEFF KOONS



BARBARA KRUGER'S 'Untitled' (I shop therefore I am), from 1987, at top. Above left, Jeff Koons's 'New! New Too!' of 1983. Above right, Andy Warhol's 'Self-Portrait' of 1986. All will be on view at the Hirshhorn Museum and Sculpture Garden.

BY BRENDA CRONIN

ICONS A Decade of Hype and Tragedy

An exhibition shows how '80s artists dealt with AIDS and satirized and celebrated branding

MTV AND CNN came of age, the stock market soared and crashed, the AIDS crisis grew ever more frightening, and for artists of the 1980s, virtually nothing was off limits. An exhibit in Washington, D.C., "Brand New: Art and Commodity in the 1980s," displays these artists' scathing and sly commentaries on the decade.

For inspiration, artists like Jeff Koons and Barbara Kruger seized upon household appliances and commercial slogans as well as glamorous snippets from music and fashion.

"This generation of artists... really wanted to have a cool language for this decade that was so exciting and that was so different," says Gianni Jetzer, who organized the show, opening Feb. 14 at the Hirshhorn Museum and Sculpture Garden.

Mr. Jetzer, the Hirshhorn's curator-at-large, says that the ties among art, advertising and culture shifted after 1979. Before then, "people would invent a message to sell a product," he says. During the '80s, "it was all about selling the message" or brand, not just a specific product.

In the Hirshhorn exhibition, he includes the TV commercial for Apple's Macintosh computer that aired during the 1984 Super Bowl. Directed by Ridley Scott, who made "Blade Runner," the spot imagines the dystopian future of George Orwell's novel "1984." In the commercial, a hammer-toting athlete sprints past ranks of zombielike figures in thrall to an on-screen leader. The runner swings her hammer and lets it fly, smashing the screen. As the commercial ends, the announcer reassures viewers that with the advent of the Macintosh, "you'll see why 1984 won't be like 1984."

The ad attempts to "sell a computer by addressing several subjects," Mr. Jetzer says. "That was the beginning of selling computers with lifestyle" advertising, he adds.

The Hirshhorn show re-examines the decade through the lens of 68 individuals and groups. Some worked in New York City's East Village, then a scrappy hive of studios and short-lived artist-owned galleries. Many of the almost 150 pieces are on display for the first time together in a museum.

As new technology like cable TV ushered in a torrent of information and advertising, some artists responded with self-aware mimicry, as Andy Warhol had done with his 1960s soup cans. Jeff Koons's "New! New too!" lithograph billboard from 1983, when the artist was not yet 30 years old, could double as an ad for cocktails. The work portrays cans of ready-made drinks glistening on a bed of ice and lemon slices. For his 1979 piece "New Hoover Deluxe Rug Shampooer,"

Warhol's 1986 silk-screen self-portrait is also in the Hirshhorn exhibit, as well as a magazine ad from the same year, in which the white-wigged Svengali hawks the investment-advisory services of Wall Street powerhouse Drexel Burnham Lambert. In the ad, Warhol sits in front of his spectral self-portrait, atop the quote: "I thought I was too small for Drexel Burnham." The artist died in 1987, and the collapse of Drexel, a one-time junk-bond juggernaut that sought bankruptcy protection in 1990, marked the end of an era.

An Apple computer ad set the tone.

Mr. Koons housed a pristine carpet-cleaning appliance along with fluorescent lights in a clear case.

Others made their commentary more direct. During the 1980s, more artists turned to video as the technology improved. In a video of "Martha Rosler Reads 'Vogue,'" which the artist performed live in 1982, Ms. Rosler thumbs through an issue of the magazine for more than 25 minutes, musing critically about the grails of luxury and glamour portrayed in its pages.

Barbara Kruger, who turned 40 in the middle of the decade, also assailed the culture of ac-

quisition with her 1987 photographic silk-screen on vinyl of a hand holding what appears to be a sober white business card that reads in bright red type: "I shop therefore I am."

The cable TV revolution, with its multiplying channels, inspired works such as media artist Gretchen Bender's "Dumping Core." The 1984 work, which Ms. Bender labeled "electronic theater," consists of more than a dozen monitors blasting a jumble of sounds and images, including news footage and corporate logos.

"Brand New" flows chronologically from the early '80s, when a number of artists formed creative collectives. Within a few years, that youthful enterprise was followed by a drive for success, Mr. Jetzer says, when "making sales became OK."

Those twin drives—unfettered creativity and money—were shadowed, as the decade wore on, by the AIDS crisis. The exhibition includes the neon sign with a pink triangle above the words "Silence=Death," created by Act Up, an activist group, and Gran Fury, an art collective, in 1987.

Meanwhile, Warhol continued to devote himself to his personal brand. In previous decades, he had honed practices later adopted by some '80s-era artists, such as Mr. Koons. Warhol embraced consumerism and was a relentless marketer and producer, operating from a Manhattan base called the Factory. The show includes photos by Tom Warren of a 1984 performance in which Mike Bidlo and other artists dressed up to portray Warhol and members of the Factory scene.

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MASTERPIECE: 'A. LINCOLN & SON' (1864), BY ANTHONY BERGER

PRESIDENTIAL PARENTING

BY HAROLD HOLZER

ONE OF THE MOST beloved and influential photographs of Abraham Lincoln nearly went unseen by the public.

Like the photos that inspired his likenesses on the copper penny and the \$5 bill—taken the very same day—the pose of the 16th president and his youngest son, Tad, gazing at a large, implicitly inspiring book, now ranks among the greatest and most recognizable of Lincoln images, a symbol of his gentle parenting and love of learning. But the story of how it came to be made, and why it was originally suppressed, remains largely unknown.

Lincoln was three days shy of his 55th birthday when he strolled from the White House to Mathew Brady's nearby studio for the Feb. 9, 1864, sitting. Brady himself was away supervising battlefield coverage. Filling in was gallery manager Anthony Berger, who took six Lincoln portraits that afternoon, among them one full-length, three seated, and the close-up profile destined to adorn the one-cent coin. Most became famous quickly: Brady's reproduced them by the thousands.

Yet Lincoln had posed there only four weeks earlier, and the resulting pictures were already on sale. So what made his Feb. 9 return so urgent and the yield so spectacular? Both answers lie with artist Francis B. Carpenter. He had just begun painting a canvas depicting Lincoln reading the draft Emancipation Proclamation to his Cabinet. Though granted wide access, Carpenter found his subject elusive. He suggested new photographs as supplementary models.

On Feb. 9, Carpenter accompanied Lincoln and Tad to Brady's. And judging from the stellar results, he posed his subjects there himself. Therein lies the crucial difference between these and the unremarkable portraits produced at earlier Lincoln sittings: They were arranged by an artist.

Yet alone among the icons created that day, the extraordinary father-and-son portrait did not immediately reach the public. Hoping to burnish Lincoln's private as well as public image, Carpenter wanted first to use it as the model for a second painting. "The President never looked grander in my sight," the artist quoted a White House visitor, "than...with a book open before him" and "little Tad beside him." The pose Carpenter staged at Brady's re-created this description.

Lincoln sits in profile in a throne-like chair, a large, brass-clasped book open on his lap. That it was an oversized sample album of Brady pictures did not matter; with a little retouching it would look generic. (For his part, "Honest Abe" worried to journalist Noah Brooks that the prop might be mistaken for a Bible and the pose regarded as "a species of false pretense.")

Lincoln wears his wire-rimmed spectacles, just as he might to read a printed volume. The usually rambunctious Tad leans over him, seemingly transfixed by the book. (Plagued with learning disabilities, as Brooks testified, Tad ironically "abhorred...books and study.") Dressed in a black suit with a gold watch chain, the boy looks like a miniature version of the president, a reverential son emulating a doting parent. Contrived or not, no more touchingly informal portrait had ever been taken before of an American leader.

Surely its commercial potential was immediately understood. The president intended to run that year for a second term. Such a sympathetic portrait might soften his prevailing reputation. Here was anything but the Lincoln his critics viewed as a tyrant.

Yet Carpenter apparently convinced Brady's that this pose was his alone, although the crude little painting he ultimately created from it was never exhibited. (It is now in the White House collection.) At least Lincoln received his own copies of the photo, which he charmingly inscribed: "A. Lincoln & Son." Only after the president's assassination in April 1865, with customers clamoring for fresh images of their martyred leader, did Brady finally release the image publicly. On May 6, a woodcut copy appeared on the cover of Harper's Weekly. It created a sensation.

