

What a Man's Haircut
Should Cost

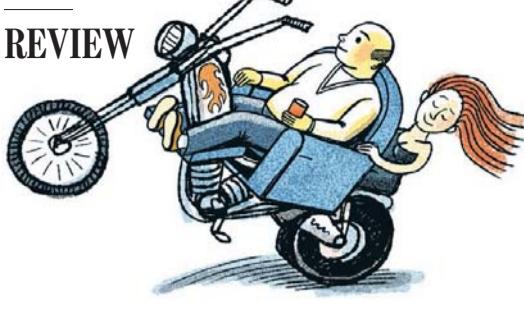
OFF DUTY

WSJ

THE WALL STREET JOURNAL WEEKEND

Forget Your
Bucket List

REVIEW



DOW JONES | News Corp *****

SATURDAY/SUNDAY, JULY 21 - 22, 2018 ~ VOL. CCLXXII NO. 17

WSJ.com ★★★★ \$5.00

What's
News

World-Wide

Trump shrugged off criticism of his dealings with Russia and his use of tariffs to influence trade. Instead, he dug in on both fronts. A1

◆ **Michael Cohen** taped a conversation with Trump about buying the rights to a former Playboy Playmate's story that she had an affair with Trump. A1

◆ **Russia signaled** its openness to a second summit between Putin and Trump. A6

◆ **Four more bodies** were recovered after a duck boat sank on a lake near Branson, Mo., bringing the death toll to 17. A3

◆ **The EU's chief Brexit negotiator** raised doubts about May's plan for Britain's future trade relationship with the bloc. A6

◆ **Pakistan's military** is manipulating this month's election in a bid to produce a government it can better control, critics said. A7

◆ **Israel said** it attacked Hamas after an Israeli soldier was killed by fire from the Gaza Strip. A7

◆ **Congress abandoned** a bipartisan attempt to undo Trump's deal with Beijing to save ZTE. A4

Business & Finance

◆ **Facebook suspended** another company that harvested data from its site and is probing whether the firm's contracts with the U.S. government and a Russian nonprofit violate its policies. A1

◆ **GE's second-quarter profit** dropped 30% from a year earlier as weakness in its power division continued to offset growth in other major units. B1

◆ **Cushman & Wakefield** aims to raise about \$750 million from an IPO that would value the firm at about \$6 billion. B1

◆ **Honeywell said** sales are exceeding expectations on strong demand from its aviation and defense customers. B3

◆ **Oil producers** are ordering more equipment and lining up drilling rigs, indications that international activity is picking up. B3

◆ **U.S. stocks** inched lower as White House remarks on monetary policy sent the dollar and government bond prices sliding. The Dow fell 6.38 points to 25058.12. B13

◆ **The yuan took** its largest one-day tumble in two years before recovering on worries over the U.S.-China trade clash. B13

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Masculine Dads
Raise Confident
Daughters

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Victims Mourned as Death Toll From Capsized Boat Rises to 17



NO WORDS: People prayed Friday outside a tour-boat operator involved in an accident that left 17 people dead, including nine members of one family. The boat capsized on a lake near Branson, Mo., Thursday evening when storms struck the area. A3

Facebook Suspends Another Data-Harvesting Company

By KIRSTEN GRIND

Facebook Inc. suspended another company that harvested data from its site and said it was investigating whether the analytics firm's contracts with the U.S. government and a Russian nonprofit tied to the Kremlin violate the platform's policies.

Crimson Hexagon, based in Boston, has had contracts in recent years to analyze public

Facebook data for those and other clients, according to people familiar with the matter and federal procurement data. Crimson Hexagon says it has the largest repository of public social-media posts, totaling more than one trillion, from sites that also include Twitter Inc. and Instagram.

Crimson Hexagon operates with little oversight from Facebook once it pulls public data from the social-media plat-

form, according to more than a dozen people familiar with the business. The government contracts weren't approved by Facebook in advance, for example, the people said.

Facebook, in response to questions from The Wall Street Journal this week about its oversight of Crimson Hexagon's government contracts and storing of user data, said Friday it wasn't aware of some of the contracts. On Friday, it said it

was suspending Crimson Hexagon's apps from Facebook and its Instagram unit, and launching a broad inquiry into how Crimson Hexagon collects, shares and stores user data.

A spokesman said Facebook plans to meet with Crimson Hexagon's team within the next several days to look into the matter.

"Facebook has a responsibility to help protect people's

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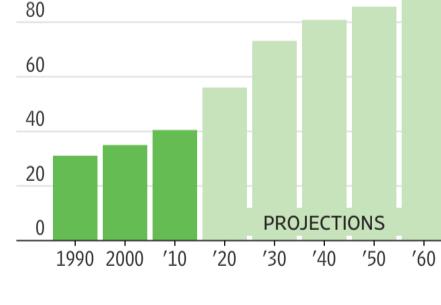
U.S. Is Running Out of Caregivers

Smaller, more far-flung families mean fewer unpaid helpers; 'Are you really my daughter?'

Aging
Americans

As baby boomers age, more older Americans will find themselves in need of care, yet there will be fewer caregivers.

U.S. population aged 65 and older



How caregiving is projected to change, 2015-2050

Potential caregivers	Potential care recipients	Potential recipients with Alzheimer's
+13%	+84%	+160%

Sources: Census Bureau (population); Merrill Lynch/Age Wave study (change)

THE WALL STREET JOURNAL

By CLARE ANSBERRY

Clesta Dickson, 86 years old, never married. The retired teacher lives on her own in a tidy apartment on the second floor of Pleasantview Towers, a subsidized apartment building for older adults and people with disabilities in Vienna, W.Va.

When her parents became frail, she bought a house for the three of them. They died years ago. She has a brother, but he is 82. Without children of her own, she wonders what will happen to her.

"I think about it all the time," she says. She made her funeral arrangements, after noticing how many people she knew died and never had a memorial service or obituary.

For generations, the nation has relied on family members to keep aging loved ones in their homes. Today, many Americans are growing older without family nearby, offering a glimpse of what the future may hold for the cohort of Americans who are approaching retirement.

The caregiving crunch comes at a time when Americans reaching retirement age are in a squeeze unseen in generations. Their median incomes, including Social Security and retirement fund receipts, haven't risen in years.

They have high average debt, some incurred from taking care of their own aging parents. And if they're counting on family to care for them,

Please turn to page A10

Hey, You Didn't Pay! Uber Users Flub Cab Rides

* * *

Raised on apps, passengers forget to give directions or settle up

By KATHERINE BINDLEY

Kai McCorvey was getting out of a cab in Chicago when she felt the driver grab her by the heel. Her first thought: "What is going on?" Her second thought: "I didn't already pay for this ride."

The 24-year-old sales analyst is so accustomed to rideshare apps like Uber, which charge your credit card automatically when your ride is done, that she'd accidentally almost pulled "the equivalent of dining and dashing, but for a cab."



Not an Uber

I was like, 'I'm so sorry' and I didn't say anything else," said Ms. McCorvey. As she waited for her payment to process, "It was just really uncomfortable silence. He's not making eye contact with me and I'm not making eye contact with him."

Rideshare apps have be-

come so popular in recent years—Uber has more than 75 million monthly active riders—that when frequent riders do take other modes of transportation (including their own cars) they sometimes forget how to do it.

The apps have their own routine: You request a ride and plug in a destination. A car pulls up; you check the driver's name, and you get in. Payment is automatic, and later you can rate and tip your driver.

The result is what might be

Please turn to page A8

EXCHANGE



WINNERS AND LOSERS IN NEW 'KIDDIE TAX'

B6

President Digs In Against Critics

A hectic week that began with Putin ends with more tariff threats, Fed pressure

BY REBECCA BALLHAUS
AND PETER NICHOLAS

WASHINGTON—President Donald Trump ended a turbulent week by shrugging off criticism of his dealings with Russia, his use of tariffs to influence trade and his public scolding of the Fed.

Instead, frustrated by being told what he can't do, he dug in on all three fronts.

"All he's hearing in D.C. is 'you can't do this, you can't do that.' He can't criticize the Fed, he can't criticize the intelligence community," said a person close to the president, echoing others in Mr. Trump's orbit. "He's obviously going to get frustrated by the can't-do mentality."

Mr. Trump has spent much of the four days since Monday's summit with Vladimir Putin seeking to reverse or soften his comments at the news conference with the Russian leader, in which he appeared to side with Moscow over his own intelligence agencies about whether Russia interfered in the 2016 election.

Yet on Wednesday, he ordered a top aide to invite Mr. Putin to visit Washington this fall—around the same time as the congressional midterm elections in which U.S. intelligence agencies about whether Russia interfered in the 2016 election.

Please turn to page A4

- ◆ Bad debts trail boyfriend of accused Russian agent..... A3
- ◆ Lawmakers drop bid to undo ZTE deal..... A4
- ◆ Russia open to U.S. summit proposed by Trump..... A6

Cohen Recorded Talk With Trump

Michael Cohen taped a face-to-face conversation with Donald Trump in which the two men discussed buying the rights to a former Playboy Playmate's story that she had an affair with Mr. Trump more than a decade ago, according to people familiar with the matter.

By Rebecca Ballhaus,
Michael Rothfeld
and Joe Palazzo

The conversation between the then-GOP presidential nominee and his longtime personal lawyer took place in September 2016, the people said. That was two months before the election and a month after American Media Inc., the publisher of the National Enquirer, bought the life rights to Karen McDougal's story of the extramarital affair, which she has said began in 2006 and lasted nearly a year. Representatives of Mr. Trump have denied the affair took place.

In the conversation, Mr. Cohen told Mr. Trump about the American Media deal and suggested that they consider acquiring the rights to Ms. McDougal's story themselves, the people with knowledge of the matter said. Mr. Trump, appearing open to the suggestion, asked how to proceed and whether he should write a check or pay in another manner, they said.

It isn't clear why Messrs. Please turn to page A4

U.S. NEWS

THE NUMBERS | By Jo Craven McGinty

An Algorithm Can Tell Your Ideal Caffeine Fix



If you need to wake up, caffeine can help. But for the optimal jolt, how much and when?

The U.S. Army and the Department of Defense have developed an algorithm to answer that question. It's of critical interest because soldiers may go for days without getting enough sleep or, in some cases, any sleep at all.

A perfectly timed and ideal portion of caffeine can fend off fatigue that might otherwise jeopardize a mission or put lives at risk.

"This deals directly with soldier readiness," said Jaques Reifman, a senior research scientist at the U.S. Army Medical Research and Materiel Command in Fort Detrick, Md., who helped develop the algorithm.

But the mathematical model could also benefit drowsy civilians.

"If you could come to work, drink caffeine and have your mental acuity improved by 40% for four hours, wouldn't you like that?" Dr. Reifman said. "That's what we're trying to do here."

The research improves

upon existing one-size-fits-all military guidelines.

About 40% of soldiers sleep no more than five hours a night—substantially less than the seven-plus hours recommended by the U.S. Centers for Disease Control and Prevention.

THOSE who don't get enough rest are advised by the guidelines to consume 200 milligrams of caffeine when they wake up and another 200 milligrams four hours later. Soldiers who work nights are told to consume 200 milligrams at the beginning of the shift. And those who expect to go without sleep for several days are instructed to consume 200 milligrams at midnight, 4 a.m. and 8 a.m.

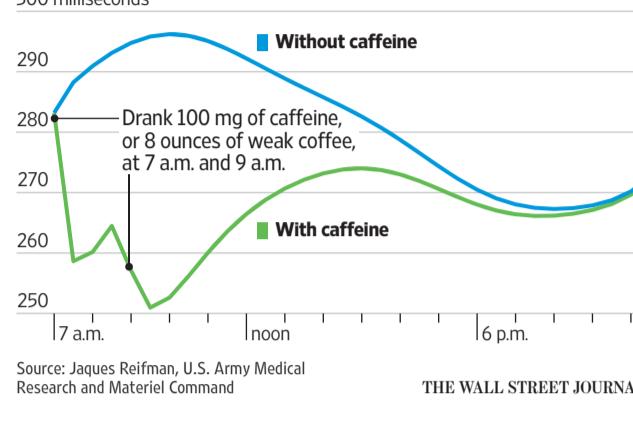
An 8-ounce cup of weak coffee has about 100 milligrams of caffeine. A strong cup has about 175 milligrams.

Applying the algorithm to the scenarios described in the military guidelines would offer two potential improvements.

"We can use the same amount of caffeine and improve alertness, or we can reduce the amount of caffeine and choose the same alertness obtained with the cur-

Coffee Boost

A well-rested person will react to a visual stimulus in about a quarter of a second. Here are mean response times after five hours of sleep, without caffeine and with the optimal dose for this scenario according to an algorithm designed by the U.S. Army.



Source: Jaques Reifman, U.S. Army Medical Research and Materiel Command

THE WALL STREET JOURNAL

rent dose," Dr. Reifman said.

Dosing strategies generated by the algorithm will vary depending on the circumstances.

An otherwise well-rested soldier who gets five hours of sleep one night could achieve a level of alertness resembling eight hours of sleep by consuming 100 milligrams of caffeine upon waking at 7 a.m. and again at 9 a.m.

That's half the caffeine in

of sleep and caffeine and then computes the benefits of different amounts of caffeine consumed at various times of the day.

"We can do simulations of thousands of combinations of when and how much caffeine to give," Dr. Reifman said. "Then we pick the best solution."

As a precaution, the algorithm checks the computed concentration of caffeine in the blood for each optimization to ensure it isn't greater than someone would have after ingesting 400 milligrams of caffeine, an accepted safety threshold.

THE EFFECTS of caffeine have been synthesized in the algorithm based on decades of sleep-deprivation studies. Likewise, the initial alertness measurements are based on response times established in previous studies.

"You look at a black screen, and all of a sudden you see a rolling number," Dr. Reifman said. "As soon as see that, you should touch the screen. If you are alert, it takes about a quarter of a second."

Eight hours of sleep produces nearly that level of alertness all day. But accord-

ing to Gallup, the average American sleeps just 6.8 hours a night.

After sleeping so few hours, by the end of a workweek, the algorithm predicts someone who rises at 6 a.m. would need to consume 200 milligrams of caffeine at 7 a.m. and 9 a.m. to be as alert as someone who had slept eight hours nightly and consumed no caffeine at all.

So far, the algorithm isn't public, but the Army plans to license the technology and a smartphone app.

Over time, the app will learn how individual users respond to sleep deprivation and caffeine, and will allow them to specify the time of day when they wish to reach peak performance so they can tailor their caffeine consumption accordingly.

Until then, coffee fiends can access a simplified version of the mathematical model online at the website 2B Alert, where they can test the effects of different combinations of sleep and caffeine on alertness.

Or, they could just hit the snooze alarm until the full algorithm is available in app stores in two to three months.

U.S. WATCH

POLITICS

GOP Will Hold Its Convention in State

The Republican Party will host its 2020 presidential nominating convention in Charlotte, N.C.

The Republican National Committee finalized its convention site on Friday, picking an East Coast swing state over Las Vegas, the only other finalist city. The vote came as hundreds of GOP activists gathered in Austin, Texas, for the RNC's summer meeting.

Charlotte hosted the Democratic national convention in 2012. —Associated Press

OHIO

Governor Spares Death-Row Inmate

Gov. John Kasich spared a condemned killer whose sentence was challenged after a juror came forward and said information about the extent of the inmate's tough childhood wasn't properly presented at trial.

The Republican governor on Friday commuted the sentence of death-row inmate Raymond Tibbets to life without the possibility of parole, citing "fundamental flaws" in the sentencing part of his trial. "Specifically, the defense's failure to present sufficient mitigating evidence, coupled with an inaccurate description of Tibbets' childhood by the prosecution, essentially prevented the jury from making an informed decision about whether Tibbets deserved the death sentence," Mr. Kasich said.

The guilt of Mr. Tibbets, 61 years old, has never been in doubt. He received the death sentence for fatally stabbing Fred Hicks at Mr. Hicks's Cincinnati home in 1997. Mr. Tibbets also received life imprisonment for fatally beating and stabbing his own wife, 42-year-old Judith Crawford, during an argument that same day over Mr. Tibbets's crack-cocaine habit.

—Associated Press

IOWA

Tornadoes Leave At Least 17 Injured

Thousands of people were without power Friday after a flurry of unexpected tornadoes swept through central Iowa, injuring at least 17 people and flattening buildings in three cities.

The storms even surprised forecasters when they hit the region Thursday afternoon, causing extensive damage to a manufacturing plant and prompting the evacuation of a hospital. The National Weather Service said that at least five tornadoes struck.

The most extensive damage was in Marshalltown, a city of 27,000 residents where 10 people were hurt, brick walls collapsed into the streets, roofs were blown off and the cupola of the historic courthouse tumbled to the ground.

An Alliant Energy spokesman said 200 crews have been called to make repairs and restore power to 6,600 customers.

—Associated Press



Instagram's New York office. Crimson Hexagon says it has the largest repository of public social media posts, totaling more than one trillion.

peated pledges to become more trusted custodians of user information. Those efforts largely followed the revelation in March that Cambridge Analytica, a research firm with ties to President Donald Trump's election campaign, had improperly accessed data on millions of Facebook users.

Crimson Hexagon handles large volumes of public user data that the social-media platforms generate daily, including much of the content on Twitter and Instagram and any items on Facebook that users haven't designated as private. Facebook users can choose how much of their profiles to keep public; names and profile pictures are considered public for all users. Public posts include comments users make on public pages for brands, celebrities or specific events.

While Facebook doesn't sell its data, social-media analytics firms like Crimson Hexagon must register as a developer with Facebook and agree to its terms of service before pulling large numbers of posts through a special software portal.

With Twitter, Crimson Hexagon and other companies pay for access to large volumes

of public data through Twitter's "fire hose." Because of restrictions on Facebook's data, Crimson Hexagon has been able to access more data from Twitter than Facebook, according to some of the people familiar with the matter.

A Twitter spokesman said, "We have invested heavily in our data compliance program over the last several years and we rigorously enforce our rules against violating developers—

Clients include a Russian nonprofit with ties to the Kremlin.

up to and including permanent suspension of access to Twitter data in any form."

Gary King, a social scientist and Harvard professor, co-founded Crimson Hexagon in 2007 and serves as chairman. He said in a statement that he has never been involved in the firm's day-to-day operations.

Earlier this month, Mr. King in his capacity as an academic announced the launch of a new research project. Called Social Science One, it will give a team

of outside researchers access to Facebook data with the goal of better understanding how the platform influences elections and democracy. The project isn't affiliated with Crimson Hexagon.

Crimson Hexagon has sold its proprietary analytics platform in foreign countries including Russia. In 2014, it worked with Civil Society Development Foundation, a Russian nonprofit with ties to the government there, according to people familiar with the matter.

The nonprofit used Crimson Hexagon's platform to study the Russian people's opinion of the regime of Russian President Vladimir Putin, according to a 2015 report by the group. The nonprofit didn't respond to requests to comment.

Since 2014, U.S. government agencies have paid Crimson Hexagon more than \$800,000 for 22 separate contracts, according to federal procurement data. In June, the firm secured a more than \$240,000 contract with the U.S. State Department.

A State Department spokeswoman said one of its divisions uses Crimson Hexagon "to identify and analyze trends in publicly available social and digital media data."

correct one-year returns for all of the fund categories. A correct version of the table can be found at WSJ.com/Corrections.

The S&P 500 returned 1.38% in 2015, including dividends. A Page One article July 5 about Greenlight Capital incorrectly said the return was 1.5%.

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

Crimson Hexagon hasn't broadly publicized its government work, and some employees were initially resistant to pursue those contracts, people familiar with the matter said. Sometimes employees weren't sure how the government agencies would use the service, the people said.

Twitter appears to have applied more scrutiny than Facebook on Crimson Hexagon's U.S. government contracts.

In one instance around late 2016, Crimson Hexagon was in talks with U.S. Immigration and Customs Enforcement but dropped out of a potential deal because of Twitter's resistance, people familiar with the matter said.

Twitter ultimately told Crimson Hexagon that it couldn't sell to any agencies under the Department of Homeland Security because it was too hard to track how the data was being used, the people said.

Public records show Crimson Hexagon has worked with the Department of Homeland Security, including an August 2017 contract with the Federal Emergency Management Agency that will last until Sept. 1.

A FEMA spokeswoman said the agency uses Crimson Hexagon "to understand the volume of discussion and top topics regarding online mentions of FEMA or active disaster responses." A spokesman for ICE declined to comment.

Crimson Hexagon also contracted with the Secret Service, also part of Homeland Security, between 2014 and 2016. A Secret Service spokeswoman said the agency's office of government and public affairs used Crimson Hexagon's tools to track its social-media posts and guide outreach with the media.

—Rob Barry, Jim Oberman, David Gauthier-Villars and James Marson contributed to this article.

THE WALL STREET JOURNAL

(USPS 664-880) (Eastern Edition ISSN 0099-9660)

(Central Edition ISSN 1092-0935) (Western Edition ISSN 0193-2241)

Editorial and publication headquarters: 1211 Avenue of the Americas, New York, NY 10036

Published daily except Sundays and general legal holidays.

Periodicals postage paid at New York, NY, and other mailing offices.

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

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CORRECTIONS & AMPLIFICATIONS

In some editions Friday, Secretary of State Mike Pompeo's first name was omitted in a Page One article about a planned fall summit between President Donald Trump and Russian President Vladimir Putin.

The "Mutual-Fund Yardsticks" table in the July 9 Journal Report contained in-

correct one-year returns for all of the fund categories. A correct version of the table can be found at WSJ.com/Corrections.

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U.S. NEWS

Death Toll Rises to 17 in Boat Incident

Victims include nine members of one family; storm on Missouri lake struck Thursday night

By JOE BARRETT
AND ALEJANDRO LAZO

Nine members of one family were among the 17 people killed when a tour boat capsized Thursday evening on a lake near Branson, Mo., state officials said.

Missouri Gov. Mike Parson said Friday afternoon he spoke with one of two members of the same family who survived. "It's difficult to find the words to say," he told CNN.

Stone County Sheriff Doug Rader said the National Transportation Safety Board and Coast Guard would conduct a full investigation of the incident on Table Rock Lake.

The "duck"-style tourist boat was coming back toward land when it encountered heavy winds, Sheriff Rader said. Another boat made it back safely.

Fourteen of the 31 people aboard survived. Half of those were injured, with one considered serious, said Sgt. Jason Pace of the Missouri Highway Patrol. He said victims ranged from children to the elderly.

One of the survivors, identified by Fox59 News as Tia Coleman, told anchors at the station during a live television interview from her hospital room that she was one of only two family members to survive the tragedy, with nine others perishing.

The boat's driver also died in the accident, according to Sheriff Rader. He declined to provide other information about the victims.

Sheriff Rader said he didn't know whether anyone was wearing a life preserver, although he did say they were on the boat. The company that owns the boat was on the



MISSOURI
Detail
Springfield
Branson
Table Rock Lake
5 miles
5 km
ARKANSAS

THE WALL STREET JOURNAL.

scene, he said, and cooperating with authorities.

A powerful line of storms moved through the area Thursday evening, knocking out power and causing other problems. The first call to 911 came at 7:09 p.m., the sheriff said, more than 30 minutes after a severe thunderstorm warning was issued for the area.

Curt Elleman, of Overland Park, Kan., was fishing on the shore of the lake and wasn't surprised to see the duck boats and other private craft on the water because things looked calm.

"In the Ozark Mountains, things change really fast," he said, but added he hadn't seen anything like the powerful winds that swept across the lake Thursday evening.

"Usually it rains and stops," Mr. Elleman said. "But that was an extremely rare, out of the ordinary thing."

Branson is a major tourist destination, particularly in the summer, with a number of music-based family venues and outdoor activities in the surrounding Ozark Mountains.

Duck-style tourist boats, many of them repurposed military troop transports, are operated under different brands in cities around the country. The boats get their name from the manufacturers' code for the original vehicles: DUKW.

The website for the Ride the Ducks Branson boats involved in Thursday's accident said its boat was specifically designed for touring, not a repurposed military vehicle.

Duck boats have been involved in a number of fatal accidents over the years. In May 1999, 13 people died in Lake Hamilton near Hot Springs, Ark., when a duck boat took on water and sank suddenly without warning. An NTSB report after the accident blamed poor maintenance and recommended that the boats remove canopies that can trap passengers inside when a boat sinks.

In July 2010, two people died in the Delaware River off Philadelphia when a duck boat suffered an engine fire and was hit by a barge. The NTSB found maintenance problems with the duck boat and criticized the inattentiveness of the barge pilot.

Safety issues with the amphibious vehicles also extend onto land. In Seattle, five college students were killed when a duck boat collided with a bus in 2015.

—Kris Maher
and Jim Oberman
contributed to this article.

blown." He also said in court that federal authorities are pursuing a fraud investigation against Mr. Erickson.

Mr. Erickson, referred to as "U.S. Person 1" in court documents but readily identifiable, isn't charged with a crime. He didn't respond to repeated requests for comment.

Although Mr. Erickson helped Ms. Butina access some politically influential figures, her focus on him suggests her alleged handlers in Moscow may not have fully recognized his shaky place in the conservative orbit.

Some acquaintances described Mr. Erickson positively. Frank Luntz, a Republican pollster who worked with Mr. Erickson on Pat Buchanan's presidential campaign, said he "was always the stable one, treating everyone with kindness."

Court records reviewed by The Wall Street Journal show a long history of claims against Mr. Erickson, and that he and one of his companies, Compass Care Inc., owe more than \$860,000 in unpaid legal judgments in at least three states.

"This guy is a persistent, habitual liar," said Michael Barnes, a Los Angeles attorney who met Mr. Erickson at a political event and was persuaded to invest \$50,000 in what he now believes was a nonexistent North Dakota oil deal.

A Los Angeles County judge in 2015 found that Mr. Erickson

From a Galaxy Far, Far Away



CHARACTERS: Jamie Solano, left, dressed as a stormtrooper, and Nicki Solano, right, as Han Solo with her dog Penny Lane, sitting in a Millennium Falcon carrier, attended day two of Comic-Con International on Friday in San Diego.

CHRIS PIZZELLO/ASSOCIATED PRESS

Sanctuary Policies in Legal Limbo

BY ALEXA CORSE

The legal challenges to Attorney General Jeff Sessions' crackdown on "sanctuary" immigration practices have left Mr. Sessions' policy in an uneven state, with both sides claiming victory.

Sanctuary cities, or communities that limit their cooperation to some extent with federal immigration authorities, are part of the broader immigration debate.

The Trump administration says sanctuary cities protect criminals who should be deported, while critics call the administration's policies discriminatory.

"Sanctuary policies are terribly wrong," Mr. Sessions said last month in Scranton, Pa. "Under President [Donald] Trump, the Department of Justice will not stand idly by while our laws are being nullified and undermined."

The Trump administration has pledged to deny certain federal funding to some cities they see as defying federal law.

The administration claimed victory last month when a federal appeals court narrowed, for now, a nationwide injunction against the administration's attempt to withhold some grants from sanctuary jurisdictions.

The Seventh U.S. Circuit Court of Appeals limited the scope of the injunction to the city of Chicago, the plaintiff in that lawsuit, though more proceedings are anticipated.

Chicago's lawyers played down the significance. "This is



Jeff Sessions has pledged to crack down on sanctuary cities.

hardly a win for the DOJ," said Bill McCaffrey, a spokesman for the city's Department of Law. "The injunction is still in place in Chicago."

Several other ongoing lawsuits give hope to administration critics.

Federal judges in Philadelphia, Los Angeles and San Francisco have dealt legal setbacks to the Trump administration, by and large rejecting its argument that it doesn't need specific congressional approval to attach new conditions to grants.

After the Seventh Circuit stayed the nationwide injunction, the Justice Department moved to distribute nearly \$200 million in so-called Byrne law enforcement grants to jurisdictions it deemed compliant with federal immi-

gration enforcement.

The state of New York, along with five other states, filed a lawsuit in federal court in Manhattan against the Justice Department on Wednesday, alleging that the department has withheld their allocated Byrne grants.

The attorneys general of Massachusetts, New Jersey, Connecticut, Virginia and Washington joined the suit.

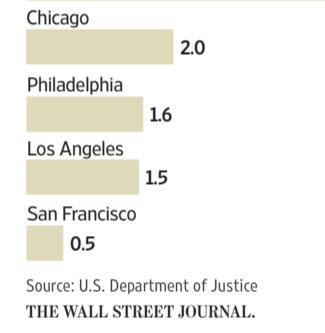
In another lawsuit, California Attorney General Xavier Becerra has also requested a nationwide injunction in the U.S. District Court for the Northern District of California similarly seeking to prevent the administration from withholding grants from sanctuary jurisdictions.

The risk of losing funding could matter more to poorer jurisdictions, said Rick Su, a pro-

Dollars at Risk

Sanctuary cities that don't comply with Trump administration guidelines could lose their Byrne grant funding.

2017 grant allocations



Source: U.S. Department of Justice
THE WALL STREET JOURNAL.

fessor at the University at Buffalo School of Law, noting that such communities have fewer resources to fight in court.

Since last year, the Justice Department has sent letters to more than two dozen potential sanctuary jurisdictions, saying the department might deny some grant funding unless they provide evidence of their compliance with federal immigration enforcement.

At least two of those cities—Louisville, Ky., and West Palm Beach, Fla.—will now receive grants after reaching an agreement with federal authorities. West Palm Beach, for example, agreed to send a memo telling city employees they were authorized to provide information about immigration status of people with whom they interact in the course of their duties.

Bad Debts Trail GOP-Activist Boyfriend of Alleged Agent

They both had secrets.

Maria Butina worked clandestinely as an agent of the Russian government with connections to Russian intelligence, U.S. prosecutors say.

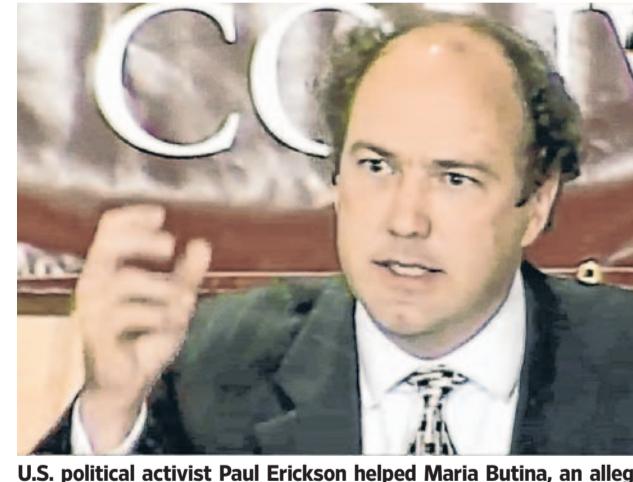
By Mark Maremont,
Julie Bykowicz
and James V. Grimaldi

Paul Erickson was a smooth-talking U.S. political activist who claimed connections to Republican bigwigs, but exaggerated his political ties and had a history of bad debts and fraud claims, interviews with people who know him and a review of court records show.

The couple, who were romantically involved, were together when Ms. Butina was arrested last week in Washington and charged as an unregistered Russian agent. Prosecutors say Ms. Butina, 29, sought Mr. Erickson, 56, as a conduit as she attempted to advance the Kremlin's interests by leveraging their joint ties with the National Rifle Association and other conservative groups.

Prosecutors allege in court papers that their sexual relationship was a ruse on her part—"simply a necessary aspect of her activities"—and that she secretly "expressed disdain" for cohabiting with him.

Ms. Butina's attorney, Robert Driscoll, has described the charges against her as "over-



U.S. political activist Paul Erickson helped Maria Butina, an alleged Russian agent, gain access to some politically influential figures. The two were involved in a romantic relationship.



CSPAN

blown." He also said in court that federal authorities are pursuing a fraud investigation against Mr. Erickson.

Mr. Erickson, referred to as "U.S. Person 1" in court documents but readily identifiable, isn't charged with a crime. He didn't respond to repeated requests for comment.

Although Mr. Erickson helped Ms. Butina access some politically influential figures, her focus on him suggests her alleged handlers in Moscow may not have fully recognized his shaky place in the conservative orbit.

Some acquaintances described Mr. Erickson positively. Frank Luntz, a Republican pollster who worked with Mr. Erickson on Pat Buchanan's presidential campaign, said he "was always the stable one, treating everyone with kindness."

Court records reviewed by The Wall Street Journal show a long history of claims against Mr. Erickson, and that he and one of his companies, Compass Care Inc., owe more than \$860,000 in unpaid legal judgments in at least three states.

"This guy is a persistent, habitual liar," said Michael Barnes, a Los Angeles attorney who met Mr. Erickson at a political event and was persuaded to invest \$50,000 in what he now believes was a nonexistent North Dakota oil deal.

A Los Angeles County judge in 2015 found that Mr. Erickson

congratulated him on doubling his money in the company. But the funds never materialized, the lawsuit says, adding that Mr. Erickson at one point delivered a \$200,000 check that bounced. Compass Care eventually repaid \$10,000.

Mr. Erickson, in his legal response, admitted most of Mr. Bozell's claims, but denied that he ever promised any specific investment return.

A federal judge in 2008 awarded Mr. Bozell a \$190,000 judgment which remains uncollected, Mr. Bozell's attorney said. A South Dakota private-equity firm also is owed \$115,000 from a loan to Compass Care, state court documents show.

South Dakota's health de-

partment says it has no record of any Compass Care facilities ever operating or licensed in the state.

Craig Shirley, a Ronald Reagan biographer with a long history in the conservative movement, said he has had to fend off Mr. Erickson's pitches over the years. About 15 years ago, Mr. Erickson tried to get him to invest in Compass Care but he turned him down, saying the pitch "didn't add up."

More recently, Mr. Erickson told multiple people he was part of the Trump transition, emailing one acquaintance that "I find myself in DC indefinitely trying to instill some sense of order on a Trump presidential transition effort—to uncertain acceptance and effect."

The board decided to take an action that removed Paul Erickson from our board, and they took the additional step of telling him he was no longer welcome at CPAC," Mr. Schlapp said.

Neither Ken Blackwell, a Trump transition adviser, nor Sean Spicer, a spokesman for the transition, said they encountered Mr. Erickson.

Mr. Erickson has an eclectic Republican résumé, beginning with his association in the 1980s with Jack Abramoff, a disgraced lobbyist, and antitax activist Grover Norquist and Ralph Reed, later of the Christian Coalition.

A political director to Pat Buchanan in the 1990s, Mr. Erickson was chairman of United Seniors PAC, a health care-focused political group, from 2001 to 2006. The group is inactive but remains almost \$400,000 in debt, according to Federal Election Commission reports.

From 2012 to 2014, he was on the board of the American Conservative Union, which hosts a major conservative gathering each year known as CPAC.

Mr. Bozell warned the group about his financial schemes, a conversation that Matt Schlapp, ACU chairman, said, "distressed us greatly."

"The board decided to take an action that removed Paul Erickson from our board, and they took the additional step of telling him he was no longer welcome at CPAC," Mr. Schlapp said.

—Lisa Schwartz
and Aruna Viswanatha
contributed to this article.

U.S. NEWS

Lawmakers Drop Bid to Undo ZTE Deal

By KATE O'KEEFFE
AND SIOBHAN HUGHES

Congress abandoned a bipartisan attempt to undo President Donald Trump's deal with Beijing to save Chinese telecommunications giant ZTE Corp., according to people familiar with the matter.

Senate and House negotiators removed from a must-pass defense bill, expected to become law as soon as this month, language that sought to reinstate a ban on U.S. companies selling components to the Chinese business, the people said. Because ZTE depends on U.S. suppliers, the ban, which Mr. Trump decided to lift, had effectively been a

death knell.

Mr. Trump's move to resuscitate the company, which he described as a joint effort with Chinese President Xi Jinping, was criticized by a large group of lawmakers, who wanted a severe penalty, even one that threatened the company's viability. They cited U.S. officials' assessment that the sanctions violator is a threat to national security, which the company has denied.

The early willingness to confront Mr. Trump on the deal was seen as part of growing congressional restiveness with the president's policies on a range of trade and national security issues. But backers of the challenge were

unable to garner the support of the Republican leadership needed to overturn the president's initiative.

"Despite bipartisan support to put American national security before jobs in China, the Republican leadership refused to take any real, substantive action on ZTE," said Sen. Chris Van Hollen (D., Md.), one of the sponsors of the measure to ban sales to ZTE.

"Instead, they joined President Trump in bowing to Beijing. It's weak and shameful," Mr. Van Hollen said. Sens. Tom Cotton (R., Ark.), Marco Rubio (R., Fla.) and Chuck Schumer (D., N.Y.) were also co-sponsors of the measure.

ZTE didn't respond to a re-

quest for comment.

The saga over the Chinese firm's fate began in April, when the Commerce Department banned U.S. companies from selling to ZTE for failing to honor an earlier U.S. agreement to resolve its sanctions-busting sales to North Korea and Iran. But in a tweet on May 13, Mr. Trump said that he and Mr. Xi were "working together" to find a way to save ZTE.

As instructed by Mr. Trump, Commerce struck a new deal with ZTE on June 7 that required the Chinese firm to put \$400 million into an escrow account, pay a \$1 billion fine, replace its board of directors and senior leadership, and

fund a team of U.S. compliance officers to monitor the company for 10 years in exchange for being allowed to resume business with U.S. suppliers. Commerce has said the settlement provided for the "strictest compliance measures ever imposed in such a case."

Sen. David Perdue (R., Ga.) was one of the few lawmakers who publicly supported the president's stance and the new Commerce deal. "There is no way the Commerce Department's penalty on ZTE can be classified as weak," a spokeswoman for Mr. Perdue said.

Some proponents of Mr. Trump's deal have also said that the biggest beneficiary of ZTE's demise would have been

Huawei Technologies Co., an even larger Chinese telecommunications firm that U.S. intelligence officials have also warned presents national security threats, which the company has denied.

Many lawmakers were dissatisfied with Mr. Trump's deal, and the Senate on June 18 voted to reinstate the ban on selling U.S. parts to ZTE by wrapping the measure into the defense bill. But for the provision to become law, the House, which had already passed its own version of the legislation without the sales ban, would have had to agree to the ZTE measure, and the reconciled text would have had to survive a potential veto by Mr. Trump.



Marine One, with President Donald Trump aboard, lifted off Friday from the White House at the end of a turbulent week for him.

President Shrugs Off Criticism

Continued from Page One

gence agencies say Moscow is actively trying to interfere.

The conflicting messages out of the White House underscore Mr. Trump's increasingly defiant approach in the wake of his own perceived missteps: In the face of criticism, persist.

"The president doesn't respect norms," the person close to him said. "Norms are rules written by somebody else."

Mr. Trump also this week ignored criticism on his conduct on trade and monetary policy issues. On Friday, he escalated his criticism of the Federal Reserve, saying its efforts to raise short-term interest rates hurt the U.S. economic expansion, a day after he was chided by some for saying he hoped the central bank would stop raising rates.

His comments, which ricocheted through currency and bond markets on Thursday, departed from a convention in which presidents have refrained from speaking specifi-

cally on monetary policy.

Mr. Trump also threatened tariffs again on \$500 billion in Chinese imports in the same week that Sen. Orrin Hatch (R., Utah), chairman of the Senate Finance panel, sent the White House a letter warning he would try to curtail presidential trade authority if Mr. Trump didn't reverse course.

Despite the criticism he has faced, Mr. Trump's approval rating remains high among his base. Among GOP voters, 84% approve of his performance, according to a Reuters/Ipsos survey conducted July 13 to 17.

Mr. Trump's actions on several major policy fronts also surprised top aides.

On Thursday, he directed national security adviser John Bolton to invite Mr. Putin to Washington, according to a National Security Council spokesman. Dan Coats, the director of national intelligence, was taken aback by the development when informed about it during a live interview that day. "Say that again?" Mr. Coats responded.

For much of the White House, Mr. Trump's conduct at the news conference with Mr. Putin on Monday was wholly unexpected. Administration officials ahead of the summit had crafted a plan for Mr. Trump to confront Mr. Putin

on Russia's electoral interference, officials said.

Before the summit, Mr. Trump had authorized the Justice Department to release an indictment of 12 Russians who allegedly hacked into Democratic computers during the 2016 campaign, agreeing it would strengthen his hand when he raised the issue of election interference, a White House official said.

In preparatory meetings,

Trump pressed the matter in his one-on-one meeting with Mr. Putin, which itself sparked controversy amid the probe of Russian meddling. The White House has released scant details of the discussions.

"It was a well laid-out plan. Unfortunately, he didn't execute on it," the official said.

Mr. Trump's performance at the summit and afterward complicates plans for the midterm elections, a White House official said.

White House aides had begun preparations to make Mr. Trump the public face of planned efforts by the administration to stop election interference in the midterms. In the wake of the Putin summit, Mr. Trump may struggle to credibly make the case he is spearheading the effort to protect U.S. election systems, the official said.

One reason Mr. Trump is reluctant to spotlight the issue of election interference, White House officials said, is he can't separate it in his mind from the outcome of the 2016 election. Accepting that Russia interfered, as he sees it, unfairly casts doubts on his legitimacy as president, the officials said.

—Vivian Salama and Nick Timiraos contributed to this article.

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WORLD NEWS



MALAK HARBI/ASSOCIATED PRESS

China's President Xi Jinping, center, and Sheikh Mohamed bin Zayed al Nahyan, Abu Dhabi's crown prince, inspect an honor guard. The two sides signed 13 agreements and memorandums of understanding.

China's Xi Visits U.A.E. to Bolster Ties

Chinese President Xi Jinping met leaders of the United Arab Emirates on Friday to bolster China's economic ties with a key ally of Saudi Arabia, just as Beijing is emerging as a critical partner for an increasingly isolated Iran.

By Asa Fitch in Dubai and Chun Han Wong in Beijing

The three-day visit by Mr. Xi to the U.A.E. comes at a crucial time for a region buffeted by Saudi-Iran tensions. Mr. Xi, like other Chinese leaders before him, has taken an evenhanded approach to the Middle East, courting both the Sunni Muslim Arab states led by Saudi Arabia and the U.A.E., as well as their main rival for power and influence in the region, Shiite-domi-

nated Iran.

Now, however, Iran is more motivated than ever to buttress its relationship with China. The U.S. backed out of a multilateral nuclear deal with Iran in May and plans to reimpose sanctions on Iranian oil in November, leaving the Islamic Republic with a dwindling number of customers for its energy. China has traditionally been an outlet for oil sales when Iran faces Western sanctions.

On Friday, 13 agreements and memorandums of understanding between China and the U.A.E. were signed in the presence Mr. Xi, Sheikh Mohammed bin Rashid al Maktoum, vice president of the U.A.E. and Dubai's ruler, and Sheikh Mohamed bin Zayed al Nahyan, Abu Dhabi's powerful crown prince, according to the

U.A.E. press agency.

That included an agreement between state-owned Abu Dhabi National Oil Co. and China National Petroleum Corp. to explore business opportunities that would strengthen the two countries' energy partnership. ADNOC a day earlier awarded contracts valued at \$1.6 billion to an affiliate of CNPC for the world's largest 3-D onshore and offshore seismic survey. Other deals included Dubai-based global ports operator DP World signing an agreement with Zhejiang China Commodities City Group to jointly construct a new traders market at its flagship Jebel Ali Free Zone at home to promote Mr. Xi's signature Belt and Road initiative.

The U.A.E. and Saudi Arabia want China to continue to buy

their oil and help shore up global demand for a commodity that accounts for a big chunk of their economies.

Beijing's Middle East policy has in recent decades been driven mainly by economic interests: China imports large

quantities of oil from the region, and now also sees it as an investment destination to expand its footprint across trade routes stretching through central Asia into the Middle East and Africa.

While China is becoming more entwined economically with the region, its security interests are more limited but also growing. Beijing has expanded security and counterterrorism cooperation with some countries, holding anti-terror drills with Saudi Arabian security forces, while Iran has agreed to increase intelligence-sharing with China in fighting terrorism, drug trafficking and organized crime.

"In a very complex Middle East, China is friends with every country," said Li Shaoxian, director of the China-Arab Research Institute at Ningxia University in northwestern China. "When we develop relations in the region, we pay attention to maintaining balance."

To do so, Mr. Xi is counting on the region's eagerness for Chinese business overshadow-

ing a growing list of political disputes. Tensions between the Gulf states and Iran have worsened over the past few years. So has a political rift between gas producer Qatar and most of its erstwhile Persian Gulf allies.

Saudi Arabia and the U.A.E. would like it if Beijing cut economic ties with their rivals, but both understand China's policy is to stay out of the political fray.

Mr. Xi has walked that political tightrope for years. At a China-Arab ministerial forum in Beijing this month, he pledged more than \$23 billion in development loans and humanitarian aid to Mideast countries. He also hosted Iran's President Hassan Rouhani at an international summit in June.

—Kersten Zhang contributed to this article.

Pompeo Warns Against Easing Up on North Korea

Secretary of State Mike Pompeo warned countries against easing pressure on North Korea on Friday, citing sanctions violations that have allowed Pyongyang to import crucial supplies.

By Jessica Donati in Washington and Farnaz Fassihi at the United Nations

The U.S. says Pyongyang is violating a sanctions cap on importing refined petroleum, through illegal ship-to-ship transfers. The U.S. shared photographic evidence and documents tracing the ships to China and Russia with the U.N. Security Council's sanctions committee this month.

Mr. Pompeo, at a press conference at the United Nations in New York, warned that such violations could reduce North Korea's incentive to give up its nuclear weapons, as it pledged to in an agreement signed with President Donald Trump last month.

"It will take full enforcement of sanctions for us to get there," Mr. Pompeo said, adding the U.S. had recorded 89

ship-to-ship transfers of oil products in the first five months of the year.

The direction of talks has appeared uncertain since North Korea's foreign ministry accused the U.S. of behaving like a "gangster" after a visit by Mr. Pompeo this month. In a statement, Pyongyang warned that North Korea wouldn't yield to unilateral demands.

On Friday, Mr. Pompeo maintained optimism that North Korean leader Kim Jong Un would deliver on his promise.

"Progress is happening," he told reporters, describing a vision in which North Korea would one day participate in the United Nations as a friend rather than as a foe.

U.S. Ambassador to the United Nations Nikki Haley, who spoke at the briefing alongside Mr. Pompeo, said Russia and China on Thursday had blocked a U.S. proposal that the Security Council's sanctions committee halt all refined petroleum shipments to North Korea.

Russia and China have asked for more time and more information. Russian Deputy

Ambassador to the U.N. Dmitry Polyanskiy tweeted that Russia was "seeking the explanation of methodology used in making calculation of 'illegally' exported petroleum."

"Some of our friends have decided they want to go around the rules," said Ms. Haley, adding that sanctions must remain in place and be enforced until North Korea takes concrete steps toward denuclearization.

Ms. Haley said all of the information needed has been provided to the North Korea sanctions committee.

Mr. Pompeo didn't comment on whether Mr. Trump had sought Russia's cooperation on sanctions enforcement during the meeting with President Vladimir Putin this week, but he said the U.S. appreciated Russia's cooperation in many areas. "We need the world to continue to participate," Mr. Pompeo said.

Critics have questioned North Korea's commitment to its promise to give up nuclear weapons since satellite images showed Pyongyang continuing to expand and upgrade its nuclear assets.



WINSTON CHURCHILL HISTORIC ICON



A generation's hero. Inspirational leader. Rare portrait. A man of undeniable strength and resilience, Winston Churchill stands as one of the greatest leaders of the modern world. This important portrait by renowned British artist Fred Aris masterfully captures the leader's irrepressible air of determination and stalwart character. Composed

the year he died, the impressive composition stands in tribute to one of the greatest heroes in history. Signed and dated 1965 (lower right). Canvas: 25 1/2" h x 29 1/2" w; Frame: 32 1/2" h x 36 7/16" w. #30-7692

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WORLD NEWS

Russia Open to U.S. Summit

By THOMAS GROVE

MOSCOW—The Russian government signaled Friday its openness to a possible second summit between President Vladimir Putin and President Donald Trump, though some officials in Moscow remained taken aback by the firestorm that has surrounded the meeting this week between the two leaders.

Mr. Trump surprised administration officials and Republican lawmakers when he announced this week that he had invited Mr. Putin to the White House for a summit in the fall to follow up on their meeting in Helsinki.

"Russia was always open," Russia's ambassador to the U.S., Anatoly Antonov, told reporters. "We are ready for a

President Trump's invitation to Mr. Putin surprised some U.S. officials.

discussion on that topic," he said, adding that it was for the Kremlin to ultimately respond to the invitation.

This week's summit was broadly perceived in Moscow as a possible, positive step forward in Russia-U.S. ties. Russian officials have been surprised by the persistent criticism against Mr. Trump for his performance.

"We expected a mixed reaction in Washington to the results of the summit, but I myself didn't expect this harsh rejection of everything that the presidents discussed," Mr. Antonov said at an event in the Russian capital.

For now, he said, Moscow's goal was to achieve progress following the meeting between the two leaders.

"The task is not to multiply summits, the task is to substantively prepare, find shared understandings of solutions, and lower tensions



President Vladimir Putin made 'concrete proposals' to end the conflict in Ukraine, Russia's ambassador to the U.S. says.

and move forward," Russian agencies quoted him as saying.

He also said Russian and U.S. lawmakers would continue traveling between the two countries and said another group of U.S. congressmen was expected to come to Moscow, though he gave no specific time.

Mr. Trump's embrace of Mr.

Putin, even as Washington more broadly denounces the Russian leader as the force behind an alleged campaign by his country to influence the 2016 presidential elections, has sown confusion in the Kremlin, some analysts said.

The reaction of Kremlin officials and the prospect of improved relations with the U.S.

ranges from cautiously optimistic to skeptical, said Fyodor Lukyanov, head of a Kremlin advisory body.

"Even if he means what he has stated many times about the necessity to get along with Putin and Russia and normalize relations, we see that his ability to implement this line in Washington is very much limited," Mr. Lukyanov said.

The ambassador, Mr. Antonov, a former bureaucrat who worked with the defense and foreign ministries in Moscow before his appointment to Washington, said the recent meeting had been focused on conflicts in Syria and Ukraine, U.S.-Russian relations and arms control.

Regarding Ukraine, he said that proposals had been discussed to solve the conflict in the regions of Donetsk and Luhansk, which broke away from Ukraine, with Russia's help, in 2014.

Russia's role in Ukraine, with the annexation of Crimea that year, prompted U.S. sanctions.

Without giving details, Mr. Antonov said Mr. Putin made "concrete proposals" to end the simmering conflict.

During the summit, Mr. Putin proposed holding a referendum to help resolve the conflict in eastern Ukraine, and agreed not to disclose the plan publicly so the U.S. president could consider it, according to a person close to the Russian foreign ministry. Bloomberg earlier reported on the possible referendum.

The Russian Foreign Ministry said Friday that Moscow had the right to look at other options to end the conflict if Kiev was unable to uphold its side of an agreement that acts as a road map for peace in eastern Ukraine.

Regular artillery attacks along the front line have made it impossible for either army to pull back, keeping agreements at a standstill, while Kiev and the Russia-backed separatists blame each other for the violence.

EU Pushes Back At May's Brexit Plan

By LAURENCE NORMAN

BRUSSELS—The European Union's chief Brexit negotiator raised serious doubts about U.K. Prime Minister Theresa May's plan for Britain's future trade relationship with the bloc, saying parts of it would risk undermining the EU's single market in goods and services.

In the first official reaction from the EU to the plan, Michel Barnier said Friday that it contained some positive suggestions but that key elements violated negotiating guidelines laid out by EU leaders.

The cool response underlines the risks that Britain could crash out of the bloc without a Brexit deal on March 29, 2019. With that departure date, EU officials warn that there are roughly three months left to solve remaining disagreements about terms of Britain's exit and to sketch the shape of future economic and security ties. The deal must be agreed to by the U.K. Parliament and the European Parliament.

Mr. Barnier's comments offer little political respite for Mrs. May. Divisions within her own party slowed the development of the detailed exit plan, which was announced more than two years after the June 2016 referendum vote to leave the bloc. The proposal was finally agreed to at a key cabinet meeting this month at her official residence of Chequers, and led to the resignations of her foreign secretary Boris Johnson and chief Brexit negotiator David Davis.

On Friday, after the latest week of talks between the two sides, Mrs. May called for the EU to show more flexibility. In a speech in Northern Ireland, she doubled down on her opposition to EU proposals to impose what would effectively be a customs border in the Irish Sea between mainland Britain and Northern Ireland, also part of the U.K.

"It is now for the EU to respond," she said. "Not simply to fall back on to previous positions."



Michel Barnier
STEPHANIE LECOCQ/EPA/SHUTTERSTOCK

sitions which have already been proven unworkable. But to evolve their position in kind."

At the heart of the U.K.'s proposal is an offer to accept EU rules on goods and agriculture in order to continue to enjoy frictionless trade for these categories. Britain would be free to develop its own rules for services, but financial and other companies would lose automatic access to EU markets.

Speaking after meeting ministers from the EU's other 27 countries, Mr. Barnier said there are several elements in Britain's proposal that would help build common ground. Those included pledges to adopt a level playing field on environmental and state-aid rules.

Mr. Barnier questioned the practicality of major aspects of Britain's proposal. Under Mrs. May's plan, Britain would impose different tariffs on goods depending on whether those goods would remain in the U.K. or be transported to the EU. That may increase the costs of doing business and make it easier to perpetrate fraud, Mr. Barnier said.

He said his core concern was that Britain's plan—by focusing on the trade of goods—would undercut the bloc's single market of goods and services.

—Daniel Michaels contributed to this article.

WORLD WATCH

VIETNAM

Court Orders U.S. Protester Deported

A Vietnamese court fined and ordered the deportation of U.S. citizen William Nguyen for participating in a rare protest in the tightly controlled communist nation.

The court on Friday found that Mr. Nguyen had disturbed public order, an offense that can carry seven years in prison. Vietnamese nationals arrested on similar charges have received far harsher sentences.

The U.S. had lobbied hard for Mr. Nguyen's release, and the case had strained ties between the two countries that have been working more closely together to counter China's rising influence in the region. Secretary of State Mike Pompeo had raised the case during a visit July 8 and 9, and more than 30 U.S. lawmakers weighed in.

The U.S. Embassy in Vietnam said it was pleased with the resolution. Mr. Nguyen wasn't available to comment.

His sister Victoria Nguyen, who was in Vietnam for the trial, posted "WILL IS FREE!!!!" on Twitter early Friday. Mr. Nguyen's family, originally from Vietnam, moved to Houston a few years after the war ended in 1975. Local media said Mr. Nguyen had been ordered to leave Vietnam immediately.

Mr. Nguyen, a Yale graduate in his early 30s, was arrested during a June 10 protest against plans for special economic zones that would give long-term land leases to foreigners. Demonstrators said they could allow Chinese firms to encroach on Vietnamese territory.

—Jake Maxwell Watts



A court ordered American William Nguyen to leave Vietnam.

napped, North Korea could cancel reunions next month. Pyongyang's state-controlled website Uriminzokkiri suggested on Friday.

Disagreements between the Koreas about how the waitresses came to the South in 2016 and uncertainty among some South Koreans about North Korea's sincerity regarding denuclearization have created tension this year while the two pursue closer relations.

North Korean statements on Friday suggested that Seoul's failure to repatriate the waitresses and halt criticism against the North's nuclear-weapons program would undermine the inter-Korean detente.

In a statement, North Korea criticized South Korean demands that Pyongyang more quickly pursue denuclearization. It hinted that Seoul should stay silent on nuclear negotiations between Pyongyang and Washington.

The statement came in response to recent comments by South Korean President Moon Jae-in, who urged North Korea to pursue complete denuclearization, while nudging Washington toward guaranteeing the survival of the North Korean regime.

—Andrew Jeong

SINGAPORE

Health Database Is Hit by Cyberattack

Hackers stole the personal health records of Prime Minister Lee Hsien Loong and 1.5 million others in an unprecedented data breach, officials said, casting a light on the risks facing cities around the world as they begin centralizing data to provide smoother government services.

Singapore government officials said Friday the attack against the country's largest network of hospitals and clinics was "a deliberate, targeted and well-planned cyberattack and not the work of casual hackers or criminal gangs."

Hackers stole the personal data including addresses and identity numbers of patients who attended clinics and hospitals during a three-year period between May 2015 and July 2018, officials said, affecting more than a quarter of the country's population. Prescription records for 160,000 also were compromised, including that of the prime minister.

—Jake Maxwell Watts and Saurabh Chaturvedi

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WORLD NEWS

Pakistan Military Said to Influence Vote

By SAEED SHAH
AND WAQAR GILLANI

LAHORE, Pakistan—Pakistan's military is working behind the scenes to manipulate this month's election to try to produce a government it can better control, politicians and human-rights groups said.

The military's intelligence arm is carrying out a campaign of persuasion, intimidation and threats, politicians who have experienced it said, in an effort to get them to change parties and to pressure key local voting blocs to switch allegiance.

The drive particularly targets the party of former Prime Minister Nawaz Sharif, who military officers have privately said is too soft on traditional foe India, and looks to help the avowedly pro-military party of former cricket star Imran Khan. To achieve this, the military is working closely with police, local officials and the anticorruption watchdog—all institutions over which they have considerable sway, these politicians said.

Mr. Khan's Pakistan Tehreek-e-Insaf party was expected to put up a strong challenge in the July 25 election, but in a closely fought battle with Mr. Sharif's party, the military's role could make the difference, some experts said.



The military is using persuasion and threats in a bid to get politicians to change parties, critics say.

A contested result risks future instability for this country of 200 million, politicians warn. The military denies trying to influence the election.

Mr. Khan's party must make huge inroads in the province of Punjab, Mr. Sharif's stronghold, which carries more than half of the seats in Parliament.

"This is an engineered election," said Riazul Haq, who is running for re-election in Okara, in central Punjab, from Mr. Sharif's Pakistan Muslim

League-N party. "Every tool is being used to divide Nawaz Sharif's party and break his vote bank."

Mr. Haq said that two months ago he was called to a meeting by officials he wouldn't identify and was told to join Mr. Khan's party, with the promise of being its candidate in the election. He declined.

"Then my trial began," he said.

Later in May, the country's

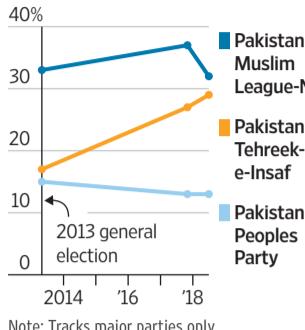
anticorruption agency, the National Accountability Bureau, said it is investigating him for embezzling public money meant for local road construction. He said he has no role in the spending of these funds.

"Our supporters are being forced to withdraw backing for us and some of them have done it out of fear," Mr. Haq said.