Brady promptly mass-produced it, and judging from the countless surviving copies (and piracies), it proved wildly popular. Engravers and lithographers adapted it for display prints, sometimes superimposing Lincoln's wife and older sons. The evocative titles on such prints confirm their suggestive power: "President Lincoln and Family Circle," "Lincoln at Home," "Abraham Lincoln as a Father," and in one case, as deceptively as its subject once feared, "President Lincoln Reading the Bible to His Son Tad." A century later, the still-evocative original reappeared on a postage stamp commemorating "A Nation of Readers."

Just as Lincoln never earned the image amelioration the picture might have generated during an election year, Carpenter never earned the recognition he deserved for devising it. Once published in Harper's, it became fair game for all image-makers. By the time the methodical Carpenter got around to producing a Lincoln Family canvas of his own, the president had been dead two years and the market for such groupings glutted. His new painting earned Carpenter only \$500 (half his usual price), not the acclaim he merited for inspiring one of the most ubiquitous and influential of Lincoln images—and surely the most endearing.

Mr. Holzer, director of the Roosevelt House Public Policy Institute at Hunter College, is the Lincoln Prize-winning author of many books on Civil War-era art, photography and iconography.



THE ARTIST
Francis B.
Carpenter
helped stage
the singularly
touching,
informal
portrait of
the American
leader.

LIBRARY OF CONGRESS

Those snobs
who shun milk
chocolate? We
 pity them

DS



OFF DUTY



Lettie Teague's
top wine choice:
Chablis and its
reliable joys

D4

EATING | DRINKING | STYLE | FASHION | DESIGN | DECORATING | ADVENTURE | TRAVEL | GEAR | GADGETS

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THE WALL STREET JOURNAL.

Saturday/Sunday, February 10 - 11, 2018 | D1



DANIEL CLAVERO FOR THE WALL STREET JOURNAL, HAIR BY MATTHEW TUOZZOLI, MAKEUP BY AYA KOMATSU, MODELS: KARINE BRIBIECA/FUSION & MAGALI BUHRMANN/APM, SET DESIGN BY JARED LAWTON PRODUCTION DESIGN

THE WHOLE PACKAGE Conspicuous branding can impart status—an idea that informed Versace's spring collection—but do you want to be a stylish product? See shopping credits on D2.

Logo For It?

Fashion logos are back, but wearing them indiscriminately can hurt your personal brand. A smart woman's guide

BY RORY SATRAN

I ENJOY SHOPPING ALONE, but I'm never truly alone. Inside my head, a chorus of critics—ranging from my accountant to Trinny and Susannah from the original British version of "What Not to Wear"—tends to weigh in on potential purchases. A few seasons back, it was my mother's voice that piped up as I stood in the downtown Manhattan Balenciaga store, transfixed by a preppy-ish denim tote emblazoned with a retro-looking logo. "How tacky!" she said. "You don't want to be a walking billboard." In my childhood, she'd barred me from wearing logos and, as an adult, I found them kind of distasteful myself. Yet recently I've been inexplicably drawn to conspicuously branded fashion: shoes with Chanel's interlocking Cs, Supreme baseball caps, Gucci sweaters. Why, as a rational, frugal, navy-clad mom myself, am I suddenly struck with an embarrassing case of logo fever?

Judging from the spring runways, designers are simi-

larly infected. Alessandro Michele for Gucci and Demna Gvasalia for Balenciaga (the brain behind that magic tote) have kick-started traditional luxury houses by creatively remixing the brands' design codes, including logos. Mr. Gvasalia's efforts are particularly thorough: This season, you can buy "Balenciaga"-stamped scrunchies and pool slides. A stroll through a department store or a scroll through an e-commerce site might also reveal '90s-style "Versace"-printed T-shirts or checkerboard outfits stitched at the edges with "Christian Dior." JW. Anderson has even made a (hopefully) tongue-in-cheek logo doormat to wipe your Gucci loafers on.

This logo frenzy can stoke desire: If you like what a label represents, you might find its branding and even its shopping bags appealing. But what does it mean to brandish a brand name in 2018? Is it possible to play with logo fashion

Please turn to page D2

[INSIDE]



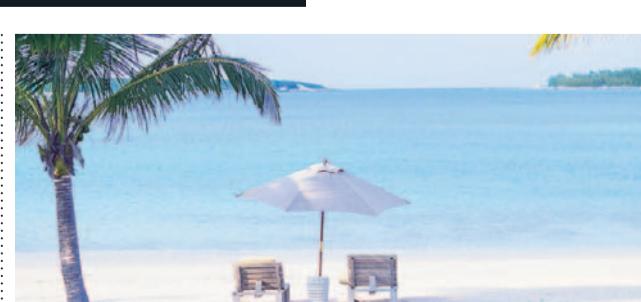
OUT, DAMNED SPOT!

Sneaker-cleaning tips from the pros D3



SHOW SOME SPINE

Four chic ways for book lovers to display their collections D6



THE UNDERACHIEVERS' HOLIDAY

Some love a do-nothing beach vacation. Others view it with dread. Let the debate begin D8



A TAMER JAGUAR

Dan Neil on the brand's first foray into practical, smaller crossovers D11

STYLE & FASHION

I'M WITH THE BRAND

Continued from page D1

without looking like a status-hungry follower?

Asking for a friend, of course...

According to Paola Antonelli, who curated the recent "Is Fashion Modern?" show for New York's Museum of Modern Art, logo fashion can be traced back centuries to the tradition of sewing one's initials into a handkerchief. "Monograms and brand logos have always had currency as a way to flaunt status and allegiance, taste and style," she said. Lots happened between the personalized hankie and the first wave of logomania, which peaked in my view in 1996, when Aaliyah popularized head-to-toe Tommy Hilfiger-branded gear and Chanel sent a teeny-weeny logo-printed bikini down the runway (its logo-to-fabric ratio was 1-to-1).

Today's logo fashion can be inventive: Heritage logos from the archives are dusted off or signature typography playfully reconfigured. "When we saw it in the '80s and '90s, logos were more of a status item. It was about luxury and branding," said Marina Larroudé, fashion director at Barneys New York. "Now, logos have a street tone that makes them youthful and approachable." Pieces printed with "Balenciaga" in the typography of the Bernie Sanders campaign are certainly youthful. But does that kind of ironic wink have a place in a considered, adult wardrobe?

Like any style decision, to logo or not to logo is deeply personal. Some people shun the consumerism of wearing them. Others legitimately enjoy feeling like they're part of a fashion tribe. Still others just fall for the elegance of a certain font or join the party without overthinking it. The Los Angeles designer Jeremy Scott exuberantly layers on logos for his eponymous label, for his collaborations with Adidas, and for Moschino, where he is creative director. He told me they align with his philosophy of fashion, which is: If something "excites you and you put it on and you think, 'I look good,' then guess what? You look good."

When I met with stylist Carlyne Cerf de Dudzeele, who often works with Mr. Scott, she wore her signature pileup of logos and "CCD" monograms. "Why logos?" I asked her. "Because j'adore ça," she replied.



Tote Bag, \$1,650, Dress, \$2,600, and Bracelets, \$250 for a set of two, Dior 800-929-3467

("J'adore" is her catchphrase, and the name of her YouTube show.) When pressed on how your average, insecure woman—say, me—could integrate logos into her wardrobe, she paused. "It depends on the way you put everything together, so you don't look ridiculous," she said.

Not looking ridiculous depends on how in-your-face one's logos are. Ms. Cerf de Dudzeele admits she's never worked at an office, so she can logo up. But for women

working in more rigid environments, an unmistakable logo could spell trouble. Mary Beth Maloney, 41, is a corporate litigator in New York. While she loves fashion, she told me she'd never wear such a logo. "I just think that if I advertise something I should be paid for it" said Ms. Maloney, who must be in cahoots with my mother. In court, she's cautious about what she projects: "You don't want anything that too aggressively calls attention to what you're wearing, be-

Stealth Logos

Some brands communicate with a very expensive version of the secret handshake—

furtive yet recognizable visual symbols



The white Margiela stitches delineate a fashionable void.



Thom Browne uses grosgrain to underline his work.



Few women are immune to the red soles of Louboutins.

cause I think it's unnecessarily distracting and not productive to your image."

Majora Carter, 51, a Bronx-based real-estate developer, would agree. "I'm essentially trying to raise millions of dollars, and I'm not a white guy in a hoodie trying to run a tech company, talking to venture capitalists," said Ms. Carter. "It is different for women and women of color. It's hard to even get in the room." The last thing she wants people looking at, she said, is any logos she's sporting. She'd rather they focus on the ideas she's presenting. Which is not to say that Ms. Carter's style is low-profile: She wears her hair in an Afro and favors "big chunky jewelry." Not to mention a belt buckle that features a more personal logo—it reads "Majora."

The closest thing Ms. Maloney has to a logo item is a bag from Mansur Gavriel, a Manhattan label known for its refined, simple handbags. Its logo is the brand's name spelled out in tiny gold letters, luxurious enough to telegraph quality but discreet enough to let the woman wearing it take charge. "I will tell you, among female litigators, that's been a popular bag," said Ms. Maloney.

If you decide to wear a logo, don't let it wear you. Choose classic pieces like an Hermès scarf or a Comme des Garçons "Play" sweater, or ones that seamlessly integrate a label's graphics, like Thom Browne's covert tri-color ribbon details (see "Stealth Logos"). Balance a branded item with neutral pieces that assert your sense of independence. Victoria Beckham recently stepped out in Adidas track pants paired with a tailored black coat, and looked phenomenal.

What was cool about Ms. Beckham's approach was the mix of high and low, the deft use of symbols that showed good style is democratic. While I ultimately loved that denim Balenciaga bag enough to spend hard-earned money on it, the idea that I was obviously pledging allegiance to an elite club never sat quite right with me. This season, my mom will be relieved to hear that I won't be buying any logo items. But I will be scouring eBay for my latest obsession: vintage Marimekko prints that are signatures of the Finnish brand. Wait: Do those count?

THE SUBTLE SET // FIVE LOGO ITEMS THAT EMBRACE THE TREND DISCREETLY, EVEN CLASSICALLY

The Ultra-Traditional Logo Scarf. \$395, hermes.comThe Vintage-y Logo Jacket. \$1,250, courreges.com

The Typographically Elegant Logo Clutch. \$1,950, Saint Laurent by Anthony Vaccarello, 212-980-2970



The Fashion Fan's Logo Flats. \$750, Chanel, 800-550-0005



ON THE COVER From left: T-shirt, \$350, Belt, \$550, and Bag, \$1,825, Versace, 212-317-0224; Jeans, \$290, Isabel Marant Étoile, 212-249-2019; Heart Necklace, \$195, lizziefortunato.com; Beaded Necklace, \$6,850, and Beaded Bracelet, \$1,975, Chanel, 800-550-0005; Gold Rolling Bracelet, \$14,000, and Pearl Cuff, \$49,500, Sidney Garber, 212-274-1111; T-shirt, \$350, Jeans, \$995, Belt, \$725, and Bag, \$1,825, Versace, 212-317-0224; Heart Necklace, \$195, lizziefortunato.com; Beaded Necklace, \$3,400, and Beaded Bracelet, \$2,850, Chanel, 800-550-0005; Gold Rolling Bracelet, \$16,000, and Pearl Cuff, \$49,500, Sidney Garber, 212-274-1111. Fashion Editor: Rebecca Malinsky



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STYLE & FASHION



F. MARTIN RAININ/THE WALL STREET JOURNAL, ILLUSTRATION BY JOSH MCKENNA

Grime Management

Ensure your sneakers are always pristine with the new wave of at-home cleaning products

BY MICHAEL B. DOUGHERTY

REMEMBER when you would purposefully scuff up your brand-new sneakers before wearing them to school? Neal Heard, the Wales-based brand consultant and author of "Trainers," waxed nostalgic about those days. "When I used to buy shoes in 1984 or '85, the first thing I'd do is go out to the sidewalk and dust them up," said Mr. Heard, who still prefers his sneakers less than immaculate.

Most of us, however, disdain a ratty, stained look. Sneakers have transcended their schoolyard roots to become thoughtfully designed shoes you can wear almost everywhere (including the office, if you're a "disruptive" type). And they can even be collectors' items: The online marketplace StockX charts sneakers' values on a ticker.

The ascension of the sneaker to relative holiness has created a market for a new wave of premium cleaners. Sneaker buffs can get nearly pathological about keeping their precious pairs spotless, but non-collectors want presentable shoes, too. Even the occasional gym-goer with one pair of worn running shoes or the guy who slips leather sneakers into his casual-Friday work look can benefit from the



Pink Miracle

A sneakerhead favorite, this effective liquid cleaner predicated the new wave of products. It has offered good cleaning power since 1985.

Cleaner and Brush, \$16, amazon.com



Crep Protect Wipes

Think of them like a Tide pen: great for emergencies, but you'll still need to do a deep clean for more persistent stains. Great on canvas.

Cleaning Wipes, \$10, crepprotect.com



Jason Markk Ready-To-Use Foam

Easier to use than a liquid—you simply pump and scrub—it's best for moderate cleaning.

Foam, \$16, and Microfiber Towel, \$10, jasonmarkk.com

synthetic mesh Nike Free RN kicks and proclaimed it a "seven out of 10. Hands-down better than the Foot Locker product."

To clean sneakers effectively at home, use the same basic process for sneakers of any material. Begin by removing the laces and giving the shoes a vigorous brushing to remove any dust or loose dirt. Then select your product of choice: a liquid for a deep cleaning, a foam for a moderate one or wipes for a quick touch-up.

For a thorough cleaning session with a liquid cleaner, you'll want a basin filled with water, a stiff brush, a microfiber towel or old T-shirt and some room, as things can get a bit messy. Dunk your brush into the water, apply some liquid cleaner to it and work up a healthy lather. Start with the midsole, which rims the lower part of the shoe, the part most susceptible to scuffs and muck. Next, move on to the uppers. Remember to frequently rinse the brush and reapply the cleaner. When you're satisfied, gently wipe the sneakers down with the soft cloth and allow them to dry away from heat. Return the laces and you're good to go.

If the sneaker cleaning process sounds too arduous, you might want to consider an unlikely trend that showed up on the Balenciaga and Gucci runways recently: purposefully dirty sneakers.

Van Cleef & Arpels

Haute Joaillerie, place Vendôme since 1906



Alhambra Vintage necklaces
yellow gold,
mother-of-pearl and carnelian.

EATING & DRINKING

ON WINE LETTIE TEAGUE



Why Chablis Is My Go-To White Wine

WHEN ASKED TO NAME my favorite wine, I usually reply: "The one I'm drinking right now." There is, however, a wine I drink more often than any other, one that accounts for a large part of my cellar, that is my "safety" selection when dining out. That wine is Chablis.

Produced in France, in the northernmost Burgundy region of the same name, Chablis is truly unique. Made from the Chardonnay grape, it doesn't taste like any other Chardonnay in the world. Words like "steely," "flinty" and "mineral" typically describe Chablis; "crisp" and "bright" characterize its acidity. In short, it's a joy to drink.

Chablis owes its distinctive flavor profile partly to the winemaking method: The wines are rarely aged in oak, so their character shines through. The region's cool climate plays a part, too, as does its distinctive Kimmeridgian soil—the same chalky white stuff visible on the English side of the Channel as the white cliffs of Dover.

Confusingly, the Chablis name has been co-opted by producers in other parts of the world whose wines have nothing to do with Chablis or France or even the Chardonnay grape. They were at liberty to do so until 2005, when EU regulators banned the use of the Chablis name by non-native winemakers. But the law did not cover wineries that had been taking the name in vain prior to passage of the law, so some so-called "Chablis" is still made in non-Chablis places.

Understanding the place where it's made is actually crucial to understanding this wine. The chalky soil, a mixture of limestone and clay, contains fossilized shells from thousands of years ago when the region was under water. Chablis has some of the most beautiful soil I've ever seen—though its weather could definitely be better. The far-north location makes the region vulnerable to frost. Until Chablis producers found ways to fight back with oil and wax heaters placed in vineyards, a severe frost could effectively destroy an entire crop; a sustained one can still take a toll.



producers like Domaine William Fèvre and Domaine Billaud-Simon, as well as new talent like Patrick Piuze and Thomas Pico (Domaine Pattes Loup) and Romain Collet of Domaine Romain Collet. Mr. Piuze has been making Chablis under his own label for 10 years, at some very fair prices, and has attracted a cult following.

The wines ranged from lean and racy to rich and full-bodied. At the racier end, the 2016 Robert Gouley Chablis was bright, lively and reasonably priced at \$16. A step up in substance and complexity, but in a similar style, the 2016 Gilbert Picq et ses Fils Chablis (\$19) and the 2016 Patrick Piuze Terroir de Chablis (\$25) were both marked by vibrant, almost electric acidity and a firm mineral edge.

Other wines were rounder and lusher, including the easy drinking and delicious 2015 Drouhin Vaudon Chablis (\$19), the 2015 Domaine Christian Moreau Chablis (\$25) and the 2016 William Fèvre Champs Royaux Chablis (\$22), whose finish had a decidedly saline note. The 2015 Domaine Romain Collet Chablis Les Pargues (\$25) was pure elegance, with a mineral note and a silken texture. Lush still, the 2014 Domaine Billaud-Simon Tête d'Or (\$25), produced from select parcels, was unlike most similarly priced peers, aged partly in oak barrels, some of them new.