The military has staged coups in the past, but since democracy was restored in

Head to Head

The pro-military Pakistan Tehreek-e-Insaf party has gained on that of former Prime Minister Nawaz Sharif ahead of the July 25 election.

Voting intentions for Pakistan's national assembly election

Note: Tracks major parties only
Source: Institute for Public Opinion Research in-person polls, latest of 3,375 adults conducted June 13-July 4; margin of error: +/- 3.9 pcts.

THE WALL STREET JOURNAL

age" had been done to the election process and alleged that the push to "force" politicians to leave his party is being run by a deputy chief of the military's Inter-Services Intelligence agency, Maj. Gen. Faiz Hameed.

The military denies the charge and said Gen. Hameed's job is counterterrorism.

"We have no political alignment," the military's spokesman, Maj. Gen. Asif Ghafoor, said at a press conference this month. "People should come out and vote for whoever they want."

It isn't unusual to change parties here, but doing so under pressure is alarming, some politicians said. At least 21 of Mr. Sharif's 126 lawmakers in Punjab defected to Mr. Khan's party, while others went independent, hemorrhaging particularly in the south of the province.

Politicians from around Pakistan said they were approached by intelligence officials and promised spots on Mr. Khan's ticket and in some cases even ministries in a Khan-led government.

Chaudhry Fawad Hussain, a spokesman for Mr. Khan's party, said the ticket allegation is "without substance."

He said Mr. Sharif's party "knows it's losing the race so they are trying to create the perception of rigging."

Israel Launches Broad Attack Against Hamas Targets in Gaza

By FELICIA SCHWARTZ

TEL AVIV—Israel's military said it has launched a wide-scale attack against Hamas after one of its soldiers was killed by fire from the Gaza Strip, an escalation that raises concerns of a wider conflict.

The stepped-up campaign followed "an event of the sort we cannot tolerate," said Lt. Col. Jonathan Conricus, a military spokesman, referring to the soldier's death. Three Hamas members were killed in

retaliatory strikes that included tank and aircraft fire, he said. Gaza's ministry of health said other people were injured.

The Israeli soldier killed on Friday was the first to die in combat with Gaza since the 2014 war, Israel's military said. His identity hadn't been released Friday evening.

Israel's military said the strikes in Gaza were ongoing. It had hit 40 Hamas targets, including what it said were two Hamas battalion headquarters. Militants also fired

three rockets from Gaza into Israel on Friday, Israel's military said, including two that were intercepted by the country's Iron Dome system.

Israel's Defense Minister Avigdor Lieberman blamed the escalation on Hamas, the militant group that rules the Gaza Strip. There have been several small exchanges of fire this week after a shaky truce was reached last weekend, but by Friday that calm had ended.

"We are endeavoring to be measured and responsible, but

the leaders of Hamas, by using force, are leading us into a situation in which there is no choice, a situation in which we will have to embark on a wide and painful military operation," Mr. Lieberman said.

Israel has said it wants to see Hamas stop launching flaming kites and balloons from Gaza as well as cease rocket and mortar fire and weekly violent protests at the border.

Since March, Palestinians have regularly protested at the fence dividing Gaza from Is-

rael—calling for an end to Israel's blockade and to be allowed to return to the land from which they fled during the 1948 war with Israel.

More than 140 Palestinians have been killed, including one this Friday, and thousands injured in violent clashes with Israel's military during the weekly demonstrations. Some of those protesters have charged the fence, rolling burning tires and firing at Israeli forces. They also have thrown Molotov cocktails and

flown flaming kites that have caused several fires.

Israel says many of those it has killed were Hamas militants and its security concerns necessitate its blockade of Gaza.

Mr. Lieberman said Israel is in discussions about the violence in Gaza through intermediaries including Egypt and the United Nations but isn't speaking directly with members of the militant group.

—Abu Bakr Bashir in Cairo and Dov Lieber in Tel Aviv contributed to this article.

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WORLD NEWS

Nicaraguan Unrest Jolts U.S. Expats

By JOHN OTIS

GRANADA, Nicaragua—After decades teaching social studies at a California high school, Noel Correa moved to Nicaragua, buying a home on the outskirts of this colonial city. Then, the country he chose as his retirement paradise began to unravel.

"We were just getting settled when the fighting broke out," said Mr. Correa, who is 67 years old and arrived here with his wife in December. "Now we are in limbo."

So are many other expats caught up in a three-month uprising against Nicaraguan President Daniel Ortega, whose crackdown in response has killed more than 300 people.

Attracted by a tropical climate, low crime rate and seeming stability, thousands of Americans and Europeans moved here the past 15 years. Many viewed this country of six million as a cheaper alternative to the burgeoning foreign retirement communities in neighboring Costa Rica and Panama.

Now, however, the sound of gunfire and homemade mortars interrupts their sleep. Roadblocks and marauding pro-government paramilitaries discourage them from leaving their homes. Muggings and looting are on the rise.

"I think I am going to pack up and get out," said an American who operates a small gold mine in eastern Nicaragua that he has been unable to visit because of roadblocks. "When you can't travel and security is in question, it makes things very difficult."

Expats, many of whom declined to be quoted by name for fear of government reprisals, aren't the only worried foreigners. Tourists have mostly stopped coming. One-third of the country's hotels and restaurants have closed and about half, or 60,000, tourism jobs have been

lost, according to the Nicaragua Chamber of Tourism. Tourism is Nicaragua's top foreign-exchange earner.

The U.S. Embassy has ordered non-emergency personnel to leave and advised U.S. tourists to avoid Nicaragua "due to crime, civil unrest, and limited health care availability."

At the Managua airport, international flights land mostly empty and take off full.

"As soon as the violence hit, the tourists began to flee," said Lucy Valenti, who heads the tourism chamber. "I can't even begin to predict how bad this is going to get."

The unrest began in April, with Nicaraguans protesting social-security tax increases. But as police and paramilitaries attacked them with deadly force, the street marches swelled with outraged Nicaraguans. They are now demanding that the Ortega government call early elections.

Mr. Ortega, 72, a former Marxist guerrilla who in the 1980s headed Nicaragua's Sandinista revolutionary government, was voted out of the presidency in 1990.

Returning to office in 2006, he has since taken control of nearly all government institutions, while winning two more five-year terms. He accuses his opponents of coup plotting and rules out leaving office before his term expires in 2022.

Calls to the office of Vice President Rosario Murillo, who is Mr. Ortega's wife and handles press inquiries, weren't returned.

As the crisis drags on, Nicaraguan towns and cities that depend on tourism and foreign retirees have been hit especially hard.

Chief among them is Granada, built in 1524 on the shores of Lake Nicaragua and no stranger to strife.

Troops loyal to the American mercenary, William Walker, who had declared him-



Rebels set up barricades in Granada's Arroyo Carita neighborhood. Noel Correa, below, is an American who now lives in Granada.



self president of Nicaragua in 1856, set the city ablaze. The town—considered Nicaragua's crown jewel for its Spanish colonial architecture, cobblestone streets and elegant central plaza—has been mostly peaceful since. Until recently.

When the current uprising began, several protesters in Granada were killed, and the city hall was burned down.

Now, Granada is a ghost town. Horse-drawn carriages

sit idle at curbsides. Boat captains who used to ferry tourists to the islands in Lake Nicaragua say they haven't had passengers for two months.

The Hotel Plaza Colón, one of the city's largest, is empty. Next door at a dance studio, salsa instructor José Obando said his American and European students have vanished.

"They all canceled and left the country," he said.

Expats on Facebook groups

speculate about road safety and the fate of the housing market. One recent posting asked: "Just to get an idea: Who left? Who stayed?"

But it turns out not everyone can afford—or wants—to leave.

A Florida native and retired music teacher said that she is stuck here after plowing most of her savings into a home with a view of the nearby Mombacho volcano. She

moved in last year with little sense of the brewing anger.

"I started hearing the word 'dictatorship,'" she said. "I didn't realize what Ortega had evolved into."

Also caught off guard was a Houston lawyer who has spent the past 15 years snapping up property in Granada, including a small hotel.

"Real-estate values were going up," the lawyer said, as he drank beer at one of the few bars still open. "I was going to start unloading some of my properties but then the government started shooting people."

He and other foreigners are trying to adapt.

They walk or cycle to get around barricades. Happy hour has been moved up to 1:30 p.m. to avoid Granada's nighttime curfew.

Numerous expats insist on staying, content with the country's slow pace of life and friendly people.

"Nicaragua puts a smile on my face just about every day," said an American artist who moved here 13 years ago and gives painting classes.

"Back in the U.S., people tell me that I should come home. But I tell them: 'I am home,'" he added.

Election Season Kicks Off in Brazil

By PAULO TREVISANI

BRASÍLIA—Ciro Gomes, a veteran politician, became the first presidential candidate confirmed by a party convention for Brazil's Oct. 7 vote, kicking off a wide open election season.

Nearly 500 members of the leftist Democratic Labor Party, or PDT, approved Mr. Gomes's candidacy by a voice vote Friday, and he pledged to boost manufacturing, cut taxes, fight corruption and reduce poverty.

"Brazil is a great nation and has resources to ensure its people live a happy life," he said in his acceptance speech. "But the people have already given everything they have....It's time for the government and the rich to give their share."

Mr. Gomes's stances on the economy often have spooked

markets. Earlier this week, the 60-year-old former finance minister, state governor and representative sent a letter to Boeing Co. asking it to refrain from acquiring Embraer SA, citing national security because the Brazilian company makes military aircraft in addition to commercial planes.

The two companies this month announced a \$3.8 billion deal in which Boeing would take an 80% stake in Embraer's commercial airplane and services business. The transaction requires President Michel Temer's approval, which is expected to come this year.

"We got the letter and respectfully acknowledge its receipt," a Boeing spokesman said. Embraer declined to comment.

Critics fear Mr. Gomes, if elected, could roll back efforts

to plug Brazil's budget shortfall, which amounts to 7.2% of gross domestic product.

"His growth agenda doesn't agree with fiscal discipline," said Zeina Latif, an economist at asset-management firm XP Investimentos. "He puts too much emphasis on government intervention."

Friday's PDT convention kicks off a series of similar party events ahead of the Aug. 5 deadline for registering candidates. The October vote will be the first presidential election following a sprawling graft probe known as Operation Car Wash that has enmeshed most of Brazil's political leadership.

Car Wash's most prominent casualty, former President Luiz Inácio Lula da Silva is serving a prison sentence following his conviction on corruption and money-laundering charges, but the Workers' Party, or PT, has said it intends to field him as candidate. Mr. da Silva, who says he is a political prisoner unfairly targeted by prosecutors, leads all polls by a large margin.

Mr. da Silva's candidacy, however, is likely to be barred by the electoral court, leaving the field wide open.

On the right, Jair Bolsonaro, who is polling second behind Mr. da Silva, has promised to fight rampant crime and expand gun-ownership rights. Environmentalist Marina Silva, who ran an unsuccessful campaign in 2014, trails Mr. Bolsonaro. Mr. Gomes comes right after her at No. 4, according to pollster Datafolha.

—Doug Cameron contributed to this article.



UESLEI MARCELINO/REUTERS

Ciro Gomes addressed a Democratic Labor Party convention Friday.

Uber Users Flub Cab Rides

Continued from Page One called Uber-autopilot. When Uber regulars get into traditional cabs, they exchange blank stares with taxi drivers, wondering why the car isn't moving even though they haven't said where they want to go. Or they sip out of water bottles only to realize that yellow cabs, unlike many Uber rides, don't come with water. An unfortunate few have had to explain themselves to the police.

Emily Finn, a 24-year-old hair stylist, almost always takes Uber or Lyft, but her phone died one night while bar hopping in Tempe, Ariz., so she took a cab instead. She blames Uber, not the alcohol, for what happened next.

"I'm just walking down a street and all of a sudden a

horse cop comes after me," said Ms. Finn. "She was like, 'Ma'am, you didn't pay for your cab.'

The officer handed her a citation for over \$100 but reduced the fine after hearing Ms. Finn's defense about being so used to Uber. The officer also escorted her to a cash machine and then back to the corner where the driver was waiting.

"I was like, 'I'm so sorry. I'm not the type of person that would skip out on the cab. It was totally a misunderstanding,'" said Ms. Finn. "I don't think he believed me. He was yelling, 'You didn't pay! You didn't pay!'"

Undeterred by such mix-ups, an Uber spokeswoman said the company is "excited to see how Uber-related behaviors have become so familiar to our riders—whether or not they're actually an Uber or

Cab drivers are less enthused. Nuru Tahire, age 58, drives for Flywheel Taxi in San Francisco. The company has an app of its own that customers can use to order and pay for rides. But when customers

hail a ride the old-fashioned way, Mr. Tahire will often remind them at the start of the ride they're in a taxi. If they get out without paying, he must determine whether it's worth it to run after them.

A couple of months ago, he pulled over and chased a woman he believed was a nurse into the hospital where she works. He found her by the elevators with no purse and no money. She was confused when he approached her.

"There were people around her and she was very embarrassed," Mr. Tahire said. He drove back to meet her later to collect money she borrowed from a friend. She gave him a generous tip: \$20 on a \$12 fare.

This spring, he narrowly escaped a ticket after parking in a red zone to go after a man who had skipped out on his fare.

"When I made contact with him, he was shocked. He said, 'No, no, I already paid on the Uber app!'" Mr. Tahire said.

"Some of them will apologize.

"Some of them are embarrassed.

"Some of them are embarrassed,

but it does happen very often."

Adam Murray, 39, said that

on the rare occasion he takes a cab home from work in San Francisco instead of an Uber or Lyft, he sometimes fails to tell the driver where he's going.

"There's this moment of telepathy where you expect the driver to just know and you pause and you look back at them and say, 'OK, are we ready to go?'" he said.

"And nothing happens," he said.

Worse was last month when

Mr. Murray, who is a software executive, was visiting New York and took a yellow cab from dinner to his hotel. He was thirsty.

"I was like, 'Oh a water bottle,'" he said. As he started drinking, another thought occurred to him: "Oh wait, this is not something that normally happens in cabs."

Though he believes the bottle

was unopened when he grabbed

it, he's also confident it wasn't a rider perk. Feeling grossed out, he stopped drinking.

Brian Breslin, 35, never takes cabs in Miami, but he takes Uber and Lyft so often he can even get thrown off when he goes to drive his own car.

"My fiancée and I walked towards the passenger side," he said. "Then she was like, 'What are you doing?' and I was like, 'Getting an Uber,' and she was like, 'This is our car!'"

The car was parked on the street. But he's made the same mistake in his driveway.

Min Kang, 20, a student at Brock University in Ontario, often makes small talk with his Uber drivers during his rides.

On a ride back from a Toronto Raptors game, he asked the driver, "How long have you been working for Uber?"

The driver gave him a curt "Ha!" and then gave one-word answers for the rest of the trip. At first, Mr. Kang was confused about the abrupt end to the conversation. Then it hit him: He was in a cab.

"I should have known," he said.



Uber users often forget to pay their cabbies, leading to awkward moments and, on occasion, a trip to the police station.

GETTY IMAGES

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OBITUARIES

D. LEONARD WISE
1934 – 2018

Struggling Steel Firms Turned to Mr. Fixit

When steel companies were in trouble in the 1980s and 1990s, D. Leonard Wise was likely to get a call. The companies he managed tended to be headed for bankruptcy or struggling to emerge from it. He usually moved on to the next crisis within a few years, without building up a pension.

Born in Delaware and trained in economics, Mr. Wise got his start in 1957 as a management trainee at a Bethlehem Steel Corp. plant in Sparrows Point, Md. He made his name in the late 1970s by turning around a steel plant in Indiana that had been losing as much as \$10 million a month.

His reward was to become a roaming Mr. Fixit charged with helping to manage the shrinkage

of the U.S. steel industry, besieged by overseas competition. When he joined the industry in 1957, the U.S. accounted for about a third of global steel output. Last year, the figure was 5%, according to World Steel Dynamics Inc.

He believed in being frank with workers. "It's fundamentally the ability to tell a story straight," he said in a 1997 interview with American Metal Market. "It isn't always nice stories."

Mr. Wise died July 4 in Birmingham, Ala. He was 83 and had Alzheimer's disease.

Mr. Wise is survived by three children, seven grandchildren and nine great-grandchildren. His wife, the former Joan Kern, died in 2016.

—James R. Hagerty

NATHANIEL REED
1933 – 2018

Nixon Aide Led Drive To Protect Environment

Nathaniel Reed spent much of his youth exploring the woods on his family's estate in Greenwich, Conn., fishing on Jupiter Island in Florida and camping in the Adirondacks. He devoted the rest of his life to preserving the natural world he cherished as a boy.

In the 1970s, as an assistant secretary in the U.S. Interior Department under Presidents Richard Nixon and Gerald Ford, Mr. Reed backed the Clean Water Act of 1972 and helped push through the Endangered Species Act of 1973. His efforts also helped lead to bans on DDT insecticide and the chemical compound 1080, used to kill coyotes and other animals. He made enemies in Wyoming by accusing ranchers of

slaughtering bald eagles to protect livestock.

In Florida, he battled against development plans that he believed would despoil the Everglades and other refuges for plant and animal life. He helped block a barge canal that would have sliced through the state. When he crusaded against pollution by Florida's sugar industry, some opponents likened him to Fidel Castro.

Mr. Reed, who was 84, died July 11 at a hospital in Quebec City. He had suffered a brain injury after falling during a fishing trip and hitting his head on a rock.

Mr. Reed is survived by his wife of 54 years, the former Alita Weaver, as well as three children and five grandchildren.

—James R. Hagerty

ANN HOPKINS
1943 – 2018

Consultant Struck a Blow For Women in Workplace

BY JAMES R. HAGERTY

Ann Hopkins, a consultant at Price Waterhouse who advised government agencies on how to operate more efficiently, was stunned in 1983 when the firm refused to make her a partner. Ms. Hopkins believed she had brought in more consulting business than any of the other candidates considered that year.

One partner told Ms. Hopkins her chances would improve if she wore makeup, walked and talked in a more ladylike manner and had her hair styled. Another advised her to enroll in a charm school.

Ms. Hopkins, who rode a motorcycle and liked beer, saw no reason to change her style. She sued the firm for discriminating on the basis of gender. Price Waterhouse argued that she was denied partnership because she couldn't get along with colleagues, not because she was a woman.

Her seven-year court battle included a ruling by the Supreme Court that discrimination based on gender stereotyping violated the 1964 Civil Rights Act, a ruling still cited in gender-discrimination cases. In 1990, a federal appeals court judge in Washington, D.C., ordered Price Waterhouse to make her a partner. The court also required the firm to pay her more than \$370,000 in back pay and interest.

Friends expected her to take the money and run. Instead, she rejoined Price Waterhouse as a partner in 1991 and stayed there, for the most part happily, until retiring in 2002.

Ms. Hopkins died June 23 at home in Washington. She was 74 and had been diagnosed with acute peripheral sensory neuropathy, a nerve disease.

She rejected the notion she was a victim or a heroine. "I am, however, the first person to be admitted to a partnership by a court order," she wrote in "So Ordered," her 1996



memoir. "I am a legal landmark, albeit a reluctant one." She chose to return to Price Waterhouse because she loved her job there.

People tended either to love or loathe her, friends said. Her language could be harsh and vulgar. "The people who didn't like me still didn't like me" when she returned to the firm, she told the New York Times in 1999. "The people who liked me still liked me."

She believed in giving feedback immediately and frankly. One former colleague wrote on Facebook after her death that she terrified him at first but he was now grateful she toughened him up.

In a memo kept by many of her colleagues, she instructed them on general expectations: "We keep promises. We meet schedules. We own our results." She insisted that they write simply and clearly: "do" was better than "undertake."

She ran a boot camp for presentation skills. "When people had verbal tics...like, um, you know...Ann would slap her hand on the tabletop," said Jennifer Okimoto, a friend and former colleague. "It was loud and startling. But af-

ter a few slaps you curb the tic." Ms. Okimoto learned not to rock back and forth while speaking; Ms. Hopkins "told me that I looked like a toddler who had to go pee."

Ann Branigar Hopkins was born Dec. 18, 1943, in Galveston, Texas. Her father was an Army officer whose career moved the family to Germany, Kansas and Virginia. She attended 18 schools by the time she got her high-school diploma.

Women in her family were "an eccentric, self-sufficient, poised, occasionally cantankerous lot," she wrote. Her father disapproved of her mother's decision to go back to work as a nurse.

At Hollins College, a women's school in Virginia where her nickname was Hoppy, she earned a degree in mathematics. She went on to earn a master's in math at Indiana University in 1967. "What I studied had no perceivable relation to real-world activities," she wrote.

Her husband, Thomas Peter Gallagher, stoutly supported her in the early stages of her suit against Price Waterhouse. Then the marriage broke down, leaving her a single parent of three waging a legal battle while working as a budget planner at the World Bank in the late 1980s. They divorced several years later.

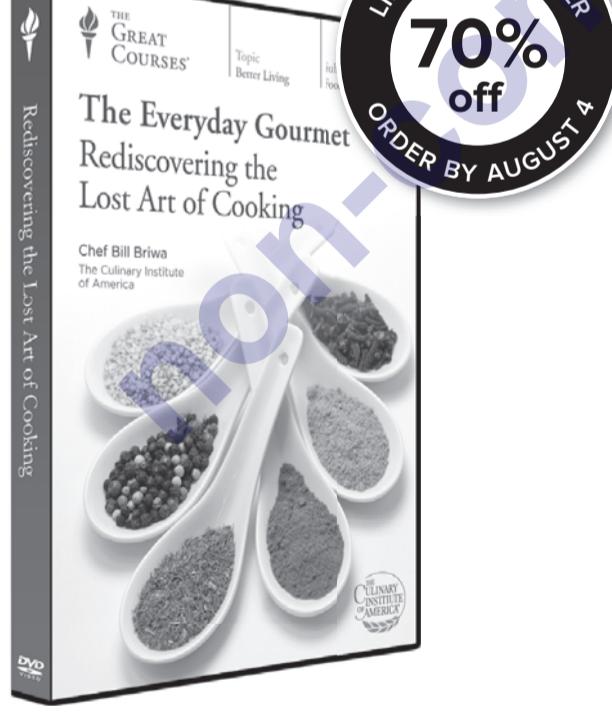
In retirement, she was known for her gardening and pie-making skills and for her tough love in mentoring friends and family. Her daughter, Tela Gallagher Mathias, worked as a consultant at PricewaterhouseCoopers, a successor firm, and was advised by her mother to stand up for her beliefs. "Since when did you become a meek mouse?" Ms. Hopkins asked her daughter at one point.

Along with Ms. Mathias, survivors include a son, Gil Gallagher, and five grandchildren. Another son, Peter, died in 2000.

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IN DEPTH

Nation Needs Caregivers

Continued from Page One
too, they may well find their families too small and far-flung to meet the task.

Today, an estimated 34.2 million people provide unpaid care to those 50 and older. These caregivers, about 95% family, and long the backbone of the nation's long-term care system, provide an estimated \$500 billion worth of free care annually—three times Medicaid's professional long-term care spending—and help keep people out of costly institutions, according to a 2017 Merrill Lynch study.

Demographic change

But the supply of these caregivers is shrinking just as the nation needs them most. Every day, 10,000 people turn 65. In 2020, there will be 56 million people 65 and older, up from 40 million in 2010.

Meanwhile, the ratio of caregivers to care recipients peaked in 2010 and has been falling since, in large part because of changing family dynamics.

"Families have fewer children, older adults are more likely to have never married or to be divorced and adult children often live far from their parents or may be caring for more than one adult or their own children," noted a 2016 study by the National Academy of Sciences.

The private sector isn't an option for many older adults. Demand for private home health aides is expected to exceed supply by more than three million in the next decade. Many can't afford it even if it were available. A full-time home health aide costs, on average, \$49,000 a year, according to a 2017 Cost of Care Survey by Genworth, a long-term-care insurance company.

Public support hasn't kept pace either. Medicare and other government programs provide a fraction of the long-term supportive services that people need to remain in their own homes. Medicare generally doesn't pay for long-term care stays in nursing homes, which can cost close to \$100,000 a year for a private room.

After a person has spent down resources, like bank accounts and stocks, Medicaid, a needs-based state and federal program, will pay for most nursing home costs, but coverage and eligibility varies by state.

Families are putting together a patchwork of support, which can fray at the first broken hip. Ex-spouses are taking care of former spouses. Childhood friends watch out for parents of peers who moved away. Some grow old on their own.

Boomers, often caregivers themselves, are going to need care. For many, it is unclear who will provide it.

"We're going to have to look to nontraditional care," says Ken Dychtwald, CEO of Age Wave, a consulting firm. Older adults, he says, may have to take in boarders, who can help with shopping and repairs, or rely more on monitoring devices and delivery services.

Care from afar

Adult children are more mobile. That has led to more long-distance caregivers.

Shelly Cooley Hoce, 56, lives in Florida, as does her only sibling. Her parents, both in their 80s, live 800 miles away in Ohio. Her father, Chad Cooley, a longtime fire chief, was diagnosed with Alzheimer's in 2013. He no longer recognizes her when she visits.

"Are you really my daughter?" he asked her during a recent trip.

She told him yes. He started crying. "Why can't I remember that?" she recalls him asking.

Shelly often worried about her mom, Sue, getting overwhelmed as her dad became more belligerent and wandered down the street. Shelly and her brother take turns going to see their parents every six weeks or so. In between, she relies on friends, extended family and acquaintances to help.

Children do what they can from hundreds of miles away, checking references for an aide, managing bills, or arranging grocery deliveries. They often feel guilty for not being there to take a parent to the doctor and uncertain about how some-



Top: Viva Jane Noel, left, 93, is visited by Mary Ann Coulston, a volunteer in Latrobe, Pa. Below, Melissa Ogden, left, helps Clesta Dickson, 86, in Vienna, W. Va.

one is really doing.

Technology can alert remote caregivers to emergencies and keep families in touch, but it doesn't take the place of having someone there to make sure there is food in the refrigerator. Geriatric care managers, often nurses or social workers, manage care locally but can cost between \$50 and \$200 an hour.

Shelly counts on an aunt, who lives 45 minutes away, to visit and calls a cousin if something goes wrong with her mom's computer. She can always call Kay Taylor, who she has known since kindergarten. Growing up, they had sleepovers at each other's houses and went to Athens Bulldogs Friday night football games.

In recent times, Ms. Taylor stayed with Shelly's dad so her mom could run errands—going to the bank, the post office or the Dollar Tree to buy greeting cards.

Sue appreciated the help, as caring for her husband became harder. Long particular about his looks, he wouldn't willingly brush his teeth or shower and got up in the middle of the night. It got to the point, she said, that she had "to lock us in our bedroom at night."

Shelly tried to convince her parents to move to Florida. Her mom doesn't want to leave Athens, Ohio, where she and her husband were born and raised. They have siblings, friends and church there. Shelly understands that, but worried about the strain on her mom. "I always feel like I need to be there," she says.

Two weeks ago, Shelly visited her parents for a few days and flew home. Two days later, she was back in Ohio. Her dad had a mild heart attack. Shelly and her mother needed to stay with him around the clock partly because of his Alzheimer's and because hospital staff couldn't get him to swallow his pills.

He was released Tuesday and moved into an Athens nursing home where his brother, who also has Alzheimer's, lives. They are roommates. There was a moment, Shelly says, when they recognized each other and were pleasantly surprised to be in the same room.

Volunteer help

The elderly often depend on volunteers, with demand increasing for agencies that provide such help.

Viva Jane Noel lives in Latrobe, Pa., home of actor Fred Rogers, the consummate neighbor. Mrs. Noel, a 93-year-old widow, has lost much of her vision and relies heavily on the neighborliness of Mary Ann Coulston.

They met 17 years ago. "We've been buddies since," says Mrs. Noel. They talk on the phone at least once a day and go out for meals and to celebrate her birthday.

Ms. Coulston, 60, a volunteer with a group called Laurel Faith in Action, takes Mrs. Noel grocery shopping and to doctor appointments, reads mail to her and picks up her prescriptions. One time, she painted her garage. Like all of the organization's volunteers, Ms. Coulston isn't paid or reimbursed for mileage.

Mrs. Noel has two daugh-



ters, both in their 60s, but one lives in California and the other in Wisconsin. They talk to their mom regularly and do what they can from afar. Her youngest, Shirley Kondek, arranged help around the house after her mom broke her rib. She and her sister, Sandy Christophersen, are grateful to have Ms. Coulston in their mom's life, especially since their mom isn't interested in moving.

Instead, Mrs. Noel wants to remain in her home, where she tends her violets and dusts her curios. Like many older adults, she is less fearful of dying than

'You need to have an outlet to socialize,' says an 86-year-old retired teacher.

of nursing homes, which is why Ms. Coulston slept over after Mrs. Noel had her knees replaced. "If I wasn't here to be with her, she would have had to go to a nursing facility and I knew she wanted no part of that," says Ms. Coulston.

Jane Kerr, executive director of Laurel Faith in Action, which served 454 people 60 years and older in 2017, says the group has expanded to two neighboring towns. Even when adult children stay in the area, they are often working two jobs and

Cost of Care

Being an unpaid caregiver can take its toll on people both financially...

Caregivers' average annual spending on the care recipient

Household expenses	\$2,584
Medical expenses	\$1,722
Personal-care item expenses	\$961
Travel, education, legal, other expenses	\$830
Caregiver's personal expenses/respite*	\$587

*Aides, adult day services, self-care, other paid help and other expenses
Sources: AARP (expenses); Embracing Carers International Survey (personal toll)

THE WALL STREET JOURNAL.

have children of their own, she says. "They give what they can, but people can't get enough help when they grow older," especially when they are alone 24 hours a day.

The group is one of nearly 700 programs under the National Volunteer Caregiving Network, which serves an estimated 392,000 people a year in efforts to allow them to remain in their homes.

The average program in the network operates on an annual budget of \$350,000, according to Tammy Glenn, acting executive director.

Funding is always an issue. People hear the word "volunteer" and don't understand why they need money. "Funding children's initiatives is considered an investment in the future. Older adults are considered an expense," says Ms. Glenn.

Ex-spouses

Between 1990 and 2010, the divorce rate among adults ages 50 and older doubled. That means fewer spouses are available as caregivers.

Norm Wien, 80, lost touch with his ex-wife, Karen, after they divorced in 1976. He now visits her at least once a week at the AHAVA Memory Care Residence in Pittsburgh, run by the Jewish Association on Aging. Karen has dementia.

Norm checks on her for two main reasons. He wants to

help their daughter, Emily Wien Fagans, who lives in California with her husband and two children. Mr. Wien takes photos of Karen and sends them to Emily and updates her on any changes.

The second reason, he says, is to return the favor he received in the early 1980s. Mr. Wien's father had Alzheimer's and his mother wasn't well. They lived in New Jersey and he lived in Pittsburgh. Traveling back and forth 350 miles was difficult. Neighbors stepped in at his mom's greatest moment in need. "They were there on the spot helping me. I am here on the spot helping my daughter. It's my time," he says.

He gets frustrated at times, not knowing how to communicate with Karen. Humor works, he says, as does touch, so he will massage her neck. She recognizes him, but also misplaces him, calling him her cousin or father. Mr. Wien's significant other, who was an in-home health-care worker, goes with him to visit. Karen's eyes light up when they walk in the room.

Emily, who is 47, says moving her mother to California didn't seem to be a good option. Costs for assisted living and memory care are much higher in the San Francisco area. Her dad was in Pittsburgh and so were some of her mother's friends, who visit.

She says she is grateful to have her father as her eyes and ears there and is touched by his tenderness, noting her parents' marriage lasted only six years. "I really feel he wants to give back to my mom," she says.

Amy Dukes, director of memory care operations for the Jewish Association on Aging, admires how Mr. Wien and his daughter have worked out the situation. "He has a great relationship with his daughter, who has a great relationship with her mother," she says.

The difficult part, says Mr. Wien, is seeing what might lie ahead for himself. "It isn't a happy task," he says. "I don't feel resentful. I wish it were different. It's heartbreaking. That's the predominant feeling."

Still she worries. She purchased long-term care insurance after she retired 30 years ago but had to drop it last year because premiums doubled to \$600 a quarter. "I hated to do it after I put so much money into it," she says.

Her church has an assisted-living facility. She would like to go there when she needs to, but worries about the cost, which is almost \$3,000 a month for a private room and shared bath.

"I wouldn't be able to afford a single," she says, and wonders how she would get her things in half a room. Last Christmas, she gave two paintings to her great nieces.

Elder orphans

One-third of middle-age adults are heading toward their retirement years as sin-

gles. Women, in particular, are likely to stay or become single as they age.

About 14% of frail older adults, or two million people, are without children and the number is expected to double by 2040, according to the AARP Public Policy Institute. "There's no natural caregiver for this population," says Grace Whiting, CEO of the National Alliance for Caregiving.

While they can, they need to construct a network around themselves, aging experts say. That is something Clesta Dickson has managed to do.

After her parents died, Miss Dickson sold her house and moved into an apartment because she wanted to be around people her age. She made friends. One of her neighbors, a tall man wearing a cowboy hat, vest and plaid shirt, knocked at her door one recent morning, asking if she had any trash to be emptied, something he does twice a week. After reading the Parkersburg News and Sentinel, she takes it to a woman who lives on the third floor.

On Thursday evenings, she attends a meeting of TOPS (Take Off Pounds Sensibly). "You need to have an outlet to socialize," she says.

She stopped driving six years ago, contacted a volunteer organization called FaithLink, and typed out an application for transportation services on her manual 1940s-era Royal typewriter that sits next to her bed.

"We are here for Clesta to remain independent," says Melissa Ogden, coordinator of FaithLink. Ms. Ogden brought students to the apartment complex to show residents how to set up their cellphones.

A church van picks Miss Dickson up for Sunday services. She spends \$2 a week to take the senior citizen van to Walmart, and \$1 for each hot meal from the Salvation Army. "What more could you ask?" she says, lifting the foil from the tray holding chicken, rice, mixed vegetables and a pear.

Most of her longtime friends have died, although she still corresponds with a pen pal in Virginia. She watches "Jeopardy!" every night.

She had a stroke a few years ago and has a pacemaker. She had both knees replaced and cataracts removed, but is in decent health, she says.

Last fall, she made her 82-year-old brother, Jack, her power of attorney. Her refrigerator is covered with photos of him, his wife, and their family. "You wonder how much longer you have to live and who will go first, you or your brother," she says.

Still she worries. She purchased long-term care insurance after she retired 30 years ago but had to drop it last year because premiums doubled to \$600 a quarter. "I hated to do it after I put so much money into it," she says.

Her church has an assisted-living facility. She would like to go there when she needs to, but worries about the cost, which is almost \$3,000 a month for a private room and shared bath.

"I wouldn't be able to afford a single," she says, and wonders how she would get her things in half a room. Last Christmas, she gave two paintings to her great nieces.

OPINION

THE WEEKEND INTERVIEW with Steven Teles | By Jason Willick

How Conservatives Won the Law

When I was a freshman at the University of California, Berkeley in 2011, the College Republicans announced plans to hold an "Increase Diversity Bake Sale." The idea was to offer minorities and women discounts on cupcakes while white males would pay full price. This led to an emergency meeting of the student government and widespread calls to defund the group or shut down the event. For its organizers, that alone made it a wild success.

"Affirmative-action bake sale conservatism," as Steven Teles calls it, has an intellectual legacy dating back to the 1960s. Influenced by the counterculture left, activists aim to provoke a crackdown on conservatives, thereby exposing elite education as a coercive "hegemonic project" that represses disfavored ideas. A more familiar term for this, he says, is "trolling."

Mr. Teles, a professor of political science at Johns Hopkins University, is more sympathetic to a different model of conservative campus activism, epitomized by the Federalist Society. Instead of seeking to embarrass liberal institutions, the goal is to build conservative ones with social and intellectual resources sufficient to compete directly. In his 2008

A liberal political scientist recounts the rise of the Federalist Society—and explains his sympathy for some of its ideas.

book, "The Rise of the Conservative Legal Movement," Mr. Teles chronicles how a coalition of right-leaning law students in debating societies managed, over a few decades, to dethrone liberalism from its dominant position in legal thought. Assuming Judge Brett Kavanaugh is confirmed, judges influenced by this project will soon constitute a majority on the Supreme Court.

Liberals, as they defend their domain, insist that the conservative legal movement is the product of a deep-pocketed conspiracy and that its ideas are fronts for power and greed. Mr. Teles, although a liberal Democrat, wrote his book partly to challenge these preconceptions. "Liberals have this myth of diabolical conservative competence," he tells me. They imagine their own side as "bumbling . . . but benevolent" and the right as "evil" but "totally farsighted and competent."

The main achievement of the conservative legal movement, Mr. Teles says, hasn't been fundraising but education, study and debate. The Federalist Society's premise is that "we're going to be smarter than the liberals," he adds. "We're going to be more bookish. We're going to be more intellectual." Conservative law students would "go down to first principles" to show that liberal students "can't even describe why they're in favor of what they're in favor of." Many of the early Fed-

eralist Society members were former liberals; their goal was to "draw people in" as they had been drawn in, by demonstrating "how thoughtful and how intellectual that project is."

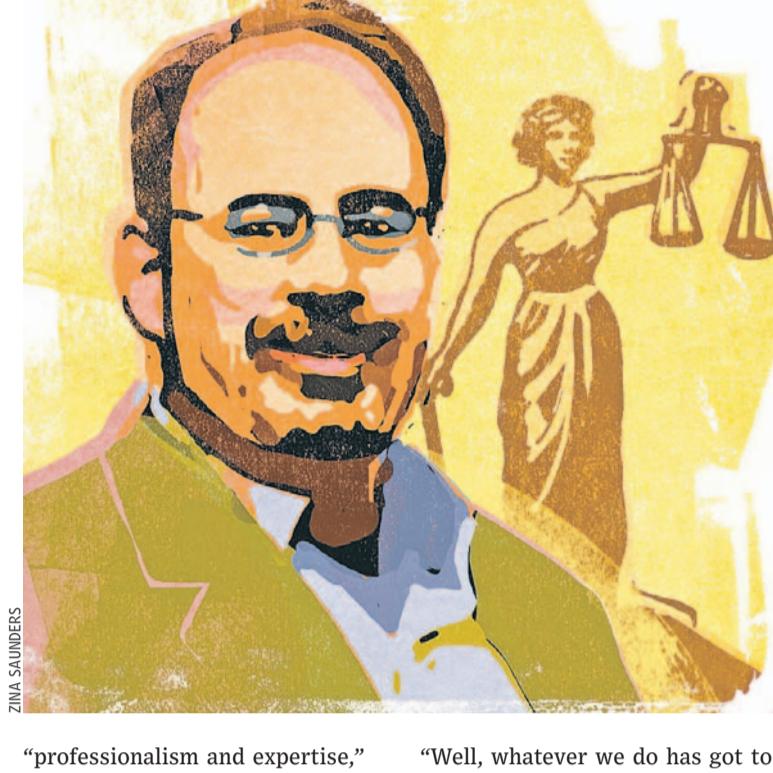
Assisting presidents with judicial appointments is a tiny fraction of the group's activities. "If you add up all of the hours of everyone who works in the Federalist Society, overwhelmingly, it's running debates and speakers," Mr. Teles says. While it has a robust fundraising operation, "most of the Federalist Society is basically done by pro bono contributions" from "people who are running chapters all over the country" for students, faculty and lawyers. The fundraising is merely "a multiplier force for all of the stuff people are doing that's really voluntary activity."

What motivates these millions of hours of intellectual legwork? Mr. Teles says it's a conservative response to the "entrenchment of liberalism" in the legal ecosystem. Through the first half of the 20th century, groups like the American Bar Association were conservative in the sense that they were controlled by a risk-averse WASP elite. But amid the Cold War and the social unrest of the 1960s, the legal establishment—like the educational establishment—decided it needed to move leftward to retain its legitimacy. It began to throw its weight behind representation for the unrepresented, while backing liberal groups like the Environmental Defense Fund, the NAACP and the Mexican American Legal Defense and Education Foundation. At the same time, law schools were on a hiring spree, and young professors tended to lean left.

In the decades after World War II, "a new kind of legal establishment" was created, one that saw social justice as a core element of its mission. This was a double-edged sword. Even as "the establishment got liberalized," Mr. Teles says, "liberalism got established." Avowed liberals wound up "running things that were not supposed to be at least openly ideological"—not only the bar, but universities, the prestige press and other elite institutions.

"Liberals got power because they got control of professional venues." As a result, they fell back on appeals to authority, or what Mr. Teles calls "hiding the ball." Rather than arguing against conservative ideas on the merits, they claimed their opponents were "violating expert knowledge." He cites the popular assertion by corporations and universities—and the Supreme Court, in decisions involving racial preferences in admissions—that diversity is merely a matter of "good professional practice" rather than social justice.

As liberalism got "institutionalized into the common sense of the professions," Mr. Teles says, the first challenge for conservative lawyers was simply to "demonstrate that there's something ideological going on"—that the legal orthodoxy was based on not neutral expertise but a particular view of the world. They then had two options for how to respond: attack and try to dismantle this



ZINA SAUNDERS

"professionalism and expertise," or work to "conservatize" it.

The Federalist Society took the latter approach, partly because its members believed in persuasion and partly by necessity. Conservatives started winning elections in the Nixon era, but political power was not enough to dislodge the legal establishment. Efforts to "defund" liberal legal organizations by changing their tax status failed. Judges appointed by Republicans tended to be swept along by the dominant currents of legal thought, with no rock of alternative scholarship to cling to. The conservatives' only real option was to build an intellectually vital counterestablishment from the ground up.

Mr. Teles believes that the "Trumpified Republican Party" is an "existential threat to liberal democracy." But he did doctoral and postdoc work under conservatives, including Martha Derthick at the University of Virginia, Robert George at Princeton, and Harvey Mansfield at Harvard. While he disagrees with conservatives on most matters of policy, he is sympathetic with some of their insights about how to structure a political system.

"There are certain people in the academy who I think of as untempered lovers of liberal democracy—who believe that the answer to all of the problems of liberal democracy is more liberal democracy," he says. "I tend not to be." This makes him "appreciative of the importance of constitutionalism," because "democracy needs to be powerfully structured for it to work effectively."

Whereas conservatism has a fairly coherent ideology, Mr. Teles says, liberalism "is more organized around these siloed . . . claimants on state action"—feminists, environmentalists, public-sector unions, professional organizations and ethnic minorities, among others. This makes it difficult for liberals to develop a legal philosophy that "isn't just derivative of whatever the various coalition actors want." Mr. Teles says they are tempted instead to think:

"Well, whatever we do has got to be backward-compatible with every coalition actor we've got."

Mr. Teles also worries that the progressive vision has ended up creating "a constitutionalism of complete formlessness where economic governance is concerned." This "anything-goes constitutionalism" can corrode democratic government over the long run by enabling special-interest capture of the policy-making process.

"There's a good argument for constitutional norms around economic activity," he says, because "concentrated interests mobilize" and "diffuse interests don't."

Courts can prevent legislators and regulators from distorting markets in ways that favor the well-connected.

That's especially true where the administrative state is concerned. One defining feature of conservative constitutionalism is its skepticism of the scope of authority held by regulatory agencies like the Environmental Protection Agency and the Consumer Financial Protection Bureau.

"There's a lot of market failure out there," Mr. Teles says.

"There's a lot of role for regulation." But he worries that correcting market failure via "the unconstrained transfer of congressional power to the administrative state" destroys accountability.

"Congress should act like a legislature," he insists. "They should have to own the responsibility for what they do."

Mr. Teles makes sure to emphasize that his sympathy with the conservative legal movement here grows out of not his policy preferences, which lean left, but his belief in the importance of a "powerfully structured" constitutional system. "I don't think the purpose of the Constitution is to get a government so small you can drown in a bathtub," he says. Rather, it is to ensure the government "is democratically responsible."

Mr. Teles believes that one of the most salient projects for the newly conservative Roberts Court will be to roll back administrative-state prerogatives. That could revitalize Congress and re-

store the constitutional structure, vindicating two longtime goals of the conservative legal movement. But he thinks this could also end up serving certain policy ends of progressives.

For the past several decades, Mr. Teles says, many progressive victories in the economic realm have been achieved through "administrative jujitsu"—difficult-to-understand maneuvers involving taxes, fees, mandates, regulations, and administrative directives. If courts start to block technocratic liberal plans for social reform because they violate the separation of powers, the left may find it easier to mobilize for pure redistribution as an alternative. Think of postal banking instead of CFPB regulation, or a carbon tax instead of the Obama administration's Clean Power Plan, or a reduction in the Medicare eligibility age instead of ObamaCare subsidies and exchanges.

That might be good for democratic discourse, Mr. Teles suggests. "In some ways liberalism has been deformed" by relying on administrative agencies, "as opposed to making big arguments for big, encompassing social programs." In the short term, though, conservative courts will probably prove "radicalizing for the left." Democrats may fully jettison Clintonism and say: "We're going straight for socialism." Steeply redistributive programs enacted by legislatures would be "easier to defend in court," even a conservative court, than unaccountable bureaucratic diktats.

It's tempting to attribute the triumph of the conservative legal movement entirely to the Federalist Society's model of intellectual excellence and persuasion. But Donald Trump's presidential campaign owes more to the diversity-bake-sale style. The Supreme Court will likely soon have a conservative majority both because conservatives integrated themselves into the legal elite and because Mr. Trump launched a scorching and politically successful attack on America's establishment from the outside.

Yet the Supreme Court, Mr. Teles says, will be interpreting the Constitution on behalf of an American people whose views on what the document requires are, in important respects, almost "entirely nonoverlapping." One of the functions of a constitution is to "lower the stakes of politics" by making certain rights nonnegotiable. That way, the factions don't "start thinking they're existentially threatened by the rotation of power."

This function is undermined if Americans have "two constitutions," Mr. Teles says. To build something like the consensus constitutionalism that is ultimately necessary for our democracy to function, conservatives need more Federalist Societies and fewer bake sales. Liberals, for their part, need to listen less to anything-goes legal activists and more to thinkers like Steven Teles.

Mr. Willick is an assistant editorial features editor at the Journal.

Is New Jersey Finally Fed Up With Bob Menendez?



CROSS COUNTRY
By Gerard Gayou

The last time New Jersey elected a Republican senator, the Vietnam War was winding down, "The Godfather" had just hit the big screen, and President Richard Nixon had recently met with Mao Zedong and visited the Great Wall of China. The year was 1972, and Bob Hugin wants to prove in November that 46 years is long enough.

Mr. Hugin, a former biopharma CEO, is five months and \$15 million into a self-funded campaign. The incumbent, Sen. Bob Menendez, is a Goliath in New Jersey's blue-state politics. If the election turns into a referendum on President Trump, Mr. Hugin may be toast. For a chance at victory, he needs to keep the attention focused squarely on one question: Isn't New Jersey embarrassed by Mr. Menendez?

In 2015 the Justice Department indicted Mr. Menendez on 14 corruption charges, including bribery, conspiracy and honest-services fraud. He was accused of doing favors for a Florida ophthalmologist, Salomon Melgen, in return for gifts such as private jet flights and a

Paris vacation, along with \$750,000 in political donations. The senator assisted Dr. Melgen with an \$8.9 million Medicare billing dispute, going so far as to intervene on his behalf with the secretary of health and human services. Prosecutors also said Mr. Menendez had helped three of Dr. Melgen's girlfriends get visas to the U.S.

Mr. Melgen is currently serving a 17-year sentence for Medicare fraud. But the charges against Mr. Menendez didn't stick. After a 2½-month trial ended in a hung jury last fall, prosecutors dropped the case. The ordeal, however, drew a harsh bipartisan rebuke of Mr. Menendez from the Senate Ethics Committee.

Now, Mr. Hugin suggests, it's the voters' turn. "My wife and I were both morally offended that my opponent would be re-elected without a real opposition for all the things he has done," he says. "Lobbying for a guy who is defrauding Medicare at the same time? That's his best friend, who is convicted of 67 felonies, treating people inappropriately. . . . All the stuff you read is just horrific."

New Jersey's dissident Democrats took the first swing at Mr. Menendez during their primary last month. The senator's token oppo-

nent, an unknown web publisher named Lisa McCormick, didn't even file a campaign-finance report but nonetheless received 37% of the vote.

Still, beating Mr. Menendez in a general election won't be easy. New Jersey is Democratic territory, where President Trump scores a

meager 35% approval rating. Perhaps politically worse, Mr. Hugin was a donor to former Republican Gov. Chris Christie, who left Trenton in January as the least popular governor in Garden State history.

Yet a May Fairleigh Dickinson poll shows 46% of registered voters undecided, and the Hugin campaign's unrelenting attacks on Mr. Menendez are closing the name-recognition gap. It may help that Mr. Hugin is a Jersey-style Republican, presenting himself as pro-choice on abortion and a proponent of "equal pay for equal work." But in a headlong populist dive, he is

also pledging to put "New Jersey First."

What, precisely, does that mean? For one thing, Mr. Hugin distances himself from last year's Trump tax reform. He says he supports corporate rate cuts and a lower tax burden in general, but he takes issue with the new \$10,000 cap on the federal deduction for state and local taxes. Mr. Hugin insists that Trenton's mismanagement doesn't "exonerate Washington from its responsibilities to fairly support the people of New Jersey."

He gets passionate slamming what he sees as a funding inequity at the federal level. "New Jersey has been the crossroads of the American economy for 150 years. We built the ports. We built the highways that allowed New York and New England to go through us," Mr. Hugin says. "There needs to be fairness and payback in taking care of New Jersey."

Voters weary of pork-filled appeals could be forgiven for an eye-roll. But if they want an alternative to Mr. Menendez's documented flaws in judgment, Mr. Hugin is it. And that's the message he plans to keep hammering, particularly in the South Jersey counties he says the incumbent has neglected—roughly the area below Interstate 195, which

runs from Trenton to the coast. "When you go to South Jersey, where my mother grew up in Ocean County, my father and grandparents lived in Cape May County," Mr. Hugin says, "they believe in South Jersey. Menendez must believe you need a visa to go south of 195."

In returning fire, Mr. Menendez has attacked the challenger's leadership at Celgene, which raised prices of the cancer drug Revlimid while Mr. Hugin was CEO. Last week, the Menendez campaign put up a website called HealthNewsNJ with blaring headlines like: "How greedy drug company CEO Bob Hugin gouged cancer patients and enabled Donald Trump." Critics called the website "phony" and accused Mr. Menendez of creating "fake news."

But the Trump name-drop does illustrate Mr. Hugin's challenge. Democrats this fall will be eager to punish any Republican within arm's reach of the president. Mr. Hugin needs to dodge the mania and build a profile as the conscience of a corruption-weary state. He intends to keep reminding New Jersey voters that their only other option is to give Bob Menendez a vote of confidence—and another six years.

Mr. Gayou is a Robert L. Bartley Fellow at the Journal.

OPINION

REVIEW & OUTLOOK

The Trade Casualties Mount

President Trump is escalating his trade rhetoric, threatening China and Europe with more tariffs on more goods if they don't agree to his terms. Mr. Trump says winning these trade wars is "easy," so let's take a look at the early returns on his steel and aluminum tariffs and the retaliation they've inspired.

Commerce Secretary Wilbur Ross in March slapped a 10% tariff on aluminum and 25% on steel in the name of helping American metal manufacturers. But one problem is that downstream businesses can't easily reconfigure global supply chains, and higher input costs are making them less competitive globally.

Consider Alcoa, the top U.S. aluminum manufacturer whose shares plunged 13% Thursday and another 3% Friday after the company reported that tariffs are crimping earnings. The tariffs could wipe out \$100 million of income this year, equal to about 18% of profits last year. "Tariffs will not solve the challenges facing the aluminum industry," Alcoa CEO Roy Harvey said on an earnings call.

Alcoa makes about 28% of its aluminum in Canada because of lower energy costs, and nearly half of U.S. aluminum imports come from Canada. While Alcoa is restarting part of an idle smelter in Warrick, Indiana, the company isn't planning to bring others back online because U.S. smelters are among the oldest and least efficient in the world. Retrofitting plants is expensive, which is why six have shut down since 2012. Many manufacturers are expanding operations abroad where energy is cheaper.

Century Aluminum, the second biggest U.S. aluminum manufacturer, boasts that its Iceland smelter is "our largest, most-modern and lowest-cost facility," producing about 17% more than rated capacity. Two of its three U.S. smelters last year were running at half capacity. Century's stock also tumbled this week as investors bet that tariffs might whack its earnings.

Meantime, many businesses are delaying investments in the U.S. because of the uncertainty caused by the tariffs. Borusan Mannesmann, which produces pipelines for the oil and gas industry, was recently notified that Commerce had denied its application for a steel-tariff exemption. This has frozen its plans to invest \$75 million in expanding production in Baytown, Texas.

Hurricane Scalise

As predictable as an October hurricane is that Congress will re-up a coastal subsidy known as the flood insurance program. But some Republicans are putting their parochial interests above even small improvements that have broad bipartisan support.

The National Flood Insurance Program lapses on July 31, so Congress wants to reauthorize it before the House leaves town in August. The program exists to rebuild the same flooded properties. Fewer than 2% of five million policies have absorbed more than \$8 billion in payments.

The program is \$20 billion in the red even after debt forgiveness from Congress, which vows to fix these problems—some other time. Congress once passed reforms to rationalize premiums that aren't priced properly but quickly repealed them.

Ed Royce (R., Calif.) and Earl Blumenauer (D., Ore.) have now negotiated a bill to extend the program through the election. The GOP doesn't want to invite rage in the fall from the Realtors who defend subsidized flood insur-

A GOP leader wants to scuttle even minor flood insurance reform.

ance as an inalienable human right. Yet GOP Majority Whip Steve Scalise (R., La.) is trying to kill the bill because it includes de minimis policy changes.

Demands that are too much for Mr. Scalise include: Requiring areas with properties that flood repeatedly to submit a report to the Federal Emergency Management Agency or face a sanctions penalty. The Senate's bipartisan bill includes similar language. Mr. Scalise represents Louisiana, which is home to thousands of properties that have multiple claims, but he could always vote against the bill on the floor.

Financial Services Chairman Jeb Hensarling has over several years tried to reform the flood program and has made numerous concessions to attract votes. His reward is that Members of his own party sink every effort, no matter the details, even though the White House also supports reform.

The message to other Members is that they should take hostages for their narrow interests, which is what has made the Republican House conference so dysfunctional.

Ortega's Reign of Terror

The shooting of two Nicaraguan university students in Managua's Church of the Divine Mercy last week was a stunning act of barbarism even by the standards of strongman Daniel Ortega. But it is only a snapshot in a three-month campaign by the aging revolutionary to eliminate his democratic opposition.

Since April the national police and Mr. Ortega's paramilitary have killed some 350 civilians. On Tuesday they led a crackdown on the opposition city of Masaya. Locals reported five dead as government forces raided houses looking for antigovernment leaders. Silvio José Báez, the auxiliary bishop of Managua, called for Mr. Ortega to "stop the massacre."

Mr. Ortega and his wife are wildly unpopular, but he says he won't leave power because he was democratically elected. He doesn't mention that this is his third term because he abolished term limits and fair elections.

The democratic opposition is calling for his resignation and a new election, but it is outgunned and needs help from the international community. Yet the best the U.N. has offered are pro-forma statements like the one from Secretary General António Guterres on Monday calling on the government to "provide effective protection to its population against attacks, ensure respect for human rights and establish accountability for the violence."

There's more the world can do if it's willing to apply a financial squeeze. Nicaragua is the second poorest country in the Western Hemisphere and no longer can rely on Venezuela for cheap oil. Mr. Ortega gets tactical help from Cuba and Russia but needs hard

currency to feed his enforcers.

Earlier this month the U.S. Treasury imposed sanctions, under the Global Magnitsky Act, on Mr. Ortega's de facto police commissioner, a Managua city official and an official of the state-owned oil company. The Nicaraguan Investment Conditionality Act (NICA), which would require the U.S. to oppose loans to the country from multilateral financial institutions until democracy is restored, has passed the House but is languishing in the Senate.

One source of financing is the Central American Bank for Economic Integration. Mr. Ortega tapped \$50 million of a \$200 million line of credit in June. The U.S. is not a member of Central American Bank but many members are allies like Guatemala, Honduras, Panama, Mexico and Argentina. They can cut off the police state.

The Nicaraguan central bank is running low on international reserves and periodically looks to the International Monetary Fund for help. The IMF can tie that assistance to the restoration of the rule of law. The same goes for loans from the Inter-American Development Bank and World Bank. The Nicaraguan army, which hasn't moved against the population but has allowed repression by irregular forces, has hundreds of millions of dollars in pension assets in the U.S. that could be frozen.

Some in the Nicaraguan business community will oppose financial sanctions. But their partnership with Mr. Ortega during the years he was consolidating power is one reason Nicaragua is in this mess. Freedom, as the students now know, is not free.

Nicaragua's reliance on foreign aid is the dictator's Achilles' heel.

Ironically, it appears that the only way to assure that government employees don't misuse their position to influence elections is through bitter, partisan witch hunts for bias and improper influence. Only the fear that someday, somehow, you will be discovered and your career destroyed will preclude the use of bias and influence.

LETTERS TO THE EDITOR

Joe Biden and the Supreme Court Kabuki Act

Regarding Jeffrey Rosen's "Judicial Theater: What We Learn From Confirmation Hearings" (Review, July 14): It is beyond ironic to quote Joe Biden supposedly lamenting that Supreme Court confirmation hearings have devolved into a "Kabuki dance." He is personally responsible for this.

The former vice president was the Senate Judiciary Committee chairman from 1987 to 1995. In concert with Sen. Edward Kennedy, Mr. Biden presided over the shameful character assassination of Robert Bork and the near-Borking of Clarence Thomas.

The sort of inquisition the article glibly calls "an opportunity for all of us to learn about the range of approaches to interpreting the Constitution" might be more aptly described as "enhanced interrogation techniques" designed to make the victim say what



Robert Bork: None of his 400 majority decisions was reversed.

ever the interrogators want to hear.

PAUL E. SIMPSON
Haverford, Pa.

This article appeals to those who care about a nominee's constitutional philosophy and legal reasoning. Unfortunately, more senators care about whether a nominee will support positions or uphold policies they favor or disfavor.

Most U.S. senators

have already decided how to vote on Brett Kavanaugh based on his presumed policy preferences, even though judges and justices should consider only what is constitutional or legal. As the newest Supreme Court justice, Neil Gorsuch, said when nominated by President Trump last year, "A judge who likes every outcome he reaches is very likely a bad judge, stretching for results he prefers rather than those the law demands."

BARRY MACKINTOSH
Lincoln, Calif.