A few of my favorites among the pricier selections included the 2015 Gilbert Picq et ses Fils Vosgros (\$33), a rich, earthy premier cru wine with a tangy finish, and the crisp, almost flinty 2014 Domaine Pattes Loup Vent d'Ange (\$40), as well as the 2015 Isabelle et Denis Pommier Fourchaume Chablis (\$33), a premier cru wine from a highly regarded organic producer. Aged in both stainless steel and oak, it's a notably lush, almost fruity wine.

There are certainly many places where it's easier to make wine, but no place can match Chablis for its bright, edgy, often brilliant take on Chardonnay.

► Email Lettie at wine@wsj.com.

OENOFILE // EXCELLENT-VALUE CHABLIS, FROM RACY TO LUSH AND BASIC TO PREMIER CRU



2016 Gilbert Picq et ses Fils Chablis \$19

This bright and lively wine from young superstar winemaker Didier Picq is produced from a collection of hillside parcels in the commune of Chichée, just south of the town of Chablis, and fermented in stainless steel tanks.



2015 Drouhin Vaudon Chablis \$19

The Drouhin family is famous for the many grand and premier cru wines they produce in Burgundy's Côte-d'Or. But they also turn out terrific wines in Chablis, such as this lush white marked by a firm mineral edge.



2015 Domaine Romain Collet Chablis Les Pargues \$25

Winemaker Romain produced his first vintage in 2009, when he was only 23 years old. He's a quick study, judging by this elegant, nuanced wine marked by a saline note in the finish—pure Chablis.



2016 Patrick Piuze Terroir de Chablis \$25

Former Montreal sommelier Patrick Piuze became a top winemaker in Chablis in less than a decade with wonderfully taut, mineral wines like this single-vineyard one aged half in stainless steel, half in neutral oak.



2015 Isabelle et Denis Pommier Fourchaume Chablis \$33

The Pommiers, a husband and wife team, make a range of organic wines, from sprightly Petit Chablis to complex premier cru such as this rich, textured one from the highly regarded Fourchaume vineyard.

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Chloé

EATING & DRINKING

IN MY KITCHEN

Ruby Tandoh

The author and 'Great British Bake Off' contender sounds off on fad diets, 'macho food' and dinner-party anxiety

DIGGING INTO Ruby Tandoh's new book, "Eat Up: Food, Appetite and Eating What You Want" (Serpent's Tail), can be downright cathartic. As a 20-year-old contestant on "The Great British Bake Off," Ms. Tandoh made a name for herself with a creative approach to ingredients and a penchant for being her own harshest critic. Now 25, the author of two other books and co-editor of the zine "Do What You Want," she is unapologetic in her views on culinary matters. As frank about her affection for fast food as she is about her struggles with an eating disorder, in "Eat Up" she delivers a decisive wallop to "clean eating" and other fad diets. "To hell with toeing the line," she writes, inviting us to reclaim pleasure, connection and comfort in eating.

We caught up with Ms. Tandoh at home in Sheffield, England, in the kitchen she shares with her partner, Leah Pritchard. She mused on the impact "The Great British Bake Off" has had on her life. "If I hadn't entered, I don't know where I would be now," she said. "But I probably would have still gone into cooking. I love being in a kitchen."

I became interested in cooking when: I went away to university. I was so bored and not good at going out and partying. Staying home and baking cakes became a perfect distraction.

On weeknights, I often cook: groundnut soup, a Ghanaian dish. My granddad was from Ghana, and I learned to cook this after he died. It's peanut butter, Scotch bonnet chiles, ginger, garlic, tomato paste and spices. So comforting, thick and velvety.

On weekends, I like to cook: chicken. Recently, my girlfriend started eating



FULLY BAKED Ms. Tandoh (and a bowl of her favorite wintertime snack) at home in Sheffield, England. Below: her cookbook shelf.

meat again after being vegetarian for ages. We've gotten into the habit of buying a chicken every week. Last weekend, we made a chicken recipe with loads of spices by Sabrina Ghayour, a wonderful Iranian chef. It was amazing.

When I entertain, I like to: get everything done beforehand. I am very guilty of being socially nervous, hiding in the kitchen and immersing myself in cooking while everyone is waiting for their food. For everyone's sake, I have to get everything completely ready so that I can actually be present.

The most underrated ingredient is: milk. So often, it's considered just a base to other things, but the flavor of milk is so delicious.

The ingredient I'm most excited about right now is: sugar. I'm having a bit of a revival with ingredients that are quite familiar to me. I was reading an article by [cookbook author] Stella Parks about roasting sugar slowly in the oven. It takes on the caramel flavor without actually liquefying the sugar.

My favorite cooking technique is: steaming—right now, anyway. I've

been making little dumplings, steaming fish a lot and steaming vegetables. I put it off for a long time because it felt like the healthy thing to do, which I pushed back against. But when I get a perfectly plump little dumpling out of the steamer, it is such a treat.

The pan I reach for most is: one similar to a milk pan, made of stainless steel. I found it in a charity shop and it cost one pound. I use it for everything. It's amazing for rice, just thick enough that it doesn't burn, but thin enough that if I'm lucky I get that slight crust of just-toasted rice on the bottom. If I lost it, I'd be heartbroken.

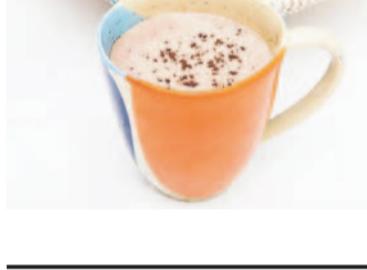
The kitchen tools I can't live without are: my mortar and pestle. For a long time I didn't have a spice grinder, so it was my go-to. Another thing I absolutely love is a heavy bowl. A proper heavy mixing bowl—a ceramic or a glass one—is ideal. I obviously do loads

of baking. If you have a plastic bowl, it bends and doesn't work properly.

A food trend I am totally over is: macho stuff. It happens with so many things. Suddenly guys want credit for reviving the art of baking, and something historically feminized and devalued is rebranded as masculine and artful. It's just the damned seriousness of it—turning joyful cooking and consuming into something showy.

My approach to cooking is a lot like my approach to: climbing. There's a climbing wall close to where I live, and there are times when I'm half-way up the wall and I absolutely do not know where I am going, so I just grab the nearest hold and go. That's pretty much me in the kitchen. Grab whatever's at hand and sometimes you make a bit of a mess of it.

—Edited from an interview by Eleanore Park



Clementine Hot Cocoa

"At this time of year, my favorite thing to eat are little oranges," said Ms. Tandoh. "This is a great way to use up those leftover peels from all the fruit."

TOTAL TIME: 5 minutes SERVES: 1

In a small saucepan, heat **1½ cups whole milk with peel from 1 clementine** until scalding hot. Meanwhile, stir

together **1½ teaspoons cocoa powder, 2 teaspoons sugar, ¼ teaspoon ground cinnamon and a pinch of chile powder** in a mug. Once milk is just shy of boiling, discard peel. Pour a small amount of milk into mug, stirring with cocoa mixture to form a paste. Gradually add remaining milk, stirring continuously. Enjoy straight away—with shortbread cookies, if you have any.

BITE-SIZE DIATRIBE



THE MILKY WAY IS WAY MORE FUN

If you turn your nose up at anything under 70% cacao, get over yourself. Milk chocolate is smooth, mellow, easy to love and blissfully free of sanctimony

WHEN DID MILK CHOCOLATE become the pariah of the chocolate world? I'd like to know. Because somewhere between dark chocolate being deemed "a terrific source of antioxidants" and fashion dictating that we fixate on the percentage, origin and purity of the cacao—scrutinized all the way from bean to bar—it's grown really uncool to like milk chocolate. So, do we not like candy anymore? Do we not like puppies? When chocolate became the domain of connoisseurs, it stopped being fun. Milk chocolate is fun. Its sole goal is to make your mouth happy. It's like the golden retriever of foods: uncomplicated, comfort-

ing, eager to please. I like milk chocolate. It's a confection. It's sweet and, yes, it's milky. There are no tannins. It's not meant to be analyzed, just enjoyed. Dark-chocolate partisans can cling to their holier-than-thou embrace of the bitter, but I am not throwing milk chocolate under the bus, and neither should you. Unless you want to stop eating your kids' Halloween candy, getting Milk Duds at the movies or, fine, indulging in bean-to-bar versions of milk chocolate (often re-dubbed something like "dark milk" to skirt the stigma). What are these single-origin snobs trying to prove?

—Gabriella Gershenson

BEAUTY BAR Light, Fantastic

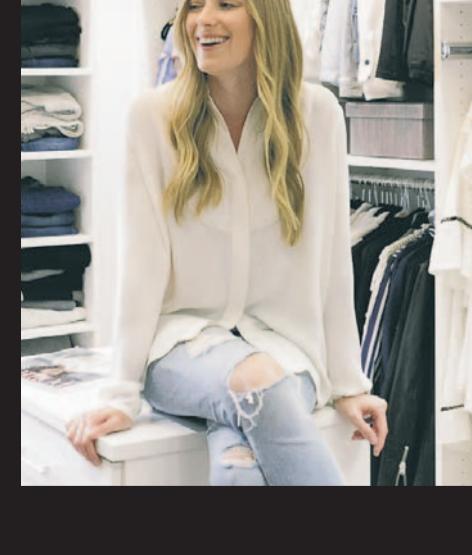
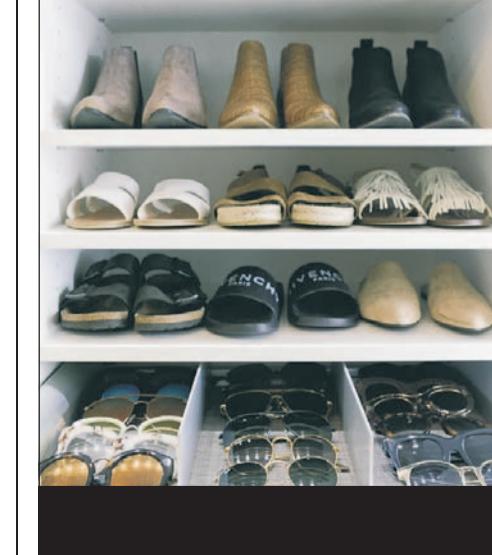
When I brought home Valrhona's Caramélia 36% With Crunchy Pearls (shown above), I ate one section of the bar, then another, then nearly pol-

ished the whole thing off. It would have been easy—the chocolate is smooth, milky and rich with cooked-sugar flavor, as its name suggests. The little "pearls" of puffed cereal lend a delightful texture. Unlike super-

intense dark chocolate, it's not some tannic, winey flavor bomb. There's not much more to say, because it's not that complicated! Which is how milk chocolate should be. \$8.25, valrhona-chocolate.com

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DESIGN & DECORATING

The Importance of Shelf Esteem

Four design ideas for storing and displaying your books that give your library the veneration it deserves

BY KATHRYN O'SHEA-EVANS

NOT SURPRISINGLY, the more we turn to yet another dull screen to e-read a book, the prettier real volumes and bookshelves become. "The rise of the Kindle, and the e-book generally, increasingly signals the death of pulpy paperbacks, but it opens up more of a space for the book as attractive object," said Damian Thompson, an editor at the World of Interiors magazine and author of the recently rereleased "Books Make a Home" (Ryland Peters & Small). "That means books will become more expensive, more niche, but enhanced as decorative objects."

It's no longer considered cute and literary to stack your tomes like the Collyer brothers—those infa-

mous hoarder siblings of 1940s Harlem—not when artful bookshelves beckon. Take the PLY3, a hanging oak shelf inspired by the work of brutalist Belgian architect Julian Lampens (See "One for the Books"). "In a sense it's a mini piece of architecture, creating a space within a space," said codesigner Joel Muggleton. "It's about display rather than storage."

But get too precious about using your books as design devices and you risk—as Mr. Thompson put it—advertising your vapidity: "I don't like anything where the balance shifts too far from the book's central function to treating it as a wholly decorative object." His book charts dozens of chic ways to take libraries big and small to the next chapter and celebrate reading. In short, how to revisit the printed word as home-entertainment center, no electricity necessary.



▲ Eat your words

The dining area-turned-library shown in this Somerset, England, home is perhaps the easiest design solution here—if you have a table and chairs, you're halfway to your own mini-version of the New York Public Library's reading room. Just swap a breakfast's neglected dishes with books, and you've created a focal point that can change the whole tenor of the room. "Books make a space convivial, which is how you want to feel when you're breaking bread with people," Mr. Thompson said. In a kitchen itself, use a cabinet with glass-front doors to protect spines from errant splatters and spills.



▲ Angle for readers

"Publishers put such a lot of thought into covers because [the cover is] the number-one sales tool," Mr. Thompson said. The slanted narrow-ledge shelving in this London home presents a collection the way a book retailer might, inviting perusal by keeping the more interesting, conversation-inspiring volumes at eye level. "We're in the process of designing a bookshelf for front-facing books, where the cover art is a bit more celebrated, highlighted like a painting or a photograph," said Joel Muggleton, a furniture designer for Listen Studio in London. "It's like having a select few books out on the coffee table that show a particular interest in your collection."

Push the margins ▶

Thomas Jefferson's library at Monticello once held 6,000 books, but few readers have the capacity for that. "Sometimes you have to exploit all the slivers of real estate you can: corridors, loos, the ziggurat-like space under or on stairs," Mr. Thompson said. This London resident utilized an entire wall—including the oft-neglected tract above the door—for shelves, leaving a one-off alcove, minimally adorned, to thwart monotony. "Involving an architect is almost always going to produce the most elegant results," Mr. Thompson said, though it's possible to DIY a decent built-in with multiple IKEA Billy bookcases, wood molding and a good drill.

◀ Give them a rest

Tucked under the eaves of a Litchfield County, Conn., bedroom, this built-in bookshelf created a sweeping panorama of spines, a look that anchors the exposed-beam architecture (and undoubtedly spurs bedtime reading). "A normal rectilinear bookcase under a slanted ceiling will always feel like a visual compromise, whereas this is so clean and self-contained," said Mr. Thompson, who's a big fan of built-in accommodations for books. When your library is part and parcel with the lines of your home, it "subliminally suggests that the literary life is so important to you that you have built your books into the very design of your house: first principles."



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THE SPINELESS LIBRARY // TRENDS THAT TELEGRAPH 'I DON'T READ'

DON'T turn the bindings to the wall.

This horrendous fad is a misguided bid to reduce visual noise. "In not being able to find anything, you're advertising your lack of interest in the books as books," said Mr. Thompson, who organizes his nonfiction by general topic and fiction alphabetically by author.



DON'T fake it. Avoid lining your den with gilded fauxique books you've never actually cracked. "I can't abide book snobs, the kind who buy Moroccan leather-bound tomes by the yard to make their library look 'tony,'" Mr. Thompson said.

DON'T force a rainbow. Organizing books by hue captivated the Instagram #shelfie community, but the look's now as oversharable as derrières.

DON'T swaddle. It's suspicious to wrap every one of your volumes in swanky marbleized paper. Exactly how many copies of Dan Brown and the Fifty Shades series are you hiding?

ADVENTURE & TRAVEL

BY TARA ISABELLA BURTON

I WILL BE A WRITER when I grow up." I'd found those words messily printed on stray piece of hotel stationery stashed in my grandmother's cabinet just after she died. I was 8 when I'd written them in September 1999, the year my mother and I had joined my grandmother at Mohonk Mountain House, just outside New Paltz, N.Y., to celebrate my grandmother's 75th birthday. We'd stayed in one of the Gilded Age-era resort's tower rooms overlooking the lake. My mother and I had scrambled to the top of the Labyrinth rock path—40 minutes of climbing up ladders affixed to rock walls and skirting around sheer drops—while my grandmother took her afternoon tea in indulgent simplicity on the lakeside terrace.

I'd developed a childish devotion to the children's camp counselor, a lanky and dynamic blonde 20-something named Kimberley who took her wards on sloping walks past the stables, into the darkness of the fir-lined trails. The character of Kimberley recurred in several of the two-page-long "novels" I produced that year, embarking on various adventures in perilous forests.

I'd fallen in love with Mohonk then. With its sprawling, seemingly senseless architecture, built between 1879 and 1910, it looked like a mashup

Six stories up, I heard the wind howl savagely until dawn.

of a Neo-Gothic castle, a ski lodge and a garden folly. It was, I remembered, so easy to get lost in the hotel, meandering down Victorian hallways and through wood-paneled lounges to the resort's 259 rooms.

I framed that piece of paper after my grandmother's death: kept it on my desk in New York City to remind myself of my childhood self's fanatical surety. And when, last year, I came close to finishing a novel I'd been working on, on and off, for years, I decided to finish it at Mohonk.

There is a famous line in Daphne du Maurier's "Rebecca," a book that is as much about memory as it is about Manderley, another



LOOKS LIKE SNOW Walking along Lake Mohonk beside Mohonk Mountain House; the 1,325-acre property encompasses 85 miles of hiking trails.

sprawling, stately estate. "We can never go back to Manderley again," the narrator says—we cannot relive the past. And as I took the slow, winding drive up to the house, hairpin-turned and snow-capped, I was also afraid. The Mohonk I remembered was constructed as much of memory as of stone, and with its tinge of nostalgia, melancholy.