The Other Green Extremists Grow Excessive

I hesitate to say anything remotely negative about your A-heds, as they daily bring me joy and their presence guarantees my continued subscription to your publication.

Nevertheless, I feel compelled to note the linkage of your article about lawn fanatics ("Vacuuming the Grass, Plucking Blades: This Is Extreme Lawn Care," page one, July 16) with the next day's article about the algal bloom in Lake Okeechobee ("Florida Mobilizes to Curb Outbreak of Algal Bloom," U.S. News, July 17).

Many of the lawn lords in my neighborhood use performance-enhancing chemicals to an extent that would embarrass even the Russian Olympic team, and the practice has negative consequences for our waterways.

TROY QUAST
Wesley Chapel, Fla.

Sharp blades and tuneups for a lawn tractor are fine, but pressure washing is discouraged by all manufacturers, as it forces water in and

lubricants out of bearings, electricals and joints.

JOEL HAMM
Mount Holly, Va.

One of the most memorable life lessons I ever learned from my father was his response when I bemoaned the difference in quality of my yard from front to back. He replied: "You grow a lawn in the front yard and kids in the back." That was almost 20 years ago. I never let the state of my lawn bother me after that.

STEVE KOPISCHKE
Riverview, Fla.

Harmon Killebrew, one of the all-time great Minnesota Twins, played so much in his yard as a kid that it was bare dirt. As he recalled at his Hall of Fame induction, this was much to the dismay of his mother, but his father saw it differently: "We're not raising grass here, we're raising boys." A worn lawn is a sign of active kids.

MARK SEXTON
St. Paul, Minn.

Lieberman Is Mistaken About Ocasio-Cortez

Former U.S. Sen. Joe Lieberman believes that Alexandria Ocasio-Cortez, the winner of the Democratic primary race in New York's 14th congressional district, is so far to the left that her victory in the general election will be bad for the Democratic Party, Congress and America ("Vote Joe Crowley, for Working Families," op-ed, July 18). Ms. Ocasio-Cortez is a member of the Democratic Socialists of America and her platform is composed of aggressive income redistribution, government ownership of many businesses, abolition of Immigration and Customs Enforcement and U.S. support for socialist states overseas (including dictatorial and corrupt regimes). In short, Ms. Ocasio-Cortez represents the rising social-justice wing of the Democratic Party.

Sen. Lieberman wants Rep. Joe Crowley, the Democratic incumbent who lost to Ms. Ocasio-Cortez in the primary, to run in the general elec-

tion. I respectfully disagree with Sen. Lieberman's case for Democratic Party moderation. The Democratic core has been moving to the left for years and its current favorites for the 2020 presidential race are left-wing stalwarts who agree that American capitalism and global leadership must be contained. The move left has taken place while media concentrate on an alleged GOP shift to the radical right. If most Americans view failed socialist models of Venezuela or Cuba as good for America, so be it.

Mr. Lieberman's principled stances and voice of reason did little to stop the Democratic Party's and Connecticut's lurch to the left. If Ms. Ocasio-Cortez illuminates the true sentiments and desired direction of the far left, it will be good for Democrats, Congress and America to see and hear her views.

ROGER KELLY
Ormond Beach, Fla.

There's Reason to Disbelieve Peter Strzok's Objectivity

Regarding your editorial "After the Strzok Stonewall" (July 14): The FBI's Peter Strzok testified that FBI personnel may have personal beliefs, but they do not allow these beliefs to influence their work with the agency.

At another point in his testimony he said that an investigation of Hillary Clinton started at the FBI's New York office, but that the central office in D.C. took the investigation over because it believed the New York office had too many agents who "hated Hillary."

So we are to trust FBI agents for their fairness, but FBI headquarters won't extend similar trust to those same agents?

JERRY MUSICH
Indianapolis

Ironically, it appears that the only way to assure that government employees don't misuse their position to influence elections is through bitter, partisan witch hunts for bias and improper influence. Only the fear that someday, somehow, you will be discovered and your career destroyed will preclude the use of bias and influence.

WILLIAM BOLES
Broomfield, Colo.

No Wonder So Many Trust Government Less and Less

Regarding your editorial "California's Mortgage Fraud" (July 16): The amazing part lies not so much in the fact that this time the (California) politicians are called out for putting their hands in the cookie jar. It lies in the arrogance of these same politicians to be blind to how this proves to the voter that he or she is thereby deemed to be not equal before the law. The average citizen would go to jail for mortgage fraud while no one in Sacramento ever will.

ROLAND ECKENHAUSEN
Denver

Pepper ... And Salt



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NICK DOWDAS

OPINION

Masculine Dads Raise Confident Daughters

By Abigail Shrier

The summer I graduated from college, I joined my father one Saturday night at his favorite hangout, Borders Books. Much to my brother's and my embarrassment, our father treated it like a library. He would seat himself at a table with a muffin in one hand, a stack of books fanned out in front of him, and no intention of leaving within the hour. An amateur singer was torturing a guitar somewhere in the building; tinny strains filtered down to the cafe where we sat.

"You hear that?" I teased. "If you had given me just a little more encouragement with the guitar, that could be me right now."

My father never let me get away with self-pity. Never allowed me to win an argument with tears.

He looked up from his book. "That's right," he said, his voice gathering in a growl. "I didn't support it! That's why my kid's on her way to graduate school, and that guy's singing in a Borders!"

My father never hid that he had high expectations of me, for which my tuneless, lackluster attempts with guitar proved pitifully inadequate. He admired smarts less than grit, found surface beauty less enchanting than charm. The woman he admired most was our mother, not for her intelligence or accomplishments, though she had plenty of both, but because of a strength that took his breath away and on which he often relied.

His example has been on my mind these days with all this talk about "toxic masculinity" and the proper ways to raise boys so that they don't become sexual predators.

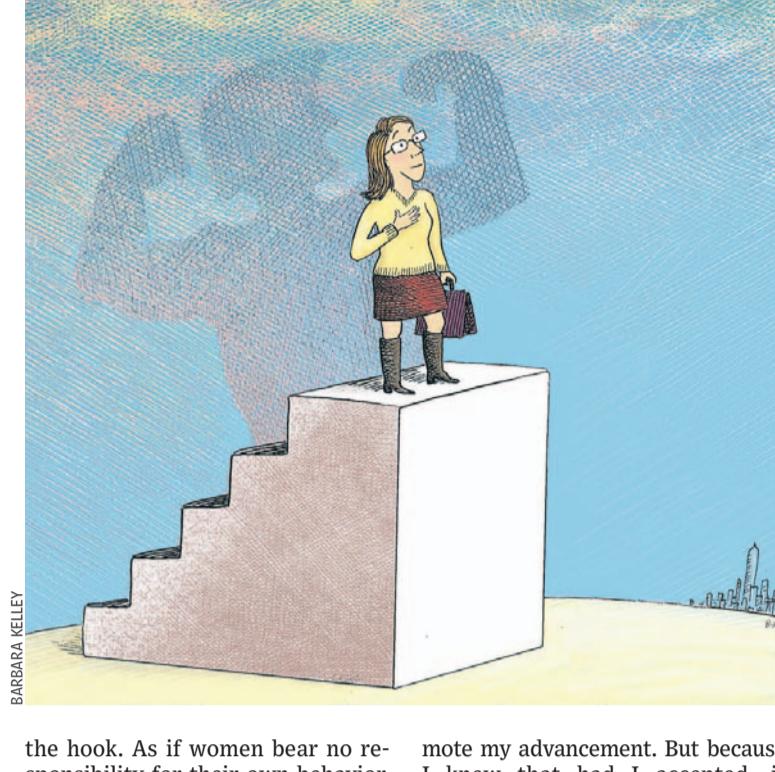
A recent New York Times article about how to raise good boys in the "#MeToo Era" cites psychologist Peter Glick, who advises parents to challenge the prevailing norms of masculinity with our sons, refraining from using terms like "man up" and—crucially—ending all teaching of chivalry: "We need to stop socializing boys to see women as needing protection."

So many seem to believe that if we can remake boys as feminists—by which they seem to mean boys who check their male privilege, are unafraid to cry, and are politically progressive—we will have largely solved the problem of sexual harassment. A glance at the public figures felled in the #MeToo purges—not to mention Bill Clinton—should cure us of the idea that progressive politics incline men to better treatment of women.

Masculinity, like femininity, is neither inherently good nor bad. Enormous damage can be inflicted by the sorts of malice we associate with girls: spreading rumors, convincing someone's friends to turn against her, refusing to acknowledge someone purportedly beneath notice. Femininity and masculinity are manners of comportment and *modi operandi*; they are not codes of conduct. Men have used masculinity for acts of heroism and decency. That they have also applied it to despicable behavior says nothing of masculinity itself.

My father's own unapologetic masculinity made us feel secure. It made itself known in the shuffle of his loafers against our linoleum floor, the rumble of his voice, the two-fingered whistle whose sharpness both impressed and alarmed. And yes, he has held plenty of doors. The notion that this signified anything other than courtesy could never persuade me, since its origin, for me, was with him.

There is something regrettable in the way our exclusive focus on boys and men lets young women off



the hook. As if women bear no responsibility for their own behavior. As if they are too weak, too emotional, too foolish ever to take care of themselves.

And that is the greatest disappointment of the #MeToo movement, that it has so spectacularly refused to insist that a woman not allow any man to treat her badly. Failed to insist that young women have an individual responsibility to demand better. That they should all agree no job is worth more than their dignity.

My own #MeToo moment came when a professor I hoped would help me launch an academic career asked me to meet him at a hotel. After eight hours of panic, I turned him down. Not because my mother had taught me never to accept such invitations, though she had. Not because feminism instructed that I should use only my intellect to pro-

mote my advancement. But because I knew that had I accepted, it would kill my father. To say yes would have irredeemably let him down.

This is a piece of the #MeToo problem rarely discussed: how to raise our daughters so that they possess a hard nugget of faith in their worth, something they are unwilling to dislodge, whatever the price.

There is a scene in the 2017 movie "Molly's Game," in which poker impresario Molly Bloom, played by Jessica Chastain, is sitting in the office of her defense attorney, played by Idris Elba. The lawyer has a daughter of his own, Stella, a lovely and talented high-school student whom he burdens with extra homework and lofty expectations. The lawyer turns to Molly and asks: "Do you think I'm being too hard on her?"

Molly replies: "I met a girl when I first moved to L.A. She was 22. Someone arranged through a third party to spend the weekend with her in London. Do you know what she got? . . . A bag. A Chanel bag she wanted." That was all the girl had traded herself for. "Whatever you're doing with Stella," Molly advises, "double it."

In demanding a lot from his daughter, in other words, the lawyer was teaching her that she was worth a lot too. In life, this would be her best defense.

My father never let me get away with self-pity. Never allowed me to win an argument with tears. He regarded unbridled emotion in place of reason as vaguely pathetic; if I had any chance of prevailing in a discussion, the first thing I needed to do was calm down.

And when young men didn't like me or were poised to treat me badly, it was my father's regard that I found myself consulting and relying upon. When a man tries to mistreat a woman—I'm not talking about violence, but the instinct to convey to her that she isn't worth very much—he is unlikely to get very far with a woman whose father has made her feel that she's worth a whole lot.

We spend so much time obsessing over inequalities in society. But there is arguably no inequality more unjust or difficult to overcome than that of parentage. We don't get the parents we deserve, and those of us blessed with good ones wouldn't trade them for any other unearned privilege. If you want to protect girls, find them good parents, or become them. Dads, whatever you're doing for your daughters—double it.

Ms. Shrier is a writer living in Los Angeles.

Peggy Noonan is on leave and will return in the fall.

The 'Everything Handmade' Trend Will Curb Job Losses

By Jay W. Richards

Experts have predicted the looming automation of everything, with machines replacing labor and putting half the population out of work. This forecast seems to follow from basic economic logic:

Economic growth is about getting more output from less input.

Labor is an input.

We are now devising powerful forms of automation, which will dilute our labor to homeopathic levels—especially in middle skill, blue-collar trades.

Therefore, much of the population will soon be jobless.

That inference is too simple. There's disruption ahead, but other trends may fend off the job famine. Here's one: As ever more goods become cheap commodities, the economic value of the human touch—of literal labor—goes up.

Starbucks provided early evidence that an automation apocalypse isn't inevitable. Fifty years ago, no one predicted that denizens of the developed world would decide to spend far more on coffee as the costs to grow and ship coffee continued to drop. You can make a decent cup of coffee at home for 20 cents. Or wait an hour and get good coffee from the office Keurig for 50 cents. Or drink a bottomless cup with free half-and-half at your local diner for \$1.50. Down the street, though, Starbucks baristas serve labor-intensive coffee experiences to a stream of customers for a lot more money.

Will these baristas be replaced by robots? I doubt it. There are already excellent machine-made lattes at airline clubs. Yet members buy \$5 grande cappuccinos before they enter the club. Clearly, they are buying something more than mere coffee when they do this.

Another example: Forty years

ago, who would have predicted that customers at burger joints would want to know the name of the rancher and farmer who supplied their burger and fries? For the previous half-century, small-operation farms were losing out to large industrial farms. The productivity of these farms came at a cost: Hundreds of thousands of smaller family farms failed. But we got more food at much lower prices and more time and resources for other pursuits.

Yet as the price of food dropped, the demand for costly, organic, locally grown products exploded, first as niche luxuries and then as more widely enjoyed indulgences. Necessity no longer compels most people to engage in farm labor. But such work has started to re-emerge on the edges of a diversifying market. Midsized farms are disappearing in favor of giant ones—but also of tiny, off-grid artisanal farms, which

for now mostly function as side gigs. That may change. There is growing demand for microbrewed beers, grass-finished beef, pampered pork, free-range chickens, specialty cheeses, small-batch whiskey, urban gardens and farmers markets.

Automation will eliminate some jobs, but consumers will often pay a premium for the human touch.

These trends aren't limited to food and drinks. Nor are they at odds with technology. On the contrary, much of the market for quirky and handmade goods depends on high-tech networks and the platforms that host them.

Etsy, an online platform head-

quartered in gentrified Brooklyn, N.Y., has vastly expanded rather than destroyed the market for handcrafted and artisanal goods. It links small artisans to a global market—in 2016 there were 1.7 million sellers and some 28 million buyers. Etsy practically erases their startup costs as well. The platform gets 20 cents for every item listed as well as a 3.5% cut on transactions. In exchange, it connects the Spanish maker of a silver-plated "Moon Phase nose ring" to the 35 customers in Portland, Ore., who want it.

My bet is that such networked markets will grow, not shrink. Yes, 20 years from now, machines may handle most of the farming, trucking, driving, routine factory work and mining. Automation will give everyone much cheaper goods and more disposable income. And more of that income will be spent on labor-intensive goods and services.

The economy will be filled with

artisanal goods and artisanal services. Butlers, chefs, builders, gardeners, midwives, nannies, personal assistants, tutors, tailors, athletic trainers and other bespoke laborers may become employees and consultants for the wealthier among us. Many others will be like today's baristas—not rich, but not unemployed either.

Will bespoke labor replace every job lost to the maw of automation? Probably not. But labor won't disappear. It will take on new forms in a vastly expanded and diversified market.

Mr. Richards is an assistant research professor in the Busch School of Business at the Catholic University of America and a senior fellow at the Discovery Institute. This article is adapted from his book, "The Human Advantage: The Future of American Work in an Age of Smart Machines."

Is President Trump Illegitimate?

Donald Trump never expected to be president. And, we might reasonably surmise, perhaps didn't really want to be. Think about that as President Trump seeks to remake America's relationship with the world as dramatically as any president in 70 years.

The Greek witch-goddess Circe gave her son a magic weapon to protect him on his search for his father, Odysseus. When father and son finally met, Odysseus was accidentally killed by the magic weapon. Oops.



BUSINESS WORLD

By Holman W. Jenkins Jr.

Then-FBI Director James Comey

If veteran political analyst Ronald Brownstein is right, blue-collar white women in the upper Midwest elected Mr. Trump. What better antidote for the "Access Hollywood" scandal, then tanking the Trump campaign, than the revelation that the Hillary case was not only back but entangled with the underage sexting adventures of former Democratic Rep. Anthony Weiner.

If any Russian involvement helped Mr. Trump, this was it. As we know from credible reporting and from Mr. Comey's own elliptical memoir, he was in possession of a captured Kremlin intelligence document that cited an alleged agreement between the Obama Justice Department and the Clinton campaign to bury the email case. This was Mr. Comey's magic weapon.

Amanda Renteria, the Clinton campaign aide named in the Russian intelligence, has stated plainly that the information was "made up by the Russians." The Justice Department's inspector general said the info was viewed inside the FBI as "not credible" and "objectively false." According to CNN and the Washington Post, some considered it a deliberate Kremlin plant.

Yet Mr. Comey, in a recent interview with PBS's Judy Woodruff, described the information as "legitimate" and expressed agnosticism over whether it was "accurate."

He told NBC's Chuck Todd, "I'm just not, by my silence, agreeing with your predicate that it was false documents."

What the heck is going on here?

This episode represents the only possible way Russia affected the election outcome. Other claims about its decisive effect are implausible.

Russia hurt him, Comey helped him, but the Constitution put him in office.

Former Obama intelligence chief James Clapper flatly opines, based on his decades of experience, that Russia elected Mr. Trump, which might be more persuasive if his decades of experience were in U.S. electoral politics, not spywork and disinformation.

The Economist magazine, in honor of last week's U.S. indictment of Russia's GRU hackers, says the Kremlin only had to shift 0.03% of the total vote and therefore Mr. Trump may be illegitimate.

What these analysts ignore is *net effect*. Bernie voters and Catholics had reason to be offended by leaked Democratic emails, but these were one-day stories early in the race. The overall impact of Russia hacking and social media trolling not only was small on its own terms; it was swamped by the blowback on conventional media, which daily amplified accusations of Hillary supporters and Never Trump Republicans that Mr. Trump was in Vladimir Putin's pocket.

Replay the election in your head, in fact, and it's hard come to any conclusion other than Mr. Trump would have been much better off if Russia wasn't a subject. Voters don't vote on foreign policy. They do vote on character. There can't be

75 people in America who cared that Mr. Trump promised better relations with Russia. There must have been hundreds of thousands or millions who followed half the GOP pundit and foreign-policy establishment in opposing Mr. Trump on character grounds, including his alleged footsie with the Kremlin.

I'll say it again: It is overwhelmingly likely that Russian efforts, aside from their presumably unforeseen and accidental impact on Mr. Comey, cost Mr. Trump more votes than they got him.

As early as February 2016, this column described Mr. Trump as a "democratic accident" waiting to happen: "What began as a scheme to become more famous is in danger of running away with the country."

It was entirely possible for Mr. Trump to be the last man standing in a crowded GOP primary field full of candidates who might have bested him one on one. He clearly lucked out with Hillary as his Democratic opponent. Of course, the totality of effects decides even a close election. But if you're looking for a single, conscious, deliberate action by any human being that influenced the outcome, you're left with Mr. Comey and his Russia-supplied magic weapon.

By the way, this doesn't make Mr. Trump an illegitimate president. He's a natural-born U.S. citizen of the requisite age and won a majority of the Electoral College.

THE WALL STREET JOURNAL.

PUBLISHED SINCE 1889 BY DOW JONES & COMPANY

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SPORTS

GOLF

A Clash of Styles at the British Open



Rory McIlroy hits a driver during the second round of the British Open on Friday.



BY BRIAN COSTA

Carnoustie, Scotland

MOST GOLFERS have spent this week plotting their way around the third hole at Carnoustie as if hopping between stepping stones to get across a pond. At 350 yards, it is a short par 4, but with two bunkers in the middle of the fairway and another closer to the front of the green, it has prompted some unusually conservative golf.

On Thursday, Zach Johnson teed off with an 8-iron, which he said he had never done before on a par 4.

By contrast, Rory McIlroy pulled out a driver and, in doing so, announced his guiding philosophy for this British Open: Let. It. Fly.

A course that has reined in the aggressiveness of many players has prompted McIlroy to reassess his. While he tempered that approach to account for the rain on Friday morning, this weekend is shaping up as a contest between strategies as much as players.

At 4 under par, after opening with a pair of 69s, McIlroy is in contention to win his fifth career major championship. It would be his first since 2014, ending a drought in which he has fallen from the No. 1-ranked player in the world to the No. 8.

But it is telling that Johnson, the 2015 Open champion and one of golf's most conservative players, finished two shots ahead of McIlroy—tied with Kevin Kisner for the lead.

Johnson fits the profile of the kind of golfer that tends to fare better at the Open than elsewhere—short and straight, steady and methodical, not to mention old, at age 42. McIlroy could care

Carnoustie has reined in the aggressiveness of many players, but Rory McIlroy wants to use length to his advantage



Zach Johnson is tied for the lead with Kevin Kisner at 6 under par. Johnson won the Claret Jug in 2015.

less. He has won the Claret Jug once already. If he's going to win another, he has resolved to do it his way.

"I've been a little bit too careful and tentative when I've been in these big tournaments," McIlroy said. "This week, one of my main thoughts is just to let it go."

The thought relates partly to strategy. On the third hole on Thursday, for instance, McIlroy hit his drive over the green, but still recovered to make birdie. But it is also a mentality: committing fully to the aggressive shots he chooses without fear of a bad result.

"I'm committed to making sure, even if I don't play my best golf and don't shoot the scores I want,

I'm going to go down swinging," he said.

The idea applies to the tee, where McIlroy said he expects to use his driver as often as he reasonably can on Saturday and Sunday. It also applies to putting, which has been McIlroy's bugaboo in recent years. His struggles on the greens sank his hopes at this year's Masters, where he was in contention on Sunday.

On Friday, after he left a par putt on the 15th hole just short from around 15 feet, he muttered to himself in disgust, "Hit the ball, you f---!" But moments of frustration have been few and far in between for him this week. Even when McIlroy's tee shots or ap-

proaches have landed in the rough, he has shown a knack for saving par.

Carnoustie was the site of McIlroy's major debut in 2007, where he was the leading amateur at the Open. He had neither fortune nor fame outside the golf world, but he had a care-free approach that lately he has been trying to recapture.

"I think sometimes with the pressure that's maybe put on the top guys to perform at such a high level every week, that starts to weigh on you a little bit," McIlroy said. "I look back at those pictures, and the more I can be like that kid, the better."

At most tournaments, McIlroy's

power and aggressiveness are so obviously advantageous that there is little question as to whether he will seek to maximize them. But the Open—and in particular Carnoustie this year—takes the driver out of many players' hands. That puts players like Johnson at less of a disadvantage.

Johnson, who also won the 2007 Masters, shot a 4-under-par 67 on Friday to make the cut here for the 12th consecutive year. He is the only player who has competed in every round at every Open since 2007. In that span he has seven top-20 finishes, the same number as he has in the other three majors combined.

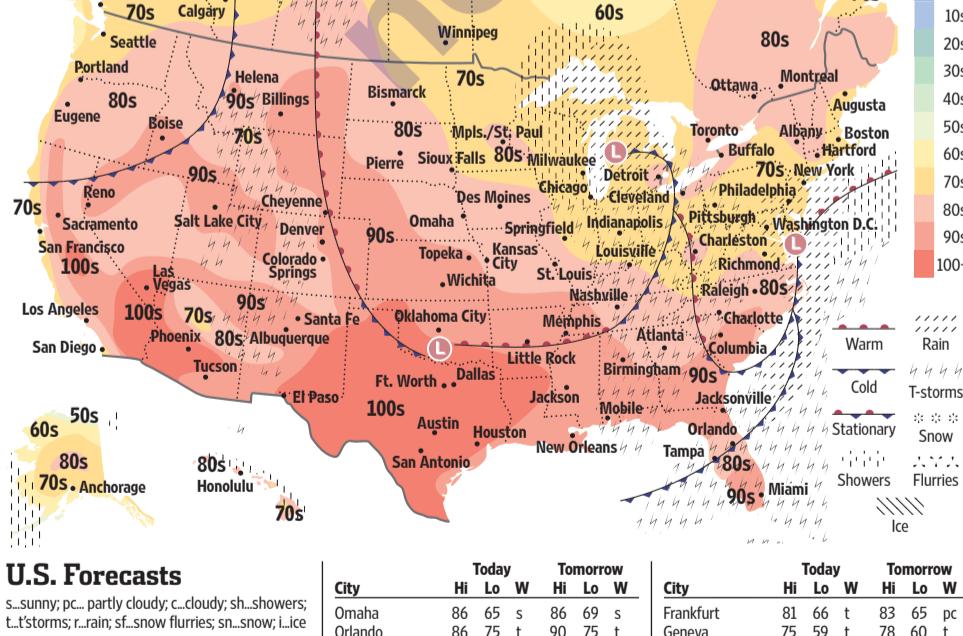
Fans sometimes mistakenly call him Dustin—as in Dustin Johnson, the world No. 1 to whom he has no relation. But only one Johnson made it to the weekend at Carnoustie, and it wasn't the more famous one, who missed the cut at 6 over.

"I think my game lends itself to this championship because my style can play here," Zach Johnson said. "I take what the golf course gives me."

In his own way, McIlroy is doing the same. His strategy for the week was dictated in part by the playability of the areas off the fairway, which makes misses with his driver much less costly. And he has shown a willingness to adapt. Because of the rain—which reduced the carry distance of drives, bringing more fairway bunkers into play—he used his driver on only six holes Friday. But the weekend should bring out the bomber in McIlroy.

"You might make more bogeys than playing it safe, but you're going to make more birdies as well," he said. "I'm convinced that that's the way that I should play it."

Weather



U.S. Forecasts

Sunny; pc. partly cloudy; c. cloudy; sh. showers; t.t. storms; r.rain; sf. snow flurries; sn.snow; l. ice

Today Hi Lo W Today Hi Lo W

City Anchorage 70 56 pc 70 58 pc

Atlanta 89 72 pc 88 70 t

Austin 105 73 pc 107 77 s

Baltimore 76 64 r 82 72 t

Boise 94 59 s 94 63 s

Boston 75 66 s 79 73 r

Burlington 88 63 pc 83 69 r

Charlotte 88 70 t 87 69 t

Chicago 76 69 t 79 66 sh

Cleveland 82 65 t 78 66 t

Dallas 109 80 s 107 80 s

Denver 94 67 pc 95 61 t

Detroit 80 67 r 79 62 c

Honolulu 88 76 pc 88 76 sh

Houston 101 79 s 102 80 pc

Indianapolis 76 68 t 78 64 sh

Kansas City 88 66 s 89 67 s

Las Vegas 105 87 pc 106 90 s

Little Rock 94 72 pc 95 72 s

Los Angeles 83 67 pc 85 68 pc

Miami 94 78 pc 92 78 t

Milwaukee 76 67 sh 77 64 c

Minneapolis 88 63 c 82 68 pc

Nashville 88 70 t 83 69 t

New Orleans 98 78 pc 97 80 pc

New York City 78 66 r 84 73 t

Oklahoma City 97 71 pc 95 71 pc

Today Hi Lo W Today Hi Lo W

City Omaha 86 65 s 86 69 s

Orlando 86 75 t 80 75 s

Philadelphia 76 65 r 85 74 t

Phoenix 106 75 pc 110 91 pc

Pittsburgh 79 63 t 79 67 t

Portland, Maine 74 57 s 71 67 r

Portland, Ore. 81 58 s 94 63 s

Sacramento 93 64 s 96 62 s

St. Louis 87 71 s 85 69 pc

Salt Lake City 98 74 pc 93 70 pc

San Francisco 76 60 pc 74 59 pc

Santa Fe 97 61 pc 98 63 s

Seattle 79 57 s 86 61 s

Sioux Falls 81 62 s 82 66 pc

Wash. D.C. 77 67 r 82 76 t

International Today Hi Lo W Today Hi Lo W

City Amsterdam 79 60 pc 78 59 pc

Athens 94 75 s 97 75 s

Baghdad 109 79 s 108 83 s

Bangkok 91 80 sh 90 79 sh

Beijing 94 79 pc 94 77 t

Berlin 82 61 pc 80 64 pc

Brussels 81 58 pc 81 58 pc

Buenos Aires 55 40 pc 57 36 pc

Dubai 105 92 s 106 91 s

Dublin 69 56 pc 74 58 c

Edinburgh 71 56 pc 73 60 c

THE COUNT

SEC COACHES WHO ARE ALL 'I'S

Southeastern Conference schools hired or elevated six new football coaches for the coming season, including Texas A&M's Jimbo Fisher for \$75 million over 10 years.

To gauge how confident these newcomers are of thriving in the sport's most cutthroat conference, the Journal analyzed the language they—and their peers—used in their news conferences at this week's SEC Media Days.

Each coach's public media session was similar in length—3,000 to 4,900 words—and transcribed by ASAP Sports, creating a convenient language laboratory.

The findings? Fisher's speech suggests he isn't as confident as his competitors.

Let us explain. People who use the pronoun "I" often tend to be less powerful, more self-reflective and more insecure.

"It does not reflect narcissism, like many people think," said James W. Pennebaker, a psychology professor at the University of Texas who studies language and social behavior. In fact, people of lower status tend to use "I" more, Pennebaker has found.

People of higher status tend to use "we" more often, Pennebaker said.

On each of those measures, Fisher registered near

Speech Class

The SEC football coaches who are the most I-centric:

COACH/SCHOOL RATE

D. Mason (Vanderbilt) 3.9%

J. Fisher (Texas A&M) 3.7%

M. Luke (Ole Miss) 3.6%

D. Mullen (Florida) 3.3%

J. Pruitt (Tennessee) 3.3%

C. Morris (Arkansas) 3.3%

M. Stoops (Kentucky) 3.2%

G. Malzahn (Auburn) 3.0%

K. Smart (Georgia) 2.9%

B. Odom (Missouri) 2.8%

N. Saban (Alabama) 2.7%

W. Muschamp (S.C.) 2.5%

J. Moorhead (Miss. St.) 2.3%

E. Orgeron (LSU) 2.2%

Source: ASAP Sports

Note: Number of times a coach said "I," divided by total words in his SEC Media Days news conference.

the bottom of the league. He used "I" or its contractions 3.7% of the time, second-most in the league behind Vanderbilt coach Derek Mason. Fisher used "we" 15% of the time, second-least in the league behind Mississippi coach Matt Luke, who was elevated from interim head coach after last season.

More experienced SEC coaches were more likely to say "we" more often, maybe reflecting growing confidence in their positions.

Still, Nick Saban didn't



Texas A&M's Jimbo Fisher

stand out on either measure despite his 11-season Alabama tenure. It's possible he doesn't need language to assert his dominance: He has five national-title rings (and a sixth from LSU) to do it.

Linguistically, the SEC's confidence king is LSU's Ed Orgeron. He said "I" a mere 2.2% of the time during his media-day session, and "we" 3.8% of the time—a full percentage point ahead of second-place Mark Stoops



Legal Drama
Accusations of misconduct in Hollywood. **B5**

EXCHANGE

THE WALL STREET JOURNAL.

Meet Your Barkeep
Bars are arming themselves with robot drinkmakers. **B4**



BUSINESS | FINANCE | TECHNOLOGY | MANAGEMENT

DJIA 25058.12 ▼ 6.38 0.03%

NASDAQ 7820.20 ▼ 0.1%

STOXX 600 385.62 ▼ 0.1%

10-YR. TREAS. ▼ 14/32, yield 2.895%

OIL \$70.46 ▲ \$1.00

SATURDAY/SUNDAY, JULY 21 - 22, 2018 | **B1**



Chinese steelmakers, such as this one in Dalian, China, could suffer under new U.S. tariffs.

President Donald Trump is steering U.S. economic policy in a radically new direction. From trying to revive steelmakers with tariffs to vetoing Chinese technology investments, he is using the federal government to direct which industries prosper and which don't.

Many countries have long tilted the playing field toward favored companies and industries, a practice economists call industrial policy. American presidents have traditionally resisted this as "picking winners."

This president has broken with that tradition, unveiling a series of actions on trade, foreign investment and energy he hopes will revive favored industries and beat back the competitive challenge of other countries—but which risk creating domestic losers.

His administration pushed strongly for a bill Congress is about to pass significantly expanding Washington's power to scrutinize foreign investment and transactions that could compromise U.S. technological leadership.

These aren't easily labeled a single, coherent policy because they reflect a mix of motives: nostalgia for America's past industrial greatness, devotion to Mr. Trump's electoral base and deep suspicion of China. What they do share is a willingness to over-

TRUMP'S INDUSTRIAL REVOLUTION

The president's unorthodox approach to trade could harm some U.S. industries, but he also has concrete plans to maintain America's technological edge

BY GREG IP

ride private business and investor decisions in the interests of national security, as Mr. Trump defines it.

Whether they will work is another question. The premise of industrial policy is that the private market doesn't fully value all the benefits some companies and sectors bring the country: their contribution to national security, or to innovation and knowledge that spills over to the broader economy.

In practice, industrial policy goes in one of two directions. One is to prop up mature industries, as Mr. Trump seeks to do with steel and coal. Economists think such efforts cost taxpayers and consumers dearly without altering an industry's long-run fortunes.

The other is to give new industries a leg up against foreign competition. This is what Mr. Trump seeks by stopping China from forcibly acquiring American know how. Many economic and national-security experts back this policy because they see China as a unique threat to the U.S.

"U.S. officials believe China is engaged in economic warfare with the aim of displacing the U.S. as the world's pre-eminent technological and military power," Arthur Kroeber, founding partner at Gavekal Dragonomics, a China economic research service, told

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GE Keeps Cutting In Turnaround Bid

Conglomerate's power division weighs on profit

BY THOMAS GRYTA

General Electric Co.'s second-quarter profit dropped 30% from a year earlier as weakness in the power division continued to offset growth in other major units.

While the struggling conglomerate backed its 2018 profit goal, it said free cash flow would be at the low end of its previous estimate. GE reiterated that it will take years to turn around the power business, its largest division.

'We've described 2018 as a reset year and in the quarter we made significant progress on that journey.'

GE recently unveiled its road map for restructuring under Chief Executive John Flannery, a series of moves to dismantle the company short of a complete breakup of the onetime bellwether. Over several years, GE plans to hive off its Healthcare unit into a separate company and shed its majority holding in oil-and-gas firm Baker Hughes.

GE has reached deals in recent months to spin off its transportation division and sell several smaller

businesses. It said Friday that its plan to sell \$20 billion in assets is "substantially complete."

"The second quarter was an important one for GE," Mr. Flannery said in a conference call with analysts, noting that costs in its industrial divisions were cut by \$1.1 billion in the first half. "We've described 2018 as a reset year and in the quarter we made significant progress on that journey."

Adjusted earnings of 19 cents a share in the period beat Wall Street expectations for 17 cents a share, according to Thomson Reuters. Revenue of \$30.1 billion also topped consensus projections.

Still, the company's shares fell 4.4% to \$13.13 on Friday. The stock has lost half of its value in the past 12 months.

RBC Capital analyst Deane Dray said the challenges facing GE aren't new, but the company may have spooked investors by highlighting possible downside risks in major areas, including the power division and its financial-services business, and the potential fallout from trade friction.

For example, the company previously had said it was aiming to sell 50 to 55 gas turbines this year but on Friday projected "about 50." It also said that new tariffs could cost it \$300 million to \$400 million a year and that it expects to offset at least

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◆ Honeywell rides sales momentum from strong demand..... **B3**

◆ Heard on the Street: No happy earnings surprises for GE..... **B14**

ON BUSINESS | JOHN D. STOLL



Starbucks's 'Bean Stock' program has granted equity to baristas since the '90s.

How Stock Creates Bonds: The Starbucks Job Incentive



U.S. companies are collecting record amounts of cash in their coffers, and many can't think of anything better to do with it than buy back their stock.

Here's a better idea: Hand out some of those shares to rank-and-file employees.

Starbucks Corp. has been awarding shares to baristas since the 1990s. The company says it has granted more than \$1 billion in equity under its "Bean Stock" program. It currently offers restricted stock vesting over two years to nearly all employees.

Apple Inc. in 2015 initiated a restricted-stock program that in-

cludes grants to retail employees. A worker getting \$1,000 in Apple stock at that time would have seen the investment grow to more than \$1,800 as of this past week, including dividends.

But Apple and Starbucks are exceptions in a corporate environment where most of the equity compensation is reserved for white-collar professionals, executives or higher-level managers. Companies, however, have plenty of cushion to reconsider this equation.

Nonfinancial businesses had amassed \$2.1 trillion in cash and liquid investments by the end of last year, according to S&P Global Ratings. S&P 500 companies are on

Please turn to page B7

Cushman Sets Scene For IPO

Real-estate firm is seen valued at about \$6 billion

BY MAUREEN FARRELL AND PETER GRANT

Real-estate services firm **Cushman & Wakefield** aims to raise about \$750 million from an initial public offering that would value the firm at around \$6 billion, including debt, according to people familiar with the offering.

Cushman is expected to set its pricing range Monday and kick off its roadshow, the people said. The price range is expected to set the company's market capitalization between \$3 billion and \$4 billion, according to people familiar with the offering.

Cushman's owners are looking to cash in at a time when shares of its largest global rivals, **CBRE Group** Inc. and **JLL**, have been trading near record highs. Those firms are enjoying rising commissions and property-management fees, thanks to expanding economies around the world.

But Cushman faces challenges, too. The firm has reported losses in recent quarters, and some investors are concerned that the bull market in commercial real estate—now in its ninth year—doesn't have much longer to run.

The real-estate firm is owned by

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THE SCORE

THE BUSINESS WEEK IN 7 STOCKS

ARCONIC INC.

ARNC In the first trading session after The Wall Street Journal reported that the aerospace-parts maker was the subject of takeover interest from several private-equity firms, shares soared 10% Monday. The New York company, which was part of Alcoa Corp. before the aluminum maker broke itself up, also on Monday unveiled its largest-ever supply deal with Boeing Co. and announced a new partnership with Lockheed Martin Corp. Monday's stock move was a record one-day gain for the company and boosted Arconic's market value by almost \$1 billion.

NETFLIX INC.

NFLX Investors were in no mood to binge on Netflix after the video-streaming site reported quarterly results after Monday's closing bell. Although Netflix's second-quarter profit surged to \$384.3 million, it missed its expected subscriber growth by over a million users. Netflix blamed the underwhelming numbers on faulty internal forecasting and not on business reasons such as price increases. Investors interpreted the miss as a sign that the fast-growing company, whose stock has roughly doubled this year, may be slowing down. Shares fell 5.2% Tuesday.

BIG BANKS' STOCK PERFORMANCE THIS WEEK

Source: SIX

6%

5%

4%

3%

2%

1%

0%

Mon.

Tues.

Wed.

Thur.

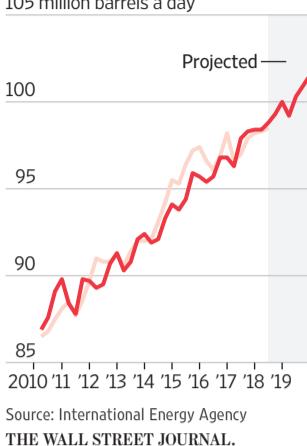
Fri.

BUSINESS NEWS

Energized

Global oil demand is expected to keep rising, surpassing 100 million barrels a day for the first time.

■ Supply ■ Demand



Source: International Energy Agency
THE WALL STREET JOURNAL.

Drilling Recovery Unfolds Globally

BY CHRISTOPHER M. MATTHEWS

Oil producers are ordering more equipment and lining up drilling rigs for later this year, according to top industry executives, indications that international activity is picking up.

The chief executives of Schlumberger Ltd. and Baker Hughes, which is owned in part by General Electric Co., said customers are moving forward with large projects and even preparing to increase exploration for future ones.

"The international recovery has finally started," Schlumberger Chief Executive Paal Kibsgaard said Friday during the company's earnings call with analysts. "The backlog on integrated drilling projects is the most we've ever seen."

Over the past year, global oil activity has divided into two distinct stories. The U.S. has remained a bright spot for the oil industry, as frackers have

The international rig count is flat, but that may be starting to change.

witnessed sustained low oil prices following a crash in 2014. This month, U.S. oil output hit 11 million barrels a day for the first time ever, according to federal estimates. Outside of the U.S., major oil conglomerates and national oil companies have pulled back production and stopped investing in costly offshore projects.

Oil prices reached 3½-year highs this year, as Brent crude, the global benchmark, topped \$80 a barrel. Prices have fallen a bit in recent weeks following a June meeting of the Organization of the Petroleum Exporting Countries at which the cartel and Russia agreed to boost production by up to one million barrels a day, but crude has stayed above \$70 since April.

Baker Hughes CEO Lorenzo Simonelli said higher commodity prices are creating a good climate for renewed investment in oil production and exploration.

"People are starting to firm up their plans for next year and you are starting to hear more about [spending] increases and projects moving forward," Mr. Simonelli said.

The international rig count is flat so far this year, but that may be starting to change. Mr. Kibsgaard said the company was mobilizing 90 land rigs outside the U.S. jointly with third-party drillers, which he called "unprecedented." In another sign of global activity heating up, Baker Hughes said it had its largest number of orders for oil-field equipment since 2015.

The uptick in activity comes as concerns over supply grow because of instability at some of the world's biggest oil producers and geopolitical concerns. There have been large supply outages in Venezuela and Libya, and renewed U.S. sanctions pose a risk to supply in Iran.

On Friday, Schlumberger reported second-quarter revenue of \$8.3 billion, up 11% from a year earlier. Baker Hughes reported \$5.5 billion in revenue, up 2%.

Honeywell Rides Sales Momentum

BY ALLISON PRANG

Honeywell International Inc. said sales are exceeding expectations this year as the industrial conglomerate continues to see strong demand from its aviation and defense customers.

Executives on Friday also said Honeywell could gain some advantage from the trade tensions between U.S. and China because the New Jersey-based company doesn't get as many products from China as its rivals.

"I wouldn't tell you we're not impacted, but we're a lot more prepared because of our global footprint," said Chief Executive Darius Adamczyk, who has been in the post since March 2017.

Still, executives said, it's a complex equation. The impact of tariffs on pricing is "probably the single most important thing that we talk about in making sure that we're proactive," Mr. Adamczyk said.

The maker of products for aircraft, cars, homes and buildings said it now expects

Aerospace Company Considers Its Sale

Aerospace-parts maker **Esterline Technologies** Corp. is exploring a potential sale, according to people familiar with the matter.

The process is at an early stage, the people said, and there is no guarantee the company will reach a deal to sell itself. Before The Wall Street Journal report Friday afternoon, Esterline had a market value of \$2.2 billion; with a typical premium, it could be valued at

annual organic sales growth of between 5% and 6%, up from its previous expectations of between 3% and 5%.

The latest period also marked Honeywell's sixth consecutive quarter of year-over-year organic sales growth—a metric that excludes such factors as currency fluctuations and acquisitions and divestitures.

"This is just a continuation of a very high-quality story," said Deane Dray, a managing director at RBC Capital Markets.

Mr. Dray said there is a lot of excitement around the company's warehouse automation business, which is working on a warehouse for Amazon in Canada.

"You can't just casually

sition target for some months as industry players look to do more work in-house.

Esterline sold its Kirkhill seals business to TransDigm Group Inc. this year for \$50 million and in January appointed a new chief financial officer, Stephen Nolan, with a long track record in mergers and acquisitions. Mr. Nolan was previously finance chief at Vista Outdoor Inc., the outdoor sports specialist spun out as part of the merger between Alliant Techsystems Inc. and Orbital Sciences Corp.

—Dana Mattioli and Doug Cameron

mention Amazon," he said. "They must have a really good relationship."

Shares of Honeywell rose 3.8% Friday to \$153.13. The stock has risen more than 13% over the past year.

Mr. Adamczyk has said he is interested in doing acquisitions. Chief Financial Officer Tom Szlosek agreed Friday but said Honeywell would con-

tinue doing share buybacks "in the absence of immediate opportunities." Honeywell has repurchased about \$1.7 billion of its shares in the first half of this year.

For the second quarter, Honeywell reported a profit of \$1.27 billion, or \$1.68 a share, down from \$1.39 billion, or \$1.80 a share, a year ago.

For the year, Honeywell now expects per share earnings between \$8.05 and \$8.15, on an adjusted basis, up from its prior forecast of between \$7.85 and \$8.05.

Sales in the quarter rose 8.3% to \$10.92 billion, above the average analyst estimate of \$10.8 billion. Honeywell reported sales increases in all four of its segments: aerospace, home and building technologies, performance materials and technologies, and safety and productivity solutions.

Aerospace, its largest segment, saw sales rise 10% to \$4.06 billion, helped by growth in business aviation, commercial demand and defense sales.

Japan Opens Its Doors to Casino Gambling

BY MEGUMI FUJIKAWA

TOKYO—Japan legalized casino gambling and cleared the way for three casino resorts, giving companies such as Las Vegas Sands Corp. and MGM Resorts International their first chance to open in the country.

Global casino operators have said they would spend as much as \$10 billion on each location under the legislation, a pillar of Prime Minister Shinzo Abe's plan to boost tourism and stimulate growth.

Parliament gave final passage to a casino legalization bill on Friday, concluding years of debate over the issue. The law is highly unpopular among Japanese voters. Critics said it would encourage gambling addiction and organized crime.

The government, however, hopes to lure tourists, especially from China and other parts of Asia, who currently go to casinos in Singapore, Macau and elsewhere.

Casino-centered resorts "will help stimulate regional economies and eventually lead to growth of the overall Japanese economy," Mr. Abe said on June 1. The prime minister aims to increase the number of foreign tourists to 60 million by 2030, up from about 29 million in 2017.

The legislation allows construction of three casino resorts but leaves the decision on the specific locations for later. Analysts said the first casinos would likely open around the mid-2020s.

The resorts would also feature hotels, restaurants, shopping malls and theaters. Daiwa Institute of Research estimated that investment in the three casinos, if the locations included Japan's two biggest urban areas, could approach \$50 billion. Visitors could spend nearly \$20 billion each year on



The government has cleared the way for the building of three casino resorts in the country. An instructor in Tokyo teaches roulette.

entertainment, retail and lodging at the resorts once they open, Daiwa estimated.

The law has met with strong objections from opposition parties.

"Some say casinos would create more employment, but this will be built upon someone else's loss from gambling," Yukio Edano, the head of the opposition Constitutional Democratic Party of Japan, said last month. "It is impossible to grow the economy through casinos."

To ease concerns about local gambling addiction, the law requires residents of Japan to pay a ¥6,000 (\$53) entrance fee to get into a casino and limits admissions to 10 times within a 28-day period. Foreign visitors

will be able to enter free.

The floor area of casinos will also be capped—the government plans to set the limit at around 3% of an entire resort—and a 30% tax will be imposed on gross gambling revenue.

The next question is which companies will operate the three casinos and which cities will host them.

Las Vegas Sands Chairman Sheldon Adelson has said he would spend \$10 billion to set up shop in Japan. The company is interested in urban areas such as Tokyo, Osaka or Yokohama because they would fit better with its conventions-focused business model, George Tanasijevich, chief executive of Marina Bay Sands Pte Ltd. in

Singapore, told The Wall Street Journal recently.

MGM has expressed interest in the same three cities, with a similar budget in mind.

Some more remote locations still hope to be selected, including areas in the northern island of Hokkaido, a popular ski area for Asian visitors. Caesars Entertainment Corp. recently presented a plan for a casino resort in Tomakomai in Hokkaido.

Gambling is illegal in Japan, but the government has made exceptions for sports betting including horse, bicycle, motorcycle and motorboat racing, as well as some lotteries.

So far, Osaka is the only big city in Japan with real estate set aside for a casino. A man-

made island called Yumeshima, or "dream island," is set to grow to about 960 acres, and eventually could hold multiple resorts, analysts say.

The advent of casinos could be bad news for pachinko, a long-popular vertical pinball game. Pachinko isn't officially viewed as gambling, but players can convert their noncash prizes into cash at windows near pachinko parlors.

With young people turning to other pursuits such as smartphone games, the industry's revenue fell 4.3% in 2017 to about \$173 billion and is down nearly half from the peak, according to the Japan Productivity Center.

—Takashi Mochizuki contributed to this article.

WhatsApp Alters Messaging to Damp Mob Violence

BY KRISHNA POKHAREL

NEW DELHI — Facebook Inc.'s WhatsApp messaging service is making it harder for users worldwide to forward content, after the spread of rumors on the app led to mob violence and the killing of more than 20 people in India.

False messages about roaming child-kidnapping gangs spread through WhatsApp—one of the most widely used apps in India with over 200 million monthly active users—have triggered a spate of lynchings as panicked groups attack strangers they find suspicious, Indian authorities have said.

WhatsApp's announcement Thursday came a day after Facebook under a new policy said it would begin removing misinformation that could spark violence. The initiative will start in Sri Lanka and Myanmar, which have also struggled with violence fueled by false reports spread on social media.

The Indian government this month asked WhatsApp to take immediate action to stop the misuse of its platform, saying rumors circulated on the mes-

saging service had led to deadly attacks.

The Menlo Park, Calif.-based company said in a blog post that as part of a test it is putting restrictions on the number of groups to which a message can be forwarded.

"In India—where people for-

ward more messages, photos, and videos than any other country in the world—we'll also test a lower limit of 5 chats at once," it said.

For WhatsApp users outside India, the limit on forwarding will be 20. This is the first time that WhatsApp has put restric-

the "quick forward" button in India, which comes up on the side of media content on the app. This means users will have to go through more steps if they want to forward information.

In India, WhatsApp has published advertisements in major newspapers with tips for its users to help them decide "if something sent to you on WhatsApp is true." It also started labeling forwarded messages on its platform to help users determine if their "friend or relative wrote the message they sent or if it originally came from someone else," the company wrote in a separate blog post earlier in the month.

The steps taken so far by WhatsApp apparently haven't assuaged the Indian government, which said in a statement late Thursday that "much more needs to be done."

A WhatsApp spokesman said Friday the company was horrified by the acts of violence in India. Tackling such challenges posed by misinformation would "need action by government, civil society and technology companies," he said.



SAM PANTHAKY/AGENCE FRANCE PRESSE/GETTY IMAGES

A woman with a photo of a relative killed by a mob in India that falsely believed she was a kidnapper.

TECHNOLOGY



DAVID PLUNKERT; DAVID PAUL MORRIS/BLOOMBERG NEWS



Not long ago, swaggering companies such as Uber Technologies Inc. and Airbnb Inc. swept through cities like a wrecking ball, establishing billion-dollar businesses and vast constituencies before slow-moving government officials could figure out how to rein them in.

Now regulators who've seen that movie want a different script. They're finding ways to force firms to cooperate earlier in the development of new business models. Even Uber, the famous disrupter, was forced to stop testing its autonomous vehicles in Arizona and California after one killed a pedestrian.

Yet as companies shift their strategy, they're rediscovering why shaping regulations to fit a business model has long been a favored tactic of more established industries. In its most extreme form, this is known as "regulatory capture"—when an industry has so much influence over its regulators, it practically owns them.

A fresh example of this is the fledgling scooter-sharing industry. At first, startups such as Bird tried the old "ask forgiveness" approach, but faced resistance in many cities.

Things got off to a rocky start in Santa Monica, Calif., the first city in which Bird launched, says deputy city manager Anuj Gupta. Bird deployed its scooters without obtaining the proper business license, and the city impounded a few that were blocking pedestrian traffic. The city also handed out more than a thousand tickets to people who rode them on sidewalks.

But instead of blocking them completely, Mr. Gupta says, the city drew lessons from its experiences with ride-sharing companies and Airbnb, and offered Bird a provisional license. After all, he adds, the scooters were popular and had the potential to help the city reach its sustainability goals, including reducing car trips and emissions.

Memphis, Tenn., was so eager for Bird to come to town that when city council members heard that

KEYWORDS | CHRISTOPHER MIMS

May I Please Disrupt You Now?

Lessons from regulatory battles over ride-sharing and apartment-renting give free-wheeling startups a guide to working with local governments

the company was being banned from Nashville, they reached out to the company directly, and within a week had an agreement for Bird to move those scooters to Memphis, says city councilman Kemp Conrad.

Both cities now say the scooter companies have become their "partners," taking pains to be responsive to their concerns about safety and accessibility, while paying for the privilege of putting electric scooters onto their streets.

For Bird, initially taking the Uber approach backfired entirely in some cases. In Milwaukee, the city banned Bird scooters the day after they were distributed on its streets, and immediately filed a lawsuit against the company and its chief executive, Travis Vander-Zanden.

The problem, says Milwaukee alderman Robert Bauman, is that the city's attorney found that state law says electric scooters are illegal on public roads and sidewalks anywhere in the state.

Mr. Bauman says that Bird knew this when it launched. Bird's chief legal officer, David Estrada, says it didn't, and that it always conducts an analysis of the legality of its service in every city it enters.

Bird's biggest competitor, Lime, has also learned from the mistakes of companies like Uber, says Joe Kraus, general partner at GV, the venture-capital wing of Alphabet



Scooter companies like Bird and Lime are increasingly working with government officials in cities where they hope to launch.

Inc., parent company of Google. On July 9, GV announced that along with Uber, it invested a total of \$335 million in Lime, and Lime's scooters will eventually be available in Uber's app.

Emily Warren, Lime's senior director of policy and public affairs, argues her company goes further than Bird by reaching out to city officials in advance, so that "we don't catch the city by surprise."

While regulators in many cities are still reluctant to give the green light, Lime, Bird and more than a dozen competitors—including Razor and Scoot—are in many cases trying to outdo one another with

new ways to appease local regulators. They're letting the cities know exactly where scooters are in near real time, redistributing those scooters according to the desires of local governments, including to low-income areas, and more.

Scooter companies' appeasement of regulators embodies tech's broader move toward accountability, following a period of public outrage over the industry's overreach and mistakes.

That's why it should be no surprise that Apple, for example, is taking it slow in establishing a potentially lucrative market: Food and Drug Administration-approved

software for wearables like the Apple Watch. Apple—along with Fitbit, Verily and six other companies—is part of a pilot program in which the FDA would approve vendors of health software, rather than the individual apps themselves.

Apple could be granted authority to decide the effectiveness and safety of its own monitoring software; that's a profound shift in the regulation of medical devices in the U.S.

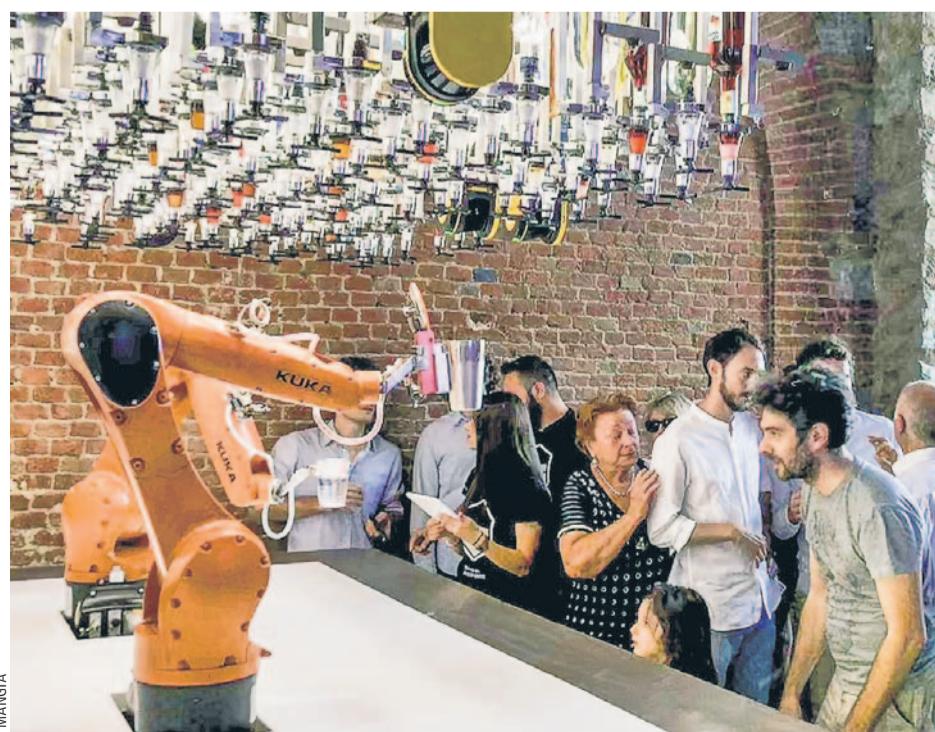
Uber, meanwhile, knows it can't launch its planned flying-taxi service the way it launched its terrestrial one. The Federal Aviation Administration says it will tolerate zero fatalities, so the company acknowledges that it must adhere to incredibly demanding regulations.

However, regulators can regulate only what they understand, and they can hardly be expected to understand technologies that don't yet exist at scale. That's one reason the pitfalls of artificial intelligence—which is both powerful and nascent—come up so often. The tension between the rapid march of innovation and the protection of the public means a never-ending cycle of industries transitioning from invention without boundaries to highly regulated industries such as air travel and medicine.

In scooter companies, this cycle seems to have taken place faster than ever, says David Yosifon, a professor at Santa Clara School of Law and an expert in regulatory capture.

That might be good for the front-runners, he adds. Once an industry matures, its biggest players will seek to use regulatory capture to protect their businesses. That could be Facebook CEO Mark Zuckerberg calling for regulation of social media after his company becomes the dominant player. Or ride-sharing companies responding to a city's needs, once they've displaced other means of transportation. Or scooter companies dropping by City Hall, only days or weeks after littering the streets with their electric vehicles.

A Robot Walks Into a Bar...



GIACONIO MANGIA
The Makr Shakr 3.0 robot bartender in use at RoboTO, a pop-up space in Turin, Italy.

There's no need to tip the mixologist at the Tipsy Robot, a glittering bar in Las Vegas where automated arms handle all the shaking, stirring, muddling and garnishing, making up to 120 cocktails an hour.

The silver-and-turquoise lounge has 28 counter-style seats facing a bar counter topped with two industrial-grade robotic arms. Using a tablet, patrons can order signature and classic cocktails, or fill a virtual cup with up to 14 ingredients of their choosing. Then the robotic arms go to work, gathering ingredients from a kind of futuristic back-bar automat; reaching up to a lattice of 120 liquor bottles; and tipping the resulting cocktail into a plastic cup proffered by a mechanical dispenser in the counter. Drinks take 60 to 90 seconds to make and cost \$12 to \$16, says Stephan Moronet, president of Robotic Innovations, Tipsy Robot's parent company.

For its automated bar, Tipsy Robot turned to Makr Shakr, an Italian startup that built its first robot bartender in 2013. The company is one of several trying to automate bartending. Its bar counters now sit in the Hard Rock Hotel & Casino in Biloxi, Miss., and on five Royal Caribbean cruise ships. Each one is made to order, and costs over \$1 million, Makr Shakr says.

Today, you'll find robot bartenders mostly in touristy, high-traffic watering holes. But as companies introduce smaller and less expensive

models, these automated mixologists are poised to become more widespread. In May, Makr Shakr debuted a mass-market version of its product, the roughly 10-foot-long Makr Shakr 3.0, which can fit into an existing bar space, and costs €99,000 (\$115,000).

"Your local pub, your local bartender is not in any jeopardy," Mr. Moronet says. "But in the future, absolutely."

According to manufacturers, robot bartenders are money savers, cutting down on spillage, eliminating employee theft and ensuring consistency. Another selling point is their ability to collect data on drink orders and, when users create profiles to save custom cocktails, on demographics.

Pamela Dylag, co-owner of the Velvetine Rabbit, a cocktail and beer bar in Las Vegas, acknowledges that robots could help minimize waste, but says they can't invent the kind of fanciful and complex recipes that dominate her menu. "We do really complicated drinks sometimes with ingredients that are in season," Ms. Dylag says. "I don't know if a robot could do something like that—be creative."

And drinking, she adds, is a social activity. "The whole human element, that cultural element—that's really important to me," Ms. Dylag says. "Robots might take that away from my experience."

—Leigh Kamping-Carder

THE
FUTURE
OF
EVERYTHING

BUSINESS

A Movie Studio's Legal Drama

The departure of Lions Gate's top lawyer came amid legal wrangling involving accusations from a longtime subordinate; it was never really about sex.'

By BEN FRITZ AND ALEXANDRA BERZON



Wendy Jaffe says that during a period around 15 years ago, her relationship with her boss, Wayne Levin, included nonconsensual sexual contact.

CLOTHES LINE
CLAUDIA LUCIA FOR THE WALL STREET JOURNAL

'It's complicated when the head of legal is the person who is hurting you.' – Wendy Jaffe

also said departing a job she otherwise liked because of Mr. Levin's behavior struck her as unjust.

Vicki Magley, an expert on industrial psychology at the University of Connecticut, said victims of sexual harassment often stay in abusive relationships with bosses in the hope that the behavior will stop rather than risk the fallout of a confrontation. These factors are exacerbated when the person has no previous employers to offer recommendations if they leave, she added.

By the time Ms. Jaffe left Lions Gate, in April 2016, she said, she had finally worked up the confidence to search for other positions.

Soon after she departed Lions Gate, Ms. Jaffe alleged the company improperly removed stock options from her account that hadn't expired in an attempt to harass her—a charge Lions Gate executives denied in emails to her attorney at the time. In the

course of the legal back-and-forth that followed, Ms. Jaffe's attorneys brought up her allegations of sexual misconduct more than a decade earlier, which she hadn't previously aired.

During settlement discussions later in 2016, Ms. Jaffe told Chief Executive Jon Feltheimer directly about her accusations for the first time, including that Mr. Levin spanked her, groped her, asked her to negotiate her employment contract while sitting on his lap and said he wanted to offer her to friends as a sexual gift. The CEO expressed surprise at the sexual-misconduct allegations, according to Ms. Jaffe. Mr. Feltheimer declined to comment.

Lions Gate hired an outside investigator to look into the matter but Ms. Jaffe declined to cooperate because, she said, she believed it wasn't being conducted seriously and wasn't sufficiently independent.

According to Mr. Levin's attorney, Lions Gate's head of human resources told Mr. Levin that the investigator couldn't corroborate her allegations.

The outside investigator was overseen by a Lions Gate attorney who typically co-reported to the head of human resources and Mr. Levin, the latter of whom wasn't involved in the investigation, according to a person with knowledge of the matter. The head of human resources at Lions Gate declined to comment.

Experts in sexual-harassment law contacted by the Journal said the best practice in such a situation would be for an investigator to report directly to the board or the CEO to ensure maximum independence.

As part of the December 2016 settlement, Lions Gate executives agreed to speak positively about Ms. Jaffe to potential employers, the document shows. However, she alleged, Mr. Levin and other executives disparaged her abilities to potential employers in the Hollywood legal community and said she had extorted the company.

An amended settlement in March 2017 included an agreement for Mr. Feltheimer to write a letter, backdated to April 2016, describing her as a "gifted and hardworking attorney."

But the disparaging comments continued, Ms. Jaffe alleged in letters from her attorney to Lions Gate.

A Lions Gate attorney said in response that "Ms. Jaffe's claim of

disparagement is wholly unfounded."

Mr. Levin's attorney said his client agreed to forgo an anticipated \$1 million bonus he was owed for work on a major acquisition in 2016 in order to enable Ms. Jaffe's settlement. The company hasn't publicly disclosed why Mr. Levin was the only top executive not to receive such a bonus.

Ms. Jaffe said she was angry when she discovered some of the money came from Mr. Levin, saying she didn't want him to think he could make up for the alleged mistreatment by paying her.

Ms. Jaffe said she has attempted to return the money to Mr. Levin and that after he initially indicated he wouldn't accept one of her checks, she took the unusual step of sending him around \$20,000 in \$1 bills.

Mr. Levin's attorney said he hasn't spent money given to him by Ms. Jaffe and wants to return it.

According to Mr. Levin's publicly filed employment contract, the company wasn't obligated to pay him any severance for a voluntary resignation. Nonetheless, when Mr. Levin resigned, Lions Gate said that for the remaining 28 months of his contract, it would pay half of his \$900,000 base salary, as well as a significant portion of the equity he would have received had he stayed.

Mr. Levin's attorney said his client believes the amount of his severance "was consistent with his employment agreement if terminated without cause or by him for good reason."

Disney Fires Director Over Tweets

Walt Disney Co. on Friday severed its relationship with James Gunn, who directed two "Guardians of the Galaxy" movies for its Marvel Studios unit that together grossed \$1.64 billion. He was expected to soon start work on a third.

The move came after the Daily Caller website and online critics resurfaced tweets written between 2008 and 2012 by Mr. Gunn, before he worked for Marvel, in which he made sexually explicit jokes, including some about children.

"The offensive attitudes and statements discovered on James's Twitter feed are indefensible and inconsistent with our studio's values," Disney Studios Chairman Alan Horn said in a statement.

Mr. Gunn in a statement said his tweets were "stupid, not at all funny, wildly insensitive" and "don't reflect the person I am today."

"I understand and accept the business decisions taken today" by Disney, he added.

—Ben Fritz



Wayne Levin left as Lions Gate general counsel last year after 17 years.

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WEEKEND INVESTOR

TAX REPORT | LAURA SAUNDERS

Winners and Losers In New 'Kiddie Tax'

Children of the highest earners will often benefit, while those from families earning less could be hit



Parents and grandparents, beware: The latest version of America's "Kiddie Tax" will sharply raise the cost of giving in some cases.

The Kiddie Tax is a special levy on a child's "unearned" income above \$2,100. It typically falls on investment income such as dividends, interest and capital gains, and it doesn't apply to a youngster's earned income from mowing lawns or designing websites.

Congress passed the Kiddie Tax in 1986 to prevent wealthy or affluent taxpayers from taking advantage of their children's lower tax rates by shifting income-producing assets to them. Originally the provision was for children under age 14, but lawmakers expanded it over time.

For 2015, about 343,000 children paid a total of \$1 billion in Kiddie Tax, according to the IRS.

Today, the Kiddie Tax applies to nearly all children under 18 and many who are under 24, if they are full-time students and aren't self-supporting.

For 2015, about 343,000 children paid a total of \$1 billion in Kiddie Tax, according to the latest Internal Revenue Service data.

Last year's overhaul made an important change to the rates for this tax. Beginning this year and continuing through 2025, when the law sunsets, a child's unearned taxable income will be subject to trust tax rates. Under prior law, this income was usually taxed at the parents' rate.

This means Kiddie Tax will be far simpler. The prior version often required families to combine the unearned income of siblings, figure tax at the parents' rate, and spread the tax among the children. Now siblings' earnings are separate, and there's no need for awkward conversations in which parents must reveal their own income to children so the children can file returns.

But there will be surprises from this rate shift. For example, the threshold for the 20% capital-gains rate is now \$12,700 under the trust tax rates, compared with more than \$400,000 last year.

The effects of these changes will vary.

"The new Kiddie Tax will often be lower or the same for children of high-income parents, but it could rise for children of parents in lower brackets," says Tim Steffen, a tax specialist with Robert W. Baird & Co.

He offers an example. Say a full-time college student has a high-earning grandparent, and his parents have taxable income of about \$150,000. To help with tuition, the grandparent gives the student stock to sell that has a long-term gain of \$40,000.

Under last year's Kiddie Tax, the grandson would have owed tax of nearly \$5,700 because his parents' capital-gains rate was 15%. Under the new law, his tax bill will rise to nearly \$6,600, because a chunk of the gain is now taxed at the top rate of 20%.

Mr. Steffen says that to reduce taxes under the new law, the grandparent should give the stock to the parents instead of the student and let them sell it. Then the tax rate would be 15%.

At the same time, many children of top-bracket taxpayers will be winners under the new law,



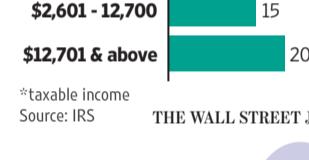
CHRIS SILAS NEAL

The New Kiddie Tax Rates

Rate on ordinary income*



Rate on long-term capital gains and qualified dividends



*taxable income

SOURCE: IRS THE WALL STREET JOURNAL

about \$300, due to lower rates for trusts.

The bottom line is that generous parents, grandparents and others need to take a new look at income-tax effects before making gifts to young people. Here's more to consider.

It's not just investment income. The Kiddie Tax also applies to unearned income from sources other than a child's investments, such as from an inherited traditional IRA or 401(k), a taxable legal settlement or, in a few cases, Social Security survivor benefits.

Thus, it's often better to leave a child a Roth IRA, which can make tax-free payouts, rather than a traditional IRA or 401(k), if the child would owe Kiddie Tax on the payouts.

Choose investments carefully. The first \$1,050 of a child's unearned income is typically tax-free because of a standard deduction.

The next \$1,050 is often taxed at a low rate—although specialists say the new law is unclear as to whether it will be the child's own rate or the trust tax rate.

This \$2,100 total can go a long way. It could largely shelter the current annual dividend from, say, \$100,000 invested in an S&P 500 index fund.

The dividends from stock in a small company could also be less than \$2,100 a year. But if the company undergoes a taxable merger and there's a large capital gain, that could trigger Kiddie Tax.

A day makes a difference. The Kiddie Tax doesn't apply to children who are 24 or older or who are married. Some part-time students also don't owe it, and there are other exceptions.

Suzanne Shier, chief tax strategist at Northern Trust Co., advises young people, "Don't sell a gift of stock immediately in a knee-jerk reaction. Check the taxes first."

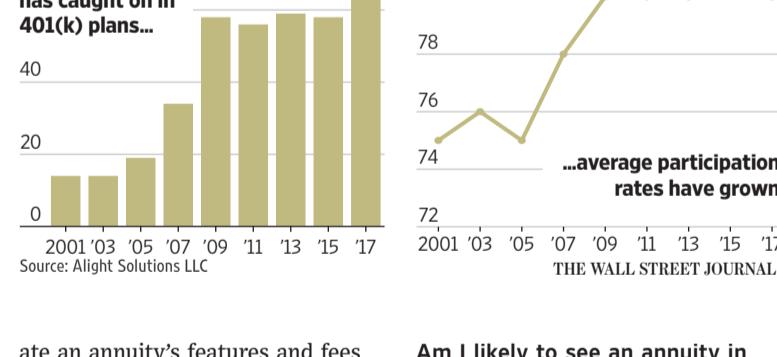
RETIREMENT | ANNE TERGESEN

A Primer on Annuities in 401(k)s

What you need to know about the income-generating vehicles

By the Numbers

As 401(k)s have become a dominant retirement-savings vehicle in the U.S., federal rules encouraging automatic enrollment have boosted the ranks of participants.



help workers with the complex task of making a nest egg last a lifetime, only about 9% of the 401(k)-style plans Vanguard Group administers do the same.

With an annuity, the insurer is typically on the hook to continue monthly or annual payments for as long as the worker lives, providing the worker with protection against outliving his money.

Annuities generally have higher fees than mutual funds. But

"401(k) plans can negotiate with

insurance companies to purchase

annuities at group or institutional

prices to make them available to

participants at reduced cost," said

Mark Iwry, who oversaw retire-

ment policy in the U.S. Treasury

Department during the Clinton

and Obama administrations.

Annuities aren't often used in

401(k) plans, in part because em-

ployers worry that if they pick an

insurance company that ends up

going bust, the 401(k) partici-

pants will sue the employer.

The bills give employers that fol-

low certain procedures some pro-

tection from future lawsuits. Plan

sponsors would still have to eval-

uate an annuity's features and fees to ensure they are appropriate and reasonable, said Mr. Akabas.

The bills also would allow em-

ployees to roll over an annuity

from a 401(k) plan to an individ-

ual retirement account if the em-

ployer decides to stop offering

the annuity.

And it would require companies,

at least once a year on account

statements, to provide participants

with an estimate of the monthly

income their current balance could

generate with an annuity.

One way to hedge your bets is to

buy annuities in increments

over time. Proponents say that by

doing so you will reduce the odds

of buying at an inopportune time.

For instance, when interest rates

are low, as is the case today, insur-

ers offer skimpier payouts be-

cause they stand to earn less on

the corporate and government

bonds that back their payments.

Another reason to stagger your

purchases: It gives you some flexi-

bility to adjust your annuity purchases

if your circumstances change.

What type of annuities are 401(k) plans likely to offer?

The proposed law would leave it up to employers to decide. Some annuities are fixed, which simply means they pay an amount that's established at the outset.

Do I need an annuity?

Annuities have some draw- backs. For example, they offer less potential for outsize gains than stocks or funds. And once you hand over your money to an insurer, you may not be able to leave it to heirs or get it back without paying surrender charges or sacrificing at least some of the guarantee you have paid for.

But for those worried about the risks associated with ensuring a paycheck for life, annuities may have an appeal.

How much should you consider putting into an annuity?

If Social Security plus any pension you receive won't cover your essential monthly expenses, many economists recommend buying an annuity for an amount that bridges the gap.

One way to hedge your bets is to buy annuities in increments over time. Proponents say that by doing so you will reduce the odds of buying at an inopportune time.

For instance, when interest rates are low, as is the case today, insurers offer skimpier payouts because they stand to earn less on the corporate and government bonds that back their payments.

Another reason to stagger your purchases: It gives you some flexibility to adjust your annuity purchases if your circumstances change.

Five Things to Know About Proposed Tweaks to the Retirement System

In addition to giving annuities a greater role in 401(k) plans as part of its proposals to tweak the U.S. retirement system, Congress is considering provisions that could serve to expand workers' access to retirement-savings plans and make it easier for savers to tap their accounts in case of emergencies. Here are five changes Americans could see in their 401(k) plans and individual retirement accounts:

1 A New Item on 401(k) Disclosures

Currently, 401(k) plans are required to send participants quarterly and annual account statements with their balance. Under the proposed legislation, plan sponsors would

have to show an estimate of the monthly income a participant's balance could generate with an annuity, a detail akin to the payoff disclosures required on credit-card statements. The goal is to help workers better understand how prepared they are to maintain their income in retirement.

2 A Repeal of the Age Limit on IRA Contributions

If you are 70½ or older, you can't currently make deductible contributions to a traditional IRA.

Congress is considering removing the age cap and allowing people above 70½ or older to deposit up to \$6,500 a year in either a traditional IRA or a Roth IRA. With a traditional IRA,

account holders generally get to subtract their contributions from their income but they must pay ordinary income taxes on the money when they withdraw it—something they are required to do starting at age 70½ (the bill would do nothing to change that). With a Roth IRA, there is no upfront tax deduction but the money increases tax-free.

3 More Types of Savings Accounts

Among the proposals under consideration is a new type of universal savings account that would

offer more-flexible withdrawal rules than existing retirement accounts,

according to Rep. Kenny Marchant (R, Texas). Employers could also be allowed to automatically enroll

workers into emergency savings accounts. (Employees would be free to opt out.)

4 More Ways for Graduate Students to Fund IRAs

The bill would allow students to contribute taxable stipend or

fellowship payments to an IRA,

something that's not currently possible.

5 Pooled 401(k) Plans

For years, policy makers have tried to make retirement-savings

plans more attractive and affordabile to small businesses,

many of which have no plan at all.

About one-half of private-sector employees, many of whom work for

small companies, lack access to a workplace retirement plan. Under

STRATEGY

How Stocks Can Create Bonds

Continued from page B1
track to buy back \$800 billion in shares this year, a move designed to make the remaining shares—the ones that aren't repurchased—more valuable, since each share now represents a larger piece of the company.

In practice, though, a sizable portion of the repurchased shares are reissued in the form of equity-based compensation, said Jesse Fried, a Harvard Law School professor who studies compensation and buybacks.

Mr. Fried said shareholders may see aligning executive pay with stock performance as logical because senior leaders can do disproportionately more to affect a company's performance. But giving out shares at the entry level could be considered a handout.

Still, there is evidence that offering lower-level workers a modest amount of restricted stock is good for the bottom line because it generates loyalty. With the U.S. unemployment rate hitting a five-decade low this year, attracting and retaining workers has become a major challenge for companies.

Consider Shannon Rainey's story. The 34-year-old has worked his way up at Starbucks since joining as a part-timer in the summer of 2003. He's been collecting company shares under the Bean Stock plan and cashed in at various times. He used some of the proceeds to remodel a house, and is now selling stock to construct a nursery in his home as his family grows.

Now a store manager in Seattle, he tells potential employees about the stock program as a way to get them to hire on. (His contact information was provided by a company spokesman.)

Many companies take a different route, offering a cash bonus or profit-sharing. And some suggest the workday crowd doesn't want stock compensation.

"Cash is king for rank-and-file or hourly folks," Stephanie Penner, a senior partner with human-resources consulting

Piling Up

U.S. corporate cash reaches \$2.1 trillion



Source: S&P Global

THE WALL STREET JOURNAL.

firm Mercer LLC, said. Still, she said, there is an appetite among all employees to get equal treatment as top executives even if they aren't getting wealthy. "It isn't the actual value of the stock that matters," Ms. Penner said. "This is a powerful recipe for an engaged workplace."

Apple earlier this year awarded \$2,500 restricted-stock grants to employees following the passage of the Trump administration's tax cuts. It has also repurchased \$200 billion of its stock since 2012, and its board authorized a new \$100 billion buyback program this year. Meanwhile, Apple's market capitalization is approaching \$1 trillion, a milestone that no U.S. company has ever reached.

The National Center for Employee Ownership, a nonprofit based in Oakland, Calif., estimates workers who make less than \$30,000 a year and get equity in their company have 11% longer median job tenures than those without.

Ms. Penner said stock grants are part of a broader move by companies to improve benefits to help with retention. Longer parental leaves and education reimbursement are also becoming more widely available.

These perks are to human-resources departments what the spice rack is to a chef: "If you go to cook a chicken and you cook the chicken without spices it's going to be kind of bland," she said. "Add the right ingredients and you'll get better results."



Fashion house Stella McCartney, which works only with faux fur, has seen sales grow strongly.

FROM TOP TO BOTTOM: STELLA McCARTNEY; EDWARD BERTELLOT/GTY IMAGES; MIKE DAINES/SHUTTERSTOCK; SARA KINNEY

Fashion Labels Scramble To Shed Their Skins

Luxury brands look to impose animal-welfare standards on their suppliers. After fur, activists make headway on exotic skins; next up: lab-grown leather

By MATTHEW DALTON

Luxury fashion houses that have long relied on fur and animal skins to drive sales are shaking up their hidebound supply chains.

Two of the world's flashiest labels—Versace and Gucci—swore off fur this year, joining a furless pack that already includes Armani, Ralph Lauren, Michael Kors and Hugo Boss.

Activists who for years have thrown paint on celebrities' fur coats and protested next to the catwalks are setting their sights on skins made from crocodile, alligator, snake and ostrich. The pressure has contributed to a scramble by luxury brands to impose animal-welfare standards on their exotic-skin suppliers.

A few fashion houses are funding tech companies working to grow leather in laboratories. And companies that once viewed animal-rights groups as a nuisance are now consulting with them about their policies to limit cruel treatment.

French fashion house Hermès



Jane Birkin, below, and others have pressured labels using exotic skins.

International SA in 2015 got a taste of the damage that allegations of animal mistreatment can inflict on a brand. People for the Ethical Treatment of Animals released undercover video it shot at crocodile farms in Texas and Zimbabwe supplying the brand that showed crocodiles lying in piles in concrete pits and being slaughtered without first being stunned.

The video prompted British singer and actress Jane Birkin to ask Hermès to remove her name from its iconic crocodile-skin purse.

Ms. Birkin re-

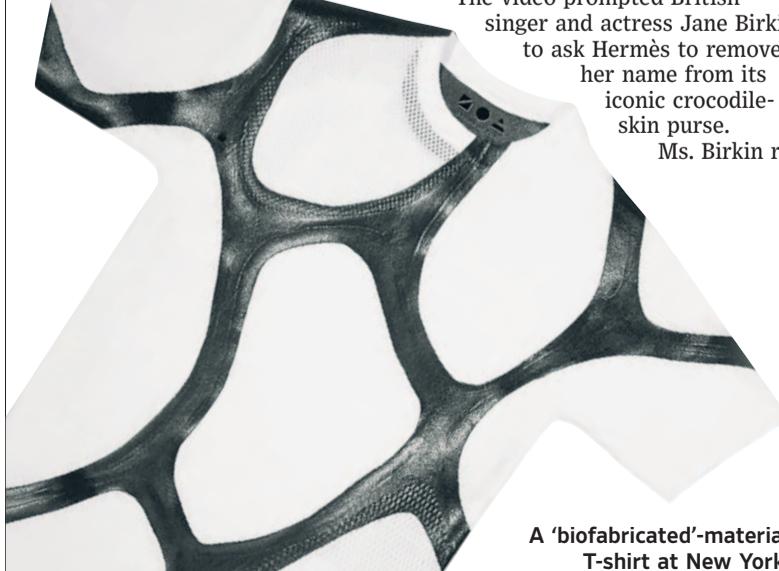


versed her position a few weeks later after talks with Hermès. Nonetheless, since the incident French imports of reptile skins are down more than 30%, customs data show.

According to PETA, Hermès has recently held discreet talks with the animal-rights group about its use of exotic animal hides. Hermès declined to comment.

The industry shift is driven in part by younger consumers, who have become core clients for the industry.

"This is a generational issue. These are companies that wouldn't even meet with us a decade ago," said Dan Mathews, senior vice president at PETA. "They realize



A 'biofabricated'-materials T-shirt at New York's Museum of Modern Art

The Young and the Furless

Fashion labels increasingly cater to younger consumers more attuned to animal-welfare issues

Percentage of luxury consumers more loyal to brands that take corporate sustainability initiatives

Born from 1977 to '94	57%
1966 to '76	56
1946 to '65	43
1920 to '45	35

Source: Bain & Co. 2017 survey
THE WALL STREET JOURNAL.

consumers have an emotional attachment to brands based on how a company acts."

More than two-thirds of consumers younger than 35 would be willing to pay more for sustainably made products, according to a 2017 survey from Bain & Co.

"We see a strong shift in consumer sentiment," said Claudia D'Arpizio, a partner at Bain focusing on the luxury industry. "You can care about the planet, care about human rights, but animal welfare stands out as key topic for consumers."

Taste is also playing a role. Sneakers and T-shirts, a look far removed from the gaudy aesthetic of a crocodile-skin bag, are among the luxury industry's fastest-growing product categories.

'These are companies that wouldn't even meet with us a decade ago,' said a PETA executive.

At Prada, exotic skins are going out of style. The Italian fashion house is focusing its marketing efforts on a line of handbags made of nylon.

"Nylon embodies a founding principle of Miuccia Prada's modernist design language," Prada Chairman Carlo Mazzi told the Journal. "It's our recent preferred form of expression."

After being confronted by PETA protesters at the company's annual shareholder meeting in April, Mr. Mazzi pledged that the company would no longer promote its exotic-skin products.

Hugo Boss has released a shoe made of pineapple fibers. And Vicki von Holzhausen, a former auto-industry designer, has created a line of handbags that uses a high-tech textile derived from fabric used in the interiors of luxury cars.

London fashion house Stella McCartney, which doesn't use leather and fur, has seen sales grow strongly in recent years. The privately held label doesn't disclose overall results, but said annual revenue at its U.K. affiliate doubled between 2011 and 2016, hitting £42 million (\$56 million) in 2016.

Exotic-leather goods fetch some of the highest prices in fashion and help luxury brands cater to their wealthiest clientele. Hermès's Birkin bags sell for tens of thousands of dollars when made with crocodile skins; some resell for multiples of that at luxury auctions.

PETA has kept up the pressure on Hermès, buying a single share of the company to be able to organize protests at the company's annual shareholder meetings in 2016 and 2017.

Hermès executives met twice this year with PETA activists pushing the company to stop using exotic skins, said PETA's Mr. Mathews, who attended the meetings.

PETA called off a protest at the company's annual shareholder meeting in June to allow talks to continue, he said.

Mr. Mathews declined to elaborate on specific discussions, but said that when PETA meets with fashion brands, it suggests alternatives to products made from animals.

Longer term, luxury labels are even seeking alternatives to leather made from cows. Gucci and its corporate parent Kering SA are backing companies developing techniques to grow leather from animal-cell cultures. Gucci Chief Executive Marco Bizzarri said the lab-produced leather isn't yet usable. "But considering the speed of technology, it could happen."

Modern Meadow, a New Jersey-based company, is planning to release a lab-grown, leather-like textile with a luxury label in the coming year. Earlier this year, the company signed an agreement with Evonik, a chemical company with expertise in microbial fermentation, to produce its "biofabricated" textile on commercial scales. Such lab-grown textiles differ from existing leather alternatives such as Naugahyde because they are made with living cells.

"We have received inquiries for partnerships from just about every major, and not so major, brand you can imagine," said Suzanne Lee, Modern Meadow's chief creative officer.

FINANCE

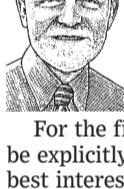


ALEX NABAUM

THE INTELLIGENT INVESTOR | JASON ZWEIG

The SEC Wants Your Broker to Work for You

Regulators may make some sales contests extinct as they look to rewrite the rules for brokers and investment advisers



If the Securities and Exchange Commission has its way, brokers will have to make big changes to how they sell investments.

For the first time, brokers would be explicitly required to act in the best interests of their customers, not their own paychecks, when they make investment recommendations.

Furthermore, as SEC Chairman Jay Clayton made clear in an interview, sales contests—those competitions in which brokers earn rewards for selling specific investments—are in danger of extinction.

The changes come from a pack-

age of proposed regulations introduced in April. If it comes into force, the SEC would prohibit brokers from putting their firm's or their own interests ahead of their customers—a step forward from the looser existing requirements that their recommendations must be fair and "suitable."

Through Aug. 7, the SEC is soliciting comments from the public on the proposed rules, which the agency outlined in roughly 1,000 pages of recommendations and analysis. The regulatory package comes after a federal court struck down tougher rules imposed by the Department of Labor, and the SEC's initiative is unlikely to be enacted anytime soon.

But the SEC's Mr. Clayton is adamant about the need for change. "What we're really trying to do here," he told me this past week, "is bring the standard of conduct in line with what an investor would expect of a broker-dealer: that you've taken care in coming up with that recommendation and that you are not putting your interests ahead of the investor's."

Under the proposed rules, a broker providing an investment recommendation must disclose all fees and other facts that are material to the relationship. The broker must also understand the risks and rewards of each recommendation and determine that it is in the best interest of retail investors in general

and the particular customer. Finally, the broker must disclose and mitigate—or eliminate—any significant conflicts of interest and must not put his or her own interest ahead of the investor's.

The rules would affect the nation's roughly 2,800 brokerage firms and more than 7,000 SEC-registered investment-advisory firms serving individual investors. All told, such brokerage firms manage 128 million retail accounts and more than \$3.6 trillion in assets; these investment-advisory firms have more than 34 million accounts and approximately \$33 trillion.

In a move that could upend the way many brokerages do business, the SEC is spotlighting the use of sales contests. In these competitions, brokers who hit quotas for selling specific investments or services can earn bonuses, prizes, or trips to resorts and the like.

Firms often use such techniques to motivate brokers to bring in more assets and generate extra fees. Brokers say these incentives can force them to steer clients toward more-costly or less-appropriate decisions.

In its release of the proposed rule, the SEC said such rewards could make brokers "predominantly motivated" by "self-enrichment, self-dealing or self-promotion," thereby violating their obligations under the rule. As a result, says the

regulatory document, firms making investment recommendations to individuals should avoid "sales contests, trips, prizes, and other similar bonuses" tied to specific targets.

Mr. Clayton hammered that point home. "Let me be unambiguous on high-pressure sales contests," the SEC chairman told me. "A commission-based compensation scheme is fine, if properly disclosed and if the broker-dealer is not putting their interests ahead of the clients'. You can have a commission-based model, but you can't have high-pressure, product-based sales contests, where it's just not possible to say with any credibility that you're not putting your interests ahead of those of your clients. In that case, mitigation [of the conflict of interest] is not practical."

The SEC might crack down on contests where brokers can earn bonuses, prizes or trips.

Effectively banning certain practices may be necessary if the business of financial advice is to evolve into a profession, says Deborah DeMott, a professor of fiduciary law at Duke Law School. "A profession places limits on what its members may take into account in their decisions for clients. Deciding that a professional does not give investment advice on the basis of seeking to win a contest for a trip would be a good idea."

Another feature of the suggested rules would prohibit brokers from calling themselves "advisers" or "advisors" unless they are registered as investment advisers. (It wouldn't stop them from using highfalutin but meaningless terms like "wealth manager.")

The SEC is asking for feedback on whether a federal licensing and continuing-education regime for financial advisers would help ensure that they are competent and knowledgeable.

The rule proposals also sketch out a four-page, standardized disclosure form that would explain, among other things, how the broker or adviser is paid. The form recommends some questions investors could ask a prospective adviser. In my view, this form is nowhere near consumer-friendly yet.

Some in the investment industry fear that the proposed rules still aren't specific enough. "It's difficult, without more guidance, to know what it means to act in a customer's 'best interest,'" says Susan Grafton, a partner specializing in securities regulations at Dechert LLP in Washington, D.C.

The rules are likely to go into months of revision before the agency's commissioners can consider approving them. You can weigh in with your own opinions at www.sec.gov/rules/submitcomments.htm or www.sec.gov/tell-us.

China's Internet Lenders Go Dark

The slowing economy and tighter controls have curtailed the operations of hundreds of firms

BY CHAO DENG

BEIJING—A string of Chinese internet lenders have shut their doors in recent weeks, stranding investors as the economy slows and regulators tighten controls over an unruly side of the fintech sector.

Across China, more than 200 internet-based fund managers since late June have either shut down, closed parts of their operations or are reeling from cash crunches, missing executives and other problems, according to industry tracker Wangdaizhijia.

The tide began to turn against the sector as an end-of-June deadline for new stringent registration regulations approached.

With a slowing economy making it difficult for some companies to pay back loans, some lenders decided to shut down, analysts said. Investors, already souring on the sector, began pulling out funds, further pinching the lending platforms.

"People are nervous about the whole capital chain," said Andrew Collier, an analyst at Orient Capital Research, who researches China's complex lending networks.

The cascade of shutdowns caught Ji Zheng by surprise. The 31-year-old acupuncturist lost the 50,000 yuan (\$7,438) he invested in Tourongjia.com when the peer-to-peer lender closed without notice earlier this month. This week, Yindou, a lender with whom he placed 77,000 yuan, shut too.

♦ It is an inconvenient time for a downturn in China..... B14

"Everyone was trying to get out. It was too late," he said Wednesday at a Beijing police station where he and other investors went to file complaints.

Tourongjia.com has yet to release a statement; calls to the company went unanswered. Yindou, which means "Silver Beans," issued a statement on its website midday Wednesday, saying it couldn't return investor funds. It said its chief executive had reported to police, and it is trying to track down the "actual controller" of the business.

Peer-to-peer lenders match small borrowers with ordinary investors. In China, they have tended to operate more like capital pools, aggregating investors' money to provide short-term, high-interest loans to cash-strapped businesses.

It's a highly liquid segment of internet-based financial services,

Mr. Collier said, making it especially vulnerable when people need to withdraw funds to pay off other debt. "It's like the tip of the iceberg," he said. "Any sign of weakness is a potential indicator of liquidity constraints in the economy."

The scale of peer-to-peer lending remains tiny—1.3 trillion yuan, or about 1% total of China's outstanding commercial bank loans as of June, according to data provider Wind Information Co. Some analysts think the fallout could become a bigger problem if it spreads to larger, leveraged sectors like banking and property.

On Friday, a crowd of Yindou investors congregated outside Beijing's government headquarters, in hopes of getting their money back. At one point, a man pushed and shoved security officers before four of them carried him away.

Peer-to-peer lending took off

earlier this decade, boosted by

Chinese authorities who saw technology-enabled financial services as a promising driver for economic growth. A day of reckoning came in 2015 when an online financing platform collapsed. Investors lost \$7.6 billion in what authorities later called a Ponzi scheme.

Financial regulators stepped in

with tighter rules, but implementing them was a challenge: Many lenders were registered as ordinary businesses, analysts said, and local officials had little experience regulating internet lending.

The agency had instructed local authorities to register firms, weeding out the riskier ones, by the end of June, though the deadline was delayed as regulators tried to sort out conflicting local rules.

—Grace Zhu

contributed to this article.

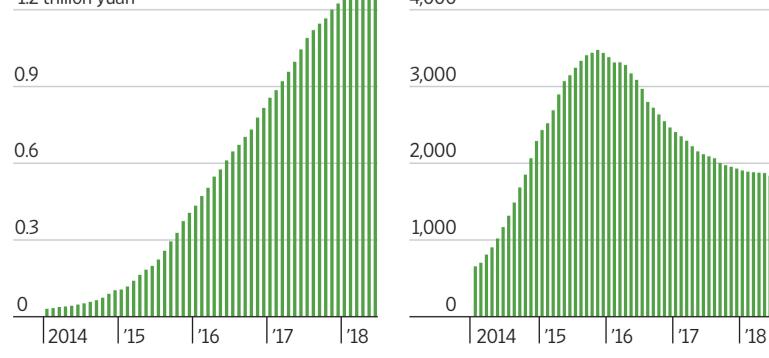


Investors gather outside a government headquarters building in Beijing in hopes of getting their money back.

Squeezing the Bubble

Peer-to-peer lending has skyrocketed, although a government cleanup is forcing out hundreds of online platforms.

Loans outstanding



MARKETS DIGEST

Dow Jones Industrial Average

25058.12
▼ 6.38
or 0.03%
All-time high
26616.71, 01/26/18

Last P/E ratio 23.43 20.94
P/E estimate * 16.35 18.35
Dividend yield 2.16 2.31
Current divisor 0.14748071991788

All-time high 2872.87, 01/26/18



Bars measure the point change from session's open

May June July

Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.

S&P 500 Index

2801.83
▼ 2.66
or 0.09%
All-time high
2872.87, 01/26/18

Last P/E ratio 24.41 24.35
P/E estimate * 17.55 18.87
Dividend yield 1.84 1.97

All-time high 2872.87, 01/26/18



Bars measure the point change from session's open

May June July

Nasdaq Composite Index

7820.20
▼ 5.10
or 0.07%
All-time high
7855.12, 07/17/18

Last P/E ratio 26.79 26.37
P/E estimate * 21.61 21.42
Dividend yield 0.93 1.11



Bars measure the point change from session's open

May June July

Track the Markets: Winners and Losers

A look at how selected global stock indexes, bond ETFs, currencies and commodities performed around the world for the week.

Stock Index	Currency, vs U.S. dollar	Commodity, traded in U.S.*	ETF
Corn	4.10%		
Wheat	3.82%		
Soybeans	3.79%		
Sao Paulo Bovespa	2.58%		
S&P 500 Financials Sector	2.22%		
Dow Jones Transportation Average	1.85%		
IPC All-share	1.04%		
S&P SmallCap 600	0.97%		
Swiss Franc	0.91%		
S&P 500 Industrials	0.88%		
Japan yen	-0.82%		
Russell 2000	0.58%		
Nikkei 225	0.44%		
Euro area euro	0.32%		
S&P/ASX 200	0.28%		
FTSE 100	0.22%		
South Korean Won	-0.20%		
Nymex Natural Gas	0.18%		
DAX	0.16%		
Dow Jones Industrial Average	0.15%		
Stoxx Europe 600	0.15%		
Euro Stoxx	0.13%		
Canada dollar	0.11%		
S&P 500 Information Tech	0.10%		
S&P MidCap 400	0.10%		
S&P 500 Consumer Staples	0.08%		
S&P 500	0.02%		
iShiBoxx\$HYCp	0.01%		
iSh 1-3 Treasury	unch.		
-0.03 iShNatIMuniBd			
-0.04 VangdTotalBd			
-0.07 Shanghai Composite			
-0.07 Nasdaq Composite			
-0.09 Australian dollar			
-0.10 IBEX 35			
-0.12 S&P BSE Sensex			
-0.18 WSJ Dollar Index			
-0.26 VangdTotalBd			
-0.35 Nasdaq 100			
-0.36 Indian Rupee			
-0.38 iSh 7-10 Treasury			
-0.39 iShiBoxx\$InvGrdCp			
-0.45 FTSE MIB			
-0.45 S&P 500 Consumer Discr			
-0.47 iShPMUSEmgBd			
-0.49 S&P 500 Materials			
-0.53 South African Rand			
-0.54 S&P 500 Utilities			
-0.57 CAC-40			
-0.66 iSh TIPS Bond			
-0.69 Indonesian Rupiah			
-0.71 Mexico peso			
-0.72 Norwegian Krone			
-0.76 S&P/TSX Comp			
-0.77 UK pound			
-0.77 Nymex Crude			
-0.81 Comex Gold			
-0.82 S&P 500 Health Care			
-0.87 Comex Copper			
-0.94 Kopsi Composite			
-0.98 Russian Ruble			
-1.06 Hang Seng			
-1.18 Chinese Yuan			
-1.36 Nymex ULSD			
-1.56 S&P 500 Real Estate			
-1.58 Comex Silver			
-1.60 iSh 20+ Treasury			
-1.79 Nymex Rbob Gasoline			
-1.84 S&P 500 Telecom Svcs			
-1.89 S&P 500 Energy			
-2.03 S&P GSCI GFI			
-16.89 Lean Hogs			

Trading Diary

Volume, Advancers, Decliners

NYSE NYSE Amer.

Total volume* 816,809,793 13,620,687

Adv. volume* 368,772,614 6,582,803

Decl. volume* 434,359,419 6,920,405

Issues traded 3,057 314

Advances 1,374 174

Declines 1,547 126

Unchanged 136 14

New highs 90 4

New lows 32 1

Closing tick 252 14

Closing Arms* 1.15 0.88

Block trades* 7,049 112

Nasdaq NYSE Arca

Total volume* 1,748,906,290 229,818,386

Adv. volume* 712,635,614 167,169,246

Decl. volume* 1,009,991,289 62,381,422

Issues traded 3,093 1,327

Advances 1,393 637

Declines 1,552 669

Unchanged 148 21

New highs 130 28

New lows 39 7

Closing tick 462 5

Closing Arms* 1.27 0.52

Block trades* 7,003 1,418

*Primary market NYSE, NYSE American NYSE Arca only.

*TRIN A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	52-Week High	Low	% chg	YTD	3-yr ann.
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Dow Jones	25124.10	24986.35	25058.12	-6.38	-0.03	26616.71	21513.17	16.1	1.4	11.5
Industrial Average	10779.16	10688.37	10741.50	-6.15	-0.06	11373.38	9021.12	13.4	1.2	9.1
Transportation Avg	723.09	713.79	718.20	-5.76	-0.80	774.47	647.90	-1.0	-0.7	7.8
Utility Average	29261.09	29168.92	29181.95	-40.94	-0.14	29630.47	25030.26	13.9	5.5	9.5
Total Stock Market	29261.09	29168.92	29181.95	-40.94	-0.14	29630.47	25030.26	13.9	5.5	9.5
Barron's 400	761.88	759.01	759.36	-2.48	-0.33	761.84	629.56	15.6	6.8	10.1

Nasdaq Stock Market

	High	Low	Latest Close	Net chg	% chg	52-Week High	Low	% chg	YTD	3-yr ann.
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Nasdaq Composite	7860.25	7815.86	7820.20	-5.10	-0.07	7855.12	6213.13	22.4	13.3	14.4
Nasdaq 100	7398.59	7343.37	7350.23	-2.13	-0.03	7403.89	5786.54	24.1	14.9	16.2

S&P

	High	Low	Latest Close	Net chg	% chg	52-Week High	Low	% chg	YTD	3-yr ann.
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S&P 500 Index	2809.70	2800.01	**2801.83**	-2.66	-0.09	

MARKET DATA

Futures Contracts

Metal & Petroleum Futures

Contract Open High hilo Low Settle Chg interest

Copper-High (CME)	\$25,000 lbs;	\$/per lb.	Open	High	hi lo	Low	Settle	Chg	interest
July	2,6795	2,7495	2,6795	2,7460	0,0600	1,446			
Sept	2,7175	2,7610	2,6825	2,7560	0,0605	171,304			
Gold (CME)	100 troy oz.	\$/per troy oz.							
Aug	1222,90	1232,40	1215,30	1231,10	7,10	222,499			
Oct	1228,30	1236,60	1220,40	1235,50	6,80	34,745			
Dec	1233,20	1241,80	1225,80	1240,40	6,40	218,671			
Feb'19	1238,00	1247,30	1234,10	1246,20	6,50	26,459			
June	1251,90	1257,50	1251,90	1258,10	6,40	6,631			
Dec	1264,60	1278,00	1264,60	1277,50	6,40	3,913			
Palladium (NYM)	50 troy oz.	\$/per troy oz.							
Sept	868,40	892,80	864,60	888,90	22,70	18,936			
Dec	864,50	888,60	864,50	885,70	22,60	2,269			
Platinum (NYM)	50 troy oz.	\$/per troy oz.							
July	825,50	826,50	825,50	823,60	23,00	22			
Oct	809,80	832,90	803,50	829,50	23,20	28,782			
Silver (CME)	5,000 troy oz.	\$/per troy oz.							
July	15,400	15,480	15,400	15,490	0,150	564			
Sept	15,230	15,565	15,250	15,549	0,147	152,935			
Crude Oil, Light Sweet (NYM)	1,000 bbls;	\$/per bbl.							
Aug	69,44	71,10	69,37	70,46	1,00	17,588			
Sept	67,98	68,91	67,69	68,26	0,02	472,462			
Oct	66,24	67,08	66,02	66,64	0,11	240,557			
Dec	65,36	66,11	65,15	65,87	0,27	293,223			
June'19	63,53	63,89	63,17	63,81	0,31	160,058			
Dec	61,80	62,22	61,53	62,12	0,25	209,149			
NY Harbor ULSD (NYM)	42,000 gal;	\$/per gal.							
Aug	2,0919	2,1168	2,0847	2,1044	0,0143	58,480			
Sept	2,0962	2,1224	2,0888	2,1094	0,0149	108,382			
Gasoline-NY RBOB (NYM)	42,000 gal;	\$/per gal.							
Aug	2,0465	2,0808	2,0435	2,0690	0,0255	54,726			
Sept	2,0167	2,0472	2,0129	2,0343	0,0208	130,855			
Natural Gas (NYM)	10,000 MMBtu;	\$/per MMBtu.							
Aug	2,768	2,784	2,754	2,757	-0,012	93,248			
Sept	2,736	2,752	2,724	2,728	-0,008	284,697			
Oct	2,751	2,764	2,741	2,746	-0,005	159,460			
Nov	2,796	2,808	2,790	2,792	-0,005	124,465			
Jan'19	2,989	3,000	2,982	2,988	-0,004	142,782			
April	2,592	2,597	2,581	2,583	-0,013	125,062			

Agriculture Futures

Corn (CBT) 5,000 bu; cents per bu.

Sept	351,25	355,75	349,75	355,25	4,00	643,881
Dec	365,25	369,75	363,75	369,00	4,00	780,283
Oats (CBT) 5,000 bu; cents per bu.						
Sept	232,00	233,50	227,50	233,25	1,25	1,681
Dec	237,25	239,25	233,50	238,50	1,25	3,210
Soybeans (CBT) 5,000 bu; cents per bu.						
Aug	846,00	853,25	841,25	849,75	3,75	80,399
Nov	861,50	868,75	856,50	864,75	3,25	436,720
Soybean Meal (CBT) 100 tons; \$ per ton.						
Aug	328,80	331,50	326,10	326,90	-1,90	52,386
Dec	326,00	328,90	323,60	324,60	-1,50	204,658
Soybean Oil (CBT) 60,000 lbs; cents per lb.						
Aug	27,83	28,27	27,71	28,22	,39	49,182
Dec	28,21	28,59	28,10	28,54	,33	240,369
Rough Rice (CBT) 2,000 cwt; \$ per cwt.						
Sept	1186,00	1194,00	1180,00	1193,00	6,50	6,510
Nov	1165,00	1178,00	1165,00	1178,50	9,50	1,229
Wheat (CBT) 5,000 bu; cents per bu.						
Sept	503,50	519,75	503,00	516,00	11,75	201,721
Dec	520,50	536,25	519,75	533,00	12,50	151,294
Wheat (KC) 5,000 bu; cents per bu.						
Sept	497,00	513,00	496,50	508,50	12,00	136,280
Dec	521,50	538,00	521,50	533,75	12,25	87,519
Wheat (MPLS) 5,000 bu; cents per bu.						
Sept	536,75	556,00	536,25	555,00	18,25	30,056
Dec	555,25	573,00	554,25	571,25	16,50	17,594
Cattle-Feeder (CME) 50,000 lbs; cents per lb.						
Aug	154,45	154,425	152,975	153,675	-0,775	15,453
Sept	154,95	154,675	153,500	154,550	-0,225	12,242
Cattle-Live (CME) 40,000 lbs; cents per lb.						
Aug	108,925	109,350	108,275	108,925	,025	63,070
Dec	114,250	114,700	113,875	114,200	-0,225	61,987
Hogs-Lean (CME) 40,000 lbs; cents per lb.						
Aug	66,600	67,050	65,650	66,450	-0,80	35,236

Exchange-Traded Portfolios | WSJ.com/ETFresearch

Largest 100 exchange-traded funds, latest session

Friday, July 20, 2018

ETF Closing Chg YTD % (%)

ETF	Symbol	Closing	Chg	YTD	% (%)
AlerianMLPETF	AMLP	10,49	-1,04	-2,8	
CnsmDiscSelSector	XLY	11,25	-0,44	-13,6	
CnsmStapleSelSector	XLP	52,86	0,61	-7,1	
EnSelectSectorSPDR	XLE	74,89	-0,35	3,6	
FinSelSectorSPDR	XLF	27,56	-0,18	-1,3	
FT DJ Internet	FDN	144,04	-0,30	31,1	
HealthCareSelSector	XLV	86,76	-0,20	4,9	
IndSelSectorSPDR	XLI	74,44	-0,11	-1,6	
InvsQOOL	QQQ	178,99	-0,02	14,9	
InvsC&P500EW	RSP	104,16	-0,33	3,1	
InshCoreMSCLife	IEFA	64,27	0,52	-2,8	
InshCoreMSCLengM	IMG	53,16	1,39	-6,6	
InshCoreMSCToth	IXUS	60,83	0,70	-3,6	
InshCoreS&P50	IVV	281,62	-0,11	4,7	

BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE. The list comprises the 1,000 largest companies based on market capitalization. Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume. **Boldfaced quotations** highlight those issues whose price changed by 5% or more if their previous closing price was \$2 or higher.

Footnotes:

¹New 52-week high.
²New 52-week low.

^{dd}Indicates loss in the most recent four quarters.

^{FD}First day of trading.

^tNYSE bankruptcy

Stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

h-Does not meet continued listing standards.

I-Late filing

q-Temporary exemption from Nasdaq requirements.

t-NYSE bankruptcy

v-Trading halted on primary market.

w-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

Friday, July 20, 2018

YTD

52-Week

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BANKING & FINANCE NEWS

State Street Intensifies Its Shift Into Data

JUSTIN BAER

State Street Corp. is paying \$2.6 billion in cash to prove it is serious about its transformation from sleepy custodian to tech-savvy data manager.

The Boston bank said Friday it agreed to buy financial-data firm **Charles River Systems** Inc. The decision is its boldest move yet to step out of its financial-services clients' back offices and onto their trading floors, where State Street can offer data, analytics and trading tools to investment staff.

"Our overall strategy even before we started talking to Charles River has been about data, and about this idea that information delivered in an appropriate way and in a usable way is the most powerful tool we can provide to market," State Street President Ron O'Hanley said on a conference call with analysts.

Some investors said they were concerned State Street is paying too much and were skeptical the company would be able to meet all of the revenue targets laid out in the deal.

State Street's shares fell 7.4% Friday, their biggest one-day drop in more than two years. The stock closed at \$85.87, down \$6.87.

To help pay for the acquisition, State Street canceled plans to buy back about \$950

million in company stock this year. The acquisition's price of \$2.6 billion is nearly nine times Charles River's revenue in 2017.

State Street also reported quarterly results that fell short of some analysts' expectations.

"There's definitely some strategic sense to it," Glenn Schorr, an analyst with Evercore ISI, said of the Charles River deal. "Execution-wise, it will take time and will be hard to do."

Charles River, a closely held firm based in Burlington, Mass., runs a software platform used by more than 300 investment firms, wealth managers and other financial-services companies—many of which overlap with State Street's client list. It has 745 employees and tallied revenue of more than \$300 million last year.

Mr. O'Hanley said Charles River's founder and chief executive, Peter Lambertus, owns nearly all of his company's equity. He will serve in a consulting role as State Street completes the acquisition.

The bank will appoint a new CEO to run Charles River, which will be a stand-alone division within State Street. The bank expects the deal will begin to add to its earnings in 2020.

The deal comes as State Street and other custody



State Street will pay \$2.6 billion for Charles River Systems—nearly nine times that firm's 2017 revenue.

Investors Pull Back

State Street's U.S. exchange-traded funds have seen outflows this year.

Quarterly net ETF flows



Source: Morningstar

THE WALL STREET JOURNAL.

banks look to pull out of a yearslong rut of low revenue growth as financial-services firms push to lower the fees they pay for custody and accounting. The industry's big-

gest players, including State Street and Bank of New York Mellon Corp., have slashed expenses in a bid to lift earnings.

But investors want them to boost revenue, too. Those firms are betting technology, and the sweeping digitization of financial markets, will emerge as a panacea of sorts—allowing them to automate functions and lower costs, but also giving them the tools to harness the reams of data they collect from clients as custodian to trillions of dollars in assets.

State Street, which performs core administrative and accounting tasks for 86 of the world's largest 100 money managers, has been steadily adding to its own data and analytics offerings. The bank estimates there is an \$8 billion market for those tools. Bloomberg LP and BlackRock Inc.'s Aladdin unit are among Charles River's biggest rivals.

The Charles River agreement is also the latest bid by Mr. O'Hanley to lean on acquisitions to speed up State Street's transformation. As head of the firm's asset-management business, he had championed State Street's 2016 purchase of General Electric Co.'s investments division.

Mr. O'Hanley did a series of deals as president of BNY Mellon's asset-management arm, and joined State Street in 2015 after a four-year stint at Fidelity Investments. He is slated to succeed Joseph Hooley as the bank's chief executive at the end of the year.

State Street announced the Charles River agreement minutes before it reported second-quarter net income of \$698 million, or \$1.88 a share. The profit figure marked a 20% increase from a year earlier, when the firm earned \$584 million, or \$1.53 a share.

Total revenue rose 7.7% to \$3.03 billion.

THE WALL STREET JOURNAL.

China Banks Get New Rules to Curb Risky Practices

BEIJING—China's banking and insurance regulator released instructions for banks to rein in a lucrative business selling certain high-yield investment products, while offering them some leeway to lessen the blow to the industry.

The guidelines, released Friday, add details to a far-reaching asset-management framework rolled out by the central bank in April to close off regu-

latory loopholes banks used to collaborate with nonbank, or "shadow," lenders to move loans off-the-books. The instructions aim to get banks to broadly comply with that framework by spelling out the level of detail banks should disclose on products, for example, while relaxing requirements for investors to buy banks' investment products.

The draft lowers the threshold for investors to purchase

the investment products, known as wealth management products.

Ordinary investors have snapped up these products which offer higher yields than bank deposits can offer and are often assumed to be safe since they are marketed by the banks.

Under the new instructions, wealth-management products offered to the public will be allowed to invest in all types of

mutual funds, not just money-market and bond funds, giving banks a broader set of investment options.

The guidelines mean that banks will need to get moving on unwinding some riskier products that essentially allowed them to lend beyond regulatory limitations. They will have to be more transparent about the products they sell, for example disclosing exactly what "shadow" assets in-

vestors' money ends up in.

"The requirements will push bank wealth-management products to become more like mutual funds," says Ivan Shi, an analyst at Shanghai-based consultancy Z-Ben Advisors.

Overall, the move to rein in wealth-management products is part of a broader initiative to reduce risky lending practices and the buildup of debt in the financial system.

Grace Zhu and Chao Deng

Shopping Channel Is Looking to Go Public

BY BEN DUMMETT AND WILLIAM LOUCH

U.S. private-equity firm **Providence Equity Partners** LLC is preparing to take German home-shopping TV network HSE24 public in 2019 after plans to sell the business fell through, people familiar with the matter said.

Providence is targeting a market value of at least €1.5 billion (\$1.75 billion) from the initial public offering and subsequent stock-market listing.

A sale, which attracted interest from a range of buyout shops, was shelved after a mismatch in price expectations between buyers and seller, in part caused by a slump in the value of U.S. competitor QVC Group, people familiar with the matter said.

Germany, in particular, has been a beneficiary of a favorable business climate and investors looking to back fast-growing companies. Companies going public in Germany have raised nearly \$9 billion from investors, the highest sum year-to-date since at least 2005, according to data from Dealogic Ltd.

Stock-market listings in Germany account for just under a third of all cash raised on European exchanges this year, the highest proportion in more than a decade.

HSE24 was launched in 1995 as Germany's first shopping channel, according to its website. It sells over 20,000 products ranging from vacuum cleaners to makeup, and it employs around 1,400 people across Europe. Annual sales were €821 million in 2017, according to Dealogic.

The 101-year-old firm has about 48,000 employees and operates about 400 offices in 70 countries. It manages about

3.5 billion square feet of commercial property for corporations, institutions and others.

Cushman is led by industry veteran Brett White who worked at CBRE for close to two decades, the last seven years as chief executive. He stepped down from CBRE in 2012, eight years after he played a major role in that firm's IPO.

Shares of CBRE and JLL both trade at roughly 10 times their forward earnings before interest, taxes, depreciation and amortization. Cushman expects a similar multiple when it prices its IPO, a person familiar with the process said. Cushman's revenue of \$6.92 billion in 2017 was smaller than the \$14.2 billion of CBRE and \$7.9 billion of JLL.

But company executives and its underwriting team, led by **Morgan Stanley** and **JPMorgan Chase & Co.**, are expected to say during the coming roadshow that Cushman's smaller size gives it more room for growth.

Still, the Cushman IPO is by no means a slam dunk. In early December investor appetite was weak for an IPO by Cushman rival **Newmark Group** Inc., whose chairman is Howard Lutnick of Cantor Fitzgerald LP fame. Some investors and analysts were wary, partly due to adjustments in the firm's earnings that made it difficult to compare Newmark with its peers.

Cushman's debt of more than \$3 billion as of March 31 also exceeds debt levels at JLL and CBRE. The firm recorded a net loss of \$221 million in 2017 and a loss of \$92 million in the first three months of 2018, according to the firm's June filing with the Securities and Exchange Commission. Cushman has been spending heavily on integrating the three firms, expansion and new technology.

TPG's partners in its Cushman investment include PAG Asia Capital and Ontario Teachers' Pension Plan. This group will retain voting control after the IPO, the filing says.