But the Mohonk I found last winter was not that Mohonk. Instead, I found a ramshackle, contagious exuberance.

Blithely cheery, its lattice of lounges filled with varying shades of wood and floral carpeting, the mountain house felt less frozen in the 19th century than in the chintzy 1990s. Pastel Victorian china sat on display in the common rooms, alongside sepia photographs of luminaries who had once made this place theirs (John Burroughs, Rutherford B. Hayes, the Old Boys' Golf Club). Neon Christmas lights were threaded over the fireplaces in every chamber and antechamber. Daytime meals were served buffet-style in the vaulted ski-chapel-style dining room, overlooking the glassy lake. It was midweek; trails and lounges alike were empty, and at times the young, chipper staff—seemingly transplanted from the Catskills set of

"Dirty Dancing"—outnumbered the guests. They were buoyant, even to the point of uncanniness. "I missed you in the greenhouse!" one staff member, whom I had never seen before, exclaimed with what seemed like the sincerest consternation when I passed him on the greenhouse path. I was on my way in, he had just left. "It's like a tropical jungle in there!"

"You smell amazing!" a waitress exclaimed when I sat down to dinner, dashing off before I could ask if she meant my perfume.

Taking lunch, along with a couple of autumnal rye cocktails, at the Carriage Lounge, Mohonk's casual-dining room, I ended up in simultaneous conversations with two bartenders. One kept insisting I try all the different off-menu wines he liked; the other was intent on sharing her love of sports-cars with me. One of the chefs, Carlos, decided to show off a plate of his latest masterpiece: slabs of maple-glazed bacon. They weren't yet on the menu, but Carlos was sufficiently excited about his invention to sneak me a few slices at breakfast the next morning.

When I made my reservation, I hadn't specified a room, though I'd offhandedly mentioned the reason for my visit. The room the Mohonk

clerk gave me was my grandmother's, from almost 20 years ago: a six-sided "tower room," rosily Victorian, with a chaise-longue and a working fireplace. Hotel attendants interceded when my multiple attempts to light the fire failed. Six stories up, I heard the wind howl, magnificently, the sort of wail I had never known existed outside Gothic novels. It would go on, no less savagely, until dawn.

For two days I wrote and I walked. Boots and snowshoes, a necessity for most winter trails, are included in Mohonk's room rental. All but alone on the trails that sloped

around the lake, I walked up the nearly 2.5 mile route to Skytop, a neo-Gothic stone tower as propitious a place for a literary murder as for literary inspiration. Every lakeside bench, every cliff-side gazebo I passed had an inscription on it: "Glory to God," one said; "Beloved Grandfather," another. My own past was here, of course, but so were those of many strangers.

At sunset on my final night, I walked around the lake's edge, off the path and knee-deep into snow so fine it didn't soak me. I got lost and came back well past dark. I

had to illuminate the path with my cellphone. In the distance the house was the color of the sky. All I could see were the lights—golden, Gothic—from the tower, the terrace, from so many fireplaces in so many rooms.

I thought again of du Maurier's Manderley: the house you can never go back to, at the end of the winding road. I had not gone back after all. This Mohonk was not my grandmother's Mohonk. Instead I fared forward: After I climbed the stairs to my room, I finished the last line of the book I had been working on for years.

THE LOWDOWN// TUCKING INTO MOHONK MOUNTAIN HOUSE

In New York's Hudson Valley, just outside New Paltz, Mohonk Mountain House is an approximately 90-minute drive north from New York City. If you'd rather not drive, buses run frequently between Manhattan and New Paltz, and the resort offers guests complimentary rides from the New Paltz bus station. Most room rates include three meals daily and afternoon tea. In winter, rates also cover rentals of ice-skates, cross-country skis, snowshoes and snow tubes. From \$660 a night, mohonk.com



GILDED HOUR A tower room at Mohonk Mountain House.

FAUX FIRST-CLASS

Premium-class seats on smaller airlines aren't all flat-out luxury, but they'll do in a pinch



Fliers desperate to escape coach-class misery on domestic trips lack good options. These days, it can cost you an extra \$70 one-way just to sit on the aisle. But several smaller U.S. carriers are hawking their own take on first class for a lot less than what you'd spend with a mainstream airline. These seats are typically scarce, so book well ahead to make that next packed-to-the-gills flight more bearable. —Barbara Peterson

JetBlue On many cross-country and Caribbean flights, this normally one-class airline tempts fliers with Mint, an upscale business section with enclosed pods, lie-flat beds and chef-curated eats. Relatively speaking, it still drains pockets—round-trip fares between New York and Los Angeles recently hovered around \$1,700—but you'd pay about 40% more for a similar seat on a big competitor. jetblue.com

Spirit Airlines Notorious for its formula of low fares and sly fees (larger carry-ons cost up to \$35), the Fort Lauderdale-based upstart also has the tightest

seating in coach—a knee-knocking 28-inch pitch. For an additional fee that's typically \$35 to \$42 one-way, book a "Big Front Seat." It's 20 inches wide (versus 17.7 inches), provides much more legroom, and there's no middle seat to contend with. spirit.com

Virgin America Richard Branson's U.S. airline venture will be absorbed into its new owner, Alaska Air, by 2019, but there's still time to try its premium cabin, with wide, white-leather seats that recline (though not fully flat). Sample round-trip fare: about \$700 from Dallas to San Francisco. virginamerica.com

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ADVENTURE & TRAVEL

LOVE/HATE RELATIONSHIP

The Do-Nothing Vacation

Few holiday choices are more contentious than the seaside fly-and-flop. Is it sheer bliss or a big bore?

Two seasoned travelers argue the pros and cons of underachievement



WHY I LOVE IT

GIVE ME A BEACH vacation anywhere, and I'll be blessedly happy sprawled on a lounge chair, a salty breeze ruffling my hair. Doing nothing restores the body and soul in this era of nonstop tweeting, and to those who find it tedious, I say this: I'm fine checking out from civilization for a week, with nothing to do beyond summoning a polite, brawny waiter to fetch me a glass of chilled Viognier. Why aren't you?

After all, that's the point of getting away: To cleanse your mind of irksome "notes to self" and halt the habit of checking email anxiously just to delete all the spam. On my ideal beach vacation, there are no restaurants to research, no hiking or kayaking exertions to perform, just hour upon restful hour feeling the sauna-like warmth of the sun and letting my mind wander. I've never heard of anyone injuring a limb while reclining, but I have read about the dangers of zip lining and parasailing, two activities I'll never do. Volcano walking, whatever that is, has never been on my to-do list.

Lackadaisical travelers take note: Doing nothing beach vacations are much in demand, said Lindsey Epperly, founder and luxury travel consultant at Atlanta-based Epperly Travel. Ms. Epperly has been fielding requests from unambitious honeymooners and business professionals alike wanting to relax and recuperate. "There are also multigenerational vacationers—older couples who'll bring kids and grandkids along

for a milestone event yet want to get their hang time on the beach," she said. That makes sense: For me, heading off to an ocean-side cabana after a wave goodbye is like hanging a "Do Not Disturb" sign on a hotel-room door.

My Robinson Crusoe leanings first manifested long ago. As a young girl in Los Angeles, I learned how to finagle a ride to Leo Carrillo beach in Malibu. I'd stretch out on the hot sand, my body slick with Johnson's Baby Oil, and my mind at rest, no algebra problems to solve, no Spanish verbs to conjugate, with only the latest Nancy Drew mystery to peruse.

Through the years, I've duplicated those halcyon days in fancier locales, minus the baby oil and "The Clue of the Broken Locket." Last year, I went to Guadeloupe with four other moms on a family-free getaway. In no time, we were dozing on the Plage de la Caravelle under a palm tree. One day we took a boat to another beach where we feasted on grilled lobster and chilled rosé seated at a picnic table wiggling our toes in the water. I'd found my surf-and-turf soul mates.

Unless you've landed sans all possessions on the "Lost" island—one of my favorite fantasies—you can always finish that book that's been languishing on your bedside table. Virginia Woolf wrote: "Sometimes I think heaven must be one continuous unexhausted reading." I'd only add "on a lounge chair at a Turks & Caicos beach" to describe my idea of heaven, even if it were hot as hell. —Donna Bulseco

EVEN AS A CHILD, I saw beach vacations as punishment. I may not have had the words to describe their stultifying sameness; the way one hot, dull moment inexorably follows another in an endless loop of crushing boredom, but that didn't stop me from voicing my displeasure all the same. My parents, as much creatures of the beach as Gidget and Moondoggie, loved nothing more than to roast on the sand for days in Miami or Jamaica, after positioning me safely in the shade of an umbrella with my beach bucket and shovel. "I'm bored!" I would cry out in desperation, 10 minutes after they'd settled onto their towels. "Then go dig a hole to China," my father would say, tipping his plastic eye shields back just far enough to cast me an exasperated squint. "And pick us up some moo goo gai pan!"