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NOTICE OF SALE

NOTICE OF PUBLIC SALE • Please take notice that Dock Street Capital Management LLC (the "Liquidation Agent"), on behalf of U.S. Bank National Association in its capacity as indenture trustee (in such capacity, the "Trustee"), will be conducting a public sale of certain collateral pledged by an issuer to the Trustee for certain collateralized debt obligations at the offices of the Liquidation Agent: 575-B Riverside Avenue, Westport, Connecticut 06880. The sale will occur on the date and time indicated below. The collateral to be sold at the sale consists of the following assets ("the Assets"):

Public Sale: Tuesday July 24, 2018, 10:00 a.m. EDT

Lot #	CUSIP	Issue Name	Asset Type	Original Face	Current Par Value	
1	073245BBT	BAYC 2004-3 B1	CMBX	\$2,275,000.00	\$203,140.46	
2	225410A51	CSFB 2003-AR26 CB2	Prime/Alt-A	\$2,872,300.00	\$186,016.20	
3	2254102K1	CSFB 2003-AR26 CB2	Prime/Alt-A	\$4,000,000.00	\$1,129,005.40	
4	12669FBX0	CWHL 2003-56 B3	Prime/Alt-A	\$2,000,000.00	\$296,747.38	
5	225410G97	HEMT 2003-6 M2	Second Lien	\$1,000,000.00	\$7,091.08	
6	225410X56	HEMT 2004-1 B	Second Lien	\$3,500,000.00	\$160,114.60	
7	040104DBD	ARSI 2003-W7 MB	Subprime	\$2,500,000.00	\$80,405.53	
8	126673BK7	CWL 2004-6 M8	Subprime	\$4,000,000.00	\$238,074.79	
9	126673BL7	CWL 2004-6 M8	Subprime	\$3,000,000.00	\$17,750.00	
10	126673BQ9	CWL 2004-6 M8 PT1 B2	Subprime	\$1,500,000.00	\$4,024.24	
11	69020L021	MLMI 2005-WMC B1	Subprime	\$6,700,000.00	\$27,640.82	
12	6174ACFH4	MSAC 2004-H6 B2	Subprime	\$2,854,000.00	\$551,388.24	
13	6174ACFJ0	MSAC 2004-H6 B3	Subprime	\$2,000,000.00	\$160,245.17	
14	70069FG22	PPSI 2004-WM1 W5	Subprime	\$2,000,000.00	\$907,984.79	
15	8055640N4	SAST 2004-2 M4	Subprime	\$2,000,000.00	\$1,067.80	
16	04541GKJ0	ASBHE 2004-HE4 M7	Zero Factor	RMBS	\$1,700,000.00	\$0.01
17	04541GPB7	ASBHE 2005-HE1 M9	Zero Factor	RMBS	\$2,250,000.00	\$0.01
18	12506YDB2	CDCMD 2004-HE2 B3	Zero Factor	RMBS	\$2,596,000.00	\$0.01
19	225410RQ8	CSFB 2003-AR22 CB3	Zero Factor	RMBS	\$2,322,000.00	\$0.01
20	225410A69	CSFB 2003-AR26 CB3	Zero Factor	RMBS	\$1,422,000.00	\$0.01
21	12669FBY8	CWHL 2003-56 B2	Zero Factor	RMBS	\$1,000,000.00	\$0.01
22	361849G63	GMACC 2004-C2 G6	Zero Factor	RMBS	\$4,000,000.00	\$0.01
23	437084BA3	HEAT 2004-1 B3	Zero Factor	RMBS	\$2,000,000.00	\$0.01
24	437084ED4	HEAT 2004-5 B2	Zero Factor	RMBS	\$2,000,000.00	\$0.01
25	437084FA9	HEAT 2004-6 B2	Zero Factor	RMBS	\$3,000,000.00	\$0.01
26	45254NMK0	IMM 2004-11 B8	Zero Factor	RMBS	\$1,000,000.00	\$0.01
27	7609854K1	RAMP 2004-R55 MI14	Zero Factor	RMBS	\$2,000,000.00	\$0.01

The information above is current as of July 12, 2018 and is subject to change. All bids for the public sale must be submitted by the time indicated above and in accordance with the terms and conditions of a bid package ("Bid Package"). Each bidder must be a financial institution or other entity that has the financial wherewithal to acquire the Assets. In addition, each bidder must be able to purchase the Assets in accordance with applicable law. The Assets are being sold on an "AS IS" and WHERE IT STANDS BASIS, WITHOUT ANY WARRANTY OR WARRANTIES (WHETHER EXPRESSED OR IMPLIED) OF ANY KIND MADE BY THE SECURED PARTY, THE TRUSTEE, THE LIQUIDATION AGENT OR ANY OTHER PERSON ACTING FOR OR ON BEHALF OF THE TRUSTEE, AND WITHOUT ANY RECOURSE WHATSOEVER AGAINST ANY SUCH PERSON. Any successful bidder must satisfy all transfer restrictions and other qualifications, and deliver such investment letters and legal opinions, as may be required under the applicable governing documents relating to the Assets. For further information regarding the Assets or sale and to obtain the Bid Package, please contact either David Crowley by telephone at (212) 457-8258 or by e-mail at

MARKETS NEWS

Volatile Yuan Signals Worry About Trade

The growing unease between the U.S. and China is rattling financial markets

By CELSEY DULANEY AND SAUMYA VAISHAMPAYAN

The yuan took its largest one-day tumble in two years Friday before recovering, the latest sign that the trade clash between the U.S. and China is stoking worry in financial markets.

CURRENCIES

China's central bank set the yuan 0.9% lower against the dollar early Friday, the largest decline in the so-called daily fixing since 2016. The yuan's decline extended a three-month pullback, a shift drawing attention on Wall Street due to concerns that China could unsettle markets and inflame tensions if it chooses to sharply weaken its currency to help counteract tariffs.

But the yuan snapped back Friday, posting gains that left it up 0.2% against the dollar, after President Donald Trump lashed out at the strength of the U.S. currency and the Federal Reserve's plans to raise U.S. interest rates.

Investors said the latest re-

marks add to the growing unease in markets over the U.S.-China relationship. The standoff is likely to increase volatility in foreign-exchange and interest-rate markets.

"Fermenting all this uncertainty certainly goes against the goals of the Trump administration," said Eswar Prasad, a trade professor at Cornell University. "It creates more uncertainty in the global trading environment, and all that uncertainty ends up...putting more upward pressure on the dollar."

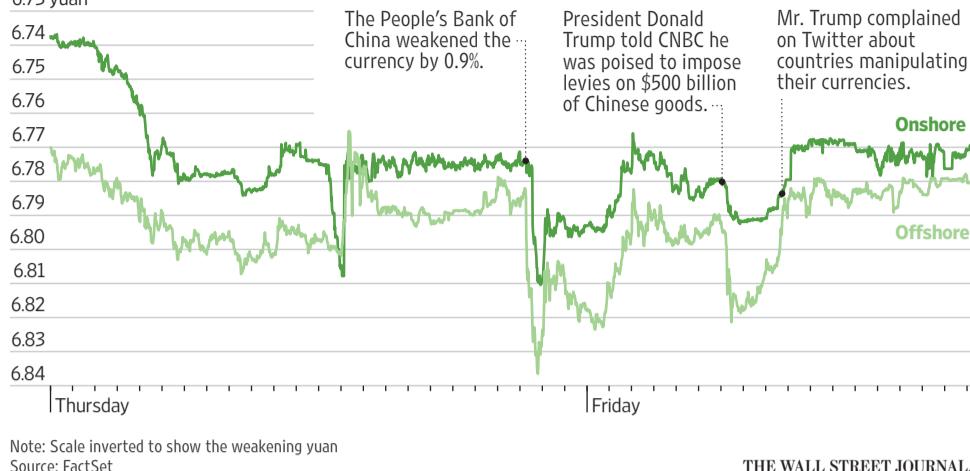
At the heart of Mr. Trump's complaints is that the strength of the dollar helps other countries by making U.S. goods more expensive compared to Chinese and European exports.

During a CNBC interview Thursday, Mr. Trump said the stronger dollar "puts us at a disadvantage." On Friday morning, he said on Twitter: "China, the European Union and others have been manipulating their currencies."

The remarks echo comments Mr. Trump and other administration officials have made on the strength of the dollar over the past two years. In January 2017, before Mr. Trump took office, he told The Wall Street Journal: "Our companies can't compete with [China] now because our currency is too strong. And it's

Fresh Selloff

How many Chinese yuan one U.S. dollar buys



Note: Scale inverted to show the weakening yuan
Source: FactSet

killing us."

The unease comes even as policy and economic factors, rather than political threats, seem to be the main drivers of both the dollar and yuan.

In the past month, the yuan has fallen 4.5% against the dollar in mainland trading and 3.5% against a broader basket of its trading partners' currencies, according to a Wind Info index. The dollar, meanwhile, closed at its highest level in more than a year on Thursday before a 0.7% decline on Friday.

The yuan selloff has been

spurred by signs of slowing growth that would argue for a weaker currency.

Meanwhile, the U.S. economy likely just wrapped up its strongest quarter of growth in years, encouraging the Federal Reserve to raise interest rates and helping drive up the value of the dollar.

"It is difficult to successfully weaken the dollar through jawboning," said Brad Setser, a senior fellow at the Council on Foreign Relations. "The administration is between a fiscal policy that sup-

ports a strong dollar and trade action that is pushing China to allow its currency to weaken."

Many analysts and investors say Beijing has been content to see the yuan weaken in line with market prices rather than actively depressing its value—provided the moves aren't violent enough to spur panic. The central bank determines a daily exchange rate, known as the fix, based on the previous day's close and allows trading as much as 2% above or below that level in mainland China.

Yu Yongding, a former adviser to China's central bank, said Beijing was aware a weaker yuan would help the economy amid a potential trade war, but added: "The devaluation is the result of market forces."

Beijing, however, has previously been reluctant to let its currency depreciate too quickly. A modest devaluation in August 2015 sparked fears about a slowdown in the world's second-largest economy, sending global stock and commodity prices tumbling.

Authorities struggled to control subsequent capital outflows, burning through nearly \$1 trillion in foreign-exchange reserves in 17 months.

During Asian trading hours Friday, China appeared to intervene in markets during to help support the currency, analysts said.

"Beijing is intending to send a signal to the U.S. with the recent [yuan] move. At the same time, there are potentially high costs associated with a currency war for Beijing," said Robin Brooks, chief economist at the Institute of International Finance.

"China has its own constraints, which are material and which—in my opinion—should prevent an all-out currency war," Mr. Brooks added.

Stocks Edge Lower as the Dollar Slides

By AKANE OTANI AND BEN ST. CLAIR

lowed of not commenting on monetary policy.

Mr. Trump's comments were unusual since "the Fed's independence has traditionally been one of the most cherished aspects of central bank," said Brian Nick, chief investment strategist at Nuveen.

But so far, Mr. Nick and other analysts say they aren't worried.

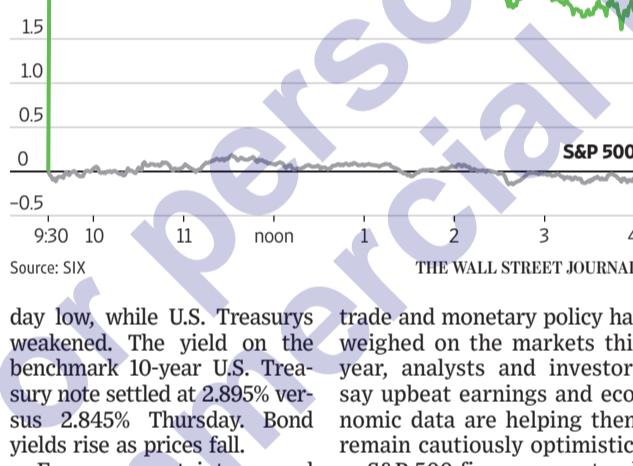
"It's pretty clear that [Fed Chair] Jerome Powell is running the show," he said.

The Dow Jones Industrial Average fell 6.38 points, or less than 0.1%, to 25058.12 on Friday, rising 0.2% for the week. The S&P 500 fell 2.66 points, or 0.1%, to 2801.83 and added less than 0.1% for the week, while the Nasdaq Composite edged down 5.10 points, or less than 0.1%, to 7820.20 and advanced less than 0.1% for the week.

The WSJ Dollar Index, which measures the dollar against a basket of 16 currencies, was recently down 0.7% near a four-

Earnings Boost

Microsoft jumped past the S&P 500 on Friday after the company posted better-than-expected earnings and gave a strong outlook for the current quarter.



day low, while U.S. Treasuries weakened. The yield on the benchmark 10-year U.S. Treasury note settled at 2.895% versus 2.845% Thursday. Bond yields rise as prices fall.

Even as uncertainty around

trade and monetary policy has weighed on the markets this year, analysts and investors say upbeat earnings and economic data are helping them remain cautiously optimistic.

S&P 500 firms are on track

to report their second fastest pace of earnings growth since 2010 for the second quarter, according to FactSet, pointing to sustained momentum in the U.S. even as growth elsewhere around the world has faltered.

Microsoft jumped \$1.87, or 1.8%, to \$106.27 after reporting Thursday that its annual revenue topped \$100 billion for the first time thanks to gains in its cloud business, while Honeywell International rose 5.59, or 3.8%, to 153.13 after boosting its sales guidance.

"The economy is in a good spot. The market is in a good spot," said JJ Kinahan, chief market strategist at TD Ameritrade. "Overall we're where we want to be."

Elsewhere, the Stoxx Europe 600 dropped 0.1%, although it logged its third consecutive weekly gain.

The Shanghai Composite Index rose Friday but posted its eighth weekly decline in nine as the Chinese yuan slipped against the dollar.

Bonds Fall After Trump's Comment

By ORLA McCAFFREY

U.S. government bond prices fell Friday after President Donald Trump wrote on Twitter that China and the European Union "have been manipulating their currencies and interest rates lower"—as uncertainty about the economic status quo appeared to weigh on investor sentiment.

The yield on the benchmark 10-year Treasury was 2.895%, compared with 2.845% Thursday, representing the largest one-day increase in more than six weeks. The yield on the two-year Treasury, typically more sensitive to changes in expectations for Federal Reserve policy, was 2.599%, up from 2.593%. Yields rise as bond prices fall.

Mr. Trump's statement came a day after the president said in an interview that he was displeased with the Federal Reserve's interest-rate increases this year because higher rates strengthen the dollar and hurt U.S. exports. It marked a rare presidential critique of the Federal Reserve. Central bankers operated with little political pressure from recent administrations. Many economists say that central-bank independence gives policy makers latitude to make potentially unpopular decisions, such as raising interest rates to curb inflation at the risk of slowing growth.

Yields rose further after CNBC reported that Mr. Trump is concerned that the Federal Reserve will raise interest rates two more times this year.

Central-bank officials voted unanimously in June to raise their benchmark federal-funds rate by a quarter-percentage point to a range between 1.75% and 2%. It was their second rate rise this year, and they penciled in two more increases for the balance of the year.

Investors see Mr. Trump's tweets and wonder "how much pressure the Federal Reserve will feel to slow the pace of tightening," said Don Ellenberger, senior portfolio manager at Federated Investors. It puts the Federal Reserve in a difficult position because officials may feel compelled to raise rates twice more to show they're independent," he said.

The Federal Reserve's aggressive path of projected rate increases contrasts with other major global central banks.

The European Central Bank's deposit rate is currently negative 0.4%. Officials there have forecast they will wait until next summer to raise rates, as they attempt to stimulate growth, which has slowed this year.

—Daniel Kruger contributed to this article.

Appetite Wanes for Copper

By DAVID HODARI AND BEN ST. CLAIR

Copper has plummeted as the industrial metal bears the brunt of investors' worst fears for an escalation in trade tensions between the U.S. and China.

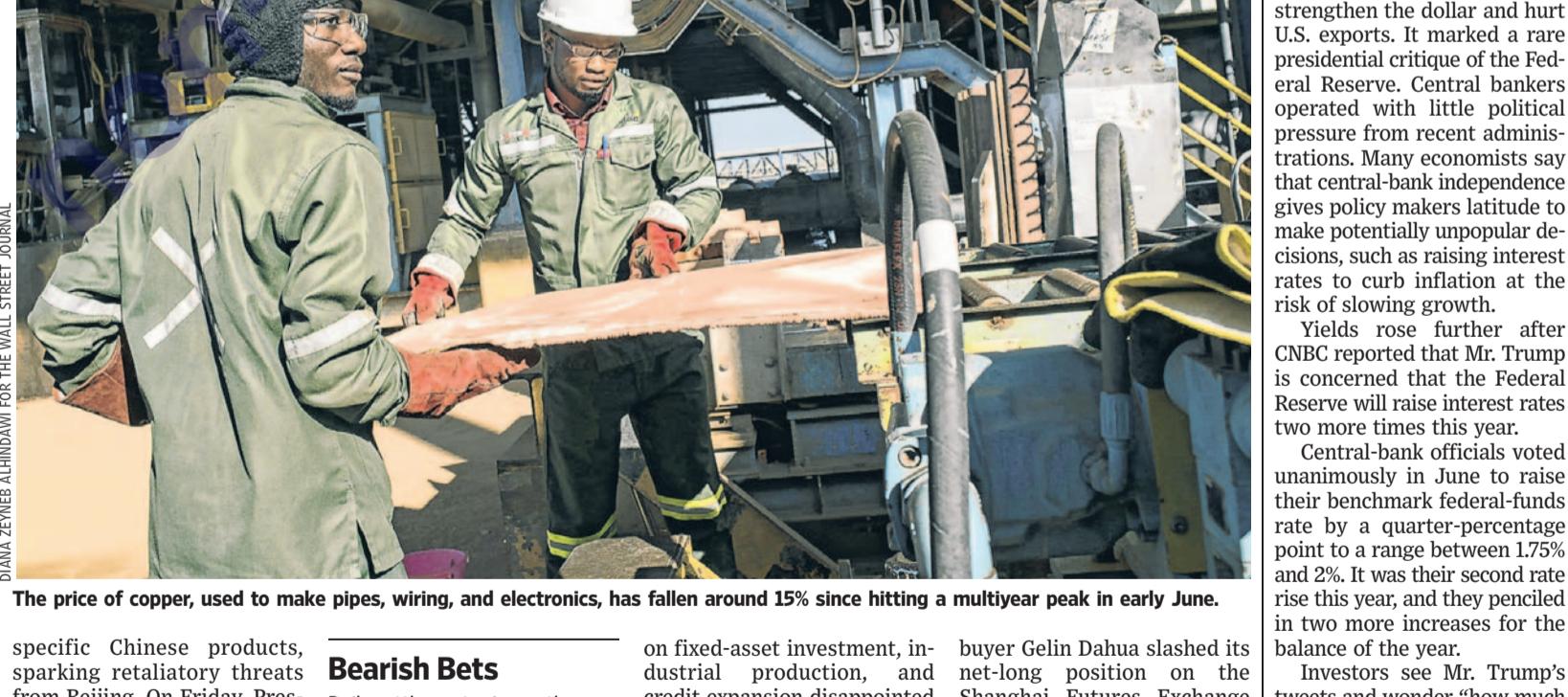
While shares, bonds and other assets have been buffeted by the prospect of a trade war, few markets have reacted as negatively as copper.

The metal, which is used to make pipes, wiring, and electronics, has fallen around 15% since hitting its multiyear peak in early June. On Thursday, it approached bear market territory. Although the metal was up around 0.65% at \$6,002.50 a metric ton on Friday, most analysts see further selling even as they remain bullish on the long-term picture.

While copper hasn't been targeted or threatened with tariffs, over 50% of this metal is consumed by China, making it especially sensitive to any slowdown in the world's second-largest economy. That adds to other factors pulling the metal down, including the strong dollar and healthy supply.

Investors are concerned "this feud will escalate and spill over into real economies," said Daniel Briesemann, a commodities analyst at Commerzbank.

Trade tensions have sparked market volatility for some time, but in early April investors were spooked further after President Donald Trump's threatened tariffs on



The price of copper, used to make pipes, wiring, and electronics, has fallen around 15% since hitting a multiyear peak in early June.

Bearish Bets

Daily settlement price on the continuous front-month copper contract

\$3.40 a pound



Source: WSJ Market Data Group

THE WALL STREET JOURNAL.

on fixed-asset investment, industrial production, and credit expansion disappointed investors. The slowdown in credit comes as Beijing tries to rein in risky borrowing and lending.

"Tariffs have effectively knocked sentiment on the strength of the Chinese economy," said Eleni Joannides, a copper analyst at commodities consultancy Wood Mackenzie.

Other factors haven't helped the metal.

The strength of the dollar makes the greenback-priced commodity more expensive for most buyers. The WSJ Dollar Index, which measures the currency against a basket of 16 others—is up 5.3% in the last three months.

The Chinese yuan hit a 12-month low against the dollar on Thursday.

Chinese broker and copper

buyer Gelin Dahua slashed its net-long position on the Shanghai Futures Exchange earlier this month, in a move that further sapped risk appetite across the market.

Analysts are bullish about the long-term direction of the price of copper. Projections for tighter supply over the coming years have prompted a raft of recent forecasts for sharp future rises in copper prices.

For now, many analysts predict further price declines.

"Fundamentally speaking, there's little to stop copper from selling off even more," said Oliver Nugent, a commodities strategist at ING.

Mr. Nugent points to a lack of scrap copper sales as one sign that the supply of new metal is ahead of demand. Scrap sales tend to be a reliable indicator of short-term copper demand.

EXCHANGE

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Beijing's Stimulus Is Likely to Be Modest

Chinese slowdown could lead to another, but smaller ramp-up in debt

By NATHANIEL TAPLIN

It is an inconvenient time for a Chinese downturn—unless you are a trade warrior in Washington. Signs of distress are clear: Chinese stocks are in a bear market, the yuan is at a one-year low and investment growth is at its slowest this millennium.

In the past, the Chinese state has often stepped in with lots of financial firepower to smooth downturns—primarily by getting government-owned banks to lend more. Once the stimulus kicks in, it has resulted in higher commodity prices and big movements in currencies. The most lasting impact is an increase in China's frightening debt burden, now more than 250% of gross domestic product.

Should investors expect a repeat this time? In short, yes—but probably less than before, because China's political landscape has changed, as has the economy. Moreover, the current downturn is unlikely to be as severe as the last big one in 2009 and 2015.

Another reason for a more modest stimulus is that President Xi Jinping has championed higher-quality, less debt-intensive growth. Reluctance from Beijing to launch a big stimulus could enhance the Trump administration's leverage with China on trade later this year.

Although China's growth targets receive a lot of attention, that isn't what Beijing really cares about. Instead it's the labor market and financial stability. A change in employment patterns is one big reason Beijing's response to slowing growth may be more modest this time.

In the past, most Chinese not working on the farm were employed in construction and in factories producing industrial goods for the domestic economy and consumer goods for export. These companies are struggling with heavy debt and tightening credit.

But today, most urban Chinese work in the service sector for companies like tech giants Alibaba and Tencent or other companies serving China's surging consumer market. That sector is still doing well.

Nearly 100 million more Chinese worked in services in 2017 than in 2010, according to Chinese government statistics. Meanwhile employment in industry—including the export sector—peaked in 2012 and there are now around 130 million fewer workers than in services.

So what will a modest stimulus look like and how will it play out inside China and in global markets?

To maintain stability and keep people working, China's first priority is to ensure its overleveraged banks and businesses stay afloat by preventing housing, steel and cement prices from falling sharply as investment dips. Commodity prices are still likely to sell off further, until the new round of stimulus feeds through. But big cuts to excess steel capacity and to China's enormous housing overhang make a crash less likely.

Another goal of a modest stimulus will be to prevent heavy capital outflows and protect the country's \$12 trillion bond market. Beijing will try to ease enough to keep banks lending to small businesses but not too much that people will fear a big devaluation and move their money out of the country. China's newly reinforced capital controls make this less likely, but rising U.S. interest rates will pose a test.

If Beijing can strike that balance, the stock market should stabilize and bond defaults will remain modest. Domestic consumption should stay healthy, though a decline in exports would hurt workers and could reduce consumer spending.

What might change the current calculus? Inside China, investors would be wise to keep a close eye on housing and factory-gate prices—steep falls in either would

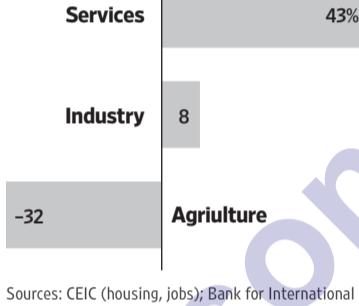


Traditionally, urban Chinese worked in construction and factories; now, more jobs are in the still-healthy service sector.

Changing China

Services, housing and debt are the keys to China's health

China's employment, by job sector
Change from 2007 to 2017



Sources: CEIC (housing, jobs); Bank for International Settlements (Debt)

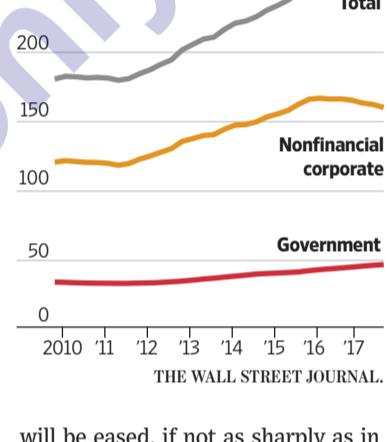
Chinese land and housing prices

Change from the previous year



China's debt

Share of gross domestic product



will be eased, if not as sharply as in the past, and some of the progress on indebtedness will be undone. China will avoid its long-feared debt crisis this time.

Less likely but still possible is a rapid fall in prices for housing or steel and a new wave of cash flowing out of China. Major turbulence in global commodity, currency and debt markets won't be far behind.

Happy Earnings Surprises Won't Be GE's Thing for a While

A turnaround in power may be two years away

By SPENCER JAKAB

The words "great quarter, guys" have never been directed at the current holders of **General Electric**'s top jobs.

John Flannery and Jamie Miller, chief executive and financial officers since last year, respectively, would gladly have settled for a "hew, that wasn't so bad" from Wall Street. But they didn't get even that after unveiling second-quarter results Friday morning. While edging out analysts' consensus estimates on both the top and bottom lines, much of what was in the middle didn't look great. The stock went from mild premarket gains to a drop of over 3% as the company's conference call wrapped up. It lost 4.4% for the session.

The main issue remains the ailing power-generation business, which saw another big drop in revenue, profit and orders compared with a year earlier. Earnings in the business, which mainly sells gas turbines, fell by 58% in the quarter compared with a year earlier. Cash flow suffered as well, specifically due to poor "progress

collections"—cash received from customers during the performance of contracts. That can be seen as a hangover from the period when power profits looked suspiciously strong compared with cash flow. Mr. Flannery said second-half orders would be better and "about flat with last year."

But that was a lackluster period too, and investors were rattled by the assessment. The upshot of the continued weakness is that free cash flow for the full year should now be around \$6 billion, which is at the lower end of the most recent guidance. Management did reaffirm full-year adjusted earnings guidance of \$1 to \$1.07 a share. Analysts are more cautious with an adjusted EPS consensus of just 93 cents, according to FactSet.

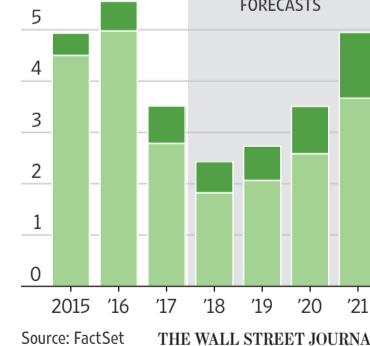
To their credit, Mr. Flannery and Ms. Miller haven't sugar-coated GE's challenges during their brief tenures—a stark contrast to over three decades of careful corporate stage management for Wall Street. Instead, their quarterly reports stress phrases like "cost-out" and "execution" ad nauseam.

An investor in GE had better brace for more of the same. A mere 24 days after the company's last investor update, with short-term disposals under way and longer-term ones like health care and energy many quarters in the future, it was unrealistic to expect glimmers of hope. Any turnaround in power may be two years away, and even that assumes global economic growth doesn't stumble. If it does, the value of the oil-and-gas and health-care businesses will suffer and the thriving part of the future conglomerate, aviation, could take a hit. The next "great quarter" moment is far away.

"GE is on a multiyear transformational journey," said Mr. Flannery. That sounds like as much of a warning as a rallying cry.

Electric Shock

General Electric operating profit, power and renewables divisions



Source: FactSet THE WALL STREET JOURNAL.

State Street's incoming CEO may want to liven things up at the custody bank, but shareholders are voting for boring.

Investors were already annoyed with State Street's weak performance before it announced Friday that it was paying \$2.6 billion, or nine times revenue, for financial data firm Charles River Systems. Shareholders were unhappy with the valuation, the cancellation of a \$950 million share buyback and the expected issuance of new shares by State Street to pay for the deal. The bank's shares were

down around 7%.

The justification for the deal, heavy on consultant-speak, didn't inspire much confidence. The press release tried to outline the benefits: "This interoperable platform, supported by deep enterprise data management capabilities, will enable investment workflows, provide advanced data aggregation, analytics and compliance tools, and connect and exchange data with other industry platforms and providers."

State Street's shareholders were not seduced.

Overheard

Big investment in cloud service drives big gains

By DAN GALLAGHER

Microsoft's cloud trip has been expensive but is proving to be worth the price.

The software giant's fiscal fourth-quarter results reported late Thursday were just the latest evidence of its success at moving its business beyond the software typically found on PCs. Revenue from the company's Intelligent Cloud segment hit a record \$9.6 billion in the quarter ended June 30. That was up 23% year over year—a record since the company began breaking out results for the segment three years ago. Intelligent Cloud's operating margins also hit a record of 41% compared with 37% in the year-earlier period.

It hasn't been a cheap ride. Cloud services require a large outlay of upfront investment in networks powered by artificial intelligence that can handle the workload. Microsoft is engaged in a high-stakes race with both Amazon.com

and Google-parent Alphabet Inc. Microsoft's capital expenditures for the quarter hit \$4 billion—a record.

That investment appears sound, though. Spending on public cloud services such as Microsoft's Azure still makes up less than 10% of total IT spending, according to estimates from KeyBanc Capital. Moreover, Microsoft has been closing the gap with Amazon's much AWS service in terms of its perception among key customers. A recent Goldman Sachs poll found that Microsoft tied with Amazon in terms of which cloud services chief information officers expected to be using three years from now.

That momentum has been grasped by investors. Microsoft's share price is now up 24% this year, compared with the 19% gain by the S&P 500 Software and Services Group. Even so, the shares remain around 23 times forward earnings excluding net cash—slightly cheaper than Google and a hefty discount to Amazon.

Patrick T. Fallon/Bloomberg News

Microsoft has bet heavily on the cloud. Here, gamers play Microsoft's Xbox.

Microsoft Proves It's Worth the Price

Big investment in cloud service drives big gains

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Patrick T. Fallon/Bloomberg News



Superpower Plans
China wants to change
the global order—and
assert its own values. **C3**

CULTURE | C3 | BUSINESS | HUMOR

REVIEW

THE WALL STREET JOURNAL.

Unbeaten Heavyweight

Rocky Marciano, the
stubby-legged choirboy with
a punch named Suzie Q.

Books C7



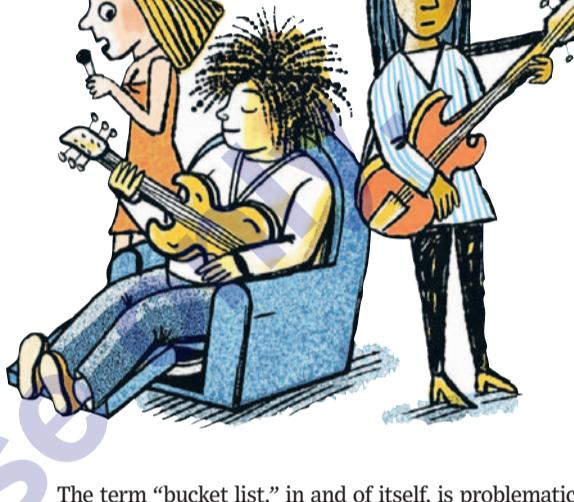
SATURDAY/SUNDAY, JULY 21 - 22, 2018 | C1



It's Time to Kick the Bucket List

Americans have become obsessed with having big experiences. But bungee-jumping in Madagascar or shooting baskets with an NBA star won't really make your life complete.

By Joe Queenan



THE AMERICAN BUCKET LIST is in a state of crisis. The obsessive need to parasail over volcanoes in Mongolia, swim with man-eating sharks in the Seychelles and sleep in every farmhouse that George Washington ever bedded down in has contributed to a national epidemic of bucket-list neurosis.

Americans are so obsessed with

running a 100-mile marathon in the Outback, visiting

every Double-A baseball stadium in the country or flying

in a hot-air balloon over Fiji that all the fun has

gone out of having a bucket list in the first place.

Compiling a bucket list was once the perfect way to

pass the dreamy days of summer vacation. Now it's

just another form of work.

Like American Youth Soccer and contemporary country music, bucket lists started out as something harmless and amusing before turning into a nightmare. Officially, the concept of the bucket list derives from the bellicosely heartwarming 2007 film of that name about two doomed old coots competing with one another to polish off a list of personal dreams before the Grim Reaper carries them off. But as so often happens in this otherwise great country, something that started out as a joke became a clinical disorder. It's as if every woman who watched "Thelma and Louise" suddenly decided that it was a good idea to drive a car off a cliff.

Today, everyone with a few bucks to spare seems to be fixated on bucket lists. 100 places to see before you die. No, make that 1,000 places. Fifty restaurants to eat in before you die—no, 200. The Top 111 Bucket List Ideas. 329 Great Bucket List Ideas. 15,378 Top-Quality Bucket List suggestions.

Alas, bucket lists tend to be obvious and generic: See the Taj Mahal, the Pyramids, Mount Fuji, the Aurora Borealis, the West Edmonton Mall. Such ready-made, just-add-water lists are infuriating. It's tragic that anyone would need to consult somebody else's list to compile their own. A bucket list is supposed to be deeply personal, the product of much internal debate and intense self-searching. It's not supposed to be just another dumb thing you found on the Internet.

The term "bucket list," in and of itself, is problematic. Technically, it refers to having one foot in the bucket, to being at or near death's doorstep. Unfortunately, the word "bucket" is corny, rustic, uninspiring, down-market. No, make that hideous. "List" isn't much better. Words like "quest," "dream" and "grail" are heroic, archetypal, fraught with mystery, magical. The term "bucket list" suggests that you're dealing with slops.

Americans have always been a precocious people, but the just-out-of-short-pants bucket list is pathetic. Let's get one thing straight right off the bat: You can't start a bucket list when you're twelve. You can't start crossing things off your bucket list when you're 29. People that young do not possess the moral authority to compile a bucket list. They should all go up to their rooms and play Warcraft for four decades. Mommy will call you back downstairs when you have reached full retirement age.

We are all familiar with the concepts of Too Much Too Soon and Too Little Too Late. Bucket lists are basically a clear-cut case of Way Too Much Far Too Late. They can seem like a consolation prize for not having a satisfactory life. If you are rapidly approaching the final curtain and you still have dozens of things pending on your bucket list, it raises the question of what you were doing all that time.

Why didn't you learn to play the hammered dulcimer? Why didn't you write that tongue-in-cheek novel about vampires masquerading as hedge fund managers? Why didn't you go back and visit Skip Teasdale, your roommate at Exeter? What were you doing that was so important that you couldn't go back and look up trusty Old Skipper, that solid, dependable, beloved old scamp! And don't say you were too busy snorkeling in the Blue Nile. Just don't.

Please turn to the next page



Inside

ENVIRONMENT

The world's beaches are losing their sand, and replenishing them costs a fortune. Will taxpayers lose patience? **C4**



MIND & MATTER

Hey, baby, it's a long, strange trip. The inner lives of infants may be like a psychedelic dream. **C4**



In Your Face Time

Jason Gay on the wonders of seeing his kids in video calls—and watching them hang up on him. **C6**

BEHAVIOR

Swelled Heads You're not as smart as you think: why few of us claim to be average. **C3**



ILLUSTRATIONS BY ROBERT NEUFELD; ARTERRA/JIG/GETTY IMAGES (ENVIRONMENT); GETTY IMAGES (BOXING GLOVES)

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REVIEW

The Predictable Dreams of Big Show-Offs

*Continued from the prior page*

Bucket lists too often are an attempt to compensate for not having done things early enough in life that they would have made a difference. They're a shortcut, a make-up exam, a trick. Bucket list accomplishments are like Fantasy League baseball: a cheap substitute for the real thing.

And that can prove terribly disappointing. Seeing Robert Plant live in concert in 2018 does not make up for not having seen Led Zeppelin in 1968. Attending a pallid recreation of Woodstock in 2016 is no substitute for having sat in the driving rain for three days at the real gathering back during the Summer of Love. As David Bowie once put it: "This ain't rock and roll. This is genocide."

Bucket lists often become obsessive, expensive, painful. They create the impression that life is not so much something to be lived and enjoyed as a series of onerous obligations to be checked off.

Visit the Forbidden City in Beijing.

Go whitewater rafting in Siberia.

Swim in all of the Great Lakes.

Pick up dry cleaning.

People who report on their bucket-list progress expect their friends to be impressed, perhaps even jealous. "I've sailed the Straits of Magellan, run marathons backwards and blindfolded on five continents and twice had brunch with the Marquesa de Torremolinos on the roof of the Alhambra," they report. Who cares? Bungee-jumping in Madagascar won't make up for three crummy marriages or a really bad comb-over.

Nobody really needs to go falconing in Mongolia or ride on the back of a nurse shark in Alaska for their life to be complete. They need to raise kids who won't grow up to hate them. Or take care of their aging mother and make sure she gets a nice send-off.

To a lot of us, parasailing over a volcano, or spending a night getting drunk in every room where Edgar Allan Poe ever got hammered, or participating in a decathlon in every state that begins with the letter "M," sounds an awful lot like work. This isn't fun; this is fetishism. It's not an adventure; it's a job. Bucket lists are just another way of turning normal people into type-A obsessives.

The last thing anyone should want to do when they retire is anything. A proper full-retirement age bucket list should look like this:

Stop working forever.

Tell your boss how much you loathe him on the way out the door.

Stop working forever.

Still, in a society as obsessed with obsession as this one, we all risk being shunned and ridiculed if we do not have a fully operational bucket list. Here, then, are a few thoughts on finessing this vexing problem:

Go vicarious

Pay other people to jump out of

planes, swim with sharks, run a 100-mile marathon for you. Get a full report on how much fun it was. Lie to your friends about having crossed these things off your bucket list.

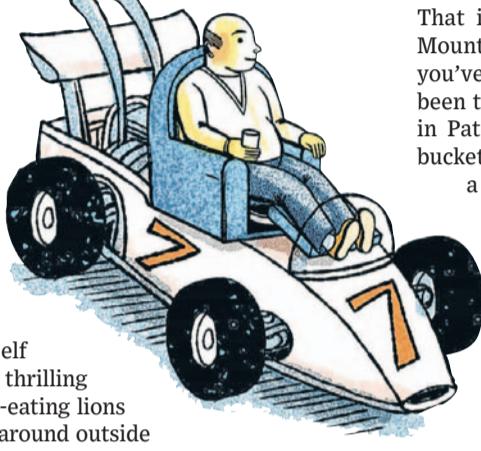
Borrow photos from friends who have gone on safari or ridden a chopper out in Sturgis, S.D., or played guitar with the guy from REO Speedwagon in one of those fantasy rock camps. Photoshop yourself into the image and tell everyone how thrilling it was to go to bed knowing that man-eating lions and dyspeptic hyenas were prowling around outside your tent, and that the guy from REO Speedwagon once took you aside and said, "You totally rock, dude." No one's going to check this stuff.

Slim it down

No-one needs to visit all 30 major league baseball stadiums. There are only four or five worth seeing; the rest are interchangeable clones of Camden Yards. It

“

Pay other people to jump out of planes, swim with sharks, run a marathon.



makes perfect sense to want to see the Red Sox play the Yanks at Fenway before you buy the farm. But why would anyone dream about seeing the Marlins play the Padres anywhere? No serious bucket list should ever include the words "See the Milwaukee Brewers."

And while we're on the subject: enough with the pilgrimages. If you want to visit all seven continents, fine. But nobody needs to visit both the North Pole and the South Pole. A bucket list should require you to pick one thing from column A (Yellowstone) or column B (Yosemite.) So make up your mind: Will it be Iceland or Greenland, Katy Perry or Taylor Swift? If you've been to Gettysburg, you don't need to visit Missionary Ridge. If you've seen Notre Dame or the Sistine Chapel, you can skip St. Pat's. Take your foot off the gas. Relax.

Get local

That is, get to know where you live better. Forget Mount Fuji, Mount Everest, Mont Saint-Michel. If you've lived in New York for 60 years but have never been to Rockaway Beach, Fire Island or the waterfalls in Patterson, N.J., get cracking. A tri-state regional bucket list would be filled with things you could do in

a single day: Visit the Otis Elevator Museum in Queens, swim in the East River, watch the sun go down over the Verrazano Bridge.

The same advice holds true elsewhere. If you live in South Dakota, make a visit to North Dakota. If you live in Iowa, give Idaho a whirl. If you live in Reno, spend a weekend in Fargo. Well, an afternoon. These are bucket lists for an age of lowered expectations. The hell with Paris.

No threats to life and limb

You don't really need to swim with the sharks to feel complete. Swim with the manatees; you'll live longer. Cross anything off your list that could conceivably involve crossing paths with the Taliban or needing to get your meniscus repaired. I don't care how gorgeous Machu Picchu is, at a certain age the local microbes could be fatal to your health. So skip that long-planned trip to the Incan ruins; make do with Stonehenge. Same general idea.

One other thing: A proper bucket list should never include things that are less impressive than things you've already done. If you helped win the Second World War by fighting the Japanese on Iwo Jima, you don't have to visit Little Bighorn. If you saw Jimi Hendrix at the Fillmore in San Francisco when you were

16, you don't need to see Lynyrd Skynyrd at Madison Square Garden when you're 70. We shouldn't need to tell you this.

Finally, remember that making a dream come true is not the same thing as showing off. Dreams are not pranks. When Don Quixote belts out his inspiring signature tune in "Man of La Mancha," he's singing about achieving the Impossible Dream. He's not singing about accomplishing the Impossible Stunt.

A proper bucket list should be short and highly selective. It's a bucket list, not a laundry list. It shouldn't just be some cheesy variation on "Little Things I Gotta Do Today." When Sir Galahad went looking for the Holy Grail, he didn't have a list that read:

Find Holy Grail.

Locate One True Cross.

Wrap Hands around Spear of Longinus.

Gaze at Shroud of Turin.

Nope, he just went out and found himself the Holy Grail. He didn't need to drive a Lamborghini around the streets of Monte Carlo or play H-O-R-S-E with Dennis Rodman or watch Manchester United duke it out with Real Madrid at Wembley. Sir Galahad only had that one item on his bucket list.

Find the Holy Grail. And then chill.



Kabuki actor Shido Nakamura performing in April 2016 in Tokyo.

frey Rosen in The Wall Street Journal, meanwhile, disputed the "tendency to dismiss the hearings themselves as a form of political theater devoid of substance" as encapsulated by the "Kabuki" characterization.

The frequent invocation of Japan's stylized Kabuki theater in advance of Judge Kavanaugh's hearing harks back to something then-Senator Joe Biden said when John Roberts, now the Court's Chief Justice, was before the Judiciary Committee in 2005. As senators tried to pin down his judicial views, he responded with the kind of noncommittal answers nominees often give. "It's kind of interesting, this Kabuki dance we have in these hearings here," Mr. Biden mused. (In a recent opinion piece in the Chicago Tribune, Erwin Chemerinsky, dean of the law school at University of California, Berkeley, recalled that Mr. Biden told him a year later that the hearing for Samuel Alito, confirmed as a high-court justice in early 2006, was "all an exercise in Kabuki theater.")

"Kabuki" often crops up in political and legal contexts as a colorful term for empty pos-

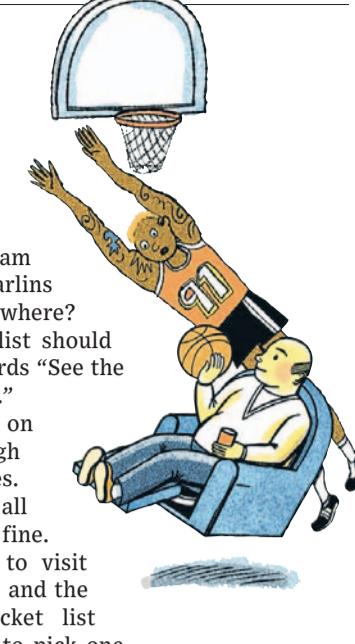
turing. In April, for instance, when the district judge in the AT&T/Time Warner merger case questioned Justice Department concerns that AT&T could threaten a blackout of cable channels, he asked, "Isn't it a bit of a Kabuki dance?"

Literally meaning "the art of song and dance" in Japanese, "Kabuki" dates back to the early 17th century, when female performers developed a theatrical form with stylized singing and dancing. Around 1615, Richard Cocks, the head of the British East India Company trading post in Hirado, made

note in his diary of women performing in the new style, which he spelled in such ways as "cabuki" and "caboque."

The sensual displays of the female dancers led authorities to ban women from performing Kabuki in 1629, and a few decades later it re-emerged with older men taking over the roles. Troupes visited Europe in the late 19th century, such as the Japanese exhibition in London in the 1880s that inspired Gilbert and Sullivan's comic opera "The Mikado."

Americans became more familiar with Kabuki after World



War II, when traveling companies staged performances as an introduction to Japanese culture. In the 1957 Hollywood movie "Sayonara," starring Marlon Brando as an Air Force pilot stationed in Japan who falls in love with a local entertainer, the main Kabuki performer was portrayed by Western actor Ricardo Montalban.

CARL COURT/GTY IMAGES

**WORD ON THE STREET**

BEN ZIMMER

In Debate on Court Pick, Japanese Theater Plays a Role

WITH the confirmation hearing for President Donald Trump's Supreme Court pick Brett Kavanaugh approaching, many pundits seem sure that the Senate Judiciary Commit-

tee's questioning of the nominee will amount to little more than "Kabuki."

"Theater, much like Japan's Kabuki—that's all the Supreme Court confirmation process is," syndicated columnist Michael Barone wrote this week. Jef-

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REVIEW



Xi's Assertive Superpower Plans

As the U.S. retreats, Beijing is talking more boldly about how it wants to change the international order and assert its own values and interests.

BY ELIZABETH ECONOMY

AS A REGULAR VISITOR to China, I was surprised earlier this year when I heard for the first time a Chinese official refer to his country as a superpower (*chaoji daguo*). But China's view of its place in the international order is changing quickly. In a little-noticed speech last month, before a packed house of China's senior foreign policy officials and scholars, President Xi Jinping put the world on notice: China has its own ideas about how the world should be run and is prepared, as he put it, to "lead in the reform of global governance."

Gone is the era of Deng Xiaoping, who called China "a large developing country" and insisted that the country maintain a low profile in foreign policy. These days one seldom even hears officials mention the motto of Mr. Xi's immediate predecessor, Hu Jintao, who described China as "peacefully rising." Mr. Xi has made clear that he aims to create a new geostrategic landscape.

His ambition is most evident close to home. Where previous Chinese leaders were content to stake claims based on Chinese sovereignty, he has moved to realize them. Through coercion, co-optation and simple brute force, he is making significant strides toward achieving his declared objective of "unifying China" by 2049, the centenary of the founding of the People's Republic.

In the South China Sea, Mr. Xi has destabilized the region by developing and militarizing seven artificial features, ignoring the competing claims of five other nations and a 2016 ruling by the Permanent Court of Arbitration at The Hague that rejected China's claims there.

In Hong Kong, Beijing has moved to silence contrarian political voices and has worked to disqualify democracy activists from holding office. China is also placing Tai-

wan in a political chokehold, pressuring other countries to drop their diplomatic recognition of the island nation and forcing multinational corporations to acknowledge Taiwan as part of China.

But Mr. Xi's vision of Chinese leadership extends far beyond the country's own backyard. In 2013 and 2014, he outlined a grand-scale trade and investment plan to revitalize the ancient Silk Road and maritime spice routes, linking China to countries throughout Asia, the Middle East, Europe and Africa. The Belt and Road Initiative, as it is called, has the potential to help meet the \$3 trillion annual deficit in global infrastructure spending: Railroads, ports, pipelines and highways built by Chinese workers and funded by Chinese loans are already connecting countries across six global corridors. The plan now includes a digital component (fiber-optic cables, satellite systems and e-commerce) and a "Polar Silk Road" through the Arctic to connect China to Europe more directly.

China's development of economic infrastructure has also been accompanied by an expanding Chinese security presence. Beijing established its first military logistics base in Djibouti in 2017, and more bases are likely to follow in other countries. Chinese state-owned companies have assumed control or a controlling stake in at least 76 ports in 35 countries. And despite Beijing's claims that such ports are only for commercial purposes, Chinese naval ships and submarines have paid visits to several of them.

Nor has Mr. Xi shied away from exporting elements of China's political model. In at least eight African countries, as well as some in Southeast Asia and Latin America, Chinese officials are training their counterparts in how to manage political stability through propaganda and how to control media and the internet. Reflecting a degree of confidence rare among recent Chinese leaders, Mr. Xi has

Xi Jinping
reviewed the
People's
Liberation
Army in
Hong Kong
in June 2017.

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China is
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rights.

Finally, Beijing is making significant headway in upending international norms on political and human rights. At the United Nations Human Rights Council, it has worked to diminish the ability of outside actors to criticize a country for human-rights violations. It also promotes a strong vision of internet sovereignty, rejecting data privacy and the free flow of information.

Xi Jinping has proclaimed that China has both the intent and the capability to reshape the international order. Yet much of what passes for Chinese global leadership to date is simply the pursuit of China's own narrow interests. He has yet to demonstrate the key attributes of true global leadership: the willingness to align and in some cases subordinate Beijing's immediate interests to the greater global good, and the ability to forge a significant agreement around a global challenge. Where Mr. Xi has claimed leadership—on climate change and globalization, for example—the reality of what China has delivered has fallen far short of the promise.

There is little indication that the rest of the world desires a Chinese-led global order. Polls in countries throughout China's Asia Pacific neighborhood indicate little confidence in Mr. Xi's leadership. And fault lines are emerging within China over the appropriate role for the country on the global stage. Though Mr. Xi has used ever more ambitious rhetoric during his tenure, noting last October at the 19th Party Congress, for example, that China has "stood up, grown rich, and become strong," others resist such language. As an attendee last week at a major foreign policy conference in Beijing, I heard some Chinese officials call for more assertive Chinese leadership, but others suggest that the country has been too ambitious and aggressive and is losing international support as a result.

Yet this emerging debate within China may have little impact. As President Donald Trump raises doubts about the U.S. commitment to global leadership—withdrawing from an ever-increasing number of international agreements and multilateral arrangements—there may be no other choice. Only Xi Jinping appears willing and able to grab the mantle of leadership from a retreating United States. In President Trump's cultivation of an "America First" agenda, he may well be planting the seeds for a "China First" world.

Ms. Economy is the director for Asia studies at the Council on Foreign Relations. Her new book is "The Third Revolution: Xi Jinping and the New Chinese State," published by Oxford University Press.

You're Not As Smart as You Think

BY PATRICK HECK
AND CHRISTOPHER CHABRIS

IT IS WIDELY KNOWN—or at least widely believed—that people are overconfident in their own abilities. Psychological research has consistently found, in fact, that people have too high a self-assessment when it comes to traits that they see as important or socially desirable. We tend to think we are funnier, better leaders, better at driving and even more attractive than we really are. But what do people think about one of the most desirable and important traits a person can have: intelligence?

The claim that "most people think they are smarter than average" is a cliché of popular psychology, but the scientific evidence for it is surprisingly thin. Most research in this area has been conducted using small samples of individuals or only with high school or college students. The most recent study that polled a representative sample of American adults on the topic was published way back in 1965.

Do people today think they are smarter than average? We set out to get an answer. Working with our colleague Daniel Simons, we conducted two surveys: one using traditional telephone-polling methods, the other using internet research volunteers. Altogether we asked a combined representative sample of 2,821 Americans whether they agreed or disagreed with the simple statement "I am more intelligent than the average person." Our results were published this month in the journal PLOS One.

We found that 65% agreed that they are more intelligent than average. There was little difference between the telephone and internet samples. Only 23% of those surveyed disagreed that they were above average, and the remaining 12% reported that they didn't know or were unsure. Not only was our sample of Americans overconfident in their intelligence, they also had little doubt about where they stand in relation to others.

We found that more than 50% of

every subgroup of people—young and old, white and nonwhite, male and female—agreed that they are smarter than average. Perhaps unsurprisingly, more men exhibited overconfidence (71% said they were smarter than average) than women (only 59% agreed).

In our study, confidence increased with education: 73% of people with a graduate degree agreed that they are smarter than average, compared with 71% of college graduates, 62% of people with "some college" experience and just 52% of people who never attended college.

These are not unrealistic self-assessments. People who complete more formal schooling tend to be more intelligent than those who don't. After all, those who are less

intelligent are less likely to get advanced degrees, and receiving more education actually increases people's intelligence.

Who did our participants think about when they compared themselves to "the average person?" The word "average" has several mathematical definitions. It can refer to the mean (here, the result of adding up everyone's "intelligence" and dividing by the total number of people), the median (the "intelligence" value right at the middle, where exactly half of people score higher and half score lower) or the mode (the most common value). IQ tests are designed so that the mean, median and mode are essentially the same, so there's no way that two-thirds of people can be above average.

The simplest and most plausible conclusion from our study is that most people really do think they are pretty smart. Does this mean they are irrational about their own intelligence? Not necessarily. Overconfidence has definite downsides: It is linked to unjustified risk-taking and bad investing decisions, and while arrogance may impress at first, it gets old quickly.

But expressing confidence also can bestow benefits, even if that confidence is sometimes undeserved. Confident people are seen as being more competent and higher in social status than humble people. A belief that one is truly capable of managing a sprawling corporation, saving lives in an emergency room or leading troops in battle could be a vital element of decisive, charismatic leadership.

The most reliable way to convince other people you are brilliant probably starts with sincerely believing it yourself. Our study shows that many people think they are smarter than they really are, but they may not be stupid to think so.

Mr. Heck is a social psychologist, and Mr. Chabris is a cognitive psychologist, both at Geisinger Health System in Pennsylvania.



GWENDA KACZOR

REVIEW

MIND AND MATTER

ALISON GOPNIK

For Babies,
Is Life a Trip?

WHAT IS IT LIKE to be a baby? Very young children can't tell us what their experiences are like, and none of us can remember the beginnings of our lives. So it would seem that we have no way of understanding baby consciousness, or even of knowing if babies are conscious at all.

But some fascinating new neuroscience research is changing that. It turns out that when adults dream or have psychedelic experiences, their brains are functioning more like children's brains. It appears that the experience of babies and young children is more like dreaming or tripping than like our usual grown-up consciousness.

As we get older, the brain's synapses—the connections between neurons—start to change. The young brain is very "plastic," as neuroscientists say: Between birth and about age 5, the brain easily makes new connections. A preschooler's brain has many more synapses than an adult brain. Then comes a kind of tipping point. Some connections, especially the ones that are used a lot, become longer, stronger and more efficient. But many other connections disappear—they are "pruned."

What's more, different areas of the brain are active in children and adults. Parts of the back of the brain are responsible for things like visual processing and perception. These areas mature quite early and are active even in infancy. By contrast, areas at the very front of the brain, in the prefrontal cortex, aren't completely mature until after adolescence. The prefrontal cortex is the executive office of the brain, responsible for focus, control and long-term planning.

Like most adults, I spend most of my waking hours thinking about getting things done. Scientists have discovered that when we experience the world in this way, the brain sends out signals along the established, stable, efficient networks that we develop as adults. The prefrontal areas are especially active and have a strong influence on the rest of the brain. In short, when we are thinking like grown-ups, our brains look very grown-up too.

But recently, neuroscientists have started to explore other states of consciousness. In research published in *Nature* in 2017, Giulio Tononi of the University of Wisconsin and colleagues looked at what happens when we dream. They measured brain activity as people slept, waking them up at regular intervals to ask whether they had been dreaming. Then the scientists looked at what the brain had been doing just before the sleepers woke up. When people reported dreaming, parts of the back of the brain were much more active—like the areas that are active in babies. The prefrontal area, on the other hand, shuts down during sleep.

A number of recent studies also explore the brain activity that accompanies psychedelic experiences. A study published last month in the journal *Cell* by David Olson of the University of California, Davis, and colleagues looked at how mind-altering chemicals affect synapses in rats. They found that a wide range of psychedelic chemicals made the brain more plastic, leading brain cells to grow more connections. It's as if the cells went back to their malleable, infantile state.

In other words, the brains of dreamers and trippers looked more like those of young children than those of focused, hard-working adults. In a way, this makes sense. When you have a dream or a psychedelic experience, it's hard to focus your attention or control your thoughts—which is why reporting these experiences is notoriously difficult. At the same time, when you have a vivid nightmare or a mind-expanding experience, you certainly feel more conscious than you are in boring, everyday life.

In the same way, an infant's consciousness may be less focused and controlled than an adult's but more vivid and immediate, combining perception, memory and imagination. Being a baby may be both stranger and more intense than we think.



A 2016 dredging project in Palm Beach, Florida, brings 70,000 cubic yards of sand from the bottom of the ocean to the shore.

FROM TOP: RICHARD GRAULICH/THE PALM BEACH POST/ZUMA PRESS; CHRISTINA MENDENHALL/BLOOMBERG NEWS

The Battle for Our Beaches

Development and industrial demand are stripping shorelines of sand, and replenishing them is ever more costly.

BY VINCE BEISER

FOR A PLACE that depends on sun-and-sand-seeking tourists, Fort Lauderdale has a big problem: Its beaches are disappearing.

The Florida city has been fighting a defensive battle against nature for decades. The sand that lines its shores is constantly being swept out to sea by wind, waves and tides. In the natural course of things, that sand would be replenished by grains carried by the Atlantic's southward-moving currents. That's what used to happen. Today, however, so many marinas, jetties and breakwaters have been built along the Atlantic coast that the flow of incoming sand has been blocked. The natural erosion continues, but the natural replenishment does not.

For many years, Broward County, in which Fort Lauderdale sits, solved its vanishing-beach problem by replacing the sand with grains dredged up from the nearby ocean floor. Nearly 12 million cubic yards of underwater grains have been stripped off the sea bottom and thrown onto the county's shores. But by now, virtually all of the accessible undersea sand has been used up.

The same goes for Miami Beach, Palm Beach and many other beach-dependent Florida towns. In fact, according to the state Department of Environmental Protection, nearly half of the state's beaches have suffered "critical erosion."

Florida isn't an anomaly. Beaches are disappearing all across America and around the world, from South Africa to Japan to Western Europe. A 2017 study by the U.S. Geological Survey warned that unless something is done, as much as two-thirds of Southern California's beaches may be completely eroded by 2100.

This is mostly our own fault. Sand gets to beaches from a combination of sources that vary depending on the local geography. In places with steep mountains close to the coast, like much of the American West, rivers carry sand straight to the shore. In other places, waves push sand from the ocean bed ashore. And all beaches are fed at least in part by currents traveling along the coast, bringing sand from other areas.

Human beings are interfering with all of those processes. Massive coastal development blocks the flow of ocean-borne sand. In many countries, including the U.S., river dams also cut off sand that used to feed beaches. The widespread practice of dredging up river sand to use for making concrete makes the problem worse. Researchers at the South African Institute of International Affairs believe that sand

mining has slashed by one-third the flow of river sand that feeds the beaches of Durban, South Africa; and in the San Francisco Bay, environmentalists warn that massive sand dredging may be starving nearby beaches.

In some places, outlaw sand miners are hauling away the beach itself. In Morocco, Algeria, Russian-occupied Crimea and elsewhere, illegal miners have stripped entire beaches for construction sand, leaving behind rocky moonscapes. Smugglers in Malaysia, Indonesia and Cambodia load beach sand onto small barges in the night to sell in Singapore.

Having thwarted the natural processes that used to feed beaches, people are now replac-



In Miami Beach, seen here in 2014, construction extends almost to the shoreline.

ing them with artificial ones. The easiest and cheapest method is to suck up grains from offshore and blast them onto the beach through massive pipes. But having run out of offshore sand, many towns in southern Florida are left with no choice but to dig their sand from inland quarries and haul it to the coast one roaring, diesel-spewing truck at a time. Tourists and locals hate the noise and traffic, and county officials hate the extra cost, which can be easily double that of dredged sand. Desperate officials are even talking about importing sand from the Bahamas.

The costs add up fast. The price of renourishing a beach can reach \$10 million per mile. Broward County alone has spent more than \$100 million replenishing its beaches in a multiyear project launched in 2015. More than a few places, such as Atlantic City, have already racked up tabs of well over \$100 million by themselves. All told, nearly \$9 billion has been spent in the U.S. in recent decades on artificially rebuilding hundreds of miles of beach, according to researchers at Western Carolina University. Florida accounted for about a quarter of the total. Almost all of the costs are covered by taxpayers.

Advocates of beach nourishment argue that the process more than pays for itself, considering what tourism brings in to local, state and regional economies. As a straight financial proposition, this is irrefutable. But there are other costs involved that can't always be

priced in dollars.

Dredging up ocean sand clouds the water with stirred-up grains and muck. Suspended in the water, those particles can block life-giving sunlight from reaching coral reefs. And when the grains settle, they can suffocate the reefs and whatever creatures are living on them.

Moreover, beach sands are themselves home to a multitude of creatures. Besides the obvious ones—clams, crabs, birds, plants—they shelter all kinds of nematodes, flatworms, bacteria and other organisms so small that they live on the surface of individual sand grains. Despite their tiny size, these creatures play an important role in the ecosystem, breaking down organic matter and providing food for other creatures. Dumping thousands of tons of imported sand on top of these organisms can obliterate whole colonies of them.

Though concerns about tourism motivate much of the effort to preserve and replenish beaches, local authorities are increasingly taking action for another urgent reason: Beaches are bulwarks that can protect lives and property from storms and rising seas in our climatically imperiled world.

Between 1990 and 2010, a recent analysis by Reuters found, about 2.2 million new housing units were built near American shores, many of them in areas considered the most imperiled by rising sea levels. All told, an estimated

\$1.4 trillion worth of real estate lies along the country's shores. All of it—along with countless billions more in coastal communities in other countries—is endangered by the rising seas and powerful storms spawned by the changing climate.

The U.S.'s densely populated eastern seaboard is already getting a taste of what that means. When Hurricane Sandy hit in 2012, it killed 159 people and damaged or destroyed at least 650,000 homes. The storm struck hardest in areas where beaches had eroded, leaving little or no buffer between cities and the raging wind and waves. On the other hand, according to the U.S.

Army Corps of Engineers, renourished beaches in New York and New Jersey prevented an estimated \$1.3 billion in damages that Sandy otherwise would have inflicted.

Renourishment is not a cure for beach erosion, however. It's just a treatment—one that must be repeated regularly. Few replenished beaches last longer than five years or so before they have to be fattened up again. Dozens of Florida beaches have been bolstered repeatedly in the last few decades, some as many as 18 times. New Jersey's Ocean City Beach has been replenished 37 times; Virginia Beach, Virginia, more than 50 times.

In retrospect, it obviously wasn't such a great idea to develop so much property so close to the ocean's edge. But now there are millions of people and billions of dollars worth of buildings in place. How could we undo all that?

No one knows, and few are asking. Which leaves us more or less obliged to keep rebuilding beaches, both as defenses against the ocean and as magnets for tourists. From Fort Lauderdale to Malibu, the question now is: How long can we keep it up before the money runs out—or the sand does?

This essay is adapted from Mr. Beiser's new book, "The World in a Grain: The Story of Sand and How It Transformed Civilization," which will be published on Aug. 7 by Riverhead Books.

REVIEW

The Samoan Way Of Football

A tiny ethnic group has long been a big producer of top players, but the risk of long-term damage may dampen enthusiasm for the sport.

By ROB RUCK

AS TRAINING camp starts across the National Football League next week, the sport is at a crossroads, its future imperiled by the very physicality that drives its appeal. The number of boys playing tackle football has fallen in the last several years as concussions and other trauma associated with the game have become more evident. Two recent polls indicate that significant numbers of parents are newly reluctant to let their sons play football because of the risks, and from state to state, youth and scholastic leagues are filling fewer and fewer teams.

One group has bucked this trend—American Samoans. No other segment of U.S. society produces as many football players per capita. More than 50 Samoans suited up on NFL squads last year and about the same number will this year. That is 3% of the entire league, and 38 times Samoans' proportional share of the U.S. population. The 300 Samoans playing Division I college football are similarly overrepresented.

Why do so many Samoans play football? It's a function of both culture and economic class. Football's cachet is higher among youth from poorer circumstances, and Samoans are disproportionately poor, whether among the 57,000 who live in the south Pacific islands that make up the U.S. territory or the 200,000 who live in the continental U.S. and Hawaii. American Samoans have long seen sports as the best path to an affordable college degree, which leads in turn to prized jobs in the island government.

Beyond that, there is the traditional *Fa'a Samoa*—the way of Samoa—which embraces physical competition and conflict. Samoans became fierce American patriots during World War II when the islands were a staging ground for the Allied counterattack after Pearl Harbor. American Samoa has the highest rate of military enlistment of any U.S. state or territory. Many football players come from families with at least one member who has served in the military, reinforcing a disciplined, physical culture that emphasizes the team over individuals.

Football came to American Samoa after a 1961 Reader's Digest story chastised the U.S. for neglecting the territory it had held since 1899, calling the islands "America's shame in the South Seas." Seeing its outpost as a Cold War embarrassment, the U.S. unleashed a furious burst of territory-building. Hastily erected schools allowed all children to attend high school, laying the foundation for football's growth. "We had strong ties with the United States," says Sikuani Seveaesti, who played in that first season a half-century ago. "Football meant embracing our American identity."

Samoan boys also grew up playing rugby, football's immediate ancestor, and they still excel at it. The switch to the American game was a natural extension of "the way of Samoa": Coaches extol the loud crack of helmets and

pads as players crash into each other on the field.

But disproportionate participation comes with disproportionate burdens. Samoan boys pride themselves on playing without *fefe* (fear), and they often train on fields blistered with volcanic pebbles and use helmets that should have been discarded long ago (many schools cannot afford to replace or recondition those that no longer pass safety standards). Their coaches know that life after the game can be tough, but few acknowledge concerns about neurological damage.

Samoans are stoic when it comes to injuries. According to Stephen McGarvey, a Brown University epidemiologist who has worked in Samoa for almost 40 years, "Around here, you do not cop to pain from football.... It's as if it's not even there." Peter Gurr, a Samoan ex-player who co-founded the Samoa Bowl to pit local youths against off-island teams, says "We're warriors." When young players cry after a loss, it's not from their own hurt or disappointment but "because they feel they let down their parents, village, community and coaches."

Much remains unknown about concussions and chronic traumatic encephalopathy (CTE)—a neurodegenerative disease that kills brain cells and causes cognitive deficits, behavioral change and dementia. But a 2018 Boston University study concluded that subconcussive impacts—which players absorb repeatedly while playing—were causally linked to CTE. Lawsuits based on such findings have forced all levels of the game to limit violent contact at practice and to change rules to protect brains.



Multiple head impacts had repercussions for Samoan NFL stars Troy Polamalu (top) and Junior Seau.

Officials in Samoa aren't blind to the dangers. Florence Wasko was hired by the territory's education department to monitor athletic injuries in 2011. Neither players nor parents, she believes, understand the risks, and a baseline concussion impact test routinely given in the U.S. has yet to get similar support in the territory. But, she said, coaches are "getting better at recognizing the signs and symptoms, reporting them to me as they occur."

The problems of Samoan players in the NFL have also started to shape attitudes toward the game. Troy Polamalu, a star safety for the Pittsburgh Steelers for 12 seasons, told a television interviewer in 2014 that he had eight or nine recorded concussions during his career but concealed others. "There's so much built up about team camaraderie and sacrifice, and football is such a tough man's game," he said.

It's difficult to assess how badly football damaged 10-time All-Pro linebacker Junior Seau, who committed suicide in 2012. He was inducted posthumously into the Pro Football Hall of Fame in 2015, the first Samoan so honored. Though never diagnosed with a concussion while playing 20 seasons, he received multiple injections of painkillers and anti-inflammatory drugs, underwent a dozen surgeries and played with fractured bones. Postmortem tests revealed brain damage almost certainly caused by concussive and subconcussive blows.

Before his death, Seau was asked by his biographer Jim Trotter about changing the rules to protect players. "It has to happen," Seau said. "Those who are saying the game is changing for the worse, well, they don't have a father who can't remember his name because of the game.... [It] needs to change."

The sons of Samoa have been a boon to football, but their devotion has often come at a steep cost.

Mr. Ruck is a professor of history at the University of Pittsburgh. This essay is adapted from his new book "Tropic of Football," which will be published by the New Press on July 31.

ASK ARIELY

DAN ARIELY

Easier PT With A Reward of TV



Dear Dan,
I'm currently in physical therapy for a knee injury, but I haven't been improving much lately.

The main reason is that I've been slacking off with my exercises at home, which my physical therapist says are crucial for the treatment to be effective. I know that I could be recovering much faster if I actually followed through with my exercises, but doing them is just miserable. What can I do?—Jordan

Because physical therapy is often tedious and uncomfortable, the mood to do your exercises will probably not strike you very frequently, if at all. What I would do is add something to the exercises that changes your motivation equation. For example, you could make a rule that your whole family can only watch their favorite TV show after you've completed your exercises. This way, the pressure of not wanting to disappoint everyone in your family will add to your motivation; and if you slack off, your family will nag you to get your exercises done. This approach can be thought of as "doing the right thing for the wrong reason"—in this case, doing your physical therapy in order to watch TV and not annoy your family. It is a great way to engineer our motivation to get us to do things that are no fun in themselves.



Hi, Dan.

Recently, I retired on a small income. I have an old friend who visits regularly and who is very well off. She often stays with me for a week or more, but she rarely offers to cover any of the expenses connected with her visit. She doesn't take me out to dinner and seldom brings a gift. To make things worse, when we go shopping together, she buys expensive things for herself, making the disparity between us more obvious.

I can get over the difference in wealth, but it bothers me that she doesn't help with expenses. How can I ask her to chip in and still keep her as a good friend?—Francis

Since your friend is used to your paying for everything, she probably no longer thinks much about it. We are all very good at taking things for granted. To break this pattern, I would sit with her over a glass of wine and tell her that though you love her visits, you feel a bit financially stressed. Tell her that you don't want her to visit less often but would like to alternate who pays for groceries and for going out.

I suggest alternating rather than splitting the bills because splitting requires an ongoing accounting, which can put an extra strain on the relationship. With this arrangement, the expenses won't necessarily be divided equally, but it will help you to avoid awkwardness during every transaction. My guess is that your friend will be delighted to share in the expenses, and you'll wonder why you hesitated to bring up the topic.

Dear Dan,

Summer is here and I am wondering: what is the secret to a good vacation?—Moran

The first secret is not to call it a vacation. To vacate a place is to leave it, but the point of taking time off is not just to leave our lives behind but to approach something new and different. The British have it right: They call this time a holiday, which is a much more fitting name for an exciting experience. Since words matter to how we think and act, my advice is: Plan to have a holiday!

Have a question for Dan? Email AskAriely @WSJ.com

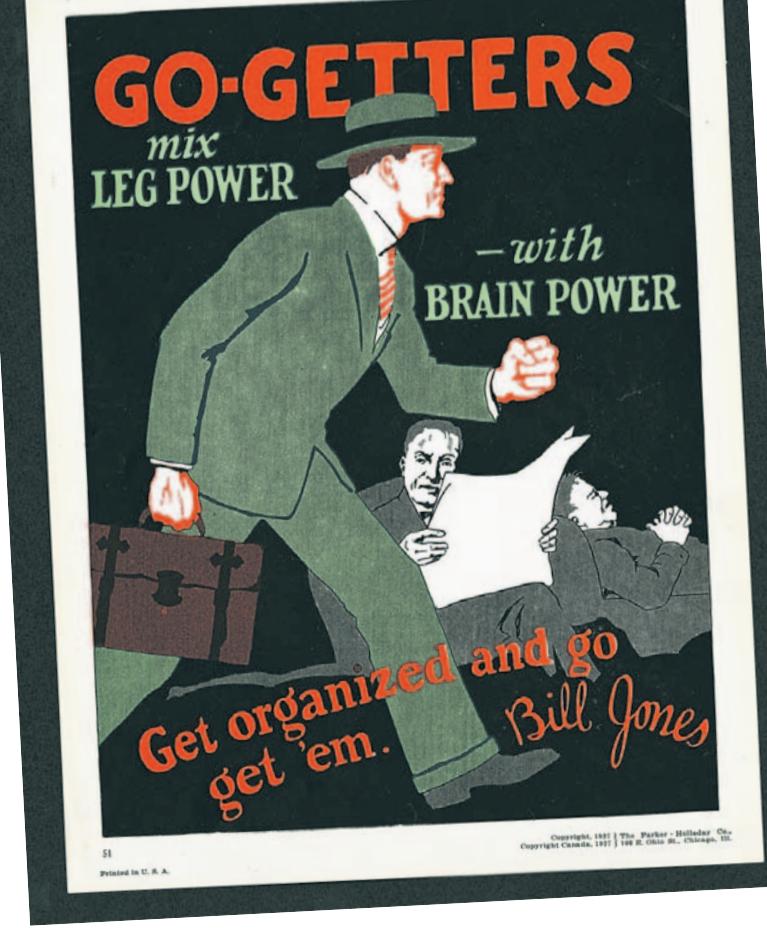


Samoan players from seven local high schools scrimmage at Polamalu's summer football camp in Pago Pago.

EXHIBIT

The Motivated Worker

BEFORE PERKS like casual Fridays and corporate cafeterias, employers used posters to encourage workers. The exhibit "Let's Get It Right: Work Posters of the 1920s" at the Smithsonian's National Museum of American History showcases 12 posters and a video loop of dozens of others urging employees to cooperate, plan ahead and take pride in their work. Running from July 27, the show includes works that exhort employees to share their views with management, as in the 1923 Mather and Co. poster below. Parker-Holladay created the fictional worker Bill Jones (left) to inspire peers in a 1927 image. After the Great Depression, the posters lost favor. "Nobody needed to be motivated," says co-curator Cathy Keen. "Everybody just needed a job." — Alexandra Wolfe



REVIEW



TAYLOR GLENN FOR THE WALL STREET JOURNAL

WEEKEND CONFIDENTIAL | ALEXANDRA WOLFE

Wesley Edens

An investor with a taste for underdogs

FORTRESS Investment Group co-founder Wesley Edens likes a counterintuitive bet. He famously dove back into subprime lending in 2010, just a few years after the financial crisis. He and Fortress are now investing more than \$3 billion to build a private passenger railroad in Florida at a time when self-driving cars are the vogue investment. In 2014, Mr. Edens became a co-owner of the NBA's Milwaukee Bucks, betting on a team whose last championship was almost a half-century ago, and on Friday he bought a majority stake in the struggling English soccer club Aston Villa.

"What I want to do is see things for what they are, not how other people see them," says Mr. Edens, 56. With the passenger train, for instance, "You had to get everybody to suspend disbelief that it couldn't happen...I think that's a strength of mine."

Mr. Edens made his fortune atop Fortress, which he co-founded in 1998 and where he is still co-CEO. In 2007, it became one of the first private equity funds to go public, giving Mr. Edens a stake worth \$2.3 billion. In 2017, SoftBank bought Fortress for \$3.3 billion, acquiring his stake for about a 40% premium over its pre-announcement value.

The son of a psychologist father and schoolteacher mother, Mr. Edens grew up on a ranch in Montana and spent most of his childhood outdoors. "There were literally two TV stations so either you read books or you left the house," he says. In his teens, he was a competitive ski racer. He still skis and rock climbs around Jackson, Wyoming, where he just opened Caldera House, a new luxury hotel.

After graduating from Oregon State University with a degree in finance and business administration in 1984, he got a job at a small bank in San Francisco. An acquaintance who worked at Merrill Lynch encouraged him to consider Wall Street: "A guy like you should really think hard about going to New York," Mr. Edens recalls being told. He moved to New York, landing a job at Lehman Brothers and then moving to BlackRock in 1993, where he became a partner and managing director. In 1998, he and a few colleagues decided to branch out on their own

'What I want to do is see things for what they are, not how other people see them,' says Fortress Group cofounder Wes Edens, 56 years old.

They took the private equity fund public in 2007 but suffered major losses in the financial crisis a year later. "If I ever wrote a book about 2008, I'd call it 'Four Sundays,'" he says, "because I worked every day that year except four Sundays." The firm was heavily invested in financial assets, which plummeted with global markets, and hadn't bet against subprime mortgages to reduce its exposure. Its stock price plunged below \$1 a share.

In 2010, Mr. Edens made a surprising bet on a subprime lender, Springleaf Holdings Inc., buying a majority stake for \$124 million. By 2015, the stake's value had risen to \$3.5 billion.

In recent years, however, he has become more interested in building companies and creating infrastructure than in pure investment plays. "When the crisis actually happened, we looked for opportunities to invest where pricing was low. We did a great job with that with Springleaf," he says. "But I wasn't satisfied with that being my career." In 2014, he founded New Fortress Energy, a separate company that builds clean energy infrastructure projects in the U.S. and developing countries.

Part of the inspiration for his shift came from reading a book about Henry Flagler, a founder of Standard Oil who went on to develop railways and hotels in 19th-century Florida. That helped spark the idea for Mr. Edens's railroad venture. Called Brightline, it began serving passengers in January, at first running just between Fort Lauderdale and West Palm Beach and then extending to Miami starting in May. The train makes 12 trips from each stop per day and by early August will make 16. Tickets start at \$10. Brightline has nearly completed an Orlando station and plans to break ground on track from West Palm Beach to Orlando later this year. Tampa is next on the list.

Mr. Edens sees potential in building rail service between pairs of cities that fall between flying and driving distance, such as Atlanta and Charlotte, Dallas and Houston, and Las Vegas and Los Angeles. "We have the best freight system in America but the worst passenger lines," he says.

He says that the venture isn't currently profitable. First quarter ticket revenue totaled \$663,667 while operating costs were \$28.8 million. But Mr. Edens says that he believes Brightline "can be profitable by capturing just 2% of the 400 million or so trips taken annually." Ridership and revenue increased 35% on a monthly basis from January through March, and the trains carried about 75,000 passengers on the initial leg.

Critics have questioned the safety of the trains, which are faster than the other trains that travel along Florida's coast. Brightline trains have been involved in eight trespassing fatalities since January, but over half were suicides and local investigations haven't blamed Brightline. "We take safety incredibly seriously," Mr. Edens says.

Critics have also raised complaints about Mr. Edens's big project with the Milwaukee Bucks—a new arena that opens next month. After Mr. Edens and his partners bought the team four years ago, the state, city and county helped fund a new arena, which ended up costing \$524 million. Some critics have denounced the taxpayer funding as well as the design of the structure, which has been described as resembling both a giant taco and Donald Trump's hairdo. Mr. Edens, who helped design the arena, calls it "a tremendous building" that will contribute to the economic revitalization of downtown Milwaukee.

He's optimistic about the Bucks' prospects and has made changes to the team—most notably by hiring coach Jason Kidd in 2014 only to fire him this past January, midseason. "If you don't think the organization is in the right place, you have to make a change at the top," he says. Pleased now with the direction of the team, he has set his sights on that elusive championship trophy. "I won't be happy until I'm holding that Larry O'Brien."



JASON GAY

My Kids Are Lousy at Video Chat But Love To Hang Up On Me

"LOOK, DADDY'S on FaceTime."

On my iPhone's screen, I witness a burst of rapture. Nah, I wish—you've never seen more ambivalence in your life.

It's 6 p.m. in Europe, where I've been covering Wimbledon and the Tour de France—look, people, someone has to suffer for your sports section—and I'm trying to video chat with my family. My wife is doing her best to lasso the children for a trans-Atlantic Chat With Dad, to no avail. My 3-year-old daughter is barely interested. My son is...whereabouts unknown.

"Daddy's on the phone. Do

you want to talk to Daddy?"

My daughter finally grabs her mother's phone. I see her face briefly—then, all of a sudden, the screen starts to shake and shudder like a scene from *The Blair Witch Project*. She runs through the kitchen to the living room, the camera veering from the ceiling to the floor, to the ceiling, to the floor, to the ceiling...

"LOOK!" she cries.

"What is it?" I ask.

"It's me!" she says brightly.

"I can't see you, honey," I say.

"You have the camera pointing in another direction.

You need to press the screen and—"

(Disconnect.)

Remember when FaceTime and Skype and other video chat products felt like the dawn of a new civilization?

The tech future we were promised was finally here: instant, real-time video conversations, just like the diabolical



villains in every science fiction movie ever.

What fun it was. *Baby's first steps! I'm actually watching baby's first steps. Go baby! Watch out for that coffee table!*

It was something of a miracle. Parents and children, separated by oceans and continents, connecting as if they were sitting at the kitchen table. From miles away, I could look my mother directly in the eye and disappoint her. (Kidding! Luv ya, mom!)

But over time, like all new technology, video chat has become something else. Routine. Ordinary. Stressful. Avoided. I've started to wonder: Is Fa-

ceTime actually a little invasive? Who among us has not hit that big red button and declined a FaceTime call? Twenty years ago, that would have been like saying no to a spaceship ride.

I fear we're becoming culturally averse to all real-time interaction. Human contact is getting reduced to text messages.

Offices are addicted to Slack—colleagues who are desks away from each other, passing electronic notes instead of, you know, saying hello. The other day, the Journal's tech columnist David Pierce wrote about how voice texts are the new rage: leaving audio messages your friends can open and listen to at their convenience.

For my children, today's gadgets are the only reality they know. Daddy, thousands of miles away, magically appearing on the phone? It's not magic to them. It simply is.

And it's children who bear

the brunt of FaceTime interactions, I believe. (Nobody FaceTimes their boss. It's too weird.) For kids, there's something performative about FaceTime—a pressure to entertain, not unlike a parent summoning you to the living room for a clarinet recital.

Sometimes my kids are feeling it. Sometimes they are not. I get it. They're kids.

As a parent, I still feel the FaceTime novelty. Even when they drop the phone, it's funny. Even if they're not interested, I can still see them. (Besides, have you ever tried to get a three-year-old to talk on the phone? It's like asking a dog to make you lasagna.)

But I worry. When I FaceTime my children, the part of the interaction they seem to be most excited about is the chance to press the big red button and end the conversation. You know, hang up on dad. Maybe it's not actually the technology—it's me. Perhaps I need to speak to them about the—

(Disconnect.)



Rising Sun, Flying Tiger

The U.S. volunteer airmen

who flew for China

in World War II. C9

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BOOKS

THE WALL STREET JOURNAL.

At a Good Clip
Early American
sea barons and their
need for speed. C12



SATURDAY/SUNDAY, JULY 21 - 22, 2018 | C7



WINDING The Grand Canyon's Toroweap Overlook. Powell completed the first recorded descent of the Colorado River and gave the canyon its name.

The Perils of a Pathfinder

John Wesley Powell planned an arduous journey: 1,000 miles from Wyoming to Nevada. Some said the expedition succeeded not because of its leader but despite him.

River Master

By Cecil Kuhne

Countryman, 269 pages, \$24.95

The Powell Expedition

By Don Lago

Nevada, 396 pages, \$39.95

The Promise of the Grand Canyon

By John F. Ross

Viking, 381 pages, \$30

BY GERARD HELFERICH

ON MAY 24, 1869, at one o'clock in the afternoon, John Wesley Powell and his nine crew members slipped their rowboats into the gentle current of the Green River, in southwestern Wyoming. Ninety-nine days and nearly 1,000 harrowing miles later, they beached the surviving craft in southeastern Nevada, completing the first recorded descent of the Colorado River through the Grand Canyon. As we approach the 150th anniversary of the journey, there is no debate over the audacity and magnitude of their achievement, which has been rated second only to the transcontinental wanderings of Lewis and Clark more than six decades earlier. Yet even today, the Powell Geographic Expedition is soaked in controversy.

Powell's early life offers little hint of the fame he would achieve. Born in western New York, the son of an itinerant

collecting trips into the Rocky Mountains. It was apparently during these excursions that he conceived his epic journey down the Colorado.

The river runs through the heart of the Colorado Plateau, more than 100,000 square miles of canyon and high desert that in Powell's day was the greatest uncharted wilderness in the United States. In mounting the expedition, the Major was no doubt motivated by the sheer challenge—or, as his critics would say, by an overweening drive for glory. But at the mission's heart lay a key scientific objective, since the river cuts through the most extensive array of geological strata on the planet, dating back two billion years.

Powell meant not only to survey the geology but to plot the river's course and fall. Toward this end, besides food, tools and guns, he shipped sextants, chronometers and barometers. He and two crew members traveled in a comparatively nimble lead boat. Everyone and everything else was packed into three vessels, each 21 feet long, 4 feet wide and double-planked in oak.

The boats were undeniably rugged, but they were also heavy, low-sided and hard to maneuver, making them less than ideal for negotiating fierce rapids and effecting rugged portages. And for his crew Powell chose mountain men and Civil War veterans with virtually no experience on the water. To his detractors, these early choices are just two instances of innumerable deficiencies in judgment and temperament; some critics have even suggested that the expedition survived not because of its leader but despite him.

In "River Master," Cecil Kuhne relates the journey in day-by-day, rapids-by-rapids detail, including lengthy passages in the participants' own words. Though the party would pass through landscapes of unimagined beauty, it would also face treacherous whitewater, along with searing summer heat, lashing downpours, the ever-present danger of drowning and the looming threat of starvation. And owing to the high canyon walls, the voyagers knew they would have scant opportunity to save themselves in the event of a crisis. Just two weeks into the expedition, at a place they christened Disaster Falls, they lost one of their boats in the rapids, along with maps and topographical notes, much of their clothing, and a third of their rations. Another such mishap, they realized, could well prove fatal.

Finding that "most biographers and historians have stuck to the fawning narrative set forth by Powell and his admirers," Mr. Kuhne proposes "to draw fresh conclusions about what really

happened in those dark and lonely chasms so very long ago." The core debate centers on the Major's leadership. Did he err in his selection of craft and crew, or did he do his best with the limited information and resources available?

Was the evident friction between him and the men due to his bullying or to their intractability? Was he a ruthless monomaniac or a resolute hero? Whatever the truth, there is no question that as food dwindled and morale plummeted, the expedition devolved from a scientific exploration to a scramble for survival.

The most controversial incident came on Aug. 27, 1869, in the Grand Canyon (which, incidentally, Powell named). Reduced to half rations of unleavened bread and facing yet more cataracts, three of the men, William Dunn and half-brothers Seneca and Oramel Howland, told Powell that they'd had enough. Taking a share of the food, they wished the others well and climbed out of the canyon. Their motivation remains unclear. While Powell partisans have claimed cowardice, his critics have pointed to justifiable lack of confidence in their leader and resentment for months of poor treatment.

In either case, it was the wrong decision. Barely 24 hours later, the main party glided out of the Canyon, but Dunn and the Howlands did not survive. Their fate has never been satisfactorily explained, since contemporary reports clash and the bodies have never been recovered. Everyone agrees, though, that it was not the elements but other humans that were responsible—perhaps Paiutes who mistook them for miners who had raped some Indian women, or Mormon settlers infuriated by gentle invasions of their land.

Although "River Master" offers a pleasingly concise, at times even novelistic account, the slender volume presents little that is genuinely new. The same cannot be said for Don Lago's "The Powell Expedition," an astonishing work of independent scholarship. Rather than another narrative, Mr. Lago offers detailed but highly readable essays on selected aspects of the journey, introducing, in his words, "new documents, new background facts and stories, new historical contexts, new connections between facts, new scenarios." Among his revelations is the discovery that crew member William Hawkins has been misidentified for decades, confused with a contemporary of the same name. In considering the controversies around the expedition, Mr. Lago sheds new light by relating them to the social, political and cultural currents of the time, including possible ulterior

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Forty-Nine Wins and No Losses

Unbeaten

By Mike Stanton

Holt, 385 pages, \$32

BY DAVID MARGOLICK

AS HE JOGS THROUGH

the deserted streets of Philadelphia, a brawny and articulate but likeable Italian-American boxer contemplates what he has somehow managed to accomplish: Within a few hours, he will vie for the heavyweight championship of the world. And shortly after that, he will win it.

People think they know that story but nowadays, few do. The Rocky in question isn't Balboa, the Hollywood character created by Sylvester Stallone, but Marciano. When, on Sept. 23, 1952, the "Rock from Brockton" knocked out Jersey Joe Walcott for the title, it culminated an almost inconceivable journey. And three and a half years after that, Marciano accomplished something arguably more extraordinary: He retired undefeated.

Boxing has been relegated to the back pages, and Marciano—killed in a plane crash in August 1969, just before turning 46—is a footnote even there. But when he died, nearly everyone knew his name. And it was hard to believe he was down; only rarely had he ever been. "Start the count, he'll get up," Jim Murray wrote in the Los Angeles Times. "A lot of us today are wishing there were an honest referee in a cornfield in Iowa."

Fourteen years earlier, training at Grossinger's for what turned out to be his last fight, Marciano met with Budd Schulberg and Elia Kazan, who'd just made "On the Waterfront." Now they wanted to film his life story, with Marlon Brando in the starring role. Come back to him after he retired, Marciano replied; he was too busy to talk about it. He should have moved faster on the idea, but moving fast had never been his strength.

In his book "Unbeaten," Mike Stanton brings back Marciano, and with him, a whole era in American social,

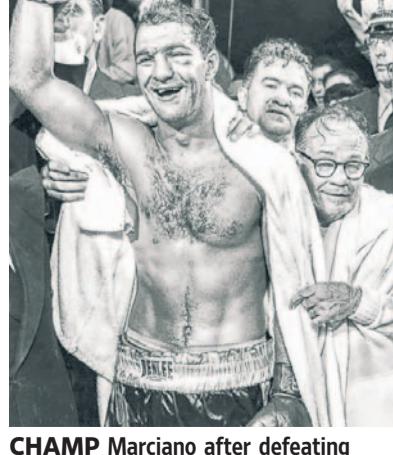
industrial and athletic history. It is the time of indigenous white ethnic boxers, Italian-American, Irish-American, Eastern European-American, and of the pre-television communities that nurtured them—in Marciano's case, fading Massachusetts factory towns like Lowell, Lawrence, Haverhill,

Holyoke and Marciano's own Brockton, where they once made 12 million pairs of shoes a year. A long-time newspaper reporter in Providence, where Marciano apprenticed, Mr. Stanton knows these places and describes them well.

On Sept. 1, 1923, Rocco Marchegiano "entered the ring"—boxing metaphors are hard to resist, and Mr. Stanton doesn't always manage to—"a natural heavyweight" at 12 pounds, 10 ounces. But only in that sense: As he grew into manhood, his arms were too short, his legs too thick, his reflexes too slow, his hands too fragile. Actually, he was more Berra than Baer, and once tried catching for the Chicago Cubs. He seemed destined to dig ditches.

Only in his early 20s, during and after a short and dishonorable military

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CHAMP Marciano after defeating Jersey Joe Walcott for the heavyweight title on Sept. 23, 1952.



INTREPID
Powell's
boat
Emma
Dean on a
riverbank
in the
Grand
Canyon,
1872.

preacher, he passed his youth in Ohio, Wisconsin and Illinois. Fascinated with the natural world, he attended college as finances allowed, then taught school for a time. When the Civil War came, he enlisted in the 20th Illinois Volunteers and was given command of an artillery battery. He was wounded at Shiloh's infamous Hornet's Nest and lost his right arm; by war's end he had been promoted to major, a title he would use for the rest of his life. Returning to Illinois, he became a professor of geology and in the summers of 1867 and 1868 led specimen

STANLEY WESTON ARCHIVE/GTY IMAGES

BOOKS

'Among all nations of the world, they that be politic and civil do master the rest.' —THOMAS SMITH, 1581

Comity and Tragedy

In Pursuit of CivilityBy Keith Thomas
Brandeis, 356 pages, \$45

BY MARK ARCHER

CIvility is the "body of beliefs, practices and institutions," Keith Thomas suggests in his fascinating study "In Pursuit of Civility: Manners and Civilization in Early Modern England," that make it "possible for people to live together and flourish." Mr. Thomas is a renowned historian at Oxford whose works on early modern Britain, including the groundbreaking "Religion and the Decline of Magic" (1971) and "Man and the Natural World" (1983), have championed the liberal values of the Enlightenment. In his latest book, he traces the history of civility back to antiquity but argues that this "social glue" binding our culturally divided society together has never been more important or so subject to debate.

One of the earliest behavior manuals in English, Mr. Thomas says, was "The Book of Good Manners," a translation by the early English printer William Caxton of a treatise by the French monk Jacques Legrand. Published in 1487 and often reprinted, it was typical of a range of similar treatises that Mr. Thomas suggests were written for a limited audience:

Throughout the European Middle Ages, elaborate codes of courtesy and behavior had been inculcated at royal courts, and in noble households, cathedral schools, monasteries, and nunneries. . . . There was a continuous current of didactic writing on manners, particularly table manners, directed primarily at the children of the well-to-do.

What changed in Europe after the Middle Ages, Mr. Thomas suggests, was that the concept of "courtesy," which had been associated with courts, whether of monarchs or feudal lords, was replaced by the wider concept of "civility," which "came to epitomize the way of life of good citizens." Originating in the independent city-states of late medieval Italy, the term grew out of communities that were politically autonomous and socially diverse but still needed rules with which to govern behavior. The post-medieval period was a time of a great expansion in global trade and unprecedented wealth creation, which disrupted traditional social hierarchies. In that environment, Mr. Thomas suggests, it was not surprising that there was a demand to know the accepted rules for dealing with one's fellow citizens. There were at least 500 separate editions of works on good manners published in England from 1690 to 1760, he notes. One of them, Erasmus Jones's "The Man of Manners, or Plebeian Polish'd" (1735), was explicitly aimed at the upwardly mobile: "persons of mean births and education, who have unaccountably plunged themselves in wealth and power."

BOOKS

'The victories of these Americans over the rice paddies of Burma are comparable . . . with those won by the RAF over the hop fields of Kent.' —WINSTON CHURCHILL



JOHN GUTMANN ARCHIVE/COLLECTION, CENTER FOR CREATIVE PHOTOGRAPHY

READY TO POUNCE Long after the civilian fighter group was disbanded, U.S. military pilots continued the Flying Tigers tradition, complete with iconic imagery and uniforms. Above, John Gutmann's 'Flying Tiger pilot towards his fighter plane [sic], China' (1944).

Tigers Over a Rising Sun

The Flying Tigers

By Sam Kleiner
Viking, 294 pages, \$28

A Few Planes for China

By Eugenie Buchan
ForeEdge, 252 pages, \$35

By GREGORY CROUCH

OF ALL THE iconic images to emerge out of World War II, one of the most menacing has to be the shark's teeth painted across the noses of the P-40 fighter planes flown by the Flying Tigers, that small band of volunteer American pilots who fought the Japanese in the skies of China and Southeast Asia. From their first dogfights in December 1941 until their contracts expired in July 1942, the Tigers scoured the enemy with breathtaking courage. Against overwhelming odds, they became legends.

By the time Japan attacked Pearl Harbor on Dec. 7, 1941, China had been staving off its Japanese invaders for 4½ long, bitter years. Throughout that period, Britain and the U.S. wanted to keep China fighting—without provoking their own wars with Japan. Western leaders were also growing increasingly concerned that Chinese resistance would falter. Among China's weaknesses: a lack of air power. To bolster China's defenses at a time of official American neutrality, in early 1941 the U.S. government allowed approximately 100 American pilots and about twice that number of ground crewmen to resign from the military and join the American Volunteer Group (AVG). From then until the attack on Pearl Harbor, the AVG organized, shipped out and trained in British Burma. Today, we would describe them as civilian military contractors.

Contrary to popular belief, the AVG didn't see action until after Pearl Harbor. The group joined the fight in the ensuing

weeks as members of the Chinese air force, under Chinese command in the person of Claire Lee Chennault, a former U.S. Army Air Corps officer who had been a paid advisor to the Chinese air force since 1937. The group soon became famous as the Flying Tigers.

Given the group's modest size and brief history, nothing from World War II rivals the output on the Flying Tigers in terms of the number of books and articles published per plane. The phalanx of chronicles, memoirs, biographies, autobiographies, comic strips and novels that recount the AVG story thus makes the subtitle of Sam Kleiner's "The Flying Tigers: The Untold Story of the American Pilots Who Waged a Secret War Against Japan" seem a bit of a stretch. What Mr. Kleiner adds to the canon is a brisk and personable narrative focusing on the stories of group-leader Chennault and a few of the ground crewmen, pilots and other people who

overblown claims. To name but two: that with a few bombs and strafing runs the Tigers turned back a Japanese invasion of the Chinese province of Yunnan; and that the Tigers destroyed nearly 300 enemy aircraft. Modern research in Japanese archives suggests that Japan in fact lost approximately 115 planes and 400 airmen to the Flying Tigers, against the AVG's combat and accident losses of 86 planes and 26 pilots—more than 30% of its original manpower. (The AVG had gone to war with only 82 pilots and 72 planes.) In the AVG's defense, that record is itself remarkable.

Mr. Kleiner casts Chennault as the hero, calling him a "legend," which history has certainly made him out to be, without taking Chennault to task for the poor planning, poor training and spare-parts shortages that hampered AVG operations from Day One. Also, amid much discussion of the U.S. Army's blundering attempts to induct the group into service, the author fails to explain why the Army Air Corps couldn't tolerate the AVG's continued existence. Army operations in China would soon dwarf the AVG, and well-compensated civilian pilots with the independence to refuse missions flying alongside military pilots required to follow orders for a fraction of the pay would have had a catastrophic effect on Army morale.

A far more original addition to the history of the AVG comes from Eugenie Buchan, whose "A Few Planes for China: The Birth of the Flying Tigers" focuses on the group's creation. Although she is ultimately unpersuasive with her thesis that the man most responsible for the Flying Tigers was Winston Churchill, she makes a strong case that the fighter group would have never flown without British encouragement, an important

For seven months after Pearl Harbor the volunteer pilots scourged the enemy and put their lives on the line.

contribution underappreciated by other histories.

Ms. Buchan painstakingly follows the sometimes cooperative, sometimes contentious and frequently confusing threads of Sino-American, Sino-British and British-American relations as they wind their way from the Japanese invasion of China in July 1937 to the attack on Pearl Harbor, tracing the many strategic hopes and desires that eventually knit the AVG into existence. Drawing on previously unexamined British and American archival material, Ms. Buchan surveys the roles played by the British military and foreign office and by President Roosevelt and the members of his "kitchen cabinet." She focuses especially on economic adviser Lauchlin Currie, and William Pawley and Bruce Leighton, respectively the president and vice president of both Intercontinent Corp. and the Central Aircraft Manufacturing Co. Those two private American companies helped the Chinese develop aviation assets and earned large sums of money through the AVG's successful creation. (Leighton also happens to be Ms. Buchan's grandfather.)

"A Few Planes for China" is a convoluted tale and far from a thrilling read. But one of Ms. Buchan's great contributions to the history of the Flying Tigers is to debunk the self-promoting story that Chennault peddled in his postwar memoir, "Way of a Fighter" (1949), which saw him arriving in Washington from China at the end of 1940 and, as if by magic, single-handedly creating the AVG over the course of the next few months. Historians and writers, including this reviewer, have largely cleaved to that story ever since. Ms. Buchan presents a corrective account that is more complicated, provocative and interesting—and probably more accurate.

Mr. Crouch is the author of "The Bonanza King" and "China's Wings."

John Wesley Powell and the American West

Continued from page C7

motives for participants and historians taking the positions they did—principally their degree of antipathy or admiration for Powell himself.

On the matter of Powell's leadership, Mr. Lago unearths some fresh evidence that may help to explain the tensions in the party. It seems that five of the men were recruited through one of Powell's leading sponsors, Colorado newspaperman William Byers, who had considerably more back-country experience than the Major and who may have been planning to head the mission himself. After Byers pulled out at the last minute, apparently in a falling-out with Powell, the crew may have been resentful and unsure of their leader, who in turn may have doubted the men's loyalty.

Mr. Lago is at pains to point out that many of his conclusions are speculative. And the book contains enough inferences to gratify the most ardent conspiracy theorist—such as the suggestion that the Howland-Dunn murders may have been committed by Paiutes but then covered up by Mormon settlers to conceal previous Mormon atrocities against the Indians. The narrative also has its share of overlong digressions, ranging from the whaling industry to Amelia Earhart. But "The Powell Expedition" is a thought-provoking, nuanced work that reads at times like a detective story, and it should offer much fodder for historians.

Despite its more-limited-sounding title, John Ross's "The Promise of the Grand Canyon" is essentially a biography. After giving due scope to Powell's years before the expedition, it moves smartly through the journey itself, then focuses on the Major's later life. In 1871 and 1872, he completed a better-funded, better-planned encore exploration of the Colorado, at last fulfilling the scientific goals he was earlier forced to abandon. Afterward, even as his crew members lived in obscurity and poverty, Powell was celebrated as one of the country's leading scientists, serving as chief of the U.S. Geological Survey, director of the Smithsonian's Bureau of Ethnology and a founder of the National Geographic Society. The impressive résumé aside, some readers may tire of Mr. Ross's blow-by-blow accounts of Washington, D.C., infighting, and they may not be persuaded that, by preserving congressional funding of the USGS, Powell "had made it through whirlpools and giant standing waves even more menacing than those on the Colorado," arriving at his "finest hour."

But Mr. Ross does make a convincing case for Powell's legacy as a pioneering conservationist who maintained, ahead of his time and to no avail, that future settlement of the West must take into account the region's essential aridity. The Major's argument for sustainability and stewardship remains particularly pertinent today, when 36 million people across seven states depend on the Colorado for their drinking water. Not surprisingly, the river is probably "the most contested and controlled" on earth, with many of the rapids braved by Powell and his men reduced to trickles and some of its most spectacular canyons flooded by dams. As Mr. Ross writes, Powell "did not ask for reverence for the land, but rather—more significantly—he asked for humility when regarding it. It was not then, and not today, an easy message for Americans to hear."

Mr. Helferich's most recent book is "An Unlikely Trust: Theodore Roosevelt, J.P. Morgan, and the Improbable Partnership That Remade American Business."



MAJOR Portrait of John Wesley Powell (1834-1902) by Edmund Clarence Messer, 1889.

BOOKS

'American readers ... place no taboos of their own on anything which may inform them or help them to understand the world and themselves.' —E. HALDEMAN-JULIUS

Culture Served In a Blue Wrapper

Publisher for the Masses

By R. Alton Lee

Nebraska, 255 pages, \$29.95

BY DANNY HEITMAN

MENTION "blue book," and most Americans will instantly think about the popular reference guide for gauging the price of automobiles. But for six decades of the 20th century, "blue book" meant something else to customers of the publishing business founded by Emanuel Haldeman-Julius. His Little Blue Books series offered dirt-cheap copies of classic literature to millions of readers around the world, a feat of marketing and mass production that earned him the nickname "The Henry Ford of Literature." His story unfolds in "Publisher for the Masses," R. Alton Lee's earnest but uneven account of the entrepreneur's life and career.

Haldeman-Julius was inspired to make books that the poor could afford because he had once been a reader with little money himself. Born in Philadelphia in 1889 to Russian Jewish immigrants, Haldeman-Julius developed an early love of books, partly inspired by his father, who was a book binder. Although he left school in the seventh grade to help support his family, Haldeman-Julius read widely, sampling everything from Maupassant to Gorky, Balzac to Tolstoy, Longfellow to Dickens to Poe.

When he was about 15, Haldeman-Julius bought a 10-cent copy of Oscar Wilde's "The Ballad of Reading Gaol" at a used bookstore, crossing the street to a park bench where he could enjoy his purchase. "It was winter," Mr. Lee tells readers, "but he was so engrossed he did not notice until later that his 'hands were blue,' his 'wet nose' was numb, and his ears 'felt as hard as glass. Never, until then, or since, did any piece of printed matter move me more deeply," he reported later."

Haldeman-Julius would eventually make such experiences available to other readers who had nothing but pocket change to spend on reading. His identification with the poor led him into leftist politics, working as a staff writer for several socialist newspapers across the country. By 1915, Haldeman-Julius had landed in Girard, Kansas, then a town of roughly 2,000 that, in spite of its size, boasted the Appeal to Reason, "a newspaper

that enjoyed a circulation of over 750,000, which made it the leading socialist newspaper in the world," Mr. Lee notes.

Haldeman-Julius soon married local heiress Marcelline Haldeman, the couple agreeing to adopt a hyphenated surname to reflect both sides of their family. It was an especially unusual arrangement for the time, but Haldeman-Julius welcomed experiment, as did Marcelline, who was the niece of Jane Addams, the guiding spirit of Chicago's Hull House, the famous center for social reform.

Emanuel Haldeman-Julius became one of the Appeal's owners. In 1919, using the paper's printing equipment, he published his own, pamphlet-size version of "Reading Gaol," along with "The Rubaiyat of Omar Khayyam," pitching them to readers for a quarter apiece. An enterprise that would soon become the Little Blue Books was born.

To drop the sale price of his books to a nickel and make them even more accessible, Haldeman-Julius relied on volume to make a profit. He modernized his printing plant so that it could produce a whopping 240,000 copies a day. Depending on an early version of crowd-sourcing to find capital for his operation, Haldeman-Julius employed a forerunner of GoFundMe, asking his readers to loan him money for expansion. "The money poured in," Mr. Lee writes.

In another nod to the future, Haldeman-Julius embraced the possibilities of direct delivery to his customers, creating a business model for reaching book lovers that seemed to anticipate Amazon.com. In a speech in 1923, he told listeners that "mail order was the wave of the future for books," Mr. Lee writes. "More than three-quarters of the American population lived in rural areas or small towns, he said, and they rarely traveled to a city and even more rarely entered a bookstore. Publishers had to find another way to reach this market."

Thanks to the Little Blue Books, which averaged only 64 pages and were small enough to fit in a shirt pocket, readers without much cash could connect with Shakespeare, Henry James, Thomas Hardy or John Stuart Mill. Contemporary authors of the time sometimes got a boost through Little Blue Books, too. Haldeman-Julius published popular historian Will Durant, helping him build an audience for the material Simon & Schuster would release as the best-selling "Story of Philosophy."

The U.S. Post Office and E. Haldeman-Julius supplied working-class autodidacts with nickel editions of the classics.



MAIL-ORDER PAMPHLETEER Emanuel Haldeman-Julius with his Little Blue Books.

THE UNIVERSITY OF NEBRASKA PRESS

To fatten his bottom line, Haldeman-Julius offered more salacious Little Blue Books, including sex manuals, a multi-part history of prostitution and "Confidential Chats With Wives." He liked to rename books to raise eyebrows—and sales. When he rechristened Théophile Gautier's "Golden Fleece" as "The Quest for a Blond Mistress," orders jumped from 6,000 to 50,000.

In his final years, Haldeman-Julius suffered marital and legal problems, dying in 1951 at age 62. His son tried to run the business, which declined dramatically. A plant fire in 1978 ended the Little Blue Books.

Mr. Lee has a promising story that he sometimes oversells. Because Haldeman-Julius printed so many books, "Publisher for the Masses" asserts that the area in and around southeastern Kansas became "the international center for Western civilization," as if quantity alone defines a publisher's influence. Mr. Lee's writing can often seem, like his biographical subject, from another

time, as when he tells us that Haldeman-Julius "entrained for the East Coast." He is also overly fond of rhetorical questions: "What were the forces that shaped Emanuel's character?" "Was Emanuel thinking of his mother when he wrote about Jewish cooks?" The reader tires of squinting beneath Mr. Lee's interrogation lamp.

One wishes that "Publisher for the Masses" devoted less attention to its subject's personal life and a bit more scrutiny to the Little Blue Books themselves. While Mr. Lee does not make a conclusive case concerning how the Little Blue Books changed America, it seems that owning a business changed Emanuel Haldeman-Julius. By the time he died, we learn, the once-fiercely socialist had become a registered Republican.

Mr. Heitman, a columnist for the *Advocate* newspaper in Louisiana, is the author of "A Summer of Birds: John James Audubon at Oakley House."

Revitalizing the Southern Gothic Style



FICTION
SAM SACKS

William Gay's final book is a road novel without a last stop, full of people who are rarely up to any good.

THE CAREER OF William Gay is a lesson in the wisdom of patience. Gay (1941-2012) was born and raised in Hohenwald, Tenn., a small town south of Nashville. He served in the Navy, started a family in Hohenwald, and worked in construction. In his off hours, and mostly in secret, he was writing. But it was only in 1998, when he was 56 years old, that his fiction was finally published. By the time his first story, "I Hate to See That Evening Sun Go Down," appeared in the literary quarterly the Georgia Review, Gay's style was fully formed: sinister and lovely, dark and atmospheric, blood-soaked and word-drunk. He fit squarely in the Southern Gothic tradition, but the languid, unrolling richness of his language made the stories and novels that followed feel fresh, a rebirth of a genre prone to pale imitations.

A sense of slow-motion catastrophe characterizes "The Lost Country" (Dzanc Books, 362 pages, \$26.99), which Gay left unfinished when he died, at age 70, in 2012. (It has been lovingly pieced together by the writer J.M. White from an immense and disorganized trove of papers.) This is a road novel without a destination. It's set in 1955, when Navy veteran Billy Edgewater is traveling east across Tennessee to see his dying father. But Edgewater gets side-tracked so often in his journey—he takes day jobs, falls in with bad company, gets into bar fights, gets tossed in jail—that it's quickly clear that the side track is the main road and the

wandering itself is the homecoming.

Edgewater is a curiously empty figure, as passive as an iron filing pulled toward a magnet. ("You're not real," an exasperated woman tells him late in the book. "If they were taking a census I doubt they'd even count you.") It happens that the people he's drawn to are rarely up to any good. "The Lost Country" comes alive in its troublemaking secondary characters, the most memorable being a one-armed, jack-of-all-trades confidence man named Roosterfish, who leads Edgewater into a sequence of near-lethal schemes.

Gay elongates each of these episodes, however transient or absurd, lavishly appointing them with supple, ornate prose. He once told an interviewer that he sometimes contrived scenes "just to get to write a summer storm," and he does so here, interrupting Edgewater and Roosterfish as they're scamming a farmer by painting his barn with dyed motor oil: "The thunderhead had arisen until it loomed almost to the sun and even as he watched the sun was swallowed, hung like a rind of gleaming disc against the black cloud like an eclipse. . . . The thunderhead seethed at its base as if feeding on all it passed across and forked prongs of lightning walked stilted about the horizon."

"The Lost Country" is unabashed about its influences, and the allusions to "Huckleberry Finn," Cormac McCarthy's "Suttree" and Flannery O'Connor's "Good Country People" are so

pointed they're almost homages. James Joyce's "Ulysses" is another touchstone, especially in Gay's love of compound words (he describes "paintlorn Victorian mansions" and the "lichenept concrete of the stairs"). Edgewater is an Odysseus with no inner compass. It may be impossible to say how much Gay's sudden

THIS WEEK'S BOOKS

The Lost Country

By William Gay

The Dying of the Light

By Robert Goolrick

From a Low and Quiet Sea

By Donal Ryan

death contributed to the novel's indeterminate ending. But Edgewater is like the crumbling Southern towns he passes through, haphazardly drifting toward oblivion, revived only in the beautiful daydream of Gay's art.

The vanished South that Robert Goolrick depicts in "The Dying of the Light" (Harper, 277 pages, \$26.99) is Tidewater Virginia, the fiefdom of Diana Cooke, "one of the century's extraordinary beauties," painted by John Singer Sargent and photographed by Man Ray. In the early 1900s, when Diana is raised, her aristocratic, formerly slaveholding family has lost its fortune. To save their mansion, an extravagant pile known as Saratoga, she consents to marry the boorish millionaire Captain Copperton, a pantomime villain who

subjects her to unspeakable abuses.

So begins the operatic tale of "their liaisons and their lust and their perversions," a secret history of affairs and betrayals hidden behind a veneer of propriety. Diana is the novel's showpiece, but the central character may be Saratoga itself, "one of the most perfect examples of Georgian architecture in the country." Great portions of the novel revolve around Diana's efforts to restore the decaying house's onetime splendor—doomed efforts, the reader knows, because a ruinous fire is foreshadowed in the opening chapter.

Like his heroine, Mr. Goolrick also yearns to turn back the clock, writing a chivalric melodrama that resembles nothing so much as "Gone With the Wind." The elegance of the surfaces and the mad passions that boil underneath are meant both to attract and appall. But for all the author's earnestness and skill, I think that novels like this are really no longer possible. The fabled grandeur of the Plantation South has been so thoroughly (and correctly) discredited that even its refinements appear grotesque. When the conflagration arrives in Saratoga it seems less a tragic climax than an overdue deliverance.

Donal Ryan writes within the venerable tradition of vernacular Irish literature, fashioning prose of spare, rough-cut beauty from the speech and thoughts of the working class, usually in or around Limerick. His latest

book, "From a Low and Quiet Sea" (Penguin, 181 pages, \$16), is divided among the points of view of three men in crisis: Farouk is a Syrian doctor whose wife and daughter died during their migration.

Lampy is an aimless 23-year-old being devoured by jealousy of his ex-girlfriend. John, whose section is the longest and most powerful, is a retired accountant unburdening himself of a candid confession of his many sins, which include bearing false witness ("If you say something enough times, the repetition of it makes it true. Any notion you like, no matter how mad it seems, can be a fact's chrysalis") and, most terrible, conspiring in the murder of a rival in love.

Mr. Ryan has a sensitive feel for the process of atonement, the gradual shifts in the human heart that steer his characters from wrongdoing or despair toward some form of redemption. His novel "All We Shall Know," about the saving friendship between a solitary pregnant woman and an outcast teenager, was one of the most moving books I read in 2017. "From a Low and Quiet Sea" has similar moments of vulnerability and grace, but overall it's less fulfilling, an arrangement of character sketches rather than a fluent story. A final section cleverly links the three men, but the narrative legerdemain speaks less to interconnection than to mere coincidence. Farouk spells out the book's moral on the first page: "Be kind." That applies whether the characters are bound together or all on their own.

BOOKS

'The creature we call a gentleman lies deep in the hearts of thousands that are born without chance to master the outward graces of the type.' —OWEN WISTER



FIVE BEST WESTERNS

Christopher Knowlton

The author, most recently, of 'Cattle Kingdom'

The Virginian:
A Horseman of the Plains

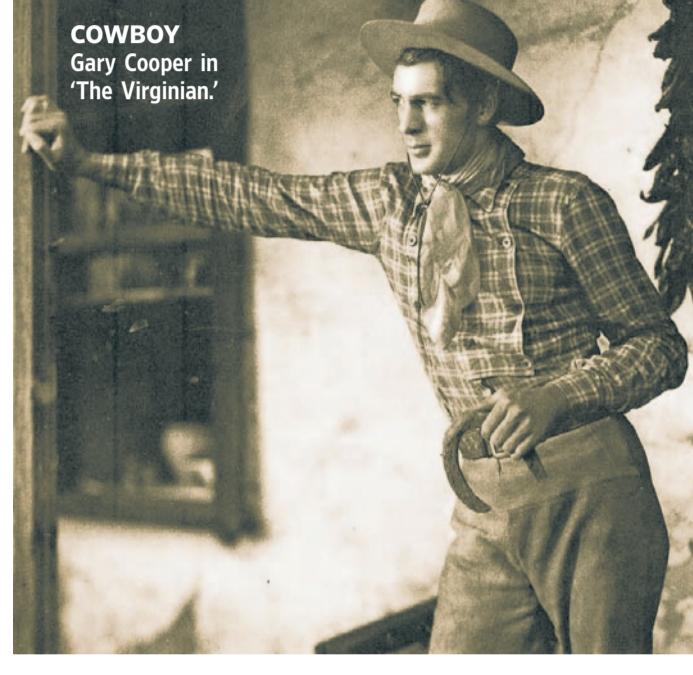
By Owen Wister (1902)

1 With "The Virginian," Owen Wister, a frustrated composer, can be said to have fathered the western. This Horatio Alger story set on the open range chronicles the adventures of a principled cowboy known only as "the Virginian," who brings progress and justice to an untamed Wyoming in the 1890s. His virility is a central motif: "In his eye, in his face, in his step, in the whole man, there dominated a something potent to be felt." The book's vision of the cowboy era is indisputably idealized but no less enjoyable for that. Wister's evocations of the landscape are lyrical. "After the fields to the east, the tawny plain began; and with one faint furrow of river lining its undulations, it stretched beyond sight." Not unexpectedly, the story has its enemy of the good—a murderous cowboy outlaw, Trampas, who despises the Virginian and stalks about threateningly, shadowing the action, until the inevitable face-off at the end. The walk-and-draw finale at sundown will be the Virginian's final test of courage: "A wind seemed to blow his sleeve off his arm, and he replied to it." The book was adapted to film six times, most memorably in 1929 with a young Gary Cooper in the role of the Virginian and a sneering Walter Huston hamming it up as Trampas.

The Ox-Bow Incident

By Walter Van Tilburg Clark (1940)

2 Walter Van Tilburg Clark turned the western on its head, or rather gave it what a cowpoke might call a necktie social. The villains in this



The Shootist

By Glendon Swarthout (1975)

4 Many cowboys suffer prostate problems after years spent in the saddle, and aging gunfighter J.B. Books, the hero of this novel, is among them—a man with a fatal cancer. Determined to die in a way that would give meaning to his life, he plans a suicidal shootout against El Paso's three bad guys, to take place in the town's best saloon. The crystalline descriptions of the bar violence are memorable—as are the details of death—and delivered in unflinching prose. But there is more to Books than killing. He is also a man given to sitting in his bedroom poring over newspaper ads, social items and excerpts that describe the recent death of Queen Victoria and the plans for her death mask—rich additions to this arresting portrait of an old gunslinger in his final days and at the end of an era.

Blood Meridian,
or The Evening Redness
in the West

By Cormac McCarthy (1985)

5 Cormac McCarthy's much-lauded horror-story western concerns the adventures of a morally bereft young man known simply as the kid (later, the man) as he travels through the Texas-Mexico borderlands in the mid-19th century, first on a doomed military expedition more focused on fomenting war than keeping the peace. Later he marauds with the depraved Glanton gang—an actual gang of the late 1840s and '50s that specialized in scalping Apaches and fleecing settlers. Notions of honor and of heroism have no place in this blood-drenched dystopia. An altogether mesmerizing work for those who can summon the courage to read it.

MYSTERIES

TOM NOLAN

Philip Marlowe Returns



'IT WAS ABOUT ELEVEN o'clock in the morning, mid October, with the sun not shining and a look of hard wet rain in the clearness of the foothills,' begins one of the most famous opening paragraphs in detective fiction. 'I was wearing my powder-blue suit, with dark blue shirt, tie and display handkerchief, black brogues, black wool socks with dark blue clocks on them. I was neat, clean, shaved and sober, and I didn't care who knew it. I was everything the well-dressed private detective ought to be. I was calling on four million dollars.'