As I grew older, I wondered if the beach might be an acquired taste, like backgammon or Roquefort. I admit I've been teased on more than one occasion by the seaside's gauzy promise of bliss: Palms swaying in a salt-scented breeze, bronzed bodies perfumed by tanning oil. But, for me, it's a promise that's never been kept. The doing-nothing beach vacation is invariably exposed for what it is—a chimera created to sell spiced rum and Mexican beer, a fantasy as elusive as the oasis is to the parched desert wanderer. I've chased it from Canouan Island in the Grenadines to Hawaii's

Big Island. Each time, I've been seared pink and left with nothing more than a persistent dullness of mind and sand in creases I didn't even know I had.

As it turns out, my aversion has a simple, scientific explanation. "A beach vacation is difficult for people who are always in a mode of doing and planning," said Dr. Marc Wittmann, a research fellow at Germany's Institute for Frontier Areas in Psychology and Mental Health and author of the book "Felt Time: The Psychology of How We Perceive Time." "With nothing to do, you're exposing yourself to yourself. That's what boredom is: You're bored with yourself and in need of distraction from yourself. An active vacation provides that distraction, so you're not aware of the passing of time."

Which explains why the more museums, restaurants and ruins I can cram into a day, the lighter (and more virtuous) I feel. Action-packed vacations offer another benefit, Dr. Wittmann said. "Studies show that if you spend a week at the beach doing the same thing every day, your memory shrinks that time retrospectively, while the duration of an active vacation expands when you recall it, because you've experienced so much." In other words, the well of memories we make slurping oysters in Left Bank cafes or exploring the temples of Angkor Wat is deeper than the one made at the beach; we can return to it repeatedly before it runs dry. Why choose anything else? —Kevin Doyle

ISLANDS OF NOD // FIVE DESTINATIONS IN THE CARIBBEAN AND THE BAHAMAS WHERE YOU CAN EXCEL AT DOING VERY LITTLE

SLEEPSIEST

MOST 'ENERGETIC'

**Petit St. Vincent, Petit St. Vincent**

A private island resort in the lightly touristed archipelago of St. Vincent and the Grenadines, Petit St. Vincent augments its castaway vibe with room service and a 4,500-bottle wine cellar. Accommodations—22 stone-and-wood cottages and two-bedroom villas designed by Swedish architect Arne Halsqvist—lack televisions, cell service and Wi-Fi. Guests make requests by hoisting a flag up a driftwood flagpole (yellow for service, red for privacy). Basic pleasures are the name of the game—kayaking, practicing poses in one of the two yoga pavilions or hopping on the resort's 49-foot sloop to find an even more secluded spot for a private picnic. From \$1,200 a night, petitstvincent.com

**The Other Side, Eleuthera**

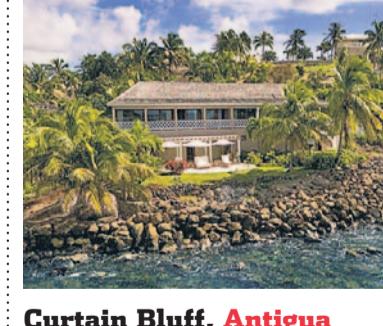
In the Bahamas, about 50 miles from Nassau's cruise ships and mega-resorts, Eleuthera consists of little more than gentle hills, low-lying pineapple fields and empty white- and pink-sand beaches. The resorts here tend toward upscale simplicity. The year-old Other Side inn, for example, has just nine guest rooms—three beachfront tents with hardwood floors, three hillside "shacks" with expansive water views, and three kids' huts. Activities are mostly limited to checking out the nearby sea turtle habitat on paddleboard, swimming in the seawater-filled pool or mixing cocktails in the honor-bar tent. If you're dying for some more action, Harbour Island is about five minutes away by boat. From \$550 a night, ontheos.com

**Laluna, Grenada**

Snorkel the underwater sculpture park in Molinere Beauséjour Marine Protected Area, tour a spice plantation or stroll the candy-colored capitol, St. George's—or not. You'd be hard-pressed to find a crowded patch of sand in Grenada. Even on its most developed beach, the nearly-two-mile-long Grande Anse, the resorts are low-rise and low-key. Laluna, owned by an Italian fashion-industry insider, has just 16 cottages and seven villas tucked on a nearby hillside that slopes down to a private beach. All rooms come with open-air bathrooms, plunge pools and four-poster beds draped with mosquito netting. Laluna offers daily yoga classes, massages in the spa and not much else. From \$545 a night, laluna.com

**Park Hyatt, St. Kitts**

Until last November, the big draw on St. Kitts—where much of the land is protected as natural areas—were its outdoor diversions, such as wreck-diving, hiking to the crater of a dormant volcano or walking the grounds of the centuries-old Brimstone Hill Fortress. But since the 126-room Park Hyatt opened last fall, less enthusiastic trekkers can opt to make use of the resort's sea-facing private balconies, two pools (one for families and one for adults) or the on-property Miraval Life in Balance spa, which offers everything from an anti-inflammatory after-sun facial to a Vashudra treatments that combines floating in water with Thai massage. From \$500 a night, stkits.park.hyatt.com

**Curtain Bluff, Antigua**

Diving, golfing, sailing, hiking and tennis are all available on Antigua. You can also spend days hopping from one white-sand cove to the next (islanders insist there's a beach for every day of the year). If you like to be coddled while sunbathing, linger on the two private beaches at the all-inclusive Curtain Bluff, which just underwent a \$13 million renovation. The resort has a laid-back but elegant tone, and though it offers sports facilities (including a putting green, squash court and dive center) many guests simply park themselves in a hammock for the duration, after stashing their offspring at the all-day kid's club. From \$700 a night, curtainbluff.com

—Sara Clemence



WITH THE WALL STREET JOURNAL
NEXT SATURDAY.

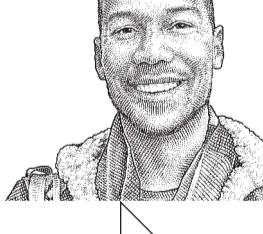
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Read ambitiously

GEAR & GADGETS



EXTRA LIFE Top and above: More than rehabs of arcade classics, new-old cabinets, like these made for Death By Audio events at Elsewhere in Brooklyn, often combine experimental mechanics and pared-down 1980s-style graphics.



MY TECH ESSENTIALS

SHANI DAVIS

The Olympic gold-medal-winning speed skater on training far from home, baking Canadian cookies and adding electrolytes to steel-cut oatmeal

When I'm away from home, I bring **Thera-Bands** for resistance training to help strengthen my hips. For technique and muscle-memory training, I also pack a Thunder Corner Belt that kind of looks like two seat belts sewn together. As you lean with it, you get the same feeling that you would when you skate a corner and even feel the pressure under your feet as you do on the ice.



I start my day with a nice bowl of oatmeal—Quaker Oats or steel-cut—with a bit of honey, butter and some good water. I have a special machine, an **Enagic LeveLuk SD501**, that creates water with a pH of 9.0 and lots of electrolytes. I also have a TYgo Portable Alkalizer that enhances water and lowers its acidity. It might not be important, but I like it.



My favorite game is "**World of Warcraft**." In the off-season, I could play it for hours on end. Now it's important to get to bed early to get that recovery so I wake up feeling energetic. I also play "**FIFA 18**" with some of my friends on the Xbox One. It's very frustrating losing. I have some good friends who really like to get on my nerves because they're so good. Sometimes I look at YouTube videos to try to learn how to make my game a little better.



I love to bake, so sometimes I go on YouTube and look up how to make random things, like treats from Korea or Canadian holiday cookies. Normally I stick to the recipe unless I see some ingredients I don't really like. I love my **KitchenAid Stand Mixer**. I bought one a long time ago, and whenever I bust that thing out it's time for serious baking.



I always listen to the **All Out Show** on Sirius XM. Host Rude Jude is just insane. It's a music-slash-entertainment show where he interviews celebrities, rappers, musicians, porn stars...the guy does it all. He can be really cool, but he knows how to get under your skin. He's very honest. And if he feels a certain way, he's going to tell you.

For running drills, I have this app called **Interval Timer**. You can program how long you want to run, how long you want to rest and how many intervals you want to do. When it's time to go hard, the app makes whatever sound you like. When it's time to rest, it blares again. —Edited from an interview by Chris Kornelis



race to the finish, are a straightforward riff on the 1980s Atari era. Others are authentically and humorously novel, like Pole Riders, designed by the NYU professor Bennett Foddy, in which players must manipulate "pole vaulter" avatars, flinging their 8-bit bodies upward to knock a ball strung along a line into an opponent's goal.