Raymond Chandler's classic "The Big Sleep," in which the iconic Los Angeles investigator Philip Marlowe made his debut, was published nearly 80 years ago. But time has not diminished the character's appeal, as evidenced by the arrival of "The Annotated Big Sleep" (Vintage Crime, 474 pages, \$25), a compendium of the original novel along with footnotes and illustrations. Edited by author-poet Owen Hill, scholar-librarian Pamela Jackson and English professor Anthony Dean Rizzuto, with a foreword by the novelist Jonathan Lethem, this new edition is stuffed to the seams (that opening paragraph alone generates a full page of footnotes) with fascinating supplemental matter, from the statistical to the biographical to

THIS WEEK'S BOOKS

The Annotated
Big SleepBy Raymond Chandler
Edited by Owen Hill, Pamela Jackson & Anthony Dean Rizzuto

Only to Sleep

By Lawrence Osborne

the poetical, all of great interest both to "Big Sleep" aficionados and to first-time readers alike.

Why the need for annotation, though? Shouldn't a great work speak for itself? Yes, but as Mr. Lethem points out, even a novel as singular as "The Big Sleep"

"Sleep" doesn't emerge from a vacuum: "Chandler's book [is] a portrait of times and places, of manners and buildings, of forgotten crimes in forgotten newspaper accounts. The replacement of our intuitions of these things with firm knowledge creates a breathtaking effect." Furthermore, the annotations included here "amplify the book by slowing it down, allowing us to ruminate on the mysteries nesting within the clues." So whether or not you discerned an echo of Hemingway in Chandler's opening sentence, odds are you'll be enlightened by the parallels that the erudite and enthusiastic editors trace from the closing phrases of "The Big Sleep" to the prose of Willa Cather, Hamlet's celebrated soliloquy and a certain poem by John Keats.

A different sort of tribute is paid to Raymond Chandler and his enduring protagonist with "Only to Sleep" (Hogarth, 256 pages, \$26) by Lawrence Osborne, the third author, after Robert B. Parker and John Banville (writing as Benjamin Black), to be chosen by Chandler's estate to perpetrate a supra-canonical Philip Marlowe novel.

Set in 1988, Mr. Osborne's absorbing work presents a 72-year-old Marlowe living in a house in Baja California—"with my middle-aged maid, Maria, and a stray dog rescued from the garbage." Officially retired, the aging sleuth nonetheless accepts an insurance company's assignment to investigate the death of a debt-ridden and querulous American developer named Donald Zinn, who drowned off the Baja coast. Before the company delivers on Zinn's substantial insurance policy, they want to make sure that there's nothing suspect about his demise because, as one of the men who hires Marlowe says, "with a death in Mexico, we never know what the circumstances really are." So, armed with a sword-cane (a suitable-seeming weapon for an aging knight-errant from Southern California), Marlowe commits himself to "one last outing. . . . One last play at the tables."

As Marlowe knows from experience, "seeing the wife is always the fun part." The flirtatious but enigmatic widow Zinn—about 30, petite, and beautiful—gives him no reason to revise that judgment: "She had the level interest . . . that a leopard has. While it decides whether you can be killed or not, its eyes are remarkably gentle and serene."

Marlowe heads to the site of Zinn's death. He checks in with the authorities, looks up Zinn's cronies and makes some local acquaintances, most of whom urge him to go back where he came from—there's nothing here to learn. But he does learn things: indications that there was more to this death—or less—than the official version. Is it possible that Zinn's supposed demise is a fraud? As Marlowe hunts the truth in a number of Mexican locales, it seems he is being followed.

In route, the detective is haunted in dreams and in daylight by the ghosts of old cases and vanished sweethearts. He is half in love with the "widow" Zinn and grows apathetic about his employers' wishes. He senses himself more committed to performing one last moral gesture of his own than in serving corporate justice. The semi-exotic, lushly described "Only to Sleep" ends with a whimper, not a bang—which seems a fine way to leave an old fictional friend, taking at last a well-earned rest in the sun after having given readers decades of pleasure.

Until next time . . .

Freakiness and Fortitude



CHILDREN'S BOOKS

MEGHAN COX GURDON

ONE OF THE GREAT satisfactions of scary stories, for people who like that sort of thing, is being able to engage with terrors and monsters from the safety of an armchair. Twelve-year-old Alex Mosher has been a person who likes that sort of thing ever since he saw George Romero's "Night of the Living Dead" at a tender age. Far from traumatizing the boy, the movie kindled a passion for all things macabre, and when we meet Alex in "Nightbooks" (HarperCollins, 294 pages, \$16.99), J.A. White's clever, creepy novel for readers 9-13, he is no longer a mere consumer of frightful fare but a prolific writer of it.

All of his nightmares and best spooky ideas go into his "nightbooks," a set of composition books that Alex happens to be carrying one night when he hears his favorite movie's soundtrack coming from an apartment a few floors beneath his own. Lured by the sound, like a folk-tale child drawn to an ensorcelled candy house, Alex suddenly finds himself the prisoner of a terrifying, deadpan young woman with black lipstick and long black fingernails. "Are you going to do something bad to me?" he asks in alarm. "I'm a witch," replies the woman, Natacha. "You're a child. We're

not going to play checkers. Ever read any fairy tales?"

So begins the boy's disorienting confinement in a story that is as spine-tingling as it is well written. Alex soon discovers a fellow inmate, a hostile girl named Yasmin who tells Alex of Natacha's devouring hunger for ghoulish stories and gives him the idea of keeping himself alive, like Scheherazade, by keeping the witch in suspense. In these Grimm-infused pages, Mr. White combines folklore, freakiness and fortitude to celebrate the art and entrainment of storytelling.

There's nothing scary about the monster-heroine of "Ginny Goblin Is Not Allowed to Open This Box" (Houghton Mifflin Harcourt, 40 pages, \$17.99) unless you count her green skin and sharp, sticky-out teeth, and, really, in Louis Thomas's exuberant pictures, these attributes make her look cute. She does have a problem, though: She's not allowed to open a certain tantalizing circular box until dinnertime even though, as author David Goodner writes, "she really wants to know what's inside." Readers ages 3-6 will want to know, too. Maybe,

the author suggests, the box should go up on a high shelf in a locked room. "Ginny Goblin is not supposed to put on a ninja suit and sneak into the room," he explains, as we see Ginny doing exactly that. "And she is absolutely not supposed to use a rope and a grappling hook to climb to the top of the shelf." Funny and sweet, this is a picture book that honors the pull of both temptation and obedience, those great contenders in young childhood.

Ruth Quayle slips a number of surprisingly countercultural

messages into the jolly picture-book pages of "That Bear Can't Babysit" (Nosy Crow, 32 pages, \$16.99), illustrated by Alison Friend (see below left). When Mr. & Mrs. Burrow advertise for a baby sitter to look after their seven bunnies while they go to a party, the only taker is a large and not-very-bright-looking bear. "But they were going to be late for the party, so that bear would have to do. Mr. & Mrs. Burrow flung on their best clothes, crossed their fingers, and waved good-bye," we read, stunned to see fictional parents behaving in such a blithe and free-range way. Left with the sitter, the rabbits quickly take liberties—asking for a scary story, making a supper composed of candy, cookies and ice cream—and suffer the consequences. And when mother and father come home to find one child missing? They react to this momentary uncertainty with calm, looking around until they've assembled "seven little bunnies, safe and sound." Like the old-fashioned robin's-egg blue of the book's cover, the story seems to come from a time before anyone had ever heard of helicopter parenting.

With beautiful, clear language, Helen Borten takes children through a

single day deep within the Guatemalan rain forest in a reissue of her 1968 picture book, "The Jungle" (Enchanted Lion, 32 pages, \$16.95). Matte paper whispers under the fingers as the pages turn to show layered prints and etchings of monkeys and ferns; of the armadillo and the jaguar. "Under the leafy roof, it is dim and still," Ms. Borten writes. "Time seems to have stopped in a wild summer world of long, long ago. Thick vines hang from trees like ropes." The evocative description of natural things in a natural setting brings to mind the cadences of Robert McCloskey's beloved 1957 picture book, "Time of Wonder." With their patient pacing and a sense of quiet reverence, both are books to savor with children ages 3-9.

THIS WEEK'S BOOKS

Nightbooks

By J.A. White

Ginny Goblin Is Not Allowed to Open This Box

By David Goodner
Illustrated by Louis Thomas

That Bear Can't Babysit

By Ruth Quayle
Illustrated by Alison Friend

The Jungle

By Helen Borten



BOOKS

'A sailing ship is an exceedingly complex, sensitive, and capricious creation—quite as much so as most human beings.' —ARTHUR HAMILTON CLARK

Rigging the Market

Barons of the Sea

By Steven Ujifusa

Simon & Schuster, 427 pages, \$29.99

BY RANDALL FULLER

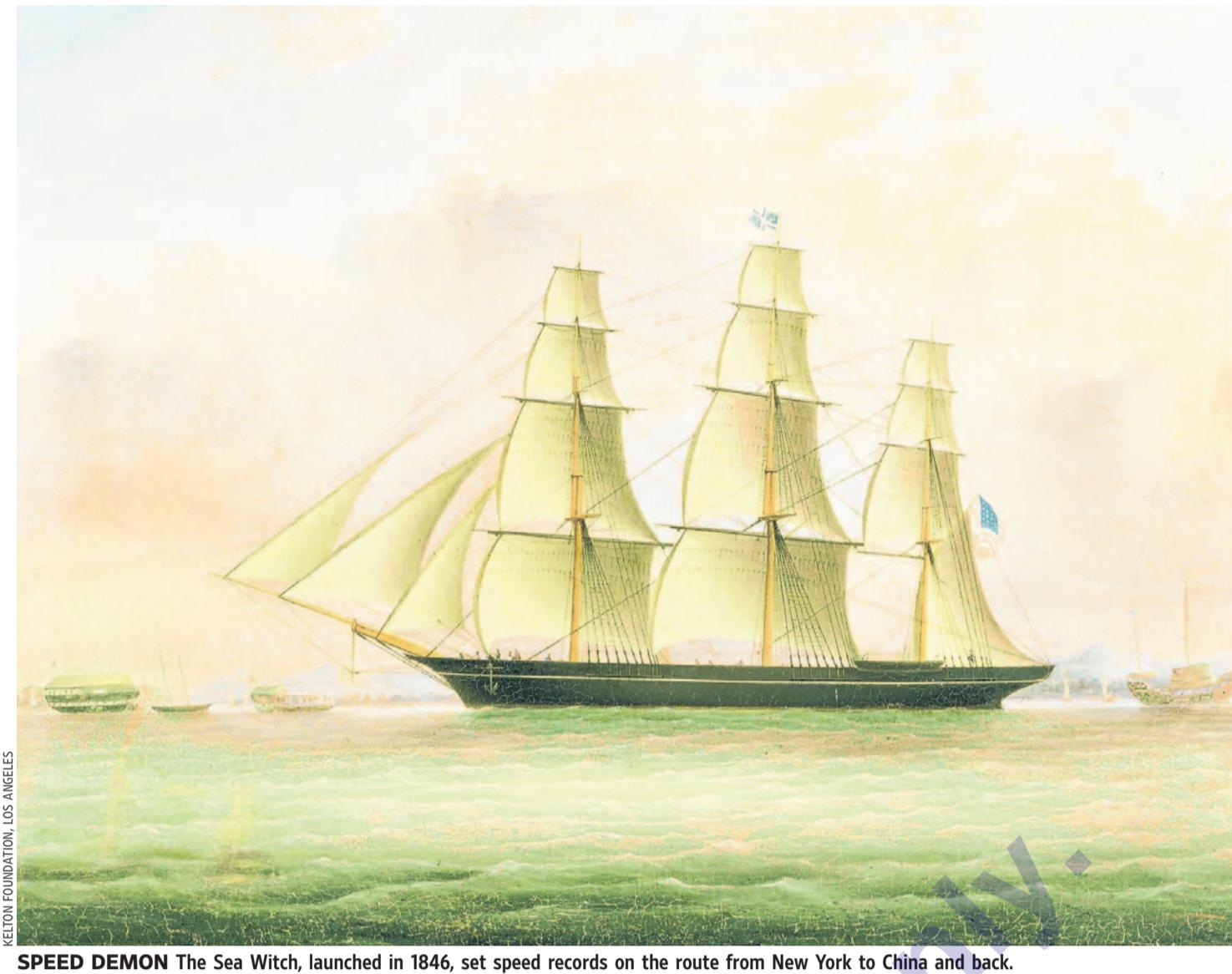
BEFORE THE rise of the internet in the 1990s, the period of greatest technological innovation in the U.S. occurred during the first half of the 19th century. The railroad, the telegraph and the photograph conspired to shrink time and space in this era and, in the process, to knit together an increasingly far-flung people in the expanding nation. In "Barons of the Sea," the nautical historian Steven Ujifusa chronicles another invention—the clipper ship—and the immense fortunes that both propelled and resulted from its development.

Clipper ships—generally schooners with three masts—were in many ways like the high-speed aircraft chronicled by the late Tom Wolfe in "The Right Stuff." Fast, dangerous and attractive to risk takers, they took existing naval technology to the limits—and sometimes past it. With their sharp hulls and flat bottoms, their towering masts and tens of thousands of square yards of sails, the clippers sliced through the water at unprecedented speeds. But time and again, the ships were dismasted or otherwise disabled when the wind blew too hard or they encountered rough waters.

Mr. Ujifusa's story begins less than a year after American independence, when New England traders first penetrated the insular Chinese tea market and began competing with the British to deliver tea in the shortest possible time. This portion of the book is especially good at providing character sketches of early American captain-entrepreneurs—men who left their families and homes for years at a time to live in Canton (modern-day Guangzhou). The goal was to become independently wealthy—to "make a competence," as the phrase went—before the age of 30. Some of these men bear names that continue to reverberate through American history, including Warren Delano II (grandfather of President Franklin D. Roosevelt) and Robert Bennett and John Murray Forbes, originators of the Forbes fortune. In Mr. Ujifusa's telling, these men were daredevils, shrewd businessmen and dynasty builders all at once.

Delano, the son of a successful New Bedford, Mass., whaling captain, was a "tough man to the core" who started as a shipping clerk at 16. He poured his eventual wealth into a 60-acre Hudson River estate inspired by a palace he had seen in China. The Forbes brothers had more austere but still refined taste and were patrons of cultural and philanthropic causes. John Murray's son married Ralph Waldo Emerson's daughter.

But there is a dark side to the story. The Delanos, Forbeses and other American shipping fortunes were made not simply by importing tea to the U.S. but by smuggling opium from India into China. While there were no legal restrictions on opium in the U.S. at the time, the drug had been banned in China by imperial edict in the late 18th century on account of its disastrous social consequences. Addiction was rampant, having spread from the wealthy to every stratum of Chinese society. "The Chinese



SPEED DEMON The Sea Witch, launched in 1846, set speed records on the route from New York to China and back.

government was nervous about using force to crack down on the trade," Mr. Ujifusa writes. "Craving for the drug had overwhelmed all means of enforcement. So had bribery." For British and American traders, however, the profits to be made by smuggling far outweighed any moral considerations; a single shipload of opium was worth tens of millions of dollars in today's currency. Mr. Ujifusa's "barons of the sea" were, in essence, America's first drug cartel.

Mr. Ujifusa is ultimately less interested in this aspect of his story than in the ships of "lithic, angelic beauty" that were soon developed to deliver tea and opium across vast stretches of water. The bulk of his book is taken up with recounting the competition among shipbuilders to construct vessels that would sail more quickly than ever before and yet remain durable enough to traverse the Atlantic, Pacific and Indian oceans. We learn in detail of the experimentation in design and materials, as well as the costs it took to build each ship. At some point in the book, the ships themselves, rather than the owners and captains, become the main characters.

In the 1840s, opium ceased to be the primary driver of clipper-ship design, replaced by gold. When the precious metal was discovered in Northern California, a stampede of transcontinental migrants headed west, effectively closing the American frontier. At the height of the Gold Rush, when thousands of Americans raced to California each month, supplies were so

scarce in the new boomtown of San Francisco that a pair of boots sold for \$1,400 in today's money, while barrels of flour and beef cost even more. To capitalize on these prices, shipping magnates abruptly turned their attention from China to the West Coast, funding larger and faster ships to make the run from Boston or New York to San Francisco. This trip, which included a dash around South America's dangerous Cape Horn, prompted the clippers' most daring designs—taller masts, many more sails, sleeker bodies. The first clipper to make the trip was the Memnon, commissioned by Warren Delano. On July 28, 1849, it arrived in the "sprawling shantytown" of San Francisco from the East Coast in just 123 sailing days—some 80 days faster than a typical trip on the route. "In a betting country gone mad about money and speed," Mr. Ujifusa writes, "the California clippers became an obsession."

The Flying Cloud, while not the largest clipper ever built, may be taken for the apotheosis of this trend. Designed by the brilliant (if improvident) Donald McKay, the ship was 235 feet long with a main mast nearly 100 feet tall. More interesting, it was navigated by a woman, Eleanor Prentiss Creesy, wife of the captain and one of the first persons to use Matthew Fontaine Maury's charts of ocean currents to devise speedier routes

around South America. In a race around Cape Horn against another clipper, the Hornet, Josiah and Eleanor Creesy made the trip in 89 days and eight hours—a record that would stand for another 140 years.

The era of the clippers ended as quickly as it began, terminated by the Civil War, the transcontinental railroad, the Panama Canal

and other developments. Among the pleasures of "Barons of the Sea" is the author's extensive knowledge of ship design and nautical history; the book is almost a beginner's manual in sailing and is infused by a clear love for the regal triple-masters of the past. But while it is filled with vivid portraits of the key players in America's sailing dynasties, the focus on the ships themselves sometimes squeezes out more human stories. More attention could have been spent, for instance,

on the remarkable Eleanor Creesy, whose knowledge of astronomy and oceanic currents rivaled those of her male peers. About the crews of the clippers we learn very little.

But these are small flaws. Mr. Ujifusa's subject ultimately is a handful of vessels, as ephemeral as they were fast, that nonetheless produced fortunes still with us to this day.

Mr. Fuller is a professor of English at the University of Kansas.

Best-Selling Books | Week Ended July 15

With data from NPD BookScan

Hardcover Nonfiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK	TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Girl, Wash Your Face Rachel Hollis/Thomas Nelson	1	3	The Plant Paradox Cookbook Steven R. Gundry/Harper Wave	6	-
Magnolia Table Joanna Gaines & Marah Stets/William Morrow & Company	2	1	My Diarrhe Miranda Sings/Gallery Books	7	New
The Plant Paradox Steven R. Gundry/Harper Wave	3	5	StrengthsFinder 2.0 Tom Rath/Gallup Press	8	9
The Subtle Art of Not Giving a F*ck Mark Manson/Harper	4	4	Calypso David Sedaris/Little, Brown and Company	9	6
12 Rules for Life Jordan B. Peterson/Random House Canada	5	7	Educated Tara Westover/Random House	10	10

Nonfiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK	TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Educated Tara Westover/Random House Publishing Group	1	2	Girl, Wash Your Face Rachel Hollis/Thomas Nelson	1	3
The 7 Habits of Highly Effective People Dr. Stephen R. Covey/Stephen R. Covey	2	-	The Plant Paradox Steven R. Gundry/Harper Wave	2	7
Girl, Wash Your Face Rachel Hollis/Thomas Nelson, Inc.	3	6	Magnolia Table Joanna Gaines & Marah Stets/William Morrow & Company	3	2
The Plant Paradox Steven R. Gundry/HarperCollins Publishers	4	-	The Subtle Art of Not Giving a F*ck Mark Manson/HarperOne	4	4
Bad Blood John Carreyrou/Knopf Doubleday Publishing Group	5	4	You Are A Badass Jen Sincero/Running Press Adult	5	-
The Complete Idiot's Guide... Jason Stevenson/DK	6	-	12 Rules for Life Jordan B. Peterson/Random House Canada	6	6
The Ultimate Guide To Red Light Therapy Ari Whitten/Ari Whitten	7	New	Educated Tara Westover/Random House	7	9
A Pig In Provence Georgeanne Brennan/Chronicle Books LLC	8	-	Kitchen Confidential Anthony Bourdain/Ecco Press	8	8
The Little Book of Talent Daniel Coyle/Random House Publishing Group	9	-	Gracie's Secret Jill Childs/Bookouture	8	5
Troublemaker Leah Remini/Random House Publishing Group	10	-	Clock Dance Anne Tyler/Knopf Doubleday Publishing Group	9	New

Nonfiction Combined

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK	TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
Girl, Wash Your Face Rachel Hollis/Thomas Nelson	1	3	The Plant Paradox Steven R. Gundry/Harper Wave	2	7
Magnolia Table Joanna Gaines & Marah Stets/William Morrow & Company	3	2	Gracie's Secret Jill Childs/Bookouture	8	5
The Plant Paradox Steven R. Gundry/Harper One	4	4	Clock Dance Anne Tyler/Knopf Doubleday Publishing Group	9	New
You Are A Badass Jen Sincero/Running Press Adult	5	-	Spymaster Brad Thor/Atria Books	7	1
12 Rules for Life Jordan B. Peterson/Random House Canada	6	6	Gracie's Secret Jill Childs/Bookouture	8	5
Educated Tara Westover/Random House	7	9	Clock Dance Anne Tyler/Knopf Doubleday Publishing Group	9	New
Kitchen Confidential Anthony Bourdain/Ecco Press	8	8	Spymaster Brad Thor/Atria Books	7	2
Calypso David Sedaris/Little, Brown and Company	9	5	All We Ever Wanted Emily Giffin/Ballantine Books	8	4
Things That Matter Charles Krauthammer/Crown Forum	10	1	The Outsider Stephen King/Scribner Book Company	9	7

Hardcover Fiction

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK	TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
The President Is Missing J. Patterson & B. Clinton/Little, Brown & Company & Knopf	1	1	The Perfect Couple Elin Hilderbrand/Little, Brown & Company	6	3
The Good Fight Danielle Steel/Delacorte Press	2	New	The Hate U Give Angie Thomas/Balzer & Bray/HarperTeen	7	6
The Outsider Stephen King/Scribner Book Company	3	4	All We Ever Wanted Emily Giffin/Ballantine Books	8	5
Willa of the Wood Robert Beatty/Disney-Hyperion	4	New	Clock Dance Anne Tyler/Knopf Publishing Group	9	New
Spymaster: A Thriller Brad Thor/Atria Books	5	2	An Elephant & Piggie Biggie! Mo Willems/Disney-Hyperion	10	8

Fiction E-Books

TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK	TITLE AUTHOR / PUBLISHER	THIS WEEK	LAST WEEK
The President Is Missing J. Patterson & B. Clinton/Little, Brown & Company & Knopf	1	2	The Perfect Couple Elin Hilderbrand/Little, Brown & Company	2	6
The Good Fight Danielle Steel/Delacorte Press	2	New	All We Ever Wanted Emily Giffin/Ballantine Books	4	4
The Outsider Stephen King/Scribner Book Company	3	3	Clock Dance Anne Tyler/Knopf Publishing Group	6	New
Issued to the Bride One Soldier Cora Seton/Cora Seton	6	New	Spymaster Brad Thor/Atria Books	7	2
Spymaster Brad Thor/Atria/Emily Bestler Books	7	1	All We Ever Wanted Emily Giffin/Ballantine Books	8	4
Sharp Objects Gillian Flynn/Crown/Archetype	5	7	The Outsider Stephen King/Scribner Book Company	9	7
Gracie's Secret Jill Childs/Bookouture	8	5	When Life Gives You Lululemons Lauren Weisberger/Simon & Schuster	10	9
Clock Dance Anne Tyler/Knopf Doubleday Publishing Group	9	New			
A Gathering of Secrets Linda Castillo/St. Martin's Press	10	New			

PLAY

NEWS QUIZ DANIEL AKST

From this week's
Wall Street Journal

1. Rep. Martha Roby won a GOP primary runoff election for her Alabama seat in Congress. Whom did she defeat?



- A. Bobby Breen
- B. Bobby Briggs
- C. Bobby Bright
- D. Bobbi Brown

2. Netflix is working with Sirius to create a new comedy radio channel. What will it be called?

- A. UnSirius Radio
- B. WYUK Radio
- C. Netflix Is a Joke Radio
- D. Radio Haha

3. Maria Butina, who allegedly had ties to Russian intelligence, was accused of trying to set up back-channel relationships with Republican politicians—through what organization?

- A. The National Association of Realtors
- B. The National Rifle Association
- C. The Heritage Foundation
- D. The Environmental Defense Fund

4. The White House has criticized the Federal Reserve for raising interest rates. Which Fed chief came under political pressure from President Lyndon Johnson?

- A. Paul Volcker
- B. G. William Miller
- C. Arthur Burns
- D. William McChesney Martin

Answers are listed below the crossword solutions at right.

5. President Trump ignited criticism when he appeared to take the side of his Russian counterpart, Vladimir Putin, against American intelligence services after a summit—in what locale?

- A. Kiev
- B. Helsinki
- C. Oslo
- D. Vienna

6. The price tag for what is expected to rise above \$1 trillion next year?

- A. A one-bedroom apartment in San Francisco
- B. A year at an Ivy League university
- C. Health care in America
- D. The federal deficit

7. Supersonic passenger travel may be back soon, thanks to new boom-reducing technology. Which of these was the first plane to reach supersonic speed?

- A. The Bell X-1
- B. The TU-144
- C. The Nord Gerfaut
- D. The Lockheed U-2

8. France beat Croatia to win soccer's World Cup for the first time since 1998. What was Didier Deschamps, France's coach, doing back then?

- A. He was a player on that team.
- B. He was a player for Brazil, which France defeated in that year's final.
- C. He was a player for Real Madrid.
- D. He was a student at the Sorbonne.

VARSITY
MATH

Tile the Square

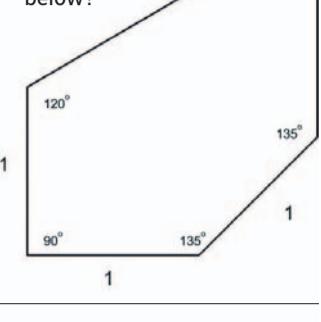
Cover a square with four tiles that are isosceles triangles, two of which are identical. No overlap or overhang of the tiles is allowed.



Provided by National Museum of Mathematics

Largest Circle

What is the radius of the largest circle that can be drawn inside the polygon shown below?



For previous weeks' 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

Process of Discovery

ACROSS 1. ME(C)CA ("came" anag.)

5. A + B(O)ARD 10. SEMILUNAR (anag.)

11. THERESA (anag.)

13. H(A + VAN)A 16. SWEEP ("sleep" Fuddism)

17. S + NAPS 20. MEG + A

21. sANDY 23. A + P + ACHE

26. CREE + D 28. KOREA (hid.)

29. S + HELVE 31. SWITHIN (anag.)

32. BIL(A + T + ERA)L 33. AT + H +

ROB 34. P + LUSH

DOWN 1. MY + T + HS 2. E +

THANE 3. CERA (anag.) 4. A +

MEN'S 6. BL(AS)T 7. OUTWEAR (anag.)

8. RAVE + N 9. DR(OP)'S +

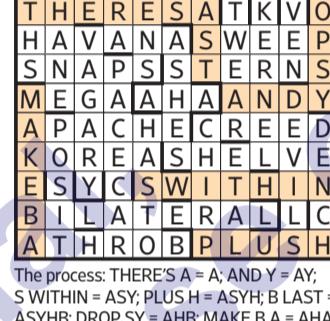
Y 12. KERNEL ("colonel" hom.)

14. V(AG)ARY 15. ASHES (2 defs.)

18. PAC + ECAR (rev.) 20. MAKEBA (anag.)

22. DEVIL + S (rev.) 24. POS(IT) 25. HAS TO (anag.) 26. CHI(R)P

27. DEN + CH 30. ET AL (rev.)



The process: THERE'S A = A; AND Y = AV;
S WITHIN = ASY; PLUS H = ASHY; B LAST =
ASYHB; DROP SY = AHB; MAKE B A = AHA

Answers to News Quiz: 1.C, 2.C, 3.B, 4.D, 5.B, 6.D, 7.A, 8.A

Varsity Math

In **Cats and Dogs**, the woman is 37 and she must own at least five pets. In **Sporting Question**, Sportsville has a population of 104 and the team roster has 39 people in spring and 40 people on the Fourth of July.

Movie Trailers



THE JOURNAL WEEKEND PUZZLES edited by MIKE SHENK



Ender's Game | by Daniel Hamm

- Across**
- 1 King of pop
 - 7 Org. that compiles a Most Popular Baby Names list
 - 10 Start a triathlon
 - 14 Material for some flutes
 - 19 Arithmetic class device
 - 20 Deadlock
 - 21 Light-sensitive retinal cell
 - 22 Gracefully thin
 - 23 Bank job after closing time?
 - 25 Suntan lotion brand for bald men?
 - 27 "Revenge is best served cold"
 - 28 Implore
 - 30 Nutritious root
 - 31 Stoolie
 - 32 "Dancing With the Stars" judge Goodman
 - 33 Make jubilant
 - 35 On the go
 - 38 Fictional home 25 miles south of Atlanta
 - 39 Talks tediously
 - 40 Doone of fiction
 - 41 Brief time
 - 42 Deep black beer?
- 45 Bar in a Transylvania tavern?
 - 49 Spa town on the shores of Lake Geneva
 - 50 High-minded
 - 51 Word's last syllable
 - 52 Feathery plant
 - 53 Dictators' underlings
 - 55 Equivalent of 3600 joules
 - 57 Rain on a sunny day?
 - 60 "Twilight" heroine
 - 61 Org. whose insignia depicts an eagle grasping a key
 - 62 Puts back on the payroll
 - 63 Angular measures
 - 65 Alert akin to a BOLO
 - 68 Tricky turns
 - 69 Aimless stroll through the halls of Hogwarts?
 - 73 Flyers
 - 75 Wane
 - 76 BP buy of 2000
 - 77 Oscar winner Brody
 - 78 "Psycho" setting
 - 79 Star in Virgo
 - 80 Mountain man?

45 Joint tenants?

46 One might cause a holdup

47 Prey for dingoes

48 ___ avis

50 Delaware city near Rehoboth Beach

53 Plant period

54 Civil wrongs

55 "Let's not and say ___"

56 "You're nothing but a pack of cards!" speaker

58 "The Miracle Worker" family

59 Queen of the Jungle in comic books

60 Lender's offering

63 Pit visitor

64 Buy eagerly

65 "Sad to say..."

66 Spa offering, for short

67 In shorts, say

69 Like household electricity

70 Minute amount

71 "Behold!" to Brutus

72 Crowd cacophony

74 Let go

75 Mechanical procedures

78 Cath. prelate's title

79 Barbers' targets

81 Round-topped fastener

82 To help

83 Joan who played Miss Marple

84 She was awarded the Presidential Medal of Freedom by Barack

85 See 99-Down

88 Site of a noted 1-Down

89 Catastrophic, as a mistake

90 Beautiful people

91 Phila.-to-Miami direction

93 Played with, as a ball of yarn

94 Hardly hidden

95 Trunk

97 "Don't look ___!"

99 With 85-Down, summer sip

101 Ramble

103 Old crone

104 RSVP card, e.g.

105 Hosp. workers

107 Winter bug

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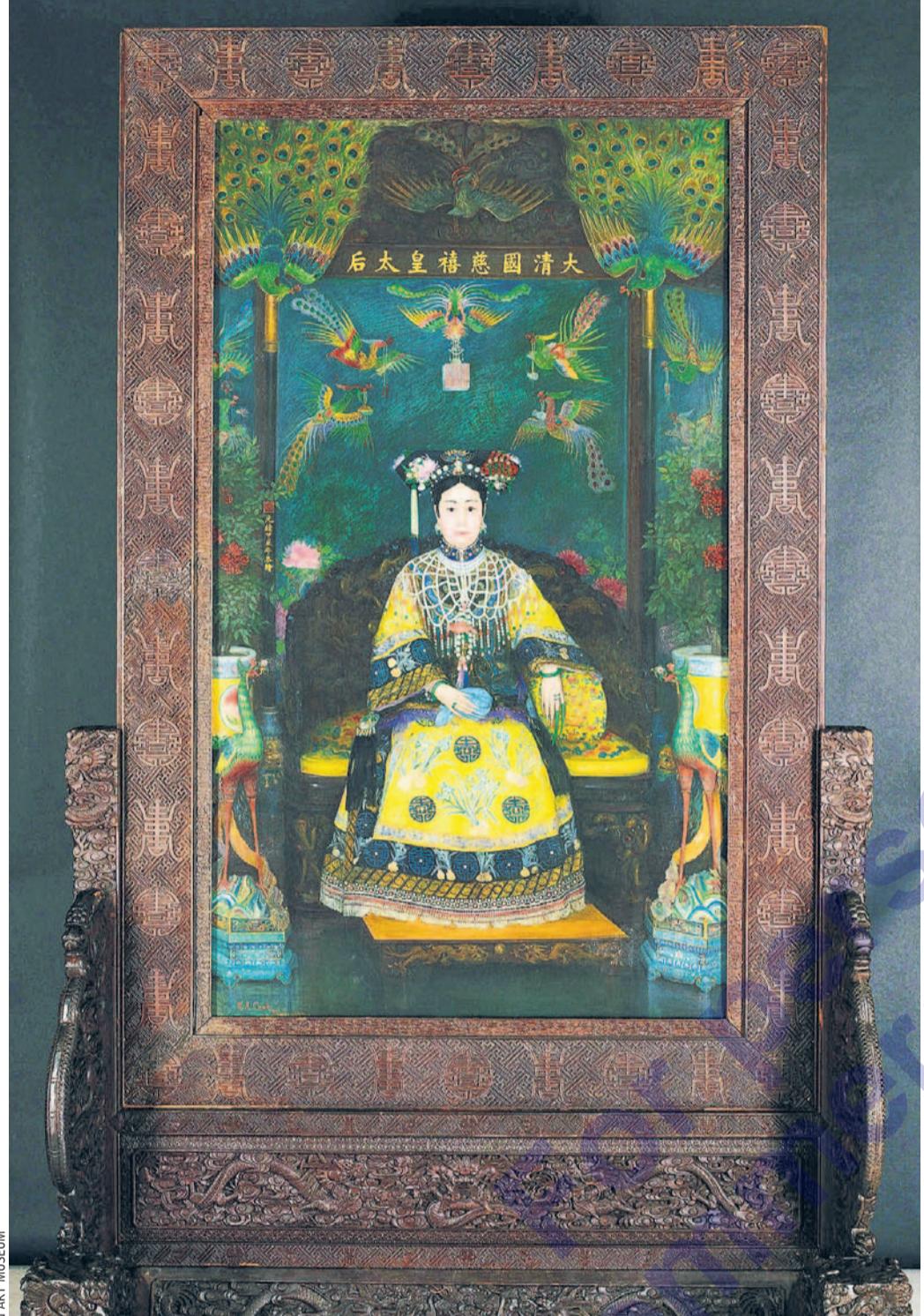
Y

Z

ICONS

A Vanished Realm of Female Power

In Salem, Mass., and Washington, D.C., silk robes, paintings and a massage roller evoke China's elite Qing women



SMITHSONIAN AMERICAN ART MUSEUM

REVIEW

By SUSAN DELSON

ONE OF THEM, a clever strategist, advised two generations of imperial rulers. Another became an enduring symbol of filial devotion, her milestone birthdays celebrated throughout the empire. The most audacious emerged as the nation's de facto ruler, maintaining power for close to a half century.

These formidable figures are some of the stars of "Empresses of China's Forbidden City." Opening Aug. 18 at the Peabody Essex Museum in Salem, Mass., the exhibition looks at the highest-ranking women in the Qing (pronounced "Ching") dynasty, which lasted from 1644 to 1912. Showcasing close to 200 sumptuous costumes, portraits, furnishings and other objects from Beijing's Palace Museum—the fabled imperial complex known as the Forbidden City—the exhibition brings to light a hidden history of influence, accomplishment and authority.

"There were more than two dozen empresses over the course of the Qing dynasty," said Daisy Yiyou Wang, the museum's curator of Chinese

and East Asian art and co-curator of the show. Ms. Wang said that she and her co-curator Jan Stuart—curator of Chinese art at the Smithsonian's Freer/Sackler in Washington, D.C., where "Empresses" will open next March—conducted research at the Palace Museum over four years, eventually focusing on a handful of particularly striking personalities.

An emperor was married simultaneously to several women (called consorts) but had only one empress, or primary wife, at a time. She topped a hierarchy consisting of eight ranks of consort, each with its own privileges and protocols. Every three years, daughters of elite families reaching the age of 13 were presented as potential consorts for the emperor and his sons. The emperor chose which of his sons would succeed him, so a lesser-ranked woman might become empress dowager, second only to the emperor in the imperial family hierarchy.

The show opens with a look at grand imperial weddings—elaborate state ceremonies held when a ruling emperor married a primary wife, which happened only four times in Qing dynasty history—and the emblems of an empress's status. (Joining the harem, other consorts underwent an "Entering the Palace" rite.) Intricately embroidered silk robes introduce the rigid protocols that governed imperial dress, along with the symbols often appearing on an empress's garments, such as the dragon and phoenix (representing emperor and empress) and mountains and waves (the universe they ruled). Not surprisingly, images of young boys and symbols of fertility—including lotuses, pomegranates and other seed-laden fruits—decorated many of the objects the consorts used.

The women of the Forbidden City were sequestered from public view and stringently monitored and regulated—including the empress herself, who as "mother of the state" was expected to be a role model for all women. But because the Qing were Manchu, a minority group known for horsemanship and military prowess, they enjoyed a measure of freedom not known to high-ranking women of the ethnic Han majority.

The Manchu, for instance, did not practice foot-binding, a custom that turned Han noblewomen into virtual cripples. Instead, Manchu women learned horseback riding, archery and hunting, and Qing empresses often traveled with their husbands on regional tours. Their footwear included lavishly embroidered boots, often with thick wooden soles, sturdy enough to let the wearer stand in stirrups on horseback. The exhibition includes some examples from the late 1600s, as well as elaborately decorated bracelets, hairpins and other accessories—including an 18th-century massage roller.

Later sections of the show cover royal family and harem life, where an empress was expected to exert her influence, and other spheres—religious patronage, art and politics—where individual empresses left their mark. Empress Xiaozhuang (1613–1688) used her skills as a political strategist to protect the reigns of her son and grandson, both of whom assumed the throne as small children. The Empress Dowager Chongqing (1693–1777) became the public object of the devotion of the Qianlong emperor (1711–1799), her son.

"I think he really did love his mother," said Ms. Stuart, but the high-profile reverence was also shrewd politics: To Qianlong's many Han subjects, respect for one's parents was a cardinal virtue. The show includes a portrait of Chongqing at 70, and another work depicts the imperial banquet celebrating her birthday that year.

Empress Xiaoxian (1712–1748) stands out as the exhibition's most romantic figure. She died at age 36 while traveling with her husband, the Qianlong emperor. An astute manager of imperial family affairs, Xiaoxian had also been Qianlong's childhood sweetheart. The

exhibition includes an exquisite portrait, along with one of the hundreds of poems that Qianlong composed to mourn her, written in his own hand.

One late-dynasty empress dominates the exhibition's closing section—and rightfully so. As the mother and aunt of two emperors who ascended the throne as children, Empress Dowager Cixi (1835–1908) converted her role as co-regent into an unprecedented seat of power, dominating court politics and effectively ruling China from the 1860s to her death in 1908. "The Western media portrayed her as a very evil, manipulative woman, a Dragon Lady with claws," said Ms. Wang. Cixi remains controversial, and the exhibition makes a point of presenting her from different perspectives.

This section includes a striking portrait of Cixi, standing 16 feet tall in an ornate camphor-wood frame. Painted in 1903 by the American artist Katharine A. Carl at the suggestion of the wife of the U.S. ambassador to China, the portrait made it to the St. Louis World's Fair of 1904 before the Dowager Empress presented the picture as a state gift to President Theodore Roosevelt, who promptly deposited it at the Smithsonian Institution.

From a 21st-century perspective, the constraints on Qing empresses—all technically "inalienable possessions" of the monarchy—were enormous. But, Ms. Stuart noted, "these women were also respected," and emperors often listened to them. And, as the exhibition shows, some empresses could—and did—break through.

MASTERPIECE | 'THE STORY OF BURNT NJAL' (13TH CENTURY)

An Epic of Human Scale

By STEFAN BECK

NORTHERN EUROPE'S CULTURE

at least, in its most charming, IKEA-friendly manifestation—is in vogue in the English-speaking world. First there was *hygge*, the Danish art of "coziness"; then *lagom*, the Swedish art of "just the right amount"; Denmark's *lykke*, which is evidently like happiness but with more sweaters, mulling spices and decorative wooden ponies; and *döstdädning*, Swedish "death cleaning," which has sort of a Marie Kondo in earmuffs vibe.

This trend promotes a misleadingly etiolated version of the regional character. For anyone sickened by this smug après-ski decadence, there is an antidote far older than Nordic noir: the *Íslendinga sögr*, or sagas of Icelanders, particularly "The Story of Burnt Njal."

The Njála occupies a place in the literature of Iceland akin to that of the Homeric epics in Greece, the "Divine Comedy" in Italy, or "Don Quijote" in Spain, but it would be an unusual high school that included it in its World Lit curriculum, and under-

graduates will not encounter it in a survey course. Why this should be so is baffling. Despite being an anonymous 13th-century work with countless characters and roots in a tiny island's dizzying cultural and legal arcana, it's more than just accessible and relevant—it's entertaining.

Unlike the "Völsunga Saga," which was such a profound influence on Tolkien's beloved books, the Njála features no dragons and, unless one counts a subtle, ambiguous sense of fate, vanishingly little of the supernatural. Unlike the Homeric epics, it describes no divine meddling in men's affairs. Unlike Dante's "Inferno," its most ghastly imagery is of human violence, often committed as casually as knocking the mud from one's boots. It is an impeccably naturalistic, fine-grained account of unmistakably human motivations.

Make that "passions." The Njála's characters are mostly farmers, but they are also lovers and fighters. Several, including the titular Njal, are also formidable lawyers. Marriages are made, often for what we would consider the wrong reasons—property, influence, fleeting sexual de-

sire—and impulsively or violently unmade. Alliances shift like snowdrifts. The exemplary friendship of wise Njal and the warrior Gunnar alone seems equipped to weather any conflict.

The multigenerational blood feud at the heart of the Njála resists summary. It could only be explained by some intricate notation, like a long chess game between grand masters. In this case, the players are Njal, trying in vain to preserve peace, and everyone else. Suffice it to say that the grinding mills of revenge are set in motion by catalysts—insulting words, or such faux pas as a demeaning seat assignment at a feast—that will seem trivial to a modern audience. But greed, envy, malice, overweening pride, the mechanics of tact, the vicissitudes of

social hierarchy, and even the politics of gift exchange remain familiar.

As do both the power and fragility of masculine self-image. Anyone interested in today's discussions of gender parity or "toxic masculinity" will find much to ponder in the Njála and the honor culture from which it sprang. It presents a world in which women are frequently men's equals not only in power, self-possession and self-assertion, but also in their flaws, insecurities and willingness to sow chaos. In one instance, a woman refuses to give her husband a length of her hair to serve as a bowstring in battle—payback for his having slapped her once in front of guests. The Njála's is feminism *avant la lettre*, with bloody consequences.

It is hard, speaking of bloody con-



sequences, not to feel a quickening pulse at the Njála's scenes of ballistic action. Here is Skarp-Hedin, one of Njal's sons, dispatching an enemy: "A huge sheet of ice had formed a low hump on the other side of the channel. It was as smooth as glass, and Thrain and his men had stopped on the middle of this hump. Skarp-Hedin made a leap and cleared the channel between the ice-banks, steadied himself, and at once went into a slide: the ice was glassy smooth, and he skimmed along as fast as a bird." Landing a triple Axel is hard enough. How about landing a fatal ax blow as well?

That Njal and his family will be burned alive in their home does not, given the saga's title, come as a surprise. It is not even, however, much of a surprise to Njal, who is so versed in psychology and logic that he can all but see the future. If the wisdom of the Njála were boiled down to a one-word concept, it might be *langsyðin*, a prescience that the scholar William Ian Miller explains as "that kind of rationality that does not sacrifice the long-term for the temptations of the short-term...the stuff of intelligent pragmatism." That Njal's intellect can take him only so far in protecting his loved ones and promoting the general good is unimportant. How he dies is out of his hands. How he lives—how he thinks—is an art form.

Mr. Beck is a writer living in Hudson, N.Y.

RYAN INZANA



Commanding
Chef
Curtis Stone's
trademark tricks
D7

OFF DUTY

THE WALL STREET JOURNAL.

Collecting
Toys
How to begin,
how to win
D9



FASHION | FOOD | DESIGN | TRAVEL | GEAR

SATURDAY/SUNDAY, JULY 21 - 22, 2018 | **D1**



What a Good Haircut Costs

Some assistants drop a C-note for a trim, while certain CEOs won't spend over \$20 and contend that paying more is pointless.

Inside the debate over the value of a man's coiffure

BY JACOB GALLAGHER

ON A NARROW, cobblestoned street in Milan, I got the best haircut of my life. At the halfway point of a two-week work trip, my normally close-cropped hair was creeping over my ears and sprouting into a cowlick. With Google's help, I found Barberino's, a throwback shop with a tidy tiled floor, marble counter tops and two bearded, 20-something barbers. The price exceeded what I typically pay—\$35 compared with my usual \$25 at a Brooklyn barbershop. But, boy, was that haircut good. The young stylist disciplined each errant follicle, cleaved my hair into a precise part and groomed my nape to perfection. Compliments came instantly and continued a week later when I returned to the office in New York. I wondered: Was \$10 extra all it took to look that much better? And more generally, what are other men spending on their haircuts these days, and what kind of value do they expect for their outlay?

Today, I discovered, men are having vastly different haircutting experiences and paying vastly different amounts of cash. At one extreme is the \$14-plus-\$4-tip cut that James San-

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For your pick of seaside hideaways,
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STYLE & FASHION



Cut Your Losses

Continued from page D1

telli, a 26-year-old TV news producer in Pittsburgh, has relied on for nine years. For that \$18, he can enjoy a ritual to which many men—along with their fathers and grandfathers—remain loyal: a serviceable haircut in a bare-bones shop care of a barber who can yak about last night's hockey game.

On the other end of the spectrum is a salon-style treatment (shampooing, snipping, styling, prolonged fine-tuning) like the one offered by stylist Mackenzie Forrey for \$125 at Bumble and Bumble salon in New York. "If you are looking for a more edgy style that's not just shaved sides and short on the top, something that actually has texture and blends well from the sides to the top, then that's coming to a salon," said Ms. Forrey. She's trained in traditional barbershop techniques, but also prides herself on analyzing face and head shape to find the best style.

It seems most guys fall squarely on the lower-to-middle end of this scale, if an unscientific Twitter survey I posted earlier this month is any indication. Of the 314 of my followers who responded, nearly 75% paid \$40 or less. And of the 23 men I buttonholed in Midtown Manhattan a week later, 15 routinely paid in the \$20 range. (To hear more from these men about their haircuts, see "Hairy Tales," right.)

The middle ground between the basic barber and the fastidious salon has grown more populated over the last decade thanks to a wave of neo-retro barber shops that offer relatively brisk pampering and beard finessing. Beginning with the openings of Freemans Sporting Club (F.S.C.) Barber and Blind Barber in New York City in 2006 and 2010, respectively, a new standard has emerged with cuts running around \$40.

When it comes to prevailing attitudes, explained Blind Barber coiffeur Jeremy Pelser, "there's still a separation...the salon is for women and the barbershop is for men." Shops

He claimed the \$35 'inked-up' barbers do a better job than the no-frills \$20 ones he used to see.

like his help put men at ease with a masculine atmosphere—subway-tiled walls and winkily antique mirrors that allude to more dapper times (and an optional beer to sweeten the deal). They often hire bearded, tattooed barbers trained in nuanced techniques who'll use a straight razor to shape your hairline or feather your hair so it grows in evenly.

Barber Ruben Aronov first went to F.S.C. in its early days, fleeing a 71-year-old, 70-seat, walk-in barbershop which he described as a "chop shop" with "no finesse because you had no time, you had to do more haircuts quickly to make more money." He found that F.S.C., with its longer appointment windows and correspondingly higher prices, encouraged a better cutter-client interaction.

Today, these barbershops (as well as variations catering to LGBTQ clients, and others that specialize in curly or long hair) have mushroomed in popularity in many American cities. "It's kind of a throwback to the real barbershop era but with a modern, hip edge to it," said Stan Perry, a 53-year-old lawyer in Houston. Mr. Perry pays \$35 plus tip to get his hair cut by one of the "inked-up" barbers at Cutthroat Barbershop, where they do a better job than the no-frills \$20 chain he used to go to, he claimed, taking time to focus on finer points like shaving the back of his neck.

Yet, among the dozens of men that I spoke with about their hair, many expressed an apathy or uncertainty about how they looked. As Chris Polychronides, 35, a system engineer in New York, replied when I asked if he liked his haircut, "Enough. Is it bad?"

Though men's hair styles tend to be less complicated than women's hairdos, there are ways to tell if your barber is up to snuff. Price matters, but the relationship matters more: A \$20 haircut can trump a \$40 cut if your barber really knows you and gets your hair. "I'm

HAIRY TALES / WE QUIZZED MEN IN MIDTOWN MANHATTAN ABOUT WHAT THEY SPEND ON CUTS, AND HOW SATISFIED THEY ARE



Andrei Morosanu

44, Financial SVP

"\$20. I just think for a men's haircut, you don't need all that much."



Chris Marshall

64, Financial Services VP

"\$12 [for the past] 30 years. I call him Shaky Frank, and I don't let him shave my neck with a razor."



Eugene Pierce

50, Banker

"About \$40. I think it's very fair. I just like the guy, and I don't go with a really elaborate haircut."



Jordan Vazquez

25, Advertising Account Rep.

"I pay \$25, but I tip \$10. I'm willing to tip a barber more because they have life-changing power."



Nathan Kendrick

29, Guest Relations Manager

"This one was \$20. I often will cut it myself and I still get compliments."



Mansoor Farooqi

42, Banking First VP

"I think it's like \$40. It's probably steep. I'm comfortable with it."



Matthew Downing

38, Financial Analyst

"\$100. Most of the time [it's worth it]. I have no idea [if that's a lot]."



Mo Kanu

29, Financial Associate

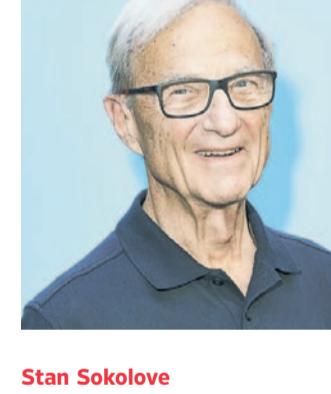
"I pay \$12. He's kind of like a therapist, too, so it's a little bit of a therapy session. It's a little break."



Peter Bowen

35, Senior Biller

"\$20. Every week. It's fair because once you get used to a barber you've got to stay with him."



Stan Sokolove

70+, Architect

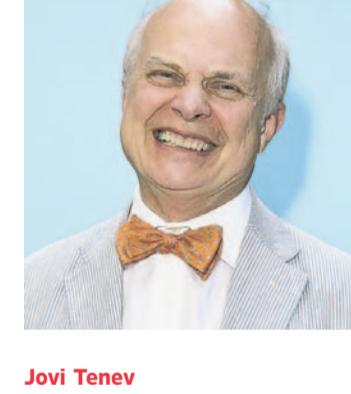
"\$35. My wife pays for it. She thinks it's worth it. I don't think it's worth it."



Steven Digilio

62, Credit-Risk Manager

"\$25. She's been cutting my hair for 2 years now—her dad was cutting my hair for 40 years."



Jovi Tenev

60+, Law Partner

"The haircut is \$21. I mean look at my hair, what do you think it takes to cut this hair?"



10 WARNING SIGNS THAT YOU'RE IN A LOUSY BARBER SHOP

1. Unswept hair accumulates on the floor (although that mouse burrowing in the pile is diverting).
2. The only publication is a "TV Guide" with Buffy the Vampire Slayer on the cover.
3. The barber has bad listening skills, bad manners, bad breath or really bad hair.
4. You are offered a hookah.
5. The haircut-reference wall poster features short, medium and long mullets.
6. You harbor a strong suspicion that the chairs have fallen off a truck.
7. The haircut takes 4 hours.
8. The haircut takes 4 minutes.
9. The shampoo they use smells faintly of escargot.
10. The barber insists on using the tiny scissors of a Swiss army knife.

half-black, half-white, so I have difficult hair to cut and style," said Austin Mallot, a 26-year-old personal stylist in San Diego. Mr. Mallot found that neither mainstream salons nor barbers who worked with black hair met his needs, but he ended up finding a good fit at an old-school barbershop. "He just knows what he's doing, and I trust him," he said.

Trust can take time, but a good barber should be able to "get a feel for what you will and won't do" style-wise right away, explained F.S.C. veteran Mr. Aronov, who recently opened his own shop, MOI, in downtown New York. They should ask questions and guide you properly; if you're wearing a

suit, a bohemian man bun should probably be discouraged.

It helps if the barber is flat-out nice. Josh Archer, 40, an English teacher in Knoxville, Tenn., has been paying the same barber about \$27 for 10 years and in that time the two have become friends. When Mr. Archer's two children were born, his barber even visited at the hospital. The shop itself should be a place you're comfortable patronizing for years to come. If there's a mangy cat prowling around or the barbicide looks putrid, get out of there. And if that hip barber spends more time gazing at himself in the mirror than at your part, that should be a red flag as well.

Jason Stewart, a 37-year-old DJ in Los Angeles, recently tired of the twee spot he'd been going to, with its period Edison lights and chalkboard sign-in sheet, because the self-consciously retro vibe got to be "too much." Now, Mr. Stewart pays \$30 at Vinny's, a lower-key outfit. He said that a barbershop should be an "oasis for the modern man." A place where he can get pampered, have a chat and escape the world for 40 minutes. And so, after my experience in Milan (and, candidly, the compliments that ensued) I'm searching for my own oasis and a better haircut. For that, I might even pay \$10 more.

STYLE & FASHION

LOVE/HATE RELATIONSHIP

Like Mother, Like Daughter

Celebs and suburbanites alike are embracing 'Mommy and Me' fashions. Is twinning adorable, creepy or a little of both?



WHY WE LOVE IT In the Dark Ages—before the dawn of social media—mommy-and-me fashion was corny. Laura Ashley's matching floral frocks in the brand's late 1980s heyday, with matching perms, spring to mind.

In recent years, however, as kids' clothes have become sophisticated, mother-daughter dressing can skew more chic than cheesy. Kim Kardashian West and her 5-year-old daughter, North, co-star in Fendi's new ad campaign, complete with a nugget-sized handbag for North. Beyoncé has twinned winningly with 6-year-old Blue Ivy in hers-and-hers Gucci denim and dresses. And brands high and low are making it easy to match your mini-me: Dolce & Gabbana offers haute toddler sundresses in its trademark, colorful prints, while Gap and Old Navy sell mother/daughter T-shirts. Stuart Weitzman and Vans are shrinking grown-up sandals and glittery sneakers to fit wee feet.

"It's become much more about dressing your kids the way you would dress, just in a smaller size," said Sylvana Ward Durrett, 37, co-founder and CEO of luxury children's e-tailer Maisondette. Ms. Ward Durrett and her 4-year-old daughter recently twinned in Johanna Ortiz midi dresses in the same red-vine print (mom's with a dramatic one-shoulder puff sleeve and daughter's with kid-friendly polka-dot straps).

"My daughter absolutely loves to wear anything that's similar to what I'm wearing," said Ms. Ward Durrett. "She wants to have her own purse, her own cellphone." For children, putting on a dress that more or less mirrors mom's, she added, is "a huge achievement."

The key words are "more or less." Mother/daughter fashion 2.0 is less about identical or "matchy-matchy" outfits and more about correlating patterns and complimentary colors in age-appropriate styles, said Stacey Fraser, founder of the bohemian kids' boutique Pink Chicken in Manhattan. Two years ago, after requests from moms, the brand introduced flowy summer dresses for women that echo its baby-bubble onesies—evidence that mother-daughter copying goes both ways. In the past year, Ms. Fraser said, Pink Chicken's mommy-and-me business has doubled.

Dressing alike can also foster bonding. Sara Fisher, 33, author of the blog Mama Said F, was charmed when her 4-year-old began forgoing her Frozen T-shirts and rainbow leggings to request mini versions of Mom's more basic navy shifts. "It touches me in the depths of my beast-mom soul," she said. "It's a reminder of how much she loves me and wants to feel close to me."

WHY WE HATE IT Mommy-and-me style may be flooding her social-media feeds, but Sarah Cone, 41, the mother of a 5-month-old daughter in New York, is giving the resurgent trend a hard pass. "It's narcissistic to make your child into a mini-me clone," said Ms. Cone, adding that her daughter is "a baby, not a fashion accessory."

Unless the desire comes from your daughter, argue some resistant moms, literally fashioning her in your image can saddle her with psychological baggage. "It stifles your child's individuality," said Natalia Mehlman Petrzela, an associate professor at the New School in Manhattan and mother of two. She cringes at the idea of forcing mother/daughter dressing on little ones for the sake of a cute photo.

"It takes two to twin," said Leslie Yazel, editor of Real Simple magazine. Her 7-year-old daughter, Jemma, developed strong opinions about her outfits by age 3 and has demonstrated no desire to match her mom since. "She really sees us as different people," said Ms. Yazel, 48. "Maybe some feel a badge of pride that they can get their kid to come along for the ride. I want Jemma to be a complete individual."

The trend of grown women and little girls dressing alike also perpetuates some concerning cultural tropes. "Two troubling phenomena converge in this mommy-and-me thing," said Ms. Petrzela. "There's the infantilization of women to look like little girls and, on the flip side, [the pressure] for young girls to always look older—to wear bikinis and crop tops."

Bridging the fashion gap when you and your daughter are 40 years apart seems like a sartorial challenge to Ms. Yazel. "Jemma is shaped like a tiny, slim gymnast...and I am not," she said. "There aren't that many outfits where we can be an exact mirror of one another."

And for those who lack a Beyoncé budget, mommy-and-me's sometimes-extravagant price points can preclude cloning. "Mother/daughter dressing has always been a little bit of a sign of affluence," said Ms. Yazel. The cost is yet another turnoff for Ms. Cone. "I'm with Thoreau: 'Beware of all enterprises that require new clothes.'"