Similar arcade club nights have emerged in cities from Seattle to London and Tokyo. Andrew Dyce, who with Craig Fairweather co-founded WeThrowSwitches, a collective that organizes "alt.arcade events" around Scotland, has seen a strong response. Hundreds attend the pair's meetups, GamesAreForEveryone (wethrowswitches.com), raucous nights of indie games and drinking held at clubs in Edinburgh.

Unlike permanent "barcades" that combine vintage cabinets and craft beers, these events aren't merely a nostalgia play for the millennial quarter but a wholesale reinvention of arcades, emphasizing creativity over profitability.

The events are often roving, playful affairs; you need only pay an entry fee to enjoy hours of games. London's Wild Rumpus, for example, held in bars that serve the latest parade of IPAs, features live music, deep sofas and a more diverse crowd than just hordes of bearded beer-swilling 20-something men. Others, like New York's Babycastles (babycastles.com), are fixed abodes, with weekly events and rotating exhibitions that explore the "unique, expressive and social" interactions of modern arcades.

Indie Mega Booth, a traveling showcase of inventive games, will tour more than 40 cabinets in San Francisco and Boston this spring (indiemegabooth.com). The games are often simple, lasting only a few minutes, and can be quickly and organically learned (the game's proud creator is often on hand to assist the truly bewildered).

An early hit, now a fixture at live events, is Johann Sebastian Joust, a game played without a screen (or need for quarters). Instead, as speakers boom Bach's Brandenburg Concertos, players attempt to keep a PlayStation Move controller steady in their hand while pushing and slapping arms of opponents holding similar controllers. If someone's controller is jostled enough, it lights up red, knocking that player "out." Other games, such as Proteus, in which you explore a bucolic island while the music responds to your actions, prize whimsy over combat. "What we want to do is to demonstrate just how incredibly diverse games are, and can be," said Mr. Dyce. "So featuring experiences that are quiet, introspective, moving or thought-provoking is a significant aspect of that."

In his Brooklyn workshop, he began to build custom one-off arcade cabinets, often adorned with colorful bespoke art, to house expressive indie games, installing the series of cabinets under the name Death by Audio Arcade in venues and at club nights across New York (see deathbyaudioarcade.com for events).

Some of the games, like Power Boat Italia '88, in which four players frantically mash buttons to propel their craft forward in a regatta

The revival in popularity of the arcade is counterintuitive; today, most videogames let people meet online and compete or collaborate remotely. "We wanted to try to reclaim the term 'arcade,'" said Iain Simons, co-founder of the U.K.'s National Videogame Arcade, which hosts regular game nights. "This wasn't about recreating the windowless spaces we fondly remembered—but about trying to imagine what an arcade might be now."

GEAR & GADGETS

RUMBLE SEAT DAN NEIL



2018 Jaguar E-Pace: A Cat in Jeep's Clothing

JAGUAR ESTIMATES that 80% of buyers for its winsome compact crossover, the 2018 E-Pace, will be new to the brand. For the benefit of these fresh faces, a quick recap: In 1922 Sir William Lyons founded what eventually became known as Jaguar Cars. The original name, Swallow Sidecar—or S.S.—polled badly in postwar Britain, unsurprisingly.

For the next 60 years Jaguar Cars set out to build just that: cars. That roster includes flying phalluses like the C-Type, D-Type and the immortal beloved E-Type (1962-1974). Then in 2008 mega-industrialist Ratan Tata acquired Jaguar along with its sister company, Land Rover. Tata recapitalized JLR, filled the coffee cups and paid all the P.O.s. Suddenly Jaguar was back. Its current XJ sedan is exquisite, still the most successful exterior in its class.

The game plan called for Jaguar to handle automobiles while Land Rover handled SUVs. For a while all seemed well. Since Tata took over, the Land Rover side of the business has been pooping coin like an enchanted garden gnome.

But then things got untidy. Sales of sedans and coupes have declined against SUVs and crossovers for most of the past decade. Jaguar dealers were in hell watching customers walk out the door. It wasn't until 2016 that Jaguar delivered its first crossover model, the F-Pace, which promptly became the brand's top-selling model worldwide, helping blow up sales 77% in its first calendar year.

I reckon there was a lot less soul-searching with the E-Pace.



OVERFED? The latest Jaguar has more in common with its bulky Land Rover cousins than with the brand's beloved sleek roadsters.

JLR GLOBAL

Interestingly, the lineage of Jag's second crossover descends not from F-Pace but from the older Range Rover Evoque: a majority-steel unit-body, five seats, four doors, with front-biased all-wheel drive. The E-Pace also inherits those cars' mass. Our R-Dynamic S P300 weighs an official 4,175

pounds, about 295 pounds heavier than the foot-longer, aluminum-bodied F-Pace 25t Prestige.

In the effort to make it look like a Jaguar, the E-Pace's transverse front-engine layout posed the biggest challenge. Jaguars' felinity is the product of silhouette, of a long hood and minimal front overhang. On the F-Pace project, Jaguar's design chief Ian Callum begged management for a few more millimeters of axle-to-dash, with each millimeter straining the model, adding cost. Management yielded and the result was the best-looking crossover on the market.

The E-Pace's hard points were apparently harder to move. The ample front overhang and a high hoodline (partly the consequence of pedestrian safety standards) swells the front end like a nose that's been punched.

The E-Pace's price spread—\$38,600 to \$53,550—casts a net over the usual suspects, including Audi Q3, Mercedes-Benz GLA, and Volvo XC40. Jaguar expects its volume seller to be the R-Dynamic S, including: navigation, Wi-Fi, parking assist, "grained" leather seats, 18-inch wheels. A mere \$47,250.

I know, right? Fifty grand for that wee buttercup? But look around. As a class, compact luxury crossovers are pricy.

Under-hood is JLR's 2.0-liter turbocharged, direct-injection four cylinder gas engine, available in

two states of tune. In the base car the output is 246 hp/269 lb-ft. In the R-Dynamic models, the same engine produces 296 hp and 295 lb-ft. There are also two versions of the on-demand AWD. The upgrade includes an unusual positive-torque vectoring system on the rear axle. Using lateral clutches, its drivetrain can actually overdrive the outside rear wheel in corners, helping to turn the car under power, right at the fuzzy limits of the stability algorithms.

Just to piss me off, Jaguar held its press event on the island of Corsica, a land of gut-twisting

As sales of rivals' SUVs and crossovers grew, Jaguar dealers were in hell watching customers walk out the door.

mountain roads with Neverland drop-offs. In these tight twisties the E-Pace sometimes handled like two cars. Cornering under braking or with its lagging throttle, the E-Pace tended to sink at the nose, grip strongly then scrub benignly and push wide—no surprise, considering. But when I squeezed the throttle mid-corner the car suddenly freed up and went neutral,

raising its nose and tightening its line with a gust of asymmetrically applied torque to the rear outside. Interesting. More of that, please.

The E-Pace, assembled in Graz, Austria, draws heavily on its sister company's off-road traction tech. If you like Land Rover's multi-modal AWD running gear, you will be set right. In this application you have a rain/ice/snow mode and a low-traction takeoff assist function; off-road speed control; and hill descent control.

The test route took in a boulder-strewn trail and a water crossing that demonstrated, rather alarmingly, the E-Pace's wading depth of more than 10 inches. All effortlessly negotiated. But, seriously, fording streams in your leased luxury crossover is never a good idea.

The signal difference between F-Pace and E-Pace? I wag my finger and say, authenticity. The F-Pace was nearly a clean-sheet design, wrought in lightweight costly aluminum, consistent with Jag's technical legacy. As the brand's first step into the unknown, the designers lavished love and looks on it. They made the crossover formula work for the brand.

The E-Pace shows another side of the burgeoning JLR empire: ruthless, expedient, shamelessly pursuing global volume, baldly grubbing for profits.

Sir William wouldn't recognize the place.



2018 JAGUAR E-PACE R-DYNAMIC S P300

Base Price \$47,250
Price, as Tested \$58,210

Powertrain transverse-mounted, turbocharged, direct-injection 2.0-liter inline four cylinder; nine-speed automatic transmission; front-biased, on-demand all-wheel drive, torque vectoring on the rear axle.

Power/Torque 296 hp at 5,500 rpm/295 lb-ft at 1,500-4,500 rpm
Length/Height/Width/Wheelbase 173/64.9/78.1/105.6 inches
Curb Weight 4,175 pounds
0-60 mph 5.9 seconds
EPA fuel economy 21/27/23 mpg, city/highway/combined

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