Instead of emphasizing appearance as a way to bond with her child, Ms. Cone creates links in other ways. "I hope that it's values, games, stories and play that connects our family," she said, "not clothes." —Michelle Ruiz

Kim Kardashian West with daughter North in Vetements

HERS-AND-HERS LOOKS / FOR DEFIANT MATCHERS



Women's Jacket, \$2,995,
Girl's Dress, \$575, dolcegabbana.it



Women's Cardigan, \$230,
Girl's Cardigan, \$150, babaa.es



Women's Dress, \$135,
Girl's Dress, \$65, rollerrabbit.com



Women's Bikini \$161 per piece, Girl's
Bikini, \$57 per piece, marysia.com

Moc Something Up

With a slew of spiffy new incarnations, the humble moccasin has our vote for the sandal alternative of the summer



THERE'S MANY A SLIPPER From left: Hays Moccasins, \$995, gabrielahearst.com; Yorky Gommino Moccasins, \$645, tod's.com; Thunderbird II Moccasins, \$49, minnetonkamoccasin.com; Rug, \$521, rh.com

IF YOU HAVEN'T YET heard the urban legend about the rat that scurried across a sandal-clad woman's toes in the New York subway, my apologies for ruining your summer. I've certainly curtailed my city sandal-wearing since hearing that tale. Thankfully, a more sanitary summer-shoe option—the moccasin—may already be in your closet. If not, the style, currently in vogue, is easily within reach.

This tanned leather slipper is generally traced back to the Native Americans. Designs varied greatly from tribe to tribe, with elements including porcupine quills and beading, according to Cécile R. Ganteaume, associate curator at the National Museum of the American Indian. Over the past century, the slippers have been creatively reinterpreted by stalwarts such as the 72-year-old Minnetonka Moccasin company and luxury brands like Saint Laurent.

"It's lightweight," said David Miller, the third-generation CEO of

Minnetonka Moccasin. "You can wear it without socks, slip it on, slip it off."

This summer, New York-based designer Gabriela Hearst has riffed on the classic, encasing a croc-embossed leather moccasin in colorful crochet that's too nice for forest traipsing but suitable for lazier vacationing. "They can liven up a serious outfit," she said of the adaptable shoes, "but also go on holiday." Tod's, the Italian accessories brand that has cornered the market on nubby-soled driving mocs, trimmed this season's version in extra-long fringe, aptly naming it the Yorky.

"Moccasins work for everything," said Los Angeles-based stylist Laurie Trott, who, come summer, shuns overly trendy sneakers and overly heavy brogues. Ms. Trott considers them a perfect non-statement statement shoe. "They're stylish but not wearing you."

Subtly fashionable, versatile and excellent at foiling rats—who needs more? —Rebecca Malinsky

ADVENTURE & TRAVEL

1



JOURNAL CONCIERGE / AN INSIDER'S GUIDE

Newport

This Rhode Island port town isn't all swagger and seadogs. Here's a peek at its sweeter side

AMERICA'S GILDED-AGE industrialists knew a little about curb appeal, as their Newport, R.I., "cottages" attest. These architectural grande dames, their endless rooms outfitted with museum-quality art and furnishings, endure on landscaped lawns—designed by the likes of Frederick Law Olmsted of Central Park fame and his sons—that sweep to dramatic cliffs and a feisty Atlantic. An additional cache of restored colonial houses make Newport a mecca for "heritage tourists." In summer, the harbor draws droves of gawkers, eager to see the phalanx of yachts that idle between outings. On-shore, bars, restaurants and shops, including those on a newly invigorated stretch of Broadway, are easily navigated on foot. As the 1875 travel guide "Popular Resorts and How to Reach Them" put it, Newport "is the fashionable queen of all American watering resorts." Some things never change. —Margot Dougherty



RHODE SHOW Clockwise from top: 1. The view from Castle Hill Inn; 2. Green Animals Topiary Garden; 3. Kristen Coates Art & Home; 4. Jumping off an Antique Yacht Collection boat; 5. Stoneacre Brasserie; 6. NewportFILM Outdoors.

THE MERCHANTS

Kiel James Patrick and Sarah Vickers
Owners of Kiel James Patrick clothing store



THE BARTENDER

Ric Rivera
Clarke Cooke House



THE FUNDRAISER

Liz Drayton
Patron Relations,
Newport Opera House
Theater & Performing Arts Center



THE SAILOR

Brad Read
Executive Director,
Sail Newport



COAST TOAST / Antique Yacht Collection

[4] Book a Newport Harbor sail with the owner, Greg James. He has so much knowledge about the area, and beautiful antique boats. Bring Champagne and cheese. 31 Bowen's Wharf; antiqueyachtcollection.com

CUTTING EDGE / Green Animals Topiary Garden

[2] All the hedges are cut in the shapes of animals, like something out of a Tim Burton movie. It's fun to bring children here. newportmansions.org

PAPER CHASE / Kristen Coates Art &

Home **[3]** It's a gift shop on Bowen's Wharf with a lot of paper goods and artwork. Kristen has a great eye for interior design. 57 America's Cup Ave; kristencoates.net

DESSERT IMPERATIVE / Clarke Cooke

House Order the Snowball in Hell—chocolate cake, cookies, pudding and ice cream all in a bowl—be sure to ask for the sparklers. 26 Bannister's Wharf; clarkecooke.com

FRESH START / The Corner Café

It's my favorite place for breakfast—pancakes, French toast and oatmeal. They use a lot of fresh fruit. They're always busy, but it's worth the wait. 110 Broadway; cornercafeneutral.com

RIDE SHARE / Newport Harbor Shuttle

The water taxi starts at Perrotti Park in front of the Marriott. It's \$12 per person for the whole day, and you can hop on and off wherever you want. newportharborshuttle.com

BOOK IT / The AIA Guide to Newport

The guide's divided into neighborhoods, and when you're walking along and notice the gingerbread trim on a house, you can look it up and find the architect, the year it was built and the history. amazon.com

PREMIUM PATTIES / Mission

They cook the burgers perfectly and use excellent quality ground beef. They also have hot dogs. Everything is made in-house. 29 Marlborough St.; missionnpt.com

TREE POSE / Arboreta Tours

There are 15 estate properties designated as arboreta here—the beech trees are a particular hallmark. In August, the Newport Tree Society does a tour, and the arboreta are open to the public. newportarboretumweek.org

ART FIX / William Vareika Fine Arts

This extraordinary collection includes Hudson Valley illuminist painters. William Trost Richards is a specialty as is the stained-glass artist and painter John La Farge. 212 Bellevue Ave; vareikafinearts.com

MUST-SEE MANSE / Marble House

Fashioned after Versailles's Le Petit Trianon, Marble House really sparkles. newportmansions.org

CLOCK IN / Hunter House

Sometimes overlooked, Hunter House represents the mansions of the colonial era, with beautiful displays of Townsend-Goddard furniture and Claggett clocks. newportmansions.org

O'R THE RAMPARTS / Fort Adams Tour

You'll see an amazing fort [built in 1799] and some of its tunnels. Go inside the recently restored barracks and the refurbished ramparts and get an unbelievable look around Newport. 90 Fort Adams Dr; fortadams.org

WATER BABIES / Third Beach

It's not in Newport proper, it's in Middletown, but we consider it one of our beaches. It's a great one for little kids, with crabs and minnows and lots of cool stuff. 3rd Beach Rd, Middletown

ROCK THE BOAT / Newport Shipyard

There are more superyachts here than anywhere else on the East Coast. And Belle's Cafe is wonderful for breakfast and lunch. 1 Washington St, newportshipyard.com

SITTING PRETTY / Castle Hill Inn

[1] You cannot leave Newport without going to Castle Hill to sit in an Adirondack chair and watch the sun go down over Narragansett Bay. 590 Ocean Dr; castlehillinn.com

PLUS, DON'T MISS...

Cliff Walk The 3.5-mile oceanfront path starts at Easton's Beach and winds along the shoreline, and the backs of the Bellevue mansions, to Ocean Drive. / **The Attwater** The Lark hotel group's cheery, 17-room boutique is on a small side street, just a quick walk from Bellevue Ave and First Beach and includes great breakfasts. From \$139 a night. theattwater.com / **Stoneacre Brasserie** **[5]** One of the newer restaurants in town, this handsome spot sources its farm-to-table fare locally and brings the same fresh aesthetic to a creative cocktail menu. 28 Washington Square; stoneacrebrasserie.com / **NewportFILM Outdoors** **[6]** The documentary film festival runs through the summer, with screens set up at mansions, parks and working farms. Live music before; Q+A with filmmakers after. Bring a picnic. newportfilm.com



CHRISTIAN HARDER FOR THE WALL STREET JOURNAL; FREEVECTOR MAPS

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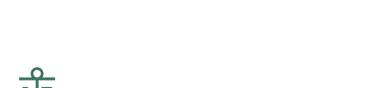
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FLEXJET

DESIGN & DECORATING

my backyard?

For one thing, a kitchen. Gone are the days of the humble outdoor grill. This year the Char-Broil company, whose portable charcoal cookers stoked post-WWII America's newfound ardor for backyard barbecues, has brought to market a build-your-own outdoor kitchen system you can customize with a choice of two sizes of gas grills, stove-top burners, a refrigerator, running water and a charging outlet for a mobile phone.

The idea behind the Char-Broil system, said product manager Robert Hawkins, is to give consumers all the choices available in a high-end built-in outdoor kitchen—a new favorite among the architect-hiring set—for a more affordable price. "This is a DIY project, for consumers who maybe don't have \$10,000 to pay a contractor. You can add modules one at a time, seasonally, and run numerous extension cords to power them."

Numerous extension cords? While the affordable price was a lure (for \$599, the stovetop module has a rust-resistant burner and 65,000 BTUs), I hate extension cords. Even one is too many.

Maybe that stereo speaker shaped like a rock was the answer?

The ancient Greeks built open-air theaters where audiences were exposed to live plays and post-sundown breezes that likely made those who forgot to bring a sweater (or whatever they wore over their togas) wish they were home indoors.

Making it easier to do indoor activities outside is a major trend in garden design, according to a 2018 American Society of Landscape Architects survey, in which 808 members of the society ranked the projects that clients are clamoring for this year. Mobile charging stations and "flexible-use space for yoga class, movie night, etc." made the top-10 list of outdoor amenities with highest consumer demand. Traditional backyard recreational centers such as swimming pools, tennis courts and hammocks did not.

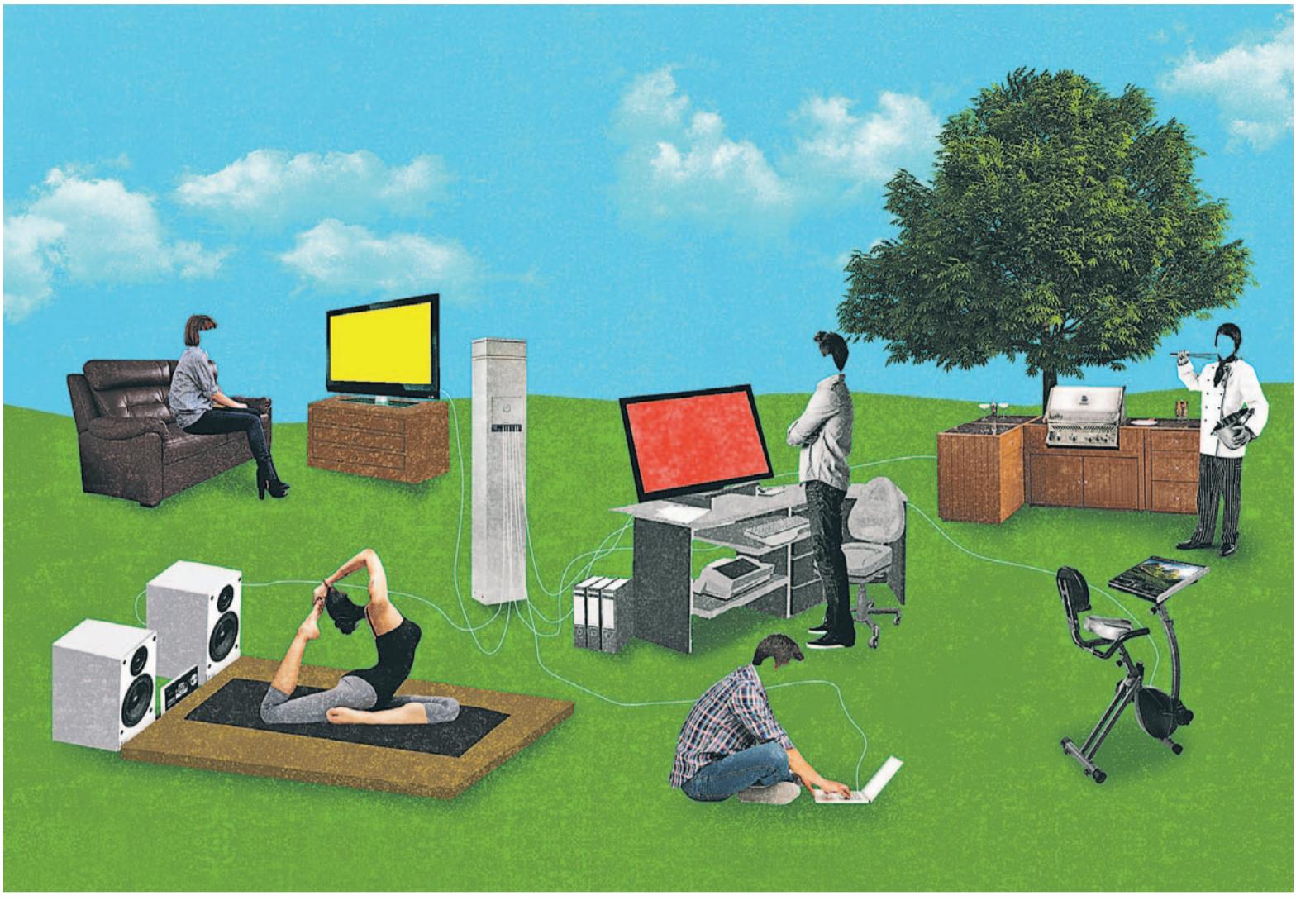
"They looked fake," he said. "Industrial design is important." He added that Legrand's industrial designers are improving the appearance as well as usefulness of the next generation of stereo speakers so they will blend in better, mounted under the eaves of houses, matching a facade's paint color or sitting less conspicuously in flower beds.

"What are the rocks being replaced by?" I asked.

"Speakers that look like mulch," he said.

It sounds promising. But maybe I am in the end just a reactionary. For now I think it might be faster and easier to teach my dog to heed nature's call than to ask nature to watch "Brockmire" with me.

Ms. Slatalla is an editor for remodelista.com which, like The Wall Street Journal, is owned by News Corp.



A MATTER OF LIFE AND DÉCOR / MICHELLE SLATALLA



Anything You Can Do, I Can Do Outside

IT'S VERY COLD and lonely in the middle of the night in my backyard, where I am begging my eight-week-old puppy to empty his bladder so we can both go back to bed.

"Be a good boy," I whisper-yell, trying not to wake the neighbors as I peer through the darkness toward the spot where I last saw my tiny, big-eared dog hop through the grass in pursuit of a leaf that needed a pouncing.

I wish I had something to do out here, like watch TV or listen to music. Maybe I'll text a fuzzy photo of the puppy to my husband, who might wake up if his phone buzzes, and come out to relieve me until the dog relieves himself.

A burgeoning trend among Americans is to turn the backyard into the living room and,

weirdly, I'm starting to see the point. Maybe it's sleep deprivation, but a weatherproof TV is starting to sound good to me. CE Pro, a trade magazine that covers the custom electronics industry, reported a 44% growth in outdoor installations last year as more people added outdoor Wi-Fi hubs and ran underground cable to extend the reach of their indoor audio and visual equipment.

These days lawn-embedded charging stations could prevent my phone's power level from dropping to an ominously low 4% as I use its glow to follow my puppy. There is even an intriguing, though ugly, stereo speaker shaped like a rock, which might look OK at the base of my rose bushes.

"Maybe we should investi-

gate surround sound for the garden," I said to my husband the next morning (three more trips to the backyard). "With the right infrastructure, we could have a wall-mount plasma flat screen."

"Nice try," he replied. "But you're not getting me to take over your night shifts with a little sweet talk. Besides, the neighbors would complain about the light pollution."

"We could put the TV under a pergola," I said. "It's boring out there—I'd rather be watching 'Brockmire.'"

"Who are you?" he asked, but I could tell he was a tiny bit thrilled. He does love consumer electronics.

It's true the woman he married believed gardens are for gardening. I used to say humans lose some of our na-

ture when we give up on nature, and technology threatens all the things I love about being in nature (unplugging, listening to birdsong, growing things). Outdoors, the best audio is the wind rustling through the redwoods.

A weatherproof TV is starting to sound good to me.

But the more I looked into the possibility of outdoor tech, the more I wondered if I had been a reactionary. The indoors-ification of the outdoors has been happening since the early days of civilization—with or without me.

The ancient Greeks built open-air theaters where audiences were exposed to live plays and post-sundown breezes that likely made those who forgot to bring a sweater (or whatever they wore over their togas) wish they were home indoors.

Making it easier to do indoor activities outside is a major trend in garden design, according to a 2018 American Society of Landscape Architects survey, in which 808 members of the society ranked the projects that clients are clamoring for this year. Mobile charging stations and "flexible-use space for yoga class, movie night, etc." made the top-10 list of outdoor amenities with highest consumer demand. Traditional backyard recreational centers such as swimming pools, tennis courts and hammocks did not.

What the survey results are telling us, said Washington, D.C., landscape architect Jennifer Horn, is that "in the past, people felt like they just had to adapt to their landscapes and now are more interested in making their gardens adapt to their lifestyles."

So what could make life with a puppy more bearable in



THE INSPIRATION

FLOWER SCHOOL

If Hopper Were a Florist

Floral designer Lindsey Taylor captures the sun and shadow of Edward Hopper's Maine lighthouse

TO VISIT Maine without leaving New York, I recommend stopping by the well-cooled Metropolitan Museum of Art and heading straight to the classic American canvas I chose to inspire this month's arrangement: the truly refreshing "The Lighthouse at Two Lights," (1929) by American realist painter Edward Hopper (1882-1967). I felt transported to another place and time.

Hopper began summering in Maine in 1914; this lighthouse still exists in Cape Elizabeth. If you stand still and look at the painting long enough, and put down your phone, you might even feel the cool breezes that I imagine formed the gossamer clouds in the sky and the warm, but not too hot, sun that created the dramatic play of shadows and light Hopper so effectively captures.

For my vase, I selected a French confit jar from my collection, its palette similar to the terrain in the foreground. Its wide opening let my blooms



THE ARRANGEMENT

fall naturally. If I have one floral-design rule, it's this: Merge vase and bouquet by letting flowers cascade over the rim of your vessel. This creates a more complete and satisfying arrangement, the container and blooms becoming one and not fighting each other.

To evoke the cirrus wisps in the sky and the building's exterior, I gathered an armful of pure white Queen Anne's lace, a wildflower that covers the northeast landscape in July like grounded

clouds. A few stems of periwinkle delphinium conjure the blue of the summer sky. A couple blades of blooming grass, its foliage dried and tawny like the hillside in need of rain, mimic the amber glow of the lantern reflected inside the upper tower walls. The dark negative spaces in this loose arrangement contrast with the light flowers, echoing Hopper's chiaroscuro. Loose seemed fitting in these torrid days, when both clothing and floral arrangements shouldn't be too tight.

Periwinkle delphinium and Queen Anne's lace evoke the clear sky and sunlit facade in Edward Hopper's 'The Lighthouse at Two Lights' (1929), while the bouquet's looseness creates its own chiaroscuro.

Vessel, designer's own

EATING & DRINKING

IN MY KITCHEN

Curtis Stone

The chef and 'Top Chef Masters' host shares tips on go-to gear, cooking the perfect rib-eye steak and how to get your guests to do the work

AT AGE 4, Curtis Stone came up with his first recipe. "I was sitting on our kitchen counter, rubbing raisins on a stick of butter and popping 'em in my mouth," recalled the Aussie chef and Top Chef Masters host. "My mom walked in and shouted 'What on earth are you doing?!' But if you think about it, it's pretty sophisticated to go to two different parts of the kitchen and find ingredients that actually taste really good together."

Even so, his culinary vision has since grown a tad grander, most recently with a pair of ambitious Los Angeles-area restaurants named after his grandmothers. Maude was conceived as a kind of endurance test for him and his staff. Originally, the 10-course tasting menu, based around a single seasonal ingredient, changed every month. (This year he and executive chef Justin Hilbert have dialed back to slightly saner quarterly menus, focused on the flavors of different wine regions.) Meanwhile, Gwen boasts an attached butcher shop and serves hard-to-find meats from around the world. To bring Australian Blackmore Wagyu beef to L.A., Mr. Stone and his brother/partner, Luke, had to form their own import company.

The chef's home-kitchen setup is similarly epic. He has two, one indoors, one out. At this time of year he favors the latter. "We've got a wood-fire oven, a Big Green Egg, a high-tech grilling plancha from Evo and a few other toys out there," he said. "They say the best parties end up in the kitchen, and that's always true at my joint."

I've been into food since: I was a child. I was a greedy little kid, I always wanted more than my fair share, I always wanted what the person sitting next to me was eating. And that's never changed. The guys in the kitchen will tell you that I'm always sticking something in my mouth, and the people in my office will tell you that they hide their snacks from me.

The best feature of my outdoor kitchen is: the wood-fire oven. I love playing around with that. You can make it superhot and cook pizzas in literally minutes, and you can do the opposite—let the fire burn really low and slow-cook things. I cook lobsters in there, and shellfish. Whole pork butts that have taken six hours. The results are pretty special when you get that flavor from the wood.

The kitchen tool I can't live without is: a really large chopping board, so I'm not constantly shuffling ingredients around. You also need a great knife. My go-to is a Nenohi chef's knife by Nenox, because it holds its edge for a long time and you can get it ridiculously sharp.

My pantry is always stocked with: some nice pickles (capers, pickled cucumbers, pickled carrots). Having some interesting olives around is always important. Basically, shelf-stable condiments you can actually turn into a dish. You can make a pasta, for instance, with olives and capers and marinated artichokes and sun-dried tomatoes and a little bit of cheese, and you haven't even used a fresh ingredient. Add some fresh greens if you have them on hand, and it makes life even better.

The ingredients I'm most excited about right now are: from a little place on the California coast called Stepladder Creamery. They make really interesting, funky cheeses and aged stuff. Also fresh yogurts.

The most underrated ingredient is: the humble egg. There are so many things to do, from a simple breakfast to an omelet, which you can eat 24 hours a day, to soufflés. For baking, you need eggs all the time. So I always say you should buy good-quality eggs. Spend as much money as you can on them. It usually means the chickens are treated well.



The most important piece of kitchen wisdom I ever received was:

plan things out. I think a lot of people imagine you just walk into a kitchen and wander around and magic starts to happen. It can work a bit like that once you've got your techniques down, but the truth is it's way better when you're methodical and understand exactly what you want to do.

My favorite entertaining trick is: setting up a drink station. So you're not saying, "Let me fix you a drink."

You're actually encouraging guests to do it themselves. Which does two things: It takes the heat off you, and more important it makes people feel like they're a part of things. Maybe you're like, "Make me a vodka soda, too, while you're at it." They've got a job, so they feel like they belong.

My drink of choice is: beer. I'm an Aussie, so that comes with the passport: Hefeweizen, pale ales. And I also love wine. I like rosé right now, as the weather's nice and warm. Pretty sim-

ple, easy, quaffable wine. And we recently did a menu based on the Burgundy region down at Maude, so I've been drinking way more Burgundies than I ever have. I'm enjoying that quite a bit.

If I weren't a chef, I'd be: a gardener. Landscape gardener, maybe. Not just cutting someone's grass but growing vegetables—looking at an area and imagining what it could produce functionally, as well as what it should look like. Doing something both practical and aesthetically pleasing.

If I'm not in my kitchen, I'm: with my family. I've got two young boys, so they take up lots of time. Or I'm at the gym. I've started boxing this year, so I'm often walking around with a gym bag over my shoulder. That's how I work off the butter and raisins.

My worst kitchen disaster ever was: when I worked at a restaurant in London called Bluebird, and I tried to see how hot I could get a wood-fire oven. I caused a full-scale evacuation, with four firetrucks called. But wood-fire cooking's still my favorite! You gotta get back on that bike, mate.

—Edited from an interview by Rico Gagliano



Charcoal Grilled Rib-eye Steak

Total Time 35 minutes
Serves 4

2 (2-inch-thick) dry-aged bone-in rib-eye steaks (about 1½-pounds each), with cap attached
Olive oil, for brushing
Kosher salt
Flaky sea salt, to finish
Freshly ground black pepper

1. Prepare a grill for indi-

rect high heat. For a charcoal grill: Fill a chimney starter with hardwood lump charcoal and ignite. When coals are covered with white ash, dump them in an even layer on one half of grill, leaving other half of grill empty. Place grate and top on grill. Let grate heat 5 minutes. For a gas grill: Preheat all burners to high heat. Before grilling, turn half the burners off.

2. Pat steaks dry with paper towels. Lightly coat

steaks with oil and season liberally with kosher salt.

3. Place steaks on unlit side of grill and cover grill. Cook, flipping steaks halfway through cooking, until an instant-read thermometer inserted into thickest part of steak registers 110 degrees, about 30 minutes.

4. Place steaks directly over lit coals and cook, turning frequently for even charring, until exterior acquires a uniformly charred crust and interior

registers 125-130 degrees for medium-rare, about 5 minutes total. Remove steaks from heat and let rest 10 minutes.

5. Cut meat from bone and separate eye (center piece of meat) from cap (outer piece of meat) by cutting through fat that separates the two pieces. Carve each piece against the grain. Sprinkle with flaky sea salt and pepper. Serve immediately.

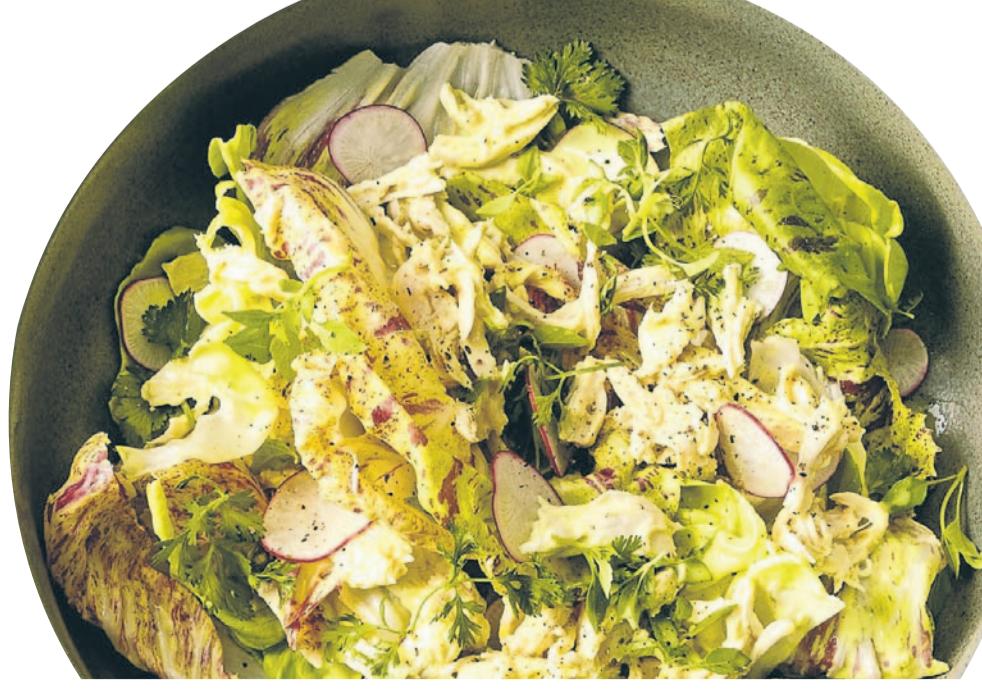
—Adapted from

Curtis Stone

BITE-SIZE DIATRIBE

What's Wrong With This Bowl?

Absolutely nothing. Just don't tell the food police the key ingredient is boneless, skinless chicken breast



EVEN ITS NAME

highlights what it lacks. Boneless, skinless chicken breast actually benefitted from its association with austerity in the 1980s and '90s, when low-fat was the diet trend du jour. But then the foodie faction stormed in, adding "flavorless" and "joyless" to the list of adjectives attached to this cut of chicken. I suspect the naysayers' greatest beef with

boneless, skinless chicken breast is that it's just too easy—to prepare, to love. Did you overcook it a little? Pull the meat to pieces and fold in some herbs and olive oil or mayo. I promise you a perfectly textured chicken salad. Or use my foolproof cooking method as your starting point. Gently poached at a whispering simmer, this most amenable poultry absorbs

flavors from the surrounding liquid, be it a flavorful broth punched up with aromatics or, as in the recipe below, coconut milk brightened with ginger and lemongrass that cooks down to a scrumptious sauce—or, if you chill it, a luscious salad dressing. Skin and bones have their benefits, sure. But sometimes you just don't need the splatter and the hassle. —Eleanore Park

Summer Salad With Coconut Milk-Poached Chicken Breast and Turmeric Dressing

This recipe is as versatile as it is simple. The chicken can also be served warm, over rice, scattered with cilantro. Skip the chilling step and spoon the warm sauce over top.

Total time 20 minutes **Serves** 2

Remove outer layers from a **2-inch piece of lemongrass** and crush with a pestle or the flat of a knife. Peel a **2-inch piece of ginger** and crush. In a medium saucepan, combine lemongrass and ginger with **1 (13.5-ounce) can coconut milk**, **½ cup roughly chopped cilantro**, **¼ teaspoon kosher salt** and a couple grinds of **black pepper**. Bring to a boil and add **2 boneless, skinless chicken breasts**. Reduce heat, maintaining a bare simmer, and poach chicken, flipping halfway into cooking, until cooked through, about 12 minutes. Remove chicken, reserving poaching liquid in pan, and set aside to cool to room temperature. Meanwhile, make dressing: Add **¼ teaspoon ground turmeric** to poaching liquid and simmer over medium heat until reduced by a quarter, about 5 minutes. Transfer dressing to a bowl and chill in refrigerator at least 30 minutes. When ready to serve, shred cooled chicken and toss with a couple spoonfuls of dressing. Arrange **salad greens** of your choice in a large bowl and toss in **fresh herbs**, **thinly sliced radishes** and enough dressing to lightly coat. Toss in chicken and serve.

EATING & DRINKING



ON WINE / LETTIE TEAGUE



Beyond Riesling: Germany's Other Grapes

The third in a three-part series on German wine.

"THE SAUVIGNON BLANC opened the door for the Riesling." It was the last thing I expected to hear from a winemaker in Germany, a country whose vinous reputation rests almost entirely upon Riesling. And yet that's what I heard from Andreas Hütwohl, deputy general manager and a winemaker at Weingut von Winning, as we tasted the first of three Sauvignon Blancs at his winery in Deidesheim a few months ago.

Mr. Hütwohl explained that von Winning chose Sauvignon Blanc as its lead grape for the export market because, unlike Riesling, it's won world-wide recognition and acceptance. With Germany's signature grape still a tough sell abroad, German producers are counting on other varieties to grow the fan base for all the country's wines.

It's not that German producers don't believe in their indigenous variety, Mr. Hütwohl added. Indeed, 80% of his winery's production consists of Riesling, from some of the

best vineyards in the Pfalz region—but most of it stays in Germany.

Only 5% of von Winning's vineyards are planted to Sauvignon Blanc grapes, but the wine produced from them has proven a worthy emissary abroad. I've found it on wine lists and in stores stateside more readily than the Rieslings. The Sauvignon Blanc II was my first encounter.

The harvest takes 10 weeks because we have so many different varieties.

ter with the von Winning estate four years ago, when I selected it from the wine list at Jockey Hollow Bar & Kitchen in Morristown, N.J. It's the most basic of the winery's three Sauvignon Blancs—a crisp, lively wine fermented in stainless steel—while the von Winning Sauvignon Blanc I is a bigger, richer wine fermented in oak barrels. And the von Winning Sauvignon Blanc 500, made

from the best of the winery's 500-liter barrels, is the biggest and richest, reminiscent of a Pouilly-Fumé from the Loire Valley of France.

Sauvignon Blanc is only one of the many grapes that grow well in the Pfalz (aka Palatinate), just west of Heidelberg and bordering Alsace, France. Most of the wines are dry, and while Riesling is a very important grape in the region, others planted there include Chardonnay, Pinot Blanc (Weißburgunder), Pinot Gris (Grauburgunder), Pinot Noir (Spätburgunder), Gewürztraminer, St. Laurent and Dornfelder.

Pinot Noir grows all over Germany and does particularly well in the Baden and Rheingau regions as well as the Pfalz. This delicate grape even thrives in the Mosel, historically a cool-climate region, a success some attribute to global warming. Germany is now the third-largest Pinot Noir-producing country in the world. According to the latest figures from the Deutsches Weinstitut, over 11% of Germany's vineyards are planted to the grape.

Germany is also the world's lead-

ing producer of Pinot Blanc, accounting for some 30% of global production. Confusingly, some producers use its German name, Weißburgunder, while others use the French moniker and still others use both. A white grape native to Burgundy, Pinot Blanc is often considered a cheap cousin to Chardonnay—a bit lighter, more fruity and less complex—but it can be a refreshing if undemanding wine. German producers frequently offer several different styles of Weißburgunder, from light and fruity to half-dry (halbtrocken), dry (trocken) and sparkling.

The Darting winery makes Weißburgunder, but the rest of its portfolio is practically a study in the varietal diversity of the Pfalz. Winemaker and owner Helmut Darting also produces Riesling, Spätburgunder (Pinot Noir), Pinot Meunier, Grauburgunder (Pinot Gris), Gewürztraminer, Dornfelder and St. Laurent, among many others. "In our region, the harvest takes 10 weeks because we have so many different varieties," said Heike Darting.

Gerstenhöfer, the winemaker's sister, when I stopped by the cozy Darting tasting room in the town of Bad Dürkheim. "The amount of Pinot Gris we sell is unbelievable," said Ms. Darting-Gerstenhöfer. "It's an easy-drinking wine. People say it's very hard to drink Riesling."

Many Darting wines, including the Pinot Gris, are not sold in the U.S., though its Pinot Meunier was a sommelier favorite for a while. When Juliette Pope, former wine director of Gramercy Tavern in New York, bought 16 cases, it provoked a bit of a stir, according to Darting's importer, Boston-based Terry Theise. "Sommers are terribly cognizant of any other somm who might be setting a trend," he noted in an email.

No stateside sommelier I know has championed Silvaner. This grape has been cultivated in Germany for centuries, notably in Franken (Franconia), in the state of Bavaria, a region known for its very dry wines. Silvaner can produce wonderfully dry, minerally wines reminiscent of Chablis, but it has yet to crack the U.S. market. Kirk Wille, vice president of Loosen Bros. USA, a wine importing company based in Oregon, wrote in an email, "Our little company already [has] enough work to do with our Riesling crusade, still a struggle. So we couldn't also sustain a Silvaner crusade."

When I went shopping in the greater New York area for Silvaners I found only three, two of them quite good: the minerally and textured 2016 Hans Wirsching Iphöfer Kalb Silvaner (\$22) and the 2016 Rainer Sauer Silvaner Escherndorfer Lump (\$27), which was bright and lively (if possessed of an unfortunate name). Both came in the classic Franconia *Bocksbeutel*, the squat bulbous green bottle used for the region's top wines.

A source of pride for Franconia's winemakers, the bottle tends to put off American wine drinkers, as it recalls a famous (or infamous) sweet wine once popular in the U.S. "Did you bring Mateus?" my friends asked when I produced the two Silvaners. Once they tried the wines, they were pleased—and relieved to find they were quite dry.

I don't know when the larger world will embrace German wines beyond Riesling—or even give Riesling the attention it deserves. At the very least, I look forward to the day when Germany is thought of much like Italy and France: a great wine country with more than one grape.

► Email Lettie at wine@wsj.com.

OPENFILE / 5 OUTSTANDING GERMAN WINES, 0 RIESLINGS



2016 Weingut Ökonomierat Rebholz Pinot Blanc Dry Pfalz (\$22) The winery, long considered one of the Pfalz's best, may have a name that's hard to pronounce, but the wine is happily quite easy to drink: crisp and clean with bright citrus notes.

2017 Leitz Pinot Noir Rosé Dry Rheingau (\$17) Light in body as well as color, with pretty floral and red-berry notes, this toothsome Pinot Noir rosé from a well-known producer of Riesling is an ideal wine for summer drinking.

2016 Enderle & Moll Pinot Noir "Basis" Baden (\$23) Partners Sven Enderle and Florian Moll have a devoted following for their full-of-character Pinot Noirs. This well-crafted Pinot is an earthy, savory red that could easily be mistaken for a good Bourgogne rouge.

2016 von Winning Sauvignon Blanc II Pfalz (\$22) Little wonder von Winning made Sauvignon Blanc its lead grape internationally. This stainless steel-fermented white is juicy, with notes of citrus and herb—like a Loire Valley Sauvignon crossed with a New Zealand one.

2016 Hans Wirsching Iphöfer Kalb Silvaner (\$27) The Hans Wirsching winery—"Silvaner Wine Estate of the Year" per a leading German food magazine—draws many accolades. This old-vine Silvaner is full bodied and complex, a first-rate example of the grape.

SLOW FOOD FAST / SATISFYING AND SEASONAL FOOD IN ABOUT 30 MINUTES

Pork Fried Rice With Asparagus, Mushrooms and Sugar Snap Peas

BEFORE YOU TOSS out that leftover rice in the fridge, consider this recipe from chef Michael Gallina. It's a tribute to the revivifying powers of bacon fat. That, plus a little of the bacon itself, some asparagus, peas, mushrooms and spring onions, will transform the dregs of last night's takeout into a newly minted meal of fried rice.

At his farm-to-table restaurant, Vicia, in St. Louis, Mr. Gallina makes sure nothing goes to waste. Every carrot top and unfortunate-looking tomato and even unserved rice is pressed into service.

In the case of this dish, the older the rice, the better. "When rice loses its moisture, it crisps better," said Mr. Gallina. The other key to good, crispy fried rice is a ripping hot pan. Transfer cold rice straight from the refrigerator to the pan's sizzling

surface, and you'll get nice browning on the exterior of the grains without completely desiccating them.

If you're making rice expressly for this recipe, Mr. Gallina recommends brown basmati. "It has a little more structure and it's toothsome," he said. "It also holds up to the heat." Just be sure to give the rice the requisite chilling time so it can drink up plenty of that delicious bacon flavor when it hits the hot pan.

Once you've made this fried rice you'll return to it frequently. "Swap in different vegetables throughout the year," said Mr. Gallina. "Asparagus season is drawing to a close, so we're looking to eggplant, shishito peppers, corn and tomatoes." It's the recipe that never ends, and thank goodness for that. —Kitty Greenwald

Total Time 30 minutes
Serves 4-6

3 tablespoons olive oil
1 cup diced bacon or pancetta
2 cups shiitake mushrooms, cut into 1-inch pieces
2 spring onions, thinly sliced
3 cups cooked rice, preferably 1-2 days old, cold from refrigerator
2 cups sugar snap peas or snow peas, cut into 1/4-inch pieces

2 cups sliced asparagus, cut into 1/4-inch pieces
1 tablespoon rice vinegar, plus more as needed
Kosher salt

1. Heat 2 tablespoons oil in a large skillet over medium heat. Add bacon and sauté until crisp, about 3 minutes. Add mushrooms and sauté until lightly browned, 2-3 minutes. Stir in spring onions and cook until soft, about 3 minutes. Transfer

vegetables to a plate, leaving fat behind in pan. Increase heat to high.

2. Add remaining oil to pan. Once very hot and just beginning to smoke, add rice. Sauté until edges of grains are light brown, 3-4 minutes. Fold in peas, asparagus and reserved vegetable-bacon mixture. Sauté until peas and asparagus are al dente, about 3 minutes. Remove pan from heat and season with rice vinegar and salt to taste. Serve warm.



GO TART A splash of rice vinegar provides a nice acidic edge to cut through the rich bacon flavor.

The Chef
Michael Gallina

His Restaurant
Vicia, in St. Louis

What He's Known For
Showcasing Midwestern produce with a minimalist, modern approach. Making clever use of every last vegetable scrap.

ILLUSTRATION BY JAMES GULLIVER HANCOCK; F. MARTIN RAMIN/THE WALL STREET JOURNAL (LEFT)

ILLUSTRATION BY MATTHEW COOK; JAMES RANSOM FOR THE WALL STREET JOURNAL, FOOD STYLING BY EUGENE JOHNSON, PROP STYLING BY SUZIE MYERS

GEAR & GADGETS

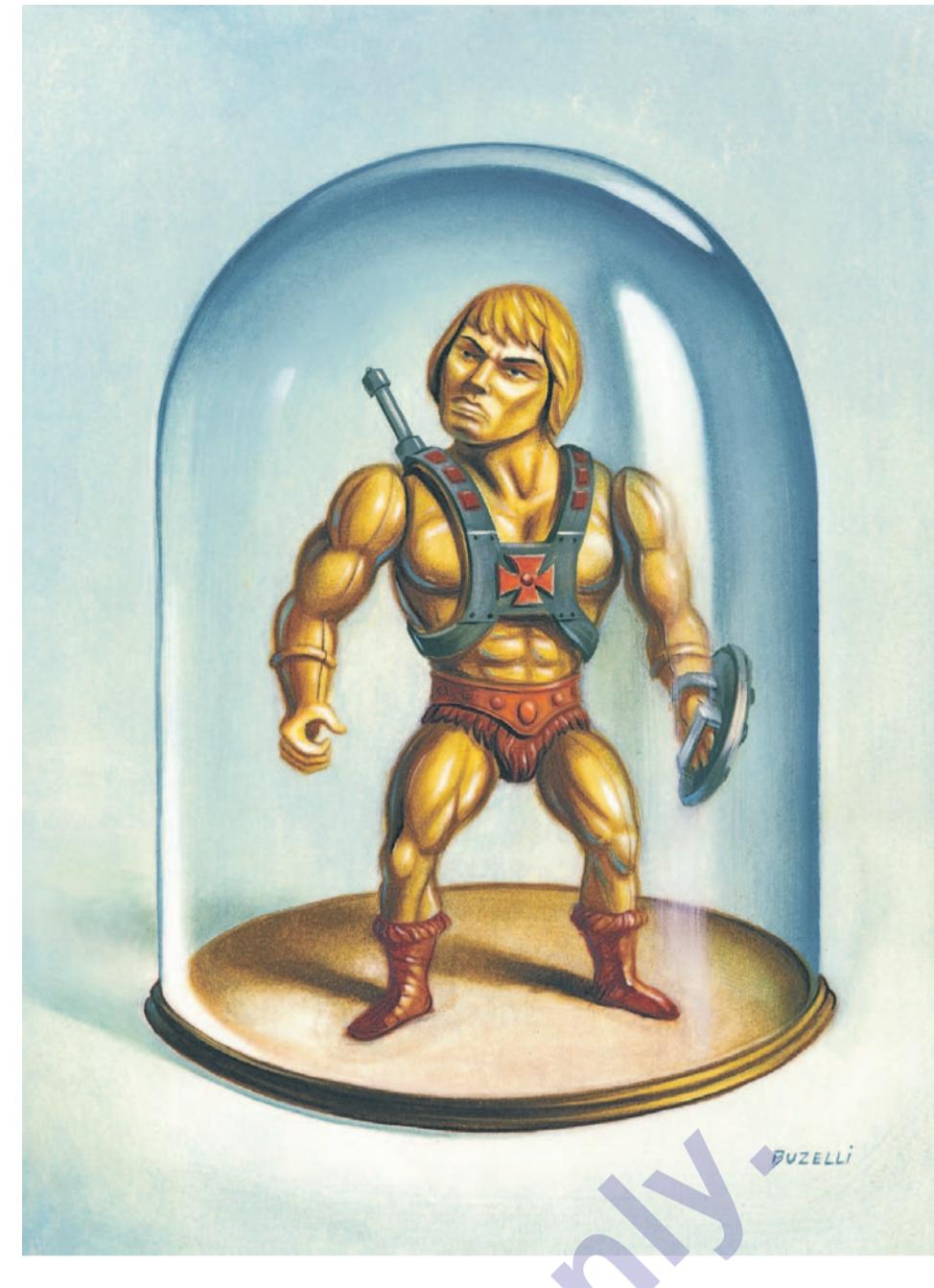
Be the Master Of Toy Universe

As a kid, you could never get your grubby hands on all those toys. But now as the He-Man (or Woman) of the house, you have the power. How to begin? Matthew Kitchen playfully answers 10 burning questions about collectible playthings

1 WHAT MAKES SOMETHING COLLECTIBLE?

Quite simply, when enough people are nostalgic toward a certain thing—and have money—it becomes valuable. Dealers call it the “20-year rule.” Typically, about two decades after a particular toy is popular, the kids who played with it have become adults with a yearning to recapture their youth. “They want their childhood back and one way to do that is to buy a piece of it,” said James Gallo, toy collector and owner of Toy & Comic Heaven, in Willow Grove, Penn. “You have some people looking to invest, you have end users who played with the games or toys as kids and you have dealers and collectors who might be thinking about that 20-year rule saying, ‘Hey, let’s get some of this stuff now.’ Rarely do all three combine, but when they do, you get a perfect storm. That’s when something can really blow up in value and create a big market.”

But owning just one rare thing does not make a collection, said Griffin Newman, an avid collector who happens to star as the superhero Arthur on the Amazon series, “The Tick.” “There’s a certain sense of—I don’t want to sound grandiose, but—accomplishment in being able to thoroughly collect something, to get all the pieces that you want especially when distribution is scattered.” Whether it’s a bin full of He-Man toys, every single RoboCop figure in existence or the complete 1984 set of “Dune” figures from the outlandish sci-fi epic, most collectors have their pet targets (a caveat: They *all* seem to collect “Star Wars” toys). And yes, you can make money dealing toys, but it’s tough. Instead, “Collect for the fun and enjoyment,” suggested Mr. Gallo. “If you enjoy it, it’s likely others do, too, and if you make money in the long run, then that’s even better. But it’s never my intent.”



BUZELLI

CHRIS BUZELLI

2 WHERE DO I START?

The dip-your-toe-in way to begin is by searching eBay or Etsy for your childhood favorites. Did you cling to your She-Ra? Did your Power Rangers (left) clash with your Teenage Mutant Ninja Turtles? Did you have a stash of Barney toys? But if you get the bug and become serious, sites like thetoystimeforgot.com and rogue-toys.com are better organized for calculating collectors.



3 DOES SCARCITY ALWAYS CREATE VALUE?

Depends. Rarity adds value but collectors quickly abandon impossible-to-find toys. The Star Trek 1701 collection—only 1,701 iterations of each figure were made—famously angered fans and “damaged the Star Trek line,” said Brian Volk-Weiss, creator of “The Toys That Made Us” on Netflix. “They tried to fix it, but it never recovered.”



4 WHY IS THE BOX SO DAMN IMPORTANT?

A box is more than a guarantee of a toy’s condition. “The cardboard [typically] got thrown away, so a boxed item is just harder to get,” said Mr. Gallo. It’s also about the nostalgia of spying that box for the first time. “I remember seeing a ‘Star Wars’ Snowspeeder in the store. I have no memory of the toy. I never had it,” he said. “But the memory of the box is burned into my brain.”



5 HOW DO YOU KILL A COLLECTIBLE TOY LINE?

Remember the last good G.I. Joe movie you saw? No? Collectability is fueled by pop culture. “Hasbro has pretty much given up on the G.I. Joe line,” said Mr. Gallo. “I don’t see a scenario where they can bring it back, certainly not in the same way, unless there’s a genius movie.” Meanwhile Power Rangers toys are skyrocketing due to 25 years of TV and films. Relevance matters.



6 WHY DON'T THE RULES APPLY TO 'STAR WARS' TOYS?

Kenner was ill-prepared for a “Star Wars” boom, only releasing its toy line a year after the film debuted in May, 1977 (kids received redeemable certificates for Christmas that year). But the film ignited the modern fervor around toys, and new movies keep resetting the 20-year clock (psst: “Episode I” came out in 1999).



8 IS THERE VALUE IN NEWER ‘PREMIUM’ TOY LINES? Some collectors weren’t content playing with figures that looked vaguely like on-screen Batmans and Captain Americas, so companies like Hot Toys, Sideshow Collectibles and Mondo have created lines of ultra-realistic 12- and 18-inch figures—statues essentially (left). “They’re marvels of engineering,” said Mr. Newman. “Some mathematical part of my brain likes looking at them to figure out how they were designed.” But inflated starting prices (around \$250), no real way to play with them and limited runs have kept values from mounting. Still, they are pretty.

7 WHICH CHILDHOOD TOYS ARE HEATING UP NOW?

- I. Vintage figures from the “Stars Wars: Droids” series
- II. Everything Power Rangers (it’s been about 25 years)
- III. Todd McFarlane’s Walking Dead action figures
- IV. My Little Pony (above)
- V. 1970s MEGO World’s Greatest Superheroes toys
- VI. All things Harry Potter
- VII. LJN’s 1984 “Dune” toy line

(a new film is set for 2019)

- VIII. Playmates’s original Teenage Mutant Ninja Turtles run
- IX. Literally any toy you got in a McDonald’s Happy Meal

Don’t Waste Closet Space

- I. Funko Pop! Vinyl figures (“They have no play value,” a key factor, said Mr. Gallo.)
- II. Vintage Tin Toys
- III. Beanie Babies (unless it’s a purple bear or blue elephant)

5

9 WHAT IS THE HOLY GRAIL OF COLLECTIBLE TOYS?

After it was deemed a choking hazard before its release, the 1979 Boba Fett figure with rocket-firing missile pack (right) never made it to stores. But a few of the prototypes still float around, including an unfinished blueish-grey one that was recently sold at auction for \$86,383 by Hake’s Americana & Collectibles. For comparison, the original 1959 Barbie doll now hovers around \$8,000.

What about something that costs less than a Porsche?

Years ago the Brazilian toy company Glasslite accidentally acquired unused molds for an obscure Star Wars character named Vlix from the 1985 “Droids” animated series that lasted only 13 episodes. It’s believed that about 2,000 Vlix figures were released in Brazil before Glasslite ceased production. “Only about 1,500 have been found and I would say less than 100 are still in their original packaging,” said Mr. Volk-Weiss. “It is absolutely my intention to have a Vlix in my collection before I die.” Vlix toys are rare but hold little nostalgic value because so few kids actually played with one. An unboxed Vlix is now available for about \$6,000 on eBay.



10 HOW ABOUT A TOY OF YOUR OWN?

Before playing Arthur on “The Tick,” Mr. Newman (right) was a mild-mannered teen who skimped on school lunches to buy toys. “There’s a totemic aspect to it in terms of surrounding myself with stuff I like,” he said. Now lined up in his dressing room is every toy of his character produced as a tie-in to previous Tick shows. “When I’m stressed out about making the show, it resets me in this bizarre way,” he said. His new goal? A toy in his own image. “I’m often texting Amazon executives to ask what’s going on with my toy, and they say ‘Please stop bothering me at home during dinner,’ he joked. He’s heard tell of a Funko Pop! version and has seen a realistic head sculpture for a possible toy. He’s hopeful that when season two premieres in 2019 he’ll be able to buy a totem of himself at the Manhattan comic shop where he once worked. “It would be so full circle on everything I ever aspired to in life.”



GEAR & GADGETS



CHARGING AHEAD
Dan Neil (not shown here) took the electric Model 3 Performance for its first test drive

The center tablet hosts the car's navigation, audio, connectivity and Autopilot avionics, including graphical readouts from complex sensor array. Autopilot functions like distance-keeping are accessed with the unmarked compass selectors in the steering wheel. But I am having way too much fun to use Autopilot.

Build quality: Beta-phase Model 3s had pretty awful panel-gap tolerances—even the show car at the 2017 Los Angeles Auto Show. Why? The stampings of the deep-draft aluminum body panels were "moving" after they were stamped, explained a production engineer.

It's magnificent, a spaceship, so obviously representative of the next step in the history of automobiles.

That's not unusual. Such tool-fettling occurs with almost any aluminum-paneled car project; the difference is, Tesla made all these adjustments under the blazing lights of investors and speculators.

But the cars I've driven are very straight, with uniform panel gaps. The wind noise around the windows that some early testers had noted was nowhere to be heard. Looks like the robots got the memo.

The Model 3 also debuts Tesla's more powerful battery packs, produced in its vast battery-making automaton outside of Reno, Nev., known as the Gigafactory. Inside these packs, the new 2170 cells are roughly 50% larger by volume than Tesla's earlier cells and more energy rich. Mr. Musk has called the new cell "the highest energy density cell in the world."

Tesla doesn't provide battery capacity figures but the Model 3 Performance pack is estimated to be worth about 75 kWh, good for an EPA-estimated 310 miles of range.

The battery pack sort of resembles a watch battery: wafer thin, with minimal intrusion into interior cabin space above. Lower floor, lower roof. The Model 3 also sports a minimal front overhang, low hood, cab-rearward proportions and a luxurious axle-to-dash ratio. Like the Model S, the Model 3 provides a trunk and a generous trunk.

Exit, stage right, still humming.

TESLA MOTORS (2)
RUMBLE SEAT / DAN NEIL



Tesla Model 3 Performance: Two Motors, Twice the Fun

ENTER, STAGE LEFT, humming: I have borrowed a new 2018 Tesla Model 3 Performance (\$78,000, as tested) from the factory in Fremont, Calif., and I'm now quietly tearing the hide off this switchback road in the grass-gold hills near Silicon Valley. This is the first test drive of the hotrod Tesla. In the Performance version, two motors north and south equal 335 kW (450 hp) and digitally mastered all-wheel drive, with corner-exiting acceleration that will leave average BMW M4s with a soft *auf Wiedersehen*.

And this is guilt-free hooning since I'll recover, going downhill, most energy expended going up. Give her the spurs, Moon Flower.

The Model 3's uncanny stability while cornering is mostly the product of its lithium-battery keel; but Tesla didn't skimp on the suspension bits: upper and lower A arms (aluminum and steel) with virtual steer axis geometry, twin-tube coilovers and anti-roll bar in front; in the rear, a multi-link geometry, also with twin-tube shocks and anti-roll bar. For now the hottest tires available are the Michelin Pilot Sport 4S, which are nice all-rounders but not very grippy. My message to the engineers: more tire.

I'm no financial analyst, but I do know cars. If you were hoping Tesla would fail on account of the Model

3 I've got bad news: This thing is magnificent, a little rainbow-farting space ship, so obviously representative of the next step in the history of autos. I know there are a lot of Tesla bears, haters and cynics out there. Tesla boss Elon Musk makes it easy. But in the spirit of charity I think we can all agree many brilliant people are putzes.

The Model 3 is more than futuristic. It's optimistic. This is what ordinary cars should be, which is to say, better than they are.

Sure, Tesla has issues. I say this as a veteran of many plant tours: The factory in Fremont is a dimly lit, vertically integrated madhouse. The place is the Kobe beef of lean production, with subassemblies and panels stacked to the rafters. About 30 percent of the Model 3's robotic assemblers are hanging from above, to increase what one engineer called "manufacturing density." Jeez. Keep your arms and legs inside the ride at all times.

But the car is a star. Doubters will have to bring it. Show me another car with an all-glass roof and five-star rollover crash rating. Point out another \$80,000 sedan that outclouds a Rolls-Royce, out-punches a Porsche Boxster and gets an electric equivalent of 116 mpg. You can't, unless you're building something in your garage we don't know about.

So now you are sitting in a tester with all the trimmings, including the ermine-white leather-like upholstery (\$1,500) that is apparently in limited supply. The Model 3's dash incorporates a blade-like vent across its width, sandwiched between layers of stitched upholstery and laminated wood. Occupants can move focused airflow up, down and around, using the graphical compass available on the 15-inch high-

resolution touch screen. When was the last time a car blew your mind with its climate vents?

Alas, the Model 3's minimalist interior is rudely interrupted by the aforementioned touch screen, a big tablet suspended on a pylon in the middle of the dash. This is the broken flower pot on Mona Lisa's head. Also, the Model 3's A pillars are too thick, blocking the very best views of my next overcooked hairpin.



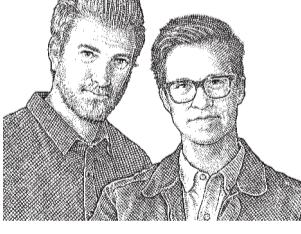
2018 MODEL 3 PERFORMANCE

Base Price \$64,000
Price, as Tested \$78,000
Powertrain: three-phase, four-pole induction motor (front), permanent magnet motor (rear) and all-wheel drive; drive inverter with regenerative braking; 75 kWh (est.) lithium battery and onboard charger.
EPA Range 310 miles
Recharge Time 170 miles of range per 30 minutes (supercharger)
0-60 mph 3.5 seconds
Top Speed 155 mph
Curb Weight 4,072 pounds
EPA Fuel Economy 116 MPG-e
Cargo Capacity 15 cubic feet

MY TECH ESSENTIALS

Rhett McLaughlin and Link Neal

The hosts of YouTube's comic variety show 'Good Mythical Morning' talk gadgets for better sleep, fresher wine and sonically superior Merle Haggard



Mr. Neal My favorite podcast right now is 'Cocaine & Rhinestones,' hosted by David Allan Coe's son, Tyler Mahan Coe. It's a very thorough history of not only country music but a lot of things surrounding it that I'm super into. The Merle Haggard episode is what got me hooked, but I devoured all of it. I love it.



Mr. McLaughlin I'm a super-light sleeper. I tried earplugs, then I upgraded to white-noise apps on my phone, but I still thought I could take this obsession even further. The octagonal **LectroFan Fan Sound and White Noise Machine** replicates 16 different fan sounds and white-noise frequencies and projects the sound directly up so it reverberates around the room. I never anticipated its being such an important part of a good night's sleep.

Mr. Neal A whole wall of our office is covered in Merle Haggard album covers, because he's our musical hero. That's my big collection—Merle Haggard albums. But the records themselves are at my house, where I listen to them on my new record player, an **Audio-Technica AT-LP120-USB turntable** that my wife gave me.

Mr. Neal I carry a 40-ounce **Hydro Flask** water bottle everywhere I go. It's like my lap dog. Of course, I've also got a lap dog. I put labels that say "Link" on every side so no matter your vantage point, you can see it's mine. My urine is clearer than a mountain stream.



Mr. McLaughlin I enjoy a glass of wine with dinner. My wife typically doesn't, and I don't want to be wasteful. The **Coravin Wine Preservation System** is a genius invention that pierces the cork so you can pour a glass, and then fills the empty space with argon gas so the wine stays completely fresh. —Edited from an interview by Chris Kornelis